



CITY OF BOISE
PUBLIC WORKS COMMISSION MEETING
SUMMARY MINUTES • MAY 5, 2021
REGULAR MEETING

City Hall - Maryanne Jordan City Council Chambers
4:00 PM

Final

150 N CAPITOL BLVD
BOISE, ID 83702

I. Call to Order

PRESENT: Gravatt, Hilton (Remote), Reading, Nink (Remote), Crowley, Ellis (Remote), Collette (Remote), Morgan (Remote)
ABSENT:

II. Minutes Approval

1. Public Works Commission - Regular Meeting - Apr 7, 2021 4:00 PM

Commissioner Hilton moved to approve minutes from the April 7, 2021 meeting. Commissioner Gravatt seconded, and the motion carried.

RESULT:	ACCEPTED [UNANIMOUS]
MOVER:	Julia Hilton, Commissioner
SECONDER:	Crispin Gravatt, Commissioner
AYES:	Gravatt, Hilton, Reading, Nink, Crowley, Ellis, Collette, Morgan

III. PWC Agenda Requests

1. Water Renewal Utility Financial Strategy

Steve Burgos, Public Works Director, introduced the topic and provided historical and local rate information. Heather Buchanan, Chief Administrative Officer, gave the Commission a detailed presentation on the rate revenue requirements to implement the Water Renewal Utility Plan's (Utility Plan) approved 20-year Capital Improvement Plan (CIP).

- Commissioner Reading asked if the normal anticipated rate increases over the next 20 years were incorporated into planning for financing of the Water Renewal Fund. Ms. Buchanan answered those assumptions were incorporated into our planning and introducing debt financing as an option allows us to manage those increases differently than in the past.
- Commissioner Collette asked at what rate the growth in Boise was factored into the plan and if it's based on historical data. Ms. Buchanan answered the growth is assumed at one percent and we do consider historical data and

future projections. Mr. Burgos added we consulted COMPASS and Planning and Development Services for their projections for the next 20 years.

- Commissioner Ellis asked if the perception that Boise is the fastest growing community in the valley is accurate. Mr. Burgos answered that on a percentage basis, other neighboring communities are growing faster than Boise.
- Commissioner Hilton asked what the likelihood is that the bond initiative will not pass. Mr. Burgos explained two bond elections in Idaho have passed recently so we're hopeful that's a good sign for our bond election in Boise.
- Commissioner Nink asked how funding for projects over the 20-year CIP will be managed. Mr. Burgos explained we are asking the Commission to approve a 20-year funding strategy today. We will come before the Commission annually with projections of our spending for the upcoming fiscal year and to provide a 10-year snapshot of anticipated changes in the CIP. We would then seek approval on an annual basis only for that particular year's funding needs.
- Commissioner Gravatt asked if the addition of the third water renewal facility and the level of the rate increase at that time are coincidental or if the facility is dictating the increase. Mr. Burgos explained the rate increases are planned to bring us to a base level of spending to carry us through the remainder of the plan.

Commissioner Gravatt moved to approve the Public Works staff recommended strategy to funding the Water Renewal Utility Plan that includes:

- Pursuing a blended cash and debt financial strategy to fund the Utility's 20-year CIP needs;
- Pursuing an alternative cash-only scenario if the proposed ballot initiative fails;
- Recommending City Council pursue the aforementioned strategy.

Commissioner Collette seconded, and the motion carried.

Mr. Burgos thanked the Commission and explained the next steps in the approval process for the CIP. He also noted that utility affordability continues to be a priority and staff has been contacting other cities that have successful affordability programs for insight.

Chair Crowley read a question submitted through the meeting chat from Neil Jenkins.

- “What is the bond amount you will be seeking in November? It is hard to see that from the graphs presented. Is it close to Nampa's \$190 million bond? With \$80 million per year average spend, it could be much larger than Nampa's bond.”

Mr. Burgos answered the two options we're considering are a 10-year and a 20-year window of funding the CIP with voter approval. The approximate range for the 10-year range is approximately \$350 million and the 20-year range is approximately \$600 million.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Crispin Gravatt, Commissioner
SECONDER:	Kylene Collette, Commissioner
AYES:	Gravatt, Hilton, Reading, Nink, Crowley, Ellis, Collette, Morgan

2. FY 2022 Rate Recommendations and Budget Approval

Ms. Buchanan summarized the budget, cash flow analysis and rate recommendations that have been presented to the Commission over the past few months.

- Councilmember Hallyburton asked if the salaries for new employee positions in the Water Renewal Fund have been adjusted for rising housing costs. Ms. Buchanan answered the salaries are fully loaded and are based on the City's current pay schedules and market comparisons for like positions in our region. Future adjustments may be needed to keep up with current cost-of-living trends.
- Commissioner Ellis asked for clarification of the commodity price drop and China's green fence. Ms. Buchanan explained the reference is from when China stopped accepting recyclable commodities for reuse and repackaging. In partnership with Republic Services and Western Recycling, we've been able to find new markets for our recyclable commodities and in April, realized a small amount of income from our recyclables for the first time in several years.
- Commissioner Nink asked if the bond doesn't pass in November, is there enough time to reconsider the 53% increase. Mr. Burgos answered we would bring other options to the Commission if the bond doesn't pass. Fifty-three percent is the anticipated high end of the increase that would be necessary.

Commissioner Ellis moved to approve the Public Works staff recommended strategy to funding the Water Renewal Utility Plan that includes:

- I move for approval of the General, Geothermal, Solid Waste, Municipal Irrigation, and Water Renewal budgets as presented;

- a 4.5% rate increase for all users of the Solid Waste Fund;
- a 9.9% water renewal rate increase for the blended cash and debt scenario to be enacted if the bond election receives a favorable vote in November 2021 or an up to 53.0% water renewal rate increase for the cash only scenario to be enacted if the bond election is not approved;
- The Commission asks staff to forward these recommendations on to Mayor and City Council for inclusion and approval in the City's overall FY 2022 budget.

Commissioner Reading seconded, and the motion carried.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Jennifer Ellis, Commissioner
SECONDER:	Don Reading, Commissioner
AYES:	Gravatt, Hilton, Reading, Nink, Crowley, Ellis, Collette, Morgan

IV. Director's Announcements

- Mr. Burgos reminded the Commissioners the May Work Session is planned for 6/19.
- Commission Chair Crowley announced he will step down as Commission Chair effective at the June Regular Public Works Commission meeting.

V. Motion to adjourn the Public Works Commission meeting.

Commissioner Reading made a motion to adjourn, Commissioner Gravatt seconded, and the motion carried. The meeting adjourned at 6:06 p.m.

RESULT:	APPROVED BY UNANIMOUS CONSENT
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