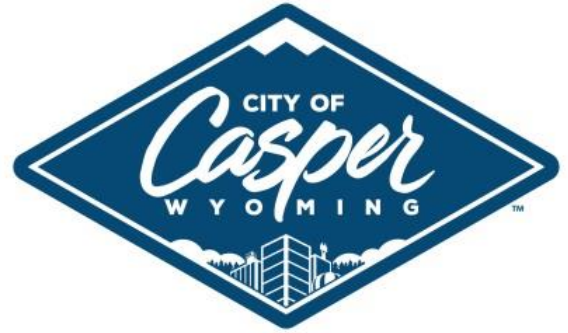


PRE-MEETING AGENDA

Casper City Council
City Hall, Council Chambers
Tuesday, March 16, 2021, 4:30 p.m.



Please silence cell phones during the City Council meeting.

COVID-19 precautions are in effect at Council meetings. All Council meetings including Work Sessions are held in Chambers. Entrance to the meetings is the east door off David Street. Face coverings are encouraged. Seating will be limited, and media will be given priority. Public input via email is encouraged: CouncilComments@casperwy.gov

	Presentation	Allotted	Beginning Time
1.	Aquatics Facility & Recreation Center Fees and Program Rates - Update	10 min	4:30
2.	NAPA Integrated Business Solutions (IBS) Two Year Summary & Contract Renewal	10 min	4:40
3.	School Resource Officer Program and Natrona County School District Budget	10 min	4:50
4.	Agenda Review	5 min	4:55
	Approximate Ending Time		5:00

We are CASPER

Communication Accountability Stewardship Professionalism Efficiency Responsiveness

March 4, 2021

MEMO TO: J. Carter Napier, City Manager *JCN*
FROM: Tim Cortez, Director of Parks and Recreation
Phil Moya, Recreation Manager
SUBJECT: 2021 Aquatics Facility and Program Rates

Meeting Type & Date

Council Pre-Meeting, March 16, 2021

Action type

Approval Requested

Recommendation

That Council will approve staff to increase the rates for the Aquatics facilities and programs that have been compared to local market values. The proposed increases will assist us in keeping in line with rising expenses and bring us closer to our cost recovery goals.

Summary

The Aquatics facilities and programs had evaluated and proposed an increase in admission fees in 2015 and pass fees in 2018. Staff recommends increasing the highlighted rates in the chart below and in the attachment. City staff has conducted an assessment of rates for facilities and programs that were comparable to other Wyoming municipalities. The staff contacted facilities that have similar amenities and programs offered to determine if our fees were comparable and competitive in the municipal market. Areas evaluated were admissions, passes, classes, rentals, concessions and retail sales. Our team had recognized that we were deficient in many of areas and have proposed adjustments to specific existing fees to meet the industry standard and market value.

The increase will also allow the Aquatics facilities to recoup costs for facility maintenance that have increased due to normal inflation. In order to increase the maintenance fees for this facility we must look at our cost recovery goals and balance the revenues and expenses to accommodate this need.

The Casper Recreation Center opened its doors in November of 2005. Like many facilities with the City of Casper it is a 15 year old facility. With that being said, a facility this old requires continued maintenance and upgrades. Some of our recent upgrades over the past few years was to build a splash pad at Marion Kreiner in 2019. Added a New bottle filling station at the Aquatic Center in 2020. We recently replaced the HVAC Units in 2020. We are currently replacing old bulletin boards with information TV/Monitors in our lobby areas to promote facility rates, hours of operations, and advertise programs and activities.

The Recreation Division staff intends to evaluate facility and program fees every year and plan accordingly to accommodate the City's cost recovery goals, assess the municipal market value, and address the continued increases in inflation.

One of the comparisons that the staff had taken into consideration with pricing was for the daily admission fees and pass fees at the Casper Family Aquatic Center. The staff had researched local Casper organizations that offered similar services, which are Lifetime Health and Fitness and the YMCA of Natrona County.

The Casper Family Aquatic Center daily admission fees is currently \$6.00, children 4 and under are free. The Annual pass fees are currently \$230 per adult and \$180 per youth.

The YMCA daily admission is \$5 for 0-12 and \$10 for adults. The pass fees are \$588 per adult and \$288 per youth per year.

Lifetimes daily admission fees are \$15.00 for all ages. The pass fees are \$1,168 per year for the first person and \$228 additional per extra adult and \$108 per extra child/youth per year.

Financial Considerations

Below is a table of proposed rate increases for 2021. This does not include all rates for the facilities. Please see the attachment for details on the assessment and facility and program rates.

Facility/Program	Rate Name	Current Rate	Average on Assessment of Facilities	Proposed Rate	Justification/Explanation (Cost Recovery Analysis)
Indoor Facilities	Daily Admission	\$6.00	\$6.38	\$6.50	Raise \$0.50 based on average of assessed pricing.
	Youth Annual Pass	\$180.00	\$190.33	\$190.00	Raise it \$10 based on average assessed pricing.
	Adult Annual Pass	\$230.00	\$338.50	\$285.00	Raise it \$55 in 2021 and another increase in 2023 until it reaches \$340. This would take 2 years and patrons would probably be more accepting of the rate increase if staged over a two year period.
	Private Pool Party 1 Hour	\$135.00	\$200.00	\$150.00	Raise it \$15.00 based on the data provided. Parties have not completely booked over the past years. We believe that \$150.00 is a reasonable increase based on the data and will be evaluated over the next few years.
	Nose Clips	\$2.00	\$3.00	\$3.00	Raise \$1.00 based on the increased cost of nose clips.
Facility/Program	Rate Name	Current Rate	Average on Assessment of Facilities	Proposed Rate	Justification/Explanation (Cost Recovery Analysis)
Large Outdoor Facilities	Private Pool Party 1 Hour	\$205.00	\$300	\$230.00	Raise it \$25, Mike Sedar is often completely booked from July 15-seasonal closure date and Paradise Valley is booked on weekends during that same time. Increase is based on facility size and amenities. Douglas has the closest size facility at \$300.00 for rentals.
	Nose Clips	\$2.00	\$3.00	\$3.00	Raise \$1.00 based on the increased cost of nose clips.
	Soda	\$2.00	\$2.75	\$2.50	Raise it \$0.50 based on average of assessed pricing.
	Candy	\$1.00	\$1.75	\$1.50	Raise it \$0.75 based on average of assessed pricing.
	Ice Cream	\$1.34	\$2.75	\$1.75	Raise it \$0.66 based on average of assessed pricing.
Facility/Program	Rate Name	Current Rate	Average on Assessment of Facilities	Proposed Rate	Justification/Explanation (Cost Recovery Analysis)
Small Outdoor Facilities	Nose Clips	\$2.00	\$3.00	\$3.00	Raise \$1.00 based on the increased cost of nose clips.
	Candy	\$1.00	\$1.75	\$1.50	Raise it \$0.75 based on average of assessed pricing.
	Ice Cream	\$1.34	\$2.75	\$1.75	Raise it \$0.41 based on assessment and pricing difference of soft serve to pre-package.

Transfers In: (Estimated Subsidy) \$468,538.40
 Estimated annual revenue increase: \$22,000.00
 Difference: \$446,538.40

Oversight/Project Responsibility

Phil Moya, Recreation Manager
 Edwin Luers, Recreation Supervisor

Attachments

Aquatics Rate Analysis 2021


**City of Casper
Parks and Recreation Department
Recreation Rate Analysis**

Facility/Program	Rate Name	Current Rate	Cheyenne Aquatic Center	Gillete Aquatic Center	Cody Aquatic Center	Pinedale Aquatic Center	Average on Assessment Facilities	Proposed Rate	Justification/Explanation (Cost Recovery Analysis)
Indoor Facilities Casper Family Aquatic Center	Daily Admission	\$6.00	\$5.00	\$6.00	\$8.50	\$6.00	\$6.38	\$6.50	Raise \$0.50 based on average of assessed pricing.
	Child Annual Pass	\$130.00					\$0.00	\$130.00	Keep it the same
	Youth Annual Pass	\$180.00	\$200.00	\$215.00	\$156.00		\$190.33	\$190.00	Raise it \$10 based on average assessed pricing.
	Adult Annual Pass	\$230.00	\$250.00	\$389.00	\$315.00	\$400.00	\$338.50	\$285.00	Raise it \$55 in 2021 and another increase in 2024 until it reaches \$340. This would take 3 years and patrons would probably be more accepting of the rate increase if staged over a three year period.
	Parent Child Classes	\$40.00	\$30.00	\$40.00	\$35.00	\$40.00	\$36.25	\$40.00	Keep it the same
	Pre School Classes	\$51.00	\$30.00	\$40.00	\$37.00	\$40.00	\$36.75	\$51.00	Keep it the same
	Learn to Swim Classes	\$53.00	\$30.00	\$40.00	\$37.00	\$40.00	\$36.75	\$53.00	Keep it the same
	Private Lessons	\$42.00	\$30.00	\$25.00	\$35.50	\$20.00	\$27.63	\$42.00	Keep it the same
	Aqua Excercise	\$65.00	\$30.00				\$30.00	\$65.00	Keep it the same
	Private Pool Party 1 Hour	\$135.00	\$200.00	\$150.00		\$250.00	\$200.00	\$150.00	Raise it \$15.00 based on the data provided. Parties have not completely booked over the past years. We believe that \$150.00 is a reasonable increase based on the data and will be evaluated over the next few years.
	Rec Swim Pool Party	\$35.00	\$20.00	\$60.00		\$50.00	\$43.33	\$35.00	Keep it the same
	Swim Diaper	\$1.50	\$2.00	\$1.00		\$1.00	\$1.33	\$1.50	Keep it the same
	Goggles	\$7.00	\$4.75	\$5.50		\$5.00	\$5.08	\$7.00	Keep it the same
	Nose Clips	\$2.00	\$3.00				\$3.00	\$3.00	Raise \$1.00 based on the increased cost of nose clips.
Ear Plugs	\$2.00	\$2.50	\$3.00			\$2.75	\$2.00	Keep it the same.	

Facility/Program	Rate Name	Current Rate	Douglas Outdoor Facility	Cheyenne Outdoor Pool *Smaller Facility	Sheridan Outdoor Pool *Smaller Facility	The Tiger Plunge - Lusk	Average on Assessment Facilities	Proposed Rate	Justification/Explanation (Cost Recovery Analysis)
Large Outdoor Facilities (Mike Sedar, Paradise Valley)	Daily Admission	\$5.00, \$4.50	\$3.00	\$3.50	\$4.00	\$3.50	\$3.50	\$5.00, \$4.50	Keep it the same
	Child Pass	\$50.00	\$15.00		\$55.00	\$75.00	\$48.33	\$50.00	Keep it the same
	Youth Pass	\$65.00	\$15.00		\$55.00	\$75.00	\$48.33	\$65.00	Keep it the same
	Adult Pass	\$80.00	\$45.00		\$65.00	\$75.00	\$61.67	\$80.00	Keep it the same
	Parent Child Classes	\$40.00			\$30.00	\$50.00	\$40.00	\$40.00	Keep it the same
	Pre School Classes	\$51.00	\$40.00		\$30.00	\$50.00	\$40.00	\$51.00	Keep it the same
	Learn to Swim Classes	\$53.00	\$40.00		\$35.00	\$50.00	\$41.67	\$53.00	Keep it the same
	Private Lessons	\$42.00					\$0.00	\$42.00	Keep it the same
	Private Pool Party 1 Hour	\$205.00	\$300.00				\$300.00	\$230.00	Raise it \$25, Mike Sedar is often completely booked from July 15-seasonal closure date and Paradise Valley booked on weekends during that same time. Increase is based on facility size and amenities. Douglas has the closest size facility at \$300.00 for rentals.
	Rec Swim Pool Party	\$25.00	\$100.00				\$100.00	\$25.00	Keep it the same
	Goggles	\$7.00					\$0.00	\$7.00	Keep it the same
	Nose Clips	\$2.00					\$0.00	\$3.00	Raise \$1.00 based on the increased cost of nose clips.
	Ear Plugs	\$2.00					\$0.00	\$2.00	Keep it the same.
	Swim Diaper	\$1.50			\$3.00		\$3.00	\$1.50	Keep it the same.
	Candy	\$1.00	\$2.00		\$1.50		\$1.75	\$1.50	Raise it \$0.50 based on average of assessed pricing.
	Ice Cream	\$1.34	\$3.00		\$2.50		\$2.75	\$1.75	Raise it \$0.41 based on assessment and pricing difference of soft serve to pre-package.
	Hot Dog	\$4.00	\$4.00				\$4.00	\$4.00	Keep it the same.
	Pretzal	\$4.00	\$4.00				\$4.00	\$4.00	Keep it the same.
	Nachos	\$4.00	\$4.00				\$4.00	\$4.00	Keep it the same.
	Soda	\$2.00	\$3.00				\$3.00	\$2.50	Raise it \$0.50 based on average.
Popcorn	\$2.00					\$0.00	\$2.00	Keep it the same.	

Facility/Program	Rate Name	Current Rate	Douglas Outdoor Facility *Larger Facility	Cheyenne Outdoor Pool	Sheridan Outdoor Pool	The Tiger Plunge - Lusk	Average on Assessment Facilities	Proposed Rate	Justification/Explanation (Cost Recovery Analysis)
Small Outdoor Facilities (Washington, Marion Kreiner)	Daily Admission	\$3.50, Free	\$3.00	\$3.50	\$4.00	\$3.50	\$3.50	\$3.50, Free	Keep it the same
	Child Pass	\$50.00	\$15.00		\$55.00	\$75.00	\$48.33	\$50.00	Keep it the same
	Youth Pass	\$65.00	\$15.00		\$55.00	\$75.00	\$48.33	\$65.00	Keep it the same
	Adult Pass	\$80.00	\$45.00		\$65.00	\$75.00	\$61.67	\$80.00	Keep it the same
	Parent Child Classes	\$40.00			\$30.00	\$50.00	\$40.00	\$40.00	Keep it the same
	Pre School Classes	\$51.00	\$40.00		\$30.00	\$50.00	\$40.00	\$51.00	Keep it the same
	Learn to Swim Classes	\$53.00	\$40.00		\$35.00	\$50.00	\$41.67	\$53.00	Keep it the same
	Private Lessons	\$42.00	\$30.00				\$30.00	\$42.00	Keep it the same
	Private Pool Party 1 Hour	\$115.00		\$100.00	\$110.00	\$100.00	\$103.33	\$115.00	Keep it the Same.
	Goggles	\$7.00					\$0.00	\$7.00	Keep it the same
	Nose Clips	\$2.00					\$0.00	\$3.00	Raise \$1.00 based on the increased cost of nose clips.
	Ear Plugs	\$2.00					\$0.00	\$2.00	Keep it the same.
	Swim Diaper	\$1.50			\$3.00		\$3.00	\$1.50	Keep it the same.
	Candy	\$1.00	\$2.00		\$1.50		\$1.75	\$1.50	Raise it \$0.50 based on average of assessed pricing.
Ice Cream	\$1.34	\$3.00		\$2.50		\$2.75	\$1.75	Raise it \$0.41 based on assessment and pricing difference of soft serve to pre-package.	

March 4, 2021

MEMO TO: J. Carter Napier, City Manager 

FROM: Tim Cortez, Director of Parks and Recreation
Phil Moya, Recreation Manager

SUBJECT: 2021 Recreation Center and Program Rates

Meeting Type & Date

Council Pre-Meeting, March 16, 2021

Action type

Approval Requested

Recommendation

That Council will approve staff to increase the rates for the Recreation Center and programs that have been compared to local market values. The proposed increases will assist us in keeping in line with rising expenses and bring us closer to our cost recovery goals.

Summary

The Recreation Center and programs had evaluated and proposed an increase in fees in 2016. Staff recommends increasing the highlighted rates in the chart below and in the attachment. City staff has conducted an assessment of rates for facilities and programs that were comparable to other Wyoming municipalities. The staff contacted facilities that have similar amenities and programs offered to determine if our fees were comparable and competitive in the municipal market. Areas evaluated were admissions, passes, classes, rentals, day camps and summer camp. Our team had recognized that we were deficient in many of areas and have proposed adjustments to specific existing fees to meet the industry standard and market value.

The increase will also allow the Recreation Center to recoup costs for facility maintenance that have increased due to normal inflation. In order to increase the maintenance fees for this facility we must look at our cost recovery goals and balance the revenues and expenses to accommodate this need.

The Casper Recreation Center opened its doors in January of 1983. Like many facilities with the City of Casper it is a 38 year old facility. With that being said, a facility this old requires continued maintenance and upgrades. Some of our recent upgrades over the past few years was to replace Cardio and Weight room equipment in 2019 and 2020. New bottle filling stations replaced the old drinking fountains in 2020. We recently replaced the HVAC Units and boilers in 2020/2021. We are currently replacing old bulletin boards with information TV/Monitors in our lobby areas to promote facility rates, hours of operations, and advertise programs and activities.

One of the comparisons that we had taken into consideration with pricing was for the Summer Adventure Camp. The staff had researched local Casper organizations that offered similar services. The Boys and Girls Clubs of Casper with pricing set at \$75 per week and \$850 for the full summer. The YMCA offers

their program at \$115 per week and full summer for \$990 for members and \$1,265 for non-members. The proposed rates for the Adventure Camp is comparable to the YMCA on amenities, pricing and market value.

Another comparison that the staff had taken into consideration with pricing was for the daily admission fees and pass fees at the Casper Recreation Center. The staff had researched local Casper organizations that offered similar services, which are Lifetime Health and Fitness and the YMCA of Natrona County.

The Casper Recreation Center daily admission fees is currently \$4.00, children 4 and under are free. The Annual pass fees are currently \$90 per adult, \$65 per youth and \$45 per child.

The YMCA daily admission is \$5 for 0-12 and \$10 for adults. The Annual pass fees are \$588 per adult, \$288 per youth and \$180 per child.

Lifetimes daily admission fees are \$15.00 for all ages. The pass fees are \$1,168 per year for the first person and \$228 additional per extra adult and \$108 per extra child/youth per year.

Financial Considerations

Below is a table of proposed rate increases for 2021. This does not include all rates for the facilities. Please see the attachment for details on the assessment and facility and program rates.

Facility/Program	Rate Name	Current Rate	Average on Assessment Facilities	Proposed Rate	Justification/Explanation (Cost Recovery Analysis)
Casper Recreation Center	Daily Admission	\$4.00	\$7.50	\$5.00	Average across cities is \$7.50. An Increase by \$1 will get us closer to the state average based on the existing amenities. We had 680 day pass transactions with walk ins and punches. That 680 patrons has the ability to generate \$3400 versus \$2720.
	Annual Adult(19+)	\$90.00	\$358.67	\$135.00	Average across cities for Adult pass is \$358.67 for year. These fees are based on the utilization of more amenities including Aquatics. From January 2020 to January 2021 258 passes were sold at CRC. \$23,220 versus a potential \$34,830 in FY 22. An average customer that works out 3 to 5 times per week will spend at minimum, \$936 on a day pass annually. We propose raising the fee by \$45 in 2021 and another increase in 2023 until it reaches \$180. This would take 2 years and patrons would be more accepting of the rate increase if staged over a two year period.
	Annual Youth (13-18)	\$65.00	\$203.00	\$97.50	Average across cities is \$203. An increase to \$130 would bring in additional revenue of \$4290 (33 Memberships) We propose raising the fee by \$32.50 in 2021 and another increase in 2023 until it reaches \$130. This would take 2 years and patrons would be more accepting of the rate increase if staged over a two year period.
	Annual Child (5-12)	\$45.00	\$158.67	\$67.50	Average across cities is \$158.67 An increase to \$90 would bring in additional revenue of \$ 1,980. (22 memberships). We propose raising the fee by \$22.50 in 2021 and another increase in 2023 until it reaches \$90. This would take 2 years and patrons would be more accepting of the rate increase if staged over a two year period.
	Locker Rental	\$50.00	\$180.00	\$60.00	Current fee works out to \$4.17 per month. Raising fee to \$5 per month
	Day Camp	\$19.00	\$27.50	\$22.00	Increase of Day Camp fees to come closer to the average of other city entities. Fee helps cover our costs of staff, swim, skate and other activities.
	Summer Camp WK	\$100.00	\$250.00	\$125.00	Increase of Week Camp fees to come closer to the average of other city fees. Fee helps cover our costs of staff, swim, skate and other activities. To be implemented in 2022.
	Summer Camp Full	\$895.00	\$1,000.00	\$1,000.00	Increase of Full Camp fees to come closer to the average of other city fees. Fee helps cover our costs of staff, swim, skate and other activities. To be implemented in 2022.

Transfers In: (Estimated 2021 Subsidy)	\$939,320.00
Estimated annual revenue increase:	\$38,500.00
Difference:	\$900,820.00

Oversight/Project Responsibility

Phil Moya, Recreation Manager
 Jenniffer Harvey, Recreation Supervisor

Attachments

Recreation Center Rate Analysis 2021

**City of Casper
Parks and Recreation Department
Recreation Rate Analysis**

Facility/Program	Rate Name	Current Rate	Assesment Facility Rate (Gillette)	Assesment Facility Rate (Cody)	Assesment Facility Rate (Laramie)	Average on Assesment Facilities	Proposed Rate	Justification/Explanation (Cost Recovery Analysis)
Casper Recreation Center	Daily Admission	\$4.00	\$6.00	\$8.50	\$8.00	\$7.50	\$5.00	Average across cities is \$7.50. An Increase by \$1 will get us closer to the state average based on the existing ammenities. We had 680 day pass transactions with walk ins and punches. That 680 patrons has the ability to generate \$3400 versus \$2720.
	Annual Adult(19+)	\$90.00	\$389.00	\$315.00	\$372.00	\$358.67	\$135.00	Average across cities for Adult pass is \$358.67 for year. These fees are based on the utilization of more ammenities including Aquatics. From January 2020 to January 2021 258 passes were sold at CRC. \$23,220 versus a potential \$34,830 in FY 22. An average customer that works out 3 to 5 times per week will spend at minimum, \$936 on a day pass annually. We propose raising the fee by \$45 in 2021 and another increase in 2023 until it reaches \$180. This would take 2 years and patrons would be more accepting of the rate increase if staged over a two year period.
	Annual Youth (13-18)	\$65.00	\$282.00	\$156.00	\$171.00	\$203.00	\$97.50	Average across cities is \$203. An increase to \$130 would bring in additional revenue of \$4290. (33 Memberships) We propose raising the fee by \$32.50 in 2021 and another increase in 2023 until it reaches \$130. This would take 2 years and patrons would be more accepting of the rate increase if staged over a two year period.
	Annual Child (5-12)	\$45.00	\$215.00	\$156.00	\$105.00	\$158.67	\$67.50	Average across cities is \$158.67 An increase to \$90 would bring in additional revenue of \$ 1,980. (22 memberships). We propose raising the fee by \$22.50 in 2021 and another increase in 2023 until it reaches \$90. This would take 2 years and patrons would be more accepting of the rate increase if staged over a two year period.
	Rental Sage Rm ph	\$30.00	\$40.00		\$35.00	\$37.50	\$30.00	Keep the same for upcoming year.
	Rental Sage Rm Day	\$205.00		\$100.00		\$100.00	\$205.00	Keep the same for upcoming year.
	Rental Activity ph	\$50.00	\$80.00			\$80.00	\$50.00	Keep the same for upcoming year.
	Rental Activity Day	\$335.00		\$100.00		\$100.00	\$335.00	Keep the same for upcoming year.
	Rental Gym ph	\$50.00			\$60.00	\$60.00	\$50.00	Keep the same for upcoming year.
	Rental Gym Day	\$500.00		\$375.00		\$375.00	\$500.00	Keep the same for upcoming year.
	Damage Deposit	\$200.00	\$250.00	\$0.00	\$300.00	\$183.33	\$200.00	Keep the same for upcoming year.
	Locker Rental	\$50.00		\$180.00		\$180.00	\$60.00	Current fee works out to \$4.17 per month. Raising fee to \$5 per month
	Daily Fitness Class Fee	\$6.00	\$8.00	\$8.00	\$8.00	\$8.00	\$6.00	Keep the same for upcoming year.
	Martial Arts	\$95.00	\$45.00			\$45.00	\$95.00	Keep the same for upcoming year. Difference is due to number of classes offered.
	Day Camp	\$19.00		\$8.50	\$36.00	\$27.50	\$22.00	Increase of Day Camp fees to come closer to the average of other city entities. Fee helps cover our costs of staff, swim, skate and other activities.
	Summer Camp WK	\$100.00	\$250.00			\$250.00	\$125.00	Increase of Week Camp fees to come closer to the average of other city fees. Fee helps cover our costs of staff, swim, skate and other activities. To be implemented in 2022
	Summer Camp Full	\$895.00	\$1,000.00			\$1,000.00	\$1,000.00	Increase of Full Camp fees to come closer to the average of other city fees. Fee helps cover our costs of staff, swim, skate and other activities. To be implemented in 2022
	Fitness Classes	\$65.00	\$120.00		\$80.00	\$100.00	\$65.00	Keep the same for upcoming year.
Gymnastics	\$80.00				\$80.00	\$80.00	Keep the same for upcoming year.	

March 11, 2021

MEMO TO: J. Carter Napier, City Manager *JCN*
FROM: Tracey Belser, Support Services Director *TB*
Dan Coryell, Fleet Manager
SUBJECT: NAPA Integrated Business Solutions (IBS) Review

Recommendation:

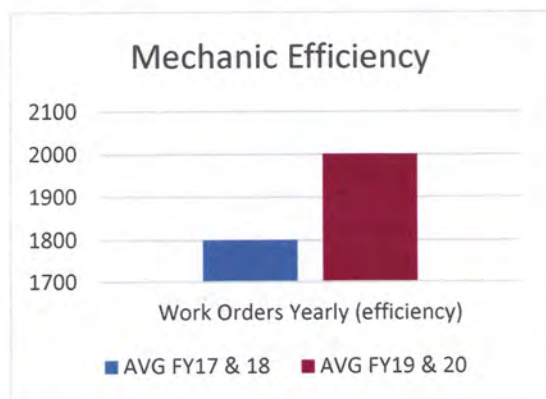
That the City of Casper Renew and Continue the Contract with NAPA Integrated Business Solutions (IBS) for the Management of the Fleet Division's Parts Inventory.

Summary:

The concept of having NAPA IBS manage the Fleet Division's parts inventory was first presented to City Council during a work session on December 12, 2017. At that time, Council gave approval for staff to move forward with contract negotiation. A contract was entered into between the City of Casper and NAPA IBS with the term beginning on May 2, 2018 and continuing through May 1, 2021. Thereafter, the agreement shall automatically renew for up to two (2) successive, annual renewal terms under the same terms and conditions as the initial term.

Key improvements that the City expected, and received, from this contract were improvements in mechanic efficiency and fleet readiness, reduction in freight charges, reduction in invoice processing time, and reduction in parts obsolescence. Additionally, there has been a gradual reduction in the City's financial liability due to the City no longer owning parts inventory. These are all reflected in the charts below:

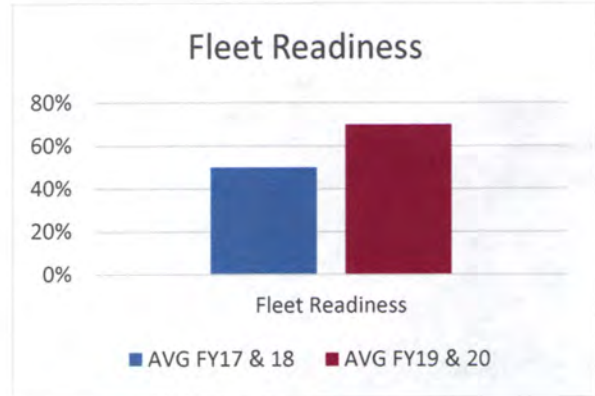
Efficiency:



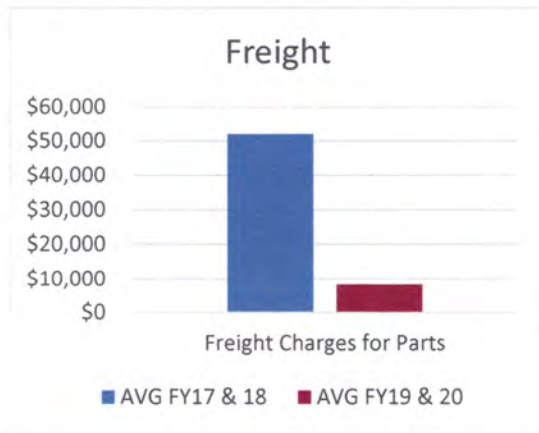
- Each time a piece of equipment or vehicle is serviced or has maintenance performed to it a work order is generated. Due to NAPA IBS doing all parts look up, ordering, and delivering, an average of 200 more work orders are completed each year.
- The efficiency since NAPA IBS is twofold as work orders are much higher and with having one (1) less mechanic on staff than in 2017.

Readiness:

- Fleet Readiness is calculated by availability of in-house parts. The City has been able to have the fleet more readily available in FY19 & FY20.
- In FY17/18, the average number of service/repairs workorders completed in 0-5 days was 1,600. That number grew to 1,760 following the NAPA IBS implementation.



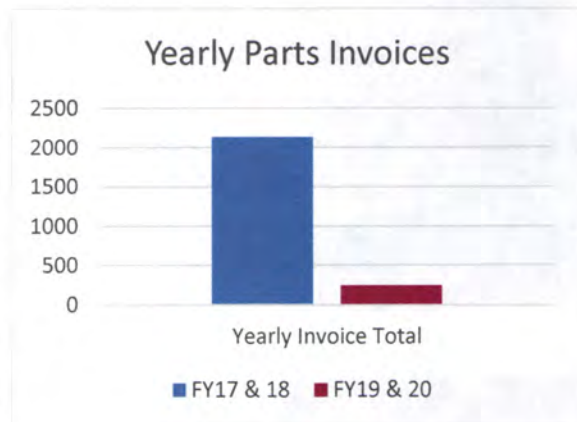
Freight:



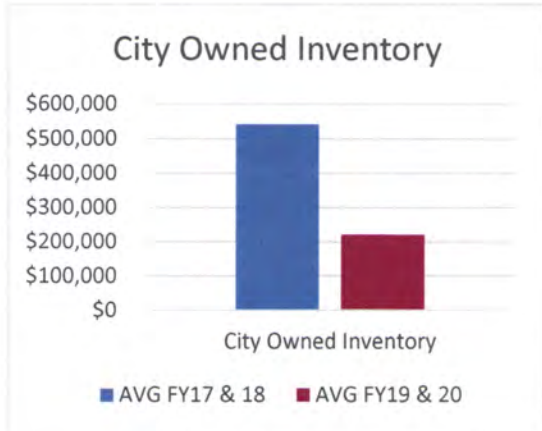
- Due to NAPA IBS’s ability to buy in bulk and have diverse agreements with vendors, freight charges have been reduced over 80% on average for FY19 & FY20.
- 80% equates to an average of \$45,000 savings annually. Prior to NAPA IBS, freight charges grew to over \$50,000 for the City. Now, freight charges average \$7,000.00.

Invoicing:

- City Staff processed nearly 2,000 parts invoices each year prior to NAPA IBS. Invoicing is more likely around 250 per year. This significant reduction is a more efficient use of City staff time.
- NAPA IBS increased their yearly parts invoice totals to approximately 5,660, which demonstrates how the structure that NAPA IBS brings results in efficiency for our organization as a whole by transferring that task to them.



Part Obsolescence:



- Part obsolescence for the City of Casper’s warehouse prior to NAPA IBS implementation ranged from 15% to 20%. This means that many of our parts on the shelves were for outdated equipment that the City no longer owned. NAPA IBS has been able to deplete our inventory by over half in their ability to utilize trades, different vendors, and an efficient parts inventory software system.

Below is a list of the top local vendors, and totals paid, for parts purchased through NAPA IBS in FY20:

- Wyoming Machinery \$143,430.79
- Goodyear Tire \$134,911.08
- CMI Teco \$52,623.67
- Homax \$52,393.10
- Stotz Equipment \$36,207.56
- Ameri-Tech Equipment \$30,553.06
- Greiner (Lithia) Ford \$30,271.06
- Casper Tire \$27,562.20
- Honnen Equipment \$24,291.07
- Peterson \$23,725.14
- Power Equipment \$22,944.76
- Floyds Truck \$20,926.45
- Central Truck and Diesel \$20,394.19

Substantial savings obtained through the discounts available with the NAPA IBS network include:

- Approximately \$100,000 in parts purchased
- A 30% savings in tire purchases annually

Although the overall Fleet operational budget has not decreased, since having the NAPA IBS contract in place, there is no doubt that the City would’ve had significant increases to the operational budget in Fleet during this period of time. Therefore, it is staff’s recommendation to let the NAPA-IBS contract automatically renew in May 2021.

If the City does not want to have the NAPA-IBS contract automatically renew in May 2021, the Fleet operational budget being proposed for FY’22 will need to include an estimated \$400,000 for

purchasing a parts inventory to sustain vehicle services and repairs (this would also increase our asset liability), \$150,000 in wages and benefits for two additional full-time staff positions to allocate to the warehouse, and \$100,000 to cover the loss of discounts available through NAPA IBS contracts and agreements for tire and parts purchases. This would be an initial investment of a minimum of \$650,000 this coming fiscal year to return these services to the City of Casper. Future years would have anticipated growth in the budget purely based on the loss of the buying power that is demonstrated by the NAPA IBS program which helps cities and counties avoid steep inflation rates on steel, shipping, and part availability.