

CITY OF POCA TELLO, IDAHO
CITY COUNCIL MEETING -
BUDGET DEVELOPMENT
MAY 9, 2019

Mayor Brian Blad called the City Council meeting for budget development to order at 11:06 a.m. Council members present were Heidi Adamson, Roger Bray, Rick Cheatum, Linda Leeuwrik and Beena Mannan. Council President Jim Johnston was excused.

-FISCAL YEAR 2020
BUDGET DEVELOPMENT
OVERVIEW

Mayor Blad announced the Council would review various topics regarding development of the proposed Fiscal Year 2020 Budget.

Ashley Welsh, Senior Accountant, stated that information regarding budgets for City departments would be presented. Ms. Welsh gave an overview of the material that would be discussed to determine the Fiscal Year 2020 budget and announced that department briefings would be held at this time. Ms. Welsh noted that some departments will ask for guidance, but final decisions will be made at a later date.

-SANITATION
DEPARTMENT
REPORT

Tom, Kirkman, Deputy Public Works Director; Debbie Brady, Recycling Coordinator; and Ashley Welsh, Senior Accountant; gave an overview of the Sanitation Department budget for Fiscal Year 2020.

Mr. Kirkman reviewed the department's Mission Statement: To improve the quality of life for the citizens of Pocatello providing efficient and cost effective refuse removal and recycling services.

Fiscal Year 2018 Service Output Summary, Service Measures of Effectiveness and Key Accomplishments were reviewed.

Issues and Concerns: a) Maintaining competitive rate structure; b) Funding capital replacement program; c) Keeping adequate manpower due to increased demand for services; d) current recycling markets are depressed and processing costs have increased. Current contract costs with Western Recycling are up to \$179.00 per ton; and e) Customer cooperation (keeping recycling and yard waste pick-ups clean of impurities).

Ms. Welsh gave an overview of the budget comparisons of Fiscal Year 2019 to Fiscal Year 2020.

Fiscal Year 2020 Budget Authority Increase - summarized per Rate Study are:

Revenue – increase (3%) \$246,502.00

Operation and Maintenance Expenses – Standard Operation and Management increase (includes recycling increase) \$393,233.00

Asset Management/ Routing Program \$424,000.00

System Analyst Position \$84,460.00

Capital Vehicle replacements include three (3) automated trucks – \$891,000.00; and one (1) Roll-off truck \$171,000.00.

Multiple Proposed Fee increases for Sanitation Services were reviewed.

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No Council direction is needed at this time. The budget requests are per the Rate Study and have been added to the Fiscal Year 2020 budget. The requests are dependent upon City Council adopting the Utility Rate Study as presented.

General discussion regarding GPS equipment installed on the City's sanitation trucks was held. The GPS tracks a sanitation truck's movements through the city. It was noted that recent changes at the Bannock County landfill has made the process to dump garbage from the City's sanitation trucks into the landfill much more efficient.

-WATER POLLUTION CONTROL DEPARTMENT REPORT Jeff Mansfield, Public Works Director, Levi Adams, Water Pollution Control (WPC) Department Superintendent; and Ashley Welsh, Senior Accountant; gave an overview of the WPC Department budget for Fiscal Year 2020.

Mr. Adams reviewed the department's Mission Statement: Providing wastewater collection and treatment services at the lowest practical cost while meeting all regulatory requirements and providing excellent customer service.

Mr. Adams quickly reviewed the department's organizational chart and announced the WPC facility is currently fully staffed.

Fiscal Year 2018 Service Output Summary, Service Measures of Effectiveness and Key Accomplishments were reviewed.

Council member Roger Bray was excused at 11:29 a.m.

Issues and concerns: a) Maintaining existing infrastructure while planning and expanding for future growth and development; b) Keeping capacity in the collections system and the treatment plant for growth within the existing City of Pocatello as well as new developments as they occur; c) City of Chubbuck desired capacity and growth; d) Treatment Plant Facility update; and e) IPDES Permit (Expired September 2017, Re-applied March 2017) No information on when to expect a new permit. The office that issues IPDES permits is still processing the City's permit. Staff is working through the process on an administrative extension.

Ms. Welsh gave an overview of the budget comparison of Fiscal Year 2019 to Fiscal Year 2020.

Fiscal Year 2020 Budget Authority Increase requests as per Rate Study.

Capital requests for the Collection System, Treatment Plant; Vehicles and Equipment replacement were reviewed.

Council Guidance - Pretreatment Technician position will be built into the Rate Study once negotiations with the City of Chubbuck are complete. It was noted the technician position will be funded directly from City of Chubbuck pretreatment fees.

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-WATER DEPARTMENT
REPORT

Justin Armstrong, Water Superintendent; Jeff Mansfield, Public Works Director; and Ashley Welsh, Senior Accountant; gave a brief overview of the Water Department budget for Fiscal Year 2020.

Mr. Armstrong reviewed the department's Mission Statement: Provide a safe, reliable, and adequate supply of drinking water for our customers at the lowest practical cost.

Fiscal Year 2018 Service Output Summary, Service Measures of Effectiveness and Key Accomplishments were reviewed.

Discussion regarding the high quality of drinking water in Pocatello followed. Staff is very proud of the status held by the City for its water taste and quality. It was noted the demand for water in the summer months almost triples.

Service Issues and concerns are:

Maintain reasonable water rates – sustain capital replacement of gaining infrastructure and support future growth.

Highland Bench – Supply redundancy – provide additional supply and system redundancy to the Highland Bench; area test well study indicates water quality not optional for culinary use; and additional supply sources or increase capacity of existing wells.

Nitrate Influence at groundwater sources – High costs of removal or treatment.

Regulatory changes – CCR Reports, reporting twice a year; American Water Infrastructure Act (AWIA) vulnerability assessment and response plan.

Ms. Welsh gave an overview of the budget comparison of Fiscal Year 2019 to Fiscal Year 2020.

Fiscal Year 2020 Budget authority increase as per Rate Study: Administrative, Transmission and Distribution; Pump, Purification and Storage were reviewed.

Mr. Armstrong explained how the base water fee structure is determined. He noted there are maintenance costs per property whether the service line is being used or inactive. These costs are for on-going maintenance needs to keep the line usable.

Promotions and certifications for WPC and Water staff were discussed. It was mentioned more employees are becoming interested in the program.

Ms. Welsh announced the next Budget Development meeting is scheduled for May 16, 2019 at 9:00 a.m.

There being no further business, Mayor Blad adjourned the meeting at 12:16 p.m.

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APPROVED:

BRIAN C. BLAD, MAYOR

ATTEST AND PREPARED BY:

RUTH NEWSOM, CITY CLERK