

PAVE COMMITTEE
Water/Wastewater Performance Audit & Strategic Plan
Meeting Minutes – June 25, 2015 at 4:30 PM
Courtyard Conference Room

Member Attendance:

Roy Lindsay (Chair)
Ken Hannum (Vice Chair) - absent
Rick Riker
Jim Williams
William (John) Rall - absent
Layne Lange - absent
Paul Mitchell - absent

Staff/Liaison/Other:

Jay Meredith (Finance Director)
Terry Haugen (Public Works Director)
Jason Canady (Water Treatment Plant Superintendent)
Paul Eisenhardt (EGI Consultant)
Ed Means (EGI Consultant)

1. Update on Project Status (Paul) –

- Conducted meetings with input groups and reviewed internal survey responses. This helped identify areas where they would like to learn more but also helped align the assessment checklist (will share more on this later in meeting).
- On schedule, getting good cooperation, have access to information, moving along as anticipated
- Will return around July 20th or 21st for two days – one day will focus on other uses for existing water plant site and the second day will be spent on pursuing specific topics such as billing, collection, etc.
- Have developed outline for report they will be presenting in the fall

2. Discussion of Procurement Alternatives (Paul) –

- How do you get work done? What are the City's objectives?
- There are a variety of operations, must they all be the same? For example, if you contract operate the water operation does that mean you must contract operation the wastewater utility? Committee's response to this was - No
- Silo operation suggestion? Lowering silos between water treatment and water distribution might be beneficial (increased cooperation, more reliable, ready access, interchangeability of staff, etc.)
- Discussed outside influences
- Many considerations – staffing, rate settings, etc. Some municipalities want to remain in control of these key policy decisions. Input from Committee on these topics would be helpful, but it is more something for the Committee to think about and to be discussed in more detail as project progresses.
- Reviewed traits and capabilities achievable under each of the following options for building the new Water Plant:
 - conventional
 - design-build
 - design-build-operate
 - design-build-finance-operate
 - concession
 - investor-owned utility

- Showed a chart/graph (could send Committee a hard copy) comparing different levels of City control on policy setting (red=disadvantage / green=some issues / black=beneficial for the City). EGI would like to delve more in depth into this topic next time they meet with Committee (will redo with different colors to accommodate Committee members who had difficulty viewing the green/red).
- Discussion about proactively staying ahead of and reducing the anxiety, rumors, etc. that already may be starting even though this is years down the road.

3. EGI Assessment Checklist Preliminary Results (Ed) –

- Paul/team spent a couple days on site reviewing documents & visiting with staff
- Vetting conclusions with interviews they are conducting while here
- Terrific staff, works very hard, stellar compliance record
- Great ethics, doing things in economical manner, cost containment – flipside is not spending enough resources on things that should be addressed in effort to save money. Constant issue for many organizations.
- Found opportunities for management systems to be put in place that would help with maintenance and laboratory info management (in order to easily access past records for info for current issues).
- Policy consideration - a new water plant could run unattended, is staff ready for that?
- Showed Committee a list of about 20 checklist items (planning, billing systems, regulatory compliance, cost containment, etc.) and how the City measured up. For simplicity focused on bigger ones and the higher the number the better it is compared to other wastewater utilities.
- Improvement areas discussion:
 - asset management system – start new one now so it is up and running when new plant comes online, will help provide “the story” when asking payers to fund new plant
 - IT systems – functional but very outdated, SCADA system is 9 years old and due for upgrade, LIM system in lab needs upgrade
 - SOPs – staff has a lot of info in their heads that needs to be documented
 - Distribution/Collection systems performance/maintenance – high marks, equipment good, still interviewing staff, will revisit this
 - Security – at water plant, will touch lightly on this in their report, fundamental security needs improvement, balance fact that plant will be replaced

4. Approve Meeting Minutes (from May 21, 2015) – no quorum, deferred to next meeting

5. New Business – n/a

6. Next Meeting Date & Agenda – TBD

These minutes were prepared by contract minute taker, Becca Quimby.