

**NOTICE OF A WORK SESSION OF THE  
THATCHER TOWN COUNCIL  
May 4, 2020**

Councilmembers present: Mayor Bob Rivera, Vice Mayor Allen, Councilman Rapier, Councilwoman Smith, Councilman Welker, Councilwoman Howard

Councilmembers absent: Councilman Bryce

Staff present: Town Manager Heath Brown, Town Attorney Matt Clifford, Police Chief Shaffen Woods, Deputy Clerk Michelle Mortensen, Engineer Tech Gary Allred

Visitors: David Bell

**AGENDA**

Welcome and Call Meeting to Order by Mayor Rivera at 6:30 p.m. He thanked everyone for attending the Zoom meeting and stated that there was a quorum.

**NEW BUSINESS:**

A. Sewer System CCTV and Cleaning Bid Award

Mr. Brown explained that we bid this out and put \$25,000 in this year's budget, but when we got the bids in, they were about double that amount. Mr. Palmer stated that the high bid was Ames for \$66,000 and the low was Hoffman Southwest for \$55,200. Mr. Brown stated that we recommend that we award the bid and pay \$25,000 out of this year's budget and put the remainder in next year's budget. Mr. Palmer explained that it is covering from 1<sup>st</sup> Street to Church Street and from Reay Lane to High School. While it seems like a lot, we haven't done it ever, so we are way behind on our testing. This would give us a jump so that we don't have significant issues on our sewer system down the road. Councilman Rapier agreed.

Councilman Welker said if we have capacity then we should spend the money for it now. Mr. Palmer mentioned that they need to be able to do the work now too, we can't pay for work that hasn't been done. Mr. Brown mentioned that whatever fiscal year the award is contracted, is when the money gets assigned. Councilwoman Howard asked about the vehicle still sitting in the sewer fund. Mr. Brown explained that the vehicle has been ordered but the plant that makes the trucks has been shut down so we are still waiting for the plant to open before we will get that truck. So, we are not receiving the truck this year. Motion was made

by Councilwoman Howard to award the bid to Hoffman Southwest and to utilize the vehicle money to make up the cost and was seconded by Councilman Rapier. Motion carries unanimously.

**BUDGET WORK SESSION:**

A. 2020/21 Revenue's

Mr. Brown explained that this is the most important meeting of the year. The first thing I want to go over is the revenues. What I am showing you is what the revenues would have been had COVID 19 never happened. My strategy for this budget is only the basics, but there are a few things in there that we would be able to pull out. Mr. Brown stated that I am looking at this budget as hopeful, so we won't be in the red. Councilman Welker stated, you have given us different scenarios and we will have some different options to weigh as we go along. Councilman Rapier stated that we are going to be \$750,000 over what we expected to be this year in projections for revenue for 2019-2020, so no matter what happens I think we are in good shape.

B. 2020/21 Preliminary Budget

Mr. Brown explained that under the Mayor and Council budget, he increased the auditor budget so that we can bring in a financial person to come in and help us make sure everything is on track. Dues and subscriptions went up because we added the Employers Council who helped us do our employee handbook. I also added business assistance. We are going to be helping Goodman's with their driveway so this may or may not get spent each year. Vice Mayor Allen asked if the summer library is going to happen. Mr. Brown stated that it probably won't happen.

Mr. Brown proposed that he would like to eliminate the step system that we currently have for raises and implement a salary range for each position without having the steps to lock them in. I propose a 2.5% merit raise. Once you hit the top of your pay range, you wouldn't get any more. He also proposed a cost of living increase by averaging the figures of different scenarios and came up with a 1.5% cost of living increase. Mr. Brown explained that employees wouldn't automatically receive their merit increase, it would be based on their annual review. On health insurance, we got a letter from our broker and it looks as though we will have a minimal increase. The computer software is a big increase, because of new antivirus software, Windows 10, a new file backup solution, and a new server.

Under magistrate, he increased the budget for building materials and supplies to add security cameras. Other than salaries, there isn't much of a change. Under parks and recreation, the salary is bigger because I have moved Gumer to parks and recreation. The big increase here is under cemetery. We want to do a facelift

and plant some trees, so there is money for trees and irrigation. This is one item that we could pull or scale down if need be.

Under police department, the public safety retirement went up 1%. There is money for a new vehicle. Chief Woods mentioned that ADOT has a state hosted system which will have a fee which will be between \$5-10,000. The last patrol car build that we did was \$52,000 so the amount we have budgeted will probably have to be increased. He explained that we have eleven officers now and three are currently eligible for retirement and six will be able to retire in the next few years. Detective Curtis will be retiring in January. We would like to hire a new patrol officer and promote someone to the office of a detective. It does take two to three months to hire someone. Councilwoman Howard asked how soon we need to hire someone. Chief Woods stated that I would like to start this process in September.

Under fire department there isn't a lot of change. There is a decrease in machinery and equipment and radios. Vice Mayor Allen asked what type of radios we are asking for. I spoke with Scott Hatch and he mentioned that there is no reason to go the digital route. Everyone is using analog. Chief Woods mentioned that if you are using federal money, they require you to buy digital. If it is the town money, then you can buy whatever you want. Mayor Rivera asked about the turnouts. Mr. Brown mentioned that on Chief Payne's wish list he has eight sets of turn outs which would cost \$26,000.

Under the shop budget, it is very similar to last year. Under the street budget, I left \$80,000 for street maintenance. Vice Mayor Allen asked if projects were different then maintenance. Mr. Brown explained that maintenance would be pothole and crack sealing. Under community development not a lot has changed.

Mr. Brown stated that under the new park I would like to explain where we are at and what we would like to accomplish by the end of next year. We will have the grass planted by the end of this fiscal year. In 2020-21 we would like to get the trees planted, irrigation in for those, the restroom built, the multi-use path with exercise machines along the path and parking lots put in. Then the park would be usable. The cost would be \$310,000 to get those things done. Vice Mayor Allen asked what feedback have you received about a dog park, because I am only hearing negative things? Mayor Rivera and Councilwoman Howard have heard many positive things. Councilman Rapier mentioned that unless we are ready to enforce clean up then I'm not in favor of it. Mr. Brown mentioned that we can give it our best. Chief Woods mentioned that we only have eighteen dogs registered in Town. Mr. Brown stated that we need to change the mentality of our Town with dogs. Vice Mayor Allen stated that I think we need to prioritize human needs first. Mayor Rivera stated that he thinks we need to stick with the plan.

I have left the PSPRS amount at \$0. I want the company that we have been

working with to help us determine what amount we need to pay over a period of years to pay down our unfunded liability. This number would come out of savings. I don't think we should do anything crazy, but I think we should put some extra towards this. Vice Mayor Allen asked if we could consider using some money out of the contingency fund every year. That might make it easier to pay down. Councilman Welker stated that I really like this idea. I like the idea of addressing this every year. If our economy tanks, do we really want to pay this off and get punished for doing that. Vice Mayor Allen stated that I think we should keep the amount at \$0 and relook at it every year.

Mr. Brown said that with the HURF money we will stick with the same fog sealing, chip sealing, and overlay. Sanitation is the one that struggles the most to break even. Councilwoman Howard mentioned that doing the cameras will probably show us some things that need to be fixed so we need to start planning for that. We bought a lot of more waste containers than we budgeted for last year with all the new construction going on. The salary increase in sewer is for a new park person. Councilwoman Smith asked why we don't want to put them under the park budget. Mr. Brown explained that a lot of the numbers under sewer is bloated, so there is more money here than in the general fund. Councilwoman Howard mentioned that I don't feel right subsidizing from a restricted fund. Councilman Welker asked if we could move money from one of the funds into the general fund. Mr. Brown stated that the auditors have told us that we can as long it is council approved. Councilman Welker mentioned that I would run this by our auditors because our numbers are going to fluctuate.

Councilwoman Howard mentioned that I am not seeing the franchise fees. We can pay the general fund for the infrastructure that runs under the street. I suggest that you get with the auditors to see about moving franchise fees to the general fund and then moving everyone next year. Councilman Rapier suggested that they place Arnold's replacement under parks where he belongs instead of under sewer.

Mr. Brown explained that the sewer on Reay Lane is too shallow from the bottom of the hill to the railroad tracks. It is too shallow to service certain areas and Ben Allred is going to be building a subdivision in that area. What we propose to do is go up to the railroad tracks where there is a dropped manhole and build a new sewer line at the depth that would serve the area. We do that on the Town's dime and then add a buy back rate for anyone who hooks into the sewer. This would cost us about \$50,000 assuming the Town does the work and then we could make our money back. The Town would come up with a price for anyone that ties into that line. Vice Mayor Allen stated that I think this is a no brainer. Councilman Rapier stated that I think we all agree on what we want to do here if we are being transparent. Mr. Brown mentioned that we will come up with a document that supports this and bring it back to council.

Under the electric department I decreased the expected revenue because I think I

overestimated last year. I put a little more money in meters so that we can get some more electric automated meters put in. Vice Mayor Allen asked when we are going to swap all the lights with LED ones. Mr. Brown stated that we really haven't planned that out, but I will get with Reo.

C. Capital Improvement Plan

Mr. Brown explained that Tom, Gary, and I came up with a list of potential items that we would start from. I would like to put an amount into a grant program for businesses and/or homeowners to apply for a grant to improve the area along Highway 70. Councilman Rapier stated yes and maybe we can figure out the details later. When Mr. Brown mentioned donating money to the substance abuse program and Mayor Rivera stated that he would like that to happen. Mr. Brown mentioned, what if we come up with a few things that we as staff think is important and then you as a council come up with a list of what is most important to you as far as a five-year plan.

D. Reay Lane Sewer Extension

Discussed Above

E. 2020/21 Budget Strategy Related to Uncertain Revenue

Discussed Above

F. Other Discussion Items as Needed

None

**ADJOURNMENT**

Motion was made by Councilwoman Smith and seconded by Councilwoman Howard at 9:09 to adjourn the meeting. Motion carries unanimously.

APPROVED:

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Michelle Mortensen, Deputy Clerk

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Bob Rivera, Mayor

**CERTIFICATION**

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the work session of the Town Council of the Town of Thatcher held on this 4<sup>th</sup> day of May 2020. I further certify that the meeting was duly called and held and that a quorum was present.

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Michelle Mortensen, Deputy Clerk