

CITY OF GREEN RIVER
CITY COUNCIL WORKSHOP PROCEEDINGS
January 12, 2010

The Governing Body of the City of Green River met in workshop session at 6:00 p.m. in the City Hall Council Chambers. Mayor Castillon called the meeting to order. The following Council Members were present: Carl Morck, Ted York, Tom McCullough, Jim Boan, and Lisa Maes. The following were present representing the City: City Administrator Barry Cook, Director of Finance Jeff Nieters, Director of Community Development Laura Hansen, City Planner John Dahlgren, Chief of Police John Love, Parks and Recreation Director Walt Bratton, Parks Supervisor Allan Wilson, Parks and Recreation Supervisor Brenda Roosa, City Attorney Ford Bussart, and Public Information Coordinator Stephen Pyles. Information Technologists Tina Knezovich and Stacey Nutt were also present.

City Wide Wireless Project

Mr. Cook noted the bid had been awarded for a three-phase \$718,000 project with direction for legal council to write the contract even though there was only \$240,000 budgeted for the project.

Mr. Bussart explained the two options for the wireless project and asked for direction from the governing body on which option they wanted him to move forward with.

Option 1: Restructure the contract for a three-phased project for \$240,000. Assuming the vendor will sign an agreement that makes it absolutely terminable at will by the city at any time, without regard to it being a three-year/three-phase project.

Option 2: Allocate \$450,000 from the carry-over funds (*unappropriated*) from the FYE 2009 budget, and to draft a contract for \$685,000 for all three phases with a 1 year completion date, or do the project over three years carrying the encumbrance over two budget cycles.

Mr. Bussart cautioned the governing body on approving a contract with a non-appropriation clause. He is concerned about the city's fiscal profile, because they may have any number of projects they will not be able to perform because of decreasing revenues. The non-appropriation clause can become a serious problem with vendors because they may claim the governing body abused their discretion.

He and staff talked to the contractor and subcontractor about a contract with a "terminable at will" clause. If the city didn't have the money to complete the project, the vendor will agree the contract is terminable at will. He doesn't believe any attorney would allow his client to sign such a contract. So, he and staff felt they should come back to the governing body to make sure they understand their fiscal profile and know the amount of money they are agreeing to.

He noted the bid had been reconfigured so what started out to be a \$313,400 phase one cost is now \$250,000 for the acquisition of all the project equipment without regard to installation. That means the city will have a lot of wireless equipment setting around until the city has the funds to install it in phases two and three. Therefore, he wasn't going to write up a contract until he got direction from the council on how to do the deal with their knowledge of available funding and their commitment to the project.

Chief Love explained when they realized the city might not be able to complete all three phases, staff felt they should purchase all the equipment in phase one so it was all compatible.

Mr. Nieters stated the project could be completed within 18 to 20 months if the governing body decides to fund the entire project now. That will mean the project funding will have to be carried over from one budget year to the next.

Mr. Cook explained at the end of every budget year there is a projected carryover of *unappropriated* funds that haven't been spent. The actual amount isn't known until the end of the first quarter. The projected amount for FYE 2009 was \$800,000 to \$950,000. The actual amount is \$1.2 million. Therefore, the additional \$443,901 needed to fund the entire citywide wireless project could come from the \$1.2 million *unappropriated fund* carry-over. Mr. Cook recommended the governing body designate \$450,000 to complete the project within 18 months,

starting this year 2010, and finishing it up in the budget year 2011. He noted the project is part of the governing body's strategic plan.

Mr. Nieters stated the fiber agreement they have with the cable company specifies it can only be used to conduct city business, so the wireless system has to be closed to the public. Ms. Knezovich noted the system will be on a licensed frequency. It is a secure internal network system that is not available for public use.

Following discussion, the consensus of the governing body was to allocate the additional \$450,000 for the wireless project, and for Mr. Bussart to draft a contract for completion of the project for \$685,000 for a three-phased project, with equipment purchase and installation in each phase, and a completion date within 18-24 months.

Chief Love noted Homeland Security funds were used to start the project three years ago. He is very happy with the proposed contract to complete the whole wireless system.

Goal Tracking Software

Charles Dayton demonstrated how to access and use the on-line tracking software system for the 2010 strategic plan goals. He will be working with the department heads in the morning for a more in-depth demonstration. The tracking system has an accountability grid for each goal and is available on the city website to be used by the department heads, the governing body, and also for the public to view.

Condensation Damage at Recreation Center

Brenda Roosa explained the problems created by condensation from the swimming pool (the pool envelope isn't a sealed unit, so the moisture is escaping where ever it can.) The installation of the new roof created a water tight seal over the structure.

Staff is concerned with the damage the moisture is causing to the insulation underneath the new roof material, to the steel beams, the flashing on the north and the south sides, the sprinkler system piping, and the breaking of the seals between the concrete walls and the roof causing damage to the soffits.

Ms. Roosa stated the roofing engineer TSP had come to look at the full pool environment envelop. However, staff would like to get a second opinion on what needs to be done to correct the problem to make sure they cover all the bases before they spend any money on a fix. She noted when the city replaced the roof, the roof deck was removed and TSP looked at the substructure while the roof was exposed. According to TSP, at that time, there was dust and rust, but there didn't appear to be any loss to the substructure integrity before the roof replacement started. Now TSP is saying there was. So, that is the reason behind getting a second opinion.

Responding to questions from the governing body:

Ms. Roosa stated the condensation problem has been going on since the construction of the building. The building contractor, D & L Builders filed for bankruptcy and went out of business before the building was completed. Several of the other subcontractors have since gone out of business and filed bankruptcy.

At the time the roof was replaced, only the top of the roof over the decking area was removed. They had looked at things from the roof down, not from the inside out.

Mr. Bratton stated the main purpose in coming to the workshop was to let the governing body know there was a problem. Staff needs to get a second opinion on what is going on before they come before the governing body about funding the cost of the repair. It could be more or less than the \$141,000 estimate they have been given. They will come back to the governing body with definitive information, a secure estimate of the cost, and request authorization to start on the repairs.

The Mayor asked Mr. Bratton whether this was a health and safety issue for recreation center users in the mean time. Mr. Bratton stated he needed more information on the damage before he could answer the question.

2nd Quarter Budget Report

Mr. Cook noted everything is still on track and looks pretty good. The FYE 2010 budget reflected a 30% cut in expenditures because of the projected loss of 30% in revenues. The projected revenues for next year will be will be substantially lower than this year.

Mr. Nieters gave a PowerPoint presentation updating the governing body on revenues and expenditures for the first six months of the budget year. Everything is at or below the 50% mark where they should be. He noted the revenues from property taxes are coming in higher than projected. He estimates, at year-end, the city will receive approximately \$450,000 over what he projected. He is still hopeful the monthly sales tax revenues will even out to \$1 million. If they continue to decline they will have to make some adjustments *next quarter*.

Mr. Cook explained the Mineral Royalty/Severance Tax revenues are the below the cap money that is paid by a formula. The State One-Time Funding is the above the cap money. This is the money that the governor is cutting by a proposed 60%, and the city will see a major drop in revenue sharing funding.

Mr. Nieters explained the \$1.2 million in *unappropriated* funding that was carried over from FYE 2009. Staff looks at the audit report when they do their year-end fund balance calculations to make sure everything has been accounted for. During the audit, it was realized the self-funded insurance account held in reserve for any carry-over claims had not been closed out. There was \$830,000 in the account. The additional \$390,000 came from miscellaneous line items where all of the funding was not expended. The city will also be receiving approximately \$600,000 from the over collection of the 6th penny tax.

Mr. Cook gave the following list of projects the governing has made a commitment to complete in priority order. Some need additional funding others don't.

1. a) 2009 Capital Improvements – Birch and Evans Streets need an additional \$118,000
b) Arizona Street – 6th Penny Street Project needs an additional \$150,000
c) Crossbow Street – 6th Penny Street Project needs an additional \$924,000
2. FMC Bridge Replacement – needs an additional \$250,000
3. a) Completion of FMC/Scott's Bottom Road to Bridge – no additional
b) FMC Spur Road Construction – no additional
4. Green River Crossing – needs an additional \$1,000,000
5. Visitor's Center – no additional
6. Sewer Master Plan – no additional
7. Service Road Project – needs an additional \$100,000
8. Citywide Wireless – needs an additional \$443,901
9. Viaduct Overpass Project – no additional
10. West I-80 Development – needs an additional \$1,440,000
11. Water Litigation Costs – needs an additional \$50,000
12. SE Water Expansion Project – no additional
13. Misc. System Expenditures – no additional

14. Consolidated Dispatch – no additional

Mr. Cook recommended the following:

1. The \$457,000 budgeted for Misc. System Expenditures be used for other projects because:

The storm drain improvements for the Palmer subdivision need to be done by the developer not the city. The Spalding water improvements on Uinta will be addressed by the proposed water system improvement project. The construction of a new motel across the ditch from the Desmond Motel has been placed on hold. Therefore, Mr. Cook sees no reason to install water services until they know for sure the motel is going to be built.

2. Item No. One Projects: 2009 CIP, Arizona Street, Crossbow Street
 - Use \$245,000 from Item No. 12: SE Water Expansion Project Consensus Funding for the water system improvements
 - Use \$360,750 from Item No. 13: Misc. System Expenditures for the sewer and storm drain improvements
 - Use \$585,000 from the 6th penny over collection for the street improvements.
3. FMC Bridge Replacement is a 90/10 project being done by WYDOT. The city's 10% match is \$250,000 which will come out of the *unappropriated* carry-over.
4. Completion of the FMC/Scott's Bottom Road to the Bridge and the FMC Spur Road Construction will be coming out of the consensus funding.
5. Green River Crossing to replace the water line that washed out this summer. The city will apply for a State Land and Investment Board Emergency Grant in the amount of \$500,000 and then take \$250,000 out of the *unappropriated* carry-over, and the other \$250,000 out of the Water *Enterprise* Fund.
6. Service Road Project: take \$100,000 from the *unappropriated* carry-over.
7. Citywide Wireless: take \$450,000 from the *unappropriated* carry-over.
8. West I-80 Development: don't move forward on the project until they get the information on the cultural study, continue to work with BLM, and take a look at the project during the FYE 2011 Budget process.
9. Water Litigation Costs: \$50,000 from the *unappropriated* carry-over to match the commitments made by the county and the city of Rock Springs.

That will leave \$100,000 in *unappropriated* funds that can be allocated somewhere else.

Mayor Castillon noted he always used the 80% for personnel and 20% for operations and maintenance as a budget guideline. The city is working on 70/30, and staff is trying to stay within those parameters. He is very glad they cut their budget by 30%, and staff was to be commended for doing that.

Council Member Maes commended Mr. Cook and Mr. Nieters for their insight in recommending the 30% budget decrease.

City Administrator's Report

Mr. Cook announced Nuisance Officer Wayne Zickefoose has submitted his retirement letter effective on January 25, 2010. Mr. Cook is not recommending hiring a replacement. His duties will be split as follows: Parks and Recreation will take over the weed crew, nuisance ordinance violations will be handled by Community Development under the Building Maintenance Code, and the work restitution will tentatively go through the Public Works Department.

A grant will be submitted to the State Land and Investment Board for a water line emergency grant, and Nelson Engineering will be helping staff put the grant application together.

Mr. Cook responded to a question from Council Member York on a comment made in an email by Julie Kozlowski, from the Wyoming Business Council, regarding reimbursement payments on the Tomahawk Project. Normally, the money would go from the Wyoming Business Council to Futures, but since the grant was issued to the city, legal council wanted to make sure there was a proper audit trail and financial reviews. So everything comes from the contractor to Mr. Sutherland, to the city, to the Wyoming Business Council, and then back down from the Wyoming Business Council, then to the city, then to Mr. Sutherland, and then to the contractor. It's a very tedious process, but it protects the city and keeps all the documents in order. That is why it was set up that way. The Finance Department is monitoring the grant activity.

Mr. Cook added, normally the funding goes to the entity that has the project. Futures had hired Mr. Pleasant, yet the city is responsible for the grant. So when legal council wrote the agreement he instructed Mr. Cook and Mr. Nieters to have very tight controls on how the grant money flowed through, starting with the city's review of all pay requests. Mr. Cook noted the first pay request had discrepancies between what was bid and what work was actually being done. So, staff had to do a deductive change order and two additional change orders for a proper audit trail.

Mr. Cook noted he will be working on a new franchise agreement with Sweetwater Cable since their 20-year franchise agreement will expire in May. The renewal, by recommendation of legal council, will be approved by ordinance.

He put a chart in the governing body's mailboxes demonstrating the city's 73/24 split on personnel and operations.

Mr. Cook stated the recreation center had advertised extensively (\$600) for a citizen's forum on recreation center improvements. The forum was held Monday night and no one showed up. These are the kind of things they shouldn't continue to do in the future as they consider their next budget.

Mayor and Council Reports

Mr. Cook addressed other grant questions from Council Member York. Futures is going to submit another Wyoming Business Council grant application to continue the renovation of the Tomahawk. SWEDA is putting together a Wyoming Business Council grant application for a public parking lot by the proposed Sidelines Restaurant. Nelson Engineering is preparing an emergency grant application to the State Land and Investment Board for the water line across the river.

Council Member Maes feels the city should take the opportunity to raise the percentage of franchise tax paid when a franchise tax agreement comes up for renewal. She doesn't feel the increase is that much for the customers.

Mr. Cook noted the Sweetwater Cable franchise agreement was signed in 1990 at 2%, and he is not recommending a change in that percentage for the 20-year extension.

Mr. Nieters stated the city only receives a total of \$300,000 from all the franchise agreements combined, so it is not a large revenue source for the city.

Council Member Maes also suggested they get the word out to the public about contacting their legislators on the purposed budget cuts by the state. She believes the communications from the public have more of an impact on the legislators than the governing body or WAM.

Mayor Castillon suggested the city add a link to their website so citizens could use it to contact their legislators about the city of Green River issues. He cautioned the legislators don't pay attention to form letters or form emails.

Council Member Boan feels the city needs to be more creative in finding solutions to repair things instead of coming to the governing body asking for funding. He feels a program could be initiated for people to donate the 114 panels, at \$100 apiece, for the cemetery rather than

building a fence to keep the wild horses out. He suggested they contact the funeral homes and mines about donating panels, he would like to see more community involvement in solving the problem.

Mayor Castillon stated he would be talking to the BLM tomorrow about the wild horse issue. He will see if he can at least get them to give the city a cattle guard at the main gate. He feels this is a BLM problem too, and staff needs to work with them to resolve the situation.

Council Member McCullough questioned why Sweetwater Cable had to pay a franchise tax, but the satellite companies did not. He thinks the legislators need to look at the discrepancies to level out the playing field.

Responding to a suggestion from Council Member Morck about the wild horse solution, Mr. Wilson stated the BLM had also suggested an electrical fence. He was advised by legal council they couldn't use an electrical fence in case a child went up to the fence and grabbed a hold of it.

Mr. Wilson stated the BLM has been really great about trying to help the city find a solution. Since Wyoming is a "fence out state" the city has to install fencing to keep the horses out. He noted the BLM is tight on funding also. Staff just needs the public to be patient while they try to work out a solution. He also noted some of the community youth have been going up to the cemetery to harass the horses, and have caused additional problems.

Mayor Castillon and Council Member McCullough reported on the open meeting with the county and the city of Rock Springs regarding the next 6th penny project. They were not able to come up with a joint project consensus. They discussed the \$60 million expansion of the events complex, and also the county justice center.

Mayor Castillon stated the dispatch center was also discussed. They discussed moving Judge Schofield's court to the location where the old jail used to be, which is where the dispatch center is supposed to go.

Mayor Castillon would like to suggest the Juvenile Center be moved in with Judge Schofield's office in the old jail section of the court house, the dispatch center could be placed in the Juvenile Center Building. Another idea is to place the dispatch center at the old Shoshone and Uinta Fire Station.

Council Member McCullough feels the city of Rock Springs and the new county commissioners are really going to push for the expansion of the events complex. Therefore, he suggested they follow through with the placement of the dispatch center in the old jail area at the court house, and then the county could take the \$3.5 million and build Judge Schofield a nice building on Tract A of the old Lincoln School property.

Council Member McCullough noted the push for the 6th penny is strictly for a county project, so he is trying to get something for Green River out of the deal.

Responding to questions from Council Member Maes, the Mayor stated Mr. Bussart was working on the connector road agreement to submit to the governing bodies for approval. It is proposed the road will be low maintenance and be done for less than \$1 million. The main concentration right now is to start the 2-3 year process of obtaining all the required right-of-ways.

Adjournment

The meeting adjourned at 8: 32 p.m.

H. Castillon, Mayor

ATTEST:

Jeffrey V. Nieters, City Clerk