

CITY OF POCA TELLO, IDAHO
CITY COUNCIL MEETING -
BUDGET DEVELOPMENT
MAY 14, 2020

Mayor Brian Blad called the City Council meeting for budget development to order at 9:0 a.m. Council members were in attendance through Go To Meeting an on-line meeting platform: Heidi Adamson, Roger Bray, Rick Cheatum, Linda Leeuwrik, Claudia Ortega and Chris Stevens. City staff also participated through Go To Meeting.

-REQUEST FOR COUNCIL GUIDANCE – CONDEMNED PROPERTY AT 326 NORTH BUCHANAN STREET Richard Bigelow, Building Official, is seeking Council’s guidance regarding condemned property located at 326 North Buchanan Street. The property owner is deceased and the structure has become a public nuisance and safety concern.

Mr. Bigelow gave an overview of safety and hazard issues related to the property. He explained the property has turned into a public nuisance and a drug house. The police department has had numerous calls and made arrests at the location. At the beginning of April 2020 staff boarded up the windows and doors to try and keep squatters out of the home. Mr. Bigelow is seeking Council direction regarding clean-up options for the property.

Council discussion regarding ownership of the property and taxes owed on the property followed. It was mentioned the property owner is deceased.

In response to questions from Council, Jared Johnson, City Attorney, explained the home would most likely go to the next of kin. However, there is a legal process to establish ownership and he believes the property is behind on county taxes. The City can abate the property as necessary to make it safe for the neighborhood. Once the property goes to tax deed, the costs for cleanup will be recouped after sale of the home.

In response to questions from Council, Mr. Bigelow explained there are no structural issues and minimal cleanup might be effective. He noted the home has large amounts of drug paraphernalia and human feces piled up inside the home. Mr. Bigelow recommended cleaning up the outside of the home. He does not recommend spending thousands of dollars the City may not be able to recoup.

Council discussion continued regarding potential costs to clean the inside and outside of the home, secure the home against unlawful entry and continue to inform neighborhood property owners of the process going forward. It was noted the Police department is currently patrolling the area to help prevent unlawful entry.

A motion was made by Mrs. Ortega, seconded by Ms. Stevens, directing staff to move forward with minimal clean-up of the property at 326 North Buchanan in order to make it safe for the community.

Council discussion regarding recouping the City’s expenses related to the property clean up continued. It was suggested that wording be added to the original motion directing staff to attach a lien to the property to try and recoup the City’s costs when the property is sold.

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Mrs. Ortega amended her motion as follows: To direct staff to move forward with minimal clean-up of the property at 326 North Buchanan in order to make it safe for the community and to recoup the costs by putting a lien on the property. Ms. Stevens accepted the amendment.

Mrs. Ortega's amended motion was voted upon at this time. Those voting in favor were, Ortega, Stevens, Adamson, Bray, Cheatum and Leeuwrik.

-FISCAL YEAR 2021
 BUDGET DEVELOPMENT
 OVERVIEW` Mayor Blad announced the Council would review various topics regarding development of the proposed Fiscal Year 2021 Budget.

Ashley Welsh, Chief Financial Officer/Treasurer 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 2021 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.

-FLEET SERVICES/FUEL
 OVERVIEW Tom Kirkman, Deputy Public Works Director, Teresa Caudill, Fleet Manager; and Ashley Welsh, Chief Financial Officer/Treasurer; gave an overview of the Fleet Services Division for the City for Fiscal Year 2021.

Mission – Our mission is to evaluate and implement methods to develop a more coordinated and consistent approach to managing the City's fleet assets, along with improving service levels and decreasing fleet related costs.

Fiscal Year 2019 Service Summary, Output Summary and Measures of Effectiveness were reviewed.

Issues and concerns are: Preventative Maintenance – Comprehensive checklist completed; smaller departments have smaller budgets to cover repairs; Purchasing Division – Create vehicle/equipment purchasing checklist to assist Council in decision making process; Educate staff on State of Idaho guidelines and requirements, Staffing Levels – Fleet staffing levels may need to be evaluated as the department creation progresses; Budget Cuts – Fleet is a newly created department that has not been through a full fiscal year. Budget needs are still unclear, and Fiscal Year 2020 Budget creation lacked Overtime and call-out funding.

Council discussion regarding Fleet costs as outlined was held.

Ms. Welsh gave an overview of the budget comparison Fiscal Year 2020 to Fiscal Year 2021.

Budget authority increase request – Overtime budget Fiscal Year 2021 - \$8,500.00; Call out budget Fiscal Year 2021 \$3,300.00.

Fiscal Year 2021 proposed 5% budget decrease to the Fleet Division Operating Budget are: Option 1 includes the following: training and registrations, dues and memberships, travel and meals, building, tools, and welding = \$27,500.00; and Option 2 eliminate one full-time unfilled mechanic position \$71,000.00.

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General discussion regarding mechanic positions that may be needed followed. If the positions are not needed, the funds will return to the departments that support the Fleet Division. Review of how the Fleet division has benefited departments was held.

FUEL SITE –

Staff explained how the City of Pocatello maintains its own fuel site and goes through a competitive bid process every two weeks. An overview of performance metrics was given and the proposal for a new site followed.

Averages for Diesel and Unleaded fuels were reviewed and return on investment for a new fuel site was discussed. It was noted that owning a fuel site saves the City approximately \$170,000.00 per year. Staff recommends to budget Diesel – \$3.01 per gallon and to budget Unleaded - \$2.66 per gallon

Council gave guidance to build the fuel budget based upon staff recommendation. A final decision will be held at a later date.

Fiscal Year 2019 Service Summary, Output Summary and Measures of Effectiveness were reviewed.

Ms. Welsh gave an overview of the budget comparison Fiscal Year 2020 to Fiscal Year 2021.

Fiscal Year 2021 proposed 5% budget decrease to the Fuel Operating Budget - \$50,000.00 that is budgeted for contingency.

In closing, staff noted they will put together two or three options regarding the proposed new fuel site project.

-STREET OPERATIONS BUDGET REPORT Tom Kirkman, Deputy Public Works Director; Jeff Mansfield, Public Work Director; and Ashley Welsh, Chief Financial Officer/Treasurer; gave an overview of the Street Operations Department budget for Fiscal Year 2021.

Mr. Kirkman reviewed the department's Mission Statement: Our mission is to provide services related to the safe and efficient movement of traffic on the 265 miles of City maintained streets, and rights-of-way, within the incorporated city limits.

COVID-19 Pandemic shortfalls – Highway User Fees possible shortfall of \$188,570.00 which is 2.5% of total Street budget.

Potential Budget reductions include fuel savings, sweeping overtime, cancel capital purchases, reassess pavement management program and utilize excess reserves.

Fiscal Year 2019 Service Summary, Output Summary and Measures of Effectiveness were reviewed.

Issues and concerns are: Due to the COVID-19 Pandemic, Highway User fees may be below projections; Allocating the property financing to sustain a quality pavement management program; property pavement management tracking, adequate funding for ADA ramps; Traffic signals – signal

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network is ageing, need upgrades; Provide adequate funding for Federal Aid Projects (Fund 70); and Street sweepings disposal.

Goals- Pavement Management Increase network PCI to 80 over next 5 years; Storm Water needs - rehabilitate 100 of 233 retention ponds over next 5 years; Pavement markings - increase crosswalk reinstallation by 20%; Snow Removal - implement route optimization; Structures - generate a maintenance schedule for bridges and guardrails; Street Sweeping – implement a litter prevention program in conjunction with Sanitation Department.

Ms. Welsh gave an overview of the budget comparison Fiscal Year 2020 to Fiscal Year 2021.

Fiscal Year 2021 proposed 5% budget decrease to the Street Operations – Target amount \$213,829.00. Three options are: 1) re-organize administrative assistant positions for Street/Sanitation - \$34,000.00 (each department); reduce Capital Purchase or Pavement Management - \$180,000.00; 2) re-organize Street/Sanitation Department - \$34,000.00 (each department); reduce Over Time budget \$25,000.00 allocated for street sweeping, reduce Professional Services \$12,000 (Clean Project Campaign), Reduce Capital Purchase or Pavement Management \$143,000.00; and 3) Re-organization Street/Sanitation split wages/benefits \$34,000.00 (each department), reduce Seasonal Part-time Budget - \$120,000.00 (6 positions used for abatement and road-side cleanup), reduce Capital Purchase or Pavement Management \$60,000.00.

Fiscal Year 2021 15% Highway User Fee Reduction – Options are: Re-organize Street/Sanitation Department split wages/benefits \$34,000.00 (each department); Reduce Seasonal Part-time budget - \$120,000.00 (6 positions used for abatement and road-side cleanup), reduce Capital purchases - \$187,809.00; and Reduce Pavement Management - \$51,000.00.

-STREET OPERATIONS WORK PROJECTS BUDGET REPORT Tom Kirkman, Deputy Public Works Director, and Jeff Mansfield, Public Works Director; and Ashley Welsh, Chief Financial Officer/Treasurer gave an overview of the Street Operations Department Federal Aid Projects budget for Fiscal Year 2021.

Federal Aid Projects –

Fiscal Year 2021 Projected Expenses are: Administrative Fees \$12,764.00 Annually; 79,889.00 – Additional needed for approved projects \$250,000.00; and South Valley Connector (Street-Sanitation loan payment) \$250,000.00.

Council discussion – future discussion to allocate funds to pay for projects out of Fund 70 followed. The fund difference and how the funds can be reallocated was reviewed.

Mayor Blad called for a recess at 11:43 a.m.

Mayor Blad reconvened the meeting 11:58 a.m.

-ENGINEERING DEPARTMENT BUDGET REPORT Jeff Mansfield, Public Works Director and Ashley Welsh, Chief Financial Officer/Treasurer, gave an overview of the Engineering Department budget for Fiscal Year 2021.

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Mr. Mansfield reviewed the department's Mission Statement: To provide excellent municipal engineering, surveying, environmental, and mapping services to help ensure quality and sustainable construction and lasting infrastructure.

Fiscal Year 2019 Service Summary, Output Summary, Measures of Effectiveness and Key Accomplishments were reviewed.

Ms. Welsh gave an overview of the budget comparison of Fiscal Year 2020 to Fiscal Year 2021.

Budget Authority Increase request – Maintenance Agreements/repairs for copy machines, plotter, scanners \$1,000.00; upgrade survey equipment (two stations). Cost is \$6,000.00 per year in order to upgrade one station every three years.

Fiscal Year 2021 proposed 5% budget decrease to the Engineering Operating Budget – Other purchased professional services \$3,000.00 and Hardware/Software - \$1,200.00.

Proposed Fee increases – Merrill Quayle, Development Engineer, gave a breakdown of proposed fee increases for the following:

ENGINEERING SERVICES Primary Inspections for subdivision (variable costs), address alteration (Council requested \$50.00), Floodplain Development (new fee \$75.00), Commercial Stormwater review and inspection (new fee \$100.00).

CONSTRUCTION TRADES Grading Plan review (variable costs), Grading Permit (variable costs), Curb and Gutter (variable costs), Sidewalk (variable costs), and Parking Lot (\$75.00).

Proposed fee increases would provide an estimated \$4,000.00 in revenue.

CONSTRUCTION SITE SEDIMENT AND EROSION CONTROL

ENGINEERING SERVICES

ESC Administrative base permit (new fee \$30.00), Single Family/Duplex (new fee based upon percentage of slope) Commercial/subdivision/multifamily – (based upon percentage of slope); ESC Plan Modification (new fee \$50.00/acre).

Estimated fee revenue will provide an estimated \$10,500.00 in revenue.

-PLANNING AND DEVELOPMENT SERVICES BUDGET REPORT

Carl Anderson, Planning and Development Services; and Ashley Welsh, Chief Financial Officer/Treasurer gave an overview of the Planning and Development Services Department budget for Fiscal Year 2021.

Mr. Anderson reviewed the department's Mission Statement: We provide superior service by working together for the common good and our common goals; always listening, helping, learning, educating with every opportunity, emphasizing the strengths of our community; carefully promoting opportunity; and continually seeking to improve our health, safety and the quality of life in Pocatello.

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Fiscal Year 2019 Service Summary, Output Summary, Measures of Effectiveness and Key Accomplishments were reviewed.

Service Issues and concerns are: Comprehensive Plan – it is anticipated that the 5-year update to the Comprehensive Plan will begin between Fiscal Year 2020 and Fiscal Year 2021 as updated Census information becomes available.; Land Use Ordinances – Work on the many land use ordinances continues through the long-range planning process as staff works to align the code with the Comprehensive Plan.; Urban Renewal – Urban Renewal and Tax Increment Funding is our main tool to provide infrastructure and other economic development incentives without bonding from property tax. It was under attack again during the 2020 Legislative Session and the support of elected officials is very important and needed at the state legislative level in defense of this tool.

Ms. Welsh gave an overview of the budget comparisons of Fiscal Year 2020 to Fiscal Year 2021.

General discussion regarding additional work and/or meetings for staff as a result of development in the City was held.

Fiscal Year 2021 proposed 5% budget decrease to the Planning and Development Services Operating Budget is to reduce travel/training by \$2,500.00.

Pocatello Development Authority (PDA) support/expense for City staff. It was noted that PDA has adopted the practice to pay for City staff time necessary to process PDA functions. Staff time is being tracked and PDA reimburses the City on a quarterly basis. The staff level for PDA projects was also reviewed. It was mentioned that PDA's financial support for staff time will be discussed in more detail at a future meeting and staff will ask a PDA representative to attend.

-CDBG DIVISION
 BUDGET REPORT

Janae Mitchell, CDBG Program Manager, and Ashley Welsh, Chief Financial Officer/Treasurer, gave an overview of the Community Development Block Grant (CDBG) Program budget for Fiscal Year 2021.

Ms. Mitchell reviewed the Division's Mission Statement: Enhance affordable housing for low- and moderate-income households through rehabilitation and infill development; provide a suitable living environment by improving public facilities; and provide social services and enhance economic development for low- and moderate-income areas.

Fiscal Year 2019 Service Summary, Output Summary, Measures of Effectiveness and Key Accomplishments were reviewed.

Service Issues and concerns are: HUD Funding – Federal allocation was released late in our program year. Several projects were delayed and will not be completed until spring. Also, future funding levels are increasingly uncertain; Older Housing Stock – Pocatello has one of the oldest housing stock in Idaho, meaning our community has a greater need for rehab assistance and creation of affordable housing. Lead Program is needed for this older housing; Contractor Shortage – number of contractors and firms certified to do work in homes containing lead-based paint is very small. Further, the number of contractors interested in doing smaller jobs in general is down, making it difficult to complete work.

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Ms. Welsh gave an overview of the budget comparison of Fiscal Year 2020 to Fiscal Year 2021.

Budget Authority Increase Request – Line items vary year to year depending on the allocations approved by the City Council as part of each Annual Action Plan; Bottom line total to be spent can be no more than the final allocation for the new program year (PY2020) plus any remaining funds from previous program years; sufficient budgetary authority is built to cover the entire year; There is one year remaining on the Lead Hazard Control Grant.

Mayor Blad called for a recess at 1:16 p.m.

Mayor Blad reconvened the meeting at 1:52 p.m.

-AIRPORT
 BUDGET REPORT Alan Evans, Airport Manager, Kristy Heinz, Management Assistant, and Ashley Welsh, Chief Financial Officer/Treasurer, gave an overview of the Pocatello Airport budget for Fiscal Year 2021.

Mr. Evans reviewed the department's Mission Statement: To be a significant economic engine and vital source for transportation services for southeastern Idaho through the development of air service, general aviation and non-aviation land development.

Fiscal Year 2019 Service Summary, Output Summary, Measures of Effectiveness and Key accomplishments were reviewed.

Service Issues and concerns are: An additional Senior Equipment Operator is being requested. There are currently only 2 positions that are responsible for running specialized airfield plows and brooms. Both employees are required to clear the airfield during a snow event, leaving no room for illness, injury, or vacations. Need to establish capital fund to maintain aging infrastructure, facilities, and equipment; approximately \$65,000/year for five years to meet current needs.

Will continue to work with airlines on service expansion but do not anticipate any expansions until at least 2022. Any additional air service will require considerable investment from the Airport, City and Community. Advertising funds as well as revenue guarantees will be required for any additional service requests.

Increase in passenger numbers results in an increase in operating expenses due to wear and tear on facilities and increased supply usage. Maintaining the current level of service for a continually increasing number of people is not possible with a static budget.

Ms. Welsh gave an overview of the budget comparison of Fiscal Year 2020 to Fiscal Year 2021.

REQUESTS FOR CAPITAL – USE OF EXCESS RESERVES

\$40,000.00 to replace 4 terminal HVAC units; \$8,000.00 to replace heat pump in tenant building; \$8,000.00 for ARFF station repairs, and \$5,000.00 for Airfield Friction testing meter.

REQUESTS FOR INCREASE IN BUDGET AUTHORITY –

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collect and analyze relevant data – Current software is a significant improvement over the previous method, but still falls short in areas such as Officer reporting, data mining, customization and online resources; Cat kennels – Current kennels are made of a type of particle board that keeps bacteria in. Higher concentration of cleaner to keep animals healthy; and Expansion – City is growing and there are very few options to expand at current location.

GOALS – Increase revenue sources and increase operational efficiencies.

Ms. Welsh gave an overview of the budget comparison of Fiscal Year 2020 to Fiscal Year 2021.

Proposed Fee Schedule Changes: Animal Release - \$25.00; Litter release \$50.00, Quarantine Release \$200.00; Pick up \$25.00; and Volunteer T-shirts \$15.00 plus tax.

Ms. Stevens noted that she read the Best Friends report and they do not support increases in fees because Best Friends feel that charging fees go against the TNR concept.

In response to questions from Council, Mr. Heinz explained staff has reviewed the fee structure and feel the fees are appropriate. However, Council will make the final decision regarding the fees.

Fiscal Year 2021 proposed 5% budget decrease to the Animal Services Operating Budget is to combine the TNR Position with the Volunteer Position - \$56,000.00 cost savings.

-CEMETERY
 DIVISION
 BUDGET REPORT

John Banks, Parks and Recreation Director, and Ashley Welsh, Chief Financial Officer/Treasurer gave an overview of the Cemetery Division's budget for Fiscal Year 2021.

Mr. Banks reviewed the department's Mission Statement: To provide a sanctuary of peace and to ensure that the cemeteries function efficiently, are properly maintained, and the public's needs are met through timely and courteous service.

Fiscal Year 2019 Service Summary, Output Summary, Measure of Effectiveness and Key accomplishments were reviewed.

Service Issues and concerns are: Equipment needs – Replacement of Utility Vehicle for maintenance needs; Infrastructure needs: Irrigation System Mainline Replacement at Mountain View; New replacement roof for Cemetery Administration Building; Continued clearing and removal of dead trees, and of dead wood in large trees; Interior Cemetery roadway repairs/re-paving; Development of additional Cemetery sections #56 (East) and #57 (West); Replacement of Mountain View Historical Fencing, as needed along 5th Avenue; and Construction of Restlawn Sidewalks on 5th Avenue.

Ms. Welsh gave an overview of the budget comparison of Fiscal Year 2020 to Fiscal Year 2021.

Capital authority increase request: New Roof for Cemetery Administration Building - \$20,000.00; and replacement Utility Vehicle for maintenance needs - \$22,000.00.

Fiscal Year 2021 proposed 5% budget decrease to the Cemetery Division Operating Budget 5% Operating budget are: \$3,600.00 from the development of Cemetery sections #56 and #57.

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However, remaining resources in the line item would allow for staff to continue stockpiling needed irrigation equipment and supplies for eventual completion of development in future fiscal years, as budget resources allow.

Council discussion regarding future development of the cemetery to make it ready for future use followed. It was suggested that volunteer groups could help with the project. Installation of irrigation lines in the undeveloped cemetery was outlined.

It was mentioned that reserves in the Cemetery Fund are healthy at this time. If Council desires to continue discussion regarding the development of unused areas of the cemetery, staff will bring the item to a future meeting for consideration by Council.

-MARSHALL PUBLIC LIBRARY
 BUDGET OVERVIEW

Eric Suess, Library Director, and Ashley Welsh, Chief Financial Officer/Treasurer, gave an overview of the Marshall Public Library for Fiscal Year 2021.

Mr. Suess reviewed the following:

Mission Statement: In fulfilling its critical role in the community, the Marshall Public Library provides a vibrant lifelong learning center with information resources and programs to support the overall quality of life through an educated population, an informed electorate, and a dynamic economy.

Vision Statement: By merging the best of tradition and technology, the Marshall Public Library aspires to provide: a) public library services for all people, beginning in the formative years; b) a foundation for community and economic development; and c) a gathering and meeting place for cultural and intergenerational activity, and to meet the need of the community for informational, educational, recreational, and personal growth.

Fiscal Year 2019 Service Summary, Output Summary, Measures of Effectiveness and Key Accomplishments were reviewed.

Service Issues and concerns are: Significant use of bandwidth warrants consideration of fiber connection to the Library; Library vehicle is in need of replacement. We have put this off for several years, but it has become a necessity; To return to our ability to reach out to patrons who cannot come to the library (elderly, disabled, homebound, those in facilities, etc.) we would need to restore staffing to previous levels, lost several years ago.

POST QUARANTINE MEASURES

Staff and public safety measures; programming and service changes; material focus changes. Must keep social distancing and safety processes in place at this time.

Council discussion regarding the possibility of modifying library hours and options to obtain a vehicle replacement was held.

Ms. Welsh gave an overview of the budget comparison of Fiscal Year 2020 to Fiscal Year 2021.

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Fiscal Year 2021 proposed 5% budget decrease to the Library Operating Budget include: Other operating supplies (Programming and Programming Supplies) \$5,000; Postage \$3,000.00 (limit patron requests and books mailed); Hardware/software \$2,000.00 limitations to public and staff computer station upgrades; Communications \$1,100.00 program advertising and telephone costs; Building and Structures \$5,000.00 postpone fixes and updates; and Books and Manuals \$8,000.00 digital services: Kanopy databases, cut back on eBook/eAudio services.

Council discussion regarding what would be reasonable fees for library services and establish fees to cover the cost of books sent to patrons followed.

Ms. Welsh noted that Finance staff is keeping a list of Council suggestions and reductions related to the City's budget. She clarified department presentations will be complete on May 21 and Revenue projections will begin on May 28.

In response to questions from Council, Ms. Welsh will ask staff to provide utility rate study information to the Council and she will give a composite of Police and Fire Unions at the May 21 Budget Development meeting.

There being no further business, Mayor Blad adjourned the meeting at 4:29 p.m.

APPROVED:

BRIAN C. BLAD, MAYOR

ATTEST AND PREPARED BY:

RUTH NEWSOM, CITY CLERK