

**HAMLET CITY COUNCIL
BUDGET WORK SESSION
COUNCIL CHAMBERS ROOM
201 MAIN STREET, HAMLET, NC 28345
TUESDAY, MARCH 28, 2023
5:30 PM
MINUTES**

Staff Present:

City Manager	Matthew Christian
City Clerk	Gail Strickland
Finance Officer	Edna Miles

Others Present: Chris McDonald

1. Call to Order

Mayor Bayless called the meeting to order at 5:30 pm.

2. Adoption of Agenda

Council Member Covington motioned to adopt the Agenda. Council Member Sellers provided the second. The vote was 5-0.

3. Approval of Minutes for March 14, 2023 Regular and Closed Session Meetings.

Council Member Covington motioned to adopt the Minutes. Council Member Sellers provided the second. The vote was 5-0.

4. Budget Work Session

City Manager Matt Christian distributed a Handout of the PowerPoint Presentation (Attachment A) to Council.

Slide 1: Title Page

Slide 2: Agenda

Slide 3 - Fund Balance 2017-2022

The Manager reviewed the Fund Balance for the past 5 years. He noted the last 2 years have an increasing trend, primarily due to the revenue uncertainty caused by the sales tax distribution change, the lack of capital expenditures and the last-minute decision of the County to give funding. In the current year, the County has shifted to a Grant System for the City to receive revenues. He has submitted the City's request for Parks and Recreation and Senior Center Funding but has not received a response at this time.

Slide 4 – Current Year Snapshot

Mr. Christian explained if the City's fiscal year closed today, the City would put \$107,769.00 from General Fund in the Fund Balance, but the Enterprise Fund would spend \$469,255.00 of the Fund Balance. He reminded Council that the Enterprise Fund lags behind a month due to the billing and payment cycle.

Slide 5 – General Fund Revenues by Source

The City Manager advised 80% of the General Fund Revenues are from 4 sources but the City only has control of its property tax. He pointed out the ABC & Excise Revenues and Investment Income have increased substantially. Council discussed the City's property tax collection rate and the upcoming County re-evaluations for property taxes. Also discussed were the services the City continues to subsidize to County residents.

Slide 6 – Enterprise Fund Revenues by Source

Mr. Christian reported the water and sewer rates have not increased since 2018, both of which are the main drivers for revenue for the Enterprise Fund. Council questioned the 4% Other Revenues shown on the chart. The Manager advised he would send the information to Council.

Slide 7 and Attachment – Department Requests and Manager Recommendations and Attachment

The Manager advised this slide shows the Department Requests for the General Fund and Enterprise Fund. He stated Staff only requested essential items. The slide also shows his recommendation for each Fund. In the General Fund, the requests totaled \$1,062,078.00; he recommended purchases for \$695,044.00. Staff is waiting on quotes for some items not listed. The attachment gives details of each department, cost, fund, operational or capital purchase, his recommendation, and a description of the request. In the Enterprise Fund, the requests totaled \$103,500.00; he recommended funding all the purchases.

Slide 8– Department Requests and Manager Recommendations

The information provided in this slide is the General Fund Requests by Operational and Capital types along with the Manager's recommendation for each type. Most of the requests in the General Fund and all of the requests in the Enterprise Fund are for one time Capital purchases.

Slide 9 – Department Request & Manager Recommendations

The recommendations of the City Manager are listed on this slide. Council discussed the pier repairs. Council Member Martin inquired if the bridge would be moved at the City Lake. Mr. Christian explained, Council had discussed the idea, and the City applied for a grant. It was not funded, but the City will re-apply and move forward if the funding is awarded. He reported the bridge was closed last year due to safety concerns. The Board discussed if the estimate for the pier reconstruction included the canopy at the end. The Manager advised he would check with Staff and report back to them. Council discussed painting the Public Works Building, adding a building at Public Works to house larger equipment, and the need for a building at the firing range. The Mayor questioned why the smoke detectors at the Senior Center were not included in the Manager's recommendations. Mr. Christian answered he needed more information from the Director to make the assessment. Also discussed was the remodel of the Fire Department bathroom.

Slide 10 – Operation Assessment: Public Works

Mr. Christian reminded Council of their previous discussion of operational concerns in January when they requested information on how the various crews spend their time when not running routes. The slide displays the current Organizational Chart for the Public Works Department that was adopted in 2022. The garbage crew has 6 people, 3 trucks with 2 people on each truck. Household routes are ran on Tuesday – Thursday and commercial on Friday. Monday is a flex day. The Chart does not show what is currently being done. The leaf and limb crew leader actually works at the landfill and operates the knuckle boom truck. There is another leaf and limb crew leader that operates with a team of six.

Slide 11 – Operation Assessment: Public Works

This slide shows recommended changes in the Organizational Chart acknowledging the landfill is a full-time position. He and Robert Brown have discussed putting the street sweeper position in the street department.

Slide 12 – Operation Assessment: Public Works

Council Member McQueen inquired on a typical Monday flex day. The Manager reported, currently, on Mondays the garbage crews are working on the streets. Household garbage is collected Tuesday – Thursday and commercial garbage on Friday. Monday can consist of hauling dirt to the landfill, assisting with leaf and limb or cleaning sidewalks. The leaf and limb crews currently run routes on Monday – Wednesday, the same routes the garbage trucks run and pick up County (bulk items) on Thursday and Friday. The landfill operator maintains the landfill daily. Mayor Bayless inquired if the City has 2 knuckle boom trucks. Mr. Christian responded he will get the answer to Council.

Slide 13– Operation Assessment: Public Works

The recommendations for changes are shown on this slide. The Manager reported when the leaf and limb trucks run their routes, there are 3 crews and 3 routes. When they have completed their route, they start the route again Monday – Wednesday. He and Robert are recommending the leaf and limb crews sync with the garbage routes and run Tuesday – Thursday and only run once. Then the leaf and limb crews can shift to the streets for projects. Also recommended is to move the street sweeper to the leaf and limb crew and create a Landfill Operator Position. The advantages to syncing the leaf and limb routes with the garbage routes are that it frees up Mondays, develops a “One Team” mentality and allows crews to assist other routes if they are behind. Council Member McQueen said it was worth having a conversation about changing the garbage crews. He suggested instead of 3 trucks, 2 people, 4 days, to change to 2 trucks, 2 people, 5 days. Mr. McQueen felt the change would be a huge relief of expenditure. He asked the Manager to find out how much down time the garbage crews have, if they leave out when they come to work, if they are finishing the routes at noon and if they do something else after lunch. He said by eliminating 1 truck, the crew could shift to other duties. Council Member Covington stated she liked the idea of having the crews accomplish something other than picking up garbage, leaf and limbs; they could take on large projects. Mr. Christian responded it was worth considering and he and staff are always open to ideas. He said, to answer Council Member McQueen’s question of duties after garbage is collected, he answered they shift to other duties, county first and then streets. Mr. McQueen responded he was not questioning what they were doing, but if the changes would work, it would not be shifting the employees; it would be repositioning them. Mr. Christian advised he and Staff will study the suggestions and report back.

Slide 14 – Operation Assessment: Garbage Rates

Mr. Christian reminded Council they have discussed the need to purchase a new garbage truck and also previously discussed increases in garbage rates. The chart, from last year, shows the current rates and the recommended increase in rates. Current rates generate \$335,000.00 in revenue. For FY23, the total budget for garbage is \$460,000.00, creating a \$125,000.00 loss. The purchase of a garbage truck has been added to the FY24 budget increasing it to \$640,000.00. With revenues remaining at \$335,000.00, the loss increases to \$305,000.00. Council discussed the last garbage truck purchased was in 2019 and the City does not have a spare. The Manager reviewed the increases recommended last year, saying they would close the gap in the loss of revenue and make us comparable to Rockingham. Hamlet will offer 2 cans picked up once weekly for \$20.00 where Rockingham offers 1 can pick up twice weekly for the same amount. Council Member McQueen suggested comparing the rates with other municipalities. Mr. McQueen stated he could not support an increase in garbage rates when the City is adding to the Fund Balance in both the General Fund and Enterprise Fund. Council Member Covington responded all services

in the City should be self-supporting. Mr. Christian responded the addition to the Fund Balance was due to 1 and a half years where no capital purchases were made and last fiscal year when only necessities were purchased. A significant cut in spending pushed the trend. The City needs to look at its future needs and what tools it can use to increase revenue to cover the expenses. The only 2 tools the City has in the General Fund are property taxes and garbage rates. He added the discussion can continue through the budget process. Council Member McQueen questioned what revenue would be generated if the second can was charged the full price. The City Manager will get that information and send it to Council.

Slide 15 – Operational Assessment: Public Utilities

This slide shows the Organization Chart that was adopted last year. The Manager reviewed the Chart with Council.

Slide 16 – Operational Assessment: Public Utilities

This slide shows an amended Organization Chart more future oriented. Part of this Chart is dependent on the discussion of water meters. It shows the suggested organization if the City is less reliant on manual read water meters. The water meter readers would shift into the field crews. It would give each Public Utility Director a person over each specific area of the department. Instead of having a team of 5 and a team of 3, it would shift to 2 teams of 4. Mayor Bayless inquired on the number of utility field techs that would be needed if the City went to smart meters. The Manager answered that the meter readers would be shifted to utility field techs. They would still be needed to work on the technology of the system. At his time, the consideration is to shift the meter readers into other positions, but the number could be reduced.

Slide 17 – Operational Assessment: Water Meters – Estimated Costs

The Manager explained the Chart shows a rough cost estimate of what it would take to implement a smart meter system for the entire city. The estimate is for full replacement of roughly more than 4500 meters. Mr. Christian said the main thing to consider is the cost of the meters at \$591,697.00. He gave the illustration that the replacement of 3763 residential meters, using the current type, at a cost of \$120.00 each would be \$451,560.00, a difference of only 15-20%. The additional cost comes in the infrastructure and services; the \$334,000.00 for labor is a one-time cost. We would have to do it periodically but on a smaller scale or do in-house. It would be challenging to do a project of this scale, with our resources in one project. It would have to be broken up in 3 years or more. Council Member Covington inquired if the professional costs were a one-time cost. The Manager explained the company that provided the estimates offers on-going professional services. The City would need the support in the beginning and then determine future services. Mrs. Covington asked about the software cost and contingency cost. Mr. Christian replied the software cost would be an annual payment for the license; the contingency is to capture the uncertainty of the project, mainly the unknown of the various meter sizes. Council Member Covington inquired if the network cost was one time. The Manager answered parts of it. He added the meters and transmitters have a full 10-year warranty and a 10-year pro-rated warranty. Mrs. Covington stated they could amortize the cost of the network and meters over a 10-year period, which would be \$120,000.00 annually. Mayor Bayless stated the City should see an increase in billed water. Mr. Christian confirmed. Council Member Covington said they have been comparing the up-front cost which is really a 10-year cost. They need to amortize the up-front cost over the life of the project and then compare the cost to the annual savings; it will shift the dynamics of the comparison. The Manager agreed that was the correct way to think about it.

Slide 18 – Operation Assessment: Water Meters- Estimated Benefits

Mr. Christian said the "Smart Meter" Project is a significant investment and on-going. He added water meters have a useful life and many of our existing meters are well beyond that. The company assisting the Manager with the information provided the estimated "Smart Meter Benefits", based on assumptions, as follows: Direct Cash Benefit \$190,740.00, Indirect Benefits- Efficiencies, Meter Reader Cost Reductions, and Billing Staff Hours \$207,525.00 and 15 Year Debt Service, on \$2,000,000.00 at 5.25%, \$186,900.00. The point of the comparison is that the project is cash-positive plus provides over \$200,000.00 in operational efficiencies and benefits. Mr. Christian stated this system is referred to as an AMI system. An alternative is an AMR which is a drive-by and radio read system where the information is brought back. The cost difference is 5% - 10%. He also informed Council that Staff reached out to their usual water meter supplier and were informed they will be phasing out the meter type the City currently uses. It will be replaced with a meter with a transmitter for \$300.00. They were told manual read meters are no longer being installed. Council Member McQueen inquired if the current meters were available from another vendor. Mr. Christian answered they have only checked with the one vendor. He said the smart meters were worth considering for the future and how the City will provide the most accurate service and best service to the customers. This is a constant uplink of meter reading information. We can read a meter, get a graph, determine when leaks occur, proactively reach out to customers, and read meters in one day. Instead of being 3 people, 5 days a week, 8 hours a day, the reading function turns into a matter of minutes. There would still be fieldwork to solve any issues.

Unmetered Facilities

Council Member Covington inquired if meters would be installed on the unmetered facilities. The Manager replied he had spoken with Robert Brown. They have a list and are working on the feasibility of metering them; the goal would be to meter all facilities. Mrs. Covington inquired if all the housing projects are individually metered. Mr. Christian answered meters are different in different developments; some of the smaller developments are not individually metered and the one on Hwy 177 North is not metered. Staff is actively working on that issue. Council Member Covington stated, unless there is some contractual arrangement, they all need to be metered. The Manager stated they will have a discussion with Hamlet Housing. One solution is to have a master meter. If done individually, it will increase the cost. He said the tenants are paying the minimum water bill. Council Member McQueen stated this is part of the water the City thought it was losing. Mr. Christian stated he was unaware of the situation until last week. He added there is a meter vault and a meter. He doesn't know if it is reading properly and if it is being read. Council Member Martin inquired if there was a meter and if the City was receiving any payment. Mr. McQueen answered the City is receiving the minimum. The Manager advised he has had conversations with Staff and gave direction that where we can meter, we must meter, and we must read the meters to know the amount of water to know the loss. Mr. McQueen stated the City needs to know if the meters are being read and what are the readings. The Manager replied he will have the information as soon as Staff reports back. Council Member Stuart asked for the minimum water bill rate. Council Member Covington replied \$47.00 for water, sewer, and trash pick-up. Council Member McQueen requested to have the number of housing developments, apartment complexes, duplexes, and trailer parks that are not metered before the next meeting. Mr. Christian stated he will have the information. He also said, obviously, we can't responsibly set a rate for our water until we know what is going on in our system. Smart meters would help with that.

Slide 19 – ARPA Funds

The City Manager reported the City received over \$2 million in ARPA Funds. Completed projects total \$905,223.00, allocated \$54,604.00 not yet spent, and unallocated \$1,056,890.00. The money must be allocated by December 2024 and spent within the following 2 years. Council needs to determine where they want to spend the remaining ARPA Funds by the end of the next calendar year. Council Member

McQueen inquired if there were any stipulations. When the Manager stated there were no stipulations, Mr. McQueen suggested rebuilding the pier before the July 4th events. Mr. Christian said the funding would help get the water meter project started; he added that was a threat to the City. We have 1 meter reader, with over 40 years of experience, that is retiring this year. He felt it is time to put the money to use. Mr. Christian stated, administratively, the smaller projects are hard to account for. He suggested looking at large projects. Mayor Bayless inquired if the money could be used for the ball fields and City Lake. Council Member Covington said the funds need to be used for projects that will generate revenue for the City. Council Member McQueen felt the City should settle the issue with the unmetered facilities and get agreements to them. The Manager responded that the City needs to re-evaluate the agreements and determine the feasibility of metering the facilities. Mr. Christian has seen a very old agreement, but he is not sure what properties it covers and what it contemplates. The agreement says the City gets a payment in lieu of property taxes. He is not sure if the water issue is included; he plans to discuss the issue with the Attorney.

Mayor Bayless questioned the \$14,818.00 for the Fire Truck. The Manager explained that was the remaining amount from what was allocated. The Fire Department is still equipping it and striping it.

The Mayor inquired on the phones. Mr. Christian explained the phone replacement is a difficult project. The phone system relies on the internet and the City's current internet cannot handle the load of an internet-based phone.

Council Member McQueen said he was not advocating spending the \$1 million on budgetary items, but some of the ARPA money could be used for the projects they have discussed. The City Manager stated they have used the money to make projects happen that needed to happen. It is Council's discretion of how to spend the money. They can make a motion. It would have to go through the procurement process. He advised the purchase of a digital sign was previously approved but purchased in the Operational Budget. It has a line item that could be revised and increased for a new project title and amount if Council wishes.

Slide 20 – Summary

The City Manager reviewed the Summary Slide, noting the topics discussed in the Work Session. Council Member Covington inquired on the timeframe to have the smart meters installed. Mr. Christian reported if Council chose to move forward with the project, the company would subcontract and install the meters in batches; then the networking would be installed. He felt the project could be completed in less than a year.

Other Concerns

Council Member Martin discussed a phone call he received from a woman saying the City was planting crepe myrtle trees on Hamlet Avenue and Main Street. The caller told him Pat Maples said someone gave \$1,000.00 for the trees. He asked if the City was planting trees. Council Member Sellers, whose wife previously served on the Tree Board, reported Bobby Singletary gave the Tree Board \$1,000.00 for trees, but the Tree Board kept changing their plans and was unsure of who would maintain them. Mr. Martin asked if the City has to give permission to plant. The City Manager responded when he first came to work for the City, 3 years ago, he discussed planting trees with Bernice Owens. She stated they did not need anything from the City. Mr. Martin asked if they wanted to plant, could they. Council Member Covington answered they want to give them to the City to plant and maintain. Mr. Christian displayed a letter he wrote to Mrs. Hadinger and Mrs. Norton advising the Tree Board could plant 14 trees on Hamlet Avenue, but Main Street is a NCDOT Street and permission would need to be obtained from them. He reminded

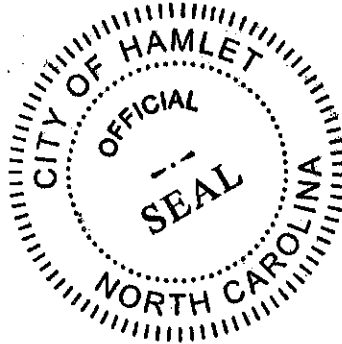
Council that the City has received a grant from the State for \$125,000.00 for Streetscape Improvements. Plans will include benches, planters and trashcans. There will be money for trees once the City gets the final design. He encouraged the Tree Board to come speak to him to co-ordinate their plans with the City. They may be able to do a lot more.

5. Motion to Adjourn

At 7:25 pm, Council Members Sellers and Martin provided the motion and second to adjourn the meeting. The vote was 5-0.

Respectfully submitted,


Gail M. Strickland, City Clerk



Hamlet City Council

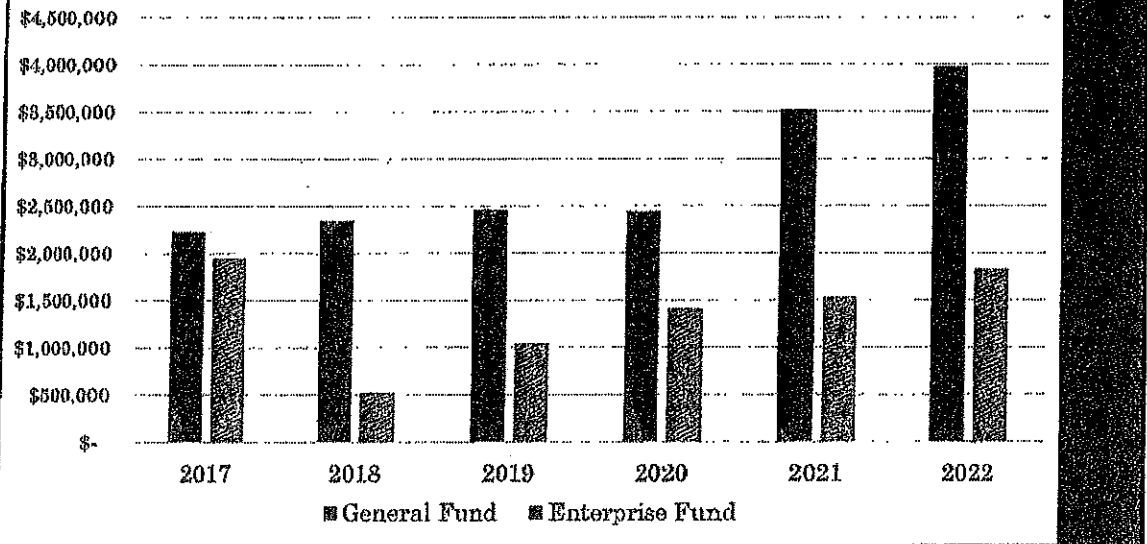
Budget Work Session

March 2023

Agenda

- Fund Balance Overview
- Current Year Snapshot
- Department Requests & Manager Recommendations
- Revenues by Fund and Source
- Operational Assessments
 - Public Works
 - Garbage Rates
 - Public Utilities
 - Water Meters
- ARPA Fund
- Summary

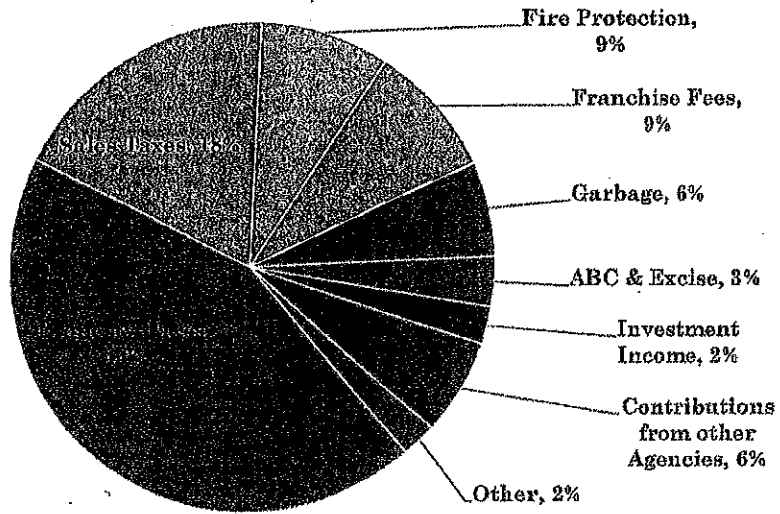
Fund Balance 2017-2022



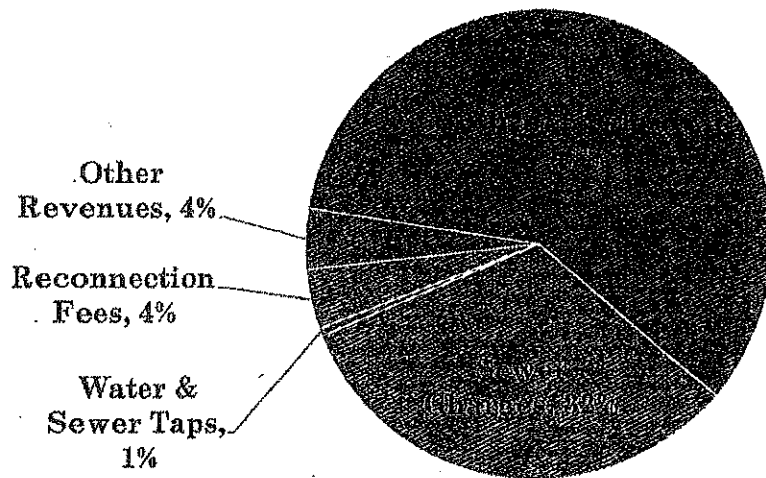
Current Year Snapshot

<u>FY23 YTD</u>	<u>Budget</u>	<u>YTD</u>	<u>Variance</u>	<u>Percent</u>
GENERAL FUND				
REVENUES \$	6,987,870 \$	4,607,840 \$	(2,380,030)	66%
EXPENSES				
\$	6,987,870 \$	4,500,071 \$	2,487,799	65%
		\$ 107,769		
ENTERPRISE FUND				
REVENUES \$	3,717,050 \$	2,120,731 \$	(1,596,319)	57%
EXPENSES				
\$	3,717,050 \$	2,589,987 \$	1,127,063	70%
		\$ (469,255)		

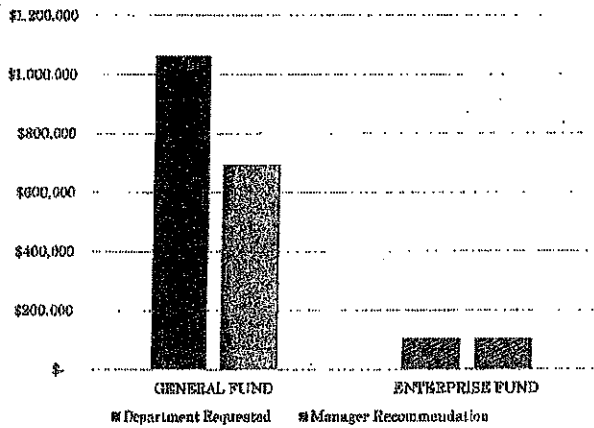
General Fund Revenues by Source



Enterprise Fund Revenues by Source



Department Requests & Manager Recommendations



GENERAL FUND REQUESTS

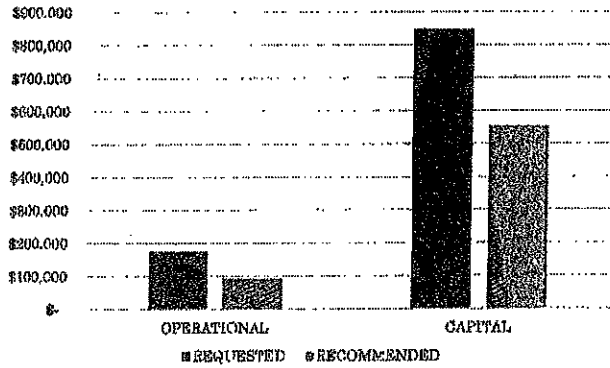
Department Requested	\$	1,062,078
Manager Recommendation	\$	695,044

ENTERPRISE FUND REQUESTS

Department Requested	\$	103,600
Manager Recommendation	\$	103,500

Department Requests & Manager Recommendations

GENERAL FUND REQUESTS
BY TYPE



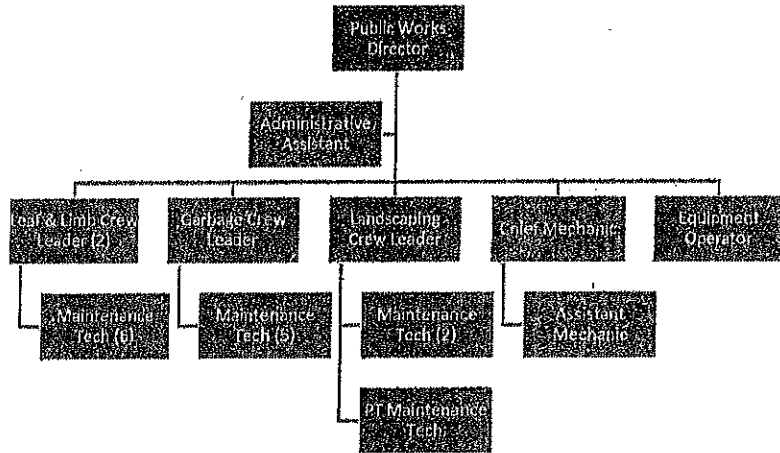
	REQUESTED	RECOMMENDED
OPERATIONAL	\$ 175,728	\$ 91,894
CAPITAL	\$ 847,860	\$ 652,610

Item Requested	Department	Cost	Fund	Type	Manager Recommended	Description
Full-time Planner	Administration	\$ 63,033	G	O	Y	
Full-time Assistant	Museum	\$ 28,861	G	O	Y	
Visitor Center Renovations	Museum	\$ 27,200	G	C	Y	Painting of visitor center display area & westside of depot
Truck	Maintenance	\$ 25,000	G	C	Y	To replace Chris Cheechov's truck
Renovations at Water Department	Maintenance	\$ 22,500	G	C	Y	Cabinets, Counters (Budgeted in Public Buildings M&R Buildings)
Full-time Public Safety Officer (non-sworn)	Police	\$ 49,500	G	O	Y	Animal Control, assist with code enforcement, civil assistance
3 Pole Cameras & 2 Floods	Police	\$ 24,000	G	C	Y	
Body Armor	Police	\$ 25,540	G	C	Y	(28) Level 4 lbs and helmets, (1) Shield
Police Vehicles	Police	\$ 90,000	G	C	Y	2 new Ford explorers plus accessories. Or could get Chevy Silverados and drop the price by \$12,000 (or Ford Rangers @ \$25,000 each)
CSI Equipment	Police	\$ 4,500	G	C	Y	
Barbines with MOA signs (6)	Police	\$ 10,700	G	C	Y	
In-Car Cameras	Police	\$ 20,000	G	C	Y	
Police	Police	\$ 50,000	G	C	Y	2 cameras (\$25,000 each)
Gas Masks	Police	\$ 8,000	G	C	Y	
Spot Sticks	Police	\$ 5,000	G	C	Y	
Blood Drying Kit	Police	\$ 4,500	G	C	Y	
Option 1 - 2023 Chevy Tahoe	Fire	\$ 56,300	G	C	Y	Tahoe \$43,000, \$1300 storage system in rear comp, \$9,800 lights, sirens, mounting equipment, radios and antennas
Option 2 - 2023 Ford Crew Cab 4x4	Fire	\$ 61,800	G	C	Y	F-250 \$45,000, \$7,000 camper shell and side out tray, \$9,800 lights, sirens, mounting equipment, radios and antennas
10 sections of 3" hose 100'	Fire	\$ 10,000	G	C	Y	Replace the 3" hose on T-4
Remodel Shower/bathroom	Fire	\$ 40,000	G	C	Y	Current bathroom/shower outdated, leaking, holes in floor
Tractor and bushhog	Streets and Hwys	\$ 70,000	G	C	Y	To replace old equipment sold at auction
Ford 450 Dump Body	Streets and Hwys	\$ 16,000	G	C	Y	Convert F450 Flatbed to F450 Dump Bed
Garbage Truck	Sanitation	\$ 180,000	G	C	Y	
Smoke detectors	Senior Center	\$ 3,200	G	C	Y	Hardwired smoke detectors
Full-time Assistant	Senior Center	\$ 34,244	G	O	Y	Increased participation, retention, full-time employee always present
New Floors	Senior Center		G	C	Y	
15 Passenger Van	Senior Center		G	C	Y	More handicap accessible
Scoreboards	Parks & Rec	\$ 10,340	G	C	Y	3 Baseball, 1 Football
Playground equipment	Parks & Rec	\$ 22,000	G	C	Y	Playground equipment at Convenience Corner (\$12,000 - \$22,000)
New Roof	Parks & Rec	\$ 49,800	G	C	Y	Replace roof at Memorial Park Gym
Lights at Baseball Field	Parks & Rec		G	C	Y	
Online Registering	Parks & Rec		G	C	Y	
New Pier	Parks & Rec	\$ 38,000	G	C	Y	Demolish and rebuild pier
Mower	Parks & Rec	\$ 12,000	G	C	Y	
Ford F250	Horticulture	\$ 62,000	E	C	Y	
Lawn Mower	WWTP	\$ 12,000	E	C	Y	
Lift Station Pumps	WWTP	\$ 9,500	E	C	Y	
Painting Exterior of City Shop	Waste Collections	\$ 20,000	E	C	Y	Dobbins Heights Pump Station replacement pump
	Trans & Distribution		E	C	Y	

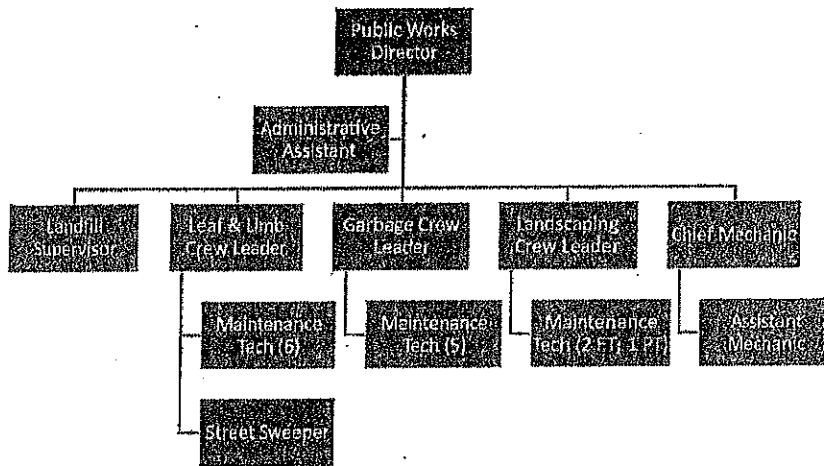
Department Requests & Manager Recommendations

- Recommended Operational Includes:
 - Full-time City Planner
 - Full-time Admin Assistant (Depot)
- Recommended Capital Includes
 - Garbage Truck (\$180,000)
 - 5 New Vehicles (\$233,300)
 - Memorial Gym Roof (\$49,800)
 - Remodel Fire Dept. Bathroom (\$40,000)
 - Rebuild City Lake Pier (\$33,000)
 - Paint Visitor Center Display Area (\$27,200)
 - Police Body Armor (\$25,540)
 - Paint City Shop Exterior (\$20,000)
 - Police CSI Equipment (\$10,000)
 - Football & Baseball Scoreboards (\$10,310)

Operational Assessment: Public Works



Operational Assessment: Public Works



Operational Assessment: Public Works

- Current Operations
 - Garbage – 3 trucks with 2 each
 - Monday – Streets
 - Tuesday, Wednesday, Thursday – Household
 - Friday – Commercial
 - Leaf & Limb
 - Monday, Tuesday, Wednesday – Running Routes
 - Thursday, Friday – Bulk Pickup (aka "County")
 - Landfill Operator – Maintains Landfill & Runs Knuckle Boom Truck
 - Street Sweeper
 - Runs Every Day

Operational Assessment: Public Works

- Recommended Changes

- Start Leaf & Limb on Tuesday
 - Only Run Routes Once (like garbage)
- Move Street Sweeper to Leaf & Limb Crew
 - Combines Effort & Coordination
- Create Landfill Operator Position
 - Designate Responsibility & Management

- Advantages

- Syncing up L&L with Garbage Allows for 12-14 Staff on Mondays
 - Team Projects
 - Support All Operations
 - Develop "One Team" Mentality

Operational Assessment: Garbage Rates

• Current Rates:

• Residential:

- \$10 per month – base
- \$3 per month – per extra can

• Commercial

- \$10 per month – base
- \$4 per month – per extra can

• Recommended Rates

• Residential:

- \$15 per month – base
- \$5 per month – per extra can

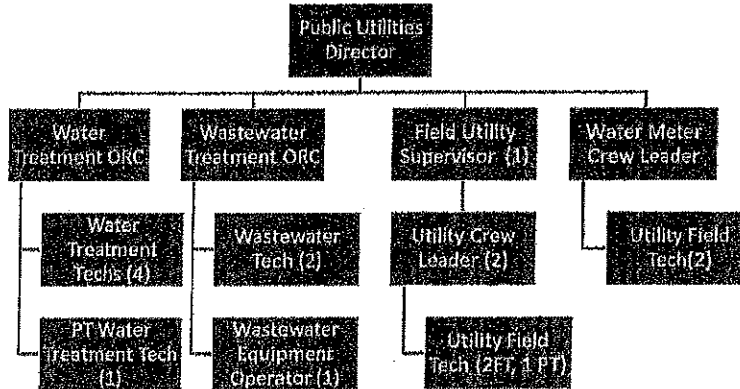
• Commercial

- \$20 per month – base
- \$5 per month – per extra can

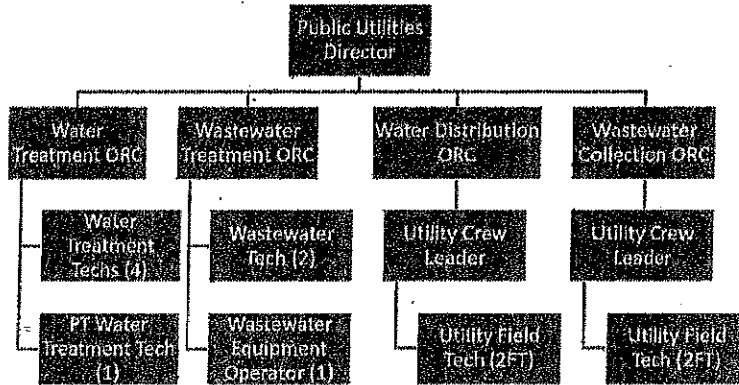
Year	Budget	Revenue	Diff
FY23	\$ 460,000	\$ 335,000	\$ (125,000)
FY24	\$ 640,000	\$ 335,000	\$ (305,000)
Total	\$ 1,100,000	\$ 670,000	\$ (430,000)

Type	New Revenue
Residential	\$ 154,284
Commercial	\$ 22,452
Total	\$ 176,736

Operational Assessment: Public Utilities



Operational Assessment: Public Utilities



Operational Assessment: Water Meters

• Estimated "Smart Meter" Costs

Network (Gateways, Transmitters)	\$642,440
Meters	\$591,697
Labor (Meter Installation)	\$334,519
Software	\$30,000
Professional Services (Program Management, Software Configuration, Bonding)	\$205,866
Contingency	\$180,452
Total	\$1,984,974

• Example of "Normal Meter" Cost

Meter Type	Size	Qty	Unit Cost	Total Cost
Residential	3/4"	3763	120 \$	451,560

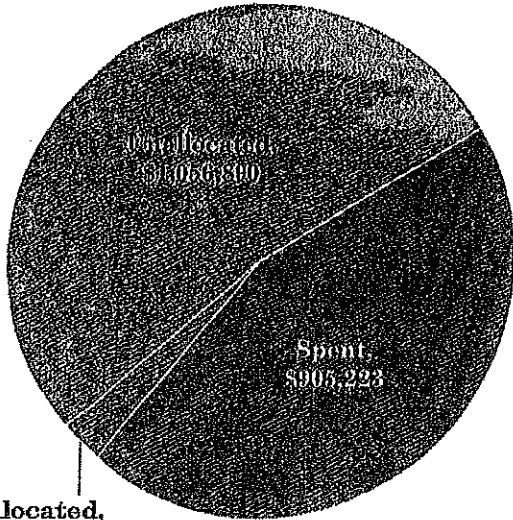
Operational Assessment: Water Meters

• Estimated "Smart Meter" Benefits

Direct Cash Benefit (6% Meter Under Registration from 75% of City Meters, Leak Adjustments, Fleet Costs, Collections)	\$190,740
Indirect Benefits- Efficiencies, Meter Reading Cost Reductions, Billing Staff Hours	\$207,525
15 Year Debt Service on \$2,000,000 at 5.25%	\$186,900

Project is cash-positive plus provides over \$200k in operational efficiencies and benefits.

ARPA Fund



Allocated,
\$54,604

Completed Projects	Amount
Premium Pay	\$ 425,979
Fire Truck	\$ 422,474
Bulldozer	\$ 26,328
Technology	\$ 30,442
Total	\$ 905,223

Allocated Projects	Amount
Phones	\$ 20,000
Technology	\$ 19,786
Fire Truck	\$ 14,818
Total	\$ 54,604

Summary

- Budget Requests Will Continue to Be Evaluated
- Revenue Uncertainty
- Garbage & Utility Rates Increases Should Be Considered
- Operational Improvement
 - Alter Leaf & Limb Schedule
 - Increase Flexibility and Teamwork
 - Advantages of "Smart Meters"
- ARPA Funds
 - Totally Discretionary
 - Manager Recommendation: use for "Smart Meters"