

## COUNCIL WORK SESSION

Tuesday, January 9, 2024, at 4:30 p.m.

The Lyric

1. SkyWest & Fly Casper Alliance
2. Weed & Pest MOU
3. Shooter's Complex
4. Meeting Follow-up: Utility Billing
5. Agenda Review
6. Legislative Review
7. Council Around the Table

Mayor Cathey called the work session to order at 4:30 p.m. with the following Councilors present: Bond, Sutherland, Jensen, Pacheco, Gamroth, Pollock, Vice Mayor Engebretsen, and Mayor Cathey. Councilor Haskins was absent.

### 1. SkyWest & Fly Casper Alliance

City Manager Napier introduced Fly Casper Alliance and Daniel Belmont, Director of Market Development for SkyWest Airlines. Mr. Belmont began the discussion about Casper International Airport's MRG (maximum revenue guarantee) agreement with SkyWest Airlines for the Salt Lake City route. He stated it is a tool used in the aviation industry when an airline needs subsidization in order to keep air service in place. He stated that that is still the direction this route is needing to go, because the route is still not profitable on its own. They will continue looking for a partnership to make it profitable and allow it to mature and gain ridership.

Vice Mayor Engebretsen stated that last year Council was told that the bigger plane that was implemented for this route would lead to more ticket sales and asked what the ridership has looked like since that time. Mr. Belmont stated that there have been less than ideal conditions during the first months and that the ridership has been around 55% full. The flight leaves early in the morning and comes back at night and remains in Casper overnight to allow more connections. This schedule is the best suited to maximize passengers, because it allows for the most connections in Salt Lake City. Councilor Bond stated that he would like to see more data about the ridership in future presentations. He also asked what the incentive was behind changing to the larger aircraft if it is not filling up. Mr. Belmont responded that Delta Airlines, SkyWest's parent company, is moving away from smaller 50-seat planes because there are no first-class seats.

Councilor Pollock asked for context on what models and mechanisms have worked well in similar communities who have had MRG's in place. Mr. Belmont responded that when the flights are 80-85% full, there is no MRG needed. Some communities do not have the demand to meet that, in which case an MRG is necessary to keep routes in place. He added that Casper is in a good position with lots of growth and business ventures; marketing is key to the growth of the airline routes. Councilor Sutherland stated that she feels that moving the route to a time that is more conducive to schedules would help with utilization of the route.

City Manager Napier stated that the Fly Casper Alliance estimated that the total economic impact of this flight is \$11M per year to this community, and asked if Mr. Belmont could elaborate on

that. Mr. Belmont responded that air service is a catalyst to other economic activities within a community and has a widespread impact on things like higher education and healthcare.

Mayor Cathey asked what the rate of return should be at for Delta to get rid of the MRG, and asked how the company sets its rates. Mr. Belmont responded that the ROI should be at 5-10%, and rates are set based on when a customer books and how full the flights are. Delta does their best to maximize the number of riders and manage those rates. He stated that right now the route is set up for business travelers as opposed to tourists, which is part of the problem when there is only one flight. Councilor Pacheco asked what the ramifications would be if the MRG was not supported. Mr. Belmont responded that Delta and SkyWest have to look at routes on a market to market basis, and if the flight is not profitable, they would move to a more profitable location. They have had to do this in other communities over the past few years. If a flight leaves a community it is very difficult to get it back in the future. Part of the issue is also the pilot shortage, which has had an outsized impact to regional carriers.

Councilor Pollock asked if Fly Casper Alliance could speak and give their insight on the discussion thus far. Kaycee Wiita, Fly Casper Alliance Board Chair, stated that the flight times were different this summer, but they have found that the overnight plane and flight time they have now accommodates the most amount of people; this data can be provided to Council. The return on investment was calculated by the State, which showed an \$11M economic impact for the year from just this one flight. She stated that there are many communities that would like to have this service, and it would harm the economy if it ended. Casper is the business center and hub for the state, and in order to continue to attract new business it needs to support having more than one airline with connections to two major cities in the region. Councilor Pollock asked if Fly Casper Alliance has a sense of how this will play out over the next three years, and Ms. Wiita responded that they feel that they will reach that profitability point with the new attractions in Casper. Before the pandemic, the flight was profitable, and they are confident that the flight will be self-supported again. Councilor Gamroth asked for an update on the \$50K that the City of Casper gave Fly Casper Alliance for marketing efforts. Ms. Wiita responded that they have developed a website and an ambitious social media campaign with promotional packages to bring people to the community. They have also been working with the Chamber of Commerce, Visit Casper, and SkyWest/Delta to promote the community.

## 2. Weed & Pest MOU

Next, City Manager Napier introduced Zulima Lopez, Parks, Recreation, & Public Facilities Director, to discuss the long-standing agreement with the Natrona County Weed & Pest District for mosquito abatement services. Ms. Lopez stated that the agreement has been in place since the 1970's and the City and District feel that it would be beneficial to update that agreement and implement a mechanism for the agreement to be reviewed every two years to ensure that the partnership is working for both entities. Part of the agreement addresses control of invasive species including mosquito abatement on athletic fields and before events. Other services they provide include abundant testing for vector mosquitoes that cause disease, and follow-up spraying if diseased mosquitoes are located. She stated that right now the plan is to continue targeting nuisance spraying as opposed to blanket fogging everything.

She then introduced John Leman, Mosquito Control Coordinator, to elaborate on the District's efforts. Mr. Leman explained that fogging efforts are based on complaints and population, and the targeting depends on the trap speciation and if disease is found in vectors. Weed & Pest monitors 195 areas weekly and focuses on reducing the number of mosquitos hatched in an effort to reduce adult mosquito numbers. The District uses chemicals that do not leave a residual and avoid beehives that are registered. They time the fogging when mosquitoes are most active in the half hour after sunset to 10 p.m.

Councilor Gamroth asked what citizens can do to mitigate disease transmission. Mr. Leman responded that ornamental ponds are common mosquito breeding containers, and those mosquitoes are more likely to carry disease. The District has tablets that citizens can purchase to put in the ponds to help control this. He also stated that insect repellent is important and eliminating standing water is key. Council gave their thumbs up to bring the Weed & Pest MOU forward for formal consideration at a regular Council meeting.

### 3. Shooter's Complex

Next, City Manager Napier discussed the possibility of Casper putting in for a large-scale shooting complex that would attract national and international shooting tournaments. The State has committed to putting \$10M towards the project for the selected venue. The first step will be a letter of intent and then an application stage. He emphasized that this process is competitive and political, so Council's involvement will be critical. He said in his opinion, Casper should pursue this along with Visit Casper and Natrona County.

He then asked for Police Captain Jeremy Tremel to elaborate on the process. Captain Tremel stated that a number of City staff have been working with local groups and Natrona County to formulate a plan. The first letter of interest is due March 1<sup>st</sup>. One of the things they would like to do is work with partners at the University of Wyoming to conduct an economic impact study to include in the City's application. The study will cost \$20K, \$6.6K which would be paid for by the City. Council gave their thumbs up to support the study, which will be brought forward for formal approval at the next regular Council meeting. Council gave their thumbs up to Casper submitting a letter of intent.

### 4. Meeting Follow-up: Utility Billing

Next, City Manager Napier stated that the purpose of this is to allow for questions on the ordinance before the second reading, and so that any amendments requested could be prepared before the meeting. He stated that after last week's dialogue, staff wanted to provide insight for some of the questions, much of which is covered in the work session memo. He stated that in the utility industry, the practice of charging landlords for unpaid utilities is common, and the County and surrounding communities already do this. He stated that this is not a new model for the City to take on, as it is similar to the model for nuisance property abatement, where a property is complained about and mitigation does not occur, so the City hires a contractor to mitigate at the owner's expense.

Brandy Coyle, Accounts Receivable Supervisor, reviewed the questions answered in the memo including the practices in Mills, Evansville, and Bar Nunn; collections/write-off amounts in recent

years; and how this will impact landlords. There is a table in the memo that includes information on what the old process looks like versus the new proposed process. Council discussed the utility deposit amounts and process for releasing the deposit after 12 months of good payment. She also explained how the proposed process will help to keep landlords in the loop and give them incentive to have their tenants pay past due bills to avoid water shut offs, which adds cost to the bill. The ordinance helps create some proactivity, so the City may not have to shut water off at all which prevents the property incurring fees.

City Manager Napier stated that the City is trying to establish a new tool to minimize the uncollected debts that are currently being subsidized by every single rate payer. The hope is that this will incentivize landlords to become more involved and avoid the delinquency situation altogether. Councilor Gamroth stated that although he agrees it is not right for rate payers to subsidize these debts, he has not heard from anyone who is upset about the rate payers subsidizing. He asked if there were other changes that could be made instead, like looping in the landlord sooner or keeping the deposit longer. Mayor Cathey stated that the current process is akin to putting a tax on the rest of the property owners to pay these debts. He stated that landlords are in the business of making money, and that is where this burden needs to fall; it is their job to assess their business models.

Council discussed keeping the deposits longer than one year. They also discussed the possibility of eliminating the tenant from the agreement completely, which is done in Laramie. Councilor Gamroth stated he would like to review and debate each of the changes in the proposed ordinance separately in a work session.

Councilor Gamroth asked about the legality of portions of the ordinance, and Acting City Attorney Trembath responded that he can write a confidential memo to Council with attorney-client privileged information for advice on this question.

Council gave their thumbs up for staff to draft language to postpone the second reading for the utility billing ordinance next week to a date certain, February 6<sup>th</sup>, to allow further discussion of the ordinance at the January 23<sup>rd</sup> work session. City Manager Napier asked what homework Council would like staff to do in the interim. Council asked that staff research the deposit lengths and possibilities of bypassing the tenant altogether.

#### 5. Agenda Review

Next, Council reviewed the agendas for upcoming Council meetings and work sessions.

#### 6. Legislative Review

City Manager Napier stated that staff is preparing a Legislative Dinner for Council to have dialogue with Casper's delegation regarding issues that impact Casper. He asked Council to respond to emails regarding this from staff. The upcoming Wyoming Association of Municipalities conference will be in February as well.

#### 7. Council Around the Table

Council went around the table to discuss their respective board and committee meetings as well as matters of public interest. Councilor Jensen asked if discussions of the noise ordinance could be

brought up at a future work session, and Council gave their thumbs up to this being added. Mayor Cathey asked Council to consider if Council comments addressing citizen comments should be moved to allow responses to questions to be answered sooner in the meeting.

The work session was adjourned at 6:50 p.m.

ATTEST:

CITY OF CASPER, WYOMING  
A Municipal Corporation

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Amanda Ainsworth  
City Clerk

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Stephen Cathey  
Mayor