

Adopted Minutes
Spanish Fork City Council Work Session and Council Meeting
April 19, 2005

The work session began at 4:07 p.m.

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; S. Junior Baker, City Attorney; Emil Pierson, Planning Director; Richard Heap, Engineering/Public Works Director; Richard Nielson, Assistant Public Works Director; Kent R. Clark, Finance Director; Seth J. Perrins, Assistant City Manager; Dale Robinson, Parks and Recreation Director; Jeff Foster, Electric Superintendent; Carl Johnston, Public Safety Lieutenant; John Bowcut, Information Services Director; Chris Thompson, Design Engineer; Connie Swain, Deputy Recorder.

Citizens: Sherman Huff, Ernie Thornton, Vic Deauvono, Royden Hill, Bradley Creer and Kent C. Boyack.

Work Session - Budget & Impact Fee Discussion

Mr. Oyler said the fiscal year runs from July to July and for the coming year the budget process has begun. The budget is formalized this time of year. The budget has been reviewed with each department. After reviewing a tentative budget is prepared. This is a review of the rough draft of the tentative budget. According to State law the tentative budget is to be presented to the City Council by the first Tuesday in May. A public hearing is held the first part of June for adoption of the budget. The budget must be adopted by June 22. Once the budget is adopted, it may be revised throughout the year. It is reviewed on a regular basis. The process is lengthy and takes 16 to 20 months to finalize.

Mr. Clark provided a copy of the impact fee survey of cities in Utah County.

Councilmember Wadsworth asked Mr. Clark to explain how the maximum amount to be charged is determined.

Mr. Oyler said Mr. Clark will review this process. Mr. Oyler said density is a critical element when determining impact fees.

Mayor Barney said Orem City's impact fees are low because the city is built out.

Mr. Baker said Orem City also has low impact fees due to their strong retail base.

Mr. Oyler referred to the impact fee survey and pointed out other impact fees charged by cities that we do not charge such as public safety, roads, fire, police, etc.

Mr. Clark reviewed the impact fee survey of cities in Utah County. All of the cities have impact fees ranging from \$12,081 to 5,450 with the exception of Orem City which charges \$2,700 in impact fees. Spanish Fork City charges \$6,151 in impact fees. Impact fees are designed to help cities pay for infrastructure items caused by growth. The impact fees are paid by those causing the need or causing the growth. He reviewed Spanish Fork City's current impact fees. Page three of the study shows the methodology for determining impact fees. The methodology or philosophy from Tischler and Associates, Inc. gives three ways for determining the fees. Based on this methodology the impact fees will be increased based on the area of development. The impact for the South/East will be \$8,925, North/East will be \$9,397 and West Fields will be \$7,950.

Mr. Barber asked why recreation impact fees increased so much.

Mr. Clark said demographics increased slightly and recreation impact fees need to increase in order to maintain the level of service. Recreation impact fees include playgrounds, parks, open space, ball fields and more. Mr. Clark reviewed each section of impact fees and the changes that took place since last year.

Mr. Thompson reviewed the items used in determining the cost amount to create a 10-acre park in the city.

Mr. Clark continued reviewing the changes in the recreation impact fee. To maintain the level of service the main driving forces are the improvements per capita. Another difference is that the past recreation impact fee was based on a property purchase price of \$25,000 per acre. The current average value of land per acre is actually \$50,000.

Mr. Oyler asked if there were any objections to the information presented concerning the recreation impact fee. The City Council expressed no objection to the proposed recreation impact fee.

Councilmember Barber asked if the amount indicated for the reservoir was included in the pressurized irrigation bond.

Mr. Heap said only a portion the reservoir area was included in the bond.

Councilmember Wadsworth asked how the \$50,000 per acre property value was determined.

Mr. Clark said the information was gathered by Emil Pierson based on the current property purchase prices. The prices were averaged out to come up with the \$50,000 figure.

Mr. Oyler asked if there are any concerns with the tentative budget at this point in the discussion. The City Council expressed no objections or concerns.

Councilmember Wadsworth said there may be concerns after reviewing the budget further.

Mayor Barney said if citizens have input, they should contact members of the city council.

Mr. Oyler said if there are major concerns the staff should be given adequate time to address those issues before the budget is presented for approval, particularly if there are issues with the methodology.

Mr. Clark asked if there were any major issues to be discussed at this point.

Mr. Deauvono said there are people with experience that could give input.

Mayor Barney said no input is to be received from the public at this meeting.

Mr. Deauvono left the meeting

Mr. Clark reviewed the proposed storm drain impact fee.

Mr. Heap said the majority of storm drain costs for various projects are based on estimates.

Mr. Clark continued reviewing the storm drain items to determine the proposed impact fee amount.

Councilmember Barber asked if projects are based on the highest density.

Mr. Nielson said the fee is based on the amount of impervious areas per residence. Commercial areas have larger impervious areas.

Councilmember Barber asked if there are fewer units to share the cost.

Mr. Clark said the costs have gone up but a portion has already been reimbursed.

Mr. Baker said one challenge with the storm drain is if a number of developers put in the storm drain, there needs to be adequate impact fees collected to reimburse the developers once the area is built out.

Mr. Clark continued reviewing the proposed storm drain impact fee.

Councilmember Barber asked concerning the retention basin at 400 North.

Mr. Nielson said the basin will be installed this year as part of the Sunny Ridge development.

Mr. Clark reviewed the items and information used to determine the proposed electric impact fee. He reviewed the projects to take place or to be completed this year. The impact fee is now based on a longer period of time.

Councilmember Barber asked if we are changing the philosophy to be like the sewer impact fee philosophy.

Mr. Clark said no.

Mr. Foster said the figure is determined by taking the total available capacity and dividing it by the used capacity during peak hours.

Mr. Clark reviewed the water demands and said there were minor changes. The water impact fee also includes building a new water tank. The main factors are the 3 million gallon water tank and the number of people per household. Mr. Clark reviewed the proposed sewer capacity. The water usage inside of the house is more accurate now with the pressurized irrigation system. Also, more accurate numbers were received for current projects and future projects.

Mr. Oyler said an item not addressed is the agreement with Salem and Payson to provide sewer service to the Leland area.

Mr. Heap said neither city is willing to give a cost number at this point.

Mr. Oyler said when we get to that point and growth to the Leland area happens this project needs to be part of the impact fee analysis. With this philosophy we need to look down the road to determine the projects needed.

Mr. Heap said the 2006 and 2007 numbers are based on Aqua Engineering's high end of the estimated cost.

Councilmember Christensen said he likes the 6-year period and not spreading it out this far.

Mr. Oyler said if there are projects that should not be covered or if there are concerns, they need to be discussed.

Councilmember Barber said numbers are needed from Salem.

Mr. Heap said until Salem City finalizes an agreement with Woodland Hills they are not prepared to give us a number.

Mr. Clark reviewed the pressurized irrigation impact fee.

Work Session - Budget Discussion

Mr. Oyler said major items impacting the budget are labor costs and capital costs. The labor costs currently budgeted contain a 5.5 percent adjustment that is based on a cost of living and merit increase. The salary ranges are based on the market. The benefits for police officer retirement increased to 19.36 percent. The budget maintains the 17.9 percent for non-public safety employees. Currently health insurance costs are \$545 per employee. The bids to continue health insurance benefits came in with a 23 percent increase. The new broker hired last year came back with a recommendation to help control the high insurance costs. They suggested a Health Savings Program (H.S.A). This option returns the insurance buying power back to the consumer. IHC appears to have the best H.S.A. program available.

Councilmember Barber asked if employees can still select their desired plan and pay extra if

needed.

Mr. Oyler concurred. He asked if there were any concerns with labor and compensation costs. No concerns were expressed. He asked the City Council to contact members of the Personnel Committee, Finance Committee or himself if they have any concerns. He said the City Council controls employee benefits and salaries. A list of capital projects was provided and reviewed. The total capital projects cost for the FY 2006 draft budget is \$4,749,380 consisting of sidewalk replacement and repair, waste water treatment plant expansion, trail projects, water line replacements, water rights purchases, restrooms at the city park, campgrounds, the automated metering system, storm drains, road overlays, and hardware for new nodes for SFCN. Mr. Oyler said direction is needed from the City Council if they desire to make any adjustments such as increasing the sidewalk repair amount. The City Council needs to determine if there are other priorities.

Councilmember Kelepolo said when he began serving on the City Council there was a lot of vandalism taking place at the library restrooms. He thinks the cost for the city park outside restrooms will be more than \$80,000.

Mr. Robinson said many of the vandalism problems have been resolved by locking the restrooms at night. If the restrooms are left open at night there will be vandalism.

Councilmember Wadsworth asked if vandalism occurred during the day with the previous restrooms.

Mr. Robinson said vandalism will happen a little during the day but not as much as during the night if the restrooms were open.

Mr. Oyler said there will be some vandalism.

Councilmember Wadsworth asked why we are rebuilding the city park restrooms if they were removed due to vandalism.

Mr. Oyler said the library remodeling was also a determining factor in removing the outside library restrooms. Mr. Oyler continued reviewing the major capital projects. Mr. Oyler compared the revenues for property tax, park and recreation fees, building and development fees and sales tax to the expenditures of public safety, parks and recreation and community development. He also reviewed the general fund revenue. The largest fund generating item is sales tax. The general fund operation and maintenance costs were reviewed along with general fund expenditures.

Regular City Council Meeting

The regular session of City Council meeting was called to order at 6:05 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, Seth V. Sorensen and Chris C. Wadsworth.

Staff Members Present: David A. Oyler, City Manager; S. Junior Baker, City Attorney; Richard Heap, Engineering/Public Works Director; Seth J. Perrins, Assistant City Manager; John Bowcut, Information Services Director; Connie Swain, Deputy Recorder.

Citizens Present: Sherman Huff, Royden Hill, Bradley Creer, Kent C. Boyack, Ernie Thornton, Lisa Olsen, Ryan Redd, Kevin Baadsgaard, Cali Heber, Sara Bass, Sarah E. Bernards, Brock Bastian, Abbey Bastian, Bailey Becky Bastian, Seth Bastian, Becky B. Bastian, Anna Marie Bass, K.D. Wayne Bass, Yvonne Bass, Wall Bass, Aaron Heber, Kristin VanVoorhis, Carolina Banks, Angela Calonge, Beatriz Calonge, Vanessa Heber Thomas Eden, Heather Eden, Cassandra McDonald, Raylean Carter and Ashley Pendleton.

Mayoral Proclamation Declaring April 29 as Arbor Day 2005

Mayor Barney asked Councilmember Kelepolo to read the proposed proclamation.

Councilmember Kelepolo read the proclamation declaring Arbor Day 2005.

Councilmember Sorensen made a **motion** to accept the Mayoral Proclamation declaring April 29 as Arbor Day 2005. Councilmember Kelepolo **seconded**, and the motion **passed** with a unanimous vote.

Mayoral Proclamation Declaring May 1 through May 7 as Municipal Clerks Week

Mayor Barney asked Councilmember Barber to read the proposed proclamation.

Councilmember Barber read the proclamation declaring Municipal Clerks Week as May 1 through May 7.

Councilmember Wadsworth made a **motion** to approve the Mayoral Proclamation declaring May 1 through May 7 as Municipal Clerks Week. Councilmember Sorensen **seconded**, and the motion **passed** with a unanimous vote.

Arts Council Sesquicentennial Report

Mayor Barney turned the time over to Councilmember Christensen.

Councilmember Christensen said the essay winners for the sesquicentennial essay contest have been determined and all 5 winners were present. He asked Dana Robinson to make the presentations with him. The following students were presented with a \$50.00 savings bond for winning the sesquicentennial essay contest.

Brock Bastian - 2 nd Grade	Elementary School	Canyon Elementary
Cali Heber - 4 th Grade	Elementary School	Larson Elementary
Sara Bass - 7 th Grade	Middle School	SF Middle School
Beatriz Calonge	Junior High	SF Junior H. S.

Sarah E. Bernardis

High School

Spanish Fork H.S.

Councilmember Christensen thanked all those who participated in the essay contest.

Mr. Robinson thanked Councilmember Christensen for his help and time. He also thanked the Mayor, City Council and staff for their support and assistance. A round of applause was given.

Councilmember Christensen displayed the Sesquicentennial pins available in the city utility office for \$3.00 per pin.

Mayor Barney said the Sesquicentennial Program at the High School was outstanding and thanked all those who made it possible.

Mr. Dana Robinson said Trudy Seeley was the director and she did a fantastic job. He also thanked the many talented individuals in our community who performed during the program.

Request Hub - Information Report

Mr. Perrins said a couple of months ago the city entered into a contract for an online service called RequestPartner which allows citizens and others to request service or report information needing attention. This allows reporting 24 hours a day, 7 days per week. He reviewed the program and the process for reporting information to the city.

Councilmember Wadsworth asked if an option should be added allowing citizens to request appointments with City Council, staff or others.

Mr. Perrins said requests can be added to the program. There are areas where citizens can submit general comments. If there are a large number of requests for a specific item a request option can be added with more specifics.

Councilmember Wadsworth asked if an incident number can be generated and provided to the individual making the request.

Mr. Perrins said the incident number is generated after the request is received. The incident number is then emailed to the person making the request indicating the request has been received. This program also provides a benefit for our staff in that progress is tracked and information can be provided during any follow-up work. Staff will also enter requests received by phone into the program to allow the progress to be tracked in the future. He encouraged the City Council to test the program out. Other new items on the web site are the events section and the staff report section. The staff report section contains any staff reports presented during recent meetings. He encouraged citizens to post upcoming functions or events on our city web site.

Quit Claim Deed to Charter One LLC (Tabled from March 22 and April 5, 2005)

Mayor Barney said the developer has asked for this item to be tabled.

Councilmember Kelepolo made a **motion** to table the Quit Claim Deed for Charter One LLC as presented. Councilmember Barber **seconded**, and the motion **passed** with a unanimous vote.

Rates for High Definition and Personal Video Recorder Set Top Boxes and Bulk Bandwidth

Mr. Bowcut provided a copy of the resolution establishing rates for high definition television and bulk bandwidth rates. He reviewed the fees for set top boxes for high definition and personal video recorders. The payback period is approximately 4 years. The boxes will last longer than 4 years but technology changes quickly. This is a new service being provided and the new rates for this service.

Councilmember Kelepolo asked if there will be a delay in providing this service once the service is requested.

Mr. Bowcut said some boxes will be in stock and they hope to order enough to meet the initial demand since it takes a long period of time to get the boxes in after they are ordered. They are not completely sure of the initial demand at this point.

Councilmember Barber asked what if he had the old box and wanted a new box when the technology changed and new boxes are available.

Mr. Bowcut said there are ways to utilize or trade in the old boxes. There may be a rate increase for new boxes.

Councilmember Kelepolo asked if there have been any requests for these services.

Mr. Bowcut said there have been requests for both items. Initially it will not be a huge number but will grow as the service becomes more popular.

Councilmember Wadsworth asked how the number of boxes in stock will be monitored and the need will be managed.

Mr. Bowcut said we have a fairly clear view of the demand. There may be a wait for boxes if the demand is higher than anticipated. These boxes will be closely monitored and communicated with on a daily basis. He said we want to meet the demand and intend to order an adequate number of boxes. He continued reviewing the fees contained in the resolution.

Councilmember Barber asked if this service provides an economic development benefit.

Mr. Bowcut concurred.

Councilmember Sorensen asked if anyone else provides this service.

Mr. Bowcut said this service competes against other services but our level of service is very competitive. The bulk bandwidth will mainly service larger businesses.

Councilmember Kelepolo made a **motion** to approve the Resolution establishing rates for high definition television and bulk bandwidth as presented. Councilmember Christensen **seconded**, and the motion **passed** with a unanimous vote. The vote was confirmed by roll call vote. This is Resolution 05-06.

Other Business

None

Adjourn to Executive Session

Councilmember Kelepolo made a **motion** to adjourn to Executive Session to discuss land use issues. Councilmember Sorensen **seconded**, and the motion **passed** with a unanimous vote. The meeting adjourned at 7:15 p.m.

Connie Swain, Deputy Recorder

Approved: May 3 2005