

CITY OF POCA TELLO, IDAHO
CITY COUNCIL WORK SESSION
JANUARY 14, 2021

AGENDA ITEM NO. 1: Mayor Brian Blad called the City Council Work Session ROLL CALL to order at 9:00 a.m. Council members present via GoTo Meeting, an online meeting platform, were Heidi Adamson, Roger Bray, Rick Cheatum, Linda Leeuwrik and Claudia Ortega. Council member Chris Stevens arrived at 9:02 am.

AGENDA ITEM NO. 2: Jeff Mansfield, Public Works Director, was present to update the UPDATE ON ENERGY Council on Energy Savings Companies (ESCOs) and financing AUDIT REQUEST FOR options for energy audits. Also attending via GoTo Meeting QUALIFICATIONS (RFQ) were Matt Stucki and Dan Olmstead, representing Idaho Power.

Mr. Mansfield explained that an Energy Services Company (ESCO) can be utilized to develop, design, build and arrange financing for energy savings projects. As state funding is not available for energy projects, he stated that legislation is in place to support an Energy Performance Contract. He gave an overview of two options available to utilize an ESCO:

OPTION 1: ENERGY SERVICES COMPANY (ESCO)

- The Energy Services Company only does the audit;
- The ESCO does not help find funding for the audit;
- Project savings are estimates, not guaranteed project savings; and
- Cost of the audit is paid up front

OPTION 2: ENERGY PERFORMANCE CONTRACT

- Energy Performance Contract company may perform an audit, secure financial assistance, installation and measurement/verification;
- A long-term lease purchase agreement is backed by the performance contract;
- The performance contract will pay the City the difference between actual savings and promised savings;
- Cost of the audit is rolled into the construction project with no upfront costs; and
- If the project is not initiated, the City must pay for the cost of the audit

Mr. Mansfield gave an overview of the 2010 Chevron Study, which was an energy performance contract. The 9-month study was achieved at a cost of \$52,500 resulting in analyzation of 19 facilities. Utility data for 12 months was used and an estimated \$74,348 in utility cost savings were identified during the first year of implementation. About 66 percent of the identified savings came from facility-wide lighting upgrades. Approximately \$530,000 in grant funding was secured in order to complete the projects which include street lighting enhancements, municipal conservation efforts and library roof. He shared a listing of energy efficiency efforts enacted by City Departments.

At the October 15, 2020 City Council Liaison/Work Session Clarification meeting, it was recommended by Council that the Public Works Department move forward with an energy audit. Staff compiled City-wide utility information and provided the information to Council members on December 14, 2020. Public Works staff reached out to other cities in the region regarding their energy audits. The Fleet Department will provide an update to Council regarding current alternative energy vehicles in the City fleet, charging stations available and also those stations planned for future development.

In response to a question from Council, Dan Olmstead, Idaho Power, stated that Idaho Power has committed to providing clean electricity by 2045. He stated that partnerships help Idaho Power reach their energy efficiency goals. Mr. Olmstead added that City of Pocatello conservation efforts help Idaho Power reach their goal.

In response to a question from Council, Mr. Mansfield shared that the task force would be comprised of City of Pocatello staff, representatives from Idaho Power and an additional expert in the community. He stated that the cost of an in-depth audit would cost approximately \$40,000-\$60,000. Data is being compiled by City departments for a “mini-audit” which can be completed at no cost and could help identify if a full audit would be beneficial. Mr. Mansfield stated all facilities in which the City pays utilities would be considered during an audit. He stated that the task force will look at Fleet vehicles and the possibilities of the use of electric vehicles. Tom Kirkman and Kerri Farnsworth will represent the Fleet Department on the task force.

In response to a question from Council, Matt Stucki, Idaho Power, stated that the Idaho Power audit team can provide a limited assessment of specific City-owned buildings in order to help identify energy efficiency solutions.

Council requested that Mr. Mansfield send email updates to the Council to keep them apprised of the project.

AGENDA ITEM NO. 3: Heather Buchanan, Human Resources Director, was present to discuss changes to the Fleet Department Mechanic/Foreman Tool Requirements and Allowance Policy.

POICY CHANGE TO
FLEET AND PUBLIC
TRANSIT DEPARTMENT
MECHANIC/FOREMAN
TOOL REQUIREMENTS
AND ALLOWANCE

The Fleet Department was launched in Fiscal Year 2020 at which time a tool requirement list was adopted by City Council to set minimum standards for mechanics in the department. The Fleet Mechanic/Foreman Tool Requirements and Allowance Handbook section addresses the tool allowance paid to employees in the department. The adoption did not address mechanics in the Transit Department, which are not part of the Fleet Department, due to funding sources of the Transit Department. The policy change would change the annual tool allowance from a once a year lump sum of \$300.00 to a per pay period allowance of \$50.00 per paycheck, so mechanics in the Fleet and Transit Department would be working with the same tool supply requirements and would receive the same tool allowance. The policy change would not apply to any other departments or positions in the City of Pocatello.

Ms. Buchanan stated that staff is requesting to expand the tool requirement list and adjust the Policy to include Transit mechanic allowances. The change would adjust the lump sum payment to a per paycheck allowance and would align the policy with the Fleet Department policy. The change is anticipated to cost \$3,000.00, which is available in the current Transit Department operating budget. Ms. Buchanan stated that mechanics who work for the City of Pocatello have a list of required tools and are responsible for maintenance and replacement of the tools, as necessary.

Council discussed the pros and cons of the proposed policy change. They expressed concern regarding employee accountability and expenditure reporting.

Tom Kirkman, Deputy Public Works Director, stated the tool allowance policy allows mechanics to replace worn out tools, as necessary, in order to effectively and efficiently perform their duties on a daily basis. Mechanics are subject to audits of their tools to ensure tools are sufficient and being replaced adequately. He stated it is difficult to compare City mechanics with private sector mechanics, as private sector mechanics use a flat rate billing system.

Mr. Cheatum added that the flat rate amount for private sector mechanics is also increased as their certifications and productivity increase.

Mr. Kirkman explained that mechanics in the private sector charge a flat rate. This allows the mechanic to check a database which gives an estimated amount of time to complete a specific job. If it is estimated to take two hours but it only takes one hour to complete, the mechanic makes more money. He stated that billing a flat rate within the Fleet Department is not feasible, as there is not a database to provide estimates for work on larger equipment, such as a street sweeper or garbage truck. Mr. Kirkman added that City mechanics are paid by the hour and productivity is monitored by management. He added that supervisors oversee the daily operations and can identify if the tool allowance is not being properly expended.

Mr. Bray asked that the Fleet Department present information to the Council prior to the budget process regarding if the allotment helps City mechanics find pay equity within the market.

Mrs. Ortega stated she is opposed to having tools paid for by the taxpayers.

Ms. Stevens stated she would like the mechanics to have accountability on how the tool allowance is being spent.

Mr. Cheatum stated that a pay equity comparison with private sector mechanics would be extremely difficult. City mechanics work on a broad range of vehicles and equipment, while a private sector mechanic is typically specialized.

In response to a question from Council, Mr. Kirkman stated that private sector mechanics typically work from a tool assortment specific to the type of vehicles they service most. City mechanics must have a variety of tools available, as they repair a variety of equipment, such as a lawnmower or street sweeper. He stated that they actively work with Idaho State University (ISU) and other schools to create the opportunity for internships. Mr. Kirkman added that it is difficult to attract quality mechanics, as flat rate billing in the private sector can be very lucrative.

Skyler Beebe, Transit Director, stated that Transit Department mechanics have a very unique skillset and the proposed policy change would provide all City mechanics with a uniform policy.

Council asked that comparisons with other cities and entities be brought forward during the budget process for further Council review.

A motion was made by Ms. Stevens, seconded by Mr. Cheatum, to approve the request to apply the mechanic tool allowance for Pocatello Regional Transit mechanics as it applies to Fleet mechanics for the remainder of Fiscal Year 2021 and that the topic will be further addressed during the Fiscal Year 2022 budget process. Upon roll call, those voting in favor were Stevens, Cheatum, Adamson, Bray, Leeuwrik and Ortega.

Mayor Blad called a recess at 10:38 a.m.

Mayor Blad resumed the meeting at 10:46 a.m.

AGENDA ITEM NO. 4: Tom Kirkman, Deputy Public Works Director, was present via FLEET DEPARTMENT GoTo Meeting to give Council an update of Fleet Services UPDATE activities for Fiscal Year 2020.

Mr. Kirkman reviewed the Department Mission Statement: “Evaluate and implement methods to develop a more coordinated and consistent approach to managing the City’s fleet assets to improve service levels and decrease fleet-related costs.” He reviewed the departments key accomplishments, including the following:

- Developed repair and preventative maintenance policies and procedures;
- Developed purchasing policies and procedures;
- Developed and implemented AssetWorks Asset Management software;
- Implementation of NAPA IBS on-site store;
- Reduced staffing measures;
- Department education for purchasing regulations/requirements through Management Training Program;
- Explored alternative energy options;
- Performed right-sizing evaluations on department assets; and
- Service of approximately 600 assets within City departments

Mr. Kirkman reviewed the Fleet Department Key Goals for Fiscal Year 2021 which include Continue Fleet right sizing; standardization within the purchasing division; alternative energy options; increase efficiencies and decrease costs; develop a data-driven Capital Replacement Plan; implementation of preventative maintenance notification system through AssetWorks; mechanic training program; development of City-wide fuel site; and ISU tech intern program.

In response to questions from Council, Mr. Kirkman stated that the new fuel site would be built using four (4) 12,000-gallon fuel tanks to reduce fuel delivery system breakdowns. He stated that staff continues to monitor advances in electric vehicle options. Mr. Kirkman reviewed the piggyback purchasing process and the financial benefits of piggybacking bids with a larger buying group. He gave an overview of the cost savings realized by using a proactive maintenance approach instead of a reactive approach to vehicle/equipment maintenance. Mr. Kirkman reviewed the benefits to leasing of large equipment.

Mayor Blad announced that Mr. Kirkman would address the Council at a future Work Session to discuss development of the proposed fuel site.

AGENDA ITEM NO. 6: Mayor Blad adjourned the meeting at 11:47 a.m.
ADJOURN

APPROVED:

BRIAN C. BLAD, MAYOR

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ATTEST AND PREPARED BY:

KONNI R. KENDELL, CITY CLERK