

Adopted Minutes
Spanish Fork City Council Meeting
June 15, 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 Wadsworth.

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

Staff Members Present: David A. Oyler, City Manager; Richard J. Heap, Engineering/Public Works Director; Kent Clark, Finance Director; Emil Pierson, Planning Director; MaryClare Maslyn, Assistant City Manager; Dee Rosenbaum, Public Safety Director; S. Junior Baker, City Attorney; Angie Jackson, Legal Secretary; Vern Jackson, Electrician; Jill Thorpe, Police Secretary; John Bowcut, Information Services Director; Connie Swain, Deputy Recorder.

Citizens Present: Rodger Hardy, *Deseret News*, Melissa Hallam, Andrea Gleaves, Christina Roach, Greg Hansen, Christina Williams, Leah Rosenbaum, Brad Tanner, Robert Pittelli, Mr. Grotgut, Jackie Mitchell, Gae Grunander, and Tony Grunander.

Minutes

Councilmember Kelepolo made a **motion** to approve the minutes of the May 18, 2004, city council meeting with changes as noted. Councilmember Sorensen **seconded**, and the motion **passed** with a unanimous vote.

Councilmember Kelepolo made a **motion** to approve the minutes of the June 1, 2004, city council meeting as presented. Councilmember Christensen **seconded**, and the motion **passed** with a unanimous vote.

Councilmember Kelepolo clarified information he gave during the previous city council meeting. He had stated Councilmember Wadsworth accrued \$3,000 in costs for a recent trip to Washington, D.C. Councilmember Kelepolo clarified the costs for the trip totaled \$2,692.46. Also, receipts were submitted for lunches with individuals. He said citizens should not pay for lunch meetings unless the entire city council is represented or the meal is related to a committee or board assignment. Councilmember Wadsworth is representing his view points during the lunch meetings and not the city council's view points.

Councilmember Wadsworth said he presented the receipts to Kent Clark and asked concerning the city policy for reimbursement which is a common practice in the business world. He said most of the city councilmembers hold full-time jobs and it is difficult to schedule meetings with everyone. He was not told there was a problem with the lunch receipts. Concerning the Washington, D.C. trip, he said he approached Mayor Barney and asked if the National League of Cities Conference would be worthwhile to attend. He said Mayor Barney encouraged him to

attend the conference.

Councilmember Kelepolo said he wants to insure any money spent by the city council is approved by all members of the city council. If a lunch meeting is related to a city council assignment the city can pay for the cost of the lunch. The city council should decide how the funds are spent. The city staff are directed by the city council and will do what is asked of them by the city council.

Mayor Bamey said he advised Councilmember Wadsworth to attend the Washington, D.C. Conference. The city council needs a policy concerning city councilmember reimbursements and expenses.

Councilmember Wadsworth said the lunches were with the potential lobbyists to help us with securing trail funds. He agreed there is a need for a policy.

Councilmember Kelepolo said the Personnel Committee can meet and present a policy to the city council. The city council should approve the policy.

Councilmember Sorensen said he would also like to add information concerning an item discussed during the last city council meeting. He said Councilmember Wadsworth quoted a member of the Utah Retirement System Office stating she was stupefied by Spanish Fork City's contribution rate.

Councilmember Wadsworth said the statement she made was her opinion and she was not representing the organization.

Councilmember Sorensen said if the statement was her opinion and not the organization's opinion the information should not have been brought before the city council. She should represent the department she works for. Councilmember Sorensen said he also called and talked with employees of the Utah Retirement System Office. He said he talked to Valerie of the Education and Marketing Department and she said the retirement contributions have a broad range throughout the State. Valerie said, "It seems to me that your current range of 17.9 percent for a total is right in the ball park." Councilmember Sorensen also talked with Novella of the 401K Department and she provided a random sampling of 401K contributions in addition to the State requirement in percentages as follows: 5.2, 3.21, 7.19, 2.65, 4.8, 5.22, 9.62, 5.75, 2.54, 7.05, 5.61, 6.01, 8.36, 9.47, 6.0, 4.87. Novella said, "I think your contributions are reasonable." Cory of the Education and Marketing Department said, "Very few do 0 percent. The majority do up to 6 percent, and a group of about 12 to 15 entities do up to 10 percent." In response to Spanish Fork City's contributions she said, "That is a good package. It should keep your employees happy. Setting it at that level is a great way to keep and maintain employees who are willing to work. It is probably in the top 30 to 40 percent for the State, but I think it is a great package." Christine in the Administration Department gave a 401K contribution range above the State requirement spanning from .5 percent to 9.5 percent, but stated the average as being 3-5 percent. Christine said, "Your 401K contributions seem to be in the upper end of the norm." Spanish Fork City has 15 to 35 less employees than other cities of our size. Spanish Fork City has 1 employee per 194 residents. Other cities of comparable size have 1 employee per 140 to

147 residents.

Councilmember Wadsworth said he is waiting to get permission to use the name of the person he quoted from the Utah Retirement System Office.

Councilmember Sorensen said during his conversation with Christine in the Administration Department he asked her concerning the quote read by Councilmember Wadsworth during the June 8 city council meeting. During the meeting Councilmember Wadsworth stated he had talked with a Utah Retirement System employee who said Spanish Fork's contribution rate stupefied them. Christine said no employee of Utah Retirement System would make such a comment, and also said if it were found an employee had made such a comment they would be disciplined immediately.

Councilmember Wadsworth asked what the employees of the Utah Retirement System Office had said about the tax base. He asked how big of a burden do we want to place on the residents.

Councilmember Sorensen also added other cites are charging a much higher property tax than Spanish Fork City. He will have more information on the tax base from the last gentlemen he talked to and will provide it later.

Mayor Barney asked to move forward with the agenda.

City Youth Council Presentation and Introduction of New Members

Melissa Hallam, 2003-2004 Youth Council Mayor, introduced two of her councilmembers, Andrea Gleaves and Christina Roach. She presented a scrapbook of the projects completed this past year by the City Youth Council and asked the book be displayed in the city office. She also thanked Glenn James, Adult Youth Council Advisor, and Councilmember Sorensen for their support and presented a gift for each of them. Ms. Hallam also introduced the new Youth Council Mayor, Greg Hansen and two of his councilmembers, Christina Williams and Leah Rosenbaum.

Mayor Barney said the city has had some really neat youth councils. A round of applause was given.

Agenda Request - City Brush Truck - Brad Tanner

Mr. Tanner said he is here to make a request concerning the fire brush truck the city is going to salvage for the purchase of the new rescue truck. He said he had the opportunity to visit Mexico last fall with the Hershey Smiles Organization. He meet with a local Lions Club Member who is active in helping meet the area needs. He said they are in need of a brush truck. They have old unreliable trucks and sometimes they do not start. The city in Mexico with the need is approximately the size of Spanish Fork City. Mr. Tanner was present to request the city donate their old brush truck. He has approached the Rotary Club and they are willing to help get the brush truck to Mexico if the request is approved by the city council. Sterling Leifson, a volunteer fireman with Spanish Fork City, has agreed to drive the brush truck to Mexico and teach fire training classes while there.

Councilmember Kelepolo asked for the year the truck was built.

Chief Rosenbaum said the truck was built in 1992. The department is replacing a rescue truck this coming budget year. The current rescue truck will be moved to be the brush truck and current brush truck was to be salvaged. He said the old brush truck would be a great asset to another community such as the one suggested by Mr. Tanner. The new rescue truck will not be available until January or February 2005.

Mayor Barney said he understands the new truck is needed to handle situations such as yesterday's fatal accident on Highway 6.

Chief Rosenbaum said the new truck has extraction equipment and other equipment to assist with critical and high speed accidents. He said the Public Safety Department is excited to get the new truck. The timing may not work out well with Mr. Tanner's plans, the new truck cannot be made available until the new truck arrives.

Councilmember Kelepolo suggested the city council make the decision when the new rescue truck is available.

Mayor Barney said he supports the request to donate the truck.

Councilmember Christensen said he also supports donating the truck. He said it would be a great humanitarian opportunity.

6:25 p.m. - Councilmember Barber arrived

Councilmember Wadsworth said he had the opportunity to do humanitarian work recently. He said he is familiar with the Hershey Smiles Organization and he agrees the truck donation would be a good thing.

Councilmember Sorensen said anytime we get a chance to help our fellow men we should take advantage of the opportunity.

Councilmember Barber said the donation of the old brush truck is a great idea.

Mr. Tanner said the trip to deliver the brush truck is planned for October, 2004.

Mayor Barney said the city council unanimously supports the proposal. He told Mr. Tanner to coordinate the truck delivery time frame with the Public Safety Department since the replacement truck will not be available until next year.

Public Hearing - Budget FY 2004 Revision II Adoption

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 rules of conduct for a public hearing.

Mr. Oyler provided copies of the current year's budget to the public in attendance. He reviewed the process for the budget revisions and approval. He reviewed the major budget changes. He also reviewed the General Fund, Transfers, Enterprise Fund, and Motor Pool Fund.

Mayor Bamey opened the meeting for public comments.

Jackie Mitchell said she wanted to comment on the current budget. She understands the golf course is losing money every year. Can it be tightened up to help with utility costs. The high utility costs is why some previous city councilmembers no longer sit on city council. She said she does not understand the retirement issue but it sounds as if the citizens are packing the burden. The \$89,000 salary for the Assistant City Manger position is excessive. Do we really need to replace that person or can the funds be used in other areas. She was told she cannot get on the agenda. How can she voice her opinions.

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

Councilmember Sorensen said one concern has been with the increased rates connected with the new pressurized irrigation system. There will be a 20 percent decrease in pressurized irrigation usage rates this year.

Councilmember Kelepolo said the road closure for the bridge construction contributed to lost golf course revenues last year. The Recreation Committee is working to tighten the funds expended and increase revenues at the golf course. New marketing ideas are being discussed.

Councilmember Wadsworth asked how much the city has lost at the golf course over the last eight years.

Mr. Robinson said there are variables involved in the golf course making money. The golfing market is saturated and many of the courses are being subsidized. Many city services are being subsidized. The city council needs to determine what services the city should provide. The golf course is an asset to the city. There have been variables beyond the control of the Recreation Department. He said his department has been minimizing the loses and continuing to reverse the trend. Mr. Robinson confirmed the golf course has been subsidized for eight years the amounts have varied.

Councilmember Wadsworth asked if lines 36-90 of the golf course budget reflect the amount being subsidized.

Mr. Oyler confirmed.

Mayor Bamey said the city council needs to decide if they want this amenity or not.

Councilmember Kelepolo said other entities throughout the State are subsidizing their golf

courses. Spanish Fork is one of those losing the least.

Councilmember Sorensen asked what is being done.

Mr. Robinson said a more aggressive marketing approach is being implemented. Some elements such as wind make it difficult to golf during the ideal hours of the morning.

Councilmember Wadsworth said we need to consider when the city will no longer subsidize the golf course.

Mayor Barney said there are amenities enjoyed by some and not others. The city council needs to decide what is best for the city.

Councilmember Kelepolo said the city is required to meet the basic needs of the citizens such as electricity, water, sewer, etc. Beyond that a determination needs to be made concerning the extra services provided to enhance the quality of life in our community.

Councilmember Wadsworth said we need to weigh the priorities.

Councilmember Sorensen asked where we want the quality of life to be and he said the matter needs to be discussed further.

Councilmember Kelepolo said the senior center, broadband, golf course, rodeo, airport, and other amenities all need to be addressed. He also presented information concerning the city retirement contribution poll.

Councilmember Wadsworth said he is concerned the contribution is too high.

Mayor Barney said the decision has been made. If citizens have input they can contact a member of the city council.

Councilmember Wadsworth asked for the principal for paying the percentage of retirement funds.

Councilmember Kelepolo said the philosophy and the principal are the same thing. The principal is based on a desire to find and maintain quality employees. It would be great if all of the employees would work for \$1.00. However, we want to maintain the best qualified people for the positions. He understands the employees desire for a fair wage and to be compensated for their time. The guidelines indicate the amount paid to the city employees is fair.

Councilmember Christensen said responsible and qualified employees help insure costly mistakes do not take place. We want top people within the organization. It is a function of the city to provide health services and retirement benefits to the employees. He agrees with the retirement rate if it helps bring the best employees to our city. We have fewer employees per resident in our community.

Councilmember Sorensen said he is aware of an employee in the Engineering Department who,

with one action, saved the city \$500,000. Also, an employee at the water treatment plant has saved the city millions of dollars in penalties based on his knowledge and helped avoid potential problems. In the Public Safety Department there are two officers who received awards for saving a life based on their knowledge and abilities. He said last year when coming home he observed city workers in below freezing weather and in the water working to help prevent a problem. Those people go above and beyond what they are required to do. When he flips the light switch the lights come on, when he turns the faucet the water comes out, and when he flushed the toilet it goes out of his house. It takes quality people to make those things happen on a continual basis. As a resident he wants trustworthy people in those positions. There is a misconception that every employee receives a raise across the board. Employees of Spanish Fork City only receive raises based on job performance. He is a big fan of the cities pay schedule. There are really good things going on in the city. It does not mean everything is perfect. It does not mean there cannot be changes. The city councilmembers are all residents of the city and have a variety of backgrounds providing different perspectives.

Councilmember Barber said Jackie Mitchell asked what citizens can do to be a part of the decision making process. He said the city council does not take decisions lightly concerning the quality of life and level of services provided. The city council needs to hear from citizens concerning their desires.

Councilmember Sorensen made a **motion** to accept the FY 2004 Budget as presented. Councilmember Kelepolo **seconded**, and the motion **passed** with a unanimous vote.

Councilmember Wadsworth asked when the last meeting to discuss FY 2005 Budget will be held.

Mayor Bamey said the FY 2005 Budget is a separate item on the meeting agenda tonight.

Adjourn to RDA

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

Reconvene Regular Session of City Council Meeting

Councilmember Kelepolo made a **motion** to move out of the Redevelopment Agency Meeting and reconvene the regular session of city council meeting. Councilmember Christensen **seconded**, and the motion **passed** with a unanimous vote.

Olsen Well Property Exchange

Mr. Baker said Spanish Fork Associates is proposing a property exchange with the city. Some years ago the city acquired the Olsen well and the property thought to be well property. Later research indicated the well was not on the property owned by the city. The well property is currently owned by Spanish Fork Associates and the well is owned by the city. Spanish Fork Associates has offered to exchange the well property for property owned by the city. The

properties are similar in size.

Mayor Barney said he thought the city council previously agreed to the exchange.

Mr. Baker said the matter was presented to the city council previously and a formal action is now required.

Councilmember Christensen made a **motion** to accept the exchange of the Olsen Well Property as presented. Councilmember Barber **seconded**, and the motion **passed** with a unanimous vote.

Councilmember Sorensen made a **motion** to take a brief recess. Councilmember Barber **seconded**, and the motion **passed** with a unanimous vote.

7:50 p.m. - Recess

7:58 p.m. - Reconvene

Sunny Ridge Preliminary Plat

Mr. Pierson said Woodsprings LLC is requesting a preliminary plat approval in order to develop a 183 unit subdivision. The property is zone R-1-12 and the project vested on April 20, 2004. There is adequate water, sewer, power and other utilities for this subdivision. He reviewed the surrounding properties. The developer will construct a trail adjacent to the railroad tracks and the property will be deeded to the city. The request meets the requirements of the R-1-12 zone. Two accesses to the subdivision will be located from 400 North and from Center Street. Development Review Committee reviewed the request and recommended approval of the preliminary Plat. The Planning Commission reviewed the request and recommended approval with 12 conditions listed in the agenda packet. Development Review discussed what to do with the property north of the bridge. Since the developer is participating in the trail and the road to the bridge, he does not want to participate in the bridge.

Mayor Barney asked how the irrigation water issues was resolved.

Mr. Heap said he talked with Mr. Grotegut concerning the irrigation ditches.

Mr. Grotegut said there are ditched running through the property.

Mr. Heap said the developer will need to pipe any ditches on the property which are still in use.

Councilmember Christensen asked concerning the relocation of the retention basin.

Mr. Pierson reviewed the location of the retention basin with access from the trail.

Councilmember Christensen made a **motion** to approve the Sunny Ridge Preliminary Plat subject to the following conditions:

1. Construct a masonry wall along 400 North matching the wall at Valley Crest,

- including 2-inch caliper trees every 30 feet, tree grates, sprinkler system and stamped concrete,
2. Relocate the detention basin onto lot 188,
 3. Construct a trail, in accordance with the city trail standards, to lot 188 with access onto the street,
 4. Meet all of the Construction and Development Standards,
 5. Receive approval of the electrical design from Jeff Foster of the Electric Department,
 6. Receive the ditch piping sign-off from the irrigation company,
 7. Meet all of the zoning requirements for the R-1-12 Zone,
 8. Meet all of the conditions of the Annexation Agreement,
 9. Include the north-south road as part of the first phase of the development,
 10. Identify the property owner for the trail along the south side of the bridge,
 11. Amend the preliminary plat to show the installation of a 1/2 road plus ten feet,
 12. Clear up the right-of-way lines for the cut-bridge road.

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

Storm Drain Agreement - Spanish Vista

Mr. Baker said a condition of the Spanish Vista Estates was based on the developer installing a section of the storm drain system. It was agreed the developer would install the storm drain and the city would reimburse the developer through impact fees. The storm drain agreement is before the city council for approval. The agreement will reimburse the developer for 41 percent of the storm drain costs. The estimated cost is \$450,000. When the exact cost is available the agreement will be brought back before the city council. Mr. Baker reviewed the location of the storm drain line. Once the agreement is in place the developer will post the bond for the storm drain.

Councilmember Wadsworth asked Mr. Pierson concerning the impact of the storm drain line on Mr. Dutton, one of the property owners.

Mr. Baker said Bennion, Dutton, Ward, Swenson, and Partridge properties will contain easements for the storm drain. The property owners have been compensated for the easements.

Councilmember Kelepolo made a **motion** to approve the Storm Drain Agreement as presented. Councilmember Sorensen **seconded**, and the motion **passed** with a unanimous vote.

Ordinance 09-04 - An Ordinance Establishing the Tax on the Gross Receipts of Telecommunications Service Providers; Setting the Rate for Such Tax; and Establishing the Effective Date of Such Tax

Mr. Baker said he approached the city council a month ago concerning the phone tax rate. The Utah League of Cities and Towns has already notified the State Tax Commission of the city council's desire to set the rate at one half of one percent. The following agenda item is an agreement with the State Tax Commission. The Ordinance and the agreement will need to be signed and sent to the Tax Commission prior to the July 1 deadline.

Councilmember Wadsworth made a **motion** to adopted Ordinance 09-04, an Ordinance Establishing the Tax on the Gross Receipts of Telecommunications Service Providers; Setting the Rate for Such Tax; and Establishing the Effective Date of Such Tax. Councilmember Kelepolo **seconded**, and the motion **passed** with a unanimous vote.

Interlocal Agreement with the Tax Commission to Collect Telephone Tax

Councilmember Kelepolo made a **motion** to authorize the Mayor to sign the Interlocal Agreement with the Tax Commission to Collect Telephone Tax as presented. Councilmember Sorensen **seconded**, and the motion **passed** with a unanimous vote.

Ordinance 10-04 - An Ordinance Adopting Utah County's "EASY" Standards for Beer Handlers Permits

Mr. Baker said several week ago Mr. Bird appeared before the city council and proposed the EASY Ordinance dealing with alcohol sales and reduce the selling of alcohol to minors. The EASY Ordinance requires employees selling alcohol to hold a permit and receive training. The current city code has stricter penalties than the county code. Therefore, the ordinance adopted with largely pertain to the beer handlers permit.

Mayor Bamey asked if every clerk in Macey's will be required to hold a beer handlers permit.

Mr. Baker said if the clerk will sell beer they are required to hold a beer handlers permit.

Councilmember Sorensen asked if there will be a cost to the business owner.

Mr. Baker said initially the county will fund the training course. Eventually there will be a charge to the employee taking the course.

Mayor Bamey said he sees a possible burden on the business owners.

Mr. Baker said the county invited the business owners to attend the discussion concerning the ordinance. All those in attendance unanimously supported the EASY Ordinance.

Councilmember Kelepolo made a **motion** to adopt Ordinance 10-04, An Ordinance Adopting Utah County's "EASY" Standards for Beer Handlers Permit. Councilmember Sorensen **seconded**, and the motion **passed** with a unanimous vote.

Aging Services Contract

Mr. Clark said this is a yearly contract the cities enters into with Mountainland Association of Governments. He reviewed the contract, the funds provided by Mountainland, and the requirements of the city. The city is to advertise the services provided at the senior center.

Councilmember Christensen made a **motion** to accept the Contract with Mountainland Association of Governments as presented. Councilmember Wadsworth **seconded**, and the

motion **passed** with a unanimous vote.

Real Estate Purchase Agreement - Hill

Mr. Heap said the property purchase is connected to an ongoing airport expansion project. The funding is provided as follows: 90 percent by the FAA, 5 percent by the State, and the remaining 5 percent is shared equally by Spanish Fork City and Springville City.

Councilmember Christensen asked if the Hill property will be leased back to Mr. Hill.

Mr. Heap said Mr. Hill is the only one feasible to use the property.

Mr. Baker said if the city council wants to lease the property to Mr. Hill the staff can approach him concerning the lease.

Mayor Bamey asked concerning the road around the airport.

Councilmember Kelepolo said the county is currently meeting with property owners to determine the best route for the road.

Councilmember Wadsworth asked concerning the funding of the property and he reviewed the agreement.

Mr. Heap said 90 percent of the purchase price is paid by the FAA, 5 percent is paid by the State, and the remaining 5 percent is shared equally by Spanish Fork City and Springville City.

Mr. Baker said the funds will be available in 30 to 60 days.

Mr. Heap said the property purchase will cost Spanish Fork City \$16,000 for both the Hansen and the Hill properties.

Councilmember Kelepolo made a **motion** to approve the Hill Real Estate Purchase Agreement as presented. Councilmember Sorensen **seconded**, and the motion **passed** with a unanimous vote.

Real Estate Purchase Agreement - Hanson

Mr. Heap said the Hanson Real Estate Purchase Agreement is similar to the Hill Agreement with the exception of water rights on the property.

Councilmember Wadsworth asked for the cities approximate costs for the property.

Mayor Barney said both properties have a combined cost of \$16,000 to the city.

Councilmember Wadsworth made a **motion** to approve the Hanson Real Estate Purchase Agreement as presented. Councilmember Kelepolo **seconded**, and the motion **passed** with a unanimous vote.

Bid Tabulation - Oaks Water Tank Project

Mr. Heap said the oaks water tank is located above the golf course. Half of the water tank has been constructed and the other half of the tank is now needed. A condition of the condominiums built by Les Allen was to finish the other half of the water tank with a connector's agreement to reimburse the developer through connection fees. The city received approval from the Department of Drinking Water to bid out the project. The low bid was received from Dale Cox Contracting in the amount of \$136,462.00. Mr. Cox has done work for the city in the past. Mr. Heap recommended awarding the bid to Dale Cox Contracting.

Councilmember Christensen asked for the city's estimate for the project.

Mr. Heap said the estimate is old and was \$150,000.00.

Councilmember Sorensen made a **motion** to award the bid for the oaks water tank to Dale Cox Contracting in the amount of \$136,462.00. Councilmember Kelepolo **seconded**, and the motion **passed** with a unanimous vote.

Boundary Line Agreement

Mr. Heap said it has been brought to our attention the property at 300 West and 400 North has gap and overlap discrepancies. A boundary line agreement has been prepared to resolve the boundary line and right-of-way issues. The sidewalk is unique in that it covers a ditch. The boundary line will be 4.5 feet behind the sidewalk. Mr. Heap recommended approval of the deeds and boundary line agreement. The property owners in the area will also be exchanging deeds.

Councilmember Kelepolo made a **motion** to authorize the Mayor to sign the boundary line agreement for the property at 300 West and 400 North. Councilmember Wadsworth **seconded**, and the motion **passed** with a unanimous vote.

FY 2005 Budget Adoption

Mr. Oyler reviewed the budget process and the public notices and public hearings held as required. The Public Safety Department budget was reviewed including the new police officer position approved by the city council June 8. Also, included in the Electric Department budget is the transformer to be replaced at the Canyon Road substation. A transformer is now available. The existing pad for the transformer will also need to be replaced at a cost of \$30,000 to \$40,000. The electric system is designed to have a reserve transformer. The Electric Department staff recommended purchasing the transformer immediately. The transformer will cost \$318,000.

Mr. Heap said the transformer provides additional electric capacity.

Councilmember Christensen asked for the life span of a transformer.

Mr. Heap said there are many factors which will determine the life span.

Mr. Oyler said in the best case scenario a transformer will last 30 to 40 years. He reviewed the existing transformer locations.

Councilmember Christensen asked Mr. Heap to review the events following the power outage last week.

Mr. Heap said when the transformer was lost some areas were transferred and back on immediately. The system is built to transfer the load when an transformer is lost. Other areas where transferred manually and took more time. We have the capacity to handle the load of the city. The concern is if additional transformers are lost before the transformer is replaced.

Mr. Oyler continued reviewing the Electric Department portion of the budget.

Councilmember Barber asked for the history of the campground above the reservoir. He asked if the city will provide a campground facility in the area.

Councilmember Kelepolo said no history of the area has been found. The area has not been used from the city's standpoint until now.

Mr. Robinson said he understood the campground facility was part of the General Plan in the 1980's. A campground in the area is not a new concept, just a concept brought back into the light. Some of the ground work has already been completed. The Parks and Recreation Committee has discussed the issue and would like to continue the plans for a campground facility above the reservoir.

Mayor Barney said in the past the Boy Scouts provided volunteer work and put in roads to the camping areas.

Councilmember Kelepolo said the area is beautiful.

Mr. Robinson said right now the Recreation Committee is working closely with the residents in the area concerning the campground.

Councilmember Barber asked for an itemized breakdown of the operations and maintenance costs for the pressurized irrigation system.

Mr. Heap said both the water and pressurized irrigation operations and maintenance costs are combined and he will provide those numbers.

Councilmember Barber said the budget included several items contrary to a small form of government. He said he is committed to reviewing the areas of concern between now and the next budget revision.

Councilmember Kelepolo expressed appreciation to the city staff for the time spent in preparing

the budget.

Councilmember Kelepolo made a **motion** to approve the Fiscal Year 2005 Budget. Councilmember Sorensen **seconded**, and the motion **passed** with a majority vote. Councilmember Wadsworth was **opposed** to the motion.

Other Business

None

Councilmember Barber requested an Executive Session to discuss legal issues.

Adjournment

Councilmember Kelepolo made a **motion** to move into Executive Session to discuss legal issues. Councilmember Sorensen **seconded**, the motion **passed** with a unanimous vote, and the meeting adjourned at 9:10 p.m.

Connie Swain, Deputy Recorder

Approved: July 20, 2004