



**CITY OF WASHOUGAL
CITY COUNCIL WORKSHOP AGENDA
Monday, April 13, 2020
5:00 PM**

I. CALL TO ORDER

II. ROLL CALL

III. PUBLIC COMMENTS

IV. NEW BUSINESS

A. Administration: COVID-19 Response Update

V. PUBLIC COMMENTS

VI. REPORTS AND COMMUNICATIONS

A. CITY MANAGER

B. MAYOR

C. CITY COUNCIL

VII. ADJOURNMENT

UPCOMING MEETINGS: Monday, April 27, 2020, Workshop at 5:00 pm and Council at 7:00 pm

BUSINESS OF THE CITY COUNCIL
City of Washougal, Washington

FOR AGENDA OF:

4/13/2020

SUBJECT:

DEPT. OF ORIGIN:

REVIEWED AT:

TO BE RETURNED TO COUNCIL:

ATTACHMENTS:

📎 **COVID-19 Response Update April 13 2020.pdf**

EXPENDITURE REQUIRED:

BUDGETED:

APPROPRIATION REQUIRED:

SUMMARY STATEMENT

RECOMMENDED ACTION

Washougal COVID-19 Response

April 13, 2020 Update to Council



City of Washougal

Washougal COVID-19 Response Update to Council April 13, 2020

❖ Council meetings

- Virtual meetings
- How this evening will work

❖ Tonight's agenda

- Steigerwald items on Consent
- Emergency Order 20-04
 - EXTENSION OF EMERGENCY ORDERS 2020-02 AND 2020-03
 - ADDING A DEFENSE FROM EVICTION FOR SMALL BUSINESSES WITH FEWER THAN FIFTY (50) EMPLOYEES
 - ADDING A DEFENSE FROM RESIDENTIAL FORECLOSURE ON PRIVATE MORTGAGES
 - REQUIRING SPECIFIED SANTITATION MEASURES BE TAKEN WHEN CONDUCTING INSPECTIONS OF RESIDENTIAL RENTAL PROPERTY AND
 - AUTHORIZING AN EXTENSION OF COVID-19 EMERGENCY LEAVE



Washougal COVID-19 Response

Update to Council April 13, 2020

- ❖ **Virtual Emergency Operations Center Established last week**
- ❖ **Close coordination with CRESA, County Public Health, County, other cities**
- ❖ **City Facilities and Access to Services**
 - The City is still open for business, but with limitations and protocols in place to comply with orders and to promote social distancing
 - City Hall open Mon-Thursday but closed to the public
 - Services by appointment with social distancing practices to limit or eliminate public access into the building
 - Telework and social distancing protocols in place for employees
 - Two public works houses open Mon-Fri with telework and social distancing protocols
 - Public works operations on split shifts
 - Police lobby closed to the public
 - All departments constantly evaluating work protocols to promote social distancing



Washougal COVID-19 Response Update to Council April 13, 2020

❖ General Fund Operating Budget Fiscal Impact Evaluation

➤ Finalizing impact scenarios and mitigation strategies

➤ Expense reductions are necessary (actions so far)

- Defer downtown planning project (was use of \$250K GF reserves)
- No seasonals in GF programs
- Leverage salary savings
- Cut \$50K economic development
- Save \$355K on project deferrals
- Look at ER&R
- Travel/training
- Other supplies and services

➤ Other strategies under discussion



Washougal COVID-19 Response Update to Council April 13, 2020

❖ GF related projects status (preliminary estimate \$355K GF savings)

- Social Services Building – move forward (only \$32K GF, leverages \$227K grant)
- Schmid Ballfields – move forward (no GF – grants, state, PIF, REET)
- Waterfront Trail – move forward (no GF – state, TIF)
- 32nd Underpass Design – move forward (no GF – federal)
- Jemtegaard Trail – move forward (no GF – grant, REET)
- Hamlik Bike Park – defer (\$32K GF savings)
- Downtown Park, other Park/Transportation/Facilities Opportunities – defer (\$153K GF savings)
- Pavement Management Program – reduced
 - ✓ Cut GF portion \$170K
 - ✓ Do REET portion (reconstruct on 32nd)
 - ✓ TBD \$\$ pending WA Supreme Court



Washougal COVID-19 Response Update to Council April 13, 2020

Utility Funds Operating Budget Fiscal Impact Evaluation

- Finalizing impact scenarios and mitigation strategies (FCS)



Washougal COVID-19 Response Update to Council April 13, 2020

FCS Tasks

- Short-Term Revenue Impact Forecasting
- Developing estimates of potential revenue impact to inform short-term measures for the City
- Identifying key indicators to track: leading indicators and key performance factors
- Long-Term Financial Scenarios
- Evaluating long-term scenarios involving changes in customer behavior and growth impact
- Decision Support
- Using both the short- and long-term metrics, identify measures the City can consider to manage the fiscal impact



Washougal COVID-19 Response Update to Council April 13, 2020

Initial Outlook - Utilities

- City established conservative fiscal policies in its Rate Study work
- Better positioned to weather impact while maintaining essential services

	Management Target	Minimum	Impact Buffer
DSCR (Parity Bond Debt)	2.0x for Water/Sewer/Storm Combined	1.25x for Water/Sewer/Storm Combined	\$1.75 million in 2020 (2 months)
Operating Reserves	<i>Varies by Fund</i>	No Bond Covenant Requirement	
Combined Cash on Hand	250 days cash on hand	Separate Bond Reserves	\$5.2 million in 2020
Replacement Reserve Funding	Phasing on track for all utilities	No Bond Covenant Requirement	

City has strong Capital & Operating Reserves.
Debt Service Coverage will need to be monitored closely.



Washougal COVID-19 Response Update to Council April 13, 2020

Factors to Consider

- **Utility reserves can support waiving shutoffs and late payments for impacted customers in the short term, but fully waiving rates likely conflicts with the City's Bond covenants**
- **Changes in customer water use behavior will impact revenue beyond short-term 'ability to pay' issues - this impacts both Water & Sewer utilities.**
- **Information on the crisis is developing rapidly.**
 - ✓ Revenue impact won't be fully seen until the May bill cycle.
 - ✓ Number of delinquent accounts is already higher than a normal cycle.
 - ✓ System-wide trends may not translate directly to revenue impacts – differences due to residential vs. commercial/industrial and rate structure
 - ✓ Tracking meter reads through April will be the first indicator of impacts on how the Stay At Home order is impacting each utility



Washougal COVID-19 Response Update to Council April 13, 2020

Utility related projects status (preliminary)

- Woodburn Hill Transmission Main Improvements– move forward
- Northside – move forward
- Other projects – under review, encouraging preliminary results

