

Adopted Minutes
Spanish Fork City Council Meeting
May 3, 2005

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

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; Emil Pierson, Planning Director; Richard Heap, Engineering/Public Works Director; Kent R. Clark, Finance Director; Dale Robinson, Parks and Recreation Director; Jeff Foster, Electric Superintendent; Dee Rosenbaum, Public Safety Director; Chris Thompson, Design Engineer; Shawn Beecher, GIS Specialist; Don Thomas, Emergency Preparedness Officer; Connie Swain, Deputy Recorder.

Others Present: Bradley Creer, Karen Stoller, Duane Stoller, Cherie Berrett, Heather Boogert, Michael Fifield, Eliza Lee, Alison Greathouse, Laurel Greathouse, Andrea Vincent, Alisa Green, Daniel Carter, Ammary Nielsen, Jenna Barrowes, Robert J. Pittelli, Ashley Pendleton, Jason Black, Nicole Baum, Steven Baum, Blake Hiatt, Vick Munter, Hal Gilchrist and Doug Ford.

Minutes

Councilmember Kelepolo made a **motion** to approve the minutes of the April 12, 2005 City Council meeting with changes as noted. Councilmember Wadsworth **seconded**, and the motion **passed** with a unanimous vote.

Councilmember Sorensen made a **motion** to approve the minutes of the April 19, 2005 City Council meeting with changes as noted. Councilmember Kelepolo **seconded**, and the motion **passed** with a unanimous vote.

Citizen Recognition - Tina Magleby

Mayor Barney recognized Tina Magleby as an outstanding citizen and read the following statement:

On the morning of Thursday, March 31, 2005, Tina Magleby greatly assisted the City during a time of potential Neighborhood Crisis. Commercial construction crews struck a water line in her neighborhood, and water began to flow down 1240 South and then turned onto 1100 East. The water then pooled in front of the Magleby's home where the storm drain is located. Due to the high volume of water and debris flowing down the street, the storm drain grates quickly became clogged and the water began to back up. Mrs. Magleby, acting on her own accord, left the comforts of her home and waded into the water and began clearing the grate. Through her efforts, water was able to flow,

uninhibited, to the retention basin located directly across the street from her home. Without the quick, selfless thinking, the water could have continued to pool and then flood into her home or into the surrounding homes.

Mayor Barney awarded Mrs. Magleby with a certificate of recognition and a round of applause was given.

The Employee of the 1st Quarter 2005 Recognition - Shawn Beecher

Mayor Barney recognized Shawn Beecher as the employee of the 1st Quarter 2005 and thanked him for his dedicated service. A round of applause was given.

Councilmember Christensen expressed his appreciation for Mr. Beecher's positive attitude and hard work.

Invitation to the EMS Open House

Mr. Thomas invited everyone to attend the EMS Open House to be held on Saturday, May 7, at the Fire and Ambulance Building at 350 North Main. The activities will begin at 7:00 a.m. and will include cholesterol screening, learn not to burn presentation, bike helmets for sale, hourly prize drawings, a blood drive, hot dogs and drinks, and at 10:00 a.m. the AirMed helicopter will land.

Mayor Barney thanked all those who provide emergency volunteer services to the community.

Councilmember Christensen encouraged citizens to support this event which provides a great health benefit to the community.

Mr. Thomas also said Seniors from the High School will be job shadowing during the event.

Councilmember Wadsworth asked if there is a high turnout of scouts to this event.

Mr. Thomas said the turnout has been poor in the past. They are trying to promote the event to increase participation.

Councilmember Wadsworth encouraged all parents of cub scouts to bring their scouts to this event. Many of the activities will help achieve scout award requirements.

Councilmember Barber asked if it would be possible to have SFCN film the activities of this event.

UDOT I-15 Project Presentation

This item was passed since the project to be presented by UDOT has been postponed until next year.

Independent Audit Bids

Mr. Clark said the city is required to have an independent audit performed annually. Periodically bids are required to be requested for the audit. Five bids were received and the low bid was received from Larsen and Peterson in the amount of \$66,000 for a 4-year contract. Mr. Clark recommended approving the bid received from Larsen and Peterson.

Councilmember Wadsworth asked for the difference between the high and low bids.

Councilmember Kelepolo said the difference is about \$29,000

Mr. Clark said the low bid was \$66,000 and the next lowest bid was \$95,700.

Councilmember Kelepolo said the low bid was very competitive.

Councilmember Kelepolo made a **motion** to accept the bid received from Larsen and Peterson in the amount of \$66,000 for the annual independent audit reports for the fiscal years 2005-2009. Councilmember Wadsworth **seconded**, and the motion **passed** with a unanimous vote.

Fiscal Year 2006 Tentative Budget Adoption

Mr. Oyler presented copies of the fiscal year 2006 tentative budget to the City Council. He again reviewed the 18-month budget process as follows:

- January to March - departments meet with Mr. Oyler to discuss needs and make budget requests
- March to May - requests are modified to match revenue
- May 3 - tentative budget is presented to the City Council for adoption
- May 3 to June 21 - the budget is discussed by the City Council
- June 7 - public hearing for the budget is held
- June 7 to June 21 - City Council continues to discuss the budget after the public hearing
- June 21 - City Council adopts the fiscal year 2006 budget
- July 1, 2005 - FY 2006 begins
- July 1 to Jan 2006 - there will be adjustments to the budget - the budget is a flexible document
- Last City Council meeting in June is the final adjustment for the current fiscal year budget

The latest date the upcoming fiscal year's budget can be adopted by the City Council is June 22. If the budget includes a property tax increase, a public hearing must be held before August 17. The budget public hearing must be advertised at least 7 days prior to the scheduled hearing.

Councilmember Wadsworth asked if the May 1 deadline for the tentative budget is a State statute.

Mr. Oyler concurred. The requirements are dictated by State law. When the budget hearing is held, more time will be spent reviewing the budget. There are a few budget items that need to be addressed tonight. Mr. Oyler said the Parks and Recreation Committee met last night and reviewed the proposed camp ground facility and Doug Ford is present to make a recommendation to the City Council.

Mr. Ford said the Recreation Committee has been discussing the camp ground area above the reservoir for the last couple of years. This year funding has been approved to start on the camp ground. He reviewed a layout prepared by Chris Thompson of phase 1 of the camp ground. This phase consists of 20 camp sites and the funds allotted are inadequate to complete the first phase. The committee decided the project should not begin unless the first phase could be completed. The committee met with members of the Fire Department and citizens in the area last night. The neighbors are concerned with safety and asked that the project be scaled down to a picnic area. The Recreation Committee hiked the area and an existing trail. Following the hike they met at the Gun Club and decided they would like to proceed with the scaled down version of the camp ground project. Mr. Thompson had the idea to go up the east side of the project and make a trail head which connects to the existing trail. Mr. Ford read the following motion made by the Recreation Committee consisting of 2 recommendations. He said both motions passed unanimously.

The following motion was made after reviewing the concerns of the neighbors. The initial phase of the campground should be downsized to complete a small, functional area of eight camp sites, parking stalls, road and trail head on the east side of the proposed project with the money that is currently budgeted. No trailers, RVs or motor homes would be allowed at this phase of the project. Camping would be restricted to tents or pickup mounted campers only. This would eliminate any larger vehicles accessing the area. A fee should be charged (resident and nonresident). Funding for the next phase should not be included at this time in the proposed FY 2006 budget. The committee will review the use and operation of the smaller facility by November of this year and provide a followup recommendation to the City Council for the next phase of the project. The balance of the campground project should be considered in the future based on the experience with this initial phase. The motion passed unanimously.

A motion was made recommending the City Council have the Public Safety department and the Public Works department review safety issues of the neighborhood as they relate to the operation of the recreation facilities at the reservoir, campground and gun club area. The motion passed unanimously.

Mayor Barney said until a road is connected to the area, he agrees with the motions made by the Parks and Recreation Committee to downscale the project.

Mr. Ford said after meeting with neighbors and the committee the plans were adjusted and the proposal for the recreation area now consists of 8 picnic sites.

Mayor Barney said in 1987 the scouts had a jamboree in the area and water lines were installed.

Councilmember Christensen asked if the road will be rock or gravel.

Mr. Ford said there will be a road with road base and he pointed out the location of the road. He said the existing trail will be a horse riding trail or hiking trail and it is narrow. The base for the existing trail was not discussed by the committee.

Councilmember Sorensen made a **motion** to accept the recommendation made by the Parks and Recreation Committee concerning the recreation area above the reservoir. Councilmember Kelepolo **seconded** and the motion **passed** with a majority vote. Councilmembers Wadsworth and Barber were **opposed** to the motion.

Mr. Oyler said another budget item to be addressed is health insurance. We bid out our health insurance coverage. The bids have been reviewed by Kent Clark, Seth Perrins, Claire White, David Jackson of First West Benefits and Mr. Oyler. Mr. Jackson's recommendation is to proceed with the IHC proposal including a Health Savings Account (HSA) option. The proposal was presented to a random group of employees as well as the Personnel Committee and both groups recommended proceeding with the IHC proposal. The IHC proposal provides a better premium and improved benefits. First West Benefits would like to begin reviewing the IHC options with the employees next week. The employee Job Fair is scheduled for May 19 for all employees to sign up for benefits.

Councilmember Wadsworth asked if a HSA is the same as a Flex Savings Account (FSA).

Mr. Oyler said they are different benefits with some similarities.

Mr. Oyler said Councilmember Christensen, Councilmember Kelepolo and Mayor Barney have reviewed the proposals as part of the Personnel Committee.

Councilmember Kelepolo said the idea was to make sure we reduced the rise in health care costs and also make sure the employees feel comfortable with going to Provo for health care services at a lower cost. A benefit with the HSA option is the funds remaining at the end of the year can be carried over to the following year. With a FSA the funds remaining at the end of the year are lost.

Councilmember Barber said the staff and First West Benefits need to be commended for the HSA proposal. It seems we are 2 years ahead of our time and over the next 2 or 3 years other companies will be switching to a HSA. Councilmember Barber said the rates being offered are unheard of these days. This is a great plan.

Mr. Oyler said from the employee's perspective, there is a large selection of doctors with the IHC plan.

Councilmember Wadsworth asked for the drop dead date.

Mr. Oyler said if the City Council would like to hold a special meeting to discuss this issue, the meetings with employees scheduled next week can be postponed. The employees also need time to discuss the options with their spouses after they meet with First West Benefits before the Job Fair on May 19. The long term goal is to minimize health care premium increases. Increases are very high. This is a good proposal which has been verified by Councilmember Barber who is an insurance expert. The next step is to educate the employees prior to the Job Fair.

Councilmember Barber said it is important to know that the HSA rate is less than the health care

rates we had last year.

Mr. Oyler said the Personnel Committee has given their recommendation. The staff wants to make sure there are no major issues before we proceed.

Councilmember Wadsworth said he had no major issues but wanted time to look over the proposal and talk with Dave Jackson.

Mayor Bamey said the recommendations should have some merit.

Councilmember Christensen said Councilmember Barber is an insurance professional and he verified the recommendation. A group of employees and the Personnel Committee have reviewed the proposal and recommend IHC. He asked for the issue to be brought to a vote.

Councilmember Kelepolo made a **motion** to accept the recommendation to have staff proceed with the HSA proposal offered by IHC. Councilmember Christensen **seconded** and the motion **passed** with a majority vote. Councilmembers Wadsworth abstained from voting.

Mr. Oyler said the public hearing for the budget is scheduled for June 7 at 6:30 p.m. A motion is needed to approve the tentative budget.

Councilmember Kelepolo made a **motion** to approve the Fiscal Year 2006 Tentative Budget. Councilmember Sorensen **seconded** and the motion **passed** with a unanimous vote.

Councilmember Barber asked when the tentative budget will be available to the public.

Mr. Oyler said State law requires the budget to be available to the public 10 days prior to the approval of the budget on June 22, 2005. This would be after the public hearing on June 7, 2005 so the City Council can decide if the budget is to be available to the public prior to the required date. Staff is waiting for direction from the City Council. The budget is ready to be posted to the web whenever the City Council desires.

All of the City Councilmembers agreed to have the budget available to the public immediately.

Mr. Oyler asked the City Council if any discussion is requested tonight regarding the budget.

Councilmember Wadsworth asked for time to review the budget and then discuss any issues later.

Mr. Oyler said an updated impact fee analysis has also been prepared by Mr. Clark.

Mr. Clark provided a copy of the updated impact fee analysis and summary sheet to the City Council.

Councilmember Wadsworth asked if the city will continue to use Tischler for the analysis each year.

Mr. Clark said the Tischler analysis is a working document and was modified by staff for the Fiscal Year 2006 analysis and a new analysis is completed every few years.

Councilmember Wadsworth asked why the impact fee analysis was not bid out again this year.

Mr. Clark said the analysis is updated in-house periodically due to the high cost for a new analysis. The most recent analysis was performed by Tischler at a cost of \$40,000. Approximately 6 years prior to that an analysis was performed at a cost of \$60,000.

Other Business

Mayor Barney attended the ground breaking ceremony for the new Charter School. He made the statement that our children are the most precious thing we have, evident by the 70 percent tax allotment we put into education and the children should be entitled to the very best. Mayor Barney said his comments made at the ground breaking ceremony were misquoted in the Spanish Fork Press.

Councilmember Christensen said the Arts Council's summer workshops will be in June. The sign-up date for the workshops is scheduled for Thursday, May 12, 2005 at the city office. Also, this week is the Spanish Fork Jr. Livestock Show at the Fairgrounds. He reviewed the agenda for the Livestock Show and encouraged everyone to attend.

Councilmember Barber said a Fiesta Days Parade Chairman is still needed. If anyone is interested, they were directed to call Seth Perrins at the city office.

Councilmember Christensen also encouraged everyone to purchase a Sesquicentennial pin in the utility office.

Adjourn to Executive Session

Councilmember Kelepolo made a **motion** to adjourn to Executive Session to discuss land acquisition issues. Councilmember Sorensen **seconded**, and the motion **passed** with a unanimous vote. The meeting adjourned at 7:01 p.m.

Reconvene to Regular Session

Following the Executive Session the City Council reconvened to the regular session. No items requiring a motion were discussed.

Recreation Committee Meeting Review

Councilmember Kelepolo said the Parks and Recreation Committee meeting held last night was very productive. The road and sidewalk issues were discussed with the residents in the area.

Mr. Heap said according to the traffic analysis the capacity for the road to the area is 3,000 vehicles. He also said a new design for the sidewalk is being considered which will be more

likely to be used by children in the area.

Councilmember Kelepolo reminded the City Council to be visionary and look to the needs of the entire community when considering issues.

Councilmember Barber said he likes the proposal presented by the Recreation Committee and asked to see a cost analysis.

Mr. Clark asked for any feedback concerning the concession stands operated by Hogi Yogi.

Councilmember Barber said there are major issues with the concession stand at the Golf Course.

Councilmember Christensen said there will be hamburgers served at the pool concession stand.

Mr. Clark said he has been told that there are no hamburgers offered at the ballpark from time to time.

Budget

Mr. Oyler said any issues concerning the budget should be addressed before the public hearing.

Mayor Barney said if there are issues with the budget they should be discussed during the next council meeting.

Mr. Oyler suggested a work session to discuss the budget following the regular session of City Council meeting on May 17.

Health Savings Account - IHC

Mr. Oyler said the object is to provide health benefits to the employees while avoiding the continued high increases in premiums.

Councilmember Barber said we can compare the proposals but we need to make sure we do not miss this opportunity.

Councilmember Kelepolo said his concern is to make sure the employees feel comfortable with the IHC option.

Councilmember Barber said the proposal from IHC was less than the budgeted amount. He asked why this amount was not saved.

Mr. Oyler said the goal is to provide an incentive for the employees to select the HSA option due to the increased level of benefits and the decrease in premiums regardless of the \$3,000 deductible.

Adjournment

Councilmember Wadsworth made a **motion** to adjourn. Councilmember Kelepolo **seconded**, the motion **passed** with a unanimous vote, and the meeting adjourned at 8:02 p.m.

Connie Swain, Deputy Recorder

Approved: June 7, 2005