



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

I. CALL TO ORDER

Mayor Coston called the virtual Zoom meeting to order at 5:00 pm.

II. ROLL CALL

Present: Councilmembers Brent Boger, Michelle Wagner, Paul Greenlee, Alex Yost, Ray Kutch, Julie Russell, and Ernie Suggs

Staff:

David Scott, City Manager
Trevor Evers, Public Works Director
Jennifer Forsberg, Finance Director/City Clerk
Jeanette Cefalo, Human Resources Director
Mitch Kneipp, Community Development Director
Wendi Steinbronn, Police Chief
Rose Jewell, Assistant to the City Manager

III. PUBLIC COMMENTS

None

IV. NEW BUSINESS

A. Administration: COVID-19 Response Update

David Scott presented the following:

- Virtual Emergency Operations Center Established
- Close coordination with CRESA, County Public Health, County, other cities
- City Facilities and Access to Services
- General Fund Operating Budget Fiscal Impact Evaluation
- GF related projects status (preliminary estimate \$355K GF savings)
- Utility Funds Operating Budget Fiscal Impact Evaluation
- FCS Tasks
- Initial Outlook - Utilities
- Factors to Consider
- Utility related projects status (preliminary)

Discussion ensued regarding general fund status, use of reserves, enhance communication and use of city website to support small businesses.

V. PUBLIC COMMENTS

Bernie Bacon commented on support of local businesses.

Martha Martin commented on support and grants available to small businesses and the lack of internet infrastructure.

VI. REPORTS AND COMMUNICATIONS

A. CITY MANAGER

Deferred to regular council meeting.

B. MAYOR

Deferred to regular council meeting.

C. CITY COUNCIL

Deferred to regular council meeting.

VII. ADJOURNMENT

Meeting ending at 6:15 pm.

Mayor

City Clerk

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

