

## Memorandum

**TO:** Mayor and City Council

**From:** Austin Gilley, City Administrator

**RE:** Notes to accompany agenda packet for City Council meeting **Monday, April 3, 2017**

### Presentations

*2018 Budget: Big-expense list, City Administrator (p. 13)*

Included in the packet is a worksheet for big expense items. I will plan to review this information in detail at the meeting. Below is the 2018 Budget Schedule.

Meeting	Topic	Notes
January 17	Budget Process	Last year I received feedback that the process did not work
February 6	Financial Review	Review 2016, debt service, and personnel expenses
February 21	Compensation Review	Review of market data
March 6	Priority List	Review of priorities, add/remove, and rank items
March 20	Priority List	Continued
<b>April 3</b>	<b>"Big Expenses"</b>	<b>Using direction on priorities, compile a tentative list of capital projects and equipment needs</b>
April 17	"Big Expenses"	Continued
May 1	Utility Operations	Review water and sewer operation plans
May 15	Utility Rate Review	Update third-party rate review, confirm multi-year approach
June 5	Police, Library	Review police department and library operation plans
June 19	Streets	Review street maintenance plans
July 3	Fee Schedule	Review and adopt fee schedule for upcoming year
July 17	Property Tax Funds	Keep in mind new tax lid law is in effect
August 7	Public Hearing, Adoption	

### *Class of 2017 request for donation*

Parent representative Larry Carlson asked that the Class of 2017 be allowed to present a formal request to the Council regarding support of the annual graduation party.

### **Consent Agenda (Minutes, Claims, Routine Business)**

*Council Expense Approval Report (p. 4 to 12 of 23)*

If you have any questions about any specific payment, please feel free to contact me prior to the meeting for more information. If there are any items that you believe deserve further consideration or debate by Council, those items can be added to the agenda at the meeting.

### **Action Items**

*1: Resolution for 2017/2018 Council Project Priority List (Vote required) (p. 14)*

Included in the packet on page 14 is a resolution to confirm and document the Council's project priorities for 2017/2018. Having priorities clearly expressed is a tremendous help to staff to help focus City resources. I appreciate this effort and direction.

*2: Consensus direction on big-expense list for 2018 Budget (Discussion)*

I suspect that many of the questions regarding the worksheet will be addressed in the presentation. This item is included on the agenda to seek consensus direction on what was presented and how the Council would like to proceed.

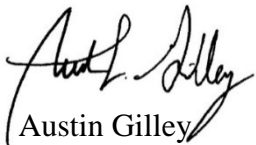
*3: Donation to Class of 2017 (Vote required)*

Staff advises that the City Council has made donations each year in the recent past of at least \$500. Depending on the Council's desire, there might be another approach to this. It may be a good opportunity for students to gain the experience of asking for and justifying the expenditure of taxpayer funds. An alternative approach might be to make this funding part of a Police Department community outreach program – essentially, increase the Police Department's budget to accommodate this program and it becomes a clear and direct part of operations instead of an annual donation request.

*4: Approval of service contract for Anue System (Vote required) (p. 15)*

The City needs an agreement with Anue Water Technologies for the contracted maintenance of the Anue Ozone system installed in 2014 and located at Strode Lift Station. We had a warranty failure last year with the ozone sensor. They were able to warranty the part, but the labor and travel expenses were \$3,097.22. This ozone system is essential for the treatment of H<sub>2</sub>S (hydrogen sulfide gas) which is highly corrosive, poisonous, and flammable. H<sub>2</sub>S gas can become fatal to human beings at 320 ppm, and these levels can be reached within hours during warm temperatures without the Anue treatment. Also without treatment we were seeing electrical and communications system parts and wiring fail within a week or two. The City does not have the resources to maintain this system without help as these systems are fairly rare and specialized. This agreement is for one (1) year at a price of \$1,449 per quarter for a total \$5,796 per year. This includes all necessary parts, labor and travel expenses, as well as remote monitoring for the system. Maintaining this equipment is not only essential for sewer operations but also for the health and safety of all operators, contractors, and residents who may come into contact with this. We have a separate maintenance agreement with Kaeser Compressors for the maintenance of the compressor which makes the air for the system. While this is an operations issue, at this price City Council rules require City Council approval.

Thank you,



Austin Gilley  
City Administrator  
austin@cityofrosehill.com