

**Study Session  
Douglas City Council  
January 9, 2017**

A Study Session of the Douglas City Council was held on Monday, January 9, 2017, at 4:00 p.m. in Council Chambers, 101 N. 4th Street, Douglas, Wyoming, in order to review and discuss the Little Boxelder Spring Transmission Line Project and discuss funding options for the project, as well as the effect of funding on water rates. Mayor Jones called the meeting to order. Those present were:

<b>Mayor and Council:</b>	Bruce A. Jones, Mayor; Councilmembers Leroy Kingery; John Bartling; Rene´ Kemper; and Monty Gilbreath
<b>Others Present:</b>	Tony Tolstedt, City Administrator; Mary Nicol, City Treasurer/Administrative Services Director; Karen Rimmer, City Clerk; John Harbarger, Public Works Director; Tom Brauer, City Engineer/CEPI; Alan Corey and Jim Jones, CEPI

Administrator Tolstedt provided an overview of the Little Boxelder Spring Transmission Line project and explained that the Level III Water Study Project is not included within the current rate structure as the project has not commenced and may not result in a new water source for the City. Director Nicol then provided an overview of utility rates and funding the project, including fiscal years impacted (FY2017 and FY2018); the effect on rates based upon the following funding scenarios: all from water fund reserve; all from general fund; 50% from water reserve and 50% from general fund. She explained how each of these scenarios would affect rates as the City replenishes reserves per City policy, as well as what the reserve balance would be based upon the scenarios. She also explained how both reserve and rate amounts affect the City's ability to receive grants for projects. Following discussion, Council concurred to delay a decision regarding which account(s) will be used to fund the project until after the project is bid so actual costs can be part of the decision. City Engineer Bauer then provided Council with an overview and update on the status of the necessary easements needed in order to proceed with the project. There are a total of twenty perpetual right-of-way and/or temporary construction easements along the transmission line, thirteen of which will go before Council for approval at the January 9, 2017, regular meeting. Three of the remaining

easements are almost complete; two are in process but not quite as far but are expected to be completed; and two are challenging. He provided projected dates for bid letting (March or April); the length of construction (eighteen months) and reemphasized that the project cannot be permitted until all easements are in place. He explained that all easement prices have been a set price per foot for right-of-way easements, and construction easements are all a set flat rate. Engineer Brauer also gave a brief overview of some of the conditions that will be faced along this transmission line; there are areas that will be difficult to work through. Council further discussed rates, funds, the FY2018 budget session, the upcoming Legislative Session, and public records related to this project. The Study Session was adjourned at 5:00 p.m. **No Council action was taken.**

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Karen Rimmer, City Clerk