

SPECIAL COUNCIL WORK MINUTES
MAY 12, 2014

The City Council held a work meeting on Monday, May 12, 2014, at 1:00 p.m., in the Council Chambers, 10 North Main Street, Cedar City, Utah.

MEMBERS PRESENT: Mayor Maile Wilson; Councilmembers: Ron Adams; John Black; Paul Cozzens; Fred Rowley; Don Marchant.

STAFF PRESENT: City Manager Rick Holman; City Attorney Paul Bittmenn; City Engineer Kit Wareham; City Recorder Renon Savage; Finance Director Jason Norris; Airport Manager Russ Volk; Water Superintendent Robbie Mitchell; Public Works Director Ryan Marshall; Wastewater Plant Manager Darrell Olmsted; Senior Engineer Jonathan Stathis; Project Engineer Trevor McDonald.

CALL TO ORDER: Rick Holman gave the opening prayer.

BUDGET: Mayor – we have met and discussed the budget several times. It is a very conservative budget. There will be major expenses coming up in the next few years that we are preparing for. We also have obligations that we will have for a number of years such as the South Interchange. That is why there is not as many capital items that have been proposed. There are some out of the enterprise fund, but not the general fund.

Airport: Jason – the Airport is an area identified that the financial outlook was for more than a budget year. We challenged Russ and Ryan to prepare a 5 year budget for the Airport because of major things coming up that need to be addressed. One major thing is \$70,000 revenue from the gravel pit. In earlier discussions we thought the lease was going to expire. I recommended that they phase that out of their budget over the next 3 years, the revenue can come in until 2021, but we want to put the rest to the fund balance to meet grant matches for the runway, etc. This budget is based on changing the Airport fees the phase the gravel pit out.

Russ – we started this process about 3 years ago to look at Airport expenses and then 2 years ago looked for new revenue from user fees. Two years the FAA grant cost share was \$7,500. When we were qualified for the \$1 million grant our cost share went to \$52,000. By preparing for that we are now in a position to absorb the \$45,000 share. We now have a long term plan, and most will be yearly requests to increase user fees. This is necessary to have the grant share cost covered. We are proposing \$400,000 for an \$8 million grant down the road. My approach is to do it incrementally and see how much more is necessary. In addition part of what we monitor with user fees, in the eyes of the FAA they want to know is the airport trying to fund itself, that is a requirement to look at. There are proposed fee increases for this year.

We want to establish a stable staff, a year ago you gave me a 4th staff member, and I would like to make that position a part-time regular instead of a temp position. This makes them eligible for State Retirement which is a 4 year requirement; therefore the

position may not be a revolving door. It takes years to get trained. I will lose 1 employee in the next 12 months and probably another in 24 months. Black – does it help to have the older employee? Russ – you have to look at what is possible, a young individual with a family to feed cannot support family on a part-time position. The older ones have experience and don't have other time commitments. The Airport dictates availability 24 hours a day, 7 days a week. The older are beneficial for that reason. The problem under the current staffing makeup, ideally you would like to have a younger employee learn what is happening out there. Ryan – Russ and I have talked about that to have someone that will be there for several years and eventually take over that position. We were tasked to do a proposal for 5 years, we did a road map that shows fee increases that is gradual to get us up to what we need to be and still be a cost effective Airport. We did put in the Upper Limits and increasing the flat rate they are charged, we put in a gradual increase over the next two years, it is calculated in the revenue, but is not on the fee scheduled, that is from \$1,250 to \$1,750 per month. Marchant – it should have been at least \$1,500 per month when we started. Paul – has it been through the Airport Board? Russ – it has not. Paul – should it? Russ – they typically do not involve themselves in finance and budget. Paul – you should go to the board for discussion and expose those using the Airport so they know about the fee increases. Marchant – we can do that. Ryan – all the proposed fee changes for next year have been to the board for discussion, but not the 5 year plan and we could do that and bring it to them at a later time. Marchant – we have discussed fee structures with the Board many times. Black – the FBO, are you anticipating more requests for that? Russ – potentially, whenever you reach 800,000 a year plus you may see others interested. This is to help cover the cost of the investigative process should someone else apply. Black – that is an application fee? Russ – correct. Her contract is up July 2015, she is aware that she will have to go to the City Council rate structure at that time. She does have two more option periods for 5 years each; at each increment fees are evaluated. Cozzens – the 5 year plan increased fees on fuel is it included? Russ – yes, currently it is \$0.05 and we are proposing to go to \$0.07, she is currently at \$0.23 cents a gallon. We are also anticipating increasing raw land to \$0.15 a square foot. The last Airport Board meeting had an item for suggestions and ideas for generating funds anticipating losing the \$70,000. Their solution was to put up display boards and sell advertisements. I appreciate they are bringing different viewpoints in order to deter losing users and visitors, but I need to find solutions. The majority is not speaking up, but there is an obvious minority. It is a balancing act, how to finance the Airport and make it favorable to use it. Cozzens – SkyWest doesn't buy fuel, but they pay fees. Russ – they buy fuel every flight, pay counter space at \$4.00 to passenger, pay landing fees as well. Cozzens – I think the fuel costs are a fair way. Russ – we have long term leases that cannot be changed other than cpi, all new leases will be under a new rate. We are asking Upper Limit to pay for their use. Ryan – commercial and Upper Limit increases is what most will cover the \$70,000 to build up the fund. Jason – Ryan, Russ and I will go over it and get you a cleaned up draft that we will take to the Airport Board.

Mayor – do you have other insight on this since you go to the Board? Marchant – the staff shortage is a problem, the problem we are encountering with the Board itself is they don't feel user fees are necessary to operate the Airport and they want the City to kick in and cover the shortfalls. Those that use it should be paying for it. I think that we have a

diamond in the rough in the Airport. If we do not meet the needs of the Airport, we have to maintain that because Economic Development depends on transportation in and out of the community. We need to plan and make adjustments where necessary to maintain the integrity of the Airport. If we lose the viability of the Airport I am sure when Brennan comes in he will say no Airport no Economic Development. Rowley – how do the fees compare to fees in St. George? Russ – we are equivalent or slightly less than St. George. Marchant – but the fees are much less on leases. Russ – St. George generates over \$250,000 a year for parking fees. We are not allowed to charge for parking because of how the Airport was built. Our overall budget is less than personnel budget for St. George.

The raw land lease does not increase until we have new leases, the fuel does not generate any revenue until July 2015. We are only generating new fees with BLM tanker and Upper Limits. Jason – we will prepare new fee table and show comparable and get you a copy. Black – can we put language in future agreements to review rate structure annually? Paul – we can change it, but the feedback we get is that is not the only expense they have, but they build a hangar and have a mortgage on that. They like the predictability of the lease rate. We could say the lease rate is subject to whatever we want. Russ – St. George leases have built in rate increases every 5 years; it is \$0.03 a square foot every 5 years. Paul – the CPI was to limit us, the \$0.03 to \$0.05 may be something the leases don't squawk at. Rowley – if you are well off enough to buy an iPad you can pay \$25.00 to protect it. If you can fly planes there is a premium attached to the activity.

Water: Robbie – I didn't have many increase \$4,700 in salary for temps, I asked for another grade 10 position to move a water meter reader up from a grade 8 to 10, that is the \$.15 increase and the grade 8 to 10. Black – is the backup still in? Rob- I was asking for an additional grade 10, but the compromise was to move the grade 8 to a 10 instead. Rick – the increase is not in the budget yet. Jason – I didn't know the timing so I didn't put it in. Rob – I am pulling one right now to help with the other crews. Jason – we will adjust based on the timing. Rob – we have 1,500 to 2,000 meters that still need to be changed out prior to fully pulling the meter reader. Jason – there is a 5% rate increase with Rocky Mountain Power. Rob – the deeper the bowls, the more energy. Cozzens – what is the administration fee increase? Jason – the charge for City Staff to work for the enterprise fund. There was a percentage mistake on the billing clerk. Rowley – why is the maintenance at the Lake at the Hills decreased? Rob -- when we treat the lake ourselves and we know what it costs us to treat it now.

Mayor – I forgot to mention in the beginning that we also had an increase in State retirement this year.

Capital projects – the Cedar Canyon Tank we asked for money this year for the next year budget, and that ate most of my budget. Rowley – the bottom of the tank has a little rust, now that it is compromised, will the humidity eat that up. Rob – it shouldn't, the areas pitted they are sanding and recoating that. Jonathan – it is just surface rust, there won't

be any standing water under the tank. Rowley – the humidity won't cause problems?

Jonathan – I don't think so, we are not planning any additional work.

Rob – 200 West line replacements is from 200 N to Coal Creek, Kit has a grant from UDOT, they are going to redo Coal Creek road, I have to extend the lines so that we can tie it into 100 West and there will be a loop system. Spare motor for #5, I have spare motor for every well but that one, if we have problems I can pull, changed in one day to have it back in service. Otherwise it takes 2 weeks. SUU Meter project that is where they are moving meters out of the buildings and installing leak detectors on all the fire lines.

Paul – have we ever got easements for our lines? Jonathan – we are working on that.

Rob – new backhoe, ours is wore out, to bring it to safety standards it would cost \$8,000; I would like to trade that in and get a new 410 John Deere and it will be high \$60,000. I do lease one and own another.

Rowley – why not lease, we have a Case locally if we need to retrain operators we should do that. Rob – if we can run a John Deere and be more efficient. We tried a CAT, we have a CAT dealer, the back end we use, they don't have the horsepower to pull like a John Deere does. Rowley – if they are comparable.

Cozzens – there is a difference in controls and they could hurt someone by jumping back and forth. Rob – Wally uses Cases, but the John Deere they are much more efficient.

Cozzens – how much difference in price? Rob – I have not priced them, my guys prefer the John Deere, and I would rather pay a little more for safety and efficiency. Mayor – what is the life span? Rob – we have had this for 10 years.

Sewer, Park & Rec, Street and Golf Course all use the backhoe, it is the one we own; we also lease one. Rowley – if it is apples to apples fine. Cozzens – if you have one Case, have both Case. Rob – CAT and John Deere you can swap the peddles, but you can't on the Case. Jason – we anticipated this discussion, is there not a horse power issue? Rob – that is with the CAT, when we dig leaks we dig two holes and the CAT did not have the power or the reach to do what we need. It was a 310, I want to buy a 410. Ryan – we are going to do a project and the larger equipment to see where we get the more trade in value and if it is better to lease or buy. Mayor – we will also do this on the different brands. Rob – John Deere will give us about \$40,000 credit.

Rob – the one not funded is 200 West. Jason – we could not fund repaving that street, we had the request in water, sewer and street, so it was not funded. Black – if it needs

extensive repair, why would we put money into repairing the road? Ryan – it is

resurfacing and chip seal. Mayor – we have a street maintenance plan. Black – can we

not redo that street, it is worse than the north end. Rick – we can dip into the fund

balance on C-road and it will take 2/3rds of the fund balance to do the street portion of

that section. Mayor – that is one of the problems we have, the long term maintenance on

the different streets. We want to go back and look at other areas similar to this road.

Jason – I asked the staff, what is done with other streets in the City? Black – I have a

problem with what we do for one we do for all, we have areas that need to be addressed.

Jason – what is the criteria for need, a large traffic area, number of homes, area of City, if

they request the repairs, what criteria does staff need to use. Mayor – would you like staff

to give you other streets that are in similar situations, we can get that and see where we

are on the top five list. Marchant – the idea of me being a City Councilman is irrelevant,

it was that way before and it will be after.

Rob – waterline upsizing, we require a size of line and we pay the difference on required versus what our master plan says. Water rights, that is for what we buy each year. Rowley – we have more of those than we can use right now. Jonathan – it helps stabilize the aquifer. Rowley – we are careful on what we buy? Jonathan – we watch priority dates. Rob – water right appraisal, that gives a value for the rights for when we pay them. Paul – there is an appraiser that we use. Cozzens – the 20 inch line coming from Quichapa, is there a problem? Rob – no, there was some bad pipe on that line and every time we had a problem the pipe company gave us a new 10 year warrant. Rowley – what is #10? Rob – connecting to the Water Conservancy District, a pump for us and pressure reducing for them. You will see that every year until we partner up to do that. Rowley – how long would it take to do that if we did it? Ryan – we looked at different proposals, tanks versus connecting. Rob – probably 6 to 8 months. Black – is \$1.7 million good storage? Rob – that is just to connect, not storage.

Collections: Jason – we put \$75,000 to the maintenance line to enable them to do proactive maintenance, we have changed the way we allocate between the Plant and Collections. Darrell – we would like to be proactive, when we camera and find a problem. I would like to bid that and do it on an annual basis. Cozzens – what is the problem? Darrell – lateral cracks, parts missing, etc. We don't do a lot of maintenance, we have done it in large projects in the past, I would like to do it more often. Jason – explain the manhole discussion. Darrell – used water creates a sulfuric acid and it eats at concrete, the longer the sewer is in the line, the more acidic. The manholes are deteriorating on the 2300 west line. You can chip concrete with hands. We have had a company come in and coat, re-grout and build to normal size, it didn't work. We are working with engineering to determine a better way to fix the problems. It is about 10 year problem. We need to fix the manholes; we have over 100 that need to be fixed. If we wait too long we will have to tear up and replace. We are looking at coating or putting in slip lines. In the past I have used O&M budget at the end of the budget year to do 10 – 12 manholes. I would like an ongoing budget item and do 15 a year until we get all of them done. We have looked at different companies and had someone come in and recoat as a demo, we want to see how that holds up. I could be that the original manholes were not done properly. Marchant – this is strange that they cannot provide a cover that doesn't disintegrate. We have gone from wood, clay, pvc, etc. The longer the sewer sets the more H₂S it creates. The best way is to put oxygen in the water to prevent this from happening, but it is very expensive.

Capital – I want to buy a flow meter, a portable meter that measures flow. We are under a new regulation to do modeling of the sewer systems. The government does not like sewer backups. The flowdar we would measure flows and the number of homes that can be added to the sewer line. We also ask for a SCADA to tie the lift stations together. We use that to operate the treatment facility and give us real time data which we don't have. Rowley – it will tell you if you have a back-up somewhere else. Darrell – it would send info if there is a failure and it will call the on call operator. If our scada fails to ping their scada it will notify us so we know if our system fails. Black – there is an Airport line, what happened to the \$50,000? Darrell – that is just a recalculation of the costs. This

would keep the flow more uniform. Trevor McDonald – this is an estimate, the project is an increase. Ryan – Trevor is in the process of sending this out to bid.

Darrell - #4 that is going to be strike, it is already done. 1600 North, we brought the 4500 West to 3900 North, I would take the lift station and put in a line from it to 4500 west line instead of pumping the lift station toward the Airport. Trevor – there were errors with that, the original estimate was \$405,000, there were a number of errors, we corrected the length, size of line and it was a lot more, it is \$793,000 to put in a 15 inch line from Equestrian Point to 4500 West. One error is the impact fee; it went from \$250,000 to \$83,348, and the line is $\frac{3}{4}$ mile instead of $\frac{1}{2}$ mile. Mayor – we won't make concrete decisions today. Trevor – it is not a dying need, but it is part of the master plan.

Treatment Plant: Jason – operationally we had a few items change, 1st is with the expansion of the plant we have to add an additional lab person for wastewater process control. I put the entire amount in the budget; the expansion won't be done until next May. On a temporary basis with some of the systems off line we have to treat with chemicals. Darrell – with the expansion we demolished part of the Plant; we are running at 107% to 108% of capacity. We have 2500 liter limit on discharge, we are now running in low 20's. I would add far chloride to drop out solids. This is a worst case scenario. We have not used any, but do have it on site. We had to turn it on today because of the snow storm, we will monitor that. We will maintain below the 25 limit to get the solids out of the system. We are adding about 5 gallons today. Jason – next year the utilities will go up. Darrell – yes, we will have 4 pumps instead of one next year.

Capital – carryover nitrate the ongoing project and a drying bed asphalt repair. Jason – that was already done. Darrell - Laboratory equipment, since the new equipment the plant is designed to remove more than the old plant. It is lab equipment for the new facility. Adams – is this equipment? Darrell – yes it is. Black – what about the fire truck pad being \$23,000. Ryan – it is not just the pad, but also a road to get there. Darrell – we don't have enough fire suppression water flow. The Fire Department did a test for us. Pretreatment software, designed to input data from industry throughout town such as restaurants. Skid loader, we own ours, but we have a year to year agreement with bobcat and we trade ours in and buy a new one for \$3,100 every year and every other year we buy new tires. It is all under warranty with maintenance, we keep the old tires and they put the new ones on the skid loader. This is to load the trucks and mix the beds for it to dry out. Next is a bio solid mixer, we go in 3 times a week with a mixer to turn it over to dry out. Ryan – with the new process it will dry faster. Darrell – with the new process it will dry faster and we will windrows to dry faster. Jason – one vehicle was for a new employee that wasn't funded. The other is a replacement vehicle; we still need to approach the replacement vehicles. We didn't fund it. Darrell we have a 02 Ford and a 2013 F-150 and a 1998 Sonoma. Rowley – do any of them stay on site? Yes the 02 $\frac{3}{4}$ ton and the 09 diesel. Mayor – can we get the fleet maintenance plan first and then look at the vehicle requests.

Solid Waste: Jason – they have went through a lot of garbage cans this year, we increased the budgeted by \$1,200. Since we don't have the recycler, we added \$20,000+

to haul to St. George. Jeff – the cans that are breaking are the older cans. We did some tests and the last 3 batches we have very few damaged cans. Ryan – they did an extensive study a few years ago to find which cans hold up the best. This manufacturer seems to hold up better than the others. We pay \$54 a can, and a lid is as much as a new can for the older cans. People buy them from us for \$100 a new can, \$50 for a used can. Rowley – do I have to pay for a new can? Ryan – not if it is wear, but if it is abuse you do. Rowley – how much time does a person spend a week in repairs? Jeff – at the end of each day they get the work orders and they deliver the new cans and repair the ones that need repair. We run short on cans every year, as the older cans are getting older we have to be replaced. Rick replaced his can after 22 years of use. Jason – we are due to replace a garbage truck this year as well. We are on a replacement program for the garbage trucks.

Street: Jason – we are talking about the condition of a few streets in the City. Tell them the top 5 roads in poor condition and what we can and cannot do. We will talk about that after the operating budget. The street fund is in the general fund so it is competing with all the other departments. There was a lot of requests and unable to fund all of them. We put \$7,600 in gas and oil and \$5,000 in utilities. Small reduction in legal claims we have to pay this year. C-road funds are part of the street budget, we had \$1.1 million to match on the South Interchange project, \$185,000 loan payment to UDOT over the next 4 years, which reduced what, was available for capital projects. We only funded a \$17,000 stainless steel sander, \$64,000 to C-road fund balance, we hope to take next year funds and buy a dump truck. Right now we want to keep \$1 million on hand for emergency needs in the C-road funds. #6 is \$653,000 to refurbish 200 West, sewer, water are separate. Black – are any not funded critical? Jeff – the dump truck. Cozzens – how many trucks do we have? Jeff – 8 but the new ones are used double duty, the other are always be maintained. The repair budget is tough. Jason – over the years we got behind on replacing equipment on a timely manner, to get back on track it is big dollars. Rowley – is leasing an option to save us all the maintenance. Jeff – a dump truck yes, but the plowing is where we get into trouble. If you are dealing with plow truck it makes more sense. We need a heavier front end. Jeff – if we purchase the sander, if we got the truck we didn't need the sander, but next year the sander will go into the truck we purchase. We have 8 maintenance areas when we plow; we have 7 stainless steel sanders now. Jason - #5 is for street lights, Kit submitted that project, and it could be done with RDA funds it is from Monterey South to 800 South. Black – would that be Rocky Mountain Power reimbursement on this project? Rick – no, the system is not working.

Jeff – Jason asked me other streets faced with major problems, not only 200 West, 820 South 170 West, I don't know what we as a City will do there. Also on Highland Drive, those are a lot worse than 200 West. 200 West is fixable, I don't know about the other roads. Ryan – the project behind Big-O was a homeowner project, the homes were getting flooded. Rick – you balance the private property right. One option is to make the area automatic PUD's so we have no responsibility for the infrastructure. Paul – we still maintain sewer lines in PUD's. Ryan – the issue on Highland is the water lines sheering. Paul – you could zone for extremely light residential, one home per acre. Jeff – you will have roads to get there.

Storm Drain: Jason – nothing changed operationally.

Capital projects – Quichapa flood channel, that is Kit project, and we need extra \$2,500 to complete the project. These tie into Coal Creek. Black – does that change the FEMA designation? Yes. Mini-Excavator – Jeff when I came on we had one that couldn't pick up the bucket, Wally is able to use it. We don't have an excavator, it was purchased in the streets and we use it for storm drain. The mini-ex we usually rent, we could use it every day and use it in the streets. Jason – when we bonded for the storm drain I don't know if we identified every storm drain we were going to do, Kit determined it needs to be done and is paid by bond proceeds, and \$417,000 portion funded by impact fees. That will fund the added cost for that section on Cross Hollow Road. Jeff – to redo 300 West, the north section, I thought that was in the storm drain money. Cozzens – are the water and sewer good? Ryan – yes. Jason - #4 is impact fees for growth, to upsize lines.

CATS: Jason – operationally we put \$250 into travel and training, \$1,482 into additional insurance. Administrative costs are shared 80/20 with state other are 50/50 with the State. We take passenger fairs and net the revenue against the expenses and that is when the share kicks in. There is \$126 capital item and \$10,000 to purchase a dial-a-ride van.

Ryan – the insurance was resubmitted and it went up. The van is to replace a 2002 van with over 100,000 miles and costing us a lot in repairs. Adams – will you still run the other one? Tammy – yes. The increase in travel and training is to go to the URSA conference. To ride cats it is \$2.00 for dial-a-ride and \$1.50 on the bus. Medicaid can be billed and it is \$3.50 a ride for those. Cozzens – why is fixed rate down? Ryan – when the price of gas went up ridership went up and as things leveled out and came down the ridership came down, you are seeing this all over the country. Cozzens – I hope we can operate bare bones. Rowley – it is costing us \$10.50 per ride.

Fleet: Jason – we funded \$1,000 increase to special department supplies that is where they buy tools for the shop. Corey – our request was for overtime. Jason – we didn't fund that and we tried to give every department something. You can discuss it further with the Council if you would like. Black – was there dialog back and forth? Jason – some. Black - \$16,000 in special departmental for two years, do you need another \$1,000? Corey – we can use what we have, I only asked for \$1,000 in overtime and we are working overtime. Rick – last FY actual and FY 2011 we up over \$19,000. Corey – we transferred money out of special department supplies to pay for overtime. Jason – it doesn't matter. Corey – we can do a budget revision if we need to do that. Black – I would like to move it. Ryan – we have had a replacement plan for vehicles brought up. Mayor – can we do this with the equipment as well? Ryan – we want to look at leasing compared to purchase. Rowley – we talked about a motor pool concept. Rick – we can look into that, the decision we have made is that for personnel that don't have an assigned vehicle we asked them to rent a car, it is cheaper than mileage, most trips are one or two day trips. Rowley – it is a number thing, whichever is less costly. Jason – give an overview on how we determine replacement and maintenance. Corey – currently they are looked at on a one on one basis, it typically does not go through me, maybe input but that

is it. There is not a set schedule for anything but a garbage truck. The maintenance on that division dropped huge by replacing those every 6 years. If we could get all vehicles on a life cycle it would be nice for all of us. We are working on that and there are a lot of different opinions. I have talked with different cities and counties, but the history is not long enough. We have been selling when there is no value. Rowley – Mike Shaw in St. George we would get on state bid and sell them for more than we paid for them. By keeping that going we got rid of maintenance almost totally other than oil and filters. Ryan – we started with useful life, mileage and maintenance. With larger equipment, trade in life, when to get the most money, is it cheaper to lease than purchase. Corey – on diesel I run on hours instead of miles. Rowley – the leasing of the backhoe is about \$5,000 a year and it seems like a free backhoe. I think for paying \$70,000 for a new backhoe it is a lot of money. Jason – we want your approval for Corey and Ryan to put together fleet maintenance criteria, I don't have a way to quantify that without a policy. I would prefer Corey does that and he can tell us what vehicle is up. Ryan – we will start with the larger equipment since that is less of it and then move on to the smaller vehicles. Rick – we will have to plan on an upfront amount. Black – you can't do that with everything, but you can with some. Corey – it would make sense to start with the enterprise funds to start a vehicle rotation. Black – I would like to see it in police vehicles. Corey – the Police looked at leasing and they were equipped and it seems like it saved money. Corey – I don't have Fire, Parks and Treatment Plant on the information because they do their own work. Their information should be on the computer system now. Rowley – did you want additional facilities? Corey – sometimes we have equipment we are working on that we have to move out to park vehicles that have to be inside in the winter.

Public Works Facilities and Public Works Administration: Jason – internal service fund, because public works is shared facility for general fund purposes and also with enterprise funds for accounting purposes we create an internal service funds to put shared costs for taxpayer and enterprise funds and charge costs to all operations. We will talk about that first and then operation budget. The service fund fluctuates on what happens in other areas. We have solid waste, water, solid waste and street. We have capital projects we want to talk about. There is a cost share in anything that happened in this fund, the project we did fund is for solar panels. Ryan – there is a proposal with Rocky Mountain Power to put solar panels on the Public Works facilities. If the numbers are right we currently spend around \$1,700 a month for power, this will cover all the power costs and a \$1,500 to \$1,800 a month. It will be shared \$15,690 would be general fund cost. If we get the projections it should cover the funds. Jason - The electrical costs are about \$15,000 a year at that facility. Ryan – I don't know if we generate more if we can get credit. Cozzens – avoid the batteries if possible. Rick – we proposed this through Rocky Mountain Blue Sky program.

Capital – Ryan – the parking lot pavement, we started an initiative to start paving the back parking lot, and it has worked great. It used to be all mud in bad weather. This is to continue the parking to the buildings in the back. We hope to someday get the entire lot paved. Rowley – is there ever excess asphalt that could be taken over there? Ryan – that is what was happening, but you get water under it and it doesn't work. Next is the land

purchase, the property south of the facility. We are landlocked everywhere else. The fleet building, eventually our plan is to finish the building and move the fleet and we could park the street vehicles inside that have to be in during the winter. It has high ceilings, the portable lifts work. The parts office could be over there as well. Black – two bays? Ryan – I think there are 5 double wide bays. It will be expensive, so I thought we could get the flooring and doors and then another year get the office and part storage and then the cranes. Hopefully the financial situation will change and we can work on that. Jason – we want to make you aware of the large projects. Ryan – the land purchase is something that is hard to come by. Rowley – the guy that wraps around you, do you think he would sell? Ryan – I asked Jeff and he didn't think so.

Library: Jason – we put \$1800 into utilities and not much else. He has submitted some fee changes for the library and disposal of library books. Steve – the main fee changes occur around the disposal of the books, we have had so many before, but have found a few resources, one is Library Consignment and we have a barcode scanner and if they want it they tell us immediately, they pay the shipping, then reduce the money they give back to pay the shipping. We sell the book and they deduct a percentage for shipping and then split the rest and send us a check. We have done fairly well. We are getting \$100-\$150 a month back. They are picky about what they take. I would like to get the staff the training and we become a used book dealer and then we wouldn't pay shipping and split the cost. We don't have the expertise yet, but can get it. Rowley – you would keep it on the shelf for circulation until someone buys it. Steve – the storage is the back office area. We don't take a book off the shelf and sell it. If we have a new book we would sell the old one, or if someone donates a book we don't need. That is the major change in the fee schedule. Black – what kind of training? Steve – on conditions of the books, so when we say good, very good or excellent we have it right. Cozzens – does staff have time to do this? Steve – we would not add hours, it would only be a few hours a week off desk to do this.

Jason – you will recall last year the discussion with the County and bookmobile, there is extra funding for 2014.

Capital – we requested furniture and more floorcovering, neither was funding. Carpeting has been replaced in all but a classroom. The hard surface in the staff area has been damaged. We would also like hard covering in the kid area. The building is 10 years old. We had an issue with a chair that didn't spread, but there was a session on this at the Library meeting. We had a chair full of bed bugs. We had a man come and set in the chair and after 20 minutes he was covered in bites, we threw the chair away. The furniture would be replacement furniture. We have elements in the library that doesn't treat things as they should and we don't always catch it. We have chairs vomited in by children or urinated in by drunks. We clean them and get them back as soon as possible. If we looked at police calls, most are residents not homeless. We have a lot of people come and it is not diminishing.

Steve – there are 9 public libraries in the State of our size, fixed based sites. The Council will have to decide the level of service they want the library to offer. Full time

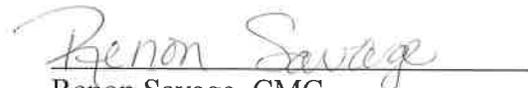
employees in those libraries in 2012 was 15, we have 7.5. Operating, the average in 2012 \$878,000, we had \$485,000. If we are going to continue to try and service we will have to fund that. We have 45 computer work stations in the library; the average is 23 that is to help to deliver information more quickly. Our door count exceeds the average door count. We simply need funding adequate for the facility we have and it is not there. We need to be able to do that if we want to keep the program up. The view of libraries will change, but the libraries won't go away, whether it be in print or not. We provide both print and electronic. Marchant – what is the greatest thrust? Steve – e books and e-audio, but the numbers available are so small. Print is not decreasing state wide. There is an idea that print will decrease and go away, it will never happen, we stock both. When I started in libraries in 1980, I took my budget and bought 6 books on cassette, audio books have exploded. We are not dealing with cassette, but mp3 and CD and downloadable, one medium does not push others out. Marchant – how do you do downloadable books? Steve – you download it for 3 weeks and then if you don't renew they go away. When we order the CD we get the downloadable free. We are in the process of applying for a grant for updated technology to help check things out faster and track the items.

Engineering: Jason – we didn't do a lot with Engineering budget, we gave \$100 additional for travel. You could field questions from council on capital projects. Kit – street light is replacing all the lights from 200 South to 800 South, one with decorative and one with the cobra head type lights like the ones north of Coal Creek road. Black – is that both sides? Yes. Paul – would Rocky Mountain Power participate? Kit – yes, \$50,000 - \$75,000. Rick - Cobra head would be \$348,000, decorative \$435,000. Kit – all LED lights. Cozzens – do you need decorative lights up there? Kit – one time the City Council wanted decorative Coal Creek to 200 South and then the cobra lights. Jason – we talked about doing it in phases. Kit – any street light we can do phases. We will have to identify the power sources to run to them. I am sure there is adequate along there. Black – your preference? Kit – that far down I would do cobra. Cozzens – how is east bench trail coming? The bridges are fabricated; the bases are going to bid. Cozzens – when will you pave? Kit – first of July. The bridges will go in the first week of June. We will have to put in road base, I am trying to get WW Clyde to help with that, they want to do a community service project at the south interchange. I said dig the foundation; provide the road base or do both. Adams – on the lights, if we are getting close to Boulevard, are the lights bad form there to the interchange. Should we have a plan to do them to the end of south Main? Kit – the plan is to eventually go to the south interchange.

Building Department: Jason – we didn't have operational changes, something both Kit brought up and Larry in their budgets, with building increasing they wanted an additional position, it was not funded. Larry – from 2012 -13 to 2013-14 year home starts were 94, this year at the end of April 94, we have about 25-30 in my office ready for final process. Rowley – one of the biggest surprises is we give more to Animal Control than to the Building Department. Rick – 12-13 is fiscal year, July – June? Larry – yes. Black – with the new position would it get you in the field more? Larry – yes, more inspections and business license review. We felt an office person would be better than anything to take messages and receive plans, etc. Rick – would this position be able to start at 20

hours a week? Larry – we could if necessary. Black – any subdivision development? Larry – some of the old ones come back. Rowley – I sent you all an article about Williams, AZ that stopped issuing building permits because they don't have water. Will that happen to us? Cozzens – we have enough for 40-50 years. Rick – at what point would we start asking for xeriscaping in front yards? Black – I don't see it being too far off, depends on growth and what we do with the aquifer, and if the weather patterns don't change.

ADJOURN: Councilmember Cozzens moved to adjourn at 5:07 p.m.; second by Councilmember Adams; vote unanimous.



Renon Savage, CMC
City Recorder