

Adopted Minutes
Spanish Fork City Council Meeting
June 1, 2004

The meeting was called to order at 6:00 p.m. by Mayor Dale R. Barney. The pledge of allegiance was led by Councilmember Sorensen.

Elected Officials Present: Mayor Dale R. Barney, and Councilmembers Matthew D. Barber, Paul M. Christensen, Everett Kelepolo, and Seth V. Sorensen. Councilmember Chris C. Wadsworth was absent.

Staff Members Present: David A. Oyler, City Manager; Richard J. Heap, Engineering/Public Works Director; Richard Nielson, Assistant Public Works Director; Emil Pierson, Planning Director; S. Junior Baker, City Attorney; Jeff Foster, Electric Superintendent; Dale Robinson, Parks and Recreation Director; Dee Rosenbaum, Public Safety Director; Kent Clark, Finance Director; Louise Nuzman, Library Director; Connie Swain, Deputy Recorder.

Citizens Present: Janis Nielsen, *Spanish Fork Press*, Corbin Carter, Robert Pittelli, Jerry Hawkes, Richard Evans, Allen Evans, Wayne Lasson, Thayne Anderson, and Ronald Prestwich.

Public Hearing - Budget FY 2005

Councilmember Kelepolo made a **motion** to move into the public hearing portion of the meeting. Councilmember Christensen **seconded**, and the motion **passed** with a unanimous vote.

Mayor Barney reviewed the procedures for a public hearing.

Mr. Oyler said each of the department heads are present and will review any major budget changes in their respective budgets.

Mr. Robinson reviewed the following Parks and Recreation budget changes: a carryover of funds for a portion of the trail system (to be completed this summer), resurfacing of the trail at the North Park, the central control irrigation system, reservoir camp ground improvements, sports park parking lot with possible revisions, and landscaping funds in this year's budget are being held pending the completion of the parking lot.

Mr. Heap reviewed the following Engineering/Public Works Department budget changes: an additional full-time employee in the Public Utilities Department, storm drain rate increase, pressurized irrigation usage rate decrease, water rights purchases (paid through impact fees), overlays scheduled, sump pumps on Canyon Road and Sterling Drive as a temporary solution, and a broadband metering system.

Chief Rosenbaum reviewed the following Public Safety Department budget changes: an additional patrol officer funded partially by a federal grant and a rescue truck for the Fire Department.

Ms. Nuzman said the only change in the Library budget is a request for a new server and she invited John Bowcut to explain.

Mr. Bowcut said the server currently used by the Library is extremely outdated and should be replaced.

Mr. Baker said there are no major changes in the Legal Department budget.

Mr. Pierson reviewed the following changes in the Planning Department budget: hiring an intern, allowing Mr. Pierson time to focus on economic development and continue working with Richard Bradford.

Mr. Bowcut reviewed the following changes in the Information Services Department budget: increase in wages and benefits with respect to three new positions, additional set top boxes, modems, and other equipment, a monitoring system for power used outside of the plant, a new data processing back up system, additional contract labor for channel 17, higher channel costs with increased customers, nodes for new subdivisions, routers, and the employment of HDTV. Mr. Bowcut said he has five-year payback numbers for HDTV available upon request. If we do not put in HDTV soon, we will start losing customers.

Mr. Clark reviewed the changes to the General Fund Revenues including the following: transfers from the Electric Fund to support other areas and transfers to and from the Enterprise Fund. Our city has one of the lowest property tax rates in the State.

Mr. Oyler said the salaries also include a cost of living increase and insurance coverage increases. The impact fee rates contained in the budget will be amended based on the impact fees approved with the exception of the electric impact fees which will be reviewed tonight. The RDA and Airport budgets are also included in the packet.

Jerry Hawkes, resident on Scenic Drive, asked for the total incoming amount the city receives.

Mr. Oyler said the total budget for the Enterprise Fund and General Fund is \$34,108,844.00.

Mr. Hawkes asked if the current city population is 26,700.

Mr. Pierson said the current population is approximately 25,000.

Mr. Hawkes asked what criterion is used for determining salaries, retirement, car allowances, health and welfare, etc. He asked why we are paying more car allowance than Salt Lake City. He asked for an explanation to gain the public trust.

6:25 p.m. - Councilmember Barber arrived

Mr. Oyler said a salary survey is conducted annually based on a competitive market value analysis of other cities. The State sets the retirement contribution rates. The public safety employees' contribution rate will be set at 19.08 percent next year. The other employees'

contribution rate is set at 17.09 percent with part being toward the 401K. The vehicle allowance is \$450 and he said he understands Salt Lake City pays a higher car allowance. The Health Insurance coverage is based on the bids received and the level of benefits. FICA is set the same for all cities, and workers' compensation was bid out and the bid accepted will provide a substantial savings this year.

Mr. Hawkes asked if the cities in the salary survey are comparable with Spanish Fork City.

Councilmember Kelepolo said the analysis is done throughout the cities in the State and compares like cities and also looks at job duties and services provided. Most cities are comparable as far as size. However, Spanish Fork City offers more services than other cities.

Mr. Hawkes asked if the market analysis is based on the job duty regardless of the size of the city.

Councilmember Kelepolo said the city received outside professional advice to prepare the salary survey. It is to provide comparable pay for comparable jobs performed. The survey was prepared by Mike Swallow of Wasatch Compensation Group and a great number of cities use the same source.

Wayne Lasson, 1608 East Mt. View Drive, asked if the report is available to the public.

Mayor Barney said the report is available to the public.

Councilmember Kelepolo said a copy of the report will be made available to public upon request to the Administration Office.

Mr. Lasson said rumors state we are out of proportion with other cities. He asked if it is true that salaries cannot be adjusted downward. He read a statement.

Councilmember Kelepolo asked Mr. Lasson where the information he presented is located.

Mr. Lasson said it is found in section 13.

Councilmember Kelepolo asked Mr. Baker if the information is part of the personnel policy.

Mr. Baker said it is in the contract for at-will employees.

Councilmember Christensen said before the city acquired the services of Wasatch Compensation Group a countywide system was used. The countywide system was based on population. There were small differences in the outcome of the surveys.

Councilmember Kelepolo said it is not true that salaries cannot be adjusted downward.

Mr. Oyler read the conclusion of the salary survey prepared by Wasatch Compensation Group.

Thayne Anderson, 1687 Dover Drive, asked why the city is paying 17.99 percent toward

retirement when the State only requires 9.62 percent.

Councilmember Kelepolo said public comments such as these are important since it provides opportunities to educate the public.

Mr. Oyler said right now two separate retirement bodies have been created. One retirement group is for public safety employees and one group includes all other employees. The State requires the cities to fund all of the public safety retirement contributions set at 17.5 percent. Next year the rate goes up to 19.08 percent. The State requires around 11 percent paid to all other employees. The city throughout the years has always agreed to maintain the same contribution to all city employees as far as retirement. The public safety contribution goes to State Retirement and the other employees' contribution goes to 401K.

Ronald Prestwich, 567 South 1600 East, said he has lived here since 1974. He said he was talking to a lady the other day and was informed our Assistant City Manager makes \$82,000. He cannot afford to water his lawn, the bills continue to rise, and he sees neighborhoods degrading. He understands the Assistant City Manager is leaving in June and there are only three Assistant City Managers in the State. When he heard the City Manager makes more than \$100,000, he just about passed out. He works for \$14 bucks an hour and he works 40 hours a week to make a living. He did not go to college and he is a working man. He wants to be able to live in the city. If we are going to continue paying these salaries for doing a job a college graduate could do for \$40-50,000 per year or the City Manger could do, we are going to break the backs of the people. It is just one of a thousand concerns he has living here. He wants to be able to keep his lawn nice. He asked how he is going to do that with a \$100 water bill due this summer.

Mr. Hawkes asked if the 19 percent retirement contribution for the public safety group mentioned by Mr. Oyler is only for the contract employees.

Mr. Oyler said the 9.62 percent paid to state retirement is going up to 11.09 percent for all employees including contract employees. The public safety contribution requirement is going up to 19.08 next year. There will be increases in both contributions for the public safety employees and other employees. Mr. Oyler also made a correction in the amount of the total budget which is \$34,962,374.00 including the B and C road funds.

Mayor Bamey closed the public comment portion of the meeting and opened the meeting for city council discussion.

Mayor Barney said the perception is the city pays too much money in salaries, however, the study shows the city staff is paid on target.

Councilmember Barber asked who sets the retirement contribution requirements and if other cities contribute in the same proportions.

Mr. Oyler said the State sets the contribution rate and the city is required to meet the rates. There are many variations of rates paid by cites and amounts paid by employees.

Councilmember Kelepolo said he wished the gentlemen making the comments had remained to

allow the city council to address their concerns. He said we want to make sure we are fair to our employees to insure we do not lose good employees. Other cities may pay a little less, however, Spanish Fork City is a lean city when we looking at the big picture. We are falling right in compliance with the market analysis.

Councilmember Barber said the method and philosophy used in the salary analysis has worked and we have stayed with it. The citizens are talking about other issues. They are talking about a population-based analysis and other methodologies. He said it is true there are other ways to complete the study. The analysis we are using works and is the reason why the city has chosen the current methodology.

Councilmember Kelepolo said the school district uses a step-up program and employees receive increases regardless of performance. The city's increases are based on performance.

Mr. Oyler said there are more than three Assistant City Managers in the State. The Assistant City Manager position is not just a management position. The main functions of the position are human resources, risk management, and general management. There are many titles for the position used by many cities in the State such as Risk Management Director, Director of Administrative Services, Human Resource Director, etc. The position performs a valuable and important function, especially the services provided by MaryClare Maslyn. He said he has worked with Ms. Maslyn for many years and she has provided the city with many hours of invaluable service including Fiesta Days, Festival of Lights, and Human Resources issues. She has been a very valuable resource to the city and she will be sorely missed. The position, depending on the qualifications, should be paid according to their experience. The current salary range for the position is approximately \$62,000 to \$82,000.

Councilmember Kelepolo said the misconception of the Assistant City Manager position is related to the job duties. The position consists of risk management, human resources, and general management, along with legal side issues associated with grievances. If citizens have problems, they go to Ms. Maslyn to resolve the issues. The city has been getting a much better deal than perceived based on the amount of duties currently filled by MaryClare Maslyn. He invited anyone to come and view the work performed by Ms. Maslyn. The duties are broad and time consuming.

Mayor Barney said regardless of title the work load is there. He also invited anyone to spend a day or two in the office and receive a better understanding of the requirements of the position. The perception is the city is not what it ought to be. It makes him wonder why our Police Department has received awards from peers for outstanding performance. The Parks and Recreation Department has won many awards for performance and amenities. Also, there have been many other awards received by the city. The city is well managed and well run.

Councilmember Christensen said he feels sorry for the person taking Ms. Maslyn's position. He said Ms. Maslyn has set a precedence with what she has accomplished and it is going to be very difficult to find someone to take her place. They will need many years of experience. He thanked Ms. Maslyn for the service she has provided.

Mayor Barney asked Mr. Clark to review the sales tax increases every year.

Mr. Clark said the budget numbers show the last three actual years. The second column is inflated due to a one time contribution from Olympic funds. Last year the sales tax figure was 2.5 million, in February 2004 the figure was 2.6 million for the current year fiscal year, and a projected increase of 25,000 for next year.

Mr. Oyler said the budget will be reviewed again during the work session scheduled June 8, 2004 and will be scheduled for approval on June 15, 2004.

Adjourn to Redevelopment Agency Meeting

Councilmember Kelepolo made a **motion** to move into the Redevelopment Agency Meeting. Councilmember Christensen **seconded**, and the motion **passed** with a unanimous vote.

Adjourn from RDA and Reconvene City Council Regular Session Public Hearings

Councilmember Christensen made a **motion** to move out of RDA meeting and reconvene the public hearings of the regular session of city council meeting. Councilmember Kelepolo **seconded**, the motion **passed** with a unanimous vote, and the meeting reconvened at 7:07 p.m.

Public Hearing - Water Conservation Plan (Continued from April 20, 2004)

Mr. Nielson presented the Water Conservation Plan with the changes requested by the city council.

Councilmember Barber said the plan looks good.

Mayor Barney opened the meeting for public comment. None was given. The public comment portion of the meeting was closed and the meeting was opened for city council discussion.

Councilmember Kelepolo said he appreciates the work contributed and the information given to assist in educating the public concerning conservation of water.

Mayor Barney said a grant was received from the Central Water Conservancy District in the amount of five million dollars. The grant was based on our Water Conservation Plan.

Councilmember Christensen said the plan must have been good to receive the grant. He also expressed appreciation to mother nature for the water received. He said citizens do not need to have brown lawns to conserve water. It just needs a little management.

Councilmember Kelepolo made a **motion** to adopt the Water Conservation Plan as printed. Councilmember Sorensen **seconded**, and the motion **passed** with a unanimous vote.

Public Hearing - Ordinance 08-04 - An Ordinance Enacting Amendments to the Impact

Fee with Regard to Electric Structure (Continued from May 18, 2004)

Mr. Clark presented a summary to the city council and the public. The impact fee regarding the electric structure was presented. The change represents an 8 percent increase. Average demand requires a new substation every three years. He reviewed the changes based on growth projections. He reviewed the summary including projected projects included in the calculations. The diversity factor changed slightly and Mr. Foster was present to answer any questions concerning the diversity factor.

Mayor Barney opened the meeting for public comment. None was given. The public comment portion of the meeting was closed and the meeting was opened for city council discussion.

Mayor Barney said the system used to determine the impact fees has been sound and he agrees in extending the amount of time and projects to be involved to determine the impact fees to be charged.

Mr. Heap said the numbers will need to be reviewed every five or six years. However, the philosophy will be the same.

Councilmember Sorensen said he agrees with this methodology and said it adds an element of fairness.

Councilmember Barber said he appreciates staff considering the revisions to the philosophy. He asked Mr. Foster if he thinks it is fair and if the methodology will have an impact on his department.

Mr. Foster said it will eliminate the peaks and valleys and the impact fees will be more consistent and will balance out in the end. The money will need to be budgeted and balance ahead of time.

Councilmember Barber made a **motion** to adopting Ordinance 08-04, an Ordinance Enacting Amendments to the Impact Fee with Regard to Electric Structure. Councilmember Sorensen **seconded**, and the motion **passed** with a unanimous vote.

Public Hearing - Aspen Heights Rezone - 1700 East 1850 South

Mr. Pierson said the applicant, Allen Evans, is requesting a rezone of the property located at 1700 East 1850 South from R-R to R-1-12. The surrounding properties are zoned R-1-2 and R-R. The request conforms to the General Plan and meets the requirements of the Zone. The Planning Commission has reviewed the request and recommended approval of the rezone.

Mayor Barney opened the meeting for public comment. None was given. The public comment portion of the meeting was closed and the meeting was opened for city council discussion.

Councilmember Barber disclosed Mr. Evans is a client of his.

Mayor Barney disclosed Mr. Evans is a friend of his.

Mayor Barney asked if there is concern to move this item forward to allow the road through the area to be opened.

Mr. Heap said the preliminary plat will need to be approved, a bond will need to be posted, the final plat will need to be approved, and then construction can begin. The church and residents in the area are anxious to get the road in.

Mayor Barney said growth has been a trademark of our city for a while.

Councilmember Christensen made a **motion** to accept the Aspen Height Rezone from Rural Residential (R-R) to Low Urban Residential (R-1-12) located at 1700 East 1850 South. Councilmember Kelepolo **seconded**, and the motion **passed** with a unanimous vote.

Councilmember Christensen made a **motion** to move out of the public hearing portion of the meeting and move into the regular session of city council meeting. Councilmember Sorensen **seconded**, and the motion **passed** with a unanimous vote.

Robert Pittelli - Agenda Request - Beer Sales on Sunday

Councilmember Christensen said residents talked with six businesses and found they are against the sell of beer on Sunday. They felt it would contribute to problems on US 6, at the reservoir, gun club, and parks. Only one said they would have no problem with beer sold on Sunday. Most agreed there would not be a big increase in tax revenue. Councilmember Christensen recommended making no changes to the current ordinance.

Councilmember Kelepolo asked if the sale of hard liquor is allowed.

Mr. Baker said the State allows the sale of hard liquor if the establishment holds a liquor license. The State regulates the sale of hard liquor. However, the State allows the cities to control the sale of beer on Sunday.

Councilmember Sorensen said he called business owners and the majority said they would like to have no beer sold on Sunday.

Councilmember Kelepolo said at this time he is comfortable with the current policy.

Councilmember Barber said he only spoke to a few people but not enough to feel comfortable representing the citizen's views. He said personally he feels it is not about money but it is an individual right and freedom issue.

Councilmember Kelepolo made a **motion** to reject the Sunday beer sales proposal at this time. Councilmember Christensen **seconded**, and the motion **passed** with a unanimous vote.

Aspen Heights Preliminary Plat - 1700 East 1850 South

Mr. Pierson said based on the rezone Mr. Evans is requesting to develop a 21-single family lot

subdivision. The property consists of 9.2 acres. The development meets the requirements of the R-1-12 zone. The surrounding properties contain a church, subdivisions, and a rural residential zone. The current home on the property will remain.

Councilmember Barber asked Mr. Heap concerning the first condition recommended by the Planning Commission. He asked for the cost to relocate the Strawberry Power line and allow service to the three existing customers and what the time frame would be.

Mr. Heap said the developer would work directly with Strawberry Power based on requirements of the contract the city has with Strawberry Power. He was unsure of the cost and time frame.

Mr. Baker said the contract with Strawberry Power was settled in 1998.

Mayor Bamey asked concerning the contract.

Mr. Foster said the costs to Strawberry Power will be approximately \$3,000 to \$4,000 based on the subdivision. There is also a severance cost to be paid to Strawberry Power. There will be no effect on the existing customers.

Mr. Heap said the developer pays Strawberry Power and the three existing customers will begin to utilize Spanish Fork City power.

Mayor Bamey said he understood the contract required no costs if it made sense to have the city take over the lines.

Mr. Heap said the contract said we take them over regardless, if it is a new development.

Mr. Baker said we have the option of providing service and he explained the costs.

Councilmember Kelepolo asked how we try to make sure we remedy driveways on collector roads.

Mr. Heap said only lot one and the existing lot will access 1700 East.

Mr. Evans said he is comfortable with the eight conditions recommended by the Planning Commission. He would like to know how much Strawberry Power fees will be, however, he realizes it is required.

Councilmember Kelepolo made a **motion** to approve the Aspen Heights Preliminary Plat at 1700 East 1850 South as presented subject to the following conditions:

1. The developer is to work with Strawberry Power to relocate the power lines to allow service to the three existing customers,
2. Lifting of the utility restriction will take place when the storm drain line is:
 - a. bonded with a completion time frame of 120 days,
 - b. the rights-of-way are acquired and deeded to the city
 - c. designed and approved by the city,

- d. installed and functional prior to the issuance of any building permits and/or the paving of roads,
3. There will be no final plat approval until the storm drain line is installed,
4. Install a temporary turn around on lot 13 if the subdivision to the north has not been developed,
5. Install a side entry garage from the north on lot 1,
6. No driveway access onto 1700 East will be allowed on lots 2 and 20,
7. Meet all of the Construction and Development Standards,
8. Meet all of the requirements of the R-1-12 Zone.

Councilmember Sorensen **seconded**, and the motion **passed** with a unanimous vote.

Reese Circle Preliminary Plat - 1380 East 400 North

Mr. Pierson said the applicant, Troy Hales, is requesting a 6-single family lot subdivision at 1380 East 400 North. The Development Review Committee and the Planning Commission have reviewed the request and recommended approval. The lots meet the size requirements and the density range.

Mayor Barney said he is concerned with drifting of snow.

Mr. Pierson said there may be problems with snow drifts, however, walls with future development and walls with this development will help.

Councilmember Sorensen asked if a letter from UDOT has been received.

Mr. Heap said the letter from UDOT has not been received yet. He said typically the letter will be a condition of the final plat. There cannot be a street there until UDOT approves it.

Councilmember Kelepolo asked for the road length from 400 North.

Mr. Pierson said with each development he is looking at sight visibility. The driveways are positioned to improve visibility.

Councilmember Kelepolo asked concerning the stamped concrete.

Mr. Pierson said stamped concrete will be contiguous with Valley Crest.

Councilmember Sorensen made a **motion** to approve the Reese Circle Preliminary Plat located at 1380 East 400 North subject to the following conditions:

1. Provide a letter from UDOT approving the design and improvements along 400 North,
2. Meet the electric standards as per Jeff Foster of the Electric Department,
3. Install trees, stamped concrete, tree grates, sprinkler system, and wall along 400 North as per the city planner,
4. Install the wall with a 25-foot set back from the front property line to match the front set back of the home.

Councilmember Kelepolo **seconded**, and the motion **passed** with a unanimous vote.

Somerset Preliminary Plat

Mr. Pierson said the applicant is requesting re-approval of the Somerset Preliminary Plat consisting of 208 units. The developer received approval of the lots requested based on providing the costs of relocating the manufactured homes in Spanish Ranch. One year has passed and the preliminary plat approval will expire. This project will last approximately three years.

Mayor Barney asked if the developer will come back in for re-approval.

Mr. Pierson said they will record in small plats to eliminate the future expiration of the plat.

Councilmember Kelepolo said he is impressed with the product provided by the developer, Les Allen.

Councilmember Kelepolo made a **motion** to approve the Somerset Preliminary Plat re-approval subject to the original conditions of approval. Councilmember Christensen **seconded**, and the motion passed with a unanimous vote.

Other Business

Mayor Barney said Spanish Fork City has received an award from the Concrete Association for the pressurized irrigation reservoir. The contractor also received an award.

Mayor Barney also said he visited with a firm selling a product to promote education of the U.S. Constitution. They are a non profit organization. The products they offer are for display and begin at \$1,100. Mayor Barney said the products would be a good idea.

Councilmember Barber suggested inviting a representative from the organization to make a presentation.

Councilmember Christensen suggested the presentation be made to the Historical Committee.

Councilmember Barber serves on the Historical Committee and agreed to scheduling a presentation with the committee.

Councilmember Barber said all of the volunteers and staff involved in the planting of the flower beds on Main Street were amazing. Also, there were many citizens attending the Veterans Memorial Service at the cemetery. He said we have one of the nicest cemeteries in the State.

Mayor Barney thanked Councilmember Barber for bringing the issues up. He said our city has great volunteers. He also said he is proud of the Veterans who have served our country and appreciates the monument at the cemetery.

No need for an Executive Session was expressed.

Adjournment

Councilmember Kelepolo made a **motion** to adjourn. Councilmember Christensen **seconded**, the motion **passed** with a unanimous vote, and the meeting adjourned at 7:55 p.m.

Connie Swain, Deputy Recorder

Approved: June 15, 2004