

making the tax cumulative; providing that the governing body may make administrative and technical changes which do not affect the tax rate; requiring approval of this ordinance by majority of the registered, qualified voters of the City voting at an election to be held for such purpose as provided by law; providing for codification; providing for severability of the provisions of this ordinance; providing for continuation of this ordinance in the event the purpose of revenue provision is declared invalid; providing for an effective date; and requiring the full text be published.

2. Consider approving an ordinance authorizing the calling and holding of an election on August 24, 2004, in the City of Lawton, State of Oklahoma, for the purpose of submitting to the registered qualified electors of said City the questions of the issuance of the bonds of said City in the sum of Fifteen Million Dollars (\$15,000,000) and to approve the continuation of a one and one-quarter percent (1.25%) sales tax for seven years to provide funds for the purpose of various capital improvements to the City of Lawton, upon all the taxable property in said City for the payment of the interest and principal on said bonds; providing for severability; declaring an emergency; and requiring the full text be published and take action as necessary.

Purcell said for the purposes of this ordinance, the following Council Members are present: Mr. Randy Bass, Mr. Rex Givens, Mr. Glenn Devine, Mr. Robert Shanklin, Mr. Jeffery Patton, Mr. Stanley Haywood, and Mr. Randy Warren.

MOTION by Patton, SECOND by Warren, to approve Ordinance 04-25 Lawton, State of Oklahoma, for the purpose of submitting to the registered qualified electors of said City the questions of the issuance of the bonds of said City in the sum of Fifteen Million Dollars (\$15,000,000) and to approve the continuation of a one and one-quarter percent (1.25%) sales tax for seven years to provide funds for the purpose of various capital improvements to the City of Lawton, upon all the taxable property in said City for the payment of the interest and principal on said bonds; providing for severability; declaring an emergency; and requiring the full text be published. AYE: Devine, Patton, Haywood, Warren, Bass, Givens. NAY: Shanklin. MOTION CARRIED.

Purcell said that ordinance passed 6 to 1.

(Title only)

Ordinance No. 04-25

An Ordinance authorizing the calling and holding of an election on August 24, 2004, in the City of Lawton, State of Oklahoma, for the purpose of submitting to the registered qualified electors of said City the questions of the issuance of the Bonds of said City in the sum of Fifteen Million Dollars (\$15,000,000) and to approve the continuation of a one and one-quarter percent (1.25%) Sales Tax for seven years to provide funds for the purpose of various Capital Improvements to the City of Lawton, upon all the taxable property in said City for the payment of the interest and principal on said Bonds; providing for severability; declaring an emergency; and requiring the full text be published.

Purcell asked for Section 8 to be read.

Fanning read Section 8 of the above ordinance at this time.

Purcell asked the roll to be called on the emergency.

Vote on the emergency clause of above ordinance was held at this time.

AYE: Patton, Haywood, Warren, Bass, Givens, Devine. NAY: Shanklin. MOTION CARRIED.

Purcell said the emergency passed 6 to 1.

3. Discussion of Preliminary Budget for FY 2004-2005.

Mitchell said he had a handout to give Council. One is a flow chart to give them information on the 5 year, 6 year, and 7 year plan and how they think the cash will come in and how we ll spend the money out, both for sales tax and ad valorem. The second handout is one the Engineering Department did, which gives a flow chart for each of the projects and how they might be scheduled. Obviously, all are subject to monies as they are collected and the priorities as Council deems necessary as we move forward once the ballot question is approved.

Mitchell said the budget includes 1.5 million dollars for the SE Water Treatment Plant, to be funded through a federal grant. The number that they have been using, 24 million dollars, includes that federal grant. Also, the Lake Dam Improvements and the Santa Fe Bridge projects, which Council has to be the last two funded, they think over the course of the seven years, between interest earned and additional sales tax collected, we ll have the funds to do these two projects. In the ad valorem projects, the Phase II Sewer Rehab Project, we are tentatively issuing \$4 million in bonds in 2006, \$4 million in 2008, and the balance of \$2.5 million in 2009, along with the Cameron Project and the Downtown Historic Preservation Project. Both the Cameron Project and the Downtown historic Preservation Project are conditional, subject to the projects being viable. The other pieces of the funding would be in place before we issue the bonds to dedicate our portion of the project.

Patton asked if Cameron is aware that we have that tentatively set.

Mitchell said this is a tentative list, just our impression of what could happen or what might occur.

Devine said these are not set in concrete. Mitchell said they were not. Council has the prerogative to move those projects up.

Patton restated his question to Dr. Ross, who was not in the room previously.

Dr. Ross said they are already in process of renovating 16,000 square feet of the old Physical Science Building, which will be the center for their project. Their hope was to expand that to further enhance the opportunity for Workforce and Economic Development. It is a separate existing structure as it is now, so we can add on to that at a later date.

Givens asked if 2009 didn't bother her. Ross said the sooner the better because we feel strongly about their obligation to try and enhance economic development in the City of Lawton and Southwest Oklahoma. The further the delay, the further that would hamper it.

Purcell said we show on the Phase II Sewer Rehab, \$4 million in 2006 and \$2.5 million in 2009. If it became necessary to help Cameron, we could reverse those and put the \$2.5 million in 2006 and the \$4 million in 2009.

Shanklin said we need to tell the people what we are going to do and when. We have always done that. Purcell said we had to wait until tonight to make sure no projects changed.

Givens asked if there was an entity doing the Central Jr. High project. Mitchell said if there was an entity, he would say it's the public schools.

Purcell said Council would take a five-minute recess at this time.

The Mayor and Council recessed at approximately 7:45 p.m. and reconvened in regular, open session at approximately 7:50 p.m. with roll call reflecting all members present, except Ewing-Holmstrom.

Patton said we have two 16 mowers for \$15,835 in Parks and Grounds and we have two 16 mowers in rolling stock out of the Athletic Maintenance. He asked if that was four mowers. Mitchell said yes.

Purcell said the list Council is looking at is what they wanted to add. We haven't agreed to any of these yet.

Devine said he knew that but asked if they weren't going to discuss them. Purcell said we are going to discuss them all, but first we need to discuss the nonbudgeted items first.

Mitchell said the first on the list is the General Employee pay adjustment. In the Preliminary Budget we put in 2% salary adjustment for all employees groups. He said now that we have a Police and Fire Contract, what would the Council like to do for the General Employees? He said they have a number of 2.5%, but if Council wanted to bump that adjustment up another half percent, it would cost approximately \$103,052.

Shanklin said they did that five years ago. That was going to carry the people through 10 years.

Purcell said about five years ago we did a new wage rate study because the General Employees, it was felt, were well below the market rate in the City of Lawton. We had an outside consultant come in and do a wage study.

They set up new guidelines for that year what the rates should be and came up with a plan. The Council, at that time, approved and because of that, different people got different pay raises. Some people got no pay raise, some got 15% pay raise, some might have got a 20% pay raise, there were all kinds of percentages, depending on the position.

Shanklin said since then, we've given them 10% more than we agreed to 5 years ago.

Warren said every year we have provided a COLA and a step for people who weren't stepped out.

Mitchell said not every year.

Endicott said in the early 90s we attempted to do a pay study, which he was on this committee. It was an internal study and didn't go very far. As a result, a consultant was brought in. That consultant looked at a sample of jobs, not all 400, General Employee job descriptions and redid their pay plan. He said he would argue that very few got a \$5,000 pay raise. There may have been some, he can't say there wasn't any, but at the time, it may have brought the employees up to, what some would consider the market rate, it was not, in whole, in his opinion, compared to the market. In the salary list Council has, it is not a base salary, it could be an employee who's been here twenty

years, so it's not comparing base salary to base salary.

Shanklin said to say we are under paying them, that is not a fair statement. He said if Council has that kind of money

Endicott said we didn't get COLA's in 1998 or 1999. There was 01 and 02, there was a 3% only for half the year, so, in effect, that was 1.5 for the four years. In 02-03 there was a 3%.

Bass asked if the General Employees were at the market level now. Mitchell said we took a sample of the same cities used to compare the Fire and Police for the General Employees. We looked at the OML Salary Survey and based it on the most frequent pay for the position. Bass said if we are trying to get the General Employees to market, maybe there's a different way to get them there. Purcell said that was the purpose, even though it really wasn't market, that's exactly what we did in 99-2000. We were trying to get them to what employees in other cities, based on an outside consultant, who didn't have any bias, to bring them up to where they said they should be in Lawton, Oklahoma as opposed to the same person in Dallas or New York City who make a lot more. That was to bring them to parity or market for that year. Yes, we added some more steps to spread it out and some people took a significant increase.

Bass said at one time you made the department heads at market level. Is there a way to make the General Employees at the bottom level market? Purcell said they were done too, it wasn't just the department directors, it was every single employee in the City. Bass said the papers he received showed only department heads received the market. Purcell said that is absolutely not correct. It went across every single employee in this City. What happened was some employees were already at or above the market rate, so they received none, but he believes they received a COLA of something that year.

Givens said Shanklin said the Senior Planner makes \$85,000 the budget says it's \$65,000.

Mitchell said Bob Bigham is retiring this Friday, so the salary you see in the salary schedule is projecting the entry-level step for that position. His current salary is approximately \$80,000. Givens said that is what you are talking about then, the current one leaving, but it is not in the budget. The budget it's \$65,000.

Shanklin said he doesn't know about all those figures but he can tell you what you need to consider. You need to consider a 1 sales tax, the funds that are generated in Lawton, Ardmore, Enid, and Stillwater. Stillwater has \$2,000 in citizen's expense. He doesn't know what they are doing with it, but they have \$2,000. It's in the Oklahoma Tax Commission, you don't have to take his word for it, you can get it from them. At one time that 1 sales tax in Ardmore, generated \$3 million for 22,000 people and the 1 sales tax in Lawton for 85,000 was \$6.7 million. When you divide your total budget by 85,000, you'll find out in the General Operating Budget, we spend about \$540, some of these people are spending \$2,000. Lawton has about \$1,100. Yes they can pay more money. Fortunately they live in an area that makes more money. In SW Lawton, Oklahoma, our people are paid and paid very well. There have been some who did not get anything or very little. Whenever you have one individual who was making \$2,000 more than his supervisors. You've got to understand the 1 sales tax around the State will tell you where we are in per capita income.

Purcell said let's get to the one on the list Shanklin is really upset about, the HR Director. That was a problem and let's leave personalities out of this because personalities was part of the problem at the time. There was a significant increase, way more than \$5,000 because the HR Director in the City of Lawton was paid so much lower than any other HR Director around the State and anymore than HR Directors right here in the City of Lawton. Our HR Director is almost near the bottom of the HR Directors from these cities. In that particular position, in 1999 and 2000, there was a huge jump something like \$15,000. Shanklin said it was \$5,000 for him, \$5,000 for another. Purcell said it's the position, forget the people. He thinks it was more. That has caused a lot of problems, that was a significant increase, there is no question about it. Everyone didn't get that and it wasn't every department director. Almost every employee received something. There were some that were over market and received nothing, so we did something in the way of a bonus or something. Endicott said there was a \$500 stipend he believes. Purcell said everyone received something.

Patton said he didn't understand how the Comanche County numbers are higher than the Lawton numbers. Isn't Lawton the biggest city in the County? Mitchell said this is private sector, this was taken from website. Patton said this averages the private sector, not the County or City. Purcell said not the County Government. Such as Comanche County Memorial, Goodyear, and Republic Paper.

Warren said when you have a closed in pay scale with only a limited number of steps, that's what happens. You step out and suddenly you don't have anything except the COLA. Endicott said that COLA gets added to your pay and so it doesn't increase it, but technically, you've topped out at your pay.

Purcell asked what kind of guidance Council wants to give the Manager. We need to give him some guidance because he will use this guidance to bring us back some final numbers.

Givens said he is for 2 1/2 % and that goes for everyone. Shanklin said he'd go for it. Haywood said he would too. Warren said 2 works for him. Purcell asked if 2 works for everyone.

Devine said he would like them to have 3%. Haywood agreed to that also.

MOTION by Devine, SECOND by Haywood, to give guidance to the City Manager to give the General Employees of the City of Lawton a 3% pay increase.

SUBSTITUTE MOTION by Shanklin, to give guidance to the City Manager to give the General employees of the City of Lawton a 7% pay increase.

Purcell said the substitute motion failed for lack of a second.

VOTE ON MOTION WAS HELD AT THIS TIME.

AYE: Haywood, Warren, Bass, Givens, Devine. NAY: Patton, Shanklin. MOTION CARRIED.

Purcell said that motion passed 5 to 2, therefore the Manager has guidance to bring back new numbers assuming a 3% pay raise for General Employees.

Mitchell said there was some discussion in the Preliminary Budget on looking at funding a Grant Administrator.

The suggestion made in the budget was to cap the Hotel-Motel Tax. He said Councilman Devine suggested we use part of the money we have been setting aside from the refuse collection to help fund it. We have some money in City At Large Budget for grant matches and we could use a portion of that money. He said it was a great idea but he just didn't know what perimeter to put on it. He was unsure of the amount. The concept is to find someone and enter into a contract with them to help us search out and locate grants for various programs and provide them a base compensation for that and a percentage of whatever grant they are able to secure. There are some grants that are fairly automatic that come through the Police Department, for example, that we would want to exclude from this arrangement. There are other grants out there that we have very little knowledge of and he thinks we need this assistance.

Patton said he agreed. He said if we exclude those things, which he agrees to, that still puts the responsibility back onto the Police and/or the Fire, or whoever, to go after those grants. Will that person be responsible for those grants and just not be compensated or will their responsibility remain with the entity that's seeking? Mitchell said he thinks the responsibility will stay with the department that's been receiving those grants, but his view is this Grant Administrator will help co-ordinate those. That's one of the problems, it's not a big problem right now, but we're getting a lot of these grants from various sources, especially Homeland Security, and it's getting very difficult to track what the requirements are for each one of these grants. He sees this person help co-ordinate those various grants.

Patton asked if under this contractual relationship, would that mean they would be separate, they wouldn't necessarily be a City employee. Mitchell said they would not be a City employee, we might provide an office, but they would not be a City employee.

Givens said three years ago the County went through the business of hiring a Grant Administrator and they started out with a salary and contingency and they got into trouble with the contingency. A lot of grant givers do not like it when the Grant person is getting a percentage of the grant. They had to change theirs. They changed it from a salary and a percentage to just a straight salary. He said he thinks they have been paying about \$35,000. Purcell said he talked to both the County Commissioner and the person doing that and you are right, they have a salary of \$35,000, but it's not based on these grants, you are absolutely right, but it's based on the total grant. The total grants they bring forward, they get a percentage of that, in addition to the salary. The salary is fixed and it's about \$35-40,000. They don't like you to get a percentage of each grant. The Federal Government usually won't allow you to do that. The County comes up with the money somewhere as a percentage of the total grant money provided. That's the incentive for that person to get the grants. They don't take the money out of the grant, they take it out somewhere else. He spoke with the person doing their grants and she told him one of her biggest missions after she gets the grants is trying to help them administer the grants because there is so much work involved in that.

Bass said right now each company writes their own grants. Mitchell said each department tries to secure their own. Sometimes we get flyers or through National League of Cities or OML, we'll learn of a grant or a new program and are able to co-ordinate those, but many times, we are unaware of some of the grants that are out there. If that's something the Council wants to support, he will try to plug in a number. Purcell said to take a vote on that. Do we want to do somewhere in the neighborhood of \$35-40,000? Is that something we want to see? This is not an employee, it's a contract.

Devine asked if there was any way we could use part of the Hotel-Motel Tax for that. Mitchell said he believed so. That was just his opinion. Devine said that's what he needed to know to start with. If we need to cap the Hotel-Motel Tax because it keeps going up anywhere from \$300-400,000.

Vincent said he gave the Manager a copy of the Hotel-Motel Tax Ordinance on what the money can be spent on and it's strictly limited to economic development and tourism. However, if the grants we're going after are from the State Tourism Commission or something like that, we are just going to have to be very careful, but yes, part of it can be. Mitchell said he thinks you could argue that every infrastructure grant we do is an economic development project. Vincent said we just have to be careful. Mitchell said that's right, we just have to be careful.

Endicott said it's up to \$490,000 this year. Devine said he thought it was.

Purcell said if we agree we want a Grant Writer, we can tell the Manager to tell us where he's going to get the money from when he comes back the next time and we are getting closer on the budget. If that's the guidance, will someone make a motion that we want a Grant Writer included in the budget? This is guidance for the Manager and he will bring it back, if that's what Council wants.

MOTION by Shanklin, to give guidance to the City Manager to pursue a Grant Administrator and bring it back to the Council, we adopt the Manager's Budget as he brought it to Council and any decisions he wants to make out of the \$1.9 million carryover, to bring that to the Council and to increase the water bill 3%.

Purcell said that died for lack of a second. Shanklin said it died for lack of a second?

Shanklin left at this time (8:30 p.m.).

MOTION by Patton, SECOND by Devine, to give guidance to the City Manager to include a Grant Writer as part of his budget and bring it back to the Council. AYE: Bass, Givens, Devine, Patton, Haywood, Warren. NAY: None. MOTION CARRIED.

Purcell said that motion passed 6 to 0.

Endicott said during the process we tried to just take notes and the items listed on the handout, weren't necessarily approved by the entire Council, they were just items we put on the list as we went through each budget. Some of them have an effect on the General Funds and some don't. He said the first item in Public Works is the Small Meter Repair Funds from Water Distribution to Revenue Services is just a transfer of funds so we can consolidate all those activities is \$23,000. He said add \$27,000 in overtime and \$50,000 in contract labor for Sewer Construction that has a nil effect on the General Funds.

Devine asked if we were going to try to do the items on the list as we go down. Purcell said sure, let's discuss them as we go through it.

Devine asked if they had considered moving the Meter Readers and Meter Repair to Public Works down to the Water Department. Endicott said yes. Devine asked if they still didn't agree that needs to be done. Endicott said from a financial standpoint, from a practical standpoint, it does create several issues for us, in Revenue Services because they work so closely with the Clerks in Revenue Services. He said he and Ihler had talked about it at length with the Supervisors involved and in addition to the concept of going through a radio read meter replacement program, we don't feel like it would benefit us that much.

Devine said he can't believe that we are not going to do that. He made a statement one time that he had a man that was supposed to talk with Ihler to show him where the savings could be by several thousands of dollars, but if we're not interested in saving any money because we just don't want a workload to be put on another division. He said that just didn't make sense to him and doesn't know why. He feels like you don't want to give up the approximately \$200,000 out of your budget to move it down there. Endicott said no that's not it at all. As far as responsibility and accountability, if that's all it was, he would prefer to move them somewhere else, that's less responsibility for him. The fact is the Meter Readers, as they are today, would not have time. He thinks there's a misnomer that Meter Readers read meters half a day. That's not true and would challenge anybody to go out watch them. Devine said he will challenge Endicott on that and would like him to take those computers they read, which tells them every second of the day what they do when they're reading meters, and tells exactly how long it takes from one address to the next address. He doesn't know why it would be so hard to take and put it down on paper that it takes that man all day long to read those meters when it only takes a few seconds to read one meter and move to another. Endicott said they do that daily. We monitor, on a regular basis, the activity of the Meter Readers. They not only read meters but also do disconnects. Devine said that is not what he said a moment ago and that's not what Endicott said. He said he didn't want to argue with him, but what he just said was they read meters all day. Endicott said that is not what he said. Devine said he said it was a misconception that everybody thinks they read meters, that they don't read meters all day and that's what you said a few minutes ago. Endicott said it is a misnomer and misconception that people think they only read for half a day. That is not true. There are

some days Meter Readers will start the first thing in the morning and will go all day long. There are other days, depending on their routes, that they may read for 4-5 hours, that s not consistent. Everyday they don t read just half a day.

Haywood said they have been over this several times and he doesn t think Ihler doesn t need the Meter Readers in Public Works, they are fine just where they are and that s where we need to keep them. They can communicate with Revenue Services whenever they go out so let s just move on.

Devine said this is an issue that needs addressed and he will bring it back to this Council where we can save almost \$200,000 a year. It has been done. He said nobody wants to take a look at this and try to do it. He said he spoke with Mitchell about it as soon as he became City Manager and he spoke with Bill Baker before that about this many times. Mitchell said he told him he would look at it and had asked Devine to bring the gentleman to him. Devine said the man is retired now and would be more than happy to. He wouldn t come in before because of fear of retaliation, but now he s retired and is willing to come in and give the Manager the information. He wants Council to see if we have \$200,000 because somebody doesn t want this because it creates a little more work and that s more important than saving that. Mitchell said he would be happy to save \$200,000.

Purcell asked Devine if he would bring in this person to talk with the City Manager. Devine said yes and will bring it for everyone on the Council.

Endicott went over the list of items for Parks and Recreation.

Purcell asked if anyone had any objections to this list.

Warren said during talks on Parks and Recreation s budget, we discussed providing \$37,500 if it could be matched. He asked if we lost that in transition or did we find someplace else for it. Mitchell said he would recommend not putting it into the budget at this time since we don t have a plan yet, but if we found an opportunity, he d certainly take advantage of it.

Purcell said he understands Council approves the \$42,335 added to the Parks and Recreation s Budget.

Endicott said Human Resources for the union contract was for \$3,000 for drug testing. For Police, we originally had the Communications Supervisor at an M7 grade and it s probably not a viable rate to get a supervisor for that level of service, so that would be an additional \$10,676. The contract addition would be \$145,710, for 25 additional tazers, \$20,000 and \$10,000 for additional in jail food. This would be a total of \$186,386 for the employees.

Devine voiced his support for our officers to have the tazers. Purcell said the reason it s only 25 tazers is the Chief has determined he only needs 100 for next. He said 25 are coming from the citizen s group. They already had 50 of them in the budget and this 25 will give him the 100 he needs.

Bass asked if we were adding any Police Officers this year. Endicott said they don t have any added in at the current time. Mitchell said we added two last year. Bass said we are so short handed he would like to add at least two, if not four. Warren said it s about \$60,000 per office to add. Haywood said he would like to see more officers also because things have really changed now and kids are different and people are different.

Devine asked the Chief if he had a preference for adding officers or motorcycles, which would he rather have.

Thorne said his preference would be the officers. Devine said Council should support getting at least two, maybe four more officers and try to assign them to two-man units. That way you wouldn t have to buy an additional vehicle. Warren suggested four officers and no vehicle and asked the Chief if he could live with that. Thorne said yes. One problem is created by a two-man units, so if we do have an incident, like a domestic disturbance or a fight, that means two districts are vacant. Patton agreed we should have more officers. He suggested using the money from the pilot program for the trash containers. He asked how much that program cost in the budget.

Mitchell said it s taken out of a dedicated fund and is not part of the General Operating Fund. It s part of the 50 we ve been setting aside to do grant matches and other programs with, so it s not a direct impact on the fund balance. Patton asked how much it would be. He has received several phone calls and admits he agrees with them after thinking about this proposition with the mechanized trash pickup and he doesn t really see the need of going to a fully automated system. If the system is not broke then why fix it and we could use this money to do something in a really needed area. Devine said this is saving money. Patton said he thinks you have to look at service too.

Devine said you will have better service with this than without it. Patton said he really doesn t believe that.

Devine said there are people here that will prove that to you. Patton said he still didn t agree to that because once you loose it, those people don t have a choice, you either like it or you don t put your trash out. You shouldn t just put dollars and cents on everything, he thinks you have to look at service and the amount of service, and the amount you get for your money.

Mitchell said it was earmarked to use as an emergency fund or a fund to match other programs and if Council

wants to transfer that money into the Operating, they could do it. It s about \$100,000.

Purcell said after all the discussion he thinks everyone agrees to add four police officers, which adds approximately \$142,000. Devine asked what we were down to now. Mitchell said we are down to about 1.3 in our fund balance. Devine said we are pretty close. Mitchell said we are below 5%. Endicott said we are probably around 3% right now.

Purcell said tentatively we have to solve that problem and at the end if we don t like the number, to bring it back up. Right now he hears everyone approves giving the Police the \$186,386 for the four items listed, plus four more officers for \$142,000.

Endicott said in the Fire Department we have added a training officer at \$45,000. Purcell asked if anyone disagreed with that.

Endicott said in the City Attorney s Office we have changed a part time clerical position to a full time position, for \$19,788, upgrade the AMICUS software and software maintenance, for \$6,690, publication of the City Code, for \$10,000, and increase filing fee costs of \$5,000, for a total of \$41,478. Purcell asked if anyone had a problem with this.

Endicott said for all divisions we have increased fuel costs approximately 10%, which is \$73,815 and that could be a little low. Purcell asked if anyone had any objections to that.

Endicott went over the decreases. Public Works container program, \$88,000 has a nil effect on the General Fund; Police, reduction for ballistic vests for grant match funds of \$11,000 out of their 201 account; the Fire Department, delete a part time clerical assistant, \$9,594; and we reduced all the computer costs by \$300 for \$9,300. Total decreases are \$29,894. Purcell asked if everyone agreed with these numbers. He asked if they knew what the new projected reserve is. Mitchell said he has rounded them off, but 1.3 is a good number. Purcell said that is about 3%. He asked if Council agreed to that.

Purcell said this Thursday s meeting will be cancelled, which is June 3rd and June 10th, then the Manager will hand out the information on Tuesday night s Council meeting.

Mitchell asked for any suggestions on raising revenue, maybe through fees, anything other than water rates.

Devine said setting a tapping fee for tying onto our new water lines and sewer lines, etc. He said that could be a revenue source.

Vincent said we have in the Code Book now a Pay Back System. If the City builds a water line, if the Council wants it put on the Pay Back, which is what we are looking at for the 82nd Street, Old Cache Road water line, and the Manager has asked him, Ihler, and Bigham to look into how you would structure that pay back. The other thing is an Impact Fee that goes with the Building Permit. We are looking at that but it s going to take more study.

Devine said we really need to check on what we are charging on fees for Building Permits, etc. He said he believes we are way below others. Mitchell said we are, last year we made some adjustments, we hadn t changed Building Permit fees in 10 years and we may want to revisit those.

Purcell thanked Council for all the co-operation on all the budget, this was the best budget year of the seven years he sat on the Council, and we accomplished a lot.

Purcell announced that night meetings will always be at 6:00 p.m., unless the majority of the Council comes to him and requests a different time.

There being no further business to consider, the meeting adjourned at 9:08 p.m. upon motion, second and roll call vote.