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City Council Work Session
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CITY COUNCIL & WASCO COUNTY BOARD OF COMMISSIONERS
JOINT WORK SESSION

WASCO COUNTY BUILDING, 401 EAST 3RD STREET

JULY 23, 2024
5:30 p.m.
VIA ZOOM/ IN PERSON

PRESIDING: Mayor Richard Mays

COUNTY COMMISSIONERS: Scott Hege, Steve Kramer, Phil Brady

CITY COUNCIL: Darcy Long, Tim McGlothlin, Rod Runyon, Scott Randall, Dan Richardson

STAFF PRESENT: County Administrative Officer Tyler Stone, County Assessor Jill Amery, City Manager Matthew Klebes, City Attorney Jonathan Kara, City Clerk Amie Ell, Public Works Director Dave Anderson, Finance Director Angie Wilson, Community Development Economic Development Officer Dan Spatz

CALL TO ORDER

The meeting was called to order by Mayor Mays at 5:30 p.m.

DISCUSSION ITEMS

Mayor Mays stated the purpose of the joint work session was to have a Strategic Investment Program (SIP) funds policy discussion.

Mayor Mays invited City Manager Matthew Klebes to review the results of the community SIP survey. He said the survey had been advertised on both City & County websites, Facebook pages, and other social media platforms as well in an article in CCC News. There were 345 responses. Staff had compiled themes that emerged from the results.

City Manager Matthew Klebes referred Council and Commissioners to the staff report for descriptions of seven key themes that had emerged; schools, tax relief, infrastructure, public safety, economic development, housing, and homelessness. Additional themes included youth programs, supporting fire & EMS services, and establishing an endowment fund for the school

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district. Responses revealed a desire for transparency and community involvement in the decision-making process regarding funding allocation.

Mayor Mays asked if there was any idea of how many people brought up each of different themes.

Klebes said he did not have that level of information but it could be compiled if the City Council and County Commissioners would like to see the weight of each of the themes.

Councilor Richardson requested more information to show numbers or percentages.

County Assessor Jill Amery said many of the individual responses had several items. They would do their best to count and bring back the information.

Klebes said there had been discussion of creating a survey with radial radio dial buttons attached to very defined answers, which would have provided that kind of specific data. The choice had been made to have open ended questions to garner more direct feedback.

Commissioner Hege reviewed the questions from the survey;

- What do you see as the biggest opportunity or challenge that should be addressed in our community?
- How do you believe the upcoming fund should be allocated?
- If you would like to stay in touch, leave your email address below.

Klebes said the raw data had not been shared in the public agenda packet because it contained people's contact information.

Commissioner Brady said he recognized two categories. One was topics with Broad Community Benefit. He put schools, infrastructure, economic development and housing, into that category. He said housing would lead to more employers and benefits. Schools would attract new businesses. The other category was Responses to Needs, and included tax relief, public safety, infrastructure and houselessness. Broad Community Benefits items were forward looking while those in the Responses to Needs category looked at the past.

Mayor Mays said the City had important and serious infrastructure needs, especially in the water system.

Amery said more information in the agenda packet included answers to questions from the last

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work session. It included answers to questions about the split tax code, where taxes would go, and where community service fees would go. She clarified the split tax code was from when there were two separate school districts. Districts 12 and 9 had merged to become District 21, but the tax codes had not changed.

Mayor Mays asked if anyone in the audience wanted to address the County Commission and City Council regarding the subject.

Corliss Marsh, resident of The Dalles said she was speaking as a representative from the library board which governs the library service district of Wasco County. As one of the taxing districts, the board liked the idea of saving for a common community good to benefit everyone. She wanted to see the library considered for help with expanding the library facilities. She asked Council and Commissioners to think about possible matching funds for a capital campaign to expand the library. She said the library was a city building that served the whole county and asked the Council and Commissioners to think of the library in the future.

Mayor Mays asked if the library board had thought about the additional tax revenue they were currently receiving and utilizing that in any way for that particular goal.

Marsh said they had not discussed that.

Walter Denstedt, resident of The Dalles said there were drinking water issues in some rural towns and that ensuring decent water in homes was a priority. In The Dalles area, there were two major needs: the lack of water rescue services and inadequate training and equipment for hazardous materials response. He highlighted the necessity for public safety enhancements due to the proximity to the Columbia River and major transportation corridors. He said many EMTs in the southern part of the County are senior citizens, stepping up due to the lack of younger responders. In Maupin, Dufur, and Pine Hollow had increased call volumes, but local EMS services were struggling with insufficient personnel and resources, risking their ability to continue providing services.

Commissioner Hege said he appreciated the comments and clarified that in the past Wasco County had participated in the Oregon State Marine Board program, which had provided marine services. They had since broken away from that program and started their own water safety program. They purchased a boat and conducted their own training. Although they were still involved in water safety, they no longer were a part of the Marine Board. For details on why they now took this approach to water safety, Sheriff McGill was suggested as a contact. The need for such services was acknowledged, given the presence of significant bodies of water nearby.

Rodger Nichols resident of The Dalles said he was 75 years old and the school kids were going to

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was just 9 years older. He says it was considered an antique and he felt the high school should be a high priority.

Mayor Mays noted the age of the Wick's water treatment plant also matched that.

Carolyn Bernal, superintendent of North Wasco County School District, stated that all schools, except the middle school, were past their shelf life. Colonel Wright School turned 100 this year. She urged consideration for the future of the schools and said they should be the center of the community. She hoped that for the next bond run, anticipated in November 2025, the County, City, and School District would work together. They were completing facility assessments, expected to be finished by August or September, followed by community forums. She acknowledged the community's sensitivity to taxation and emphasized the importance of collaboration for the upcoming bond election.

Commissioner Hege asked Bernal if her board had discussed how the City and County might be involved.

Bernal said they had not yet had those discussions. They first needed to complete the facilities assessment conditions again because those had expired. They would not be able to apply for the Awesome Grant matching funds without it. They would be having the conversations and would be happy to invite City and County to those.

Mayor Mays confirmed this was a grant for a \$6 million matching fund.

Commissioner Kramer asked if the school district had talked with the Governor as education was one of her top three priorities.

Bernal said superintendent groups across the state were working on funding advocacy and student supports advocacy. She was a part of the student support advocacy group and had met with the Governor last month. She said the Governor recognized the issues of school funding and aging facilities across Oregon were a top priority for her as well.

Councilor Long noted there was significant community interest and support regarding the use of funds. She said tax dollars for the School District had to be returned to the state and reallocated. For that reason, they had directed some of the money toward community service fees, which the school district would receive directly. She inquired if the group had thought about allocating some of the community service fee funds to facilities, given that it was a one-time allocation and could not be used for staff.

Bernal said they had an interim CFO assisting for this year and those things raised by Councilor Long would be a part of their discussions. She said the current dollars from the first round of the

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Google tax dollars went straight into upkeep of buildings and had already been designated for the next round for upkeep of buildings. She said they could only continue to put so many band aids on the buildings. An example was that to replace a roof on one school the cost could be anywhere from \$600,000 to \$1 million.

Councilor Long said she understood and hoped the school district would go through a similar process as to what the County and City were doing for the future funding.

Mayor Mays clarified the school district was currently receiving over \$200,000 and asked Bernal to introduce the other members of her team present.

Bernal introduced the School Board chair Dave Jones and director from the migrant school Dana Wynn-Elledge.

Councilor Richardson thanked Superintendent Bernal and the directors for attending. He agreed that schools are fundamental to the community and welcomed and encouraged discussions between the City, County, and schools for the next bond round. He advised bringing specific requests when ready, noting that the Google money was a steady stream of funding, not an overwhelming amount, and that there were many needs to address. He encouraged the Council and Commissioners to think about the Community Outreach Team that would soon be going to Washington DC to consider focusing on cultivating stronger relationships with state representatives. He said the feds would not be giving money to schools but the state might.

Sue Davis, from Columbia Gorge Community College (CGCC), expressed appreciation for past support, particularly for the skills center program, which had significant positive feedback and graduates entering family-wage jobs. She said the college would be seeking a bond renewal on the November ballot, maintaining the rate of 27 cents per \$1,000 of assessed property value for campus maintenance and development in The Dalles and Hood River. Davis highlighted the college's continued investment in programs responsive to the local economy and suggested that Google funds could be beneficial in supporting these efforts. She said an economic impact study had shown graduates with an associate's degree from CGCC receive an average annual pay bump of \$7,000 and the college contributes approximately \$645,000 to the local community through job creation and spending.

Commissioner Hege noted 345 survey responses had been received that he had read the actual responses. He encouraged the Commissioners and Councilors to review the detailed responses, as they were more elaborate than the summaries and provided valuable insights. He said the summarized data was useful but suggested reading all responses for a better understanding. He then discussed the community service fee, noting that the library district, as part of this tax code area, received about 3.9% of the fee. He estimated that this could bring the library district about

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\$60,000 annually once implemented. He emphasized while the numbers should be taken with caution, understanding the financial impact was important, particularly for the school district. He pointed out that the first project involving Google had already led to significant increases for all taxing districts and the community service fee would also have a notable impact in the near future. He also mentioned that the County Assessor would likely provide a more conservative perspective and emphasized the importance of being aware of these potential benefits.

Commissioner Hege also addressed Mr. Denstedt saying the Sheriff had messaged him and confirmed the marine program was up and running on weekends, with more trained marine deputies than ever before. He encouraged Denstedt to discuss the program further with the Sheriff, who could provide detailed reasons for the changes and their benefits to the county. He acknowledged the validity of the concerns, emphasizing that changes often occur without full understanding. He stressed the responsibility to ensure effective search and rescue operations on the river and other bodies of water, and highlighted the need for coordination with the fire district to achieve success.

Commissioner Brady said tax relief was always a difficult subject. He emphasized that, regardless of political stance, the expectation was to reduce taxes. He outlined three problems with using property taxes for relief:

- Inequity: If a simple means household received \$100 in relief, a luxury house would get much more, leading to an inequitable distribution of property values.
- Revenue Reduction: Reducing property taxes would also decrease revenue from large industrial sources, impacting the funds available.
- Renters: With 35% of households in Wasco County being renters, they would not benefit from property tax reductions as it was unlikely they would see the return from landlords.

He said fine-tuning an income tax could be a better solution and cited Alaska's oil revenue distribution as a different system that could be considered.

Councilor Long addressed the idea of reducing property taxes by investing in projects that could increase property values, which would help counterbalance the tax reductions. She noted the City was considering this approach with their water master plan, assessing the costs and impact on property taxes.

Mayor Mays shared that, in his early days as Mayor, he had focused on lowering taxes. As he gained more experience, he recognized the City's significant infrastructure needs. He suggested that, instead of lowering taxes, it might be more effective to use additional revenue to prevent tax increases. He proposed a similar approach for water rates, using revenues to keep rates manageable and avoid significant hikes.

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Mayor Mays reminded of the idea of an endowment and invited comments on it. He said another idea was using revenues for a bond, with debt service over a 15-year period, applying the proceeds to one or more capital projects and paying it off over time. He said there was also a pay-as-you-go format, where money is spent as it comes in, or a hybrid of all three approaches.

Commissioner Kramer said he was hoping to hear more from the community first to add to the 345 responses received from the survey. He said it appeared the City Council had not seen the survey. He suggested City-County staff redact any personal information and distribute the survey to ensure everyone had the same information. He emphasized there was time to review the data, as the money would not be available immediately. He proposed that colleagues review the information, reach out with specific questions, and then move forward to provide a comprehensive report to the community, ensuring everyone was on the same page.

Councilor Long said that, as she discussed at the last meeting, money was emotional, and she knew the survey results were important because they reflected the perspective of the people who answered. She emphasized that understanding the specific data and wording of the survey responses was crucial to grasp the emotions behind them. However, she noted that their job was to bring in the data and information that the public might not know, such as the costs of the water treatment plant and how it might affect taxes. She had expected the meeting to focus more on City and County priorities and how these align with public feedback. She expressed a need for more information from both City and County leadership to effectively decide how to spend the money and whether to allocate it now or in the future.

Mayor Mays said the City's major infrastructure needs over the next generation was the water system.

Klebes said a work session for the City's water master plan was scheduled for August 19th. The focus would be on the financials for the water master plan projects over the next 20 years. He said this would be followed next year by the wastewater treatment plant master plan.

Councilor Long said there had been discussions about how to support the school district with its need for a new high school and the difficulties it faced in passing a bond. She noted that while the public wanted to see support from the City and County, there was a lack of clarity on what was needed from them. She suggested even a modest financial contribution could show commitment and potentially drive economic development, attracting businesses and improving local services like schools and hospitals. She expressed frustration that the positive efforts in The Dalles were not being recognized and emphasized the need to better communicate these efforts to the community. She believed investing in visible projects, like the school and water system, would have a significant impact both physically and emotionally for the town.

Mayor Mays said he did not disagree with investing in those projects but it was difficult to

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commit money without knowing the cost of the school or the water system. He said the process was going to be very important.

Commissioner Brady said part of the difficulty in the conversation was that the idea of an endowment was of a whole different nature and quite intangible. He explained an endowment could foster collaboration between County and City and this would add another layer of complexity. While immediate needs were obvious and shouting at them, the advantage of an endowment was less clear. He noted counties in other parts of Oregon were facing desperate situations and lacked agility, flexibility, and reserves to make opportunities happen. He said the State encouraged voters to pass measures by offering an extra match, and this approach could be applied locally. He likened the intangible benefit of an endowment to doing yoga: it would make them more flexible and feel better in the long term, but it would not address immediate needs like cleaning the house. He acknowledged the challenge of weighing immediate needs against the future benefits of an endowment, noting that immediate issues are always more psychologically impactful.

Councilor Long said that while an endowment was a great idea, it was intangible compared to the immediate issue of increasing water rates due to expenditures. She said there were future opportunities for an endowment but emphasized with the current funds, they must prioritize and address immediate needs. She noted leadership often involves making difficult decisions and balancing immediate concerns with future possibilities.

Councilor Runyon said there were two main points discussed: first, the school district had not communicated how tax money was being utilized. The school district mentioned current funds from the enterprise zone were used for building maintenance. He expressed the need to gather similar information from all taxing districts regarding their current use of funds and future plans. He suggested sending a direct letter to these districts to obtain this information and proposed including it in the survey.

Klebes said there had been three enterprise zone agreements: one with Design LLC and two with Google. The first agreement had expired, and the associated project was generating tax revenue for various districts. The remaining two agreements involved fixed annual payments, making it easier to predict their impact on the SIP dollars, which were based on the value of developments and various formulas. The majority of funds from these two remaining agreements went to the City and County, with a \$240,000 carve-out for District 21 from the second agreement. Other taxing districts did not receive ongoing payments from these agreements. Previous funding decisions had supported various projects, including fire and rescue, the skill center, and shovel-ready projects, but often involved debt repayment or one-time funding. Only District 21 had a specific ongoing allocation of \$240,000 every year.

Councilor Runyon said that he always based his questions not on what had been discussed in

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meetings, but on what he anticipated the public would ask if they were present. He still thought it was a good idea to send information to the leaders of all taxing districts and have them submit ideas directly from their boards, not just the few boards that had been heard from that night. He said the topics summarized in the report received were all excellent and had merit. He was not entirely convinced about the idea of an endowment at that point, mainly because the County's needs were not fully known yet. He anticipated the upcoming water master report would be significant and bring more clarity. Runyon said while an endowment might seem promising, it might be a smaller amount than previously discussed, and its management and distribution were still unclear. He emphasized the need for more information before moving forward. Additionally, he highlighted the pressing needs of the city, such as water and street repairs, as well as concerns for other communities in Wasco County. He expressed a desire to hear more from the City Council and the County on these matters.

Amery said it was important to remember that during the community service fee negotiations, there was an attempt by the fire district to exclude the school district from receiving the community service fee. She noted both the City and County fought hard and publicly to ensure the school district and the college continued to receive their share of the community service fee. She said the school district would receive 30.1% of the community service fee, which is a direct allocation and not a tax. Amery said the City and County had demonstrated strong support for the School District despite the potential for more money to be redistributed to the city and county.

Klebes emphasized there were two data centers, each with its own community service fee, taxable component, and guaranteed annual payment. He noted this distinction had been confused in conversations with other individuals, although not by the current body. He stressed the importance of recognizing there were two separate community service fee events. Councilor Richardson asked for an approximate number for the community service fee.

Klebes said the community service fee was 25% of their tax savings capped at 2.5 million in a given year. He said each community service fees would occur at different times and likely fluctuate over the project's lifespan. He emphasized the need for caution in setting expectations too high due to the uncertainty of the numbers.

Amery said when attempting to model the situation without knowing the valuation factor, it was important to be conservative and assume that the amount would not max out every year.

Hege said that, at the high end, the school district could receive a little over \$750,000 per data center, totaling almost \$1.5 million per year if the maximum of \$2.5 million is reached. He believed this maximum was achievable, though he noted Amery advised caution against such assumptions.

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Pat Sublette expressed her gratitude for the opportunity to speak after the public comment period. She introduced herself as the recently retired superintendent from Columbia Gorge ESD and noted that Dana Peterson was also present. Sublette highlighted the ESD's mission to support school districts and mentioned their advocacy efforts for funding school building repairs. She said a project involving the renovation of Chenoweth Middle School into an early learning center, aimed to provide early learning services for 200 children aged zero through eight. The project would assist parents by offering childcare and enabling them to work, and had been in development for several years. Sublette requested consideration of the needs of young children on the west side of The Dalles.

Councilor McGlothlin expressed interest in reviewing the survey data he was previously unaware of. He found the endowment concept intriguing but stated he needed more information before proceeding. He emphasized the importance of spending money strategically to ensure a return on investment and to channel funds wisely to improve the community.

Councilor Randall said seeing the survey results was essential. He noted that he also was wanted to know the taxing districts' and County's desires.

Councilor McGlothlin remarked on the positive aspect of being in a position where they needed to consider ways to spend money, as opposed to the opposite situation. He said that finding a parking spot had been difficult, which he saw as a sign of positive improvement in the community. He highlighted traffic congestion as another sign of progress, emphasizing they should focus on these positive changes.

Mayor Mays said he had attended the Oregon Mayor's Association conference the previous week and affirmed much of what Mr. Brady had heard was accurate. He said they had a lot to be thankful for.

Commissioner Hege stated he wanted to clarify his previous points and emphasize the importance of seeing all the survey data, as it could provide new perspectives. Staff had summarized the data well but he believed viewing the raw data might prompt different thoughts. He noted an endowment involved setting aside money for 15 years, with the interest earned being spent while preserving the capital. He acknowledged the endowment's conservative approach and the challenge of its long-term nature, which contrasted with a society that typically sought immediate results. He also suggested exploring collective decision-making between the City and County regarding the funds, rather than each handling their portion separately. He saw potential benefits in collaborative discussions despite the inherent challenges. He expressed concern about the high school project, suggesting the community needed to address it decisively. He proposed potentially providing financial support as a challenge to the School District to advance a bond or project, aiming to resolve this issue so the focus could shift to other community needs.

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Commissioner Brady expressed his desire for a new high school had not diminished, even after he had left his position at the high school. He said while teachers had been adept at making do with substandard facilities, this approach remained inadequate. He thanked Councilor Randall for highlighting the needs of South County, noting similar issues in Maupin and Dufur, where new sewer and water systems had been crucial for expansion. Brady said he had observed many South County communities actively seeking bonds and grants for projects, often combining multiple funding sources. He cited Pine Grove as an example, which had successfully secured grants from Business Oregon and USDA for a new water system and had managed a loan to be repaid through increased water rates. Brady proposed one way to support these efforts could have been by providing seed money for grants and suggested that pre-development funding could assist the School District in preparing their project plans before seeking bond approval.

Mayor Mays said he also had a personal belief in the importance of working together. He reminded of past successful projects, such as the CGCC skill center and housing complex, which had benefited from joint efforts between the City and County. He saw potential for further collaboration on future projects, such as squares, water systems, and athletic complexes. He said there was a need to make assumptions about revenue projections, particularly regarding gap payments and the remaining Taylor Lake funds. While there were uncertainties, effective planning would require a level of assumption about future revenue streams.

Councilor Richardson spoke about the importance of collaboration on major projects, emphasizing his strong interest in such initiatives. He noted the significant impact supporting a high school project could have, both for the community and the education system, and noted the need for more specific details. He said the scale of water and infrastructure needs would be significant and generational. Richardson asked what percentage of the GAP and community service funds (CSF) the City might allocate to a common fund. He asked what percentage of funds the County might contribute to a common fund and whether the distribution should be equal between the City and the County. He noted the infrastructure needs of each were likely uneven and suggested this would require further discussion as a group. He doubted the original proposed 50/50 split between infrastructure and common projects would be feasible, anticipating a greater emphasis on addressing large infrastructure needs. He acknowledged that this was still an ongoing conversation.

Commissioner Kramer said that, while he appreciated the conversation, there was a need for a formal procedure and everyone needed to review and question the survey data. He said a team had been working on this for the past two and a half years and they required input to develop a report and establish procedures for addressing the projects. Kramer mentioned many projects had not been discussed, and stressed the importance of considering input from the entire community, not just informal conversations. He noted 345 people had taken the time to provide feedback and

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expressed a desire for action-oriented steps to follow.

Mayor Mays said moving forward the first step would be to have staff distribute the complete survey results to all Councilors and Commissioners. He said the next step should involve holding a public meeting to release the survey data and discuss various alternatives for using the funds. He proposed that the City Council use the data provided by the staff to prioritize specific projects. Mays recommended reconvening after the Water Master Plan meeting on August. He recommended the County align with the City's approach or develop its own.

Councilor Runyon said he had not seen the survey and hoped it addressed current issues with the ambulance service, which he believed might require community support. He expressed a desire for increased public participation, suggesting efforts should be made to boost survey responses from 345 to at least 1,000. Runyon recommended enhanced publicity, such as including surveys in water bills—a practice used effectively in Maupin—as well as increased outreach through local radio and other channels. He also suggested leveraging the library to assist those who may need help with accessing the survey.

Councilor Randall suggested including the results from the Vision Action Plan community survey completed two years ago rather than reopening the most recent survey.

Commissioner Hege said there was a lot of information in the survey results to process and noted that if they had received 1,000 responses, it could be overwhelming, as 345 responses were already quite substantial. He said the responses included long paragraphs, which could be daunting. He said he was impressed by the number of responses, as he had expected a much lower turnout. He also noted disappointment at the low number of people who attended the meeting in person, suggesting people today were more inclined to provide feedback through written responses rather than attending meetings. He found the feedback valuable and believed receiving an even larger number of responses might not be necessary.

Councilor Richardson acknowledged the need for continued and energetic outreach to gather more views and ideas from residents. He said they already had a substantial amount of feedback and understood their needs. He concurred with Commissioner Kramer that it was time to begin working through the process and concepts based on the current information. He said a significant portion of the funds would likely be allocated to major infrastructure needs, while a smaller portion might go into a common projects fund. He noted that the exact timing of expenditures, whether immediate or in the future, remained to be determined. He suggested the main focus should be on determining the percentages of allocation and developing a procedure for managing a common fund.

Klebes stated staff could work with the team to reopen the survey to collect more responses, if

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the City Council and County Commission wanted that. He noted that including the survey in the paper water bill would not reach about 70% of customers who were on electronic auto pay. He clarified he was not dismissing the idea, just raising awareness. He said the Vision Action Plan, which involved consultants had resulted in 138 in person attendees at a town hall and 601 survey responses. Compared to this, 345 responses without a consultant was quite good, though more could be done.

Commissioner Hege asked about scheduling the next meeting. He inquired about the best day for a follow-up discussion to ensure they had the most accurate information. He noted another meeting City Council had scheduled in September that might provide additional information. Klebes said the City Council had met last November and developed a work plan for the year, including various priorities and initiatives. They had been holding monthly work sessions in addition to regular council meetings. Originally, they had tentatively scheduled another SIP work session for September 16th. City Council did not meet in August but had a water master plan work session on August 19th. They had managed this work plan considering the housing production strategy, water master plan, and SIP work sessions.

Mayor Mays asked what the discussion would be at the next SIP work session.

Klebes said it would be based on the output and direction given from Council and Commissioners at this meeting.

Councilor Long said she had just received a text asking for the community survey to be re-opened.

Councilor Richardson said he felt there was enough survey information and they should begin work to formulate a concept and plan the people could engage with them on.

Commissioner Kramer said the public should email their Councilors and Commissioners with additional comments on the subject. He would share any comments he received.

Mayor Mays asked Klebes if there would be value in combining the results of the SIP funds survey with the past Vision Action Plan survey.

Klebes said the Vision Action Plan document could be shared. He said it highlighted the two watershed themes of schools and housing plus five other sub areas.

Councilor McGlothlin said there had been frequent mention of "working together" and provided an example of the County and City collaborating through public works, where road crews shared equipment and personnel to maximize road coverage. He said we stand to make the greater

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positive difference when we all work together. He expressed his preference for having a list of recommendations from staff, as seen at City Council meetings, to start with, debate, and prioritize. He recommended a list be provided at the next meeting.

Councilor Richardson agreed he would like staff recommendations. He said recommendations at the water master plan meeting would also be helpful.

Mayor Mays suggested the following steps: First, submit the survey results to the elected officials with the numbers. If staff believed the results from the Vision Action Plan would be valuable to the city council or the commission, they should have been included with the survey results. If not, they should have been excluded. He proposed holding off on further discussions until the City Council and Commission met, mentioning a special meeting in August and asking if they met or took vacation in August. The goal was to absorb the survey data and have a discussion.

Klebes asked if the survey would be reopened.

Mayor Mays said he did not hear a lot of support for reopening the survey.

Klebes said the existing responses could be redacted and shared along with the Vision Action Plan results.

Mayor Mays asked if the Councilors and Commissioners were ok with that.

Commissioner Kramer encouraged people to send information directly to Councilors or Commissioners if they wanted to submit more information.

County Administrator Tyler Stone emphasized the need for clarity on what to do with the information provided. He asked if the next steps involved deciding on specific projects or splitting the money. He stated such decisions were crucial for staff to digest the information and bring back recommendations. Stone pointed out that, in the last meeting, a recommendation was given, and he questioned if there would be a reaction to it. He also noted that if the City had capital projects, it needed to specify whether it would use all the money for those projects or a percentage of it, as this would change the scope significantly. He mentioned they were essentially "spinning their wheels" until they understood the lay of the land.

Councilor Long said they could not determine how much money would be used because no specific number had been provided. She said that without knowing the costs of items, it was difficult to determine what percentage of the funds would be used.

Commissioner Kramer emphasized the need to know project costs, stating this information was essential. He said they needed a list of projects and to create a clear procedure to follow based on

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the decisions made from that list.

Councilor Richardson expressed agreement on the need for a process but noted a list of projects might not be necessary. He acknowledged the importance of the water master plan in the discussion and suggested that City staff provide recommendations on how to allocate funds. Richardson proposed considering two or three scenarios, such as allocating 100%, 75%, or 50% of the funds towards water projects, and evaluating the effects of each option.

Commissioner Brady said having different scenarios would help in understanding potential outcomes. He said they would make assumptions about costs but expected they would adjust proportionally as actual costs became known.

Mayor Mays said during the step two process they could discuss the issues raised and whether to split the funds or pursue joint projects. He noted the concept of the City and County working on joint projects as part of the discussion.

Klebes said the water master plan work session in August would provide opportunity to work with consultants and understand the scale and scope of the challenges and opportunities ahead. He suggested it would be beneficial for the County Commission to attend, participate via Zoom, or review the minutes to gain a deeper understanding. There was uncertainty about the agenda for the next work session in September and he asked for specific guidance on what should be included in the agenda.

Mayor Mays suggested combining two subjects for the meeting on August 19: the water master plan and the results of the survey.

Public Works Director Dave Anderson said three hours had been scheduled for the water master plan work session to discuss various concepts, including rate structures and different scenarios with varying levels of outside funding. He anticipated using the full three hours to address these topics with the council.

Stone added that was just one project and suggested adding the Resolution Center and 135 miles of road.

Councilor Richardson said the issue was not about a single project but a suite of projects. He said the key concern was determining how much money should be allocated to avoid drastically raising water rates. He said when they could get an answer to that question, they could then decide on a percentage to contribute to a common fund or endowment.

Stone stated his previous comments aimed to address the wide range of potential projects the

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money could be allocated to. He said understanding the direction—whether to spend the money on one large project or allocate it in specific percentages for things like grant matches for water projects, sewer projects, or the Resolution Center—would help in refining recommendations or considering alternative directions. He asked if the money would be spent today or in future. He asked if it was to be spent on a school what the process would be for that. He asked how those things would be worked out.

Mayor Mays raised concerns about establishing assumptions for making informed decisions. He questioned when they would finalize the assumptions needed to proceed, noting intelligent decisions couldn't be made without knowing the numbers. He said while they would have figures for the water projects on August 19 and had estimates for the Resolution Center and other projects, they still needed to make assumptions about revenue. He suggested being conservative with assumptions, as budgeting often involves uncertainties. He asked about the possibility of selling a project bond, such as for the water system or Resolution Center, and asked if finance experts could assess whether a revenue bond or general obligation bond could be sold despite uncertainties in property assessments.

Commissioner Hege addressed Stone, noting that, based on offline discussions and the meeting, it seemed the city was facing a significant challenge with their water system, with more information expected by August. He suggested that once the City had a clearer understanding of their situation, they would be better positioned to discuss how much money could be allocated and how it would be used. He asked for confirmation that the City was waiting for this information to determine how to collectively move forward and what their next steps would be.

Mayor Mays asked City staff if they would know this information at the August 19th water master plan meeting.

Klebes said there would be four master plans and the water master plan was likely the most significant. He confirmed the scenarios and potential decision points regarding the water master plan projects and their funding would be covered in the August 19th meeting.

Richardson said at least three or four, and possibly up to five, councilors had expressed interested in working with the County. He said the City was facing a significant, potentially generational level of expenses. While some of the funding would come from sources like Google or the SIP, the exact amount was still to be determined. He said the key issue was not whether they would work together, but rather how much they would allocate. He said a project list should be created along with a concept for how to spend the money.

Commissioner Hege said there was no timeline rush for decisions on money that they would be getting in a couple of years.

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Klebes said staff could put together a summary of the water master plan meeting to include in the SIP work session packet to be shared with the County Commissioners.

Mayor Mays said the team could meet after September 16th to discuss the results. He said he assumed the County Commission would hold a similar meeting and suggested scheduling a follow-up meeting for the team to return with a recommendation. He asked if it was too early to set up another joint work session meeting.

Commissioner Kramer said he was fine with either individual comments from Counselors to the team or holding a full City Council meeting. He suggested Councilors review the survey, provide questions and comments, then have the team compile this feedback. The team would then come back with a recommendation for the group.

Mayor Mays suggested meeting as a group to discuss the survey instead of collecting individual comments. He asked for the group's feelings on this approach.

Klebes said he wanted to clarify the process and agenda for upcoming meetings. He said he anticipated discussing the survey results and possibly reviewing the agenda for the September meeting during the August work session. He noted the September meeting might focus on survey results and discussion, potentially omitting the listening session, and asked for any specific changes or additions that might be helpful.

Commissioner Hege asked to have recommendations included for the next meeting.

Klebes said if the team needed to make recommendations or run scenarios, they needed clear directional guidance without precise details.

Mayor Mays reiterated his suggestion to make some assumptions on the numbers and return with information about bonds, including general obligation bonds and revenue bonds.

Stone suggested considering how to prioritize projects if the money were not available. He recommended evaluating the suite of projects, including water projects, schools, a library, and drinking water systems, to determine priorities based on need rather than available funds.

Councilor Long said the availability of the money offered more options, such as partial funding, taking out a bond, or partial rate hikes, which allowed for prioritization that might not otherwise be considered. She said the City's annual plan had been disrupted to accommodate SIP, and with several members leaving at the end of the year, the accelerated timeline might need to be revisited. She proposed considering whether to slow down and allow the City to complete its

process before deciding how to allocate funds that were not yet available. She acknowledged that she would not be a participant if the process extended beyond the end of the year.

Mayor Mays said they had slowed down somewhat, noting the team might not meet again until 2025. He said potential changes in City Council leadership and other factors might affect the process.

Commissioner Hege said while main funds wouldn't arrive for two more years, there was currently money available from the Taylor Lakes project not yet allocated. He suggested considering how to use those funds now, whether through a pilot project or another initiative. He said currently, the money was being split between the County and City and was going into their general funds. He emphasized the potential to undertake new projects or place the funds in an endowment or general fund.

Klebes said they could aim to hold the work session in September without making a final decision then. He suggested the conversation could continue with additional work sessions, potentially in 2024 or 2025, and encouraged not shying away from the September session.

Mayor Mays said Stone's idea about prioritizing might make September 16th too early for such decisions. He emphasized the need to make assumptions about revenue and determine what percentage would go toward each project. He said these decisions would be collective and based on priorities set by the City Council.


Klebes said he had provided a summary snapshot of the different funding streams and could include this information in future packets if it would be helpful as a reminder.

Mayor Mays said there was a plan to move forward through September. After receiving the results, the team would meet, and another meeting of this group would be anticipated in December or January.

ADJOURNMENT

Being no further business, the meeting adjourned at 7:37 pm

Submitted by/ Amie Ell, City Clerk

SIGNED: 
Richard A. Mays, Mayor

ATTEST: 
Amie Ell, City Clerk