

## PUBLIC NOTICE

### REGULAR MEETING OF THE CITY COUNCIL OF WORLAND December 3, 2019

A regular meeting of the City Council of Worland, Wyoming convened in the Council Chambers in City Hall at 7:00 p.m. on December 3, 2019. Mayor Jim Gill presided and the Councilmembers in attendance were Kreg Lombard, Kody DeMunbrun, Keith Gentzler, Mandy Horath, Caleb Vigil, Christy Schneider, Mike Neuffer and Delayne Renner. Also present were: City Attorney, Kent Richins; Superintendent of Public Works, Brian Burky; Airport Manager, Lynn Murdoch; Chief of Police, Gabe Elliott; City Engineer Representative, Mike Donnell and Clerk/Treasurer Tracy Glanz. Councilmember Gary Gerber was absent.

There were nineteen (19) visitors present for this meeting of the City Council.

Ward Tigner led the Council and Visitors in the Pledge of Allegiance.

Mayor Gill declared a Quorum, with Councilmember Gary Gerber excused, and requested approval of the agenda.

Motion: to approve the agenda as presented.  
By: Councilmember Horath.  
Second by: Councilmember DeMunbrun.  
Vote: The motion passed unanimously.

The minutes of the November 19, 2019 regular meeting stand approved as published.

Motion: To approve all vouchers and authorize payment for payroll, utility charges, refunds for City Services, recording fees, postage and other miscellaneous items, during the month of December, before normal City Council approval on the first Tuesday of January and approve the Consent Agenda with Warrant Registers for November 2019 and Payroll Vouchers for the periods ending November 17, 2019 and November 30, 2019; PAYROLL 11/17/19 - \$70,816.36; PAYROLL 11/30/19 - \$4,065.82.

### CITY OF WORLAND/UTILITIES COMMISSION NOVEMBER 2019

Airside Solutions, Supplies, \$1,326.05; Big Horn Basin Tire, Service, \$1,223.27; Big Horn Co-Op, Supplies, \$179.99; Big Horn Heading & Cooling, Service, \$309.00; BigHorn Doors, Parts, \$627.96; Blair's Market, Supplies, \$24.68; Bloedorn Lumber, Supplies, \$287.88; Bomgaars, Supplies, \$235.98; Buer Electric, Services, \$143.00; CarQuest Auto Parts, Parts, \$825.77; Cash - City Hall, Postage, \$11.33; Cloud Peak Veterinary, Boarding, \$650.00; Desert Mountain Corp., Supplies, \$8,910.27; Eagle Engineering & Surveying, Engineering, \$7,916.67; Energy Laboratories, Services, \$2,053.00; Floyd's Truck Center, Parts, \$210.36; Frandson Safety, Shipping / Supplies, \$377.63; Frontier Tire LLC, Flat Repairs, \$196.66; Hasco Industrial Supply, Supplies, \$2,148.80; Hawkins Inc, Chlorine Cylinders, \$373.97; Kennedy Ace Hardware, Hardware, \$1,113.78; Kimball Midwest, Supplies, \$289.39; Laird Sanitation, Services, \$150.00; Motor Power-Billings, Parts, \$95.96; Motor Supply, Inc., Parts, \$624.84; MSC Industrial Supply, Supplies, \$120.00; Murdoch Oil, Supplies, \$1,225.90; Norco, Inc., Gas/Rental, \$72.57; Normont Equipment, Supplies, \$1,586.00; Northern Wyoming Daily News, Advertising, \$2,597.70; Northwest Pipe Fittings, Inc., Parts, \$4,136.86; O'Reilly's Auto, Parts, \$286.70; Ohlin Sales, Supplies, \$134.46; Quill Corporation, Supplies, \$51.98; Ron's Sanitation, Services, \$2,100.00; S & H Glass, Repairs, \$52.00; Serlkay Printing, Supplies, \$434.00; Si-rennet.Com, Parts, \$331.40; Sunshine Office Products, Supplies, \$436.45; SWI, LLC, Services, \$6,436.81; Tacoma Screw Products, Supplies, \$155.65; Ted D. Miller Associates, Services, \$450.00; Tommerup Machine, Parts, \$84.80; United Parcel Service, Shipping, \$1.42; Valli Information Systems, Maintenance, \$177.11; Virile Electric, Services, \$3,823.82; Washakie County Treasurer, Juvenile Officer, \$1,438.64; Washakie Garage, Towing, \$65.00; Worland Cleaners & Supply, Inc., Supplies, \$133.60; Worland Police Dept-Petty Cash, Postage, \$7.89.

**TOTAL REGULARS .....\$56,647.00**

AFLAC, Premium, \$594.29; AT & T, Long Distance, \$626.69; AT&T Mobility, Cell Phone, \$493.48; Barr, Kari, Deposit Refund, \$156.89; Big Horn Co-Op, Gasoline, \$2,117.34; Big Horn Water, Rental/Bottled Water, \$105.00; Big Horn Reg. Joint Powers Board, Monthly EDU, \$33,392.64; Big Horn Rural Electric Co., Electricity, \$47.52; Black Mountain Software, ACH Program, \$500.00; Blair's Market, Restitution, \$102.67; Blue Cross Blue Shield, Insurance, \$74,862.02; Buer Electric, Pioneer Square, \$595.00; Dearborn National, Insurance, \$157.38; Eagle Engineering & Surveying, Services, \$3,037.75; D R Locks, Pioneer Square, \$338.00; Eastside Sinclair, Gasoline/Diesel, \$243.45; Fascorp, Deferred Compensation, \$5,300.00; Fort Dearborn Life Ins. Co., Disability Insurance, \$391.05; Gill, Jim, Cell Phone Expense, \$40.00; High Plains Power, Inc., Power, \$1,226.23; IRS, Payroll Tax Deposit, \$47,367.94; International Code Council, Membership, \$135.00; Jackson, Steven, Restitution, \$100.00; Kenco Security & Technology, Alarm Monitoring, \$104.00; Kennedy Ace, Pioneer Square, \$96.67; Martinez, Joe, Maintenance, \$15.94; Murdoch Oil, Inc., Gasoline/Diesel, \$7,613.35; NCPERS Group Life Ins., Life Insurance, \$112.00; Nowlin, John, Deposit Refund, \$98.23; Pinnacle Bank, Expenses, \$4,076.44; Propper Golf Management, Services, \$7,500.00; Rangel, Tammy, Deposit Refund, \$91.73; Rocky Mountain Power, Electricity, \$19,665.10; Ron's Sanitation, Maintenance Aug-Sept, \$3,200.00; RT Communications, Phone Service, \$1,732.87; Smith, Paul, Restitution, \$50.00; U.S. Postmaster, Nov Billing/First Class, \$1,130.80; Verizon Wireless, Cell Phone Service, \$936.61; Washakie County Clerk, Recording Fees, \$36.00; Washakie County Clerk, Garnishment, \$860.07; Washakie County Treasurer, General Purpose, \$86,226.46; Washakie County Treasurer, Comm. Center/Justice Facil., \$22,400.96; Wash Co Soild Waste, Municipal Waste, \$28,882.60; West River Road Imp. Dist., Administration Fee, \$96.00; Wilson, Mathew & Alexis, Deposit Refund, \$83.53; Worland Health Club, Membership, \$65.00; WYDOT, License Plate, \$7.00; Workmen Comp., Workers Comp, \$11,290.44; Wyoming Gas Company, Services, \$1,045.18; Wyoming Retirement Systems, Retirement, \$32,007.23; Wyoming State Supreme Court, Tech Fee, \$350.00.

**TOTAL SPECIALS ..... \$401,704.55**  
**GRAND TOTAL (AP) ..... \$281,114.46**

By: Councilmember Lombard.  
Second by: Councilmember Renner.  
Vote: The motion passed unanimously.

Mayor Gill reminded those in attendance that they must be recognized by the Chair before speaking.

Ward Tigner with West River Road Improvement District (WRR), stated that the bottom line is that the out of city residents are going to pay more than the in city residents for water as per the letter sent by the city. This line went from being a water tap line to a transmission line as the city is hauling water from Big Horn Regional. The residents of WRR do not think that we should

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be charged an additional amount since this line is now a transmission line. This line is a benefit to the city residents as well as the WRR residents. The city is getting something for free from the District. The residents of WRR feel they are being discriminated against since we paid for the line and you got value from it. The line should belong to the city now that the loan is paid off, but no additional charges should be added to WRR residents. "If the city needs additional funding then all residents, in city and out of city should be charged. Everyone should pay the same rate." City Attorney Kent Richins stated that it costs the city a lot of money to operate and maintain the line. The difference between in city residents and out of city residents is the density issue with more residents per square foot in city versus out of city. City Attorney Richins addressed the question asked by Mr. Eller at the last council meeting in the hopes that it would also answer questions posed by Mr. Tigner. "The out of city users comprise approximately 8% of the total water users for the city. The revenue the city receives presently from the 122% to 124% out of city rate is approximately \$30,000.00 annually. The amount of money that the city pays to operate and maintain the lines outside the city limits is almost \$103,000.00. So the city is paying about \$70,000 to operate and maintain the outlying lines that we are not receiving revenue on. This is based on a plus or minus 5% calculation." Janeen Capshaw asked how the expense amount was allocated. City Attorney Richins explained that the expense was calculated on the same percentage as the revenue (8%). Rural sprawl across America, has become a national issue and roughly 3% to 8% is a national average of the costs associated with out of city users. The out of city rates do not cover the expense created by outlying districts. City Attorney Richins reminded those in attendance that the money collected by this charge does not get used until a repair exceeds the amount of \$17,000.00 for water and \$12,000.00 for sewer. This money is an investment for the out of city residents for future replacement of their lines. The money collected will not be used to replace in city lines, it will be put into a reserve account. City Attorney Richins stated that he understood that there was a letter circulated from an attorney that did not include the response by the City Attorney; the response addressed these issues. This money will not go into the General Fund, it will go into a special account for the out of city residents. Mr. Tigner asked if there was a cap on this charge. City Attorney Richins stated that it would not be prudent for the Council to put a cap on the charge because the city cannot bind future councils and the city does not know when the lines will need to be replaced and if state loans or grants will be available. It will take years to accumulate enough money to replace these lines. The Council may review this charge every couple of years to see what amount has been collected. Mayor Gill reminded the residents that the 124% for out of city rates was negotiated in the original agreements. Mayor Gill reiterated that there is not funding available to replace the lines now and this depreciation reserve is required by statute. Mayor Gill stated that this is something that should have been dealt with years ago and needs to be taken care of now. Clerk/Treasurer Tracy Glanz clarified that the money collected will be placed in one account at the bank but accounted for per district in the accounting system. Councilmember DeMunbrun clarified that any accumulation of interest would stay with the account.

Don Viktorin representing the Hillcrest Subdivision asked if there would be a depreciation reserve set up for the in city residents infrastructure. City Attorney Richins stated that basically in city residents pay enough money to maintain and replace the lines, the city does not have an account that is labeled depreciation reserve. Mayor Gill stated that density is a major factor in dealing with in city rates. Mayor Gill reiterated that the 124% that out of city residents pay does not pay for the replacement of the line. Don Viktorin reading from state statute, stated that all people on the line would have to have a depreciation reserve. Mayor Gill stated that Worland has been a good partner and are trying to be a good community; these districts are part of the community. Mr. Viktorin reiterated that these outlying districts were forced to have city water and sewer and that the outlying districts paid for the city lagoon. Councilmember Horath stated that the city did not require that outlying districts pay for the lagoon. City Engineer Representative Mike Donnell stated that because of urban sprawl creating grey water problems nationwide, the EPA required outlying districts to hook up to a municipality sewer system and helped by funding these projects. The EPA wanted everyone who lived within a reasonable distance from central sewage treatment to use the treatment plant and abandon septic tanks to clean up the groundwater. The City of Worland received funding to accomplish this. Mr. Viktorin stated that there was a newspaper article stating that the outlying residents were not being good neighbors by not agreeing to annexation and that we only came to the city for water and sewer. This is not true, we were forced into the system. Mr. Viktorin stated that the city passed an ordinance to increase rates by 15% on all water rates; this ordinance stated that this should take care of problems for several years. It has only been two (2) years since this rate increase was passed. Councilmember Horath responded by stating that after our audit it was determined that our reserves were lower than required by state statute. We needed to be compliance with statute. Clerk/Treasurer Glanz stated that the city had not had an increase for nine (9) years which is why the increase was so much. Mr. Viktorin read that the auditor noted that the city had an operating loss in the water fund for the last two years. Clerk/Treasurer Glanz stated that the money came out of the cash reserves and the rate increase replaces the cash reserve.

Janeen Capshaw, a resident of the Hillcrest Subdivision, stated that her problem with this scenario is that nothing has changed in the discussions about this issue. "This charge is a Band-Aid to a problem that still is not being solved. This charge to the outlying districts is not solving the problem, the water system is not functional; the water prices are not covering the expenses. The city needs to look at it as a stand-alone utility and charges should be based on water usage not on line replacement. You can't build a reserve based on the number of customers on the line, it should be based on usage. It is not fair for WRR residents to pay to replace the line when the city has 90% of the water running through that line wearing out the line, not those 100 taps." Mayor Gill responded that Big Horn Regional should be involved in that discussion. Ms. Capshaw continued, "There has been no discussion on how to fix the system or any solution other than increasing the out of city user rates. The out of city users have no say on who is elected on the Council, this is retaliation for those not agreeing to annexation." Councilmember DeMunbrun answered Ms. Capshaw, "the city is not talking about water usage we are talking about repairing or replacing a line, everyone in the city is paying to repair or replace their line; we are not talking about usage, it is not the issue." Ms. Capshaw responded by saying that Councilmember DeMunbrun did not know what she was talking about. "The utility infrastructure is not based on density but based on a viable system and keeping it economic for everyone." Councilmember Lombard stated that city residents are paying for minor repairs outside the city limits with the limits of \$17,000.00 for water and \$12,000.00 for sewer; why should the city residents pay that amount and the out of city residents not. Discussion followed about the WRR line providing water to the city when there is a major break; the city has several lines for back up if needed.

Linda Bessler asked why Big Horn Regional is not having to

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pay for the use of this line. The water comes through the WRR line, so why aren't they paying for repairs. And, we pay \$10.24 per month for water delivery, is that not part of the charge for replacement of the line? Clerk/Treasurer Glanz responded that the \$10.24 charge is an EDU (equivalent dwelling unit) charge that is collected from all customers of the city and paid to Big Horn Regional, the city does not keep any of that money. This fee is paying for the outlying district water lines or for the redundant line provided by Big Horn Regional.

Stan Skinner with WRR stated there are two lines out on WRR, the city line and Big Horn Regional (BHR) line and asked who would repair or replace the Big Horn Regional line. Councilmember Neuffer stated that BHR would repair or replace their line. Discussion followed on taps allowed by BHR and the location of the line. Clerk/Treasurer Glanz stated that there are taps available on the WRR line since BHR hooked up to the city line.

Mayor Gill thanked everyone for their input, stating that we know it's not a perfect world but this is a start. This discussion needed to start a long time ago.

Mayor Gill asked City Attorney Richins to present Ordinance #850 for third and final reading. City Attorney Richins explained that the ordinance establishes a depreciation reserve on water accounts for out of city residents. The depreciation reserve sets a monthly fee for West River Road, Sorenson Industrial and City Limits East of \$14.88 per resident and a monthly fee of \$10.72 per month in Hillcrest, Packerville, Ponderosa and Anderson Subdivisions. These reserves will be put in a separate account to be accessed only for the purpose of replacing or repairing the lines in those subdivisions for repairs or replacement over \$17,000.00.

AN ORDINANCE OF THE CITY OF WORLAND, WASHAKIE COUNTY, WYOMING, INCREASING THE CITY OF WORLAND WATER RATES FOR NON-CITY RESIDENTS TO ESTABLISH DEPRECIATION RESERVE FOR FUTURE LINE MAINTENANCE AND REPLACEMENT BY SUPPLEMENTING SECTION 23-37-4 BY ADDING A NEW SUBSECTION "F" OF THE WORLAND CITY CODE. ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH ARE HEREBY REPEALED.

Motion: to pass, approve and adopt Ordinance #850 on third and final reading.

By: Councilmember Horath.  
Second by: Councilmember Lombard.  
Vote: Members voting AYE: Vigil, DeMunbrun, Gentzler, Horath, Gill, Renner, Schneider, Lombard; Members voting NAY: None; Members ABSTAINING: Neuffer; the motion passed by a vote of 8-0-1.

City Attorney Richins presented Ordinance #851 for third and final reading explaining that the ordinance establishes a depreciation reserve on sewer accounts for out of city residents. The depreciation reserve will not be used unless a repair, break or replacement exceeds \$12,000.00 and it establishes a depreciation reserve per resident of \$12.88 per month in Hillcrest, South Flat, Packerville, Sunset, Mountain View, Sorenson Industrial and Lane 14 Subdivisions. These reserves will be put in a separate account to be accessed only for the purpose of replacing or repairing the lines in those subdivisions.

AN ORDINANCE OF THE CITY OF WORLAND, WASHAKIE COUNTY, WYOMING, INCREASING THE CITY OF WORLAND SEWER RATES FOR NON-CITY RESIDENTS TO ESTABLISH DEPRECIATION RESERVE FOR FUTURE LINE MAINTENANCE AND REPLACEMENT BY SUPPLEMENTING SECTION 23-63 BY ADDING A NEW SUBSECTION "C" OF THE WORLAND CITY CODE. ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH ARE HEREBY REPEALED.

Motion: to pass, approve and adopt Ordinance #851 on third and final reading.

By: Councilmember Lombard.  
Second by: Councilmember Vigil.  
Vote: The motion passed unanimously.

Airport Manager Lynn Murdoch informed the Council that UPS is flying into the Worland Municipal Airport to deliver freight through the holidays.

Chief of Police Gabe Elliott reminded the Council about the Parade of Lights scheduled for Saturday, December 7, 2019 at 6:00 p.m.

Jim Gilman, a resident of WRR, thanked the Mayor and Council for listening and stated that he moved to Worland in 1972 when the city water supply came from the river. "This is the best thing that ever happened, maybe it's not right in how the city is charging it out, but this water system is fantastic."

Chief of Police Elliott informed the Council that the Shop with a Cop Program is scheduled for December 14, 2019 and is possible through donations from the public. Councilmember Gentzler complimented the Police Department for all they do in working with the School District; there is always a police presence. Chief of Police Elliott stated that they try to make the school a priority. Currently the school light by the hospital is not working correctly, the battery will be replaced.

Clerk/Treasurer Glanz reminded the Council that the Building Permit Summary for November, 2019 is located in the Council packet for review.

Superintendent of Public Works Brian Burky informed the Council that the city crews are working on snow removal and stated that the Pioneer Square lighting ceremony went very well; there were a lot of people in attendance. Superintendent of Public Works Burky thanked Pepsi for the free hot chocolate and a big thank you to RT Communications and Linda Weeks for their intense involvement in the event. Parks Supervisor Mike Gerber did a great job on the decorating. Councilmember Gentzler asked that "thanks" be passed on to those who helped with the decorating.

Mayor Gill thanked Councilmember Horath for filling in at the last Council meeting.

There being no further business to come before the Council, Mayor Gill asked for a motion to adjourn.

Motion: to adjourn the meeting at 7:53 p.m.  
By: Councilmember Horath.  
Second by: Councilmember Gentzler.  
Vote: The motion passed unanimously.

ATTEST:  
Tracy A. Glanz, Clerk/Treasurer

December 12, 2019