MEMO

To: Mayor and City Council

From: Mark Gaugh, City Manager

Date: May 21, 2012

Re: Manager's Report

Reservoir Trails Project Status – In 2010, the Council prioritized projects from a visioning session held with the City Manager (David Watson). A trail system was listed in items 6, 7 and 8 on the Project Prioritization list. The 2009 Comprehensive Plan survey of citizens also listed trails as above average in priority. In 2010, the City crews began working on a wood chip trail at #2 Reservoir, which was a looped trail that was not intended to encompass the entire property. Since that time, public works crews did some work getting the base of a trail surveyed for future trail expansion. I met with the Parks Board and discussed the issue. The Board wanted to participate with the cost, as long as it was not excessive. Labor and equipment, where possible, would be supplied by the public works department. This work was something to be done during slower times of the year when it was feasible. The City also applied for a grant of approximately $100,000 to build the trail, but the grant was not approved. The City was encouraged to re-apply this year, and the application was sent out on May 14, 2012. Part of the grant will require a match on the City's part, which can be done through in-house labor and equipment work, along with other expenses, such as clearing and grubbing the proposed trail location. Some clearing work was done to date, but much more will need to be done to complete the trail. If the City receives the grant, this work can start when funds are received. The City hired some of the clearing work requiring dozer operation and the work involved removing fencing and clearing. Since fencing at the reservoirs is paid for from the Water Fund, some of the costs were shared by that fund. The other portion was charged to the Parks Fund. Each fund was charged approximately $3,700. City crews did the remainder of the work, and will have much more to do if the City receives grant assistance. Previous work consisted of preliminary clearing and rough grading, only.

The City's Credit Rating – As part of the financing for the Walnut St. storm water and other street improvements, the City needed to be rated for its risk in relation to investors for financing purposes. Standard and Poor's Ratings Services has assigned its 'A' issuer credit rating (ICR) and an 'A-" long-term rating to the series 2012A and 2012B certificates of participation (COPs), which finance the Walnut St. storm water and some street improvements, mainly involving Eighth St. The S&P outlook on the ratings is "stable."