

**Adopted Minutes
Spanish Fork City Council Meeting
October 5, 2004**

The meeting was called to order at 6:00 p.m. by Mayor Dale R. Barney. The pledge of allegiance was led by Rhett Thomson, a member of the Boy Scouts.

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

Staff Members Present: David A. Oyler, City Manager; S. Junior Baker, City Attorney; Richard Heaps, Engineering/Public Works Director; Richard Nielson, Assistant Public Works Director; Emil Pierson, Planning Director; Kent Clark, Finance Director; Dale Robinson, Parks and Recreation Director; Seth Perrins, Assistant City Manager; Dee Rosenbaum, Public Safety Director; Connie Swain, Deputy Recorder.

Citizens Present: Janis Nielsen, *Spanish Fork Press*; Robert Pittelli, Mark Jarvis, Kari Wessman, Pat Sorensen, Clay Nielson, Richard M. Davis, Todd Hollingshead, David Wiscombe, Cyle Johnson, Michael Kelson, Audrey Zohner, Marivene A. Zohner, Sherman Huff, Jordan VanAusdal, Kaitlyn White, Krista Dame, Rhett Thomson, Riley Hiatt, Layne Burningham, Mark Chesney, Crystal Fox, Ted Barney, Sarah Bernards, Sam Provst, Mary Johnson, Nanette Miller, Jeff Beaty, Tyler Palmer, Robby Hammond, Kari Beardson, Kimberly Smith, Brent Pearson, and Rex Facer.

Minutes

Councilmember Kelepolo made a **motion** to approve the minutes of the September 7, 2004 city council meeting with changes as noted. Councilmember Barber **seconded**, and the motion **passed** with a unanimous vote.

Councilmember Wadsworth made a **motion** to approve the minutes of the September 21, 2004 city council meeting with changes as noted. Councilmember Sorensen **seconded**, and the motion **passed** with a unanimous vote.

UMPA - Drought Impact Presentation

Mayor Barney introduced Layne Burningham and Mark Chesney, members of the Utah Municipal Power Association (UMPA) Board.

Mr. Burningham provided a Drought Impact on Power Resources Presentation including the following information:

- Colorado River Basin Storage Project (CRSP)
- Elevation levels of Lake Powell

36 percent full in September 2004

At 15 percent the Glen Canyon Dam will no longer generate power

- Impact on UMPA's budget
- Resources available to provide power at a higher cost
- UMPA budget history
- UMPA costs - actual and projected
- CRSP percent of budgeted member load
- Hydrology concerns
 - Lake Powell's water level below generation level
 - First time in 100 years a 6th year drought has occurred
 - 20 years normal hydrology for Lake Powell to recover
 - 93 percent budget increase attributed to CRSP energy
- UMPA Actions
 - Maximize Resources
 - Resource acquisition program
 - Stabilize rates

Councilmember Barber said he has had the opportunity to work with the UMPA. They are a very knowledgeable and educated group. They have our best interest in mind and are looking out for our city.

Mayor Barney thanked Mr. Burningham and Mr. Chesney.

Agenda Request - Kari Wessman - Beer Sales on Sunday

Ms. Wessman said she is the Assistant Manger of Albertsons Supermarket and she also is representing other retail establishments in Spanish Fork. Based on average customer spending it is estimated that Albertsons Supermarket incurred a loss of \$77,082 per year with the ban of beer sales on Sunday. She said beer suppliers report the highest beer sales in Springville during the week are on Sunday. Since Payson and Springville started selling beer on Sunday, the Highway Patrol has reported less DUI arrests on Provo Canyon Rd.

Mayor Barney said in his opinion people are going to buy beer regardless and it makes no sense to send them to other cities. The surrounding cities allow beer sales on Sunday.

Councilmember Kelepolo asked Ms. Wessman if Springville, Payson, and Santaquin all allow beer sales on Sunday.

Ms. Wessman confirmed.

Mayor Barney requested a **roll call vote**. Councilmember Wadsworth and Councilmember Kelepolo were opposed to the request to allow beer sales on Sunday. Councilmember Sorensen and Councilmember Barber were in favor of the request. Mayor Barney cast the deciding vote in favor of beer sales on Sunday. The majority of the city council was in favor of allowing beer sales on Sunday.

Mr. Baker said an ordinance will be drafted and presented to the city council during the next city council meeting. A new ordinance is required to amend the current ordinance restricting beer sales on Sunday. Beer sales on Sunday will not be allowed until the ordinance becomes effective 20 days following the passage. The city council will need to adopt the ordinance during the next meeting.

Public Hearing - Davis General Plan Amendment

Councilmember Kelepolo made a **motion** to open the public hearing portion of the city council meeting. Councilmember Sorensen **seconded**, and the motion **passed** with a unanimous vote.

Mayor Barney reviewed the procedures for a public hearing.

Mr. Pierson reviewed the request by Richard Davis to amend the General Plan with respect to the property located at 60 East 800 North. He is requesting the property be changed from Residential Office (R-O) to Professional Office (P-O). Both the Development Review Committee and Planning Commission recommended approval of the request. The concerns of the adjacent property owners have been addressed.

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 said the request is very straightforward.

Councilmember Sorensen made a **motion** to accept the Davis General Plan Amendment as requested. Councilmember Wadsworth **seconded**, and the motion **passed** with a unanimous vote.

Public Hearing - Davis Zoning Map Amendment

Mr. Pierson said with the General Plan Amendment the applicant is now requesting to rezone the property from Residential Office (R-O) to Professional Office (P-O). Both the Development Review Committee and Planning Commission recommended approval of the request. Zoning of the adjacent and surrounding properties were reviewed.

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 asked concerning the new parking.

Mr. Pierson said a small office building meets the requirements of the zone. He reviewed the location of the building and the parking area.

Councilmember Wadsworth said they flip-flopped the building to better accommodate traffic.

Mr. Pierson concurred.

Councilmember Barber asked if Courtney Christensen had any issues.

Mr. Pierson said he had no issues with the requested change. The developer will be constructing a wall to address issues presented by an adjacent property owner.

Councilmember Wadsworth said another issue expressed by an adjacent property owner was the placement of the dumpster and this issue has also been resolved.

Mr. Pierson concurred and said the location of the dumpster was approved.

Richard Davis said the issues have been addressed.

Councilmember Wadsworth made a **motion** to accept the Davis Zoning Map Amendment as presented. Councilmember Kelepolo **seconded**, and the motion **passed** with a unanimous vote.

Councilmember Kelepolo made a **motion** to close the public hearing and reconvene the regular session of the city council meeting. Councilmember Sorensen **seconded**, and the motion **passed** with a unanimous vote.

Utah County Fire and Service Contract

Chief Rosenbaum said the five-year contract with the County expired in June. He has met with the County and a contract to renew services is before the city council. The contract is based on the formula shown at the end of the contract.

Mayor Barney said the County is working with the cities to provide the best service. The Council of Governments has also met with the County to discuss the contract.

Councilmember Barber asked for the major contract changes.

Chief Rosenbaum said the payment schedule has increased as shown on page 3. The figures were obtained from a Federal data base.

Councilmember Barber asked if Fire Chief Chappel approved the contract.

Chief Rosenbaum concurred. Fire Chief Chappel also talked with other Fire Chiefs to make sure they also approved of the contract. All of the cities will be paying their share of the services. Spanish Fork City covers a larger area of the County than other cities.

Councilmember Wadsworth asked if the larger area drives our cost up.

Chief Rosenbaum concurred. He said the city also receives a larger amount of the funds due to the extra cost involved.

Councilmember Wadsworth asked what the \$15,000 added to the contract is used for.

Chief Rosenbaum said the \$15,000 is used to purchase new equipment as needed.

Councilmember Barber asked if the indemnification portion of the contract is more strict.

Mr. Baker said it has not changed.

Councilmember Barber asked where the ambulance response comes in.

Chief Rosenbaum said ambulance response is covered by the \$15,000.

Councilmember Barber asked how ambulance response is billed.

Chief Rosenbaum said it is received in a lump sum. Patients are also billed. If there is a refusal to pay or we are unable to collect, then we bill the County.

Councilmember Barber reviewed the amount received from the County as indicated in the budget. The amount received from the County will be lower than the amount received last year.

Councilmember Kelepolo made a **motion** to renew the Utah County Fire and Service Contract as presented. Councilmember Sorensen **seconded**, and the motion **passed** with a unanimous vote.

Special Events Policy

Mr. Baker said the Special Events Policy was reviewed during a prior city council meeting. No requests for changes were received. However, he was asked to compare our contract with Provo City's contract. The only section Mr. Baker found to be helpful prohibited the use of candles or fire in city facilities. The city council will need to determine if candles or fire should be prohibited for indoor facilities only. Also, the area addressing fees may need to change based on budget changes. A resident also expressed concerns with the contract's effect on the use of the outdoor arena for events such as barrel racing practices. The policy may need to be amended after these issues are discovered. The policy was originally drafted to address large events such as concerts and dances.

Councilmember Wadsworth said there are gray areas such as the yearly flag retirement ceremony.

Mr. Baker said the policy does not apply to city-sponsored functions. Also, the city council may waive fees and costs for events which are beneficial to the city.

Councilmember Wadsworth asked concerning the 4-H and live stock shows.

Mr. Oyler said the Junior Livestock Show and the 4-H events occur once a year. In the past the city has waived the fees for the events.

Councilmember Kelepolo asked if a public hearing is required when rental fees are waived.

Mr. Baker said as of a year ago the city is required to hold a public hearing prior to the waiver of fees. Since the events occur each year, the public hearing for the waiver of fees can take place one time for waivers now and in the future.

Mr. Oyler said any waiver of fees for events occurring on a regular basis could be included in the public hearing for the budget.

Mr. Baker concurred.

Councilmember Wadsworth asked for other organizations who have received a waiver of fees.

Mr. Oyler said the U.V.S.C. Rodeo and the High School. The Riding Clubs provide a service to the city and they use the facilities in exchange for the service provided. Also, the last page of the policy addresses concession stands. Operation of the concession stands requires the proper food handler's permit through the State. Also, business licenses may also be required.

Mr. Baker said another item the city council needs to address is the deposit amount. The amount should be enough to guarantee any damages are covered, however, it cannot cause a hardship on the party leasing the facility.

Councilmember Wadsworth asked if the deposit amounts can be a percent of the projected profits.

Mr. Baker said for large events the deposit may be too high.

Mr. Oyler said a recent event at the North Park caused a large amount of unforeseen damage.

Councilmember Kelepolo said a minimum could be charged and then a percent of the projected profits.

Councilmember Sorensen said the amount of possible damages could vary based on the facility.

Councilmember Kelepolo said the sum should be sufficient to cover possible damages.

Mr. Baker said the contract should include an exact sum.

Mayor Barney said a different deposit amount could be required for each facility.

Mr. Baker said he could work with the Recreation Department to determine the appropriate deposit amounts.

Councilmember Wadsworth asked for a list of the city's facilities.

Mr. Baker said the city cannot pick and choose which types of events to allow. Once the facility is open to one event it must allow all events to use the facilities.

Councilmember Sorensen said the facilities are there and we should utilize them as much as possible.

Councilmember Kelepolo said in the past residents were greatly concerned with an event which took place. Although the event occurred with no major issues, the residents were very upset prior to the event.

Mayor Barney said the contract requires the appropriate amount of security and police to be provided. The contract needs to include a sufficient deposit for any damages which may occur.

Mr. Baker said smaller groups may have concerns with a large deposit.

Councilmember Kelepolo proposed having the Recreation Committee research the issue and report back to the city council on November 16.

Councilmember Kelepolo made a **motion** to table the Special Events Policy until November 16, 2004. Councilmember Sorensen **seconded**, and the motion **passed** with a unanimous vote.

BYU Study - 4-10's Work Week Preview

This item was postponed briefly.

2004-2005 Salary Schedule

This item was postponed briefly.

Utility Board Recommendation - David Tuttle - Request for Water Services Outside of City Limits

Mr. Tuttle, Chairman of the Utility Board, said the board has put forth a lot of effort to ensure the culinary water resources are adequate for the city's current and future needs. The pressurized irrigation system was installed to help preserve our water resources. The board recommends retaining the current policy allowing no outside water services except in an emergency situation.

Councilmember Barber asked for the pros and cons which the board discussed.

Mr. Tuttle said the only pro discussed was the possibility of charging a larger rate for outside the city water usage. The cons were related to the loss of a resource dedicated to city residents.

Councilmember Wadsworth asked if someone has applied for water service outside of the city limits.

Mr. Tuttle said a plan for a subdivision was presented. The subdivision is outside of the city's current boundary line.

Mayor Barney said the pressurized irrigation system was installed to conserve water at a great expense to the residents.

Councilmember Barber asked Mr. Heap what is the maximum population capacity for the system with the expense incurred for the new pressurized irrigation system.

Mr. Heap said if we optimized usage the system can support a population of 95,000, however, the desired maximum is 60,000 to 65,000. This allows for a backup amount.

Councilmember Barber asked Mr. Baker if he can request a public hearing to discuss the issue.

Mr. Baker said a public hearing could be scheduled at the discretion of the city council. However, care needs to be given when setting a precedent.

Councilmember Barber said setting a general policy is too broad. Each developer should be allowed to present their case to the Utility Board.

Mr. Tuttle said the Utility Board meets monthly. The development should request to be annexed into the city if they want to be serviced by city water. If the city begins providing services outside of the city, it falls under the jurisdiction of the Public Service Department.

Councilmember Kelepolo asked how often the city has provided services outside of the city.

Mr. Baker said he can think of only two emergency situations when the city allowed services outside of the city.

Councilmember Wadsworth asked for the location of the development in question.

Councilmember Sorensen said the property was not brought before the Utility Board to address a particular development. The general policy was the only issue discussed.

Mr. Pierson reviewed the location of the property for which the developer is requesting service.

Mayor Barney said the item on the agenda is a recommendation from the Utility Board concerning water services outside of the city.

Councilmember Wadsworth said he would like to examine the issue in more depth before a decision is made.

Councilmember Kelepolo said the Utility Board has given a recommendation.

Councilmember Barber said they were asking for a recommendation based on a specific development requesting services outside of the city. The Utility Board did not have enough information to address the request and make a recommendation as he had requested.

Mayor Barney said the Utility Board recommended the development be annexed into the city to be allowed city water services.

Mr. Heap said the Utility Board was looking at the policy in general. If you change the policy, you are changing it for all future developments not just one. This is why they reviewed the policy and not just one development. They are looking at the general concept. Does the possible increase in revenue justify the possibility of replacing the resource in the future? This is a larger issue than just one development.

Councilmember Barber said the County's Construction and Development Standards and their requirements are more yielding than ours.

Mr. Pierson said if the policy is changed the city council could review and approve each development. The river bottoms area is in the city's Growth Boundary and will eventually be part of the city.

Mr. Oyler said the developments need to be treated equally and consistently. What is the General Plan for the river bottoms?

Mr. Pierson said what is in the river bottoms area and what is out are two different things.

Councilmember Barber said the city may want to control the area.

Councilmember Kelepolo said annexing developments in the river bottoms allows the city to control the growth in the area.

Councilmember Barber said the developer will develop the property under the direction of the city if services are provided.

Councilmember Sorensen said we need to weigh the benefits against the possible problems.

Councilmember Wadsworth said there is more material information and facts he would like to see before making a decision.

Councilmember Barber concurred.

Mayor Barney said the only issue on the agenda tonight is the policy change.

Councilmember Kelepolo said more discussion is obviously needed.

Mayor Barney said a proposal was presented by a developer. The request was sent to the Utility Board. They have made a recommendation and a motion is needed.

Councilmember Barber made a **motion** to amend the policy to allow a process in which a developer may apply for outside city limits water service, to be considered on a case by case basis. Mayor Barney asked for a **roll call vote**. Councilmember Wadsworth was in favor of the motion. Councilmembers Kelepolo, Councilmember Sorensen and Mayor Barney were opposed to the motion. The motion was **denied** by a majority vote.

Utility Board Recommendation - David Tuttle - Pressurized Irrigation - Special Service Policy

Mr. Tuttle said the Utility Board has struggled with the following item for some time. Some discussion has taken place concerning establishing three different pressurized irrigation rates. The three rates would consist of residential rates, commercial rates and agricultural rates. The board has been unable to find an agricultural rate. The only similar situation found is related to arrangements made by the city with an agricultural property owner who could not access their irrigation ditch. The pressurized irrigation system was created for residential and commercial use only. They have created a limited policy allowing pressurized irrigation water usage for agricultural property under special situations only.

Councilmember Wadsworth asked where most agricultural users currently get their water.

Mayor Barney said Southfield and Westfield Irrigation Companies service most of the agricultural users.

Councilmember Barber asked concerning the piping of ditches.

Mr. Tuttle said piping of ditches may be required based on a new development, however, it does not change the ownership of the ditch.

Councilmember Wadsworth asked for the current estimated agricultural usage.

Councilmember Barber said he received a copy of an agricultural rate generated by Nancy Johnson indicating agricultural usage and a pressurized irrigation rate.

Mr. Heap said the usage referred to is in connection with a contract and is not designated in the rate structure.

Councilmember Barber said the current agricultural user holding the contract waters every day at a minimal cost based on a contract the city entered into due to the need for the property owner's ditch area.

Mr. Heap said the agricultural user owns the water he is using. The city only provides the

delivery of his water through our pressurized irrigation system.

Mr. Baker said the contract length is five years.

Councilmember Barber said our costs have changed since the contract was entered into.

Mr. Nielson said the contract expires in one year.

Councilmember Sorensen made a **motion** to accept the recommendation of the Utility Board and adopt a Pressurized Irrigation Special Service Policy as presented. Councilmember Kelepolo **seconded** the motion. Mayor Barney asked for a **roll call vote**. Councilmembers Barber, Kelepolo and Sorensen were in favor of the policy. Councilmember Wadsworth was opposed to the policy. The motion **passed** with a majority vote.

Connector's Agreement - Purnell Equities, LLC - 1400 South

Mr. Heap said Purnell Equities, LLC is requesting a connector's agreement for improvements installed along 1400 East. He reviewed the agreement provided in the agenda packet. He said Mr. Baker prepared the contract presented to the city council.

Councilmember Barber asked what happens if the developer does not sign the agreement.

Mr. Heap said the developer is present and ready to sign the agreement. The developer north of this property will be required to sign the agreement or he will not be allowed to develop his property.

Councilmember Barber said a connector's agreement is a common practice and binds the future developer.

Mr. Heap said the agreement has a ten-year limit.

Councilmember Kelepolo made a **motion** to accept the Purnell Equities, LLC Connector's Agreement as presented. Councilmember Sorensen **seconded**, and the motion **passed** with a unanimous vote.

Councilmember Kelepolo made a **motion** to take a brief recess. Councilmember Wadsworth **seconded**, and the motion **passed** with a majority vote.

7:57 - Recess

8:05 - Reconvene

BYU Study - 4-10's Work Week Preview

Mr. Perrins said the city contacted BYU after receiving direction from the city council and requested a study of the 4-10's work week through their MPA program. Professor Facer is present with the students taking part in the study to present their ideas and receive direction from the city council.

Robby Hammond reviewed the actual survey and presented copies. This is the first draft of the proposed survey. He said the group is requesting any suggested changes from the city council.

Tyler Palmer said he represents the group in charge of the method for disbursement of the survey and how the survey will be analyzed. They proposed using the utility database to create a sampler of 2,000 customers to be surveyed. They hope to receive 365 returned and completed surveys which will represent 90 percent of the citizens' views.

Councilmember Kelepolo asked for the idea of who will return the survey and what is the motivation. If the motivation to return the survey is anger does it change the numbers.

Mr. Palmer said this is a weakness of the survey but there is not a lot that can be done to change the results.

Councilmember Wadsworth said the random selection helps.

Councilmember Barber asked if a random sampling of utility customers is taken, how do we know they are homeowners and permanent residents.

Mr. Perrins said renters can be added as demographics for the survey.

Professor Facer said one of the things the city will be able to do is to use the demographics and compare it to the census data available. With random sampling we know we have an accurate sampling of the entire community.

Kari Baardson said she represents the group creating the employee survey and would like input from the city council. She will have a draft available soon. With the number of employees the students will talk to all of the employees directly. She reviewed some of the ideas for the survey questions.

Mayor Bamey said the main purpose of the 4-10's schedule is to provide a benefit to the citizens.

Ms. Baardson said this issue will be addressed.

Councilmember Barber asked when the employee survey draft will be ready.

Ms. Baardson said it will be available next week.

Councilmember Wadsworth asked for the contact person to give suggestions to the survey group.

Mr. Perrins said he will be the contact person for city council suggestions and questions.

Kimberly Smith said she represents the group assigned to the review of literature available and reviewing information available from similar surveys completed by other entities. In addition, they will be interviewing city managers of cities with similar work schedules who have not completed surveys.

Councilmember Barber asked how the survey information will be compiled.

Ms. Smith said it will be determined depending on the information available.

Councilmember Barber asked if the summary will compare local and outside data.

Ms. Smith said the local and outside data will be separated.

Mr. Perrins said he will forward any questions from the city council to the survey group.

Mayor Barney announced that Mr. Perrins and his wife had a baby girl this past week.

Mr. Perrins confirmed.

2004-2005 Salary Schedule

Mr. Perrins said every year the Assistant City Manager conducts a salary survey such as previously discussed with the city council. The survey compares like positions with other entities and creates a salary schedule. By his experience he said it is a complicated process. The budget must be able to support an increase before it can be implemented. The survey indicates an increase in the salary ranges and the funds are in the budget. The city council could approve an increase of 2 or 3 percent if desired. A 2 percent increase will cost \$70,000 and a 3 percent increase will cost \$110,000.

Mr. Oyler said the merit increase would require a budget revision.

Councilmember Kelepolo asked how the merit increase would be funded.

Mr. Oyler reviewed the possibilities for revising the budget.

Mr. Perrins said a merit increase would require additional budget funds.

Councilmember Barber asked how the budget could be revised other than using the beginning fund balance.

Mr. Oyler said some savings are available to fund a 2 percent increase due to retirement of some employees and other employees replaced under the budgeted amount.

Councilmember Kelepolo asked for the purposes of the survey.

Mr. Perrins said the survey indicates if an employee's work merits a change in salary or if their work merits more than the increase allows.

Councilmember Barber said if the city council continues to place a 2 percent cap on increases the employees will continue to decrease in their range each year.

Mr. Perrins concurred.

Councilmember Barber asked if the ranges will reflect changes we implement.

Mr. Oyler said if all cities gave a 1 percent increase the range would increase 1 percent.

Councilmember Barber said all cities should vary depending on their economic situation.

Mr. Perrins said the survey finds the average salary range.

Councilmember Wadsworth asked for the selection criteria in selecting entities for comparisons.

Mr. Perrins said entities that are similar in population and entities in which our employees could move to for employment are selected for the comparison.

Councilmember Wadsworth asked where the cost to the wage earner or the resident in determining in the survey and how the burden on the citizen is included in the survey.

Mr. Perrins said he cannot speak to the direction the general population wages have gone. The survey indicates where the market has gone.

Councilmember Wadsworth said the market ignores the burden on the residents. The cities point to each other only.

Mr. Perrins said the revenues received are reviewed.

Councilmember Wadsworth asked that turnover rates be included in future surveys.

Mr. Perrins said the staff will follow the direction of the city council.

Mayor Barney said there are a lot of people who have not received an increase. However, he was under the impression the majority of the city council wanted to work under the direction of the current analysis.

Councilmember Wadsworth said he realizes a decision was made. There is an issue and how it is to be resolved he does not know.

Councilmember Kelepolo said he appreciates Councilmember Wadsworth's position. We always need to reevaluate what is best for the community. Do private businesses offer more benefits than the government entities? All residents have varied incomes. Spanish Fork is one of the leanest run cities in the State. This is a fair salary study. Merit pay has a lot to do with performance and rewarding people. The city council and administration also have high expectations.

Councilmember Wadsworth asked why we never include the city council in the comparison.

Mr. Oyler said the city council has not requested it.

Mr. Perrins said he can add the city council to the comparison.

Councilmember Kelepolo said he has looked at the comparison of the city council salaries and we are comparable with like cities.

Mayor Barney said the city council is here to serve the public.

Councilmember Sorensen said the survey fits with the philosophy adopted by the city council.

Mayor Barney said it is based on merit.

Mr. Perrins said employees are not guaranteed the increase. The merit system encourages employees to be productive and do their best work. He has noticed the employees of Spanish Fork City wear many hats compared with other cities.

Councilmember Barber reviewed the following statement he had prepared: "I have really struggled with this issue for the following reasons: As an employer I understand the importance of paying a fair wage and the value of keeping good employees. In the private sector I can give a raise because it is my money I'm giving back to the employees. In the government sector I am in a position to give away the citizens' money and most would say that it is an easier position to be in, but it's just the opposite because I feel that the citizens are constantly being asked to give more and more to have the same services provided to them. I am a proponent of small limited government and that includes lowering the cost of government. This request is a proposal to increase the cost of government to the citizens. I also understand that there is a cost of government associated with poor employee morale and at this point I'm afraid that cost would be greater than the limited merit raise requested and in most cases warranted. There are a great number of employees who deserve a salary adjustment and I personally feel that there are areas that we can look at that will pay for those adjustments without increasing the cost of government. I am not only committed to looking for ways to cut the cost of government, but I will aggressively make that argument to my fellow elected officials. I believe the time has come to review the methodology and philosophy of the survey so that the gap between the employees out in the trenches and the top management does not continue to grow. Having said that, I don't think that those well deserving employees should go without his adjustment due to those few,

while we are making that decision and so I will vote in favor of the request providing that the budget is not increased.”

Mayor Barney said the supervisors will always be making more than the employees being supervised. All of the city employees have received increases.

Councilmember Barber said the gap between supervisors and others continues to grow.

Mayor Barney said the morale of the city employees has been good in all the years he has served the city. By using the market analysis we are looking at a broad picture of those providing the same services.

Councilmember Kelepolo said there are always discrepancies in the salaries received. The job responsibilities, education, experience and training determine the level of salary ranges.

Mr. Perrins said if there is a better way to complete the survey, then recommendations are welcomed by the staff. He said he will review the possibilities available.

Councilmember Wadsworth said the city also pays the employees a 19 percent retirement contribution.

Mr. Oyler said the amount is lower for employees other than public safety employees.

Councilmember Kelepolo said there are State guidelines requiring contribution.

Councilmember Wadsworth asked the staff to also review the retirement benefits received by employees.

Councilmember Kelepolo said public safety employees receive a 19.08 percent contribution as required by the State.

Mr. Oyler said we are required by the State to pay public safety employees a 19.08 percent contribution. Other employees receive a 17.9 percent contribution. In the past when the public safety contribution was increased to 17.9 the city thought the other employees should also be brought up to the same amount. The philosophy has been to standardize the benefits received by all employees.

Mayor Barney said the cost of government is cheaper due to the lower number of employees we have in our city.

Councilmember Wadsworth said that is a good principle as well as other principles that could be looked at.

Councilmember Kelepolo said he is fine with the employees receiving a 2 percent merit increase.

Councilmember Barber concurred as long as we don't transfer any more from the enterprise funds.

Councilmember Sorensen said a few months ago someone came to the city council with a proposal to hire a new police officer. The position was not in the budget. That position would have more than covered the increase of all employees. The city council voted unanimously to approve the new police officer position. It was a fantastic idea. The same idea of value and system of beliefs are contradicted when we say we want to reduce government. He asked Councilmember Wadsworth if he expressed a desire to reduce government.

Councilmember Wadsworth confirmed. He also said public safety is a priority.

Councilmember Sorensen said he did not dispute that. A debate followed between Councilmembers Sorensen and Wadsworth.

Mr. Oyler interrupted the debate and said he gets concerned when we start prioritizing the value of employee positions. He guaranteed if the water treatment facility ceased functioning, Dennis Sorensen would be the most important employee at that time. Problems in his department could cause a greater threat to the public safety than others. If your power went out right now, your electric employees would become your most important employees. All the services provided by the employees are important. Do not prioritize which employees are most important. All employees have a critical roll. We definitely want adequate fire and public safety services. We also want adequate water, sewer and electrical services.

Mayor Barney said as the city grows the cost of services will increase.

Councilmember Kelepolo made a **motion** to approve the merit-based salary increase of 2 percent. Councilmember Sorensen **seconded** the motion.

Councilmember Barber asked where the funds will come from for the increase.

Mr. Oyler said \$70,000 can be pulled from the Automated Metering Project. This will still allow the project to start. The city council will need to budget for this portion of the project in the next budget.

Mayor Barney asked for a **roll call vote**. Councilmembers Barber, Kelepolo and Sorensen were in favor of the motion. Councilmember Wadsworth was opposed to the motion. The motion **passed** with a majority vote.

Other Business

Mr. Baker said during an earlier item the issue of Sunday beer sales was discussed. By a citizen request the city council was requested to consider the issue. The vote taken is not binding without an agenda item. During the next meeting an ordinance will be presented to the city council for approval to allow beer sales on Sunday. If the ordinance is approved, it will become

effective 20 days after passage. The law prohibiting Sunday beer sales will not change until a new ordinance becomes effective. Ms. Swain will contact Ms. Wessman to clarify the status of the issue and discuss any misunderstandings.

Adjournment to Executive Session

Councilmember Sorensen made a **motion** to adjourn to an executive session of city council meeting to discuss land issues. Councilmember Kelepolo **seconded**, the motion **passed** unanimously, and the meeting adjourned at 9:10 p.m.

Connie Swain, Deputy Recorder

Approved: December 7, 2004