# ACTION SUMMARY

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| Date: | August 13, 2024 |
| Time: | 2:00 p.m. Commissioner Jim Welsh |
| Place: | 441 Hwy 101 N., Civic Meeting Room 1 |
| Attending: | Chair Linn West, Co-Chair Don Groth, Commissioner Jim Welsh, Commissioner Bob Bennett, Commissioner Jim Welsh, Commissioner Kevin Erdahl and Commissioner Don Phipps; Staff: Dave Buckwald, Wastewater Lead, Rick McClung, Water Lead, and Kimmie Jackson, Recorder |
| Absent | |

CALL MEETING TO ORDER:

| **1. Agenda Item - Announcements or Correspondence** | |
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| Topic | Discussion |
| | None |
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| **2. Agenda Item Citizens Concerns** | |
| | None |
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| **3. Agenda Summary** | |

**Quick recap**
Discussions on various projects and tasks, including updates on the Public Works team's activities, the completion of grant applications, and the review of year-end financial statements. Also announced personnel changes, upcoming events, and proposed changes to the budget and utility rates. Lastly, presented was a report outlining future projects and emphasized the need for substantial financial investment and improved coordination with the planning commission.

**Next steps**
Here are the key action items from the meeting:
Rick McClung, City Manager, Tom Lauritzen and Julie Ekdom to present the utility rate study proposal to City Council on August 21st.

Julie Ekdom to provide a spreadsheet. It was showing updated water usage percentages for commercial users.
Utility billing Clerk to work with Springbrook to implement necessary system changes for new utility rates.
Buckwald to post his wastewater project updates to the city website.
McClung to continue working on the 5-year capital improvement plan.
Member Phips to prepare a report on photo radar for speeding enforcement on Highway 101.
Draft a response letter to Duke Tracy regarding utility rate comments.
Finance Committee to explore creative funding options for capital improvement projects.
Buckwald to proceed with getting bids for street paving projects, prioritizing safety issues.
Emergency Preparedness Committee to continue planning for the September 14th fair.
Commission members to review public works standards packet from Bob Bennett and provide input.

**Summary**
Public Works & Streets Commission Update the Public Works and Streets Commission meeting, providing updates on various projects and tasks. The Public Works team has been fully staffed and has been actively engaged in various activities, including street cleaning, mowing, and repairing hazards. They also reported the installation of an emergency bypass connection for the wastewater plant and the completion of the Reedy Creek Headworks project. It was also mentioned the approval of a permit for delineators and the submission of a grant application for the East Second Street project. The conversation ended with expressing concern about the potential impact on the project's quality if the grant is not received. The Grant Application, Water Report, and Engineer Update It was discussed the successful completion of a grant application process, which required council minutes and signatures from various parties.

Also addressed issues with the water report, attributing the inaccuracies to problems with the Zener meters. It was mentioned that they were in the process of obtaining a full report from Springbrook to rectify the situation. It was also shared plans to recruit a new engineer of record for the water department due to the upcoming retirement of the current one. Lastly, it was provided updates on the Southwest Lincoln agreement and the water shortage regulation document, both of which were nearing completion.

Year-End Financial Statements Reviewed the year-end financial statements, noting some changes in the numbers, particularly in the 'streets' section. They discussed the need for a more efficient navigation system to access the end of the list of reports and a recent plumbing issue.

Also touched on a profile change in the new platform, regarding the ongoing audit, it was confirmed that it had been performed but was still pending final report. The hope is that the numbers won’t change and that they will start the next fiscal year with the audited balances. The discussion also touched on a $67,000 carry forward and the anticipation of the audit's impact on the numbers. Capital Outlay Changes and Budget Discrepancies It was, and it discussed changes in the capital outlay, specifically regarding street and storm drain projects, and the budget for water. It was noted that the budget for water was hit, but total revenue was slightly short due to differences in the beginning balance and actual figures. A raised a question about the discrepancy in the budget for sewers, suggesting that it might be due to leakage and relief given for water not going down the sewer.

It was agreed to look into the changes in the capital outlay for both water and wastewater. They also discussed the Horizon Hill project, which was nearing completion, and the budget for the next school year, with It was agreeing to provide a report showing how much above budget they had been. It was suggested that unspent project funds from the previous year should be budgeted in the new year, which It was agreed was the standard procedure for setting up the new budget.

Emergency Preparedness Committee announced the addition of Steve and Susan Oppenheimer to the Emergency Preparedness Committee and urged the committee to seek further educational opportunities; informed about an upcoming Emergency Preparedness Fair and potential expansion of Conex's in the South Tank area. The commissioners discussed the need to improve the north end of the area and the representation and interaction with the fire department. Lastly, they deliberated on the utility rate study, with plans to implement measures to increase revenue from water and wastewater, and proposed changes to the vacation rental and water access rates.

Budget Forecast and System Changes was discussed around the upcoming budget forecast, proposing a 5% discount on revenue in exchange for advance payment and a new system for handling fees. Also addressed concerns about water inclusion for several types of accounts, the rollout plan for the new system, and the fairness of the current prepayment system. Additionally, it was clarified the management of inactive utility lots and the complexities of adding new tables in the Springbrook system. Lastly, it was announced that Tom Lauritzen and Rick McClung would be presenting to the City Council on August 21st, and anticipated significant public input, particularly regarding commercial aspects; it was discussed the impact of a significant deal on their organization.

Concerns were expressed that while the deal would increase revenue, it would also lead to increased wastewater, impacting commercial operations. It was clarified that the funds would go towards paying off infrastructure debts. It was noted that large commercial users, accounting for 28% of revenue, consume around 45% of water, though hotels have reduced usage by 40%. It mentioned the potential for hotels to increase rates for water and energy conservation, which customers may accept given the economic climate. Also discussed the unique food and beverage tax in their area and the need to maintain tourism despite decreasing transient lodging tax revenue.

Project updates and requests addressed several ongoing issues and projects; discussed a wastewater issue, a pending financial matter, and a missing door from a roll of doors. It also provided updates on various projects including the east coast project, the submersible pump project, the storm drain project, and the installation of variable frequency drives. It was requested that all this information be posted on the website within the next few days.

The flexible Five-Year Projects Report: presented was a report outlining the next five years' worth of projects, emphasizing that this was not a definitive five-year plan, but more of a flexible guide; highlighted the need for creative financing, including grants and water rate increases, and the importance of prioritizing projects. It was asked about the potential costs of the South Lincoln Agreement, to which It was responded that they were still unknown and would be additional to the $6 million already allocated.

Discussed several ongoing projects, including the permit application for Salmon Creek, the raw waters project for South Lincoln, and the water standards finishing up the second street waterline to Clarifier. It was plans and priorities outlined the company's plans and the need for substantial financial investment in upcoming projects.

Emphasized the importance of adhering to public work standards and improving coordination with the planning commission; discussed the prioritization of public work and safety-focused paving projects, deferring the 9th Street project to the next year, and the initiation of a new fire hydrant project. Member Phipps expressed his intention to create a report on photo radar for speeding, arguing its necessity for public safety. Lastly, it was shared news about rare bird sightings at the Wetlands.

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| Adjournment: | 4:15 p.m. |
| Prepared By: | Kimmie Jackson, Recorder |