

COUNCIL PROCEEDINGS

Work Session

July 14, 2015

6:00 p.m.

A Work Session meeting of the City Council of the City of Gillette, County of Campbell, State of Wyoming, was held on Tuesday the 14th day of July 2015, in the third floor conference room of City Hall, pursuant to due notice and call. The Presiding Officer called the meeting to order and upon roll call the following were found to be present:

Council Members present: Tim Carsrud, Ted Jerred, Robin Kuntz, Kevin McGrath, Forrest Rothleutner, Dan Barks, and Mayor Louise Carter-King.

Staff present: J. Carter Napier, City Administrator; Charlie Anderson, City Attorney; Patrick Davidson, Assistant City Attorney; Kendall Glover, Utilities Director; Dustin Hamilton, Director of Development Services; Jim Hloucal, Chief of Police; Tom Pitlick, Finance Director; Sawley Wilde, Public Works Director; Kris Jones, Customer Service Manager; Geno Palazzari, Communications Manager; Patti Davidsmeier, Community & Gov't Relations Manager; and Cindy Staskiewicz, Deputy City Clerk.

Warm Up Items

Mayor Carter-King asked for warm up items.

City Administrator Napier asked Council for a decision regarding the City sponsorship of the upcoming Pyrotechnics Guild International (PGI) event at the Cam-Plex. Councilman McGrath reiterated his comment made at the July 7th Pre-Meeting, he doesn't feel it is appropriate for the City to sponsor an event, which would allow City employees an admittance discount, when the City already provides public funding for the subsidy of the Cam-plex. Mayor Carter-King stated that the City could still sponsor the event, without receiving any discounts. City Administrator Napier commented that the City has the option to define the sponsorship. Mayor Carter-King asked if the Council is in favor of sponsoring the event. Councilman Jerred commented that he is not in favor of sponsoring the event, unless it could provide a discounted rate for all citizens. He feels that the City already subsidizes the Cam-Plex and should not provide sponsorship funds in addition to the subsidy. Councilman Rothleutner reminded the Council that in previous years, additional funding was provided to the Cam-Plex to help off-set any losses for unsuccessful events, and he does not feel the City should sponsor the PGI event. The consensus of the Council was not to sponsor the Cam-Plex PGI event.

City Administrator Napier asked Development Services Director Hamilton to provide Council with information regarding the Goldenrod Avenue project. Director Hamilton explained that Goldenrod Avenue is in need of repairs due to subsidence. The settlement appears in the areas of underground water and sewer lines. An emergency proposal request was prepared and a contract has been awarded that will address the settlement and drainage issues in the public right-of-way, but nothing beyond the public right-of-way. The contract details are being processed, and once the work begins, the projection is a 15 working-day contract, which could be extended depending on what is uncovered after excavation. Repairs will encompass the area in front of 3405 and 3407 Goldenrod Avenue and 3409 and 3411 Goldenrod Avenue; these areas coincide with underground service lines. Director Hamilton presented photos of the flooded area during and after a recent

major rain event. He explained the elevation design of the street, gutter and houses to accommodate the drainage, and explained that in a major storm event, the street is designed as the main drainage conveyance; it is not unusual to see flooded streets in residential areas during a major storm event. He stated that due to recent development and lack of vegetation in the area, sediment continues to filter into the storm sewer, which compacts the storm drain and compounds the issue. He explained that installing a sewer drainage inlet in the area would not accomplish a fix for the problem. Councilman Kuntz asked if the storm sewer inlets have been cleaned out. Public Works Director Wilde stated that the storm sewers have been cleaned multiple times this year, and it is an ongoing process. Councilman Jerred asked if the houses in the area were settling. Director Hamilton stated that they are aware of two houses with settling issues and more information will be available once the project is underway. Councilman McGrath asked about liability of the contractor that constructed the street. Director Hamilton stated that the street was built several years ago, and a lot of the houses still do not have established yards. Councilman McGrath asked if there are other areas indicating signs of settlement. Director Hamilton stated that there are a few more areas that are beginning to show signs of settlement over service lines, but for now the focus is on repairing this issue. Public Works will continue to clean out the drainage inlets in the area until the curb and gutter can be restored to the proper elevation. Councilman Barks stated that citizens are concerned about the settlement of their homes and are wondering if the street subsidence is the cause of the settling. Director Hamilton re-stated that until the project is underway, the source of the settling cannot be determined. City Administrator Napier asked for a timeline of the project. Director Hamilton stated that as soon as the contract issues are completed, it is projected that the work could start within the next few weeks and be completed within 15 days, depending on what is found when the street is torn up. Councilman McGrath requested that the area be added to next year's project list, as a priority item, to determine if other major settling issues can be identified. Councilman Barks asked for the name of the contractor that built the street. Director Hamilton stated that the information would be researched and provided to Council. Councilman Kuntz requested that a future meeting topic would be to discuss land development processes regarding compaction test requirements, in an attempt to set standards and processes to avoid future settlement issues.

Council of Community Services

Mayor Carter-King requested that the Council of Community Services discussion be moved to the first item on the agenda. Staci Bungard, Executive Director of the Council of Community Services, introduced Project Team Members, Mikel Smith, Program Manager, and Mary Campagna, Bookkeeper, she also introduced Board Members Robert Driver, John Fitch, Michael Surface, and Susan McKay. Mayor Carter-King stated that the City Council and County Commissioners recognize the value of the Council of Community Service to the Community, and realize that the funding shortage issues that will be discussed were inherited. Director Bungard stated that the Council of Community Services is in need of financial assistance, partially due to their grant cycle process. The grant funding is designed to reimburse for expenses and the grant payment cycles are sometimes delayed, which makes cash flow and management difficult. Their reserves are depleting and grant funding is decreasing. They have attempted to make positive changes by reducing payroll expenses and examining

bookkeeping processes. Their goal is to align their revenues with their expenses by reviewing program by program, ensuring that they are not overspending, which could mean program cuts and reduction of services to the community. The initial request for additional funding is for \$50,000 from the City and \$50,000 from the County, which would allow the Council of Community Services to catch up on unpaid bills and continue providing services to the Community. The next request, for an additional \$200,000, will be earmarked for the replenishment of their reserves. Councilman Carsrud asked if the previous Council of Community Services' Board had the opportunity to review the financials and recognize that there were problems. Director Bungard stated that financials were reviewed, but the reports included "in-kind" funding as cash, which skewed the bottom line and distorted the reports. It was also discovered that unpaid bills were not included in the accounts payable system. This issue was not revealed to the Board until a vendor demanded payment for unpaid bills of which the Board was not aware. They are now beginning to realize the depths of the financial problems. Director Bungard is confident that once they have their program revenues and expenses aligned, the Council of Community Services can run efficiently, it is just a matter of getting caught up on the unpaid bills. Councilman Jerred asked if the future grant funding and income sources will be enough to sustain the programs. Director Bungard stated that changes are in the process to help align the programs. She stated that the Food Bank has been closed for a few weeks in order to restructure processes. All food recipients will now be income qualified and required to provide qualifying documentation. All programs will be reviewed and modified, as needed. Federal grant funding and private donations have decreased since 2013. Councilman Jerred asked what they plan to do if the funding continues to decrease. Director Bungard expressed the difficulty they will have if the funding sources decrease. They realize the value that each program has, but they will have no choice other than looking at each program and making changes or eliminating the program. It will be necessary to determine which funding sources are the most sustainable and then make program decisions based on those findings. They will continue to focus on keeping the housing program and pursuing grant funding. Councilman Barks expressed his hope that the conditions that lead to their current financial position will be investigated. He asked for clarification of the amount of money allocated in the City's current budget for funding. City Administrator Napier stated that \$20,000 has been appropriated for the Council of Community Services. Councilman Barks asked if this request is for \$50,000 in addition to the \$20,000. Director Bungard confirmed that the total request at this time is for \$70,000. The initial request for the \$20,000 was allocated as \$10,000 for the Soup Kitchen and \$10,000 for the Food Pantry. Councilman Barks asked Commissioner Avery the amount of money the County gave the Council of Community Services for this year. Commissioner Avery stated the County appropriated \$15,000 and discussed the appropriation of the \$50,000 request contingent upon the City's decision to appropriate \$50,000. Councilman Jerred asked if the Council of Community Services is certain that they have revealed all the financial issues. Director Bungard stated that they feel the majority of the issues have been discovered and felt she could confidently say that 85% of the issues have been revealed. Councilman McGrath stated that the former Director had given Council a presentation regarding the sale and purchase of buildings, and he asked if that transaction had taken place. Director Bungard stated that the building that housed "Seconds on Third" has been sold, and the store has been relocated to a building purchased on Gillette Avenue. Problems with the

building on Gillette Avenue are surfacing that will need to be addressed. The purchase of a new building has been placed on hold. It is a priority to keep the Gillette Avenue store open, it is a vital source of revenue. Councilman Jerred asked about their largest revenue source. Director Bungard stated that a grant through the Department of Human Services for the Weatherization Program was their largest revenue source. Councilman Kuntz asked if the radio campaign for re-stocking the Food Pantry shelves has been successful. Director Bungard stated that they are trying to rely on private donations for the Food Pantry along with the Community Services Block Grant (CSBG) funding. The grant funding for purchases for the Food Pantry is only 25-27%, which obviously is not enough to sustain the program. Therefore, the implementation of income qualification is necessary. Councilman Barks asked for Staff's recommendation. City Administrator Napier suggested that, if it pleases the Council, Staff be directed to release the \$20,000 that has been appropriated for the funding, release funding for the \$50,000 request and take action to work with the County to draft a plan, with contingencies, for consideration by the City Council and the County Commissioners for the future funding request of \$200,000, to help alleviate some of the Council of Community Services' financial issues. City Administrator Napier commented that this funding will be a "one-time" request. Councilman Barks asked for the funding source for the City's additional contribution. City Administrator Napier stated that the additional funding requests were not planned or considered in the present budget; however, he feels it is appropriate to utilize 1% funds for funding the requests and added that the community supports the utilization of 1% funds for social agencies in our community. Mayor Carter-King asked if the Board Members would like to address the Council. New Board Member, John Fitch, stated that the Board has the responsibility to "right the ship" and use fiduciary responsibility and take a look at all the revenues and expenditures, and if they can't meet the budget, then decisions have to be made to make program changes. The Board must provide leadership and oversight to ensure that the agency is running properly. New Board Member, Michael Surface, stated that the Board is aware of the importance of the programs provided to the community and is committed to make it work. Councilman Jerred asked if all the Board Members are new to the Board. Director Bungard stated that a few members have been on the Board for a few years. She stated that they are a tripartite Board with 12 Members, there are currently 2 Board vacancies, one Member to be appointed by the City, and one low income representative. The Board consists of representatives of the Hospital, the City, the County, and the Town of Wright. County Commissioner Avery asked if the by-laws would allow 2 appointees from the City and County. Director Bungard stated that could be researched. Board Member Driver stated that the representatives of the Hospital and Town of Wright would have to be eliminated if the City and County had 2 representatives. Councilman Barks asked Board Member Driver how long he has been the treasurer. Mr. Driver responded that he has been the treasurer for the last 2 years. Councilman McGrath stated that working in law enforcement, he is very familiar with the importance of social services. His concern is that during the budget process, a certain percentage of the 1% funding was distributed to social agencies, and other organizations were denied funding. Mayor Carter-King reminded Council that no decision would be made at this meeting, more information is needed in order to make the final decision. City Administrator Napier asked Director Bungard to explain the reduction in payroll of \$82,000 and what percentage of the payroll budget the reduction represented. Director Bungard stated that the total

payroll budget was reduced by 10% to 15%. Councilman Kuntz asked if City Council Members could receive a copy of the Council of Community Services' budget information. City Administrator Napier reminded Council that a pro forma was included with the requests during the budget process. Councilman Kuntz remembered that the information was provided, but the font on the document was so small that it was hard to read, he requested the information in a larger font. Councilman Rothleutner asked for the amount of the Agency's total budget. Director Bungard stated that the total budget is approximately 2.2 million dollars, not including the "in kind" funding. Weatherization is a large portion of the budget; their travel budget is high in order to service five counties, Campbell, Crook, Weston, Johnson, and Sheridan Counties. The agency provides weatherization to income qualifying people in the five counties. Mayor Carter-King asked if weatherization was federally funded. Director Bungard confirmed that weatherization is federally funded and assured Council that private funding is used for programs in Campbell County. Board Member Surface stated that the Council of Community Services is the only agency that does weatherization in this part of the State. There are only two weatherization entities in Wyoming, our local Council of Community Services and another entity that serves the rest of the State. City Administrator Napier stated that it was previously mentioned that programs had to be shut down, due to limitations on funding. He asked if the additional funding is provided by the City and the County, will that allow for the programs to be reinstated. Director Bungard stated that the funding will help to get the agency caught up. Because of the revenue flows, the summer months are anticipated to be difficult, but the agency feels that by this winter, things should be running better. Director Bungard stated that at this point all the programs are back up and running, The Food Pantry and Weatherization were shut down for approximately 10 days, but have been restructured and restarted. Councilman Jerred asked if the agency had any reserves. Director Bungard stated that, presently, there is approximately \$98,000 in reserves, which will be utilized for the next payroll. City Administrator Napier asked if the reserves included capital contributions. Mr. Driver stated that the reserves were in the form a CD that will be cashed in to cover payroll. \$44,000 of the CD is from the capital campaign that was donated for building repairs and modifications at the store to make the store ADA compliant, the remaining \$54,000 will be utilized for payroll. County Administrator Director Palmer stated that the funding from the City and the County will include significant stipulations and contingencies. Director Bungard and Board Members stated that they welcome the contingencies and plan to have their organization remain transparent. Councilman Barks stated that he would be in favor of partnering with the County to help with the \$50,000 request, but he has concerns about allowing the additional \$200,000 funding request, due to the fact that other agencies were denied any funding during the City's budget process. He does not want to see a precedent set that indicates that agencies can go defunct and then ask the City and the County to help them get back on their feet. City Administrator Napier stated that if Council is comfortable with directing Staff to draft the paperwork with the County, outlining the stipulations and contingencies, the process can be completed within the next few weeks. Councilman Jerred asked what the agency will do if the funding is not supplied. Director Bungard stated that they will do the best that they can to continue the programs. Councilman Barks commented that one of the stipulations or contingencies should be that the Board Members that were serving the Council of Community Services, that allowed this financial crisis to

happen, should be replaced. Mayor Carter-King stated that the City will work to appoint a Board Member, for the position vacated in April, as soon as possible. Councilman Barks asked if there is a timeframe that the funding documents need to be ready. City Administrator Napier stated that the draft could be prepared within two weeks at the latest. Councilman Rothleutner asked if Council could provide a Council liaison for the Board. City Administrator Napier stated there may not be anything in the by-laws that would preclude a Council liaison along with a City appointed Board Member. Councilman McGrath asked if an investigation will be done to identify how the agency got into this predicament. Commissioner Avery stated that the agency has been asked to investigate back to at least 2010 to see where the discrepancies began and why. County Administrator Palmer stated it would be a good stipulation that some kind of background information or forensic review be required. Commissioner Avery commended Director Bungard for her courage to bring this issue to the City and County, and recognized that this issue was inherited and not created by the current management. Director Bungard stated that they have been internally investigating the circumstances, but to have a formal forensic study performed would be expensive and not within their budget. They have discussed the possibility of utilizing some of the additional funding to hire the auditing firm of Bennett and Webber for a 12 month period for a cost of \$30,000. This would assist with the review of the books and help with oversight to recognize the root of the problem and avoid future issues. Commissioner Avery commented that the previous audits were conducted to ensure that the grant funding was properly managed. Director Bungard confirmed that previous audits were to ensure that the grant funding was properly allocated and didn't address management or bookkeeping issues. The bookkeeper, Mary Campagna, stated that significant changes have been made and wanted to ensure the Council that the accounting processes have been improved. Councilman Carsrud asked what the previous operating reserves were. Board Member Driver stated that a few years ago, the reserves were between \$250,000 and \$300,000. Councilman Barks asked if DCI would investigate. City Attorney Anderson commented that he doesn't have enough information to provide an opinion. Mayor Carter-King asked if City Council Members were comfortable moving ahead with the process. Council Members were all in favor of partnering with the County in the preparation of documents addressing stipulations and contingencies for funding. Mayor Carter-King expressed gratitude for the services the Council of Community Services provides. Director Bungard expressed appreciation for the \$20,000 appropriation of funds and for the consideration given to any additional funding. She stated that they will continue to do their best to offer programs for the community.

Mayor Carter-King stated that the meeting would continue after a short break beginning at 7:15 p.m.

Student Housing

The meeting restarted at 7:25 p.m. City Administrator Napier updated Council on the establishment of bonding for the College Student Housing Project. He informed Council that the notion of establishing a statutory trust is still a funding possibility for the project. Funding has been budgeted to allocate one million dollars to buy down the note that would be ultimately financed. Discussion has occurred to make it more advantageous for local investors to participate in the funding. There is a calendar and timeline in place of having the student housing open by 2017. Finance Director Pitlick and City Attorney

Anderson have been working diligently on the financing, and Development Services Director Hamilton has been working diligently on the design with the consultants. Finance Director Pitlick gave some information regarding the bonds, and stated that the bonds will be similar to certificates of participation. The two options are public participation, where the bonds will be available for local participants, or private placement in which requests for proposals will be solicited from local banks. A few local banks have indicated an interest in purchasing the certificates of participation. Director Pitlick feels there are advantages in both options. Mayor Carter-King stated that the ground breaking took place a few weeks ago for the Student Activity Center, and asked if there is a timeline for the ground breaking of the Student Housing. City Administrator Napier stated that the ground breaking for the Student Housing is scheduled for the early fall of 2015. Mayor Carter-King asked if the Student Housing will be completed around the same time as the Activity Center. City Administrator Napier stated that the anticipated end date for both projects is the same. Councilman Kuntz asked for clarification on the bonds. Will individuals be able to participate by purchasing bonds or will the banks buy the bonds. Director Pitlick stated that it could be either of the options, either the public sale would allow local individuals the option to purchase the bonds or the private placement would allow the bonding to be purchased by one local bank. Councilman Kuntz asked if Council will make the decision for the bonding. City Administrator Napier stated that at some point Staff will need direction, keeping in mind that with regard to a direct placement it is possible that 100% of the financing would be local, whereas with respect to a public issuance, in the past, approximately 20%, or a portion there of, have been made available for local participation. He stated that there are merits to both options, and Staff plans to have that discussion with Council in the very near future. Mayor Carter-King stated that past bonding has included local participation and she would like to see as much local participation as possible. Councilman Barks asked if the Fire Station and this project are being managed by CMAR. City Administrator Napier stated that this project will be managed by CMAR and the construction manager is Van Ewing Construction. Development Services Director Hamilton stated that the fire station will also be managed by CMAR and the project is out for proposals. Councilman Kuntz suggested that if the timing is to have both the Student Housing and the Activity Center completed at the same time, there should be penalties for not completing them on time.

Customer Service Conversion Plan

City Administrator Napier expressed consternation with regard to the proposed conversion plan. Staff is preparing to implement the final module of the Tyler Software, organization-wide. This module has the greatest potential to directly impact customers because it manages the utility billing. It is expected that implementation will create hiccups along the way. One of the hiccups will be a different approach of providing service to customers for a brief period of time. Staff wants to ensure that Council will be comfortable with, and approve of, the proposed approach. Customer Service Manager Kris Jones stated that they are proposing to cut off the old software system on August 6th at 5:00 p.m. The final conversion pass will be sent to Tyler. Friday, August 7th will be running on paper only, nothing will be inputted in either system. The conversion will create a lot manual data input, duplicated entry will be required into both Tyler TEST and Tyler LIVE. There is a very long list of post-

live data that will not convert from the old software into Tyler. The proposal is to redirect the walk-in customers to the Clerk's Office for payments and minimal changes to services. Utility Administration Staff will help with the hard connects and disconnects for customers that need their electric or water services connected or disconnected; those calls can be fielded by former customer service staff that are familiar with operations and also with the help of Finance Staff. Basically, a call center will be established. The Customer Service staff will then work behind closed doors to perform all the post-live verification and manual entry of approximately 4,000 accounts. The call center will be active for approximately 3 days. Mayor Carter-King asked for clarification of what happens on August 7th. Manager Jones stated that Customer Service will be open for business, but everything will be done "by hand", neither software system will be up and running. On Monday, August 10th, Customer Service will be closed, and the services will be diverted to the Clerk's Office and Utilities Administration. The expertise needed to get the system operational will be done behind closed doors by Customer Service Staff, Finance Staff, and two Tyler representatives. This process will take no longer than three days, August 10th, 11th and 12th. Mayor Carter-King asked, if someone tries to pay online on August 10th, what would be the results. Manager Jones stated that the online services have been tested and should be operational throughout the conversion process. City Administrator Napier stated that he pressed for a different process. Manager Jones stated that she has been doing this job for many years, and she strongly feels that this will be the best approach. Councilman McGrath asked if this process could be done over the weekend. Manager Jones stated that the process will take more hours than allowed in just a weekend. Councilman McGrath suggested that this be well advertised and broadcasted to inform all citizens in order to alleviate some of the complaints. Director Pitlick added that this conversion is very complex and every effort will be taken to make this as seamless as possible. Services will still be provided to customers. Letters have been sent to notify customers with automatic withdrawals, and GPA will inform the public. The local media sources have already been contacted to run a press campaign beginning on July 15th.

Recouping Credit Card Fees

City Administrator Napier stated that questions were asked during the budget session regarding the fees involved with credit cards. Credit Card Companies charge a fee for all credit card transactions. These fees apply not only to utility payments, but to all credit card transactions throughout the City. The conundrum is that in order to offer credit card services, the City has the choice of subsidizing the fees or charging a fee to customers who use their credit card for payment. Other entities charge a fee for the use of a credit card. The City has actually built the credit card fee into the current utility rates. The general fund does not have a rate model built around these kinds of costs. General Fund fees can then be viewed as a subsidy, but they are very minimal. Staff's recommendation would be to not charge customers a fee for credit card usage for utilities or any other services offered by the City. Finance Director Pitlick stated that approximately \$2.00 per transaction would need to be charged to recoup the fees, which would result in $\frac{1}{4}$ of 1% of total cost of revenue. Approximately 60% of all payment transactions are through the automated system. The trend for credit card usage is growing. Councilman Barks stated that for the County and Cam-plex a 3% fee is charged for credit card transactions. Director Pitlick

stated that 1% to 2% is pretty standard for fees. Councilman Barks asked if fees could be charged for all City credit card transactions other than utility services. City Administrator Napier recommended against any fees for utilities, but stated that fees could be established for the general fund transactions. Director Pitlick stated that credit card fees are pretty minimal for general fund transactions they generally are approximately \$2,000 to \$3,000. The City is charged \$35 per month per access point, which is a fee for each department that takes credit card payments. The access points could be consolidated to reduce some of the fees. Councilman Jerred recommend looking at the access points and allowing Staff to make a recommendation; fees are a cost of doing business. Councilman McGrath asked if payment could be restricted to cash only. Communications Manager Palazzari stated that most customers prefer to pay with a credit card, and it was an inconvenience for GPA staff and customers to have to go to the Clerk's Office to make a credit card payment. Mayor Carter-King asked if business would be affected if credit cards were no longer accepted in GPA. Councilman Barks stated that this should be a Staff decision. He feels that fees should be consistent throughout the City, if no fee is charged for utilities, there should be no fee for any other City transaction. Councilman Kuntz felt that the standard trend was to charge a transaction fee. Director Pitlick presented information from local entities that indicated half of the entities surveyed charged a fee and the other half did not charge a fee. He also pointed out the advantages of accepting credit cards were that the funds were guaranteed, it was more efficient to process automatic payments, they reduced posting errors, they were the most common form of payment, and they eliminated the problem of lost or misplaced checks. He commented that the City accepts credit cards, debit cards, e-checks and ACH payments. 62% of all City payments are made through automated payments. Fees are incurred on Credit/Debit card transactions and E-check transactions. Mayor Carter-King stated that she felt customers would be accepting of being charged a fee. Staff's recommendation is that the City not charge fees for credit card transactions. Council agreed with the recommendation.

Review July 21st Council Agenda

City Administrator Napier stated that due to the commitment to the Council of Community Services, Staff will draft a proposal for Council review by next week, which will include a bullet list of funding conditions.

Councilman Barks asked if the Spruce Avenue Covenant had been approved by the land owner and developer. City Administrator Napier stated that the signed covenant had not been received. He reminded Council that if the document is not received by the third reading of the Ordinance, the item can be tabled at Council's discretion. City Attorney Anderson informed Council that a draft of the document will be in the General Information packet for their review. Councilman McGrath requested a copy of the minutes from the first reading of the Ordinance.

Councilman Kuntz asked if there have been any inquiries regarding the available retail liquor license. City Administrator Napier stated that he has received a few inquiries and has meetings scheduled to discuss the license with possible applicants. Deputy City Clerk Staskiewicz informed Council that the Clerk's Office has had one potential applicant obtain a copy of the Resolution.

Council discussed items on the upcoming July 21st Council Agenda. City Administrator Napier informed Council that the tabled item for "Council Consideration for the Approval of a Real Estate Listing Agreement and Authorization to Publish a Notice of Land Sale and Call for Sealed Bids to Sell the House and Lot at 2000 Autumn Court Within the City of Gillette" will remain on the table.

City Administrator Napier informed Council that bid information has been received regarding the 3rd Street Plaza Project. Development Services Director Hamilton stated that before this project was placed out for bid, Council decided to remove the shade structure and some of the rope lighting from the project, and bid it as an alternate to, hopefully, bring the bids in alignment with the budget. Unfortunately, the bids did not align with the budget, the low bid from Powder River Construction, Inc., (PRC) was for \$1,032,000, the second bid was for \$1,361,000, and the third bid was for \$1,500,000. Based on the bids, an attempt has been made to negotiate with the low bidder to try to align the project with the available budget. An adjusted scope of work has been negotiated with PRC, Inc., the apparent low bidder, that will remove from the project the modular barricade system, the fixed masonry seat walls, the plaza column light structures and foundations, and rope light cabinet foundations. The plaza column light structures will be replaced with the less costly pedestrian light poles and foundations, and the fixed masonry seat walls will be replaced under separate contract with the less costly modular benches, which match those previously provided on Gillette Avenue. The construction will include the fixed elements of the modular barricade system that will facilitate the addition of the system at a later date. Specific infrastructure to support the LED Rope Lights will also be installed, should this feature be desired to be added in the future. Owner furnished costs of \$270,230, leaves \$829,770 of construction funding available. With the base bid of \$1,032,646.90, not accepting the alternate, and the reduction of the credit for removing the above mentioned items, the new contract amount will be \$909,786.90. As previously discussed, the Gillette Avenue items at 4th Street, the uranium marker lights and foundation, will come out of the Gillette Avenue savings, in the amount of \$7,662. The total amount required for the project, as reconfigured by removing items, will be \$902,124.90, the budgeted amount is \$829,770, leaving a shortage of \$72,354.90. Options are to fund the \$72,354.90 or go back to the design engineer to eliminate the cable structure, because the foundations on the pedestrian lights are 20 feet deep to support the lateral loading. Unfortunately, some of the character of the project will be lost. There will be cost involved in the engineer re-design, estimated at \$100,000, which will reduce the budgeted amount for the project when it is re-bid. Councilman McGrath asked if the cable would have to be eliminated. Director Hamilton stated that if the \$72,354.90 is funded, the cable will not have to be eliminated, the catenary lighting may have to be modified, but it will not be eliminated. Councilman Barks commented that he thought this would be a \$500,000 project. Director Hamilton stated that the grant funding is \$500,000 and the City's match will be \$600,000. City Administrator Napier advised Council that there are a few considerations. He proposes that if Council wishes to continue to cut other aspects of the project, the project will no longer have the core value that was intended in the design. By removing the catenary lighting and the cabling, it will save a lot of money, but the project will no longer have the same appeal and character of the intended plaza project. Councilman McGrath asked if the project could be delayed one year and more money

budgeted to complete the project. City Administrator Napier advised that if the project is re-bid in a year, the costs would most likely be higher. Mayor Carter-King asked how much money was saved from the downtown project. Director Hamilton stated that the downtown project was under the revised budget by approximately \$700,000, with \$10,000 of that money earmarked for purchasing extra benches and approximately \$25,000 for the uranium lighting. Mayor Carter-King asked if the grant is received from the SLIB Board for the bathrooms, what matching amount would be due from the City. Director Hamilton stated that approximately \$172,000 would be the City's matching funds that would be appropriated from the downtown project funding. Councilman Jerred asked if there is money available in the downtown project to fund the shortfall in the Gillette Avenue Project. Councilman Barks commented that if that is the case, the seat benches could be reinstated in the project. Director Hamilton stated that six of the seat wall benches have been replaced with stationery benches and are included in the owner furnished costs. The stone seat wall benches would cost approximately \$100,000 to construct; for a tenth of the cost, six benches, that match the benches currently on Gillette Avenue, can be obtained. Councilman Barks asked if there are plans to utilize any remaining funding from the downtown project. City Administrator Napier stated that money could be kept in a carryover fashion for future downtown Gillette projects, but there has been no decision made to utilize the funding. Councilman Kuntz stated that, historically, project cost savings were not carried over. City Administrator Napier stated that this is 1% funding. Mayor Carter-King asked if Council would approve of utilizing the savings from the downtown project to fund the additional amount needed for the Gillette Avenue Project. Councilman Kuntz stated that he feels the project is extravagant, but he would approve utilizing the downtown project funding. City Administrator Napier stated that direction is needed from Council to proceed with the award of the bid, or rejection of the bid, or elimination of more items to bring the bid into alignment with the budget. The consensus of the Council was to proceed with the project, utilizing the downtown project savings to cover the additional costs.

Director Hamilton informed Council of a change to the Sunflower re-zone ordinance going for 3rd reading on the July 21st Council agenda. The owner has requested to make a slight revision to the legal description of the zoning change. Mr. Eddy will be present at the meeting to request the change, and a motion will be needed to revise the legal description of the property described in the Ordinance on 3rd reading.

Executive Session

It was moved by Councilman McGrath and seconded by Councilman Rothleutner to move into an Executive Session to discuss real estate. Roll was called on the motion with the following results. Council Members voting aye: Barks, Jerred, Kuntz, McGrath, Rothleutner, and Mayor Carter-King. Councilman Carsrud left the meeting early and was absent for the vote. The Presiding Officer declared the motion carried, and the group moved into an Executive Session at 8:25 p.m.

Adjournment

There being no further business to come before the Council, the Work Session meeting was adjourned at 8:25 p.m.

Mayor Louise Carter-King

SEAL:

ATTEST:

Cindy Staskiewicz, Deputy City Clerk
Publication Date: July 22, 2015