

**CITY OF GREEN RIVER  
CITY COUNCIL WORKSHOP PROCEEDINGS  
July 13, 2010**

The Governing Body of the City of Green River met in workshop session at 6:10 p.m. in the City Hall Council Chambers. Mayor Castillon called the meeting to order. The following Council Members were present: Pete Rust, Ted York, Tom McCullough, Jim Boan, Lisa Maes, and Council Member Carl Morck came in at 6:25 p.m. The following were present representing the City: City Administrator Barry Cook, Director of Public Works Mike Nelson, Director of Community Development Laura Hansen, Director of Finance Jeff Nieters, City Attorney Ford Bussart, and Public Information Coordinator Stephen Pyles.

Council Candidates Gary Killpack, Gene Smith, and Dick Wilson were also in attendance.

**Grant Management and Development Agreement for Tomahawk Project**

Mayor Castillon noted the city and Futures needed to sign a development agreement and forward it on to the Wyoming Business Council for the approval and subsequent release of the \$1.8 million in grant funds for the Tomahawk building.

City staff will be responsible for the management of the grants and oversight of the renovation and rehabilitation of the project. Legal council was sent two proposed drafts of a development agreement, one from Brad Sutherland (Futures) and the other one from Finance Director Jeff Nieters and Mr. Cook.

Mr. Bussart stated neither agreement reflected the facts on the ground and wouldn't do the job. If the city is going to be the grantee and accountable for the money, but in fact do the renovation project, the parties and responsibilities need to be flipped from what was written and agreed on with the \$300,000 grant agreement signed in March of 2009. The city needs the consent of the owner of the building which is Futures, in order to go into to the building and do the renovation. So none of what the governing body has before them is workable. They have to get a deal that says Futures is the owner of the building and agrees to operate and manage the building, but the renovation project is going to be done by the city.

The governing body appropriated money (\$100,000) for the city to hire someone to run the project for the city, and it is going to require the consent of Futures as the owner of the building, with the city of Green River as the grantee, be allowed to come into the building and complete the renovation project. That is what they have to agree to in order for him to get the structure correct, and to write an agreement. But what has been agreed to by Futures on the one side and city administration on the other will not work.

Futures Board Member Jeff Wilson read a statement on behalf of the board and thanked them for their past support of Futures and the Tomahawk project. Key points:

- The volunteer board has grown over the last two years with members who believe the Tomahawk project will be beneficial to Green River, and create opportunity and physical space for new and expanding businesses.
- They believe Brad Sutherland as the president and director of Futures has been the biggest part of Futures' success.
- An immense amount of time, effort and money has already been put into the project.
- The project meets Futures' and the city's goals for continued revitalization of the downtown, and improves opportunities and increases flows for business in Green River.
- The Tomahawk project creates opportunities for and keeps businesses in Green River.
- Since the board is composed of volunteers, with most having business of their own, they cannot complete the project without a full-time employee who is an expert in their field to manage the project.
- Futures has obtained federal grants that require an immense amount of time, effort and technical expertise to complete properly and efficiently. There are a lot of reporting requirements and oversight of materials, equipment and labor agreements.
- The Tomahawk will be a \$2.5 million project mostly paid for with state grants designed for projects like the Tomahawk.

- The project is going to require a full-time person to deal with the maintenance issues, tenant issues, the contract issues, grant administration, reporting and construction oversight.
- As owner of the building, Futures is obligated to the public to make sure the construction is done properly, and will be responsible for the renovations as described in the grant applications that were previously approved by the city and the Wyoming Business Council.
- The two new grants totaling \$1.8 million require the city and Futures to work together in order for the funding to be allocated. There is an eminent possibility that without continued city support Futures will have to shut down operations and the grants could be lost. The USDA loan program will no longer be available for loans to new businesses, and the Futures board, and Mr. Sutherland's expertise will be lost for potential new business development in Green River.
- The board informed Mr. Sutherland earlier in the evening, at a board meeting, that they have terminated his contract with Futures due to the lack of funding. As of July 31, 2010 Mr. Sutherland will no longer have a job with Futures.
- If the council doesn't wish to fund Futures, Futures would like to recommend the city hire Mr. Sutherland with the \$100,000 they have allocated for the project and grant management.
- Most of the work that has already been done has been done by local contractors: electrical and plumbing work, roof replacement, and asbestos removal. New windows and doors are currently being installed. Other work has been done with hundreds of volunteer hours.
- In order for the project to be successful it will take cooperation between Futures and the city. Futures will have to complete the renovation of the first floor and the basement, and continue and grow the grant loan fund. The city will need to provide a dependable base of financial support for the next couple of years.
- Revenues from the Tomahawk and loan funds are not allowed to be used to support the operations of Futures. If the city allocates the \$100,000 to Futures, Futures will seek to cover the short fall from other sources. They believe this is the only responsible way to continue serving the needs of the community.
- They believe, along with many of the citizens of Green River, that the project is critical for the downtown, the future of the existing businesses and potential new businesses.
- They urge the council to work with them and to move forward with a positive spirit of cooperation to help Futures complete the project for Green River.

Mr. Sutherland noted the \$300,000 is to be used to take care of the plumbing, the fire sprinklers, and some electrical work. The BRC grant of \$1.5 million will complete the electrical work, the heating and cooling system, and the general renovations on the second and third floors. There will be 8% or \$132,719 for architect and engineering, and \$107,952 or 6% for contingencies.

The city set aside \$100,000 for a project manager, if needed, contingent on the receipt of the \$1.8 million in state grants.

Mr. Sutherland feels the \$100,000 isn't needed for an architect or engineering since those costs are covered under the grants. The building will only generate about \$24,000 in revenues based on the current tenants. \$9,000 will be used for insurance and property taxes, leaving \$15,000 for operations, maintenance, and additional renovations.

With the support and guidance from his board, he has developed the Tomahawk renovation project for the purpose of creating more business space downtown to help start and expand Green River businesses which hire Green River residents.

He believes with \$100,000 from the city, and the \$150,000 from Futures, they have been awarded over \$2.25 million in grants. Based on this, and the volunteer labor, the final stages of the project are within their grasp.

He asked the mayor and council to please allow him to finish what he started. He has a good understanding of the grants, the building, and the project.

Responding to questions from the mayor, Mr. Sutherland stated the \$100,000 the city had set aside in the event that Futures wasn't able to continue its obligations, could be used to fund

Futures for one more year so the construction could be significantly completed, and they could start making arrangements with businesses that might come in. However, he believes it will take two years to complete all of the construction and to rent out the spaces. In addition, most of the businesses that have located in the building have applied for loans (*USDA*).

Mr. Sutherland responded to questions from the mayor regarding the city taking over the management of the grants, with Futures maintaining the management of the facility. This would leave a huge responsibility on the members of the Futures volunteer board, who had volunteered to give oversight and guidance in board meetings, not to run a company.

Futures is a private non-profit corporation that has to do all the things a small business has to do, including filing income taxes. It will be very difficult for them as a group of volunteers to run the business of Futures and keep it going. They need a full-time employee to work on the grants Futures received for the window and door replacements, and the revolving loan fund grants.

Mayor Castillon stated he had been told at some future date Futures would be self-supporting, now he's being told that all the money brought in from the Futures project has to go back into the facility. So, where is Futures going to be self sufficient?

Mr. Sutherland stated some of the money coming in from rentals could go to Futures, but money from the sale of the building (six years down the road) will be reinvested in the next project for something like an industrial park. They can't expect recruitment for industry without having a place to put them. The Tomahawk project can be a stepping stone towards that.

Board Member Paul Stevens noted other communities have a public private partnership where the organization is funded 50% by the city, and the organization has to find private funding for the other 50%. So, there is a possibility Futures will need to continue to have funding from the city, but as they continue down the road together, they can use the Tomahawk as a catalysts for more projects. So the money spent by the city to fund Futures is money well spent.

Mayor Castillon wanted to know who was going to be the benefactor of the sale of the building. Mr. Sutherland stated the building would be sold into the private sector. The idea is to get the building renovated, into use, and back into private hands. Futures could hold on to the building longer than *five years* because of the revenue stream, or because they are waiting for the real estate market to come up, or whatever. But because they are a non-profit organization that owns the Tomahawk, there is no one person that can benefit financially. The money as it is generated or sold will be put back into other economic development projects.

Futures needs to find a way to take care of their operational budget, and that is why they are asking the governing body for the \$100,000. It is critical either the city or a full-time Futures employee be there to relieve the burden from the volunteer board members.

Mayor Castillon stated the city has an obligation to the Wyoming Business Council, and the citizens for close to \$3 million in grants that have been put into the hotel. If something doesn't go well with the project, the city is responsible to pay back the grants, and that concerns him. That is why the governing body allocated the \$100,000 so they could administer the money that is being applied to the renovation appropriately in accordance with their commitment to the Wyoming Business Council.

Mr. Sutherland noted all the funding flows through the city. He gets the bills, he sends them to the city, to be forwarded to the Wyoming Business Council, and the Wyoming Business Council sends the grant funding back to the city. So, the city always has final say. The city also has ultimate say on Futures meeting building codes. If Futures doesn't follow code, they don't get the building permit, and the project doesn't move forward. There has to be someone there to make sure the project is being managed appropriately as the city and Futures told the Business Council they would in the grant applications.

He hopes there is a way Futures can continue to fulfill their obligation as it was submitted with the grant agreements, so everyone will be happy.

Responding to questions from Council Member McCullough, Mr. Sutherland stated yes, he would be terminated from Futures at the end of this month. And yes, he would apply for the

position as the Tomahawk project manager, which he hopes would be included in the development management agreement.

Council Member McCullough stated he didn't have any problem with Mr. Sutherland being the city's independent project manager. He has no problem with Futures owning the building, or Futures getting all of the rent money. He has no problem with Futures having some say as long as the city is basically in control of the project. But what he sees coming down the line is: If something goes awry here, then the city is liable to make up the grant monies. If they can work together that's fine. If Mr. Sutherland is still tied in with Futures it creates another battle like they just went through. Everybody here wants the project done. It's basically whether the city and Futures can work together, and the big play is Futures wants Mr. Sutherland to be the project manager. He doesn't have a problem with that as long as he cuts his ties with Futures.

Mr. Stevens stated that was a perfect solution. They aren't asking that Futures be involved. They own the building, and would like to have a seat at the table. They don't care how many seats the city has at the table. However, Futures does have ongoing administrative costs, and the board discussed hiring Mr. Sutherland for \$100 a month to take care of the USDA loan funds, pay bills, collect the rents, and some administrative work, but that would be the extent Mr. Sutherland would be involved with Futures. They are in favor of Mr. Sutherland being an independent so he can work with the city in whatever capacity they deem necessary, and to keep him on with Futures to do the administrative duties of Futures.

Council Member McCullough stated he wants the council to have control over the whole situation. He also wants the comments of animosity coming from the board toward the governing body to cease.

Mr. Stevens apologized if any offensive comments had been made, he doesn't believe the board wants to do that, and to the extent that is happening he called out for it to cease. They are ready to move on. They want to see the project succeed, and don't want to impede the award of the grants from the Wyoming Business Council. They feel comfortable with Mr. Sutherland making decisions *as project manager* on their building. But that is up to the City of Green River.

Mr. Stevens noted that at the end of the day, when the building is sold, it will be appraised at fair market value, and they will come up with a fair value for the sale of the building, and move on to project number two.

Mr. Bussart found the word independent troublesome. If they have a project manager, the manager has to report to somebody. And since the city is the recipient of the grant and accountable for the grant, and they are going to do the project, the manager has to be accountable to somebody in the city. They need to understand the manager has to be under somebody's control and direction, and the last thing they are is independent.

Council Member McCullough stated the manager would be under the control of city, if they were paying the salary.

Mr. Cook stated he would suggest the manager would ultimately be held accountable to him. If the city wishes to enter into a contract with Mr. Sutherland, a contract would be prepared by legal council, the city would set the salary, the terms, and the hours and he would work on behalf of the city to get the project done. That is one option for the council to consider. He suggested the manager work under the Community Development Department since the Tomahawk is an Urban Renewal Project, which ultimately comes back to him as the city administrator who oversees the department. The manager would be a contract employee.

Mr. Bussart stated they could also include a proviso, as suggested by Mr. Stevens and Mr. Sutherland, which some portion of Mr. Sutherland's time could be expended for the management or the operation of the building to collect the rents, and paying the bills that would be paid for out of Futures funds. But there has to be an explicit understanding of how much of his time is dedicated to that function, visa via the function of running the renovation and construction project. Mr. Bussart stated he could make that work.

Mr. Stevens felt there had to be accountability to Futures as well, since it is their building. They want a say at the table as they have discussed. They want accountability from an independent

contractor, who reports to the city, is approved by the city, but they also want some approval as well.

Council Member McCullough stated they could have some input, but it might not follow that their input would happen, but at least they can talk. The council can listen to their suggestions and maybe incorporate them.

Mr. Sutherland stated if he was hired as the project manager he would fully understand that the city would be his client, and his loyalties would reflect that. However, as part of his duties it would include working closely with Futures as the partner in this project. He will adjust his ways to whoever is signing the check.

Council Member Boan felt if the city gets the grant money, and hires a manager to do it, he doesn't see why Futures will need any volunteer hours from the board members or volunteers. The work should be done by contractors not volunteers. There shouldn't be anything for the board to do.

Mr. Sutherland stated the \$1.8 million in grants are basically for the renovation of the second and third floors. Work on the main floor and the basement will still be up to Futures, there is a lot of work that needs to be done yet that the grants will not pay for. So, there will always be room for volunteer hours.

Mr. Stevens added they will not be relying on an engineer or an architect to tell them what flooring to put in, what color, what sound board, what this, what paint, and this and that. There is an immense amount of decisions that need to be made which Futures will have to work with the city to make a myriad of decisions as they go through the second and third floor renovations.

Council Member Boan stated the city already had an industrial park, and Futures has never been able to get a business up there. The city still has a business park, and they haven't been able to get any businesses to come in. So it sounds good, but it's not a feasible or doable thing.

Mr. Sutherland stated the small industrial park within the city is privately owned by Andy Pleasant. The city has a business park. Futures obtained grants to put up a spec building, but they decided to go with housing instead, which at the time probably made sense. If you go to the Wyoming Business Council's website you will see that very little of the funding is spent on recruitment efforts, most of it goes to infrastructure. Similar to what Futures is trying to do with the Tomahawk. Futures won't venture into the industrial park, until they have done an industry market analysis to make sure they know what types of industry would be most suitable for Green River. The council didn't want to fund the analysis. Down the road perhaps the proceeds from the Tomahawk could be used to do the study, once it starts generating revenue, if the city doesn't want to pay for it.

Council Member Boan stated he didn't see how Mr. Sutherland could split his loyalties after all that has gone on with the city and Futures. He sees him being on the city's payroll, and Futures payroll, even though it's a token amount, it's still there. Then what, after two years Futures hires him back, and they move on?

Mr. Sutherland stated he hoped the splitting of his loyalties didn't become an issue. He's hoping they are working together in a partnership of cooperation to get the project done.

Council Member Boan wants somebody independent to come in and take a fresh look at this whole proposal and draw it up and move forward with it. Futures could hire a company to manage the Tomahawk property for a percent of the revenue.

Responding to questions from Council Member Boan, Mr. Sutherland stated they currently had six paying tenants in the building.

Mr. Stevens questioned why Mr. Boan wanted them to spend their limited resources to hire the management of the building out when they could do it themselves. That is a cost Futures is not willing to bear. Mr. Sutherland stated the building would have to be generating higher revenues in order for anyone to be interested in doing it for a percentage.

In Council Member Boan's vision, Futures can set back, go for the ride, and let the city take over the project, administer the grant, complete the project, and in two years, be handed a building worth \$3 million to do with what legally they can do with whatever they want. They can maintain it, keep it for the revenue, or sell it. The building was bought with taxpayer's money, but it is Futures building.

Mr. Sutherland asked if the city wanted the building.

Mr. Bussart noted the city has a five year mortgage lien on the building; the city is required to hold it for five years by the Wyoming Business Council. The building isn't going anywhere until the Business Council allows the city to release the mortgage lien, if the city chooses to do so, before the end of five years. It is the city's building on a foreclosure if there is any default in the performance of obligation by Futures. That is a requirement of the Wyoming Business Council and is incorporated in the first development agreement he wrote on the first grant.

Mr. Bussart continued, "Let me tell you this, nobody wants to hear this probably, after an hour, but what started out here as a fairly good faith effort to try and negotiate a deal, is beginning to degenerate into acrimony and petulance, and there isn't a lawyer in the world who can write an agreement that gets rid of petulance and acrimony. So if you want to get to the deal, you need to shape up in the way you are dealing with each other, with all due respect."

Mr. Stevens stated they didn't want to be pushed off to the side. They want to be an active partner in the development of the project.

Council Member Rust felt they should focus on this year and not what is happening next year. The purpose of Futures is to promote businesses in Green River for the city of Green River. Futures and the city aren't adversaries they are partners. It's as simple as that. Everything Futures has done particularly over the last year or two, in the development of the particular project, is doing exactly that, promoting the interests of the city of Green River. The money that would be made from this project somewhere along the line, the value will be reinvested back into Green River, if not into a business park that doesn't work. The two things are quite different. He noted the council had responded to the wants of the citizens when they turned down a grant for the business park for housing, and that's what they got. In his mind, Green River Futures was established by the private sector to promote business within the city of Green River. They need to stop acting as if they are adversaries.

Council Member McCullough stated the constituents he's heard from see the city just putting in money and money. As he looks at it, this is Futures' golden opportunity, after five years, to be self-sufficient because he doesn't anticipate the city will keep on putting money into this. If they are ever going to get anything done downtown, he thinks this is the way it has to be. He's had a lot of people tell him to tear the building down. But if they are going to get downtown going, this is one way they have got to end up doing this. So, the \$1.8 million grant is the answer to this.

Responding to questions from Council Member McCullough, Mr. Sutherland stated the \$1.8 million was budgeted for the second and third floors, some of the money will be used for the electrical, heating and cooling of the first floor. There will also be an elevator in the building as well as another stairway. But the money can't be used for the renovation of the first floor and the basement. The professional estimates he has on the renovations indicate there could be \$100,000 contingency that could be used to help on the main floor renovations.

Mr. Sutherland stated almost all of the main floor renovations have been done. Electricians have been sent into the businesses to take care of the electrical; the lobby has a new business getting ready to locate there and is fixing it up. Futures will have an office to the back of the lobby. The AA redid the floor and painted. The Launder Mutt space was completely renovated before they moved in. There is still some work to be done in the large area next to the Launder Mutt, including the bathrooms and the heating system. The Busy Bee has done a beautiful job renovating her space. The doors and windows are still being installed. There is a business in the basement, the bathroom is in horrible shape, and the hallway needs to be cleaned up. He has made every dollar go as far as he could with leverage from the grants and from volunteer labor.

Mr. Stevens noted the \$1.8 million grant also covered the installation of sidewalks around the building. So the sidewalks, the exterior brick work, and the windows and doors will all be done.

Mr. Sutherland noted while some things get grandfathered in, they are making the building a safe, sound building—they aren't there yet, but they are ten times closer than they were before. There is no issuance for occupancy until all the city codes are met for each space.

So far, Council Member McCullough understands it is the wishes of Futures that the project manager be Mr. Sutherland. But if it is the wishes of council that it be someone else are they still moving forward, or are they going to be at another stumbling block?

Mr. Stevens stated it would be a difficult choice for the board. They would have to have a meeting to make a decision on it. They are a party of the contract, they aren't demanding anything, but their desire is that Mr. Sutherland be the project manager and the \$100,000 be allocated to him as an independent, and that Mr. Bussart write the contract that they can all live with, and they move forward as a partnership. They do appreciate the city of Green River and what they have done for Futures. So, let's try to move forward, that is their desire and the city knows where they stand on this.

Responding to questions from the Mayor, Mr. Sutherland stated \$132,719 of the \$1.8 million in grant funding was proposed to hire an architect and engineering. As the project manager he would go out for requests for qualifications, interview the various architects that are seeking the job, and based on the budget and their qualifications chose one of them.

The mayor noted he believed the proposal that was put together leaves \$130,000 in the fund. The city will hire a project manager and architect with their \$100,000 in order to administer the grant. The \$130,000 stays with the grant and nothing is taken out so that gives them the advantage of a \$130,000 now going into the project without having to take it out for architect or design. That was the full intent of the proposal that was sent to Futures in the agreement. It is a onetime thing, the project gets bid out, it's all said and done, the partnership comes in when the project is done and the building is completely turned over to Futures. So Futures will have \$200,000 if they go along with the agreement. So if the project manager is Mr. Sutherland at what point is he going to come in and ask for more funding?

Mr. Sutherland stated he knew it was a one year contract to come in and at least get the project material complete.

Mr. Stevens noted \$130,000 was budgeted for the architect and engineer, but if you try to hire an architect or engineer to do a design build, or construction management it will be more than that. They did not budget for that. They anticipated that Futures would continue to be funded by the city of Green River, and that they could do the project management themselves. The money is for project design not management. If they want to go to an architect and say not only will you design the project, but now you are going to manage it, they are going to ask you for a percentage of the project. And it will probably be a lot more than \$100,000.

Mr. Bussart stated either he didn't state himself artfully or he wasn't listened to, but he said again, the word independent is not in the conversation. This person will be a city employee, under the direction and control of the city administration. So, he didn't want to hear the word independent anymore, because it just ain't in the mix.

Mr. Stevens questioned how they build in that Futures is at the table too. That also has to be built in there to some degree.

Mr. Bussart stated they needed to build that in with the council, if he (Mr. Stevens) can build it in with them, than he can write it. But based on what has occurred over the last one hour and twenty minutes, he couldn't write, here come the parties and say the following. They haven't agreed to anything. The owner may have to be at the table, but a project manager has to be answerable to somebody who is a boss, and that is not the owner in this case. And if this thing turned into some kind of convoluted contractual relationship where the owner is going to allow a construction project to be done by someone else, the owner's role at the table is going to be nominal at best, primarily, because the business council requires the city to be answerable and accountable under this entire thing.

He isn't criticizing any of this. He is reacting, again, to the facts on the ground created by the city council last week when they took a vote to say they weren't going to fund Futures any more. So, you aren't going to fund Futures any more that's the way it's got to be. You want to change your mind, and fund Futures, then have Futures come back to the next meeting and give them some money and give them the grants. But what he has to write right now is a contract that is based upon the premise that was adopted by this body last week, that they own the building, they get no money from the city, and the city is going to do the project. You guys have got to sort that out, and then he can write it. But he can't make it up out of "hole cloth".

Mr. Stevens said he is willing and waiting to hear a proposal.

Mayor Castillon stated the proposal had already been sent. Mr. Stevens remind him Mr. Bussart had stated neither of the proposals is workable.

Responding to questions from Council Member Boan, Mr. Bussart stated it would be a departure from customary practices, policy and procedures to put the project manager out for bid. But it can be done if that is the will of the council. They do have to put out an RFP to get proposals from people that are qualified to do the deal.

The mayor stated what he was looking at initially was pretty clear in his statement earlier, that the city will manage the grant, which is up to the city on how to do that. The partnership will be working with Futures, to set down at the table, to work together through this agreement as to how they are going to administer the working between the two groups. They need to let the city manage the grant as they see fit, and include however, the city wants to administer the \$100,000 for the project manager and see how it all shakes out. That's what he wants to see.

The city administers the grant however they need to do that, and the \$100,000 was assigned to the grant application, and so they can do whatever they need to do to make this thing come together. And if they need to use that \$100,000 as needed, if needed, so we let the city decided how to best approach that.

Mr. Stevens stated they would like to see the proposal *they come up with*, and they will get back to them.

Mr. York questioned, when the mayor said the city would administer the grant, who is that? The mayor said it would be the URA not him.

Mr. Cook stated somebody had to do the work. He doesn't have the staff to do the work. The city is responsible for the money. If the city is responsible for the money, then the city ought to have the right to hire who they want to make sure that the dollars are spent in the proper way. He thinks the Business Council recognized that when they made the motion back in Riverton, and he cautioned the council to see what was in the motion, because they sensed what happened at the last council meeting may happen, and it did. If they look at the wording *of the motion*, they want to be able to, in the event Futures rides off into the sunset because they are no longer a viable community development organization, who is the state of Wyoming going to go out and touch to hold accountable for this project. Up until now, Futures has been doing the whole thing, it's just been a pass-thru through the city, in the event that happens, which did happen.

Mr. Cook read the motion from the Wyoming Business Council:

"The Wyoming Business Council recommends funding as requested. The vote was 12/1 in support of funding both the community development block grant and the business ready community grant and recommends contingent upon the award of each other." (In other words, they got tied together.) "Should funding be awarded it will be contingent upon the Wyoming Business Council staff receiving a signed development agreement" (Like the city attorney said, the lay of the land has changed. They may have to re-title that) "between the city of Green River and Futures, including language that should Green River Futures no longer be a viable community development organization, the city will be responsible for ownership, management and maintenance of the building and project. The city is agreeable to include such language in their development agreement."

In the event that Futures is no longer funded, and is no longer a viable organization, (and that needs to be defined, are they still a viable organization) the Wyoming Business Council is going to hold the city accountable for the whole enchilada. Mr. Cook's recommendation is to control everything. They (Futures) will still hold the deed, and they will continue to manage the building, because the city is going to be held accountable, according to this motion, for basically everything.

Mr. Bussart added, if Futures ceases to be a going concern, they violated the development agreement, and therefore the city forecloses on the mortgage, therefore the city becomes the owner of the building, in which case the city has everything including ownership.

Mr. York asked for clarification. If the mayor said the city wants to run the project. His first concern is can Community Development effectively operate and handle running the project? His second concern is, aren't they going against the very arguments that the mayor and some of the other council folks have mentioned, and that is government competing against the private sector. You talk about competing against the private sector the mayor wants to run it.

The mayor said he didn't want to run it, it is their building. The city does not want to be in the hotel business, and he wants to make that perfectly clear. However, they are going to, however that is going to happen, if Futures happens to cease to exist, that is going to be something else they will have to address. And that will have to be something else they will have to work with the Business Council and what he foresees there is the fact that we need to hire somebody to manage that project and get the city of Green River out of that for at least the next five years. He doesn't know how that is going to work.

Council Member York stated that is why he asked for clarification. When he asked who was going to run the project, the mayor had stated us. So, Mr. York thought the city was going to run the project. That is why he asked if Community Development was going to do that. He has visited with those folks and they don't want the project.

The mayor stated they don't want it period. For one thing we can't take the money. Where are they going to put the money if the city operates this concern? And that is the whole issue, the way he sees it. Somehow or another they are going to have to figure out a way to either higher a manager, to run the concern, until we can get out of the business. So for some reason or other they are in it, and we don't want to be there. That is where he stands on that, and he thinks this is the way a lot of them have been looking at this.

Mr. Stevens stated their desire or suggestion to the council is that Brad Sutherland is qualified to do this job. They do not, back to Mr. Boan's comment, want to step aside for three years and then have their building given back to them to sell. They are requesting that they be an active participant at the table through this process. So, if they can hear some suggestions that accommodate those things ....

The mayor stated he didn't see any problem with that. That was one of the issues they talked about with Mr. Sutherland, that Futures would continue to run the building. All the city is asking for is that they administer the grant, do it on their own, in order to make this happen. As far as Futures is concerned they will continue to do what they need to do in order to run the operation.

Mr. Stevens stated they wanted to be involved with the second and third floors development.

The mayor stated absolutely.

Mr. Stevens responded then they could do a deal then.

Mr. Sutherland suggested that a statement in the contract address if there was a significant material deviation from the floor plan that was proposed in the grant application, that both parties must agree to it. He thinks that will alleviate a lot of the concern that the city might do something different in the construction than what Futures had planned. And because they all have been talking about they don't want to get the city in trouble on the \$2.1 million, they should be following the grant application. So if the contract states there will be no material changes to the floor plan of the building without both parties consent, he thinks that would alleviate a lot of concern on both sides to make sure that the project will be managed and the construction will go

forward appropriately. He doesn't think people care too much about the colors, schemes and some of the other minor details, but if we do that much, he thinks they will be in good shape.

The mayor felt what needs to be addressed is not so much that they don't deviate from the floor plans but what we need to do is look at what the architects are going to recommend for the amounts, and that is where they need to be with the negotiation stages between Futures and the city. Whatever they come up with, that is the way they would like to see it. Again, so who is controlling the grant, and he thinks that is something they need to address with negotiations with the city down at the table with Futures to look at, and that is what he believes he told Mr. Sutherland when they had their meeting, that they will definitely sit down and work through the issues. However, the city would administer the grant, and however, they come up with a management and or a \$100,000 if they need to use it in that respect.

He asked Mr. Bussart if it was clear to him. Mr. Bussart stated it was too vague for him to write up at this juncture. He will take a run at something if Ms. Hamilton will send him a verbatim set of minutes.

Ms. Hamilton stated she didn't have anything she could give Mr. Bussart to write up. There hasn't been a clear consensus.

The mayor stated he would start all over again. He started, but Ms. Hamilton was still confused by his terminology.

Mr. Bussart tried to clarify... the city is currently administering one grant, or one project. There are two grants out there that are contingently approved, depending upon the construct of an agreement between Futures and the city, and the city will not only manage the grant, but they are going to do the project. And if Ms. Hamilton will get him a verbatim set of minutes, or a recording of the meeting, since he has people that can type up the recording in four hours, he is sure he can do a preliminary draft of something.

Council Member Maes also tried to clarify that really the city has been controlling the money. The grant money doesn't go to Futures. A lot of people think that when the grant is approved the money is given to Futures. The grant money is not given out until some of the work is finished, and finished according to the grant, then the bill is submitted to the city and then it is paid through the city Finance Department. So that is being watch over very carefully. The people in Finance are very meticulous at their job. She agrees with Ford, he needs to have some solid basic things to go off of, and she agrees with what they are saying up here is they need a project manager, she agrees with the architect, she believes they still need to hire an architect out of that grant money to go in there and design that. Because they are right, engineers will charge a lot of money to come up with a design. And she thinks that Futures should have a say at the table, and she thinks that is all they are trying to do here is just say, let's go ahead and get either a memorandum of understanding or not an independent contract though, but a contract for services. So, if you are going to contract with Mr. Sutherland, to be the project manager, then it is with the city for a contract of services. Is that correct?

Mr. Bussart stated he thought that was correct. Here is what he thinks he can do. If everyone will give him a little bit of time to think this through, based on what he has heard here tonight, and if he reviews the tape, he thinks he can do some kind of preliminary draft that's still going to be pretty broad based, but will give them all a point of departure to set down and begin to discuss some of the things they are talking about. Like the fact that the city will consult with the Futures board in making choices, among choices provided to them by the architect, that kind of thing. He thinks he can get a construct for that to become a point of discussion. But that's not going to be a final agreement, but it will get them started.

### **Review of the Green River Main Street Program**

Ms. Hansen stated she needs some direction from the governing body on whether to continue the lease for the Main Street office. She discussed the status of the Main Street Program and where they are moving with it. There was a lot of discussion during the budget process, but in the end it was determined to move forward with the program even though Green River's program is going to need a lot of work to resolve some of the problems that have developed over the last year.

The Main Street budget was significantly reduced from \$101,906 to \$38,207 but there are adequate funds in the budget to allow for rebuilding the program and to continue the Main Street events (i.e. Farmer's Market, Trunk or Treat, and Liberty Day).

The coming year will be for planning. The Main Street Board will be working with other organizations on downtown plans, including working with the Urban Renewal Agency on revitalization plans for the Main Street area.

A new position was created after the resignation of the Main Street Manager titled Urban Renewal Agency/Main Street Administrator. In other municipalities Main Street and the Urban Renewal Agency are operated in conjunction with one another. Currently the Main Street Board and the Urban Renewal Agency are two separate boards. The new URA/Main Street Administrator will be the staff liaison for both boards to help improve communication. John Dahlgren has been appointed to the new position.

The city has a lease, with a termination clause, for the Main Street office, with Gordon Gunter that will end on December 31, 2010. Since Mr. Dahlgren's office is located in City Hall which is in the Main Street District, it meets the Wyoming Main Street requirement for a "downtown" office location. Ms. Hansen would prefer they terminate the lease with Mr. Gunter, because she prefers her staff be at one location. Therefore, her recommendation is to terminate the lease with Mr. Gunter.

Wyoming Main Street has expressed concern regarding two of the ten items they require be met in order to participate in the Main Street Program:

- She believes the office location at city hall, and the budget for FYE2011 meet the requirement to maintain a downtown office, and budget for the necessary travel and operating budget for the local manager.
- She believes the new position of Urban Renewal Agency/Main Street Administrator will meet the requirement "to employ a full-time local manager for the Main Street Program, who shall be responsible for the day-to-day administration of the Main Street Program. The Board of Directors shall develop a job description setting forth the administration responsibilities and compensation of the local manager."

Addressing questions from the Mayor, Ms. Hansen stated there are currently five of the seven required board members.

Mr. Dahlgren stated they are required to have at least seven and no more than nine board members. They currently have five. The URA has all of the five board members required by state law.

The Mayor really wants them to look at Main Street. He believes the whole business is broke. He wants a detailed explanation on how the URA and Main Street are going to work together, along with a strategic plan for Main Street. He wants to see what direction they are going to be going. He would like them to include the Branding study in their plan. He wants to know how they are going to populate the boards and committees. He wants to hold a meeting that will include the downtown merchants and the two boards to determine the direction they are going to go from here. He wants the meeting facilitated. He wants citizen participation at the meeting also, along with the downtown merchants.

Mr. Dahlgren explained it had been his intention to present the re-organization plan at the August workshop.

Council Members McCullough and Rust stated they would go with staff's recommendation to terminate the lease.

Council Member Boan stated he would go along with the termination of the lease, but he wanted to see some signs on Flaming Gorge Way giving directions to the new location at city hall. He doesn't want the Wyoming office to think they have swept the issue under the rug. He believes Main Street is a viable part of what they want to do, and will be an asset to the city to continue the program. He noted there are no signs that tell people how to get to city hall.

Ms. Hansen noted Mr. Dahlgren has been working his tail end off over the last month. They had a lot of volunteers show up for the Farmer's Market. Participation has increased over the last two months and she believes they are headed in the right direction, based on the phone calls she has been getting. She noted that during her budget presentation she had stated she would be reviewing both the URA and the Main Street program and rebuilding them.

### **City Administrator's Report**

Mr. Cook presented the following:

1. Comments sent in with the utility bills regarding:

- A designated area for branches, leaves and a compost site for residents to get mulch

Mr. Cook noted it is a great idea and staff would like to look at options. The city had a mulch pile several years ago located down by the horse corrals. However, many residents threw garbage into the pile, which took staff sometimes days to separate the green waste from the garbage waste. So the mulching pile was abandoned. If the city starts another pile, he would recommend the area be fenced and manned, which means more expense and more personnel.

- Paving of New Mexico Street

Mr. Cook stated the city acknowledges that New Mexico is very bad. This budget year all street improvements were cut from the budget due to declining revenues. If the revenues come back, or if the state legislature chooses to give additional funding to local governments, New Mexico Street will certainly be placed at the top of the list for repaving and repair.

- Nuisance Yards

Mr. Cook noted that currently under the Community Development Department we have the property management code that Ladale Britton oversees. Staff has been very aggressive, and Mr. Cook believes they have excellent success getting a lot of properties cleaned up and improved. So if there are citizens out there that have concerns or properties they would like staff to go take a look at, please contact the Community Development Department for the enforcement of the property management code.

- Trailers being parked on the streets

Mr. Cook noted the city has a five day parking ordinance which states "it shall be unlawful for the owner or operator of any motor vehicle to park or allow the same to be parked on any street or alley within the city for a period of more than five consecutive days in a fourteen day period. It shall be unlawful for any owner or operator of any towed vehicle to park the same on any street or alley within the city other than loading and unloading purposes which shall not exceed seventy-two hours in a fourteen day period." Staff will be taking a look at the ordinance to see if it can be reworded. It can be very difficult for the police department to try and enforce the ordinance, marking vehicles, and marking trailers, they try to do the best they can. There are problems when a neighbor complains, but the owner denies the vehicle or trailer has been parked in violation.

2. Another issue that has come to his attention is the placement of campaign signs, i.e. the placement of several on city property at the corner of Uinta and Monroe. The Community Development Department will be contacting the campaign managers of all the candidates to remove their signs. Campaign signs are not allowed to be placed on city property. They can be placed on private property with the permission of the property owner. A notice has also been placed in the paper to let people know campaign signs are not allowed on city property.

3. He received an email from the University of Wyoming regarding a group called the Associate Research Scientists. The group monitors and takes a look at all the services the city provides and then gives feedback on the results. There was a lot of talk tonight about what the citizens want and think. He would strongly suggest that the city of Green River consider doing a citizen service survey. Laramie just got a 100 page report on the services they provide and what the citizens think. It is an excellent tool Laramie's staff has been using to try to set policy and direction on what type of services and at what level they need to be provided to the citizens.

Mr. Cook handed out a copy of a service analysis completed by Cory Draycott on what the city has done in the past.

He would like the governing body to seriously consider hiring someone, this year, to do a very statistically correct documented report on what the citizens want and what they think about the city services that are provided in the city of Green River. It would prepare the way for the governing body on January 2011 to help set policy and where they want to provide funding for their service levels, because they will have the input from the citizens. He believes the last survey was done in 2002. The public information coordinator could coordinate the project.

#### 4. SWEDA Update, and Update on Sidelines Restaurant

Michelle Hostettler handed out the first draft of promotional material for Green River to be given to business people considering moving to Green River, Rock Springs or the county.

She stated SWEDA is working with Eleutian's Technologies out of Ten Sleep, Wyoming for a teaching center in Green River. She and Jeff Nieters have also met with the company in Ten Sleep. Eleutian's will be coming back to Green River for their board meeting on August 8<sup>th</sup>. They teach English to Koreans, and are going into China, Japan, and Brazil.

Macula and Sweeney will be coming on August 23<sup>rd</sup> through the 25<sup>th</sup> and will be evaluating the aesthetics and the infrastructure of Green River, Rock Springs, and the other small towns of Sweetwater County. There will be a community meeting on the 24<sup>th</sup> when they will report back to the governing body and interested citizens about what they saw while they were here, and what they see as our potential for growth. In the future, they will be working with SWEDA on how to contact people and how to find people who fit our demographics and profile. They are being co-sponsored by Commerce Bank.

August 14<sup>th</sup> will be their first barbeque cook off and fundraiser. She invited Green River to enter a team.

She met with Community Development and Mr. Cook earlier in the day regarding future projects.

Ms. Hostettler announced they would be moving to a new location at the Commerce Bank building. They have been given a place for five years rent free.

The demand for the workforce training grants has increased. She has requested \$32,000 in the last eight days, and today she had requests for six more grants. People are using the grants to stabilize and make their businesses stronger.

Responding to a question from Mayor Castillon, she stated she can seek USDA loans, and is currently doing so.

She noted the public hearing for the grant application to the Wyoming Business Council for the Sidelines Parking Lot will be held on July 20<sup>th</sup>. The grant is due by the 26<sup>th</sup>. She hopes they will get the same response they did the first time. She will be meeting with Mr. Pilcher on Thursday.

Mr. Cook stated Mr. Pilcher has agreed to build a building and purchase the footprint of the building on land from the city. He has also agreed to lease the parking lot surrounding his building, at a reduced rate, which he is required to do by code to provide the required parking spaces for a restaurant.

The city agrees to pay for the construction of the entire parking lot, from the street all the way back which includes curb, gutter, sidewalk, paving and lighting of the parking lot. The city hopes to pay for it with the business grant that Ms. Hostetler is submitting to the Wyoming Business Council on the city's behalf.

In order to proceed with the development of the parking lot, the city needs a site plan in order to know where the building will be located, so we can prepare the deed with the exact dimensions. The city also needs to know the elevations of the property so it can be drained properly, and the paving can be put in properly. So a survey needs to be done to get the elevations. Normally there are three options, the developer can pay for that information up front, the city can pay for it on behalf of the developer and the costs would be included in the grant application. So the work to do the survey, elevations and to get the data information to prepare the site plan, in order to move forward for the imprint of the building and the design of the parking lot, is all going to be funded through the grant application. That means they won't come out of city funds, the developer is not paying for it, it comes out of the grant. But it also means that no work is going to be done until the grant is awarded, and then we can proceed from there. As long as Mr. Pilcher, and the governing body understand that, and Mr. Pilcher doesn't come to the city and ask why the city isn't doing the elevations and getting the data so he can do the site plan.

Nothing will happen until the grant has been awarded.

Council Member York asked if they have a solid commitment from Mr. Pilcher.

Ms. Hostetler stated Mr. Pilcher has signed a development plan, and will sign a second one. There are two things we need to remember, the restaurant is one aspect of the grant. The parking lot will also support future growth up from the proposed restaurant further up the hill. Mr. Pilcher is committed to building the restaurant, and the future development is the second part. It is a restaurant with a family component.

Ms. Hostetler stated Mr. Pilcher has re-committed to the project in the last two weeks.

## **Mayor and Council Reports**

Council Member Morck felt the meeting had been fruitful, even though things were still a little foggy. He thinks they have made real progress. They defined some areas and some things that have to be sorted out, but they all know what they are now. He believes it is a large step forward.

Council Members McCullough, Boan, and Maes had nothing to report.

Council Member York stated he had received several calls from unhappy citizens regarding the Flaming Gorge Days concert, because of some of the language and that sort of thing (*in the music*). He also received several calls about the new recreation center hours not being beneficial for shift workers, and the reduced amount of free time in the swimming pool.

Council Member Rust reminded everyone to go the Farmer's Market.

Mayor Castillon stated he had been invited to participate in a field trip, on Friday of last week, sponsored by Field & Stream Magazine. There were a whole host of photographers, people from the newspapers, Rock Springs Chamber of Commerce, the U.S. Forest Service, and many other groups. Jerry Taylor from Lucerne sponsored most of the event. There was a large turnout. The focus of the event was primarily on the opposition to the trans-basin water diversion project.

There will be a meeting at the Rock Springs Chamber of Commerce, on Monday, July 19<sup>th</sup> to meet with the local folks regarding the diversion project. People from the Army Corp of Engineers and the EPA will also be present.

**Adjournment**

The meeting adjourned at 8:23 p.m.

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H. Castillon, Mayor

ATTEST:

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Jeffrey V. Nieters, City Clerk