



City of Columbia, Missouri

Meeting Minutes

City Council

Thursday, August 13, 2020
9:00 AM

Budget Work Session

**Council Chamber
City Hall
701 E Broadway**

There will be coffee and networking in Conference Room 1A/1B from 8am - 9am.

I. CALL TO ORDER

Meeting was called to order at approximately 9:06 A.M. Mr. Pitzer arrived at approximately 12:18 P.M.

Present: 6 - Thomas, Peters, Treece, Skala, Pitzer, and Fowler

Absent: 1 - Trapp

COVID-19 Updates

Director Browning from the Health Department started off with her updates. A new health order took effect August 10, 2020. In this changes included requirements for bar and restaurant patrons to be seated and for details to be submitted on operational plans. As of August 12, 2020 there were 1,478 total COVID-19 cases, 228 of which were active. There was a rise of cases after the first week of July, this correlates when the occupancy limits on businesses was lifted. By age group, the number of cases has seen an increase in 0-14, 15-19 and 20-24 years old.

Mayor Treece asked Ms. Browning to clarify and walk through the difference of Columbia Public Schools (CPS) using a per 10,000 case rate, and what their data is doing. Ms. Browning said that she is working with them to correlate through zip code so that they can use a smaller population to pull the numbers. She clarified that 100,000 is still appropriate to use as a community number, but that CPS is using a smaller number because of their zoning for schools, they are only looking at about 20,000 people for their community compared to the entire City of Columbia.

Mayor Treece also asked that since Ms. Browning can track sources by zip code, if they have been able to trace any other sources such as family gatherings, indoor restaurants, bars, to be more targeted in understanding where the spread of COVID-19 is coming from. Ms. Browning responded that she has seen a lot of sources being family gatherings, due to people letting their guards down with family. Ms. Browning also said that she is able to see where people are employed being common sources. Ms. Browning explained that the Health Department has recently received Red Cap features which will help be laser focused on sources. In the next 3-4 weeks Ms. Browning expects to have a better sense of where the widespread is coming from due to Red Cap.

Mayor Treece asked about her current order being in place, to which Ms. Browning said that it was through the 31 of August. Mayor Treece asked if she anticipated including some of the Red Cap data of the community spread in her next order. Ms. Browning said that she would like to so that it is not arbitrary.

Mayor Treece said that since we were at 216 as of July 1, 812 now, what is the number

per 100,000 that Ms. Browning would pump the brakes. Ms. Browning said that she doesn't know that those numbers Mayor Treece stated were cumulative and Ms. Browning would like to look at the smaller windows of times of active cases.

Mayor Treece asked about the cases breaking out by zip code, he asked if she was seeing cases coming from the unincorporated area of Columbia since there is not a mask ordinance there. Ms. Browning said that since the Health Department keeps it by zip code, and there is a map on the website that people can see where the cases are coming from.

Ms. Browning went over cases by race, distribution by source of exposure.

Councilmember Skala asked that since everyone is anticipating an increase because of the college students, what is the philosophy of creating stricter controls? Ms. Browning responded that she looks at four things, hospitalizations, personal protective equipment (PPE), testing, and contact tracing.

Ms. Browning said that our positivity rate went down after the mask ordinance went into place. The Health Department is in the process of hiring 40 new positions with CARES Act Funding to aid in Case Investigators, Contact Tracing, Health Educators, and Data Analysts. The remainder of the CARES Act Funding will be used to help pay for people who do not have insurance to be tested, as well as paying for their transportation if they do not have any.

Ms. Browning also went over Boone County Rolling 7 day average of number of tests per day. Mayor Treece asked if there was comfort in seeing that the numbers are trending down, Ms. Browning said no because we want people to be tested. The ideal is 7-9 days after someone has been contacted that they have been in contact with someone who has tested positive for COVID-19 that that person be tested.

Councilmember Fowler asked how we as a city best prepare for the longer effects for those individuals who come into contact with COVID-19 who may have long term effects and may not have the resources to provide for themselves. Ms. Browning said that we have the Community Health Center, great social service agencies, and the biggest thing will be how we get people connected with those resources. Ms. Fowler asked if we have the capacity to serve all of those people. Ms. Browning said no because most of our non-profit agencies who do help are already on the brink and are stretched to capacity.

Councilmember Thomas asked if there were benchmarks in place or being created. Ms. Browning said there are a number of things that we can measure, and that across the country no one has said there is one solid benchmark. As the Health Department is able to take a deeper dive into the data. Mr. Thomas clarified if she was expecting to announce any level of positivity or a case number that she would change her strategy, and Ms. Browning said not at this point.

Mr. Skala asked about any anecdotes about masking. Ms. Browning said that she noticed the very first day the order went into effect that there was more activity at the parking lots she drove by over by Conley and Broadway. She still continues to try to do curbside pickup for groceries. But when she does have to go in she sees Universal masking. She said that this is one of the best things they've done. However, she has heard students are walking around downtown without a mask and that is going to be a work in progress.

Director of Finance Matthew Lue explained the slides that detailed the direct

expenditures that have happened because of COVID-19. He shared that this is updated every Friday on the website.

Mayor Treece asked to clarify if this was in time sheets of what percentage of employee time was being spent on COVID-19 related activities that week. Mr. Lue said yes. Mayor Treece asked that since there is not likely a time near of COVID-10 ending, how that would affect the prices. Mr. Lue said that it would not affect it that much because there were more expenses when the City was closed. Most of the expenses now are transit related to keep it clean and disinfected.

Mr. Skala asked when the start day was for the COVID-19 expense report. Mr. Lue said that it was when the emergency declaration went into play.

Mr. Lue then went over the COVID-19 related expenditures based on each department.

Councilmember Peters asked him to clarify what that meant in each department. For example, transit she assumed was since the City of Columbia is providing free bus services. Mr. Lue said all of transit expenses have been due to the free fares. Ms. Peters said she presumes Health and Human Services was for tracing. She asked about Water and Light? Mr. Lue said that they are tracking as well. Director of Utilities David Sorrell said that the costs were when the City was under the Emergency act and people were using leave time.

Mayor Treece asked if that number would reflect any revenue lost attributable to the disconnect moratorium. Mr. Sorrell said yes.

Ms. Peters asked if that was true for Parks and Rec as well, that people were on leave? Mr. Lue said yes, that this was all money that we can be reimbursed for. Director of Parks and Rec Mike Griggs said that a lot of their cost was when they were working at home having Zoom meetings, Google meetings, and staff needed to have sanitization and order extra supplied for cleaning at the ARC, and other cleaning supplies that would work with COVID-19.

Ms. Peters asked if that was the same for the Police? Mayor Treece said he would think it was for PPE. Chief Geoffrey Jones and Assistant to the Chief Lisa Roland came to explain. Chief Jones said a lot of that would be when people were on COVID-19 leave. Ms. Roland said that to date they have about \$20,500 that they have spend on PPE and cleaning supplies. The remainder would be when people were on leave.

Mr. Thomas asked if he heard that the \$1.5 Million for Transit was the entire cost of running Transit since COVID-19 started. Mr. Lue said that was the reimbursable expenses that has been set aside by the Federal Transit Authority (FTA). FTA said that all operational expenses could be COVID-19 related.

Ms. Fowler asked if there was a separate line item for consumables, things that the city has purchased that otherwise has not been purchased. Mr. Lue said that it would be found on one of the slides, these consumables would be considered the Other Actual Expenditures. Mr. Lue also said on the website there is a breakdown of revenue lost during COVID-19.

CARES Funding

- Airport
- Department of Justice
- Public Health & Human Services

- CDBG
- Convention and Visitors
- Transit

Director of Finance, Mr. Lue explained that it is important to understand that FFA of the CARES act funding is for capital operational costs. This includes construction and improvement, meaning all airport costs can be attributed to COVID-19, just as transit can. Director of Economic Development, Stacey Button explained that the airport received funding for three different projects. One of them is a runway extension project. Normally projects through Airport Improvement Projects (AIP) it is 90/10, meaning the City has to pay 10%. However, AIP will be covering 90% and the CARES Act will cover \$1 Million.

Councilmember Peters asked if we have that money, or if we would have to apply to be reimbursed for it. Ms. Button confirmed that we have to spend the money and it will be a sure thing since she received an If-You-Go-Letter from the FAA so they are sure to receive that reimbursement.

Mayor Treece asked to clarify about the \$998,000 that was budgeted to match the AIP contribution, if it was transportation sales tax (TST). Ms. Button confirmed it was. Mayor Treece asked if it would remain in the account or be reallocated elsewhere. Ms. Button confirmed that it would remain in the airport account. Mr. Glascock said that there would be a reduction of TST in the future and that the money would be used for street improvements. However, this million dollars that Mayor Treece was asking about is the City's to use.

Ms. Button explained her two other funding for projects was for operating programs and development programs. The airport was awarded \$18,763,287 in total. \$8 Million of that will be used over four years to aid in operations reimbursement. This included personnel costs, marketing, snow removal, janitorial. The remaining \$10 million is still pending but they will apply to use it for construction costs related to the new terminal project.

Mayor Treece asked about the \$2 million that the City would have spent had they not received the \$8 million fund, where it was planning on being spent. One of the finance officers said that \$2 million was from TST and that they were planning on leaving it in that account to help with street maintenance during this time.

Mr. Glascock asked if Ms. Button could explain where the \$18 million came from. Ms. Button said it was based on a formula from the FAA, however that formula was not clear.

Councilmember. Fowler stated that under the Federal CARES Act the government is giving the airport capital dollars to aid in airport expansion projects. Ms. Fowler stated that the obvious is clear here, the government is giving money for capital improvement projects for economic development, and the City is simply taking advantage of that. Mayor Treece disagreed with that and said that there are a number of sources of CARES Act funds. Part of that is related to the decline of enrollment due to stay at home orders and a population that just wasn't going to meetings. The government allocated money as a stimulus for airports while the economy rebounds. Efforts have been made so that the money can be interpreted to other FAA projects. For the City, there has already been a project in the mix that the City is able to apply the money to. It's more of an airport stability project. Ms. Fowler asked that even though most of the CARES Act programming says you can't recover lost revenue, this is? Mayor Treece said this is something else. The rules that Ms. Fowler was thinking, was set by the County. There is one set of guidelines for money from the County, and there's a set of guidelines available

for airport usages just as there are for Transit money. Mayor Treece said to think of them as siloughs of funding that the City is simply trying to maximize for the best use for the City.

Mr. Skala mentioned that based off conversations he has had with the National League of Cities they have been worried about funding from FAA jurisdictions as to how some of the funding was allocated to various airports depending on their size and enplanents. Cape Girardeau was a big winner of money, they have 1/10 of the activity size of Columbia's airport. Mr. Skala expressed his approval of taking advantage of the airport funding.

Mayor Treece asked if in the application for the \$10.7 million will help us accelerate some of the Phase 2 construction expenses that may have been bonded or borrowed for. Ms. Button said the \$10.7 will go towards Phase 1, the \$23 million project. It will offset the whole financing project that was put together. Mr. Glascock clarified that the money will help us with our money that we were going to put in. Mayor Treece further clarified that it will help us borrow less from ourselves.

For the Department of Justice update, Chief Geoffrey Jones said the City of Columbia is eligible for \$131,888 in CARES Act funding, to which they have divided it so that Police receive \$89,512 and Fire received \$41,376. Some of this money has been spent on cleaning uniforms and PPE. They have since then bought a washer and dryer to help cut down expenses. This is in their training center which has also become an alternate sleeping site for those who did not want to go home and expose their families.

Mayor Treece asked how the access for PPE was for the Police Department. Chief Jones said that it is difficult, but the prices are through the roof.

For the Public Health and Human Services update, Director Stephanie Browning explained that they have received just under \$1.8 million. Majority of this is going to personnel, temporary employees to aid in disease investigators, contact tracers, communicable disease specialists, health educators and data analysts. They have also put aside \$810,000 for up to 50 tests a day for uninsured individuals at \$150 a test. This money is cost reimbursement through December 31, 2020.

Ms. Peters asked if this goes past January 1, 2021 if Ms. Browning would have to ask the County for more money. Ms. Browning said that the Counties requirement is money has to be spent by the end of the calendar year 2020. Mr. Glascock said that because of that we will be frugal with our 2021 money because we won't know if we will get more CAREs money or not, but that the disease will be going on. Ms. Browning said that Mr. Glascock and her have discussed, is that the money they have spent and will be reimbursed, they could appropriate that money then. Mr. Glascock said that everything is very uncertain what is going to happen after January.

Mayor Treece asked that as we think about the streams of CARE money (Airport, Department of Justice, Public Health and Human Services, CDBG, Convention and Visitors Bureau, and Transit), how do we prioritize those requests and balance against our expectations with the County. He said something everyone should agree on is reimbursing our joint operated and owned Public Health Department. If the County wants to use CARES Act money, then they should reimburse us 100%, if they are not, with the current split is 2:1, they should reimburse us for their third of the extra spending. Ms. Browning said that they would be eating that cost. She said it is difficult because the County reconciles their budget in December, while the City reconciles in October. Mayor Treece said that there needs to be a discussion of appropriations in the City budget as the CARES Act as a source of revenue, or get some response from the County. Mr.

Glascoock said that if you budget for it you run the risk of not getting it.

Mr. Skala asked if there were encouragement for the County to be more forthcoming with their plans. Mayor Treece said that he has had discussions, he knows the City Manager has too and that the County has set up a website, hot spots and has contact tracers. Boone is one of four counties out of 114 that has not distributed money.

Randal Cole, from the Affordable Housing Programs Division, shared they have been awarded round 1 of CDBG funds. They are still waiting on a final signed agreement and release of those funds. For Round 1 they will have three years to expend the funds of \$573,473 that was awarded. This round went to rent assistance, micro enterprise assistance, and for nonprofits serving unsheltered populations. Round 2 went to the states, the City may be able to apply for some of those funds. \$17,956,792 in total was awarded in this round to the states. Round 3, Housing and Urban Development (HUD) has until September 30, 2020 to award. Most likely the allocations will be based on the impact of COVID-19. Columbia will see a similar size allocation to Round 1.

Ms. Fowler asked if the \$17 million was money that the State needed to award by December 31, or if they were allowed to sit on it? Mr. Cole said they would have the same line similar to the City's Round 1 timeline. They would have three years to award the money, expended, and have reports on the impact of the money. Ms. Fowler asked if the decision maker for how the money was awarded was the Legislator, or Governor, or Office of Administration? Mr. Cole said that he believes the Governor has a group of different agencies working together to see how they can align their efforts with other social service partners. The State has not indicated how the Cities can apply for that funding.

Ms. Fowler asked if she could directly ask the Mayor a question. She asked, the County is sitting on a certain amount of money, as is the State, while the City is sitting here bleeding money and not being able to meet the needs and other needs of our citizens in relation to COVID-19. So what is the next best right thing to do? She knows that the Mayor has written a letter, and assumed that the City lobbyist is working on it as well. Mayor Treece said that he's been talking to Representative Kip Kendrick, but he doesn't know. There is not a playbook for the best things to do at this time. He came to the realization that we are on this on our own, months ago, we have to make the best decisions we can with the resources we have. Mr. Glascock agreed with that and said the problem with the CARES Act is that while they have the same name, they all have different rules to be able to be spent. It takes an entire army to figure out how to use it. Ms. Fowler said because there are many voices being amplified in different places, if there was a way we could add to the implication. Since we have 120,000 residents in Columbia, who are skilled in contacting their representatives. Mayor Treece said it is not necessarily a function of size or influence, looking at Kansas City they still haven't received money directly from the Federal Government either. One thing to do is be grateful for the money we have received. We're all in this together, and we have to be. Ms. Fowler said she understands the Mayor is working basically full time for us on this, but from a citizens perspective what can we do? The Mayor said 85% of Boone County's population resides in the city limits of Columbia. We disproportionately respond to that based on staff time but also policy. The mask ordinance is one example of that.

Amy Schneider, Director of the Conventions and Visitors Bureau (CVB) shared how they have not yet filled out an application for funding. They are currently gathering information and trying to figure out best uses of these funds. She noted that any past grants they have been bound to not do any marketing for reimbursable funds unless it's 50 miles out, since it is a tourism entity. In this case, they are able to use it for local marketing. They

are trying to figure out signage for physical distancing and wearing your masks. Another thing that they are able to use this funding for is an event; they could buy hand sanitizing stations or signage. She shared how Ms. Peters talked about yard signs particularly for where college students lived, and someone in her department is looking up that costs. Any money they don't use will be up for grabs by any other city in the state of Missouri, so she wants to make sure we take advantage and use these funds. Even though we don't have events going on, people from rural communities are still coming here to shop, for medical appointments and others so it's important that we tie the safety marketing to normal marketing. They pivoted their marketing to be an organization that invites people into the community telling them here's what you need to do to come here safely. They are in need of these funds because lodging fund tax has gone down significantly since April. Since CVB is 100% funded on the lodging tax, this CARES Act funding came at a great time.

Mr. Skala asked about the purchase of yard signs and what the message would be. Ms. Schneider said she doesn't know, she just had this conversation with Ms. Peters. The nature of the message would be don't forget to wear your mask, but in a fun way that college students will pay attention to. Mayor Treece offered to stay six twelve packs away. Ms. Peters asked if CVB was actually looking into this so when students cross College Ave. they don't forget about wearing their masks.

Mr. Glascock said that only Ms. Schneider can apply for this funding and they need to figure out what they can spend it on before they apply for it since the rules are written so loosely. Ms. Schneider needs to ask if she can spend the money on something every time she comes up with an idea.

Mayor Treece asked if this was part of the \$15 million that was dedicated to tourism? Ms. Schneider said that this application goes to the Missouri Department of Tourism, and they approve it, but they have to send the application to the Federal level to ensure what they're doing is under the rules.

David Nichols, Director of Public Works talked about the grant from FTA. They were awarded \$6.5 million in June of 2020. This can go to operational costs and capital costs such as cleaning, bus repair/replacement, lost revenues from fares or any other costs associated with the pandemic. He said that they will use the funding on expenses that are not COVID-19 related. They have an operation grant that is matching, so they are trying to take advantage of the most they can so as to free up some of the TST.

A Budget Officer clarified that the City always gets a 5307 grant that is normally used for operations, this is a 50/50 match. This year, because of COVID-19, the grant was turned into an emergency relief grant which has to be used for very specific COVID-19 related expenses. These expenses cover cleaning busses, PPE, plexi glass and others. The City is going to use those expenses for the 5307 Grant, and then the rest of operating expenses will be used by the CARES Act. In November the Department of Labor will allow them to mend the 5307 grant from operating to capital and they will use the remaining of the grant for capital expenditures. This would require a match depending on purchasing busses or other items. In 2021 they are going to use all of the CARES Act to cover 100% of operating expenses. They will not need to use any TST to cover the 50/50 match. The FY2021 5307 grant they get will be used for capital expenditures with the same match.

Mayor Treece mentioned if any of the Emergency Operation Center (EOC) setup at the beginning of the emergency order, if any of it was reimbursable by the federal government that normally is in a 75/25 natural disaster. Mr. Glascock said he has not researched

that. They change the rules every day, but it is something that they can track.

Ms. Fowler asked about the portion set aside for capital improvements. She shared that we have a bus system that does not meet the needs of our citizens, and if this could be an opportunity to take these funds to expand the system. Could we think about the money not for new busses but to expand our routes? Mr. Glascock said that we should not expand anything with COVID-19 money because it is all one time. If we were to expand it, and it fails then we keep doing the same cycle over and over. We're trying free transit, to see if it will increase rider ship or not. We need to focus on the system we have to see if it works before we expand. Mayor Treece added we expand it, and nobody's happy or on the bus. You collapse it and people still aren't happy. We can't just say we want a better bus system. Ms. Fowler said there are transit stakeholders that come to meetings and try to engage with us. Mr. Glascock added that we look at the citizen surveys and people want the City to spend money on the streets since it is a priority for citizens.

Mr. Skala added that we have to be careful about one time funding, especially since we have difficulty getting the one time funding. When it comes to expanding the transit system, we need to think about sustainability of it. Mr. Nichols added that if they are going to make improvements they would like to make it on the headway so they can attract more people and then they would expand after they have the buy in.

Mr. Thomas brought up that Mr. Nichols mentioned in 2021 he plans on replacing the TST subsidy to streets due to COVID-19 funding, and Mr. Glascock said that the survey indicated people wanted funding in the streets. Mr. Thomas pointed out that the people who need and rely on public transportation are probably underrepresented in that survey. We don't always make a great effort on getting representative feedback in the survey. He also brought up that while we shouldn't put one time funding on the operating needs of the system such as expansion, there are other needs such as bus shelters that could be put to use with this funding. Mr. Thomas also brought up funding projects like electronic bus route updates at stops, or communication features with the busses and upcoming traffic lights to increase speed of routes. He brought up increased speed of routes will increase rider ship.

Homelessness

Councilmember Fowler stated that we have an increasing intensity of some circumstances of unsheltered homeless, not just in the north central neighborhood but also downtown. Her hope is that City staff, City Manager and City Council will all give their blessings and cooperation to convene a meeting to bring together everyone from small and large organizations who are talking about addressing this issue. Bringing together this group would have a hope of seeing what could be accomplished. COVID-19 will not be going away anytime soon, there are already unsheltered homeless people who suffer from health care issues unfold on the sidewalks around the downtown businesses. This is not a good impact on business or homeowners. Ms. Fowler is asking for Council and City staff to put together a report on what resources we have that we can bring together. What do you have, what do you know, who do you know, how can we come together to get us safely to the other side of the COVID-19 pandemic.

There have already been groups of people, city staff, non-profit organizations in contact having conversations in interest of working towards aiding the unsheltered homeless. Ms. Fowler brought up the festival people at the beginning of COVID-19. A group brought together the festival people to figure out how to find a safe place for people who are unsheltered and may have to quarantine. The festival people helped share their resources and what they have available. Ms. Fowler brought this up because there are a lot of

people who care, have this knowledge and are able to come together.

What would a program for homeless people look like? Ms. Fowler used the example of the Boys and Girls Club and how they built themselves out of a crummy building on Faye Street to bring resources together. To incrementally go from where they were, to where they are now serving 400 families lives. This is something to use as an aspirational goal.

The successful program looks like things that everyone needs to survive everyday. This includes a place to sleep at night, a place to use the bathroom, wash their hands, shower, change their clothes, three nutritious meals a day. Even if they are unsheltered homeless, we need to reconvene a conversation and make substantive progress.

The last slide of what a successful program looks like help with understanding public health and norms and expectations. Ms. Fowler used a suggestion from the Police Chief of getting everyone on the same page of understanding what expectations are.

Does this sound too ambitious? Maybe, but let's go back to the Boys and Girls Club to see what they've been able to accomplish.

Ms. Fowler said that her ask is convening a meeting with City staff cooperation. This will be a "and" meeting, not a "but" meeting. Not a meeting that it is said "but we've tried that" and that it didn't work. What is needed to bring all of this together, is a large enough space with amplification, possibility for people to zoom in and still hear. City staff knows how to do it through their event planning, so it is possible.

Councilmember Peters said it sounded like a good idea and that hopefully it will not take 20 years to address these concerns. It would be helpful to get everyone in the same room or zoom to ask everyone what their skill sets are or what's available. Perhaps get the City Realtors to look at what is available for land. Not that it will be bought, but to start thinking about it.

Councilmember Skala said that he thinks it's a terrific idea and we should get some teeth to it. There have been so many times where attempts have been made to establish something like this but it is always tossed off to non-profits. The idea of convening people is going to be the only way to progress in this City. He is supportive of moving forward with this idea. It is a very difficult situation due to finances, looking at the next projected fiscal years everyone is going to need funding.

Councilmember Thomas thanked the attention and vision for the process presented by Ms. Fowler, and fully supports what she shared. There have been conversations in the past few years about requiring a building or building one for the homeless population. Turning Point and the Room at the Inn, that runs on volunteers, isn't going to live forever. It is incumbent on the City of Columbia to step up and take a part of that burden. Conversations that have been held still rely on the volunteers, but at least taking the burden of the facility away from the Churches might be beneficial. There have also been conversations about non-profits having their offices in the facility to have a permanent day time presence. There are currently some non-profits who are interested in that idea. This need is only going to increase and Mr. Thomas said this is exactly the right time to start the conversation.

Ms. Peters said that she agrees with the convening, but not in the City owning a homeless shelter due to liability. If there is some way the City could facilitate this conversation, it would be helpful in finding a place and getting everyone together.

Mayor Treece agreed with Ms. Peters and said he is in favor of gathering the stakeholders. He shared that there are many resources already out there that help connect people with what is available. For the type of facility Ms. Fowler described Mayor Treece said he is concerned about the City being the owner and definitely not an operator due to the licenses and acute mental health needs that are needed for that population. Mayor Treece pointed out that there have been people experiencing homelessness before the pandemic, and there will continue being people experiencing it after the pandemic. If there is a business plan that makes sense he is not opposed to looking at it.

Ms. Fowler asked that while there is funding available and possible, she would like the City to be in consideration for it. This would help in assisting an organization or help in acquiring funds. Mayor Treece said that they had put out an RFP for a model for this, and there were no takers because of the liability and mental health factors. It has been shown time and time again that volunteers cannot manage it and he does not think that City staff could either. Mr. Glascock added that there is not the City staff to proceed with it today.

Ms. Fowler asked if she was able to proceed with the blessing of Council and the City to work with Mr. Hollis and Mr. Cole to put together the conversation she was suggesting. Mr. Glascock said he wanted someone higher than them. Mayor Treece added there was the caveat that there are seven votes on the Council and to be careful of engaging in conversations that don't follow the process of having public hearings, and being good stewards of taxpayers. Ms. Fowler said that she intends to honor that decision process.

Mr. Thomas added if the RFP Mayor Treece was referring to, was the one at the beginning of the pandemic when they asked non-profit organizations to consider proposing strategies of an isolation shelter in a park. If that's what he was referring to, Mr. Thomas said that was a very unusual time as every non-profit was scrambling to respond to the increasing burden of need. Mr. Thomas said it would not be fair to assume based off of that there would not be interest participating in a robust way like Ms. Fowler was proposing.

Budget Message

City Manager John Glascock began introducing new staff members to the City's finance department; this included Director Matthew Lue and Kyle Rieman.

Mr. Glascock said that he has four main goals in terms of the budget for 2021. One was using current revenue that he anticipates to be available for core and critical services for the City. The second was adjusting the number of staff to meet estimated revenue. The third was to develop a model that provides social and mental health services to change certain responses from police. The final goal was to continue to address citizen and council priorities such as community policing and street maintenance.

Mr. Glascock explained that to address our expenditures when they exceed our revenue, we save up money to address problems like this. He then explained budget reductions. Mr. Glascock emphasized that even with planning reductions the City will see utility funds falling below their targeted expenditures and the general fund and City reserve will also face further reductions.

Councilmember Peters asked Mr. Glascock what our targeted number was for the City's reserve was. Mr. Lue responded that it was \$18 Million and that it would be covered more in depth in a few slides. Mr. Glascock said that we are about \$18 million above our target, with \$16 million expected to be left over at the end of the year, totaling about \$34 million total in reserve. Mr. Lue had further clarification that it was a percentage of our total expenditures that is in our reserve.

Mr. Glascock proceeded with some of the changes in solid waste and parks and recreation changes. Mr. Glascock also explained that \$2 million was transferred from transportation sales cost that was not being spend to streets, since the citizen survey wants more priority of fixing the streets. The city is using the CARES funding to cover this, so it will last 3-4 years until the money is used.

Mr. Glascock detailed organizational funds being moved from individual funds to an overall General Fund. This will affect custodial, and community relations. Utility customer service funds will be reallocated to be within the utility department rather than being charged to the Utility Department. Parking enforcement will be moved to be handled by the Police Department. Traffic Control will be moved to Streets and Engineering. Mr. Glascock shared that the Stadium Transportation Development District (TDD) Fund will be paid off a few months early by the end of 2020. The Supplier Diversity Program is moving to Economic Development to be more front facing with the community. This is something that Mr. Glascock would like to make permanent. Community Relations Specialists and Marketing Specialists will be moving from Community Relations back to the departments that they perform work so that each department is better able to send out their own messages. There are improvements from the Daniel Boone 1st floor to aid customer experience.

Ms. Peters asked how this will be done. Mr. Glascock explained that in Tuscaloosa they have it so that the staff comes down to the lobby to help the customers. This is being developed in the space to see how it would work. Mayor Treece asked if before anything is changed if Council would be able to see what the plans are. Mr. Glascock responded that they would, because in order to make any changes and spend money it would have to be brought to Council and approved, meaning they would be able to see the designs. Mr. Glascock also said that 10 years ago when they renovated the building they didn't have funding for the mezzanine, and now is the time to work on it.

Workforce impacts oversee an elimination of 78.5 FTE employee positions, there are 15 FTE core positions that are being added back in departments such as Health, Police and Utilities. There are no pay adjustments recommended for employees at the beginning of the fiscal year. They will still be analyzing as they go through the FY21, take a look in January and might propose a 6 month adjustment in April or look at it at the 9 month mark. There is uncertainty of what is going to happen.

Utility rate changes are happening. There is currently a utility audit going on, per request of Council in May. What that means is while this year they can go without increases for utilities, future years will run out of different utilities at different times. Water does have a 3% ballot increase, we will find out in January how that turns out.

Challenges beyond 2021, it will be a year of uncertainty for our revenue in general, business climate, businesses downtown and beyond. How we educate will impact how our staff does business. If they are home teaching for 3 days a week and 2 days they're in the office working. Things will need to be flexible. Health Care is a huge driver for our community, inside the City there is a mask ordinance while outside does not, this will impact us one way or another.

Revenue Update

Director of Finance, Matthew Lue, started off with the third quarter actuals compared to Fiscal Year (FY) 19 actuals. Currently the City is down \$2.7 Million compared to the previous year, we are down in every category except for property tax which is sporadic so it is hard to rely on it.

Third quarter Year to Date revenue do not have much better numbers. However, the first

quarter of the fiscal year saved the City. It would have been a disastrous year had it not been for the few areas where tax was up such as property and sales tax. Sales tax is up because the general fund received 97% of the revenue compared to FY19 when it received 95% of the revenue.

General Fund (GF) projections for FY21, revenue is projected up due to the movement of internal funds. With the movement of facilitated maintenance and community relations into the GF, the revenue of the fund balances come into the GF, making the increase. This is because of double budgeting, now facilities and community maintenance is only budgeted in one spot compared to being budgeted in two or three spots.

Councilmember Peters asked if Mr. Lue could elaborate on the other revenue from other governmental sources and other revenue sources. Mr. Lue said that was transferred and grant revenue along with some miscellaneous items as well.

All fund projections for FY21 are \$416.7 million. The bulk is from fees and services due to utilities and other enterprise funds that bring in revenue.

Mr. Lue showed the difference in cash reserves breakdown. The City is estimated to use \$2.8 million in reserves by the end of FY20. This is down over a million dollars compared to what was budgeted. The transfer of internal movement into the GF increased expenditures which increased the restricted reserve target for 2021. We're projected to have \$16 million above the targeted reserve in 2021.

Mr. Lue explained the cash balance of the funds of the City and how it is broken down. The operating cash is cash used for day to day operations. Restricted is restricted for reasons and the cash for capital improvement projects (CIP). Operating is \$166 million, \$72 in restricted cash and \$171 in capital projects. About \$50 million of capital project cash is from bond proceeds.

Mr. Lue broke down operating cash by fund. The GF has about \$46 million and \$79 million in utilities. For the restricted cash breakdown the largest portion is the debt obligation at about 55% of the total. Cash restricted for CIP breakdown detailed \$171 million in total, with about \$50 million from bonds proceeds.

Mr. Lue wanted to talk about some alternative revenue sources. He wanted to talk about what we could or couldn't do and what was feasible for Council to see as worth moving forward with. Gasoline tax was one of those. Mr. Lue said he understands there is not a limit, but other municipalities in Missouri have passed a gasoline tax and have had it to be one cent. It is estimated that for Columbia the one cent sales tax would bring in \$1-1.5 million. Another alternative revenue was through property tax levy. There is one through parks and recreation and the other through health/solid waste/museums levy. Parks can be used for parks and recreation expenses. The passage of this levy would require the submission and approval of a two-thirds majority of the voters. This would be a left of \$0.20 on every \$100 assessed value. The health/solid waste could not exceed \$0.20 on every \$100 of assessed value. These would produce about \$4.5 million in revenue. A local use tax is also an alternative revenue source. Usually this produces about 7-10% of the sales tax revenue. In 2021 it was projected about \$22.6 million for the general fund, this tax would have brought in \$1.5 million in revenue. Fire Protection and Economic Development Sales Taxes are others listed. The Economic Development Sales Tax could not be used for any retail development unless it is a redevelopment of a downtown area of a historic district.

Councilmember Skala mentioned we ought to have discussion of revisiting a development

fee. This was once brought up in 2015 but did not have much success. Capital Cost Recovery Charge was also recommended to be applied to property along both sides of a new road. This was in context to Discovery Parkway. This charge would be equal to the cost of a new residential street.

Councilmember Thomas said he supports looking at a development fee, charging \$0.50 per square foot to new development in order to help pay for expanded road ways. He would want to look at the Growth Impact study to look at roadway expansion. Another revenue proposal to put forward would be a property tax for economic dignity and survival for next year to recognize that there are thousands of residents of Columbia suffering from financial hardships. This tax would recognize that we are a City and Country of two different groups, many of which are immunized from a pandemic and the economic downturn. The differential of the two groups, for the one that is most protected is one of these are property owners. Mr. Thomas said that he has heard this idea from constituents who are in the well-off category. He said if we increased the tax by \$0.30 that could bring us in another \$6.5 million that could be used for essential services such as food assistance, utilities, homelessness and housing support, job readiness training and other basic needs issues that members of our community need. This could potentially provide a sustainable source of income for the homeless shelter Ms. Fowler was proposing. This \$0.30 increase would still have the City below the States ceiling of property tax amounts.

Mr. Skala added that he would support looking into a property tax for economic dignity and survival at some level. He brought up that one of the reasons this was considered when they were hemorrhaging in the Police Department, that \$0.30 is too aggressive, and it may be better for a \$0.15. The \$0.30 was defeated when it was put to voters during that time, and Mr. Skala thinks it would be similar again now.

Ms. Fowler said that we have lacked a robust process for discussing, or public discussion to think about what is the best way forward. Everyone is wanting a City that is in good repair that provides essential services for all of its citizens, but we fall apart thinking about what is the best strategy. She recommended taking advantage of this time of COVID-19, where everyone is able to use Zoom to see if we can have a broader discussion with the public. Ms. Fowler feels the exhaustion of taking a question to the ballot, only to be defeated because it was misunderstood. Some of the sales tax recommendations are difficult when those who have the ability to, can go and drive over the line to go somewhere else to make the purchases and avoid the taxes, Ms. Fowler brought up. Her questions were if sales tax went down in part because there is a growing amount of people not buying in brick and mortar stores. Is property tax remaining stable? Why would it drop? Mr. Lue said it has not dropped and property values are still increasing. Ms. Fowler asked as far as other taxes, the revenue that the City is getting from utilities is steady or dropping? Mr. Lue said it is steady. It increases sometimes when there is a rate increase, but most of that increase is to support the operations of the utility or enterprise fund. Ms. Fowler asked as far as the usage, and people paying the bills if the City has a lot of people other than College Students who do not pay their bills? Mr. Glascock said the City has a total of 5,100 accounts that total \$3.9 million in late pay. Ms. Fowler asked if this was because of COVID, or usual? Mr. Glascock said that he thinks this is pretty high compared to other years. Ms. Fowler asked if she was explaining to a neighbor why the City is hurting so much financially, she would say sales tax is down, utility uncollected is up a little bit, and what is the other big driver for a decrease in resources for the City? Mr. Lue said the City is down in every revenue category. The City is not writing fines, or tickets. There was three months of parking where the City did not collect revenue. Ms. Fowler asked about the function of volume from businesses dropping since they have been partially closed? Mr. Lue said they have

seen some businesses not renewing but that they have seen a larger number of new businesses as well. For permits and licensing they have pushed the deadline back to July so they are just now seeing the revenue for those. Ms. Fowler asked again, sales tax is down, we're in forgiveness mode because of fees and fines, and what would be the third? A business officer said other local taxes that are local consist of: telecommunications, TV, and gasoline. The first two have been in a decline for the past years. Gasoline is down because people haven't been traveling recently.

Mr. Skala added in terms of property taxes, the City gets a fraction of what the school board gets. It is maintaining itself but it is not. Mr. Lue said it is basically pennies in our budget.

Mr. Lue said that investment money revenue is down substantially, and it will be down for the foreseeable future. It is not a huge piece of our income, but it was nice.

Mr. Skala asked what do we invest in as the City to get a return on investment? Mr. Lue said we invest in UBS, which is our financial investment company. It is a mutual fund approach to invest in different segments. The City does not buy any particular stock or exchange exclusively, rather it is a group. This is done to avoid risk.

Mr. Glascock said to get back to Mr. Thomas' ask, to bring them back to a worksession to be able to prioritize fee increases and taxes. You don't want to put them all on the ballot at once. Mr. Skala added there is a dance that we need to coordinate with the school district to do this. Mr. Glascock said there are three times a year that this is possible, April, August and November. He would need to get these ideas on the agenda in January to get it on the ballot for April. He suggested in October there might be a worksession to go through all of the possibilities and prioritize them and figure this out.

Ms. Peters said that we need to keep track of the use tax issue. The State is continuing to see that there is a loss of money, and that this needs to be passed so that cities are able to collect it.

Personnel Changes

City Manager John Glascock went over a breakdown of deleted positions. There were a total of 78.50 FTE positions deleted, of which 11 were currently filled.

Councilmember Peters asked how it was working with the Municipal Court since the State had made it so that everyone with traffic tickets or violations needed to have court time, unless they had paid it. Mr. Glascock said that is why they have made changes with the parking enforcement so as to not overload the Municipal Court. Annually they were giving out about 70,000 tickets, and the closest city to Columbia was giving out 30,000 tickets. Mr. Glascock talked to Judge Noce about how best to move forward with not overloading the Courts. Ms. Peters then asked if we were not writing tickets, and Mr. Glascock said that we would be writing tickets, just not to the limit we used to. It is more about community policing and getting people to comply before you start ticketing them. Ms. Peters asked if we were going to warn people downtown, and Mr. Glascock said in some areas. Ms. Peters asked if we were going to have CSA's and Mr. Glascock said it will continue.

Councilmember Skala asked in terms of compliance if it was going to really have an effect on the Municipal Court. Mr. Glascock said that it won't, but that the Courts are going through a system change for their software and it may help.

Councilmember Fowler mentioned about the car storage problem, specifically when the college students are here. She asked about the 13.45 positions that were being

eliminated from solid waste. Director of Utilities David Sorrell said those positions are generally associated with the proposal to eliminate curbside recycling collection. There are other positions such as Assistant Director and Community Relations Specialist that are partial FTE, but in general the positions are if the proposal to eliminate curbside recycling collection is approved the positions would no longer be necessary. Mr. Glascock asked if those positions were currently filled? Mr. Sorrell said that there are more than 13 vacancies in solid waste collection currently, meaning no one would have their position eliminated. Ms. Fowler asked if all of these positions were CDL positions? Mr. Sorrell said all of the positions in collections are. Ms. Fowler then asked if in the solid waste positions that would be eliminated, if we are predetermining the outcomes of other conversations that the public are having about trash and recycling collection. Mr. Sorrell said that if the positions remain were to be filled, they would be sufficient to do the curbside routes of garbage alone, as well as commercial.

Ms. Fowler asked if we were discussing solid waste at all today, and Mr. Glascock said that we were waiting to talk about that until Mr. Pitzer arrived.

Ms. Peters asked if the sewer positions being eliminated would affect the sewer projects. Mr. Sorrell said that those positions were sewer maintenance operation positions, some of them have been vacant since they were created. One of the positions was wastewater treatment plant, and COVID-19 caused that process to change to help minimize interaction. This increased productivity and the workers appreciated that and asked to keep it that way. There are eliminations of positions in all of utility funds from operations and maintenance and most of those positions remain vacant now. Ms. Peters asked if the work can get done without those positions and Mr. Sorrell said that the work that those positions would be doing is not being done now because those positions haven't been filled for two or three years. Ms. Peters asked if this work should be done? Mr. Sorrell said it is work that needs to be done but for instance in sewer they created these positions and have never been able to fill them. Ms. Peters asked if that meant those positions were being outsourced to get done, to which Mr. Sorrell said that those projects were never started so they are not being done.

Kyle Rieman, Budget Officer, mentioned it would be good to discuss why these positions are not being filled. Mr. Sorrell said they go through the process of requesting jobs be posted. Sometimes they are successful and other times they are not. He mentioned he thinks that currently some interviews are being done that day as well as the next day.

Mayor Treece asked how those jobs are being posted. How would the public see these vacancies? Mr. Sorrell said he knows it's on the website but he would have to defer to Human Resources.

Mr. Skala added if the disappointment was in the salaries and wages of not being filled.

Mayor Treece said, first of all how would someone see an opening for a refuse collector. Human Resources Director Margrace Buckler said that they have an online site that is accessible from the HR page, and that the main City page has a jobs button to go directly to the postings. Mayor Treece asked if we still post in the newspaper? Ms. Buckler said they post temporary jobs in the newspaper and that they use indeed mainly. Mayor Treece pointed out that it was another online resource and that if someone did not have access to the internet they would have to go to the library. Ms. Buckler said that there are some specific jobs that they post in the newspaper if that department wants to pay to advertise for it. However, most departments do not have sufficient advertising budgets. She also pointed out most people do not get jobs from the newspaper. Mayor Treece asked what about the Job Security Office, and Ms. Buckler said that everything

goes through that and the State job sites. Mayor Treece asked how many vacancies she had currently for a refuse collector. Ms. Buckler said about 15. Mayor Treece asked how many applicants and Ms. Buckler said she did not have that information off the top of her head but could come back in the afternoon with that information.

Mr. Skala asked what the rate limiting factor was for not filling the solid waste vacancies. Ms. Buckler said that there are all kinds of reasons. Right now it is more lucrative not to work, if one is able to grab unemployment. For refuse particularly, her opinion is that collections is a very physical and difficult job. To be paying them at the median of the market for their starting rates, \$17 an hour and benefits not being good. While the City provides the CDL training and license it is also a requirement of refuse collectors. Ms. Buckler said that she looked at turnover and said that in the present year they dismissed more employees than those who choose to leave. They were dismissed due to violations of policies, for not coming to work. This year so far three resigned, six were dismissed and one retired. Ms. Fowler asked if later this afternoon they would be able to discuss the benefits that garbage collectors receive.

Mayor Treece said one of the challenges to recruiting and retaining a qualified workforce, we need to be flexible. This is a different demographic and generation. It is probably not a career to be a refuse collector. Mayor Treece mentioned how he observed Chief Jones when he was dealing with a shortage of staff and how Chief would ask people if they would like to be a Police Officer to try and recruit them that way. Ms. Buckler said they go to all of the job fairs that the State provides, that they go to the instant job fairs the library has, as well as they have staff who go out into the community going to high schools providing information. She also shared they just don't have that many people to specifically focus on recruiting. Ms. Buckler said if you get to the Senior refuse collector and move to commercial, they are generally long term employees. It is usually the residential, back breaking, hard work that they have a hard time keeping.

Councilmember Thomas asked if Ms. Buckler could confirm that the typical practice is to have two refuse collectors per truck, and both have to have CDL licenses so that they could take turns doing the job. Mr. Sorrel said that the current way it is organized and planned is to have two CDL drivers who alternate between driving and picking up the trash. However, the current staffing shortages it limits the number of CDL drivers they have. The current system is the City provides one CDL driver to drive, and hires two temporary staff members out of an agency to alternate collecting the garbage from the curb. One person could not do that because it would just wear them out. Mr. Thomas said that this speaks to the model currently being used, people with the current training don't want to spend half of a shift a day doing the back breaking work of throwing garbage, and shouldn't. It all points to the need of moving to automated collection, and once we do our recruiting difficulties will diminish. Mayor Treece said that would be deleted.

Mr. Glascock said that the slide shows all of the deleted positions, it was all across the board and everyone participated. The added positions would be talked about throughout the budget process.

Lunch Break

The group adjourned for lunch at approximately 11:51 A.M. and reconvened at approximately 12:18 P.M.

Transit Funding

Director of Public Works, David Nichols discussed the 2021 Transit Funding. He mentioned the FTA Operating Grant, they received a small State Operating Assistance Grant, and they received a subsidy from Transportation Sales Tax. They also get a little

bit from advertising revenue. They put out an RFP to help out with advertising. These will be the revenues moving forward in 2021, so they may have a little more of an aggressive approach with their advertising.

Every year they apply for an Operating Grant that depends on factors such as ridership and eligibility for fixed and para-transit. The amount awarded depends on the federal amount available to allocate, the previous year's ridership numbers, and last year's eligible expenses for Fixed Routes and Para Transit operating expenses. This is found out in June. What counts toward the local match is fares, passes, Medicaid reimbursements for Paratransit, State operating assistance grant, subsidy from transportation sales tax (TST) and advertising revenue.

Some considerations to going fare free is going to continue to have the local match for operating grant, what would happen to Para Transit costs, and what is the final condition of reserves? These will be questions constantly monitored as the City goes through the trials of having fare free transportation.

TST is a tax, and it will be impacted. It is shared between street, operations, and the airport. If the City is given a greater amount for a grant for Operating Grant amount, the question will be if the City has to match it. There is a catch 22 that if ridership numbers go up, the grant will go up, meaning the City may have to put in more money for it.

Mr. Nichols shared graphs that detail the received Operating Grants received over the years and said it most likely fluctuates due to ridership numbers. In the past year the City went down from 14 routes to 6 that they are running. He said that is one of the reasons being able to maintain is that they have decreased in services and cost so their revenues are able to match local grants without having to charge fares.

A five year forecast is that they are currently above target and will spend it down in the next year. Looking at 2022 to 2025 Mr. Nichols said they would need to increase subsidies due to pay raises, benefits and others. With some of the capital purchases Mr. Nichols hopes to be able to reduce some of the maintenance costs of their fleet as they bring in newer busses through their grants. Those numbers are unknown but he presented just their projections.

Mr. Nichols went over ridership and said in 2019 it went down because that is when they made the change of routes, and it has continued to be down due to COVID-19. This especially shows up on Para Transit because people did not want to get out, and were not requesting rides.

Mayor Treece asked how many bus stops have been added, constructed in the last 12 months. Ms. Peters asked if he meant stops or shelters? Mayor Treece said shelters. Mr. Nichols said they have made 5. They bid out for another one to be made.

Mayor Treece said at the last meeting they approved a change or reduction in their agreement with the University Of Missouri for the Tiger Route due to enrollment issues, and was wondering how that affects financial projections. Mr. Nichols said they didn't have the expense so they didn't need the revenue, and that it will be on the next Council meeting for second reading.

Ms. Fowler pointed out that she heard if there was an increase in ridership, there might be an increase in match. She asked if that applied to Para Transit, so if they use it more frequently because its fare free? Mr. Nichols said no because it is a fixed route. Ms. Fowler also said she understands his reason for relocating the bus shelter on Wilkes,

and was wondering if he relocated it to another location so that someone could benefit from it. He said it was relocated, on the blue route on the Northeast side of town.

Mr. Skala anecdotally said that the bus shelter on Rice and Bellinger is a great improvement, and that he really appreciates it. He also asked how the ridership numbers are going to be looked at for an increase, specifically because there is still a pandemic going on. Mr. Nichols said it may be a pilot longer than a year until we bounce back. Mr. Glascock said that he believes COVID-19 will be around for longer than a year and that we will continue to do this for some time. We will continue to see what our numbers are fare free. What will come to council is what if the ridership doesn't increase and if this is what we are going to have our approach be moving forward.

Mr. Thomas mentioned that we moved from a coverage system of serving every part of the city to a productivity of the six routes with the highest ridership. He said this is a good starting point to grow the system in a sustainable way. He asked if since going from 14 routes to 6 if the annual capital budget was reduced due to less maintenance and replacement of busses. Mr. Nichols said that is part of why they thought they could go fare free, since they don't have those costs anymore. Mr. Thomas said that was another good reason to make that change and that now we are using our resources in a more efficient way. This also, Mr. Thomas pointed out fare free saves costs of actually dealing with the fares, selling passes. He asked if Mr. Nichols estimated how much he is saving in operations costs by not having the fare system in place? Mr. Nichols said it was several thousand. He said the fare boxes and keeping up with those has been very expensive. Mr. Thomas said he remembers when he rode the bus the fare boxes were always out of service. Mr. Thomas also said that there is another cost of improved level of service of not collecting fares in terms of the speed of the route. He said that as we go into this, to the extent there is the capacity he encourages to look at other towns when they went to fare free.

Mr. Thomas asked about what percentage the Tiger Route would be reduced. Mr. Nichols said it would be reduced to one route. The City had to increase the rate per hour, so the University eliminated one of their routes off. Mr. Thomas asked if this was a one year contract? Mr. Nichols said they are doing this on an annual basis now. He also added that Mike Sokoff will be the new Parking and Transit manager for the City, starting on September 8th. Mr. Thomas added that the Tiger Route undermines the effort of having a robust transit system since it transports students from parking lots a short distance up to campus. So everyone who uses the Tiger Route owns a car. He asked that in continuing conversations with the University emphasize the point of moving to an arrangement where the students support the transit system of getting fare free for the entire system. Almost every other college town in America that has a transit system does.

Mr. Thomas asked if Mr. Nichols was still having difficulty getting permission to put shelters in some locations. Mr. Thomas asked what was his thinking of using condemnation as a way to build those shelters? Mr. Nichols said it would be a long process to get things appraised, giving an offer, a survey, coming to Council. The problem is people support transit but don't want to build a shelter on their property. Mr. Thomas asked so there was no problem building a shelter on a sidewalk in front of someone's house? Mr. Glascock asked what would be done then with the pedestrians walking on the sidewalk, they'd have to walk in the street. Mr. Thomas said he was thinking wider sidewalks. Mr. Glascock said that it would be condemnation for more than just the sidewalk and easement to build and have the space. It would be possible if the Council wanted to move forward with that. Mr. Nichols said he could get them surveyed, get an appraisal for an offer and try to negotiate so they may not have to condemn but they have not gone that path yet. Mr. Nichols said he welcomes that idea, and Mr. Thomas did too.

Mr. Thomas said maybe there should be more conversation, condemnation threatening is a big step to take and thinks there would be a lot of negotiated agreements. He added that more bus shelters would improve the level of service. Mr. Nichols said there was a time they were not consistent with their route locations in the past, but he feels they are consistent with their route and think it will be moving forward. This inconsistency may have swayed people from wanting to create a shelter on their property, but with the consistent routes now it could change.

Mr. Thomas also brought up the fact that Para Transit down. The City used to charge a couple of dollars per rider and \$35 was the true cost, but it was being supplemented by TST and Federal Grant. Mr. Nichols said he was correct with that. Mr. Thomas asked if it was the few dollars that were charged that was being lost moving to fare free. Mr. Nichols again confirmed that point. Mr. Thomas brought up possibly a one time investment into transit with the extra money, to look at the bus stops near where most of the Para Transit riders live and ensure that their stops are accessible. Accessible would entail that the stops be smooth concrete, have ramps, and connected to everything. Para Transit riders that spoke to Mr. Thomas has said that they prefer to ride the regular bus system and that it would give them a level of independence. However, for them to do that they would need a concrete path and a sidewalk connection from the bus stop to their destination. He said that a survey of that and a one time sidewalk investment to create that opportunity could reduce Para Transit and increase the fixed bus route ridership. Mr. Nichols said he thought that was doable and that they know the location of their riders to help do an assessment of the conditions. They are always looking for sidewalk projects and different funding streams, and CDBG would be one.

Mr. Skala said with respect to transit he asked if there have been discussion on using some of the savings, earned from cutting transit routes last year, to aid in headway and timing of the current routes. Mr. Nichols said they just finished their first year, and with COVID-19 hitting they need to let the system roll to really see what the savings are. It's hard to plan to use savings because there are still going to be costs. One of the budget officers mentioned that part of the reason why they made the route changes was because they were not doing well financially, and the savings needed to happen to keep the bus routes alive.

Mr. Skala also mentioned that in terms of condemnation it is a pretty severe political issue. It is a step that would really need to be justified before taking that aggressive of an approach. Mr. Nichols said that they are used to the process and he could apply the way they do it for their roads to this project.

Councilmember Pitzer said that Mr. Nichols is trying to increase the subsidy each year, so by the end of 2025 it would be \$700,000 more than it is right now. This assumed that TST did not grow much in the next few years. Mr. Pitzer asked where that budgeted \$700,000 was coming from. A budget officer responded that what will happen is there will be less match money available for capital, airport and transit assuming no changes in the FTA operating grant.

Mr. Pitzer also asked that in a worksession a while ago was trying to figure out how many unique riders the City has. Not the total ridership but how many unique people use the ridership. Mr. Nichols said he doesn't believe they have it. Mr. Pitzer asked if it was measurable. Mr. Nichols said he does not know how they would recognize different riders because of different drivers and busses. Mr. Pitzer asked if they had ever surveyed users to find out how many average rides they take a month, or a week. Mr. Nichols said no, but drivers get familiar with frequent users but that drivers often switch from route to route. Mr. Thomas said that he thinks they've asked that question in the ETC survey in recent

years. A representative sample from the community responds how many times they've used the transit system in the last 12 months. He thinks that data exists.

Utility Overview and Issues

- Rates
- Integrated Management Plan
- Solid Waste
- Fund Financial Summaries

City Manager John Glascock started off with talking about the pending disconnect policy. They have not currently been doing disconnect, but with college students returning he would like to start it back up beginning October. College students know that if they don't disconnect them, they have a bad habit of not paying. He asked now so that we can get ahead and tell people it's going to happen so they can set up a payment plan.

Mr. Skala brought up the fact that with COVID-19 there are a lot of people that are in the circumstance of not paying their bill. He understands that college students coming back does bring up a concern. Mr. Skala wanted to know if the City or Council would consider an increase in assistance to those folks who really need this help. Mr. Glascock said they are trying to partner with CMCA to try and partner with some of the CARES Act Funds, and are trying to create a template for that. Mr. Glascock said he just wanted to let Council know that this was coming and see how they felt. Mayor Treece said he supported Mr. Glascock's decision and thinks there should be some mechanism to identify those who are on the bubble of disconnection that the City can help with a payment plan or accommodation.

Councilmember Peters asked if we had any idea how many households are unable to pay or have not paid. Mr. Glascock said right now residential 4,645 accounts are pending discounts at \$2.8 million. Meaning 4,645 households are pending disconnects out of 40-50,000 accounts. Mr. Glascock said he has 456 commercial accounts at \$1 million as well. Residential bills normally have an average of \$670. Ms. Peters said there's a little over 4,600 of those, and the total number of customers is? Mr. Glascock said he believes that it is in the 40,000 range.

Mayor Treece asked if we were just going to write off that \$2.8 million? Mr. Glascock said he doesn't get to vote on that.

Councilmember Fowler said that we have about 14,000 households that are burdened by the cost of their housing. She said that strikes her as the population that would be affected by the disconnect policy returning. She doesn't want to lose site of the 14,000 burdened households in this conversation. Ms. Peters said 14,000 burdened households? Ms. Fowler said according to other City staff reports there are approximately 14,000 households that are burdened with the cost of their housing. Mr. Skala said that is what he was trying to get to, to have some sort of safety net and special consideration for some of those folks. Ms. Peters said that is about a third if you are assuming it is the same group.

Sarah Talbert, Assistant Director of city utilities presented on the discussion of rates. Back at the May budget work session Council made it clear they did not want to see any rate increases add to that the City Manager asked all departments to cut 10% out of their budget operating costs. In order to meet all of that, they have cut \$1.3 million out of water. 15.5 of that cut was FTE positions that were currently vacant. In electric \$8.6 million was cut out of electric, 11 FTE positions were eliminated. Majority of this cut was

\$6.8 million in purchase power. Other things reduced in this was part of their training budget due to vacancies, publishing and advertising reducing customer awareness of current programs going on, energy efficiency programs and audits. In sewer \$1.4 million out of sewer of which 3.45 were FTE positions of which were vacant. There are other cuts such as inflow and infiltration reimbursement program, sewer line cleaning and maintenance of construction materials. Solid waste is having a reduction of \$1.9 million, this includes 13.45 FTE positions eliminated. 11 of those positions were from curbside recycling due to the elimination of curbside pickup. They are also having cuts in no longer providing blue and black backs for curbside and recycling, and the elimination of material recovery in the landfill. With those cuts, the five year forecast was shown.

Council approved a policy resolution in 2013 to sustain a 20% cash reserve target for Utilities. The first year they are estimated to be \$1.5 million above the cash reserve budget for water, and the following years they are targeted to be falling below that. The third column is showing the amount of cash they will have available. It decreases to only having half a million in 2025.

Ms. Talbert broke out the debt coverage ratio with and without the PILOT. With PILOT staff includes it in debt coverage because it is an actual transfer that is going to happen each year towards the general fund. They did it without PILOT because that is how the debt bond covenants calculate it. With the PILOT every year they fall below the debt coverage, without it they are well above it.

For electric the same philosophy of having PILOT exists. The first year they are projected to be \$4.5 million above the cash reserve, and the following years after that they fall below. The ending cash is \$35 million for 2021 and they end up with \$19 million in 2025. There is a big drop from 2021 to 2022 because there is a Capital Improvement Project (CIP) budgeted for \$8 million to replace electric meters to AMI. Whether or not that happens, will affect the budget cash reserve. With PILOT the debt coverage barely meets the cash reserve, and without PILOT it is well above and on target.

Councilmember Pitzer asked if it was going up because the City is paying off debt? Ms. Talbert responded with in 2024 it is going up due to refunding that finance has done, 2024 will finally see all of the savings it has brought in. Mr. Pitzer asked if there was any need to issue bonds in the next 5 years. Ms. Talbert said they still have 27-28 in electric bonding authority that they have no plans to use until the Integrated Electric Resource and Master Plan Process (IERMP) process is done. They still also have \$13 million from the 2015 issue that is sitting restricted because of some projects put on hold.

For sewer they do not pay PILOT. In 2021 they are estimated to be above cash reserve \$5.7 million and start dropping off to be below in 2025. There is no revenue increase in any of these numbers. Operating expenses are stagnant except for personnel because there's always an increase due to health insurance or LAGERS retirement plans. Supplies and materials are flat and there are no increases in the five year forecast.

In solid waste there is no debt coverage. They are estimating to be \$2.5 million above cash reserve target in 2021 and then considerably drops below to \$20 million below in ending cash, and by 2025 to be out of cash. The reason for that is due to a project in 2025 for the material recovery facility phase 2 at \$10.5 million that probably won't happen. A study will need to happen first to see if it is necessary.

There is showing a potential water revenue increase, only due to the August 2018 voter approved water ballot issue. They implemented a 30% increase in 2019, they delayed it in 2020 until 2021. This pushes off the other 3% that was scheduled for 2021 and another

3% from 2022. They did a water bond sale in May 2019 for over \$15.5 million. They still have a bond authority of \$27.7 million they anticipate selling in early FY 2022 when the water treatment plant is ready to bid. Their intent is not to sell bonds any sooner that necessary. The potential water revenue increase will be brought forward to Council in January/February 2021 after the current fiscal year financials are closed and audited if needed in order to meet debt coverage requirements. If not, they will delay it.

Mayor Treece asked what the current status of the treatment plant that Council approved an engineering contract for at their last meeting? Director of Utilities Dave Sorrell said that the contract was issued last Monday and they are working on the project schedule to have it finalized to get started and shared with Council.

Ms. Fowler asked about cutting back on programs. She asked if the energy audits and loan programs for energy retrofitting of homes would be cut below current demand or where they believe the demand would remain? Ms. Talbert said she believes it will be cut to where they think demand would remain annually. They haven't been spending all of that money, so this cut will help them get their numbers down to where they actually are. Ms. Fowler asked if she had an idea why the program no longer has the demand it once did? Ms. Talbert said each year is always different. Residential solar is really being pushed now. AC has also seen a lot of air conditioning rebates. She thinks they have about \$1.2 million budgeted for refunds and rebates and they spend about \$900,000 of that last year.

Ms. Peters asked if there used to be more of an interest in it? Ms. Talbert said it's been \$900,000 to \$1.1 million it just fluctuates back and forth. Solar demand has been big recently seen in the AC rebates. Some of the bigger ones they have people go out to those areas they have Key Account Personnel where people go out and give clips, a lighting program rebate, a couple of those have happened. Most industries aren't moving towards this or they have already.

Ms. Fowler said, she's interested in this because if we're interested in preserving the small footprint houses as the largest inventory of affordable housing, this program makes the difference for someone who buys a house and can use the funding, loans, and/or rebates to take the house that leaks like a tent to an energy efficient appropriate use house that makes it affordable. Her point is that this program is a key part of how we keep houses affordable for families. Ms. Talbert said that they don't have a problem coming back to Council and asking for more money if there are more requests.

Mr. Thomas asked if the projections for revenue expenses and utilities included an estimate of new building permits? Ms. Talbert said they only include a half percent of customer growth. They look at annual growth for the number of customers and to be conservative they only do a half percent.

Mr. Pitzer asked if she had the assumption of not increasing rates, and having a number she felt comfortable with, if Ms. Talbert would've been comfortable with the 10% budget cut that the City Manger asked? Ms. Talbert said in some areas they would have because for example in electric they haven't spent close to where they were budgeted for. While it was difficult, there were areas that were more difficult to cut than others. Water especially, when it already makes up a small portion of their budget. Mr. Sorrell said they focused more on getting the debt coverage ratio met, that would have driven them to 10% anyways. That is why electric reduction was greater than 10% because they were trying to get the debt coverage ratio better responsibly. Mr. Pitzer said he was getting at the point of if they were cutting more than needed to. Mr. Glascock said that he wanted to get as close to what they actually spend every year. He's not scared to ask for more

money from the Council. He's trying to be more transparent with every dollar they have.

Mr. Sorrell presented an update on the Integrated Management Plan (IMP). This was passed in December 2018 by the Council. The Department of Natural Resources has now renewed an operating permit for the City's sewer system that went into effect July 2, 2020. There is a special condition in there that addresses IMP. The City is required to report annually on progress towards implementing the five year action plan included in the IMP. Majority of the items are already included in the operating budget. The two big items that may need additional funding are system renewal and private common collector elimination. This would total \$3.34 million annually.

Using the existing bond funding, Mr. Sorrell put in rate increases to see what it would take to maintain the 20% reserve target requirement through small rate increases over time. THIS would look like no rate increase this year, followed by two years of 3% increase, a year of 2% increase and the last year a 1% increase. This would average for the average residential customer a rate increase of \$2.10 total. If there were no rate increases by 2025, it would take a 11% increase compared to a 9% increase to get to the targeted reserve. However, Mr. Sorrell proposed a different way of funding this rather than increasing the rates. This would be through using bond funding of capital improvement projects. These bonds need to be used, the City can't sit on them forever. One of these is the 100 Acre Point Sewers, there have not been any requests for this since 2013. There are \$700,000 sitting in this, \$560,000 in bonds that can be transferred out. Another one is North Grindstone Phase III. This was included in the 2013 ballot issue, but there were no bonds sold for this. There's about \$6.4 million in bond capacity from 2008 and 2013 that have not been sold. The last project is Henderson Branch, there is \$2.3 million in bonds, this was a project not approved from a Public Hearing in 2018. If they were to take the money out of these three projects, they would still have the 20% cash reserve target without increasing rates in five years. They would still have bonding authority if the City ever decided that these projects are something they want to continue so they could move forward.

Ms. Peters asked how far the Grindstone Phase III goes out, if it reaches Battle High School now? Mr. Sorrell said the sewer serves Battle now, and it would go a little East to Route Z was the plan for it originally. Ms. Peters asked if there were adequate sewers for new developments in that area now? Mr. Sorrell said that all of the area around the high school has a sewer. It extends further north too.

Mr. Pitzer asked when the bonding authority expired? Mr. Sorrell said it's approved by the voters so it doesn't expire. They can only sell the maximum amount that was approved. They took money last year and funded about \$6.4 million worth of projects with cash without selling bonds. That's why the authority still exists. Mr. Pitzer said so once you borrow the money there's a clock on it? Mr. Sorrell said that was his understanding you have to spend the money in an amount of time. A budget officer added that it's based on arbitrage rates. They submit their expenses to calculate if they owe taxes on the interest they're earning on proceeds. In a typical market you would want to spend it in 5-10 years. Mr. Pitzer asked if it was a recommendation or a requirement? The budget officer said it was a recommendation, you don't have to spend proceeds but you would start to get taxed on it because you would be earning more interest on the proceeds than you would from the interest you are paying.

Ms. Peters asked if they were voter approved to be bonded for those specific projects? Mr. Sorrell said the projects were discussed during the ballot issue, but the ballot did not identify any specific project. The bonds did include the general description of sewer rehabilitation, private common collector elimination and sewer extension so they could

move to any projects included in the bond. Ms. Peters said that would allow us to do some rehab on the First Ward sewer issues? Mr. Sorrell said that was his idea. It would get the bond money spent, and they would still have bonding authority.

Mayor Treece said he was comfortable backfilling much needed sewer projects. Keeping in mind the original project estimate for Henderson Branch was \$2.7 million and it ballooned to \$4 million and then Council shut it down. His objections to that is there are sewer projects within City limits that have not yet been completed that desperately need to be. Mr. Skala said that's exactly right and there were quite heated discussions about all of that.

Mayor Treece asked if Ms. Fowler would like some of those projects in her neighborhood? Ms. Fowler said of course. She was concerned about knowing when a project is on the list to be done, and knowing that it will be done. Of course she wants money from the City to go to projects that their neighborhood has been waiting on for years and now is experiencing system failures. She wants to ensure that the money will not be pulled to something else.

Ms. Peters added it would be nice to move the bond money to deal with sewers and see a list of the sewers that were next in the line of being addressed. She suggested maybe a yearly review of where the process was with sewers.

Mr. Sorrell presented the question of what it would cost to automate curbside collections. To automate garbage it would take about 8 routes, with 11 trucks for three of them to be reserved for maintenance and repair. They would also purchase 36,000 carts for each individual home. This would be a total cost of \$4,950,000 for the new trucks and carts for automation of curbside trash collection.

To automate recycling it would take 5 routes with 7 trucks total, 2 reserved for maintenance and repair. The City would purchase 72,000 carts for each home to have two recycling carts each. This would be a total of \$6,270,000 for the new trucks and carts for automation of curbside recycling collection.

In total to automate collection of both would be approximately \$12,000,000 allowing for a 7% change from the current quotes.

Ms. Peters asked why there were 5 routes for recycling and 8 for garbage? Mr. Sorrell said that because recycling is voluntary, not everyone does it. If everyone recycled, they might have to increase the amount of routes for recycling.

Mr. Sorrell said there are things that offset the initial costs of automation. One of these was smaller or multiple size carts, that would change about \$5 per carts in size. If the City moved to automation there would be an anticipated reduction in temporary staffing, which would save about \$500,000- \$700,000 annually. They have several trucks scheduled for replacement between now and 2026. This totals \$2.7 million in replacement costs. Mr. Sorrell reminded that it would cost \$2.9 million for the new automated trucks so that would basically offset itself.

Ms. Peters asked how often trucks need to be replaced? Mr. Sorrell said everything is on about a 10 year replacement schedule. There is about \$2-3 million in replacements for solid waste each year.

Mr. Sorrell said the other thing to think about is the newer trucks would have a better

value for trade in, which could offset some of the costs. Moving to automation would also decrease the number of injuries to staff. That is not quantifiable but with staff not having to jump on and off trucks it would decrease.

Mr. Pitzer asked if he knew the workers comp costs have been? Mr. Sorrell said that he could send Mr. Pitzer that number.

Mayor Treece brought up in February there was a work session about ordinances and best practices, changes that Mr. Sorrell was considering and staffing concerns. Mr. Sorrell had then suggested that council considers enforcing current ordinances so staff wouldn't have to pick up larger items that are not in bags or bundles, limiting the number of bags each household can dispose of each week, eliminating the special pickup, and requiring the use of containers for excessive amounts and having a special pickup charge for bulky items. Mayor Treece asked where Mr. Sorrell was on that? Mr. Sorrell said his plan was to meet with staff, draft up the ordinances, and have a couple public input sessions. Unfortunately because of the emergency home order they have not been able to meet. Mr. Sorrell said he was sorry about that and he is tempted to just bring those things to council in order to move forward. One thing that the refuse collectors have done better is not collecting any crazy thing that is put curbside. Mayor Treece said he had frustrations because Council spent time on this, Mr. Sorrell put together a presentation, and it took time. Now all of these issues are contributing to the pressure to adopt roll carts. Had we addressed some of these challenges that Mr. Sorrell had suggested it may have provided relief to the staff, to the staffing challenges, and may have eliminated the perception that trash is not being picked up. Mayor Treece said while he appreciates the want for public input like Mr. Sorrell was saying he wanted, he wanted to know where the public input was on the elimination of curbside recycling and eliminating bags? Mr. Sorrell said those two things are with the budget and that is where they can get public input. Mayor Treece brought up that it is now on Council's agenda and that in the City's Customer Satisfaction Survey and 91% are satisfied or very satisfied with the curbside recycling and trash service they receive. The number one highest rated thing of everything Mr. Sorrell, and yet we're gonna throw it out the window instead of amending it. Mayor Treece wonders if the City had done some of Mr. Sorrell's original suggestions if it would have decreased the march towards a suspension. Mr. Sorrell said they didn't want to delay curbside recycling collection, they just didn't have enough people to do it.

Mayor Treece mentioned that Mr. Sorrell in February said even if the City went to automation, that they still would not have enough staff to operate the system. Mr. Sorrell said that they would still be in need of CDL drivers, they would not be able to operate 13 routes reliably. Mayor Treece said this makes him think if before spending \$12.2 million on something that doesn't work, do we need to address the route problem of how are we recruiting and retaining people to work? Mr. Sorrell said that does need to be addressed.

Mr. Skala added that there are two contingencies. One is the contingency with the current system to make improvements to it, and the other is the contingency if the folks demand it and try to accommodate a roll cart system. There are other issues when it comes to automation, the maintenance of the arms for automation. The trucks can only go down the street one way collecting trash, so it would be a fuel issue and speed of having to go down each street twice. We have to work with our current system and try to improve it without wanting to replace it.

Mr. Thomas asked since the new trucks for automation cost \$270,000 each, what do the current trucks cost? Mr. Sorrell answered that they cost between \$270-300,000. Mr. Thomas said since they are basically the same, we could theoretically start replacing the current trucks with the automated trucks over time. Mr. Sorrell said that he would

recommend changing all of them at once. Mr. Thomas also asked if the issues with CDL drivers would exist, since there would be fewer routes. Mr. Sorrell said that right now there are currently 28 budgeted positions. For automation they would need 19 positions. This is due to needing workers to still grab the larger items for when they are thrown out and not able to be picked up through automation, and the fact that some people will call out or not show up.

Mr. Thomas also asked to hear about the workmen's compensation. The budget officer shared that in 2015 it was \$56,000 in 2016 it went up to \$181,000, 2017 it was \$217,000, 2018 it was \$432,000 and in 2019 it was \$814,000. The frequency of claims has not increased, it was 34 in 2015 and in 2019 it was 44. Rather the cost per claim has increased from in 2015 being \$1,658 to 2019 it costs \$18,500 per claim. Mr. Thomas asked if that was because the injuries were more severe? The budget officer said it was probably because of severity but also the cost of healthcare going up. He also went over how many workman's compensation there have been each year. Mr. Thomas pointed out we have 28 trash collector positions, and every year they are all having workmen's compensation issues. Mr. Sorrell clarified that the workmen's compensation numbers included every solid waste worker, not just the refuse collectors.

Mayor Treece asked if there could be a report of claims by case descriptors for solid waste and break out the material and recovery facility with residential collection and have them break it out by animal or insect bite, burn and exposure, cut or puncture, sprain or fall, struck by case descriptors to be able to see better. For reference in FY 2014 there were 26 claims, \$276,000 worth of claims. Adjustments were made to some of the policies that incentivised speed, it used to be if you finished your route in time you could get off work and go home by 3pm. That was changed and it was reduced to \$200,000 in 2015. Mayor Treece said so if there is an increase in claims, if it was a management problem or a labor problem.

Mr. Thomas said it would be good to have these numbers. It is pretty clear that this is a dangerous job, and that is why we have difficulty recruiting for these positions. Mr. Thomas made it clear that he was in support of multiple bin sizes, because along with worker safety we would have the benefit of the creation of less trash. He pointed out that the Mayor is correct that there is a march towards the automation system, but Mr. Thomas thinks that the Council shouldn't be standing in the way of them. The fact that 91% of people are satisfied with the current system does not mean that they wouldn't be with the new system. From a policy making point of view, it is clear we will get there sooner or later. The November ballot is a great time to listen and let the constituents chime in on their thoughts of this.

Ms. Fowler asked what the starting wage was for refuse collectors? Mr. Sorrell said that refuse collectors start off at \$17 an hour, and senior collectors start at \$18.70 an hour. Ms. Fowler asked how you become a senior? Mr. Sorrell said it's based on how they are staffed on the trucks, one is the senior and the other is the refuse collector. The people who drive commercial collections are mainly all seniors. The seniors are responsible for checking the truck, fueling the truck, and being responsible for the route. Ms. Fowler brought up that she oversees the CDL drivers that her company hires. Her understanding of how the system works is there are a lot of bodily infringements for CDL drivers, but it is also a lifestyle. They are required to submit to random drug and alcohol testing, they have to be in a certain physical condition or submit themselves to a sleep study. She asked if being ordered into a sleep study happened to any of the City's CDL drivers? Mr. Sorrell said he would have to defer to Margrace from HR. Ms. Fowler said her point that she was trying to make was there are costs to being a CDL driver. She thinks the pay is insufficient as are the benefits for encouraging people to be CDL drivers, and stay CDL

drivers. Ms. Buckler, Director of Human Resources, said the City pays for their medical physicals, their driver's license, their testing, their training to get their CDL licenses, their renewals, they pay for everything. She mentioned they have 407 CDL jobs within the City of Columbia, not just in Solid Waste, and they do the same thing for all of them. Ms. Fowler asked if their health insurance covers anything for a sleep study or anything else? Ms. Buckler said it does, they would just have to pay for their copay. Their insurance covers the durable medical equipment required for the studies as well. Ms. Fowler asked how long it takes for insurance eligibility? Ms. Buckler said that employees become eligible the first of the month following their first day. Employees could waive their insurance, but it is fee for all employees if they are in the high deductible plan and there is a small cost if you are in the smaller deductible PPO option for insurance. Ms. Fowler asked if the free option covers the additional things that the occupational health doctor might require of them? Ms. Buckler says the high deductible plan still covers all of those tests. The City provides a contribution into an HSA if employees are in the high deductible plan. Ms. Fowler pointed out that the insurance doesn't cover it, there is a deductible to be met first. CDL drivers are probably going to the high deductible plan since it does not cost them anything. Ms. Buckler said she would not want to lump all CDL drivers into the same category as some are paid \$16.50 an hour, while solid waste CDL drivers are paid either \$17 or \$18.70. It has more to do with the rate of pay tied to the type of work being performed.

Ms. Fowler asked what conversations are being done to raise the pay rate to a rate that would attract CDL drivers that specifically want to work for solid waste within the residential side. Mr. Sorrell said one of the things that was asked of them was to see what it would take to increase wages for CDL drivers to a minimum of \$20 an hour. This would be a \$3 an hour increase. To do this, it would take a residential curbside rate increase of approximately \$0.51 per month.

Ms. Fowler asked we just eliminated a number of positions, so would we still have 28 employees? Mr. Sorrell said he was doing this based on the numbers if we were to keep curbside recycling collection. The \$0.51 would be what it would take to give the 28 people a raise of \$3 an hour. Ms. Fowler said that's even if the \$3 would attract and keep those employees. Mr. Sorrell said he doesn't know if it would take \$3 or \$5. If the increase was \$5 an hour it would have a rate increase of \$0.85 a month. Mr. Sorrell said that they would not want to have an increase of \$3 an hour for the division that is doing the manual labor of collecting the trash.

Mayor Treece asked if they could do it as an add pay. Mr. Sorrell said that was something he was going to suggest that it be set up as a shift pay that only applies when staff works the curbside collection on the back of the truck and would not apply to all collectors or to any other CDL required position in the City. Ms. Fowler asked what about those that drive the truck? Mr. Glascock said the issue there said is that if drivers don't get out and do the physical labor, why should he get the additional pay? Mr. Sorrell said that they switch out about every half hour, so they spend half the day doing the physical work and the other half driving it. This add pay would only be for the 28 CDL drivers who do the physical labor. This would not be for the commercial CDL who just put the truck forks into the trash bins. Ms. Fowler said she understands they are not having any difficulty with those drivers. Mr. Sorrell said that every time they have a position open up in commercial drivers, a residential driver always applies for it to move over.

Mr. Sorrell said that they could easily set up the shift add pay for the residential refuse collectors who do curbside pickup. Ms. Fowler asked if there would be something about the health insurance with high deductible being readily available for them. Mr. Sorrell pointed out that you would need the medical certification in order to be hired, so if you

had a health condition preventing you from being certified you wouldn't be hired anyway.

Mr. Pitzer asked why he doesn't have a problem filling the commercial positions? Mr. Sorrell said he thinks it's because they don't have to climb on and off the back of a truck and pick up stuff off the curb all day every day. He shared that people stay in residential for a short period of time and they move over to commercial when there is an opportunity where they stay there for years. Mr. Pitzer asked what they are paying commercial? Mr. Sorrell said it's the same pay, \$17 an hour \$18.70 for a senior. Mr. Pitzer pointed out it's the same pay and no trouble filling the jobs. Mr. Pitzer asked if it had been calculated to give all 407 CDL drivers the \$3 pay increase? Mr. Sorrell said they have not, but they could. It would be just for solid waste \$455,000 annually \$760,000 annually for a \$5 increase. Mr. Pitzer said he remembers the first time they tried to increase the wage for just refuse collectors, the next meeting other departments asking for pay increases. Mr. Sorrell said that is likely to happen.

Mr. Pitzer also asked what it would take to get back to being able to pick up curbside recycling. Mr. Sorrell said they would need 16-17 licensed drivers to make sure that they could function everyday because it is inevitable that 2-3 people call in every day. Right now they have 13 drivers and generally they only have 10 that show up on a given day. They are in the process of hiring people and putting them through the training. The thing Mr. Sorrell doesn't want to have them start Monday, and then find out Tuesday they wouldn't be able to. Mr. Pitzer asked if he was desi

Public Safety Mental Health Collaboration

Mr. Glascock introduced the topic of the Public Safety Mental Health Collaboration, and mentioned that this would be a new program for the City.

Stephanie Browning, Director of Public Health and Human Services, discussed the background of this program. She said that there have been many efforts to address mental health as it relates to the justice system. CPD has the crisis intervention training for their officers and community mental health liaisons. She mentioned there are Treatment Courts in Boone County and a Street Outreach team. There are programs already in place, but the City would like to do more. Boone County meetings on Justice System Sequential Intercept Mapping with multiple stakeholders, the proposed program was developed from this process and is one of the number one priorities for Boone County. She stated that the current mental health funding is \$135,118. There is a growing interest in how we rethink Public Safety.

The Mayor stated that \$135,118 is not the total amount spent on mental health in Boone County. He asked the Department of Mental Health to identify what type of dollars are spent per individual for specific referrals. They identified that \$15.5 million is allocated for Columbia Public Schools (CPS) and \$6.4 million for ADA. He mentioned that this is not City funding, and would like to know how we could use those dollars for those recipients on law enforcement referrals.

Geoff Jones, Police Chief, presented the current programs that CPD participates in. He mentioned that CPD would like to increase the capacity of the mental health liaison. This could be through a co-responder model, case management, or team response. He stated that CPD has not been able to increase the capacity due to lack of funding. Mayor Treece mentioned that Green County made a pilot program with Burroll Mental Health Center to enhance the community mental health liaison efforts. He stated that he asked Chief Jones in December 2019 to report the amount of City law enforcement referrals to the emergency room for mental health related crisis situations. There were approximately 556 per year, and 60 were the same individual being referred more than once. Chief Jones said that the City should consider that we can have great referral services, but places

need to be consistently available. It becomes difficult to get individuals in quickly when they don't have the ability to pay, this can be even more difficult in a crisis situation. Ms. Browning stated that in bigger cities you can map down to an address almost where people are consuming uncompensated services. She mentioned that one of the reasons it is called a Public Safety Mental Health is because they would like this program to be larger than just CPD.

Steve Hollis, Human Services Manager, reviewed the main models for this collaboration. A front end option is 911 diversion, which would be specially trained operators who would divert on the front end before referral for public safety. CIT has been implemented at CPD and the Sheriff's Office. A co-responder model is where a social worker would accompany a police officer during a mental health crisis. Mobile crisis teams is a team of mental health professionals responding to an incident instead of law enforcement. Case management go to the individuals with repeat calls in order to follow up and prevent more future calls. He mentioned that if this is going to be a successful program, stakeholders need to get together to decide what will work for our community.

Ms. Peters asked for a recommendation of how the City plans to get the stakeholders together to decide what model will work for the community. Ms. Browning responded that this is an initial step in the process, she would like to hire the supervisor right away if the department receives the funding. The supervisor would help build out the program with the stakeholders. She stated that she wants to do this correctly, but not have a dragged out stakeholder process. She said that Medicaid expansion is coming in the future. This program would allow a social worker to be available 24/7, however there would need to be a place to refer individuals. She would like to reach out to hospitals, but might run into some issues with the current pandemic.

Mayor Treece asked Chief Jones to walk the Council through a recent 911 call which involved someone wielding a machete on Broadway, he wanted to know how a licensed social worker (LSW) would be used and how they would be protected from harm. Chief Jones responded that 911 responders are intuitive about a mental health components. Almost all CPD officers are CIT trained, and the officers try to negotiate with the individual to deescalate them. In some calls it is also a public safety issue. He explained the different options to immobilize people before harm occurs. The Mayor asked about response times for a LSW in these types of situations. Chief Jones responded that there are times that CPD cannot send a social worker without a law enforcement presence. He discussed different scenarios of how social workers could be used in a more serious situation. The Mayor asked if it is better to have social workers in house or if they should be contracted out. Chief Jones said for him personally it would be helpful from a management stand point for everyone to be under the same operational guidelines, especially during COVID-19. The Mayor asked for this program to be compared to the DOVE Unit. Chief Jones stated that CPD still has the DOVE unit, which is made up of a part-time employee. He mentioned consistency being an issue during after hour calls since those resources are not available. The program would be able to provide consistency outside of the hours of 8am-4pm.

Mr. Pitzer asked how the co-responder will give more time for CPD to respond to higher priority items for law enforcement. Chief Jones responded that if someone is having an acute mental health crisis, it is likely for CPD to receive repeat calls. By co-responding, subsequent calls will most likely go to a case manager. There will be a training component for CPD since officers will continue to learn about mental health. Mr. Pitzer asked if there is any concern for the subsequent calls having an escalation and would like to know when it is appropriate for CPD not to respond to the call. Chief Jones said that Mental health professionals will need to have the ability to read people in that type of

situation. He mentioned that CPD will be able to respond to the subsequent calls if the mental health counselor feels unsafe. Mr. Pitzer was concerned priorities for calls if a mental health counselor needs help. Chief Jones said he doesn't see that being an issue.

Mr. Thomas mentioned that the City of Eugene, Oregon has a system in place that mental health counselors can call police for back-up, and that has been used in fewer than 1% of calls that were diverted to mental health.

Steve Hollis said that the CMHL is funded by the Department of Mental Health across the state. There was only one CHML for the region, and Burrell has provided an almost full-time employee for Boone County. He mentioned that when the City had Mid Mo, it was a hybrid mobile crisis team which was very effective. The closest model is in Johnson County, KS. This could be contracted out, but oversight of the program allows the City to have accountability. Mayor Treece asked if there was a model that the City is looking at. Mr. Glascock responded that the City needs to ask stakeholders on what they envision for the community. Ms. Peters asked if this was just for the City or does the County have something similar planned. Mr. Glascock stated it is just for the City. Mr. Hollis responded that the County uses CIT for officers to better address mental health crisis. He explained that the PHHS budget is paid for 1/3 of the social workers, and they are speaking with Boone County to see if they would pay 1/3 of this program. Ms. Browning explained that she submitted a memo to the County Auditor, and the commission would need to weigh in on the program.

Mr. Skala asked if the hybrid model would be better for the diverse needs of the community. Ms. Browning explained that her vision is to give people the best outcomes and to try to lower the burden on public safety. She mentioned that this is a start for an improving system.

Ms. Fowler mentioned that when the City used to have Mid Mo and mental health beds in Boone County Hospital there was more space available. She asked if the Medicaid expansion would bring back any of these past services. Mr. Hollis responded that we do not have acute mental health crisis care. The Mayor commented that the expansion might make this worse, because the services are not being expanded. Ms. Fowler asked if the City could utilize the Children Services Tax when expanding services. Mr. Hollis said that there has been an increase in capacity due to this Children Services Tax. Ms. Fowler asked if there is an opportunity for buy-in with Boone County Hospital. Ms. Browning said there is a good partnership, and there is room for those type of partnerships. Mr. Hollis stated that is it his understanding the Community Mental Health Fund is going away, which is a concern.

Mr. Glascock stated that this funding is just a start, and the funding will need to be increased the next year. The Mayor commented that we need metrics for diversion rates. Mr. Pitzer asked if the continued increase is due to an increase of staff. Mr. Glascock said the funding depends on which program the Council chooses. Ms. Peters stated that this program might free up our police officers to do other things. Mr. Glascock responded that if this program frees up police funds those can be moved to the program.

Mr. Thomas commented on the savings from other communities that utilize a co-responder model.

Performance Audit Overview

De'Carlton Seewood, Deputy City Manager, reviewed the process of the performance audit. The audit will cover the city's Finance and Utilities operations. RubinBrown has met with administration, individually with each Council Member, and have started collecting information for the finance and utilities departments. He presented the objectives of this

performance audit. The audit will be an 18 month review. The auditors will have interviews with personnel in the Finance and Utilities departments, this will provide a written form of process flows. The objectives will be evaluated to see if there are needs for improvement. He stated the areas of the departments that will be evaluated. He reviewed the time frame of this performance audit. By October 1st, the City will have a full audit report. RubinBrown will present to Council in October.

Mr. Skala asked if RubinBrown is doing all of this for \$20,000. Mr. Seewood responded yes.

Mr. Pitzer said that he is sure they would be eager for more work, and that this could become our internal audit process since the City does not currently have an internal auditor. Mr. Seewood replied that RubinBrown's goal is to become our internal auditor.

Ms. Fowler asked if Council would receive copies of the audit rather than a summary report. Mr. Seewood said that the Council will receive the audit. RubinBrown will present the findings, which will give the opportunity to ask questions and look deeper into specific processes.

Transforming Government

Mr. Glascock stated that he felt like last year Council wanted some changes in the budget process. He tasked the new Finance Director and Budget Officer to provide recommendations to transform the budget document and communication process. He introduced Kyle Rieman, Budget Officer, to present on this topic.

Mr. Rieman explained the reasons why transforming government influences the budget process. He mentioned this would be revisited in the Fall when the City discusses the redesign. Transforming government involves the budget, since it is our make decision making process for the year. The budget sets the blueprint for functionality of the City, it provides information on how the City will operate. The budget should provide data to indicate health and transparency to all people involved to know what is going on. He explained that the co-responder model is in one section, and currently there are no data metrics listed in the budget. He mentioned that we should move to using data metrics so we can determine if things are working, and if we need any additional resources in the future. When things aren't working, these metrics would allow the City to focus on those issues.

Mr. Lue said that the Strategic Plan is a planning document that works into the budget, which becomes the framework of the City.

Mr. Rieman reviewed the current known issues at the City. The City makes decisions reactively and lacks data collection. All of the data is collected actively rather than passively in the process. This makes staff have to rely on relationships and intuition to gather this information. It can add stress to the situation and make the situation unclear to staff. There is ineffective communication between different levels occur due to not having clearly defined roles, work flows, and clarity of ownership. He provided an example that he was not aware of the CARES Act funding until it was in the paper. Clearly defined workflows would be hopefully be able to address these communication issues. Another known issue is the lack of cohesion due to siloing, which causes inefficiency. The City departments should be working together to have a cohesive message instead of duplicative efforts. By having a clear budget process, hopefully some of the current issues would be solved.

Mr. Rieman explained that these issues are no one persons fault, the purpose of this process is to correct the structure for the City's decision making. Since the City uses

incremental budgeting, we start with last years base and make decisions at the margin. Most of the decisions are based off of prior years. Lack of data contributes the lack of understanding on decision making. The budget document tells us the resource allocation, and should also state the structure and policy. The document should outline the dollar amount for programs that provide specific services.

The Mayor asked how many slides were left in the presentation. Mr. Rieman said about 20 slides. Mr. Lue replied that there were 12 slides left.

Mr. Rieman stated that people do not always understand their role, which can create some inefficiencies. The City is here for the citizens who are the end users, and we want all of the documents we produce to show accountability. The Council is empowered by the citizens to represent and vote on the citizen's needs, this helps set the framework for how the City should function. The City Manager is responsible for City staff to operate effectively within the framework. Central Administrative Activities are Budget, Finance, HR, and the City Manager. There is overlap with who is responsible within the Central Administrative Activities, so there needs to be more role clarity for these activities. Operational activities provide direct services since they are the frontline workers. Supporting Activities jobs are to support the frontline in operations, and there becomes confusion when the supporting roles are instructing staff rather than assisting them. Administrative Activities should set the framework and the function of roles in order for there to be cohesion between operational and supporting activities.

Mr. Rieman presented a slide of different frameworks. At each different level there are tools to set different guardrails. The higher you go, the more rigidity in decision making. When there is more rigidity, it makes us more reactionary. Right now the budget does not currently have a lot of frameworks, instead the budget tells us generically what is going on. He provided an example of jeans on Friday, and explained where it should be within the framework that would allow for more flexibility. Due to a lack of communication and analysis, issues have been put into the City Code which limits our flexibility in decision making. Even if the City wanted to give more money to Refuse Collectors, there are ordinances in the Code that we are inflexible. We can put resources towards them, but there are rigid frameworks on the operational side. Most departments have experienced a similar situation. There needs to be a healthy balance of oversight and flexibility, this would allow the control to be more local to the people making decisions. He provided an example of the different stakeholders control. The Council should set ordinances in the budget, and the City is bound by state law. Some ordinances must be approved by the citizens. The city should use administrative policy, management practices, and culture to provide clear guidance.

The frameworks influence trust. Trust helps bureaucratic organizations perform well. A budget that includes a framework and specific data points can help to instill trust in the City's operations. There would be controls within the framework to limit decision making. Informal and formal communication is important for trust, this Council Work Session is the closest thing we have to informal communication. The City needs a standardized work flow. There needs to be a culture of error acknowledgement and learning from our mistakes. Sometimes the system is at fault and not the staff. If there's not a culture of understanding that sometimes the system has flaws, we are not sending the right message to staff. Staff might remain quiet when there is a mistake, which can impact transparency and trust. Our business process does not automatically collect data, which makes staff collect this data actively. Trust is a public good and provides benefits to the City.

The City is currently using an incremental budgeting process. The City uses three

different budget terms: original budget, BWAT, and revised budget. The City is constantly moving things since there is not a standardized data collection. We do not have standards reporting or things linking documents together. If you look for 2019 Actuals, you might see 3 separate numbers in 3 separate documents. It doesn't mean that any of them are wrong, but the numbers may be broken out different ways since there is a lack of cohesion in our reporting. By not having consistent data points to examine what worked and didn't work, the City will not be able to make progress because we cannot determine where the problems occurred. He stated that the City should change the decision making process from reactionary to proactive, since it would allow for contingency planning. The City should allow for departments to function and react, but also be transparent in their decision making. Data collection will allow for greater transparency in our decision making to make our blueprint better.

Mr. Rieman explained that the budget process can help to fix issues within the City's structure. He showed the workflow of the Budget Office as an example of clear steps for decision making. He reviewed an example in the City Code that does not allow for flexibility in decision making and provided some suggestions of where it should be placed in the budget. He added an example of how poor communication between departments can lead to reactionary decision making, which can result in lower trust from the community. Workflows allow for checks in the decision making process to prevent these kinds of issues from happening.

Ms. Fowler commented that she thinks this is the other part of the performance audit that she was looking for. She recommended looking at how the Contact Center operates. She would like there to be a system in place for citizens to call someone after hours, instead of calling the police. She mentioned that some people do not have the flexibility to leave their job to call about an issue during work hours. She would like to see how the City could accommodate a hybrid model for citizen engagement due to COVID-19, especially for boards and commission meetings since some people cannot attend in person meetings.

Mr. Skala stated that there are structural problems can be solved, and thought this discussion was useful. Communication between all of the different roles is an important aspect. He said that a simplified executive summary would be helpful for busy individuals to read. He appreciates the work, and would like to continue the conversation in terms of communications.

Mr. Pitzer said that transforming government is a never ending goal, and he would like to see a work session in the Fall.

Other Budget Related Items

Attachments: [\(revised\) FY21 Budget Work Session Presentation](#)

[MODOR Local Gov Tax Guide](#)

[MO Tax Sheets](#)

[Utilities Fund Financials Summary Handout](#)

[\(original\) FY21 Budget Work Session Presentation](#)

Mayor Treece stated that Planning & Zoning (P&Z) and the Historic Preservation Commission requested an amendment or Council direction for their proposed budgets.

P&Z would like to keep their miscellaneous contractual of \$15,000 and would cut their travel, training, and food budget. This would take them \$180 less than what was proposed in their budget.

The Historic Preservation Commission would like to do the same thing with their miscellaneous contractual and realign their budget to reach the same total proposed budget.

He asked if there were any objections, it would be the same proposed budget amount. He asked if there would need to be an amendment. Mr. Glascock stated that he would include it as a budget amendment.

II. ALL OTHER ITEMS COUNCIL MAY WISH TO DISCUSS

Mr. Skala appreciated the inclusion of community engagement, relationship with Government Alliance on Race and Equity (GARE), and National League of Cities REAL in the City Manager's Budget Message. He stated the City set aside \$75,000 for an RFP. Due to COVID-19 a hold was put on the efforts, and he believes that these are two valuable groups and was glad that it was included in the Budget Message.

Mr. Glascock thanked the Council for their time today.

Mayor Treece thanked the City Manager and his staff. He said that there have not been easy decisions in the past 5 months, and thanked the City Manager for looking at the various issues.

III. ADJOURNMENT

The meeting adjourned at approximately 4:47 p.m.