



City Manager's Report—June 14, 2016

- 1) **Computer Upgrades**—I purchased 3 new computers (City Manager, City Clerk, Dispatch) and then moved around the existing computers to other departments. The upgrade was necessary because our server was out of date and there were multiple issues with our QuickBooks accounting system because it wasn't fast enough and took forever to load information. Also, the police department and dispatch were continuously having issues with being booted off and losing reports, etc. Our PWA is now using a GIS mapping system to keep track of the new water line replacements and we will also input information regarding the last two sewer replacement projects. Additionally, Code Enforcement will be using the mapping system for abatements, etc. It will be a multi-functional resource for almost every department within the City. This new resource also required an update of our computer system and Ryan Wallace, our IT representative, performed the upgrades and his report is included here.
- 2) **Independence Day Celebrations**—The City signed off on the Fireworks display and have been working with the fireworks company and the Chamber to plan the festivities for the day. We initially thought we could have all of the events at the City Park, but with the area necessary to block off as a safe zone, it became obvious that we could not have fireworks at the city park/ballfield after all. I met with the Fire Chief, Police Chief, and others to begin planning how to accommodate the crowds that will attend the celebration, and we are planning to hold the event on the school property between the football field and the softball/baseball fields. We are looking into renting tents for shade and light plants for electricity and lighting for the food trucks, vendors, and parking. Events are still being planned for the July 4th celebrations and another meeting will be held this Friday at 10AM here in City Hall.
- 3) **Funding for the Water Line Replacement Project**—The project was funded by Rural Development in August 2015 with a loan of \$3,600,000 and grant of \$1,303,000. I received an email this week with the \$3.6M Promissory Note to RUS
The loan and grant cannot be closed until the following occurs:
 - RD issues closing instructions; (This includes their review of the preliminary transcript and title & ROW documents that are being sent to them this week.)
 - RD approves the plans & spec and have received a copy of the ODEQ permit to construct;
 - The project has been bid to determine if funding is adequate to complete the project.

Monthly payments will begin 30 days after loan closing, and the City be required to setup automatic drafts of the payment. There are no prepayment penalties on the note. If the interest



rate is lower than the prior approval rate of 2.875% during the quarter we close, we will receive the lower % rate and the payment will be adjusted. Based on the 2.875% rate your monthly payment would be \$12,636. The City will also make a deposit to a debt service reserve account (\$1,263.60 - 10% of your monthly payment) and a deposit of \$2,472.25 to a short live asset reserve account for your water system.

- 4) **Funding Set-aside for USDA Loan Repayment**—Since the rate increase was approved and began collection in December 2015, there has been \$41,380.00 set aside for water and \$30,537.00 set aside for sewer, for a total of \$71,917.00.
- 5) **Cardinal Engineering Report for the Water Line Replacement Project**—They are about 75% complete on the design, and are currently evaluating options to avoid having to move water lines from the alleys to the front of houses (roughly 20 blocks).
Options include: 1) To replace the pipes that are located in the alleys with the same size HDPE pipe, 2) To submit a variance to DEQ to get permission to upsize the pipes in their current location. 3) To move the water lines to the front of the property.

The variance would most likely not be approved since we do not have vertical or horizontal clearance to the sewer in the alleys. Moving the pipes to front of the property would be hard on the City and the home owner since their services would have to be moved from the back of their house to the front. We are going to model the existing pipes to make sure that they will provide adequate pressure. If they do, we will most likely recommend replacing these lines with the same size pipe.

Plans are expected to be completed in late June to early July. There will be a review process by DEQ and USDA-RD that will most likely take 3-5 weeks. Cardinal will address any comments and be ready to bid the project after that time. With this in mind, please see the following schedule:

Late June-Early July – Submit plans for review

Late July-Early August – Address comments and get plans approved

Middle of August – Advertise for Bids

Middle of September – Bid Project

October – Start Construction

Construction time will be approximately 200 to 250 days to complete the project. Of course, this schedule assumes that the review process doesn't take any longer than I have proposed. Phasing has not been determined yet.

Rick Schlegel spoke with the Bond Council and they indicated that they were a couple of months away from providing closing instructions. This could delay the project a little, but Cardinal expects that it will coincide fairly well with the above schedule.



- 6) **Payments to Cardinal Engineering for Water Line Replacement—Total of \$131,520.00**
- 7) **Payments to Cardinal Engineering for the CDBG Emergency Generators Project—Total of \$7020.00 (City). The CDBG Grant amount is \$204,984.00 and the RD Grant is \$32,200.00.**
The pads were poured and set at all 5 locations (Clear Well, Wells 1-4) as of last week and the tanks can now be set. Libra will put the transfer switches on as soon as the tanks arrive and will connect the generators once they arrive on site, and then the fencing will be put up. One generator is scheduled for the first or second week of July, but could arrive sooner. ONG has been called to set up new service for the Clear Well.

Respectfully Submitted by,
Janet Smith
City Manager