BOARD OF TRUSTEES
November 17, 2020
6:30 PM

Please click the link below to join the webinar:
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WORK SESSION AGENDA

A. ITEMS

1. WWTP Expansion Design Update
2. 2021 Position Request: Parks and Recreation
3. Draft 2021 - 2022 Strategic Plan
4. Fund Balance Presentation
5. Water Plant Expansion Presentation

The Town of Wellington will make reasonable accommodations for access to Town services, programs, and activities and special communication arrangements Individuals needing special accommodation may request assistance by contacting the Deputy Clerk at Town Hall or at 970-568-3380 ext. 110 at least 24 hours in advance.

Board of Trustees Meeting

Date: November 17, 2020
Submitted By: Dave Myer, Engineer
Subject: WWTP Expansion Design Update

EXECUTIVE SUMMARY

Wastewater Treatment Plant Expansion Update

BACKGROUND / DISCUSSION

Town staff will be updating the Town Board on the status of the Wastewater Treatment Plant Expansion. Topics will include: Master Plan; Statements of Qualifications and staff recommendation for design engineer; status of contract negotiations with design engineer; project delivery recommendation; project funding for design engineer and construction (with Finance Dept); and schedule.

STAFF RECOMMENDATION

ATTACHMENTS

None

Board of Trustees Meeting

Date: November 17, 2020
Submitted By: Lori Woodruff, Staff
Subject: 2021 Position Request: Parks and Recreation

EXECUTIVE SUMMARY

Trustee Gaiter requested options for staffing the proposed Parks and Recreation merger.

BACKGROUND / DISCUSSION

Town staff proposed a Director level Parks and Recreation position for 2021. Reasoning behind this request was primarily two-fold:
(1) Parks and Recreation departments are often merged because they create efficiencies, reduce duplication, foster the sharing of resources and best practices, and they set the stage for considering strategic and long-term land use, green space preservation, the acquisition-sale-or long-term lease of park or recreation land or facilities.
(2) It is advantageous to the Town's Public Works Department for park responsibilities (including PAB and staff management) to move out of the Public Works division. This will focus work efforts solely on streets, utilities and fleet.

STAFF RECOMMENDATION

After reviewing all the options and estimated fiscal impact it seems prudent to accomplish as much as workforce planning with the least cost. Option 2 in the attached spreadsheet estimates roughly $45,000 to fund a Parks and Recreation Manager position and backfill the percentage of work time being pulled from recreation management into parks management with a .5 FTE, hourly, non-benefitted Assistant Recreation Coordinator.

ATTACHMENTS

None

Options for Staffing Recreation 2021

Options	Position	Leadership /Staffing Gained	Cost Estimates		Staffing		
Option 1	**Director of Parks and Recreation**		100,000.00	Director	Director Parks /Rec	1.00	New
		Recreation	25,000.00	Benefits	Recreation Manager	1.00	Current
		Move PAB responsibilities to Director			Asst Rec Coordinator	1.00	Current
		Provides better coordination for parks, fields, recreation events from strategic planning/long range development stance	**125,000.00**		Field Technician	1.00	Current
		Director responsible for open space, park and trail development funding, resources for Recreation Dev.			3 Parks FTE	3.00	Current
					FTE	**7.00**	
		Director is staffing for today and tomorrow					
Option 2	**Parks and Recreation Manager**		20,000.00	Salary increase	**Staffing:**		
		Move Parks staff (3 FTE) to Recreation	25,000.00	.5 FTE	Parks and Recreation Manager	1.00	Current Mgr to take over Parks
		Move PAB responsibilities to Manager			Asst Rec Coordinator	1.00	Current
		Provides better coordination for parks, fields, recreation events	**45,000.00**		Field Technician	1.00	Current
		Provides better coordination for open space, park and trail development			Asst Rec Coordinator (.5 FTE)	0.50	New
					3 Parks FTE	3.00	Current
					FTE	**6.50**	
Option 3	**Parks Manager**	Recreation	75,000.00	Manager	Manager	1.0	New
	Recreation Manager	Move PAB responsibilities to Parks Manager	22,000.00	Benefits	Manager	1.0	Current
		Move Recreation responsibilities to Rec Manager			Asst. Recreation Coordinator	1.0	Current
		development, long range planning, etc.			Field Technician	1.0	Current
			97,000.00		3 Parks FTE	3.0	Current
					FTE	**7.0**	

TOWN OF WELLINGTON

Board of Trustees Meeting

Date: November 17, 2020
Submitted By:
Subject: Draft 2021 - 2022 Strategic Plan

EXECUTIVE SUMMARY

At the Board of Trustees Retreat, the board worked on creating a draft 2021-2022 Strategic Plan. This includes a mission statement, vision statement, and the four keys areas of focus: Intentional Growth & Development, Sustainable Infrastructure, Community Engagement, and Organizational Strength. Staff has worked on building out the Strategic Plan with goals and action steps.

BACKGROUND / DISCUSSION

Staff is seeking feedback on the mission statement, vision statement, and the key areas of focus and high level goals. The excel table is living document for staff use, knowing dates and order of priorities often shift.

STAFF RECOMMENDATION

ATTACHMENTS

1. Wellington Strategic Plan DRAFT

TOWN OF WELLINGTON | 2021 2022 STRATEGIC PLAN

MISSION STATEMENT

We provide outstanding municipal services to enhance the quality of life and provide opportunities for our community of today and tomorrow.

VISION STATEMENT

Wellington is one of the best small towns in America, recognized as a great place to raise a family, own a unique business, and have access to a wide range of recreational and cultural amenities.

INTENTIONAL GROWTH AND DEVELOPMENT

Goal 1: Balanced and resilient revenues

Goal 2: Identify, attract and retain commercial development and businesses

Goal 3: Comprehensive Plan - alignment and execution

SUSTAINABLE INFRASTRUCTURE

Goal 1: Ensure adequate current and future water resources, treatment and delivery

Goal 2: Develop Long term funding strategies

Goal 3: Plan and develop purposeful facilities

Goal 4: Enhance and explore partnerships

Goal 5: Create opportunities for transportation and stormwater management improvements

COMMUNITY ENGAGEMENT

Goal 1: Build awareness about the Town of Wellington services and programs

Goal 2: Improve access to local government

Goal 3: Develop communications strategy for Town's Water Conservation Plan

ORGANIZATIONAL STRENGTH

Goal 1: Provide regular training programs for all employees and develop cross-training plans

Goal 2: Update Personnel Policy

Goal 3: Review Employee Compensation and Benefits

Goal 4: Create smooth, efficient employee on/off-boarding processes

Area of Focus: Intentional Growth and Development

Goal	Objective	Action Step	Owners	By When	Resources?	Status
Balanced and resilient revenues	Increase sales tax revenue by 10% YOY by 2025		Finance	2025		
	Adopt lodging fee of 3% by 2021		Finance		Likely need a consultant to help	
	Ensure Town Fees are appropriate for services rendered	Identify all fees and consolidate into one list	Administration, Finance			
		Evaluate current fee purpose and adequacy	Finance (lead), All Departments/Divisions			
		Prepare recommendations for updates	All			
		Board adopt fees				
		Fees go into effect				
Identify, attract and retain commercial development and businesses	Determine Board direction and purpose for economic development	Hire firm/consultant to serve in this capacity through 12.31.20	Town Manager		$$	
	Adopt strategic plan for economic development by 12.31.21		Consultant	12.31.21		
	Identify and define existing incentive opportunites	Board adopted policy	Consultant	7.31.20		
	Create Business Expansion, Attraction and Retention Plan	Survey local businesses	Consultant	10.31.20		
Comprehensive Plan and Master Plans - alignment and execution	Adopt the Comprehensive Plan by 5.31.21	Attain 15% community participation	Planning	5.31.21	consultant	in progress
		500 unique repsonses				met and cou
		Draft by 12.15.20				pending
		Comments returned by 1.30.21				
	Coordinate and align with regional partners in the preparation and execution of the Comprehensive Plan	Execute IGA with Larimer County	Planning	12.1.21		
		Timnath		12.1.21		
		Fort Collins		12.1.21		

Area of Focus: Sustainable Infrastructure

Goal	Objective	Action Step	Owners	By When	Resources?	Status
Ensure adequate current and future water supply, treatment and delivery	Create a comprehensive plan for a long-term, reliable and cost effective water supply	Prepare and adopt plan	Administration, Public Works, Finance, Planning	12.2021	Water Resource Consultant	Pending
		Address current raw water supply costs	Administration, Public Works, Finance	12.2021	Water Rights Attorney, Water Resources Consultant	Pending
		Diversify and expand water portfolio	Administration, Public Works, Finance	12.2021	Water Rights Attorney, Water Resources Consultant	Pending
	Provide proper amount of high-quality treated drinking water and appropriate distribution capacity	Prepare a water treatment master plan	Public Works, Finance, Planning	9.2020	Engineering Consultant	Complete
		Design water treatment plant expansion project	Public Works	12.2021	Engineering Consultants, CMAR	In process
		Construct expansion project	Public Works	5.2024	Consultants, CMAR	Pending
		Prepare water distribution master plan	Public Works	12.2022	Engineering Consultant	Pending
	Provide proper amount of wastewater treatment that meets current and foreseeable compliance standards, and appropriate collection capacity	Prepare and adopt WW treatment master plan	Public Works	12.2020	Engineering Consultant	In process
		Design wastewater treatment plant expansion	Public Works	12.2021	Engineering Consultants	Pending
		Construct expansion project	Public Works	12.2024	Consultants, Contractors or CMAR	Pending
		Prepare wastewater collection master plan	Public Works	12.2021	Engineering Consultant	In process

Develop long term funding strategies	Update utility rates for current and future customers	Prepare and adopt rate study	Finance, Public Works	9.2020	Consultant	Complete
	Ensure development pays its own way	Prepare and adopt updated raw water contribution policy	Public Works, Finance	9.2020	Staff	Complete
		Prepare and adopt updated water, wastewater, stormwater, streets and parks impact fees	Finance, Public Works, Planning	6.2021	Consultant	Pending
		Prepare and adopt water, wastewater and drainage oversizing policy	Public Works, Finance, Planning	6.2022	Consultant?	Pending
		Prepare and adopt stormwater detention fee-in-lieu program	Public Works, Finance, Planning	12.2022	Consultant?	Pending
	Identify grant funding opportunities as projects are planned	Investigate and initiate grant proposals on a project-by-project basis	Finance, Public Works, Planning	6.2021	Consultant?	Pending
	Develop and react quickly to potential partnership opportunities for funding		Finance, Public Works, Planning	1.2020	Staff	In process
	Prepare and implement infrastructure asset management plan	Identify, collect data, and qualify condition of capital assets outside the treatment plants	Finance, Public Works	12.2021	Staff	In process
		Develop replacement plan and update 5-year capital plan	Finance, Public Works	6.2022	Staff	Pending
	Identify and outreach to potential partners for infrastructure	Hold a Board work session to explain current partnerships			Staff	Pending

Plan and develop purposeful facilities	Provide adequate intermediate town hall facility	Complete design of interim town hall	Administration, Public Works, Planning, Finance	1.2021	Consultants	Pending
		Complete construction of interim town hall	Public Works, Administration, Planning, Finance	5.2021	Contractor	Pending
	Prepare and adopt a Facilities Master Plan	Prepare overall facilities master plan for PW shop, recreation center, and other facilities as identified	Administration, Public Works, Planning, Finance	6.2023	Consultant	Pending
	New Town Hall					
	Recreation Center feasibility study					
	Evaluate current and future library needs					
Create opportunities for transportation and stormwater management improvements	Prepare and adopt street classification master plan	Build off Comprehensive Plan to create ultimate street classifications	Planning, Public Works	3.2021	Consultant	Pending
	Improvements to the intersections of LCR9, LCR62E and Highway 1	Prepare alternatives and develop consensus with partners	Planning, Public Works, Finance	12.2021	Consultant	In process
	Improvements to the I25 and Highway 1 interchange	Continue set aside of monies for preliminary design	Finance, Public Works, Planning	12.2021	Staff	Pending
		Prepare preliminary design	Public Works, Planning	12.2023	Consultants	Pending
	Prepare and adopt a Transportation Master Plan	Define community vision for future transportation goals	Planning, Public Works	12.2023	Consultant	Pending
		Prepare and prioritize conceptual solutions and develop funding strategies	Planning, Public Works, Finance	12.2023	Consultant	Pending
	Prepare and adopt stormwater management master plan	Identify problems and develop solutions	Public Works	12.2021	Consultant	Pending
		Prepare conceptual budgets	Public Works	12.2021	Consultant	Pending

Area of Focus: Community Engagement						
Goal	**Objective**	**Action Step**	**Owners**	**By When**	**Resources?**	**Status**
Build awareness about the Town of Wellington services and programs	Develop annual marketing and communications plan	Communications annual calendar	Communications	Jan-21		
	Increase social media presence	Investing in paid advertising	Communications	May-21	Demographic information	
		Where in Wellington campaign	Communications	Dec 2020-April 21		
	Clarify the Wellington brand	Build out style guide	Communications	Mar-21		
		Update Recreation logo	Communications	21-Jul	Designer	
	Clarify role/ function of each dept.	Update website/ provide updates through e-newsletter	Communications			
Improve access to local government	Improve stakeholders access to information through proactive communications	Update website - working with each department to determine needed changes and regular schedule for updates	Communications	Ongoing/all department plans by Dec 2020		
		Compact .com/.gov	Communications	2022		
		Merge Instagram	Communications	Nov-20		
		Launch monthly e-newsletter		Jan-21		
Develop communications strategy for Town's Water Conservation Plan	Work with Public Works & Management Analyst to implement Water Efficiency Plan					
		Educate residents on water restrictions and messaging for water conservation tips	Water Conservation Team/Comms			
		Educate residents on water process and why they pay for water	Water Conservation Team/Comms	Feb-20	Printing, marketing cost	
		Educate residents on cost savings and water quality benefits of conservation	Water Conservation Team/Comms	Jun-20	Printing, marketing cost	
		Provide residents action steps on how to conserve water in their own homes	Water Conservation Team/Comms	Aug-20	Incentive program,	
		Develop K-5 water conservation educational programming	Water Conservation Team/Comms	Jan-21	Experiament/lesson materials	

Area of Focus: Organizational Strength

Goal	Objective	Action Step	Owners	By When	Resources?	Status
Provide regular training programs for all employees and develop cross-training plans.	Launch monthly manager/supervisor meetings for training/development	Establish monthly meetings/invites	Managers, Supervisors, HR	1.1.2021	Establish list of training topics and schedule (12)	Begin 1.1.2021
	Managers and Directors will work with HR to identify annual training opportunities for employees.	HR provides lists of potential/upcoming trainings as they are available.	HR, department heads, managers.	3.31.2021	Establish list of managers, directors; schedule meetings	Begin 1.1.2021
	Identify and create training plan to promote cross-training for key positions.	Identify key positions to focus cross - training plan in conjunction with manager/directors	HR, department heads, managers.	7.1.2021	Utilize cross training models, strategies and training.	Begin efforts 1.1.2021
	Develop succession planning for known and upcoming vacancies.	Meet with directors, managers and employees as appropriate to create several outlook	HR, managers, directors, employees	7.1.2021	Strategic and succession planning matrix	Begin efforts 1.1.2021
Update Personnel Policy	Rewrite handbook to ensure its compliant with current employment law.	Address current employment law; establish regular review processes	Leadership Team, HR.	3.31.2021	Employer's Council, Listserv	Begin efforts 1.1.2022
Review Employee Compensation, Benefits, and Resources	Determine appropriate salary ranges for all jobs	Hard reset for salaries is a good way to catch up; budget for annual increases across positions to keep pace.	Leadership Team, HR.	1.1.2021 to implement a hard reset	Salary and other savings from 2020	1.1.2021
	Retention and recruitment are facilitated with competitive benefit package.	Review peer community benefits, seek opportunities for cost savings, research additional low cost benefits to add to Town portfolio.	HR	7.1.2021	Compensation Studio, Listserv, other HR resources	1.1.2022
	Ensure employees have the tools, resources, and technology for efficient service delivery.		Leadership Team, HR.			

Create smooth, efficient employee on/off-boarding processes	Eliminate paper, time consuming steps for on/off boarding, candidate and search tracking processes	Identify/purchase new HRIS software package; build pages/site; cancel Casella HR, Timekeeping modules.	HR , Marketing, IT	10.1.2021	HR listserv, research software, demos, determine needs; implement	1.1.2021

TOWN OF WELLINGTON

Board of Trustees Meeting

Date: November 17, 2020
Submitted By:
Subject: Fund Balance Presentation

EXECUTIVE SUMMARY

BACKGROUND / DISCUSSION

STAFF RECOMMENDATION

ATTACHMENTS

1. Fund Balance PP

Fund Balance

What is it?

Difference between total assets and total liabilities in each fund and measures the net financial resources available to finance expenditures in future period.

Why do we have it?

Governments that maintain adequate reserves are better positioned to deal with funding issues in bad times. Or, to be in a position to take advantage of an opportunity.

Current Policy

	25-33% of revenues
Plus	2 years of debt service
Plus	next year CIP

Why should we revisit:

Good Practice to reassess risks.

Significant new debt – debt covenant.

Make sure our policy fits our community.

How Much?

GFOA recommends, at a minimum, that general-purpose governments, regardless of size, maintain unrestricted budgetary fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures. The choice of revenues or expenditures as a basis of comparison may be dictated by what is more predictable in a government's particular circumstances. 60 days general fund 16.67% , 45 days enterprise funds 12.3%

*predictable and or controllable

Appropriate Level

Fund Balance- Factors

1. Size of Municipality * Wellington is growing
2. Volatility of revenues and expenditures
3. Aging Infrastructure
4. Credit Rating
5. Availability of resources in other funds *water
6. Stable Service Delivery

When is it appropriate to use fund balance?

1. Emergencies
2. Economic Downturns
3. Capital Purchases
4. One time expenditures – unforseen event.

Replenishment of Funds

The fund balance policy should define conditions warranting its use, and if a fund balance falls below the government's policy level, a solid plan to replenish it. In that context, the fund balance policy should:

Define the time period within which and contingencies for which fund balances will be used;

Describe how the government's expenditure and/or revenue levels will be adjusted to match any new economic realities that are behind the use of fund balance as a financing bridge;

Describe the time period over which the components of fund balance will be replenished and the means by which they will be replenished.

Replenishment Strategy

Generally, governments should seek to replenish their fund balances within one to three years of use. Specifically, factors influencing the replenishment time horizon include: The budgetary reasons behind the fund balance targets;

Recovering from an extreme event;
Political continuity;
Financial planning time horizons;
Long-term forecasts and economic conditions;
External financing expectations.

Revenue sources that would typically be looked to for replenishment of a fund balance include nonrecurring revenues, budget surpluses, and excess resources in other funds (if legally permissible and there is a defensible rationale). Year-end surpluses are an appropriate source for replenishing fund balance.

Recommended Policy

Keep it simple.

3-4 months of operating expenditures (we have more control)
OR
110% of debt service (loan covenant)

Which ever is larger.

Next Steps:

Fund Balance Policy delivered to the board.

Board of Trustees Meeting

Date: November 17, 2020
Submitted By:
Subject: Water Plant Expansion Presentation

EXECUTIVE SUMMARY

BACKGROUND / DISCUSSION

STAFF RECOMMENDATION

ATTACHMENTS

1. Water Plant Expansion

Water Plant Expansion

Where are we today and how do we bridge the time period until 2024

Currently we have 4103 Residential users and 146 Commercial users. Total 4,249

Estimated date for new plant to be operational – Spring of 2024
Existing plant is at 80% Capacity. Tap fee $5,500

Estimated total future population 35,000, current population estimated 11,250

Phase I of water plant will increase capacity to accommodate 50% of growth.
Population would be between 23,000 & 24,000 before we need Phase II
(Strategic Plan: Intentional Growth and Sustainable Infrastructure)

Plant Construction Costs estimated at $23.3M. Jacobs $3.34M. Loan $24M
Projected shortfall $2.64M

$23.30M
3.34M
$26.64M
(24.00M)
$(2.64M)

Debt Service

Debt Issuance	FY2021	FY2022	FY2023	FY2024	FY2025
PRINCIPAL PAYMENTS					
1982 Colorado Water Conservation Board Loan - 4.0%, due Dec 2023	51,201	53,248	55,378	-	-
1984 GO Water Bond - 5.0%, due December 2023	25,000	27,000	28,000	-	-
2001 CWRPDA - 4% due May 2022	69,974	36,040	-	-	-
2019 - Water Plant Upgrade - $25M SRF, 1.69% due 2039	1,025,372	1,049,857	1,068,483	1,091,978	1,109,550
INTEREST PAYMENTS					
1982 Colorado Water Conservation Board Loan - 4.0%, due Dec 2023	6,392	4,345	2,215	-	-
1984 GO Water Bond - 5.0%, due December 2023	4,000	2,750	700	-	-
2001 CWRPDA - 4% due May 2022	3,548	721	-	-	-
2019 - Water Plant Upgrade - $25M SRF, 1.69% due					

Achieving Balan 

Existing customers with future users.

Recognize existing debt prior to expansion. We have not increased tap fees or rates in many years. Need to fund deficit.

Debt Service Plans   short-term and long-term 2024

*Existing debt (issued 2019) needs to be paid in full prior to Phase II

Components that can be adjusted:

1. Tap Fee and tap fee increases
2. New users per year (intentional growth), balanced with plant capacity

*Assumptions 3.2 persons per household

Conceptual Plan

Plant capacity allows for 100 homes per year during construction.
($7,500 X 100 = $750,000), Loan payment $1,621,453 (4 loans)
*note – loan from 1982, 1984 & 2001 payoff and tap fees increase

Current users' rate includes 55% of debt during the construction period.
New users' (taps) carry 45% of debt during the construction period.

Why – gap exists because neither rates or tap fees have been adjusted in many years. We have not funded depreciation or future capital needs.

2024 $1.46M/$8,100 (2024 tap fee) Need 181 homes to fund debt.

How do we get there?

Increase Tap Fees to $7,500
(sewer tap fee currently $7,500)
Program $200 annual increase

100 taps per year until plant goes on-line

Results: Plant Expansion Fee listed separately on bill.
$17 capital improvement fee. $58 base rate – Total $75

Tap Fees (new users) 45% of debt, existing users pay 55%

Water Fund – Proposed

Fund Balance

33% of operating exp = $1,593,580

or loan covenant 110% of loan $1,611,240

$17 capital fee (three years) Short term

$58 base rate Long term

$75

Water Fund – Overall Plan

Projected Year End Water Fund Balance 2021
$5.4M less $1.6M (fund balance) remaining $3.8M

Fund shortfall of $2.64M from existing fund balance in 2023.

Monitor, monitor, monitor – do not get behind

Questions?