

COUNCIL WORK SESSION

Tuesday, December 13, 2016, 4:30 p.m.

Casper City Hall

Council Meeting Room

AGENDA

1. Pre-Session Legislative Update by WAM (Laurie Heath, Shelley Simonton)
2. MPO- Transit Route Analysis Presentation by Consultant (A.T. Stoddard, Steve Kurtz)
3. Liquor/Policy Position on Number of Licenses (Tracey Belser, Matt Galloway, Randy Hall)
4. Boards & Committees Appointments (Mayor)
 - Two (2) Water Boards, CNFR and the Chamber of Commerce Need to be Appointed Before First Council Meeting in January 2017
5. City Manager Report
6. Future Agenda Review
7. Council Around the Table

Mayor Sandoval brought the meeting to order at 4:32 p.m. with the following Councilmembers present: Councilman Cathey, Johnson, Heili, Pacheco, Humphrey, Hopkins, Powell and Mayor Sandoval. Councilmen Miller was absent.

Mayor Sandoval introduced Laurie Heath, Deputy Director of the Wyoming Association of Municipalities (W.A.M.), to update Council on pre-session legislation from W.A.M. She began by explaining W.A.M.'s goals and reviewing their Municipal Finance Report. She explained how the financial downturn in Wyoming has affected cities and towns and how the over-the-cap funding that is allocated to municipalities may change in the coming years.

Ms. Heath then reviewed the proposed 2017 legislative agenda from W.A.M. and the eight recommendations from the report that support the agenda. These recommendations include: securing the \$105 Million appropriation for direct distribution for this biennium; modifying the direct distribution formula; ensuring funding for state grant and loan programs to fund capital construction; providing more autonomy and revenue generating authority to local government; increasing state sales tax to 5%; passing a constitutional amendment raising the municipal property tax; evaluating sales and use tax exemptions; and incentivizing operating efficiencies.

Councilman Pacheco asked how realistic it is for municipalities to secure the \$105 Million appropriation from over-the-cap funding. Ms. Heath responded that W.A.M. is focused on trying to secure the \$52 Million for this legislative session. W.A.M. will advocate for continued over-the-cap funding for municipalities in the future but knows that this may not be possible. Councilman Powell explained that the over-the-cap funding has become essential to many towns throughout the State and that legislators realize this. Councilman Hopkins asked how much

Casper has lost from this currently reduced allocation of over-the-cap funding. City Manager McDonald responded that Casper's allocation has dropped from \$4.4 Million to \$3.4 Million.

Ms. Heath stated that on December 21, 2016, these proposed agenda items will be presented to W.A.M.'s Board of Directors, which includes Councilman Powell. The Board will review the items and some items may be pursued more than others. She also discussed that a bill may be proposed that changes the one percent administrative fee that ends up right back in the general fund. The Department of Revenue supports this change. She also stated that W.A.M. plans to have some discussions with the state regarding liquor licenses and economic development. She then stated that W.A.M. will also be keeping an eye on police worn body cameras and drone legislation as well as public utility regulation. She discussed how quick decisions are made in W.A.M. since it can be difficult to poll all members to see where the consensus lies on a particular issue. The state is broken up into six regions and each region has a representative who is on call to make decisions when there are emergency issues. Councilman Powell encouraged all Councilmen to go to the winter workshop in January to learn more about each of the issues that W.A.M. is involved in and to voice opinions about important issues for Casper.

Next, Liz Becher introduced A.T. Stoddard, of LSC Transportation Consultants, Inc., to update council on the Metropolitan Planning Organization transit route analysis. He reviewed the process that was used to evaluate the fixed route transit system and stated that information was gathered from customers as well as stakeholders in the community. He then briefly described the most efficient service options that are available given the current budget constraints. He described the comparisons between the new and old transit routes and ridership statistics. Some of the proposed changes include extending the red route to the east side Walmart and improving the timing for some of the routes so they are less confusing in relation to each other. The proposed changes should cost roughly the same amount but are projected to increase ridership with more passengers per hour and lower the cost per passenger.

Councilman Heili asked what the timeframe for implementation is, and Mr. Stoddard replied that the first step is gaining final approval, then those schedules will be worked out. He estimated that the process of approval and public notification will take about six months. Mayor Sandoval asked about Casper College's involvement in this process. Mr. Stoddard responded that Casper College has been working with them and are very supportive of the bus system. Councilman Powell asked if this will affect the Casper Area Transportation Coalition's (CATC) services at all, and Mr. Stoddard responded that the focus of the study was only the fixed routes and not CATC's demand response. He added that he expects that CATC's demand will increase in the coming years due to an increasing aging population.

Next, Tracey Belser, Assistant City Manager/Support Services Director, presented on the City liquor licenses. She gave a brief overview of the different liquor types and the caps for each of these types. Councilman Heili asked about the potential bill coming forward that may change the definition of a dispensing room. Mike Reid responded that the change is for retail licenses and stated that the bill will try to clarify dispensing room rules so they are more standardized. This clarification should help with enforcement issues.

Next, Matt Galloway spoke in opposition to removing caps on retail liquor licenses on behalf of the Natrona County Liquor Association. He stated that the business owners who have purchased licenses would be negatively affected by the removal of caps, because the current licenses, some of which have been collateralized as part of bank loans, would become essentially worthless. He stated that the new business owners, who would not have to buy their liquor licenses at the same high costs, would be able to operate with less overhead which could potentially take out the existing bigger businesses and saturate the market. He described how other states and cities have handled similar issues, including Rapid City, who sells additional liquor licenses at the market rate. He stated that a lot of this discussion came from Council wanting to develop the downtown area, which the current business owners are doing.

Councilman Heili stated that the reality is that most states do not have caps on the number of licenses like Wyoming does, and the market does not collapse. He added that he would like to see some sort of compromise where the business owners are compensated for the money they have put into their licenses. Councilman Powell asked what affect increasing the number of bar and grill licenses and/or adding catering to those licenses would have, and Mr. Galloway responded that it would have the same affect and would saturate the market and negatively impact current business owners.

Next, Randy Hall spoke on behalf of a citizens group that was formed in favor of increasing the number of bar and grill licenses. He stated that this is a simple issue of free market and choice for citizens. The bar and grill license, as opposed to a restaurant license, is important because of the bar that is allowed by that license. Businesses should not have to go the extreme inconvenience of only being able to pour liquor in a dispensing room. He stated that the investment that the current businesses owners have made is significant and they should somehow be compensated for that investment; however things change and that is the cost of doing business. The citizens group he represents is advocating for the removal of caps, which he believes will be the beginning of a long discussion of how to reform Wyoming's liquor laws. Councilman Powell asked if there are any ideas of how to reimburse those businesses, and Mr. Hall responded that that would have to be part of State legislation. Ms. Heath stated that W.A.M.'s current legislative agenda is in favor of removing the caps and allowing municipalities to implement their own transition process. She added that this is just a proposal and will likely not be the end result. It is just a piece of the holistic liquor law issues in Wyoming, and W.A.M. would like everyone at the table for those discussions including stakeholders. Councilman Powell asked for a thumbs up from Council to ask that a committee be formed to look into these liquor license issues, and all Council members present gave a thumbs up.

Next, Mayor Sandoval stated that there are four board and committee positions that need to be filled as soon as possible because they are voting positions of which outgoing Councilmen will be vacating. There are two Central Wyoming Regional Water System Joint Powers Board positions, one seat on the Chamber of Commerce Coordination Committee, and one seat for the College National Finals Rodeo (C.N.F.R.) Committee. Council has decided to appoint these seats based on availability and interest. Councilman-Elect Walsh volunteered for the C.N.F.R. Committee and the Central Wyoming Regional Water System Joint Powers Board; Councilman-

Elect Huckabay volunteered for the Chamber of Commerce Coordination Committee; and Councilman-Elect Murphy will be appointed to fill the other Central Wyoming Regional Water System Joint Powers Board seat.

Next, City Manager McDonald gave the City Manager Report. He stated that December's sales tax was very low and was down across the board for all sectors. This is concerning because it is possible that this is a sign of a second layer of the bust. The sales tax that came in for December reflects activity from two months ago, October. The City is working with the Department of Revenue to verify these numbers. There are some good signs including increase in equipment dealers and oil prices rising. He stated that an agenda item has been added to the January 24 work session for pre-budget direction from Council. Staff would like input from Council on how conservative or liberal they would like the budget to be. Councilman Powell asked if Council could be provided with a status report of how the cut positions have impacted the City, and City Manager McDonald stated that the available information related to this will be provided to Council.

City Manager McDonald stated that there will be a legislative lunch on December 21 and legislators that could not attend the last lunch will be there. He stated that whoever wins the straw poll for Council leadership on December 27 should attend the agenda review on December 29 in order to help with continuity. Only four members of Council will be able to attend so as not to form a quorum.

Mayor Sandoval asked for declarations or nominees for leadership for 2017. He stated that he hopes incoming Councilmen will recognize that there are several experienced Councilmen who would do well serving as Mayor and Vice Mayor. Councilman Hopkins stated that next year Council will be facing difficult economic issues and for that reason he would like to nominate two former mayors, Councilmen Powell and Humphrey, to serve as Mayor and/or Vice Mayor. Councilmen Powell, Humphrey, and Johnson declared that they would like to run for Mayor and Councilman Pacheco declared that he would like to run for Vice Mayor. City Attorney Luben explained the straw poll process and asked Council what they would like to do if the votes are split for Mayor without five affirmative votes for one of the three individuals running. Council decided that if that happens, there should be a run off between the two candidates with the highest number of votes.

Next, City Manager McDonald reviewed the agenda for the Regular Council Meeting scheduled on December 20, 2016.

Next, Council went around the table to discuss issues related to their respective board and commission meetings.

Mayor Sandoval adjourned the meeting at 8:16 p.m.

ATTEST:

CITY OF CASPER, WYOMING
A Municipal Corporation

Tracey L. Belser
City Clerk

Daniel Sandoval
Mayor