

PUBLIC NOTICE

REGULAR MEETING OF THE CITY COUNCIL OF WORLAND November 5, 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 November 5, 2019. Mayor Jim Gill presided and the Councilmembers in attendance were Kreg Lombard, Mandy Horath, Keith Gentzler, Christy Schneider, Kody DeMunbrun, Mike Neufer, Delayne Renner and Gary Gerber via telephone. Also present were: City Attorney, Kent Richins; Airport Manager, Lynn Murdoch; Superintendent of Public Works, Brian Burky; Captain, Zack Newton; City Engineer Representative, Mike Donnell and Clerk/Treasurer Tracy Glanz. Councilmember Caleb Vigil was absent.

There were ten (10) visitors present for this meeting of the City Council.

Councilmember Kreg Lombard led the Council and Visitors in the Pledge of Allegiance.

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

Motion: to approve the agenda as presented.

By: Councilmember Horath.

Second by: Councilmember Renner.

Vote: The motion passed unanimously.

The minutes of the October 15, 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 November, before normal City Council approval on the first Tuesday of December and approve the Consent Agenda with Warrant Registers for October, 2019 and Payroll Vouchers for the periods ending October 20, 2019 and October 31, 2019; PAYROLL 10/20/19 - \$70,680.43; PAYROLL 10/31/19 - \$4,065.82.

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Alco Engineering Division, Tools, \$288.22; Big Horn Basin Tire, Repairs , \$104.59; Big Horn Co-Op, Supplies, \$2,592.75; Big Horn Redi-Mix, Rock, \$2,976.00; Billings Precast, Supplies, \$2,091.00; Black Mountain Software, Services, \$17,733.00; Blair's Market, Supplies, \$28.28; Bloedorn Lumber, Supplies, \$25.97; Blue360 Media LLC, Law, \$304.98; Bomber Construction, Repairs , \$2,250.00; Bomgaars, Supplies, \$325.34; CarQuest Auto Parts, Parts, \$2,246.82; Cash-Clerk Treasurer, Postage, \$50.53; Cloud Peak Veterinary, Boarding, \$650.00; Copper Mountain Irrigation, Parts, \$207.98; Eagle Engineering & Surveying, Engineering, \$7,916.67; Eastside Sinclair, Supplies, \$32.55; Energy Laboratories Inc, Chemical, \$1,227.00; Floyd's Truck Center, Parts, \$895.82; Frandsen Safety, Supplies/Maintenance, \$368.23; Fremont Motors Powell, Parts, \$66.67; Great Divide Wood Products, Services, \$500.00; Hasco Industrial Supply, Supplies, \$1,043.70; Hawkins, Inc., Chlorine, \$673.44; JP Cooke Co, Dog/Cat Tags, \$172.70; Kennedy Ace Hardware, Hardware, \$818.46; Laird Sanitation, Supplies, \$250.00; Lines Unlimited, Services, \$521.40; Machinery Power & Equipment, Parts, \$473.68; Motor Supply, Inc., Parts, \$156.47; Mountain West Computers, Supplies, \$59.99; Norco, Rental/Supplies, \$36.21; Northern Wyoming Daily News, Advertising, \$1,652.20; Northwest Pipe Fittings, Inc., Parts, \$2,275.30; O'Reilly's Auto Parts, Parts, \$280.17; One Call of Wyoming, Tickets, \$53.25; Perry's Truck & Diesel, Parts, \$74.52; Railroad MGT Co III LLC, Agreement, \$258.95; Respond First Aid, Kit, \$40.64; Schneider Construction, Repairs , \$10,006.75; Seckman, James CPA, Services, \$3,100.00; Signs of Sutherland, Supplies, \$499.00; Sirenet.Com, Parts, \$674.73; Sunshine Office Products, Supplies, \$479.25; Team Laboratory Chemical, Road Patch, \$3,639.50; The Locators, LLC, Services, \$75.00; The Office Shop, Supplies, \$216.98; Trombley Construction, Services, \$921.00; United Parcel Service, Shipping, \$11.77; Valli Information Systems, Maintenance, \$176.54; Virile Electric, Repairs , \$350.00; W.W.Q. & P.C.A, Conference, \$620.00; Wamco Lab, Testing, \$1,500.00; Washakie County Treasurer, Juvenile/Salary, \$1,438.64; Wild West Construction, Asphalt, \$3,510.00; Worland Cleaners & Supply, Inc., Supplies, \$337.55; Worland Police Dept., Postage, \$7.89; Worley Welding & Repair, Repairs , \$119.07; WY-Test, Testing, \$82.00; Wyoming Public Health Laboratory, Colilert, \$168.00.

TOTAL REGULARS..... \$79,657.15

AFLAC, Insurance, \$594.29; Allred, Tom, Refund, \$34.00; AT & T, Long Distance , \$627.50; AT & T Mobility, Cell Phone Services, \$487.49; Big Brothers / Big Sisters, Agreement, \$1,500.00; Big Horn Co-Op Marketing Assn, Gasoline, \$1,873.86; Big Horn Water, Water/Rental, \$110.70; Big Horn Reg. Joint Powers Board, Monthly EDU, \$33,392.64; Big Horn Rural Electric, Water Well # 1, \$47.52; Blairs Market, Restitution, \$135.00; Blue Cross Blue Shield, Insurance, \$73,208.10; Bomber Construction, Curb/Sidewalk, \$23,307.50; Bomber Construction, Curb/Sidewalk, \$4,863.75; Briscoe, Brandon, Overpayment, \$117.61; Children's Advocacy Project, Agreement, \$1,500.00; Cloud Peak Counseling Center, Agreement, \$1,000.00; Crisis Prevention & Response, Agreement, \$17,307.00; Dearborn National, Insurance, \$157.38; Eagle Engineering & Surveying, 2019 DBL Gutter/Street, \$97.75; Eastside Sinclair, Diesel, \$99.29; Fascorp, Deferred Comp, \$5,300.00; Fennell, Raymond, Deposit Refund, \$59.81; Fisher, Brenda, Deposit Refund, \$42.76; Fort Dearborn Life Insurance, Insurance, \$391.05; Gill, Jim, Cell Phone Expense, \$40.00; Gill, Jim, Travel, \$295.22; High Plains Power, Inc, Power, \$1,097.45; IRS, Payroll Tax Deposit, \$47,630.09; Jackson, Steven, Restitution, \$50.00; Kenco Security & Technology, Alarm Monitoring, \$104.00; Lange, Nick, Restitution, \$10.00; McCormick, Collin, Overpayment, \$182.53; Murdoch Oil, Inc., Gasoline, \$7,494.65; NCPERS Group Life Insurance, Insurance, \$112.00; Pinnacle Bank, Expenses, \$3,234.27; Propper Golf Management, Services, \$15,000.00; RT Communications, Phone Service, \$1,715.05; Reese & Ray's IGA of Worland, Overpayment, \$95.70; Rocky Mountain Power, Electricity, \$18,112.38; Salinas, Mikalynn, Deposit Refund, \$115.76; Schneider Construction, Curb/Sidewalk, \$41,576.52; Smith, Paul, Restitution, \$50.00; Smith, Ray, Restitution, \$372.75; T-O Engineers, Services, \$495.87; T-O Engineers, Services, \$5,619.28; Umphlett, Jonathan, Deposit Refund, \$126.56; U.S. Postmaster, Oct Billing/Postage, \$793.06; Verizon, Cell Phone Service, \$1,052.04; Virile Electric, Bell Tower, \$593.73; Washakie County Ambulance, Agreement, \$8,000.00; Washakie County Clerk, Filing Fees/Registration, \$39.00; Washakie County Clerk of Court, Garnishment, \$860.07; Wash. Co. Solid Waste Dist. 1, Municipal Waste, \$25,920.80; Washakie County Treasurer, Interest/Ihde Property, \$922.09; Washakie County Treasurer, General Purpose Tax-State, \$81,138.85; Washakie County Treasurer, Communications Center, \$22,400.96; Washakie Development Assoc, Agreement , \$1,500.00; West River Rd Improvement District, Admin. Fees, \$96.00; WIN-911, Maintenance, \$495.00; Worland Fire Protection Dist., Contribution, \$8,000.00; Worland Health Club, Membership, \$45.00; Worland Senior Citizen, Agreement, \$5,000.00; Worland - Ten Sleep Area, Agreement, \$800.00; Wyoming Conference of Bldg, Registration, \$150.00; WYDOT, License Plates, \$12.00; Wyoming Dept. of Workforce, Workers' Comp, \$11,318.90; Wyoming Gas Company, Services, \$558.76; Wyoming Retirement System, Retirement, \$31,845.57; Wyoming State Supreme Court, Technology Fee, \$735.00.

TOTAL SPECIALS \$512,061.91

GRAND TOTAL..... \$591,719.06

By: Councilmember Lombard.

Second by: Councilmember Gentzler.

Vote: The motion passed unanimously.

Clerk/Treasurer Tracy Glanz requested approval to extend the lease by and between the City of Worland and the Worland

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Shooting Complex for another ten (10) years. There have been no issues. City Engineer Representative Mike Donnell added that the Complex is a self-supporting activity.

Motion: to approve extending the lease by and between the City of Worland and the Worland Shooting Complex for ten (10) years effective January 1, 2020.
By: Councilmember Neuffer.
Second by: Councilmember Horath.
Vote: The motion passed unanimously.

Mayor Gill asked for Citizen's Petitions, Commendations and Concerns and read an opening statement. "We welcome your presence here with us this evening. Please help us run a productive meeting by adhering to Roberts Rules of Order. This will require anyone wishing to speak to ask to be recognized by the Chair or City Attorney Kent Richins. Once recognized, please state your name and whom you represent if other than yourself. We have two (2) people that called and asked to be on the agenda. Those folks will have six minutes to address the council with one minute given to sum up their comments. All others recognized by the chair will have three minutes. If you have additional questions please send an e-mail or letter with questions to City Hall. My e-mail address is mayor@rtconnect.net. We will make a concerted effort to answer your questions by the next council meeting on November 19, 2019. The questions to the floor this evening will be acknowledged and briefly answered by respective City Staff. What we are addressing here this evening should have happened a long time ago. It has been easy to just kick it under the carpet so to speak for the many years that have passed since your utility system was paid off. In most cases the Board of Directors of each system disbanded after the system was settled up on. We cannot find any formal agreements beyond the originals. In too many cases, many of you feel the City is trying to put it to you with this proposal. This is simply not the case. We are trying to establish a playing field that is fair for the city resident as well as you folks in the outer area. There are many complexities to the total equation here. We are putting this on the table for a fair and frank discussion. Our first speaker this evening as determined by the order they came in is Jim Hinkle."

Jim Hinkle speaking for the West River Road District (WRR) had several questions in regards to the letter sent by the city. "How much has the city has actually subsidized WRR? I have lived out there for 20 years and the water has never been turned off and I have never seen any city trucks out there. I am not in opposition to what has been proposed but many of the residents have never seen the original agreement from 1989. One of the biggest contentions that we have is that at some point, Big Horn Regional (BHR) hooked up to our line and the WRR District received no compensation for it. WRR owned the pipeline until the district paid off the loan and the hook up was done before the line was paid off. According to the letter we received, it cost almost \$2 million dollars to put in the pipeline; I assume that is with partial grant funding. In our estimation, we have saved the city almost \$2 million in pipeline costs with the hook up of Big Horn Regional. Now we are being asked to put together a depreciation fund. What authority did BHR have to hook onto our water line?" Councilmember Neufer stated that the Chairman of the WRR Board, Nick Geis met with BHR and signed the agreement; Board member Stan Glanz said he knew nothing of an agreement. Why shouldn't the people on BHR have to pay into the depreciation reserve as well? Mayor Gill stated that WRR is one of the newer systems of these outer systems and the system has not had any major problems yet because of the age. City Engineer Representative Donnell stated that the city did do some work on WRR when WYDOT did their highway project and the city transports regional water all through town to get to the west tank. The purpose of the depreciation is to pay for the replacement of the line if needed. Mr. Hinkle stated that WRR is just asking to be treated fairly. City Attorney Richins stated that we could answer direct questions but there may be items the city needs to research or take under consideration. "These are complex issues that we have tried to simplify through the letter. The law says that we shall form depreciation reserve for these lines." Mr. Hinkle would like the city to look into the question of BHR hooking into the WRR line. Mayor Gill said that the city will have to research this issue further. City Attorney Richins stated that the redundancy caused by the hook up benefits WRR residents and all residents. Mayor Gill stated that these issues should have been discussed years ago. Councilmember Horath stated that the city has had a major break and if it were not for BHR hooking onto our lines, we would have no water for our residents. Councilmember Neufer stated that an agreement was signed with a member of the Board. Mr. Hinkle stated that WRR residents would like a copy of this agreement. City Attorney Richins stated that the water agreements date back to the late 1980's and most of them state that once the loans are paid off the lines would come to the city but there have never been any agreements between the city and the districts for the city to take over the lines. Mr. Hinkle asked if the proposed monthly depreciation reserve fee goes on forever. City Attorney Richins stated that there is no deadline on stopping the fee but we need to establish enough to pay for at least 50% of the replacement cost of the line. City Attorney Richins clarified that the ordinance states that anything over \$17,000 will come out of the reserve.

Bill Hill, an individual from the Mountain View Subdivision, read a letter to the Council in reference to the proposed increase in the sewer rate. In 1983, Washakie County, the City of Worland and five (5) new sewer districts signed an intergovernmental contract agreement (IGA) with the EPA, DEQ and the Wyoming Farm Board so Washakie County and the City of Worland could construct an 8,826-person sewer treatment facility to accommodate our future growth and to comply with the Clean Water Act. This partnership was collaborative and the entities worked together to reach a common goal. The sewer districts paid a fee of one and a half times that of a city resident as part of the agreement. Upon satisfactory debt repayment and the agreement, the City of Worland totally understood that they would own, operate, maintain and establish a depreciation reserve for the entire system. So why should 5% of the residents who are responsible for 5% of the sewer volume be singled out for an additional assessment? A contractual agreement built a package deal and the city agreed to sustain the entire system. If you need to increase the depreciation reserve, then increase it for 100% of the users. We are not the problem, perhaps we were a solution to an inadequate system in 1983. So why are we now accused of not paying our fair share since we were an intergovernmental equal to build an adequate sewer plant to be owned and operated by the City of Worland? City Attorney Richins stated that we did have IGA and that agreement is no longer in effect since we do not have viable districts. One of the differences between the in city and the out of city service is that it costs a lot more to service those lines outside the city than inside. There are not enough people to pay for the line replacement in the outlying areas. City Attorney Richins read from the IGA referencing the clause that required the formation of special districts and required payment of 100% of the costs for these districts with loans and grants. City Attorney Richins reiterated, "with no viable districts, the IGA may not be valid." As per the IGA, upon mutual agreement, the City of Worland may assume responsibility for the operation and maintenance of the collection facilities in outlying districts. There is no existing mutual agreement, but the City has been operating and maintaining those lines. The EPA required that out of city users pay a higher rate than in city users and those payments go toward the upkeep of the lagoon. Mr. Hill stated that from the IGA, the city did not establish the depreciation reserve when they should have so the out of city residents are in compliance with the agreement and the city is not. City Engineer Representative Donnell stated that the IGA includes a clause that states that each district is solely responsible for the operation and maintenance of the pumping systems required to deliver the wastewater to the city as well as for the operation and maintenance of these facilities. City Attorney Richins stated that there is no clause in the IGA requiring the city to establish a depreciation reserve.

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Mr. Hill argued that every department (fund) should have an established depreciation reserve but the city is assessing out of city residents to pay more for this reserve. Mayor Gill stated that this reserve would be allocated strictly for replacement of the lines in the outlying districts it will not be intermingled with other funds and noted that density (the number of taps or customers per mile of infrastructure) plays a significant role in the economy of scale. City Attorney Richins reiterated that the IGA states that the city shall own, manage and operate the infrastructure if requested; "we need to agree that the city is going to own, manage and operate the systems and enter into a formal agreement with depreciation reserve to pay for the replacement of the lines. A study has been done to establish a depreciation reserve and this an effort to comply with the original IGA." Mayor Gill stated that the city is trying to make this work for out of city and in city residents.

Janeen Capshaw who works in a utility is very familiar with how rates are set. "There is a set way that you make rates to make it even for everybody. Rates are not based on in city or out of city residents or customers. If you need more money to pay your water and sewer system then everyone should have to pay that fee. The fault that you will have by separating out districts is that it is never going to be even. The sewer pond was built on volume for 8,000 people not built on in city or out of city customers. Does the city have a reserve for their funds? Does the out of city rate of 124% pay for reserves or only for operation and maintenance?" City Attorney Richins stated that because of the density of customers, the out of city rate pays for operation and maintenance not reserve. Ms. Capshaw said this proposed rate should be divided out equally since everyone is on the same line. David Hamilton offered to help the city establish the rates to cover all the costs; this letter was shared with the Council.

Don Viktorin asked what difference it makes if the districts are defunct? City Attorney Richins stated that the city could deal with one entity if the districts were still viable where now the city has to deal with individuals. The city has no one with authority to enter into agreements with. Mr. Viktorin stated that the Department of Audit still considers the Hillcrest Subdivision viable and that other entities hooked onto their line and did not compensate the district for it.

Mayor Gill thanked all for their input and clarified that there has to be three (3) readings of the ordinance and approval by the Council. The city will proceed with the first reading of the ordinance with the knowledge that we have several questions and issues to research and answer. Councilmember Neufer asked if the city should table the ordinances at this time until we can look into some of the issues. Mayor Gill stated that the city could still move forward, with the knowledge that the ordinances can be changed during the second and third readings. Mayor Gill thanked all for coming and asked City Attorney Richins to present the first ordinance. Councilmember DeMunbrun clarified that we would have answers to the questions asked tonight by the next council meeting.

City Attorney Richins presented Ordinance #850 for first reading explaining that the ordinance establishes a depreciation reserve on the water accounts for out of city residents. The depreciation reserve will not be used unless a repair, break or replacement exceeds \$17,000.00. It establishes a depreciation reserve per resident of \$10.72 per month in Hillcrest, Packererville, Ponderosa and Anderson Subdivisions and a depreciation reserve of \$20.86 a month for West River Road, Sorenson Industrial and City Limits east to the east water tank. 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 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 HEREWITHE ARE HEREBY REPEALED.

Motion: to approve Ordinance #850 on first reading.

By: Councilmember Horath.

Second by: Councilmember Lombard.

Vote: The motion passed unanimously.

City Attorney Richins presented Ordinance #851 for first 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, Packererville, 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.

City Attorney Richins noted that these depreciation reserve rates, for water and sewer, could cease in the future.

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 HEREWITHE ARE HEREBY REPEALED.

Motion: to approve Ordinance #851 on first reading.

By: Councilmember Lombard.

Second by: Councilmember Horath.

Vote: The motion passed unanimously.

Airport Manager Lynn Murdoch informed the Council that the relocation of utilities for the Taxilane C Project is almost done; expected completion is next week. Everything went well with snow removal but we are still working out the "bugs" with the new broom. Councilmember DeMunbrun relayed a compliment from Dr. Poffenbarger who flies in and out of Worland. The Doctor stated that the Worland Airport is one of the nicest smaller airports in the State and appreciates all that the city is doing to keep it that way.

Clerk/Treasurer Glanz stated that the Building Permit Summary for the month of October 2019 is in the Council packet for review.

Superintendent of Public Works Burky reported that the compost days went very well with approximately 30-40 people participating. The city crews are still working on the alleys and the city will have an inspection of the gravel pit later this week by the Department of Environmental Quality.

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

Motion: to adjourn the meeting at 8:02 p.m.