

COUNCIL WORK SESSION

Tuesday, August 25, 5:35 p.m.

Casper City Hall

Council Meeting Room

AGENDA

1. Marion Kreiner Splash Pad
2. CDBG – Review of FY2014/2015 CAPER
3. CAP Reports Discussion
4. Begonia Bluffs Properties
5. BMX Pump Track
6. FY2015 Year End
7. Future Agenda Review
8. Around the Table
9. Executive Session – Ward II Applicants

Mayor Powell called the meeting to order at 5:35 p.m. with the following Councilmembers present: Councilmen Cathey, Hopkins, Johnson, Mundell, Pacheco, and Sandoval.

City Manager John Patterson introduced Doug Follick, Leisure Services Director, to speak about the Marion Kreiner Splash Pad. Mr. Follick stated that the engineering estimate for the project was \$150,000, and the bids for the project came in at \$345,000. Council had discussed the project in previous meetings, and chose not to downsize the project. After meeting with Assistant City Manager, V.H. McDonald, and staff within the City of Casper's Engineering Department, Mr. Follick recommended that the project be postponed until another source of funding is found.

Mayor Powell introduced Liz Becher, Community Development Director, and Joy Clark, Community Development Technician, to review the Community Development Block Grant (CDBG) Consolidated Annual Plan Evaluation Report (CAPER) for the 2014-2015 Fiscal Year. Ms. Clark explained that it is a requirement of HUD to submit a CAPER detailing how the City of Casper used CDBG funds. She then went on to describe how the report summarizes CDBG's annual accomplishments and activities over the past year and includes an executive summary, a summary of resources, distribution of funds, project locations, and a self-evaluation of accomplishments and practices. She also described how the CDBG is meeting Housing and Urban Development (HUD) standards. Mayor Powell asked about the Façade Grant and why it had stalled out. Ms. Clark responded that there are several grants in the evaluation process and waiting on HUD's approval.

Mayor Powell moved the discussion to the review of the Community Action Partnership of Natrona County (CAP) budget. City Manager, John Patterson, further described what CAP is and introduced Brenda Eickhoff, the Executive Director of CAP. She passed out copies of a report that outlined a breakdown of CAP's budget and expenditures. The report detailed CAP's distribution of administrative costs and also detailed how the funds distributed to CAP by the City of Casper have been allocated. Councilman Cathey expressed concerns about CAP's administrative budget and had questions about possible discrepancies. Mayor Powell suggested Ms. Eickhoff meet with

Assistant City Manager McDonald, and Mike Burnett, Executive Director of United Way of Natrona County, to address any possible anomalies or discrepancies in CAP's report.

City Manager John Patterson explained the issues surrounding Begonia Bluffs and the concerns of the homeowners with land adjacent to these city-owned lands. He explained how this land was originally being considered in conjunction with a project for a bridge across the North Platte River, but that the City had since found a better location for the bridge project. Council discussed possible solutions, which included selling the land at public auction or participating in a "land swap", where the land owners would have the opportunity to swap land of equal value to the land in question with the city in return for the land adjacent to their property. Mayor Powell asked Council if they had any problems with selling these lots. Council decided to table this discussion in order to give the landowners more time to sort out the details of the possible land swap.

City Manager John Patterson introduced Pete Meyers, Assistant Public Services Director, to discuss the BMX Pump Track proposed by Mike Sedar BMX. Mr. Meyers described how the specific portion of Mike Sedar Park that would be used for the pump track would include the land that has in the past been used as a mini golf course. He explained that "putt-putt" is trademarked by Putt-Putt LLC, which includes many trademarked course layouts including the course at Mike Sedar Park. Therefore, anyone owning the course would either have to pay Putt-Putt LLC's high franchise fee or modify the course so that it does not have a trademarked layout. This requirement has prevented anyone from reopening the course. City Manager John Patterson stated that he asked Tom Dixon, a reporter at Casper Star Tribune, to do an article about the course to give citizens an opportunity to buy the course to prevent it from being destroyed and no one came forward. Mr. Meyers confirmed that the proposed project would require the removal of the mini golf course by Mike Sedar BMX. He explained that the new BMX Pump Track would be next to the existing BMX Track, but the new pump track portion would be free and open to public. He explained that the current BMX Track is not open to the public and kids are constantly jumping the fence in order to use it. He thinks that the new track will solve this problem because it can be used by all of the neighborhood kids. The new track will have packed dirt and sufficient drainage. It will also be fenced, but will be left open, so that anyone can go to the track. He also stated that quotes from Pump Tracks USA said there is plenty of room for the track in the proposed plan. Mayor Powell asked for a thumbs up vote to approve the proposal. Council approved the proposal.

Mayor Powell moved the discussion to finances. City Manager Patterson began by talking about the financial decline that has occurred in the City since June due partially to price reductions in oil. He then asked Assistant City Manager McDonald to discuss the FY15 Year End and the FY16 Budget. Assistant City Manager McDonald began by reviewing the FY15 Year-End budget and stated that revenue exceeded budget and that expenditures were below budget. He stated that staff budgeted in a 2% sales tax increase for FY16, because when they were preparing budget, the City was coming off of a strong sales tax period. However, over the last three months (June, July and August), sales tax revenue has been down from what was expected. He explained that after three months of sales tax revenue being lower than expected staff considers the performance a trend in local performance, therefore there appears to be a trend of declining General Sales Tax revenue. The budget deficit for June and July is \$723,000, and the sales tax revenue over the past two months is down approximately 19.5 - 20%. He stated that staff is projecting that the City will be \$5.2 million down in sales tax revenue at FY16 Year-End. He explained that there is a total of \$2.2

million in fallback provisions for the FY16 Budget that can be utilized to start to address the decline in tax revenue.

Assistant City Manager McDonald stated that to off-set the bigger picture deficit, staff is implementing a hard hiring freeze. Councilman Cathey expressed concerns about the hiring freeze affecting emergency-related jobs, such as police officers. Police Chief Wetzel stated that they just started testing for the next round of new hires and explained that the process of hiring new officers takes several months. Councilman Cathey suggested making an exception to the hiring freeze for police officers. Councilmen Mundell and Powell concurred that they should make an exception for the hiring of police officers because the process takes several months. City Manager Patterson noted that although each department has critical positions, implementing a hard hiring freeze that applies to all departments would help to offset the current deficit.

Staff also recommended that Council consider charging enterprise funds PILTS (payment in lieu of taxes). City Manager Patterson explained that this would mean the City would charge the public utilities a franchise fee which would result in charges to anyone paying public utilities, including organizations who are not subjected to taxes. Councilman Sandoval expressed concern about putting those costs onto residential households. City Manager Patterson stated that this franchise fee would only be implemented on public utilities, and not to power, gas, etc. and that the extra fees charged to each household would be minimal. He further explained that in reality, the bulk of the extra fees would be charged to organizations and companies and that the charges to households would be minimal. Assistant City Manager McDonald commented that staff has discussed a legal review and refinement of the PILT. Council decided to implement payment in lieu of taxes for now, but noted that if the cost is getting too high, they would like to revisit the issue.

Assistant City Manager McDonald indicated that staff recommended Council authorize temporary spending of reserves. He explained that spending General Fund reserves is a council directive. Council decided to wait a month or two before making a decision about spending General Fund reserves. City Manager Patterson stated that he would like to have the reserve issue resolved by November 1st of this year. Assistant City Manager McDonald noted that management monitors the budget and the results of cost-saving actions every biweekly payroll. Council decided they would like to hear a monthly report based on these results and discuss options at the first work session of every month. Assistant City Manager McDonald added that there are further measures that could be taken in FY17 to offset any deficits, such as utilizing future one time money and using state money for operation costs.

City Manager Patterson presented Council with a review of the future agenda, which included establishing public hearing dates for the review of CBDG's CAPER Report and for the real property assessment and the demolition of the 520 S. Kimball property.

Councilmembers reported updates for each of their respective board meetings.

There being no further business the meeting was adjourned at 8:17 p.m.

ATTEST:

CITY OF CASPER, WYOMING
A Municipal Corporation

V. H. McDonald
City Clerk

Charlie Powell
Mayor