

COUNCIL WORK SESSION

Tuesday, February 14, 2023 at 4:30 p.m.
City Hall – Council Meeting Room

AGENDA

1. Meeting Follow-up
2. Casper Natrona County Health Department
3. Aquatic Center Roof Deck Funding Plan
4. Golf Enterprise
5. Annual City of Casper Liquor Review & Report
6. Interim Topics for WAM
7. Agenda Review
8. Council Around the Table

Mayor Knell called the work session to order at 4:39 p.m. with the following Councilors present: Cathey, Gamroth, Engebretsen, Haskins, Jensen, Bond, Vice Mayor Pacheco and Mayor Knell. Councilor Bond attended the meeting virtually.

1. Meeting Follow-up

There were no follow-up items to discuss.

2. Casper Natrona County Health Department

The Health Department Director was unable to attend; therefore, this item will be added to a future agenda.

3. Aquatic Center Roof Deck Funding Plan

City Manager Napier discussed the Aquatic Center roof deck, explaining that it is budgeted in the One Cent #17 Capital Fund, but waiting for the anticipated \$1.8-1.9M cashflow necessary for this project could take a few years to collect. He then introduced Zulima Lopez, Parks, Recreation, and Public Facilities Director, to discuss the state of the roof deck and possible funding solutions to get it fixed sooner. Ms. Lopez explained that in 2021, staff started to notice corrosion of the roof deck and pool enclosure roof. In June 2022, the roof was assessed and recommendations were made for renovations and replacements. In October 2022, the City put out an RFP for architecture and engineering to complete these improvements, and GSG Architecture's proposal was selected. She then showed photos of the corrosion and damage and explained that the vapor barrier and dehumidification system was not installed correctly at the outset of the construction of the Aquatic Center. A dehumidification system was installed later, but the damage was already done. Mr. Schenk of GSG Architecture explained that this was most likely the fault of the contractor hired at that time and that the drawings were not complete. With specialty projects such as this, the City relies on consultants and contractors to guide the project, and this was not done in this case. Council asked if the consultants could be held liable for this damage, and Jackie Brown, Deputy City Attorney, responded that it would depend on many factors, but any allegations would need to be factually accurate in nature. Vice Mayor Pacheco stated that he agrees that because this issue occurred 17 years ago, it would be very difficult to hold anyone accountable.

Ms. Lopez stated that the experts have recommended the project move forward quickly, therefore the City would like to put out an RFP for the construction project. The City will ask for two requests, one for the full-length construction, and one spanning two summers, which would allow for use of the Aquatic Center in the winter months when the outdoor pools are closed. Because the two-summer option may increase the price, staff will perform a cost benefit analysis and choose which option makes more sense after receiving the bids.

Jill Johnson, Finance Director, then discussed the option to obtain a capital construction loan from the State Land and Investment Board (SLIB). The loan would be five years, with a 1% interest rate, and a 0.5% one-time origination fee. The annual payments would be funded from the 1%#17 allocation, and the interest and origination fee would be covered by the anticipated budget savings from the design, estimated to be \$100K. Construction costs are rising each year, so it will become more expensive the longer the project waits. Council gave their thumbs up to move forward with applying for this SLIB loan and putting out an RFP. Council asked about using this funding for the ice arena project, and staff responded they could look into this, but there may be some issues with the structure of that repayment being dependent on the ice arena operation.

4. Golf Enterprise

City Manager Napier began the discussion of the golf enterprise. He stated that this is the only profitable recreation enterprise for the City, so instead of discussing the subsidy of this operation, staff would like to consider increasing the margin of profit to help cover capital projects for the operation. He then introduced Ms. Lopez to elaborate on the golf enterprise. She reviewed the 2022 season which included tournaments, league play, school district participation, cart/club rentals, driving range, and merchandise sales. She stated that last year's cost recovery was 117% and reviewed the cost recovery for the last few years. She then discussed strategies to reduce expenses and increase revenues, including restructuring partnerships; reducing operation costs (personnel, materials, water, and purchasing costs); adding value to season passes; online tee times; purchase of a range ball dispenser; increased marketing; junior programming; GPS cart fleet with advertising; merchandising; winter programs; replacing irrigation; updating the clubhouse; reducing water use; and implementing credit card fees. She stated that due to the long wait times for golf cart manufacturing, this year's golf fleet will be a loaner fleet. The GPS component of the fleets allow ads on the monitor, which provides an option for revenue for the enterprise. She also discussed that staff would like to look at way to dredge the reservoir that is utilized to water the turf in the near future, which would decrease the amount of City water that the golf course has to purchase.

Ms. Lopez then discussed adjustments to get to 110% cost recovery rate and a 125% cost recovery. She stated that the budget is set for 100% cost recovery, and the goal this year is for 110% cost recovery. The golf enterprise is currently on target to meet the 110% goal due in large part to the revenue increases at the 19th Hole Restaurant. The operation has increased the enterprise's restaurant revenue by 95% since Johnson Restaurant Group took over the lease. A rate increase will be proposed in FY24 to keep up with inflation. The proposals will include a 3% increase in passes, and small increases in classes, clinics, and golf cart rentals. If these changes help the enterprise meet the 125% cost recovery goal, this will help fund capital improvements and

equipment replacements at the Municipal Golf Course, which will also benefit the general fund. Council gave their thumbs up in support of the plan and for staff to bring an implantation strategy forward in the future.

5. Annual City of Casper Liquor Review & Report

City manager Napier stated that there was nothing out of the ordinary in this year's liquor report. Fleur Tremel, Assistant to the City Manager/City Clerk, stated that there were no sales tax holds and two applications were late and had to pay a late fee. Council discussed specific highlights in the liquor report, including DUI's and alcohol-related crimes. Deputy Police Chief Chaney stated that he did not think any of the trends were related to specific liquor licenses. Mayor Knell stated that he would like to have a zero-tolerance policy during renewals in the future for establishments that fail compliance checks and are caught selling to minors. Council asked for historical trends to be included in these reports in the future.

6. Interim Topics for Wyoming Association of Municipalities (WAM)

Next, City Manager Napier discussed a list of interim topics for individual legislative sponsors or WAM to consider. He stated that some of the topics to choose from came from Councilors, some have been repeated from previous Councils, and other are topics submitted by staff. Mayor Knell stated that he would like the Council to narrow the potential topics to five. Council then asked questions of staff about the different topics, including liquor laws, non-discrimination laws, funding options for municipalities, DCI funding, bussing issues, mental health services, publication of minutes, and cannabis. Council gave their thumbs up for staff to seek sponsorship on seven of the topics, and if sponsorship cannot be assigned then to try to get the topic on the WAM agenda. The seven topics included: enhanced penalties for crimes involving vulnerable persons and professions; increased municipal revenue strategy; local government authority to adopt the State liquor rules; municipal option to publish minutes online; restoration of Department of Criminal Investigation funding; appropriations for mental health services as prevention for violent crime and homelessness; and establish law against neglectfully bussing problem individuals to other jurisdictions.

7. Agenda Review

Next, Council reviewed the agendas for upcoming regular Council meetings and work sessions. They asked that the pre-meeting next week start early at 5:15 p.m. Ms. Tremel stated that one cent applications will open next week and will be discussed on April 11th. Interviews are tentatively scheduled on April 25th if Council chooses to do interviews. The schedule should still be on track for contracts to be started in July.

8. Council Around the Table

Next, Council went around the table to discuss their respective board and committee meetings as well as matters of public interest. Councilor Gamroth asked for Council to continue to discuss and entertain the option to support legalization of cannabis and advocated for a harm reductive approach to substance abuse in the community. Mayor Knell stated that Vice Mayor Pacheco was appointed to the Natrona County Recreation Joint Powers Board by the Council of Mayors.

The work session was adjourned at 7:21 p.m.

ATTEST:

CITY OF CASPER, WYOMING
A Municipal Corporation

Fleur Tremel
City Clerk

Bruce Knell
Mayor