



## CITY COUNCIL AGENDA

PUBLIC NOTICE is hereby given that the City Council of Spanish Fork, Utah, will hold a regular public meeting in the Council Chambers in the City Office Building, **40 South Main Street**, Spanish Fork, Utah, commencing at **5:00 p.m. on October 21, 2014.**

### 5:00pm WORK SESSION:

1. BoardDocs Agenda Software Training

### 6:00pm AGENDA ITEMS:

#### 1. CALL TO ORDER, PLEDGE, OPENING CEREMONY, RECOGNITIONS:

- a. Motivational/Inspirational Message
- b. Pledge, led by invitation
- c. Employee of the Quarter

#### 2. PUBLIC COMMENTS:

Please note: In order to be considerate of everyone attending the meeting and to more closely follow the published agenda times, public comment will be limited to three minutes per person. A spokesperson who has been asked by a group to summarize their concerns will be allowed five minutes to speak. Comments which cannot be made within these limits should be submitted in writing. The Mayor or Council may restrict the comments beyond these guidelines.

#### 3. COUNCIL COMMENTS:

#### 4. SPANISH FORK 101: GoCourse Review –Dale Robinson

#### 5. CONSENT ITEMS:

These items are considered by the City Council to be routine and will be enacted by a single motion. If discussion is desired on any particular consent item, that item may be removed from the consent agenda and considered separately.

- a. \* Minutes of Spanish Fork City Council Meeting – [October 7, 2014](#)
- b. \* [Professional Services Agreement with Marshall Railway Consulting](#)
- c. \* [Professional Services Agreement with Hansen, Allen & Luce, Inc.](#)
- d. \* [Morris Jay Thomas Sewer & Trail Easement Agreement](#)

#### 6. PUBLIC HEARING:

- a. The South Utah Valley Solid Waste District has withdrawn their request for the Zone Change of the property located at approximately 3300 North 1100 West

#### 7. NEW BUSINESS:

- a. \* [Salary Validation Study](#)
- b. \* [Resolution #14-11 Authorizing the Recreation Director to Execute SFCITYTIX Contracts](#)

#### 8. CLOSED SESSION:

- a. Litigation Issues
- b. Real Property

*The Spanish Fork City Council may temporarily recess the regular meeting and convene in a closed session to discuss pending or reasonably imminent litigation, and the purchase, exchange, or lease of real property, as provided by Utah Code Annotated §52-4-205*

### ADJOURN:

\* Supporting documentation is available on the City's website [www.spanishfork.org](http://www.spanishfork.org)

Notice is hereby given that:

- In the event of an absence of a quorum, agenda items will be continued to the next regularly scheduled meeting.
- By motion of the Spanish Fork City Council, pursuant to Title 52, Chapter 4 of the Utah Code, the City Council may vote to hold a closed meeting for any of the purposes identified in that Chapter.
- This agenda is also available on the City's webpage at [www.spanishfork.org](http://www.spanishfork.org)

SPANISH FORK CITY does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in the employment or the provision of services. The public is invited to participate in all Spanish Fork City Council Meetings located at 40 South Main St. If you need special accommodation to participate in the meeting, please contact the City Manager's Office at 804-4530.

Tentative Minutes  
Spanish Fork City Council Meeting  
October 7, 2014

Elected Officials Present: Mayor Steve Leifson, Councilmembers Rod Dart, Keir A. Scoubes, Richard Davis, Brandon Gordon, Mike Mendenhall.

Staff Present: David Oyler, City Manager; Junior Baker, City Attorney; Seth Perrins, Assistant City Manager; Dave Anderson; Community Development Director; Chris Thompson, Public Works Director; Dale Robinson, Parks & Recreation Director; Kent Clark City Recorder/Finance Director; Steve Adams, Public Safety Director; Shelley Hendrickson, Engineering Secretary.

Citizens Present: Cary Hanks, Rilen Sharp, Maxwell Eraser, Ethan Wilkins, Ron Dunn, Patty Dunn, Zackery Schaugaard, Riley Peterson, Porter Stulce, Braydon Banks, Cody Campbell, Ethan Russell, Cody Holt, Chris Anderson, David Stroud, Alex Reategui, Samuel Gunderson, Kyler Robinson, Scott Dunn, Deacon Hansbrow, Luke Williams, Monty Griffiths, Stan Jenkins, Dave Johnson, David Sharp, Matthew Leavitt, Ryan Cobb, Spencer Byrne, Bryce Harman, David Harman.

**5:15pm WORK SESSION:**

1. SFCN Channel Negotiations

*Discussion took place regarding the item(s) listed above; no formal actions are taken in a work session.*

**6:00pm CALL TO ORDER, PLEDGE, OPENING CEREMONY, RECOGNITION:**

Mayor Leifson called the meeting to order at 6:00 p.m.

Motivation/Inspirational Message given by Ron Dunn.

Riley Peterson led in the pledge of allegiance.

**PUBLIC COMMENTS:**

**Agenda Request-Paul & Alisha Casey**

Mr. Casey handed out a map of the property that he owns at 560 North 500 East. Mr. Casey is requesting the City Council to consider a change to the City ordinance in order for him to build something other than a single family dwelling on the property. Mr. Casey indicated the property is surrounded by 4-plexes and the current city code only allows constructing a single family dwelling.

Mayor Leifson told Mr. Casey that the Council would need to research the request and that someone from the City Council or City staff will get back with him within two weeks.

David Johnson explained that there would be a fundraiser for Brody Lambert a city employee who is in need of a heart transplant. Mr. Johnson is requesting a fee waiver for the cost to rent the tennis courts at the fairgrounds. The charity event will be held October 10, 2014 at 6:30pm at the fairgrounds. All proceeds go to the Lambert's to help with medical expenses.

47 Councilman Davis explained that the City made it a policy to not waive fees because it is not fair  
48 to take public money for private events. The City Council is willing to pay for some of the money  
49 out of their own pockets.

50

51 Cary Hanks, Director of the Spanish Fork Salem Chamber of Commerce reminded the Council  
52 that the scarecrows contest on Main Street has started and to invite everyone to participate.  
53 You can vote for your favorite scarecrow either on the Chamber of Commerce website or at the  
54 City Utility Office. Also, the Main Street Trick-or-Treat will be held again this year on Saturday,  
55 October 25<sup>th</sup> from 1-3pm.

56

#### 57 **COUNCIL COMMENTS:**

58 Councilman Gordon expressed thanks to everyone who participated in the Harvest Moon Hurrah.  
59 Councilman Gordon attended the South Utah Valley Solid Waste District meeting and their  
60 biggest challenge is looking for a new location for the facility.

61

62 Councilman Davis mentioned that this week is fire prevention week and invite the public to an  
63 open house at the fire station on Thursday October 10 from 6-8pm. Councilman Davis read a  
64 flyer from Tabitha's Way asking to donate your new or used coats. Councilman Davis expressed  
65 thanks to the Spanish Fork City employees for all they do.

66

67 Councilman Dart thanked Blake Barney & Sunroc for dredging a lake at BSA Camp Maple Dell  
68 for free.

69

70 Councilman Scoubes expressed thanks to the chairman of the Harvest Moon Hurrah and  
71 everyone associated with the event. The Veteran's Council has been active with different  
72 scholarships and community events. Councilman Scoubes thanked Cris Childs and all who  
73 volunteer at the airport. The runway project is in phase three and we will be closing the runway  
74 for a period of eight days in a couple of more weeks to repave the entire runway.

75

76 Councilman Mendenhall said that the Utah Lak Commission met and discussed events and  
77 progress that will take place at Utah Lake. Youth City Council will meet this Thursday and he  
78 expressed thanks to them for their help. Councilman Mendenhall thanked the Johnson's and  
79 other neighbors that are supporting and live by the Lambert family.

80

81 Mayor Leifson agreed with all of the council comments. He said that he had the opportunity to  
82 speak at Sundance and spent time bragging up Spanish Fork City. Mayor Leifson congratulated  
83 the Maple Mountain High School for winning the state golf tournament today.

84

#### 85 **SPANISH FORK 101: SF17 New YouTube Broadcast & Productions**

86 Mr. Bowcut explained that there was a worldwide outage with Belkin routers. This was a Belkin  
87 router issue not a City SFCN problem but SFCN came up with a way around the problem. He  
88 explained some changes to live broadcasts, added content, a simultaneous live broadcast and  
89 digital conversion.

90

#### 91 **CONSENT ITEMS:**

92

a. Minutes of Spanish Fork City Council Meeting – September 2, 2014

93

b. Fire Department SCBA Equipment Grant

94

c. 100 North and 200 North CDBG Grant Sewer and Water Replacement Project Agreement

- d. Proposed Agreements and Contract for Building Inspection Services
- e. New Cingular Wireless PCS, LLC Lease Agreement
- f. Impact Fee Reimbursement Agreement with Old Mill Estates
- g. Connector's Agreement with Old Mill Estates
- h. Contract for an Online Agenda Management System with Board Docs

Councilman Gordon made a **Motion** to **approve** the consent items.  
Councilman Dart **Seconded** and the motion **Passed** all in favor.

**PUBLIC HEARING:**

**Ordinance 15-14 Making Various Amendments to the Land Use Ordinance of Spanish Fork City**

Mr. Baker explained the various amendments to the Land Use Ordinance of the Municipal Code.

*I.*

*Spanish Fork Municipal Code §15.1.04.020, Definitions, is hereby amended by adding definitions as follows:*

**15.1.04.020 Definitions**

*Billboard: a freestanding ground sign designed or intended to direct attention to a business, product, or service that is not sold, offered, or existing on the property where the sign is located.*

*II.*

*Spanish Fork Municipal Code §15.4.04.080(C)(1), Approval or Disapproval- Procedure, is hereby amended as follows:*

**15.4.04.080 Approval or Disapproval – Procedure**

*(C) The adequacy of public facilities shall be determined in accordance with the Spanish Fork City development standards, the various master plans and the comprehensive general plan of the city, and at the discretion of the city engineer. In the event that the city engineer determines that adequate public facilities are not available and will not be available by the time of final plat approval, so as to assure that adequate public services are available at the time of occupancy, the following alternatives may be elected, at the discretion of the city council:*

- 1. Allowing the developer to voluntarily construct those public facilities which are necessary to service the proposed development and provide adequate facilities as determined by the city engineer and by entering into an appropriate form of connector's or development agreement, which may include, as deemed appropriate by the city engineer, provisions for recoupment of any expenses incurred above and beyond those reasonably necessary for or related to the need created by or the benefit conferred upon the proposed development, and the method and conditions upon which recoupment is to be obtained. Any connector's agreement authorized by this paragraph must be requested within 90 days of the completion and acceptance by City of the improvements. A request for a connector's agreement shall be made on forms provided by the City. An application fee in an amount to cover the City's expenses in preparing the connector's agreement shall be included. The amount of the fee shall be established by the City Council in the annual budget or by resolution.*

*III.*

*Spanish Fork Municipal Code §15.4.16.020(A), Unavailability of Adequate Public Facilities, is hereby amended as follows:*

**15.4.16.020 Unavailability of Adequate Public Facilities**

*In the event that the city engineer determines that adequate public facilities are not available and will not be available by the time of approval, so as to assure that adequate public services are available at the time of occupancy, the following alternatives may be elected, at the discretion of the city council:*

150 A. *Allowing the developer to voluntarily construct those public facilities which are necessary to*  
151 *service the proposed development and provide adequate facilities as determined by the city*  
152 *engineer and by entering into an appropriate form of connector's, or developers agreement,*  
153 *which may include, as deemed appropriate by the city engineer, provisions for recoupment*  
154 *of any expenses incurred above and beyond those reasonably necessary for or related to*  
155 *the need created by or the benefit conferred upon the proposed development, and the*  
156 *method and conditions upon which recoupment is to be obtained. Any connector's*  
157 *agreement authorized by this paragraph must be requested within 90 days of the*  
158 *completion and acceptance by the City of the improvements. A request for a connector's*  
159 *agreement shall be made on forms provided by the City. An application fee in an amount to*  
160 *cover the City's expenses in preparing the connector's agreement shall be included. The*  
161 *amount of the fee shall be established by the City Council in the annual budget or by*  
162 *resolution.*

163  
164 **IV.**

165 *Spanish Fork Municipal Code §15.4.04.130, Recordation – Copy to be Supplied to City Engineer, is*  
166 *hereby amended as follows:*

167  
168 **15.4.04.130 Recordation – Copy to be Supplied to City Engineer**

169 *Following acceptance by the DRC, a final plat bearing all official approvals shall be deposited in the*  
170 *office of the Utah County Recorder for recording by the City. Only the City may record final plats.*  
171 *The final plat must be recorded within 180 days after approval by the DRC. Approval expires and*  
172 *the plat must be resubmitted if a final plat is not recorded within 180 days.*  
173 *All inspection, testing and/or connection fees required by ordinance shall be paid and permits*  
174 *required shall be obtained prior to the recording of the Final Plat.*

175  
176 **V.**

177 *Spanish Fork Municipal Code §15.4.16.090(A), Time Limitation for Completion, is hereby amended*  
178 *as follows:*

179  
180 **15.4.16.090 Time Limitation for Completion**

181 *A. All improvements listed in this Chapter must be completed within one year from the date of*  
182 *recordation, unless the city engineer requires an earlier completion date. An extension for*  
183 *completion of improvements may be granted by the City Council for up to an additional one year. A*  
184 *request for extension must be submitted to the City Council, in writing, explaining the reasons for*  
185 *the requested extension.*

186  
187 Councilman Davis made a **Motion** to move into Public Hearing.

188 Councilman Gordon **Seconded** and the motion **Passed** all in favor at 7:03 p.m.

189  
190 Mayor Leifson welcomed public comment.

191 There was none.

192  
193 Councilman Davis made a **Motion** to move out of Public Hearing.

194 Councilman Gordon **Seconded** and the motion **Passed** all in favor at 7:04 p.m.

195  
196 Councilman Mendenhall made a **Motion** to **approve** the Ordinance 15-14 Making Various  
197 Amendments to the Land Use Ordinance of Spanish Fork City.

198 Councilman Scoubes **Seconded** and the motion **Passed** all in favor by a roll call vote.

199  
200 **Proposed Zone Change for the Trailside Subdivision, the proposal would approve the Trailside**  
201 **Subdivision as an In-fill Overlay development**

202 Mr. Anderson explained at approximately 300 West 100 South the property has changed applicants.  
203 This proposal is to divide the property into two lots instead of three. The existing home would stay

204 and a new home built on lot 2. The planning commission recommends approval with conditions that  
205 the single family home be a single story and a double rail fence is constructed along the City's trail.

206  
207 Councilman Davis made a **Motion** to move into Public Hearing.

208 Councilman Gordon **Seconded** and the motion **Passed** all in favor at 7:07 p.m.

209  
210 Mayor Leifson welcomed public comment.

211 There was none.

212  
213 Councilman Dart made a **Motion** to move out of Public Hearing.

214 Councilman Davis **Seconded** and the motion **Passed** all in favor at 7:07 p.m.

215  
216 Councilman Davis reviewed the conditions from Development Review Committee and Planning  
217 Commission.

218  
219 Councilman Mendenhall asked how big the lots would be.

220  
221 Mr. Anderson said approximately 10,000-12,000 square feet.

222  
223 Councilman Davis made a **Motion** to **approve** the In-Fill Overlay for the Trailside Subdivision  
224 (zoning and preliminary plat) with the following the findings and conditions from the Development  
225 Review Committee and Planning Commission:

226 Findings

- 227 1. That the two lots do not exceed the density of the General Plan.
- 228 2. That the project meets the City's In-fill Overlay ordinance.
- 229 3. That the proposal would significantly improve the subject property and the neighborhood.
- 230 4. That the proposed development conforms to the City's requirements for In-fill Overlay  
231 developments in the R-1-6 zone.

232  
233 Conditions

- 234 1. That the applicant dedicate the trail to the City.
- 235 2. That the applicant make changes to the plans relative to fencing as discussed.
- 236 3. That the applicant make changes to the plans relative to storm drain system as discussed.
- 237 4. That the applicant indicate the driveway be a public utility easement.
- 238 5. That the home on lot 2 be constructed as a single-story structure.
- 239 6. That the applicant install a two-rail fence along the east property line between the trail and  
240 the driveway.

241 Councilman Dart **Seconded** and the motion **Passed** all in favor.

242  
243 **Spanish Fork City - FY 2015 Budget Revision #1**

244 Mr. Clark explained that the General Fund went up \$1 million and the Enterprise Funds went up  
245 \$2 million and the Miscellaneous Funds went down with a total of \$2.8 million increase making  
246 the budget approximately \$65 million. Mr. Clark reviewed the areas where the budget has  
247 increased. Mr. Clark pointed out with the city utilities; the City has to charge themselves the  
248 retail rate, not a discounted rate.

249  
250 Councilman Davis made a **Motion** to move into Public Hearing.

251 Councilman Scoubes **Seconded** and the motion **Passed** all in favor at 7:25 p.m.

252  
253 Mayor Leifson welcomed public comment.

254 There was none.  
255  
256 Councilman Gordon made a **Motion** to move out of Public Hearing.  
257 Councilman Davis **Seconded** and the motion **Passed** all in favor at 7:25 p.m.  
258  
259 Councilman Dart asked when the cement project is scheduled for the Library. It was determined  
260 that it would be spring of 2015.  
261  
262 Councilman Dart made a **Motion** to **approve** the FY 2015 Budget Revision #1.  
263 Councilman Mendenhall **Seconded** and the motion **Passed** all in favor.  
264

265 **NEW BUSINESS:**

266 **Preliminary Plat approval for Spanish Trails, a residential subdivision located at approximately 400**  
267 **South Spanish Trails Boulevard**

268 Mr. Anderson said this development is down to the last phase and a plat has not been recorded in  
269 over a year. This is requesting re-approval for the preliminary plat so they can move forward.  
270

271 Councilman Scoubes made a **Motion** to **approve** the Preliminary Plat for Spanish Trails, a  
272 residential subdivision located at approximately 400 South Spanish Trails Boulevard. .

273 Councilman Mendenhall **Seconded** and the motion **Passed** all in favor.  
274

275 **Preliminary Plat approval for the Trailside Subdivision, an In-fill Overlay development located at 335**  
276 **West 100 South**

277 See this item above as it was discussed in the Public Hearing portion of the meeting.  
278

279 **Preliminary Plat approval extension request for Legacy Farms**

280 Mr. Anderson explained that this developer is requesting an extension for 6 months to keep the  
281 vesting for the project.  
282

283 Councilman Gordon made a **Motion** to **approve** the Preliminary Plat extension request for Legacy  
284 Farms.

285 Councilman Dart **Seconded** and the motion **Passed** all in favor.  
286

287 **Waste Water Treatment Plant SCADA System RFP Award**

288 Mr. Thompson explained that the request is to replace the SCADA system at the waste water  
289 treatment plant. This system monitors the equipment at the plant and notifies us if there is a  
290 problem. The City received five proposals and the recommendation is to award the bid to SKM  
291 Inc. in the amount of \$203,485.00.  
292

293 Councilman Gordon made a **Motion** to **approve** the Waste Water Treatment Plant SCADA System  
294 RFP Award to SKM, Inc. in the amount of \$203,485.00.

295 Councilman Scoubes **Seconded** and the motion **Passed** all in favor.  
296

297 **ADJOURN:**

298 Councilman Dart made a **Motion** to **adjourn**.

299 Councilman Gordon **Seconded** and the motion **Passed** all in favor at 7:43 p.m.  
300

301 **ADOPTED:**

302 \_\_\_\_\_  
Shelley Hendrickson, Engineering Secretary



# Memo

To: Mayor and City Council  
From: Chris Thompson P.E., Public Works Director/City Engineer  
Date: October 17, 2014  
Re: Master Agreement for Professional Services, Marshall Railway Consulting, LLC

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## Staff Report

### RECOMMENDED ACTION

Approve the Master Agreement for Professional Services for Marshall Railway Consulting, LLC.

### BACKGROUND

The city and the developers of Legacy Farms are working to get a railroad crossing approved just east of S.R. 51 for Spanish Fork Parkway. Jim Marshall is the retired manager of the Union Pacific permits office. He has since started a company to help entities with their railroad permitting process.

### DISCUSSION

The developers of Legacy Farms have agreed to front the money to obtain the railroad permit. We plan to include all such costs in the transportation impact fee.

Attached: agreement



**MASTER AGREEMENT FOR PROFESSIONAL SERVICES  
MARSHALL RAILWAY CONSULTING, LLC**

This AGREEMENT, dated October 21, 2014, is made and entered into between Spanish Fork City (herein called OWNER) and Marshall Railway Consulting LLC, a Utah Corporation (herein called CONSULTANT). From time to time OWNER may request that CONSULTANT provide professional services for Specific Projects. Each work engagement will be documented by an individual Task Order. This AGREEMENT sets forth the general terms and conditions that will apply to all Task Orders duly executed under this AGREEMENT.

In consideration of the mutual promises herein contained, CONSULTANT and OWNER agree as follows:

**1. TERM AND AUTHORIZATION TO PROCEED**

- A. This Agreement shall be effective and applicable to Task Orders issued hereunder for 8 years from the Effective Date of the AGREEMENT.
- B. This AGREEMENT may be extended or renewed by the Parties, with or without changes, by written instrument.
- C. Execution of individual Task Orders by OWNER will be authorization for the CONSULTANT to proceed with the authorized work associated with the Specific Projects (PROJECT), pursuant to the terms and conditions of this AGREEMENT.

**2. CONSULTANT'S SERVICES**

- A. The CONSULTANT agrees to provide services to the OWNER on an as needed basis. The scope of services, period of performance, and basis of CONSULTANT'S compensation are to be defined in individual Task Orders. Each duly executed Task Order shall be subject to the terms and conditions of this AGREEMENT. A standard task order form is included as Attachment A. The CONSULTANT will perform the defined services in a professional manner using the degree of care and skill that is normally employed by consultants on similar projects of equal complexity.
- B. The relationship of the CONSULTANT to the OWNER is that of an independent contractor and nothing in this AGREEMENT or the attachments hereto, creates any other relationship. As an independent contractor, the CONSULTANT shall have the sole responsibility for paying taxes, workers compensation, employee benefits (if any), and all similar obligations.

- C. This AGREEMENT is not a commitment by OWNER to CONSULTANT to issue any Task Orders.

**3. COMPENSATION AND PAYMENT**

- A. OWNER and CONSULTANT shall agree on the basis of compensation for each Task Order. If hourly rates are to be used as the basis of compensation, those rates will be defined in each Task Order. Hourly rates are updated on January 1 of each calendar year by the CONSULTANT. Updated hourly rates will be used for all task orders. Additionally, CONSULTANT will be reimbursed for actual costs and expenses incurred in performance of the PROJECT.
- B. Invoicing will occur following the last Friday of each month. Payments shall be due within 30 days of receipt of the invoice.
- C. A service charge of 10 percent will be applied to expenses incurred in performance of the PROJECT. All sales, use, value added, business transfer, gross receipts, or other similar taxes will be reimbursed to CONSULTANT.
- D. An interest rate of 1.5% per month will be applied to all invoices that are not paid in full after 30 days following the invoice date. Payments will be applied to the outstanding interest first and then to the principal.
- E. The CONSULTANT may discontinue work on the PROJECT by issuing the OWNER a written seven-day notice if full payment for an invoice is not received within 60 days of the date of the invoice. Suspension of work will continue until full payment is made for all outstanding invoices including interest. The CONSULTANT accepts no liability for damages or delays that result from its suspension of work. The OWNER may not use information or work product provided by the CONSULTANT until full payment is made including applicable interest.

**4. INSURANCE**

- A. The CONSULTANT will maintain insurance coverage throughout the term of the AGREEMENT. Insurance coverage will include:
  - 1) Worker's Compensation
    - State Statutory
    - Employer's Liability \$100,000
  - 2) Comprehensive General Liability
    - Bodily Injury and Property Damage \$1,000,000
    - Combined Single Limit \$1,000,000

3) Automobile Liability Combined Single Limit	\$1,000,000
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**5. LIMITATION OF LIABILITY**

- A. The CONSULTANT shall not be liable for damages or delays resulting from actions or inaction of a third party that is not under the direct control of the CONSULTANT, such as government agencies that have review and permit authority.
- B. The OWNER shall defend, indemnify and hold harmless the CONSULTANT, its subcontractors, agents and employees for all liability, other than that caused by the negligent acts, errors, or omissions of the CONSULTANT.
- C. The OWNER shall defend, indemnify and hold harmless the CONSULTANT, its subcontractors, agents and employees for all liability resulting from construction of the PROJECT, if the CONSULTANT is not retained to perform construction phase services on the PROJECT.
- D. The CONSULTANT shall indemnify and hold harmless the OWNER, its agents, representatives, consultants and employees for all liability, other than that caused solely by negligent acts, errors, or omissions of the OWNER
- E. If the negligence or willful misconduct or both CONSULTANT and OWNER (or a person identified above for whom each is liable) is a cause of such damage or injury, the loss, cost, or expense shall be shared between CONSULTANT and OWNER in proportion to their relative degrees of negligence or willful misconduct and the right of indemnity shall apply for such portion.
- F. To the fullest extent permitted by law, and notwithstanding any other provision of this AGREEMENT, the total liability, in the aggregate, of the CONSULTANT and the CONSULTANT'S officers, directors, partners, employees and subconsultants, and any of them, to OWNER, for any and all claims, losses, costs, or damages, including attorneys' fees and costs and expert-witness fees and costs of any nature whatsoever or claims expenses resulting from or in any way related to a Specific Project or Task Order, or this AGREEMENT, from any cause or causes shall not exceed the total compensation received by the CONSULTANT under this AGREEMENT, or the total amount of \$1,000,000, whichever is greater. It is intended that this limitation apply to any and all liability or cause of

action however alleged or arising, unless otherwise prohibited by law.

- G. The CONSULTANT is not responsible for delays or damages caused by acts of God such as floods or earthquakes, or other circumstances beyond control of CONSULTANT.
- H. The CONSULTANT, its subcontractors, agents and employees shall not be liable for consequential damages or indirect liability from a third party. The OWNER will defend, indemnify and hold harmless the CONSULTANT, its subcontractors and agents from such an occurrence.

## **6. TERMINATION**

- A. This AGREEMENT may be terminated by either party in the event that the other party has not performed any material covenant or has otherwise breached any material term of this AGREEMENT (i) upon receipt of written notice thereof if the nonperformance or breach is incapable of cure, or (ii) upon the expiration of ten (10) calendar days (or such additional cure period as the non-defaulting party may authorize) after receipt of written notice thereof if the nonperformance or breach is capable of cure and has not been cured.
- B. Upon termination, CONSULTANT is entitled to full compensation as computed under this AGREEMENT for the work completed
- C. Either party may terminate this AGREEMENT without cause at any time upon thirty (30) days prior written notice to the other party.

## **7. ASSIGNMENT**

This AGREEMENT shall be binding on the heirs, successors and assignees of the parties. This AGREEMENT may not be assigned, transferred, conveyed, or encumbered, whether voluntarily or by operation of law, by either party without the prior written consent of the other party. Unauthorized assignment is void and nonbinding.

## **8. OPINION OF PROBABLE CONSTRUCTION COST**

Opinions of probable construction cost prepared by the CONSULTANT are based on its experience with past projects of similar construction. It is understood that the CONSULTANT has no control over economical factors or unknown conditions that may have a significant impact on actual PROJECT cost. The CONSULTANT does not guarantee its cost estimates and accepts no liability for problems created by the difference in actual costs and opinions of probable construction cost.

**9. DOCUMENTS**

Contract documents, calculations, electronic information and survey information created by the CONSULTANT as “instruments of service” are the property of the CONSULTANT. OWNER’s use of the documents and other “instruments of service” on any other project is prohibited and the CONSULTANT accepts no liability for such action.

**10. CONSTRUCTION PHASE SERVICES**

- A. The CONSULTANT has based its cost to provide construction phase services, on the CONSULTANT, its employees, subcontractors and agents being named as additional insured under any construction contractor(s) (herein CONTRACTOR) General Liability and Builder’s All Risk Insurance.
- B. The OWNER shall include in any contract with the CONTRACTOR a statement to defend, indemnify and hold harmless the CONSULTANT; its employees, subcontractors and agents for any and all action resulting from construction activity.
- C. Observations performed by the CONSULTANT or its agents are intended to assist the OWNER to obtain the best project possible and not to assume the CONTRACTOR’s responsibility to comply with the requirements of any contract documents. The parties to this AGREEMENT recognize that the CONTRACTOR has sole responsibility to ensure that any contract requirements are met. The CONTRACTOR is responsible for all methods used to complete the PROJECT and is responsible to follow all applicable safety procedures.
- D. “Record” documents prepared by the CONSULTANT are based on information supplied by the CONTRACTOR and its agents and are only as accurate as the information provided by the CONTRACTOR. The CONSULTANT does not assume responsibility for the accuracy of the “record” documents.

**11. ADHERENCE TO APPLICABLE LAWS**

- A. The laws of the State of Utah shall govern all aspects of this AGREEMENT.
- B. The CONSULTANT shall comply with the applicable requirements of the Equal Employment Opportunity Laws, Title VI of the Civil Rights Act of 1964, as amended, and with the provisions contained in 49 CFR 21

through Appendix C and 23 CFR 710.450(b), and the Fair Labor Standards Act.

**12. HAZARDOUS WASTE**

OWNER will indemnify CONSULTANT from all claims, damages, losses, and costs, including attorney's fees, arising out of or relating to the presence, discharge, release, or escape of hazardous substances or contaminants from the PROJECT. OWNER recognizes that CONSULTANT assumes no risk and/or liability for waste or the waste site.

**13. ATTORNEY'S FEES**

In the event any action or proceeding is brought by any party against any other party under this AGREEMENT, the prevailing party shall be entitled to recover attorney's fees and costs in such amount as the court may adjudge reasonable.

**14. SEVERABILITY**

The provisions of this AGREEMENT are severable, and should any provision hereof be void, overly broad or unenforceable, such void, overly broad or unenforceable provision shall not affect any other portion or provision of this AGREEMENT.

**15. WAIVER**

Any waiver by any party hereto of any breach of any kind or character whatsoever by any other party, whether such waiver be direct or implied, shall not be construed as a continuing waiver of or consent to any subsequent breach of this AGREEMENT on the part of the other party.

**16. NOTICES**

All notices, demands, and requests required or permitted to be given hereunder shall be in writing and shall be deemed duly given if delivered or if mailed by registered or certified mail, postage prepaid, addressed to the following:

CONSULTANT: James D. Marshall  
Marshall Railway Consulting, LLC  
2155 North Morgan Valley Dr  
Morgan, Utah 84050

OWNER: Chris Thompson, P.E.  
Public Works Director/City Engineer  
Spanish Fork City  
40 South Main Street

Spanish Fork, Utah 84660

Either party shall have the right to specify in writing another address to which subsequent notices to such party shall be given. Any notice given hereunder shall be deemed to have been given as of the date delivered or mailed to the other party.

**17. ATTACHMENTS**

The following attachments are included as part of the AGREEMENT:

Attachment A – Standard Task Order Form  
Task Orders, as awarded.

This AGREEMENT constitutes the entire understanding and AGREEMENT between the parties and supersedes all prior AGREEMENTS and understandings, whether written or oral, and may only be changed by written amendment executed by both parties. All previous, new and relative Task Orders shall adhere to this agreement.

Approved by OWNER

DATED this 21 day of October, 2014

SPANISH FORK CITY By:

\_\_\_\_\_  
STEVE LEIFSON, Mayor

ATTEST:

\_\_\_\_\_  
KENT R. CLARK, CITY RECORDER

Approved by ENGINEER

DATED this \_\_\_\_\_ day of October, 2014

MARSHALL RAILWAY CONSULTING, LLC By:

\_\_\_\_\_  
JAMES D. MARSHALL, Owner



# Memo

To: Mayor and City Council  
From: Chris Thompson P.E., Public Works Director/City Engineer  
Date: October 21, 2014  
Re: Master Agreement for Professional Services, Hansen, Allen & Luce

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## Staff Report

### RECOMMENDED ACTION

Approve the Master Agreement for Professional Services for Hansen, Allen & Luce.

### BACKGROUND

Hansen, Allen & Luce continues to do consulting for the city related to water rights, regulations and modeling. This agreement will govern task orders to various such work for the city.

### DISCUSSION

We recently updated the template used for master services agreement. An existing master services agreement exists with Hansen, Allen & Luce this will update that agreement to the new form.

Attached: agreement



**MASTER AGREEMENT FOR PROFESSIONAL SERVICES  
HANSEN, ALLEN & LUCE, INC.**

This AGREEMENT, dated October 21, 2014, is made and entered into between Spanish Fork City (herein called OWNER) and HANSEN, ALLEN & LUCE, INC., a Utah Corporation (herein called ENGINEER). From time to time OWNER may request that ENGINEER provide professional services for Specific Projects. Each work engagement will be documented by an individual Task Order. This AGREEMENT sets forth the general terms and conditions that will apply to all Task Orders duly executed under this AGREEMENT.

In consideration of the mutual promises herein contained, ENGINEER and OWNER agree as follows:

**1. TERM AND AUTHORIZATION TO PROCEED**

- A. This Agreement shall be effective and applicable to Task Orders issued hereunder for 8 years from the Effective Date of the AGREEMENT.
- B. This AGREEMENT may be extended or renewed by the Parties, with or without changes, by written instrument.
- C. Execution of individual Task Orders by OWNER will be authorization for the ENGINEER to proceed with the authorized work associated with the Specific Projects (PROJECT), pursuant to the terms and conditions of this AGREEMENT.

**2. ENGINEER'S SERVICES**

- A. The ENGINEER agrees to provide engineering services to the OWNER on an as needed basis. The scope of services, period of performance, and basis of ENGINEER's compensation are to be defined in individual Task Orders. Each duly executed Task Order shall be subject to the terms and conditions of this AGREEMENT. A standard task order form is included as Attachment A. The ENGINEER will perform the defined services in a professional manner using the degree of care and skill that is normally employed by professional engineers or consultants on similar projects of equal complexity.
- B. The relationship of the ENGINEER to the OWNER is that of an independent contractor and nothing in this AGREEMENT or the attachments hereto, creates any other relationship. As an independent contractor, the ENGINEER shall have the sole responsibility for paying taxes, workers compensation, employee benefits (if any), and all similar obligations.

- C. This AGREEMENT is not a commitment by Owner to Engineer to issue any Task Orders.

**3. COMPENSATION AND PAYMENT**

- A. OWNER and ENGINEER shall agree on the basis of compensation for each Task Order. If hourly rates are to be used as the basis of compensation, those rates will be defined in each Task Order. Hourly rates are updated on October 1 of each calendar year by the ENGINEER. Updated hourly rates will be used for all task orders. Additionally, ENGINEER will be reimbursed for actual costs and expenses incurred in performance of the PROJECT.
- B. Invoicing will occur following the last Friday of each month. Payments shall be due within 30 days of receipt of the invoice.
- C. A service charge of 10 percent will be applied to expenses incurred in performance of the PROJECT. All sales, use, value added, business transfer, gross receipts, or other similar taxes will be reimbursed to ENGINEER.
- D. An interest rate of 1.5% per month will be applied to all invoices that are not paid in full after 30 days following the invoice date. Payments will be applied to the outstanding interest first and then to the principal.
- E. The ENGINEER may discontinue work on the PROJECT by issuing the OWNER a written seven-day notice if full payment for an invoice is not received within 60 days of the date of the invoice. Suspension of work will continue until full payment is made for all outstanding invoices including interest. The ENGINEER accepts no liability for damages or delays that result from its suspension of work. The OWNER may not use information or work product provided by the ENGINEER until full payment is made including applicable interest.

**4. INSURANCE**

- A. The ENGINEER will maintain insurance coverage throughout the term of the AGREEMENT. Insurance coverage will include:
  - 1) Worker's Compensation
    - State Statutory
    - Employer's Liability \$100,000
  - 2) Comprehensive General Liability
    - Bodily Injury and Property Damage \$1,000,000

Combined Single Limit	\$1,000,000
3) Automobile Liability Combined Single Limit	\$1,000,000
4) Professional Liability	\$1,000,000.

**5. LIMITATION OF LIABILITY**

- A. The ENGINEER shall not be liable for damages or delays resulting from actions or inaction of a third party that is not under the direct control of the ENGINEER, such as government agencies that have review and permit authority.
- B. The OWNER shall defend, indemnify and hold harmless the ENGINEER, its subcontractors, agents and employees for all liability, other than that caused by the negligent acts, errors, or omissions of the ENGINEER.
- C. The OWNER shall defend, indemnify and hold harmless the ENGINEER, its subcontractors, agents and employees for all liability resulting from construction of the PROJECT, if the ENGINEER is not retained to perform construction phase services on the PROJECT.
- D. The ENGINEER shall indemnify and hold harmless the OWNER, its agents, representatives, consultants and employees for all liability, other than that caused solely by negligent acts, errors, or omissions of the OWNER
- E. If the negligence or willful misconduct or both ENGINEER and OWNER (or a person identified above for whom each is liable) is a cause of such damage or injury, the loss, cost, or expense shall be shared between ENGINEER and OWNER in proportion to their relative degrees of negligence or willful misconduct and the right of indemnity shall apply for such portion.
- F. To the fullest extent permitted by law, and notwithstanding any other provision of this AGREEMENT, the total liability, in the aggregate, of the ENGINEER and the ENGINEER’s officers, directors, partners, employees and subconsultants, and any of them, to OWNER, for any and all claims, losses, costs, or damages, including attorneys’ fees and costs and expert-witness fees and costs of any nature whatsoever or claims expenses resulting from or in any way related to a Specific Project or Task Order, or this AGREEMENT, from any cause or causes shall not exceed the total compensation received by the ENGINEER under this AGREEMENT, or the total amount of \$1,000,000, whichever is greater. It is intended that this limitation apply to any and all liability or cause of action however

alleged or arising, unless otherwise prohibited by law.

- G. The ENGINEER is not responsible for delays or damages caused by acts of God such as floods or earthquakes, or other circumstances beyond control of ENGINEER.
- H. The ENGINEER, its subcontractors, agents and employees shall not be liable for consequential damages or indirect liability from a third party. The OWNER will defend, indemnify and hold harmless the ENGINEER, its subcontractors and agents from such an occurrence.

**6. TERMINATION**

- A. This AGREEMENT may be terminated by either party in the event that the other party has not performed any material covenant or has otherwise breached any material term of this AGREEMENT (i) upon receipt of written notice thereof if the nonperformance or breach is incapable of cure, or (ii) upon the expiration of ten (10) calendar days (or such additional cure period as the non-defaulting party may authorize) after receipt of written notice thereof if the nonperformance or breach is capable of cure and has not been cured.
- B. Upon termination, ENGINEER is entitled to full compensation as computed under this AGREEMENT for the work completed
- C. Either party may terminate this AGREEMENT without cause at any time upon thirty (30) days prior written notice to the other party.

**7. ASSIGNMENT**

This AGREEMENT shall be binding on the heirs, successors and assignees of the parties. This AGREEMENT may not be assigned, transferred, conveyed, or encumbered, whether voluntarily or by operation of law, by either party without the prior written consent of the other party. Unauthorized assignment is void and nonbinding.

**8. OPINION OF PROBABLE CONSTRUCTION COST**

Opinions of probable construction cost prepared by the ENGINEER are based on its experience with past projects of similar construction. It is understood that the ENGINEER has no control over economical factors or unknown conditions that may have a significant impact on actual PROJECT cost. The ENGINEER does not guarantee its cost estimates and accepts no liability for problems created by the difference in actual costs and opinions of probable construction cost.

**9. DOCUMENTS**

Contract documents, calculations, electronic information and survey information created by the ENGINEER as “instruments of service” are the property of the ENGINEER. OWNER’s use of the documents and other “instruments of service” on any other project is prohibited and the ENGINEER accepts no liability for such action.

**10. CONSTRUCTION PHASE SERVICES**

- A. The ENGINEER has based its cost to provide construction phase services, on the ENGINEER, its employees, subcontractors and agents being named as additional insured under any construction contractor(s) (herein CONTRACTOR) General Liability and Builder’s All Risk Insurance.
- B. The OWNER shall include in any contract with the CONTRACTOR a statement to defend, indemnify and hold harmless the ENGINEER; its employees, subcontractors and agents for any and all action resulting from construction activity.
- C. Observations performed by the ENGINEER or its agents are intended to assist the OWNER to obtain the best project possible and not to assume the CONTRACTOR’s responsibility to comply with the requirements of any contract documents. The parties to this AGREEMENT recognize that the CONTRACTOR has sole responsibility to ensure that any contract requirements are met. The CONTRACTOR is responsible for all methods used to complete the PROJECT and is responsible to follow all applicable safety procedures.
- D. “Record” documents prepared by the ENGINEER are based on information supplied by the CONTRACTOR and its agents and are only as accurate as the information provided by the CONTRACTOR. The ENGINEER does not assume responsibility for the accuracy of the “record” documents.

**11. ADHERENCE TO APPLICABLE LAWS**

- A. The laws of the State of Utah shall govern all aspects of this AGREEMENT.
- B. The ENGINEER shall comply with the applicable requirements of the Equal Employment Opportunity Laws, Title VI of the Civil Rights Act of 1964, as amended, and with the provisions contained in 49 CFR 21 through Appendix C and 23 CFR 710.450(b), and the Fair Labor Standards Act.

**12. HAZARDOUS WASTE**

OWNER will indemnify ENGINEER from all claims, damages, losses, and costs, including attorney's fees, arising out of or relating to the presence, discharge, release, or escape of hazardous substances or contaminants from the PROJECT. OWNER recognizes that ENGINEER assumes no risk and/or liability for waste or the waste site.

**13. ATTORNEY'S FEES**

In the event any action or proceeding is brought by any party against any other party under this AGREEMENT, the prevailing party shall be entitled to recover attorney's fees and costs in such amount as the court may adjudge reasonable.

**14. SEVERABILITY**

The provisions of this AGREEMENT are severable, and should any provision hereof be void, overly broad or unenforceable, such void, overly broad or unenforceable provision shall not affect any other portion or provision of this AGREEMENT.

**15. WAIVER**

Any waiver by any party hereto of any breach of any kind or character whatsoever by any other party, whether such waiver be direct or implied, shall not be construed as a continuing waiver of or consent to any subsequent breach of this AGREEMENT on the part of the other party.

**16. NOTICES**

All notices, demands, and requests required or permitted to be given hereunder shall be in writing and shall be deemed duly given if delivered or if mailed by registered or certified mail, postage prepaid, addressed to the following:

ENGINEER: Steven C. Jones, P.E.  
Hansen, Allen & Luce, Inc.  
6771 South 900 East  
Midvale, Utah 84047

OWNER: Chris Thompson, P.E.  
Public Works Director/City Engineer  
Spanish Fork City  
40 South Main Street  
Spanish Fork, Utah 84660

Either party shall have the right to specify in writing another address to which subsequent notices to such party shall be given. Any notice given hereunder shall be deemed to have been given as of the date delivered or mailed to the other party.

**17. ATTACHMENTS**

The following attachments are included as part of the AGREEMENT:

Attachment A – Standard Task Order Form  
Task Orders, as awarded.

This AGREEMENT constitutes the entire understanding and AGREEMENT between the parties and supersedes all prior AGREEMENTS and understandings, whether written or oral, and may only be changed by written amendment executed by both parties. All previous, new and relative Task Orders shall adhere to this agreement.

Approved by OWNER

DATED this \_\_\_\_\_ day of October, 2014

SPANISH FORK CITY By:

\_\_\_\_\_  
STEVE LEIFSON, Mayor

ATTEST:

\_\_\_\_\_  
KENT R. CLARK, CITY RECORDER

Approved by ENGINEER

DATED this 15<sup>th</sup> day of October, 2014

HANSEN ALLEN & LUCE, INC. By:

  
\_\_\_\_\_  
STEVEN C. JONES, Principal

ATTACHMENT "A"

TASK ORDER NO.1
(PROJECT NAME)
TO
(COMPANY NAME)
PROFESSIONAL SERVICES AGREEMENT

OWNER: Spanish Fork City
Effective Date of Agreement: 1/1/2014

THIS TASK ORDER NO. 1 TO PROFESSIONAL SERVICES AGREEMENT dated Month 0, 0000 (this "TASK ORDER") is made and entered into as of the \_\_\_ day of \_\_\_, 20\_\_\_, by and between SPANISH FORK CITY (OWNER) and COMPANY NAME, a Utah Corporation (herein called ENGINEER) who agree as follows:

- 1. PROJECT. The PROJECT associated with this TASK ORDER is described as follows: Project Name. The PROJECT SITE is located...
2. SCOPE OF SERVICES. The SCOPE OF SERVICES associated with this TASK ORDER is attached hereto as Exhibit A.
3. FEES. OWNER shall reimburse for services provided under this AGREEMENT on a time and expense basis not to exceed amount in accordance with the Standard Fee Schedule ("FEE SCHEDULE") attached hereto as Exhibit B. OWNER hereby agrees that all fees and charges set forth in the FEE SCHEDULE are acceptable to OWNER, and OWNER further agrees to pay all fees and charges to ENGINEER in accordance with the PROFESSIONAL SERVICES AGREEMENT and FEE SCHEDULE, not to exceed \$0.00 as per the SCOPE OF SERVICES and FEE SCHEDULE.
4. PROJECT SCHEDULE. SERVICES associated with this TASK ORDER are anticipated to be completed within XX months following written authorization from the OWNER to proceed.
5. ATTACHMENTS AND EXHIBITS. All attachments and exhibits referenced in or attached to this TASK ORDER are incorporated herein and are made a part of the PROFESSIONAL SERVICES AGREEMENT.
6. OWNER has read and understood all ATTACHMENTS and EXHIBITS and agrees that such items are hereby incorporated into and made a part of the PROFESSIONAL SERVICES AGREEMENT.
7. Any additional work needed shall not proceed without a new approved TASK ORDER.
8. TASK ORDER funded with GL# 0000.

IN WITNESS WHEREOF, OWNER and ENGINEER have executed this TASK ORDER as of the date first above written.

OWNER:
CITY ENGINEER

ENGINEER:
By:

ENGINEERING DIVISION MANAGER

Its:

FINANCE DIRECTOR



# Memo

To: Mayor and City Council  
From: Chris Thompson P.E., Public Works Director/City Engineer  
Date: October 21, 2014  
Re: Morris Jay Thomas Sewer and Trail Easement Agreement

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## Staff Report

### RECOMMENDED ACTION

Approve the Morris Jay Thomas Sewer and Trail Easement Agreement.

### BACKGROUND

The recordation of a Sewer and Trail Easement was a condition of the Thomas Annexation. This agreement is to facilitate the receiving that easement.

### DISCUSSION

A sewer lift station and force line must be constructed for areas within the Thomas Annexation to develop. We have also master planned a trail along the north and west sides of this annexation. This easement is to give right for the trail and sewer force main to be constructed.

Attached: agreement



**When Recorded, Mail To:**

MORRIS JAY THOMAS,  
Trustee of the ELSIE S. THOMAS  
TRUST AGREEMENT 1-14-1994

\_\_\_\_\_

Affecting Tax Parcel Nos. 25:018:0045 and 25:018:0032 and 25:015:0033\_\_\_\_\_

\_\_\_\_\_  
(space above for recorder's use)

**SEWER AND TRAIL EASEMENT AGREEMENT**

[Spanish Fork, Utah]

THIS SEWER AND TRAIL EASEMENT AGREEMENT (this "**Agreement**") is entered into this \_\_\_ day of \_\_\_\_\_, 2014, by and between MORRIS JAY THOMAS, Trustee of the ELSIE S. THOMAS TRUST AGREEMENT 1-14-1994 ("**Grantors**"), MORRIS JAY THOMAS and SHARLA N. THOMAS, Trustees the JAY AND SHARLA THOMAS TRUST dated 6-29-2001; and SPANISH FORK CITY, a Utah municipal corporation (the "**Grantee**").

**RECITALS**

A. Grantors own certain real property located in the County of Utah, State of Utah (the "**Grantors' Property**"), as more particularly described on Exhibit A, attached hereto and incorporated herein by this reference.

B. Grantee desires to obtain: (i) a perpetual, non-exclusive easement in gross for the construction, use, and maintenance of a sewer on, over, under and across portions of the Grantors' Property, and (ii) a perpetual, non-exclusive easement in gross for the use and maintenance of a trail for the purposes described herein for the benefit of Grantee and the public (collectively, the "**Easements**") to Grantee for such purposes, subject to the terms and conditions set forth herein.

C. Grantor, JAY AND SHARLA THOMAS TRUST (hereinafter, "JAY AND SHARLA TRUST"), desires to be allowed a connection to the Spanish Fork City sewage system for the single family residence on parcel number 25:018:0045 at Grantee's sole cost and expense.

**TERMS AND CONDITIONS**

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and based upon the mutual promises and subject to the conditions set forth below, the parties agree as follows:

**1. Grant of Easement.**

**1.1 Sewer Easement.** Grantors hereby grants and conveys to Grantee, for the benefit of the public, a perpetual, non-exclusive easement in gross (the "**Sewer Easement**") under, on, over, through and across portions of the Grantor's Property, more specifically described on Exhibit B, attached hereto and incorporated herein by this reference (the "**Sewer Easement Area**"), for the purposes of: (i) designing, constructing, maintaining, enlarging, repairing, replacing, removing, protecting, and operating a sewer and other related appurtenances (the "**Improvements**"); and (ii) discharging solid and liquid waste through the Improvements.

**1.2 Trail Easement.** Grantors hereby grants and conveys unto Grantee, for the benefit of the public, a perpetual, non-exclusive easement in gross (the "**Trail Easement**") on, over, and across portions of the Grantors' Property, more specifically described on Exhibit C, attached hereto and incorporated herein by this reference (the "**Trail Easement Area**") for the purposes of using, establishing, constructing, repairing, and maintaining a trail (the "**Trail**"). Except for the motorized vehicles that Grantee will utilize to maintain the Trail, no other motorized vehicles, of any kind or function, will be operated or brought upon the Trail Easement Area by the public. Grantee's and the public's use of the Trail and the grant of this trail easement shall be limited to activities such as walking, hiking, running, biking, and other similar activities. Grantee agrees that this easement does not permit on the Grantor's Property any nuisance or disruptive activity which is an annoyance or a nuisance to a church or private dwelling located nearby.

**1.3 Fence for the Trail Easement.** Grantee agrees that if a trail is installed before the property is developed, that at the time that the trail is installed on the trail easement referenced herein, Grantee, at its sole cost and expense, will also install a fence between the trail and Grantor's Property for the entire length of the trail on Grantor's Property.

## **2. Access.**

**2.1 Sewer Easement.** Grantee and its agents, servants, employees, consultants, contractors and subcontractors (collectively, "**Grantee's Agents**") shall have the right to enter upon the Sewer Easement Area for the purposes permitted by this Agreement. Grantee and its successors and assigns, hereby release Grantor from any and all claims relating to the condition of the Sewer Easement Area and the entry upon the Sewer Easement Area by Grantee and Grantee's Agents.

**2.2 Trail Easement.** The general public, Grantee, and Grantee's Agents shall have the right to enter upon the Trail Easement Area for the purposes permitted by this Agreement. Grantee and its successors and assigns, hereby release Grantor from any and all claims relating to the condition of the Trail Easement Area and the entry upon the Trail Easement Area by the public, Grantee, and Grantee's Agents (and their successors and assigns).

**3. Condition of the Easement Area.** Grantee accepts the Sewer Easement Area and the Trail Easement Area, and all aspects thereof in "AS IS", "WHERE IS" condition, without warranties, either express or implied, "with all faults", including but not limited to both latent and patent defects, and the existence of hazardous materials, if any. Grantee hereby waives all warranties, express or implied, regarding the title, condition and use of the

aforementioned easement areas, including, but not limited to any warranty of merchantability or fitness for a particular purpose. Grantee shall obtain any and all consents, approvals, permissions, and agreements to cross, encumber, or encroach upon any other easements or rights of others related to its use and improvement of the Sewer Easement Area and/or the Trail Easement Area.

4. **Maintenance and Restoration.** Grantee, at its sole cost and expense, shall maintain and repair all Improvements, any and all related improvements installed by Grantee, and the Trail in good order and condition. Grantee shall promptly repair any damage to the Grantors' Property and Grantors' improvements located thereon (including, without limitation, any and all landscaping, trees, fences, water and/or irrigation pipes, lines and ditches, curbs, gutters, asphalt surfaces, fences, signs, lighting, buildings, etc.) caused by Grantee and/or Grantee's Agents, and shall restore the Grantors' Property and the improvements thereon as they existed prior to any entry onto or work performed on the Grantors' Property by Grantee and Grantee's Agents. Grantee may place appropriate bollards to keep motorized vehicles out of the Trail Easement Area. Such signage will further indicate the potential presence of emergency, maintenance or agricultural vehicles and the requirement that all Trail users yield to such vehicles. Grantee shall be responsible for trimming or otherwise removing tree and shrubbery growth from the Trail in order to allow for the approved vehicular access.

5. **Insurance.** Before entry on the Sewer Easement Area and Trail Easement Area, Grantee shall provide, and shall require all of Grantee's Agents to provide, commercial general liability insurance, automobile liability insurance covering owned, non-owned, and hired vehicles and such other insurance as may be reasonably applicable based on the activity, which provides for at least \$1,000,000 in liability limits, per occurrence, for personal injury or death, and at least \$1,000,000 for property damage, arising out of or resulting from any entry on the Grantors' Property by Grantee or Grantee's Agents. A certificate of insurance shall be provided to Grantors before entry by Grantee or Grantee's Agents, which certificate shall describe the coverage and shall be endorsed to name Grantee as an additional insureds. Grantee may obtain such insurance by means of self-insurance so long as Grantee maintains actuarially sound reserves.

6. **Liens.** Grantee will keep the Grantors' Property free from any liens arising out of any work performed, materials furnished, or obligations incurred by, through, for, or under Grantee. Any such liens must be released of record within thirty (30) days.

7. **Notices.** Any notice required or desired to be given under this Agreement shall be considered given either: (i) when delivered in person to the recipient named below, or (ii) three (3) days after deposit in the United States mail in a sealed envelope or container, either registered or certified mail, return receipt requested, postage prepaid, addressed by name to the person and party intended. All notices shall be given at the following addresses:

If to Grantors: Morris Jay Thomas, Trustee of the  
Elsie S Thomas Trust Agreement 1-14-1994  
Attn: Jay Thomas  
748 West 6800 South

Spanish Fork, Utah 84111

If to Grantee: Spanish Fork City  
Attn: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Either party may designate a different individual or address for notices, by giving written notice thereof in the manner described above.

**8. Indemnification.** Grantee and its successors and assigns hereby agree to indemnify, defend (with counsel acceptable to Grantors) and hold harmless Grantors, and any entity controlling, controlled by or under control with Grantors (“**Grantors’ Affiliates**”), and its and their Affiliates’ officers, directors, employees, managers, members, agents, servants, successors, and assigns from and against any and all liens, encumbrances, costs, demands, claims, judgments, and/or damage caused by or arising out of (i) the acts and omissions of Grantee and Grantee’s Agents; (ii) the use of the Sewer Easement Area, Trail Easement Area, the Trail, and/or the Improvements by Grantee or Grantee’s Agents; and (iii) any work performed on the Sewer Easement Area, Trail Easement Area, or the Grantor’s Property by Grantee, Grantee’s Agents, or its/their successors or assigns, and their agents, servants, employees, consultants and/or contractors. The terms and conditions of this provision shall remain effective, notwithstanding the expiration or termination of this Agreement

**9. Miscellaneous.**

**9.1 Interpretation.** Section titles and captions to this Agreement are for convenience only and shall not be deemed part of this Agreement and in no way define, limit, augment, extend, or describe the scope, content, or intent of any part of this Agreement. This Agreement has been arrived at through negotiation between Grantors and Grantee. As a result, the normal rule of contract construction that any ambiguities are to be resolved against the drafting party shall not apply in the construction or interpretation of this Agreement.

**9.2 Run with the Land.** Subject to the terms and conditions of this Agreement, the provisions of this Agreement shall be considered a covenant that runs with the land herein described and as such the terms, conditions, and provisions hereof shall extend to and be binding upon the heirs, executors, administrators, personal representatives, successors and assigns of the Grantors hereto.

**9.3 Integration.** This Agreement constitutes the entire agreement between the parties pertaining to the subject matter hereof, and supersedes all prior agreements and understandings pertaining thereto. No covenant, representation, or condition not expressed in this Agreement shall affect or be deemed to interpret, change, or restrict the express provision hereof. Any amendment or modification to this Agreement shall be in writing and signed by authorized agents or officers of the parties.

**9.4 Waiver.** No failure by any party to insist upon the strict performance of any covenant, duty, agreement, or condition of this Agreement or to exercise any rights or remedy for a breach of this Agreement shall constitute a waiver of any such breach or of such right or remedy or of any other covenant, agreement, term, or condition.

**9.5 Enforceability and Litigation Expenses.** If any action, suit, or proceeding is brought by a party hereto with respect to a matter or matters covered by this Agreement or if a party finds it necessary to retain an attorney to enforce its rights under this Agreement, all costs and expenses of the prevailing party incident to such proceeding or retention, including reasonable attorneys' fees, shall be paid by the non-prevailing party.

**9.6 No Public Use/Dedication.** The Grantors' Property is and shall at all times remain the private property of Grantors. The use of the Grantors' Property is limited to the express purposes contained herein by Grantee. Neither Grantee, nor its successors or assigns, nor the public shall acquire nor be entitled to claim or assert any rights to the Grantors' Property beyond the express terms and conditions of this Agreement.

**9.7 Counterparts.** This Agreement may be signed in multiple counterparts, all of which taken together shall constitute one and the same agreement. Further, copied or electronically or facsimile transmitted signatures of an original signature shall be treated for all purposes as an original signature. After execution and delivery of this Agreement, a copy of the signed Agreement shall be considered for all purposes as an original of the Agreement to the maximum extent permitted by law, and no party to this Agreement shall have any obligation to retain a version of the Agreement that contains original signatures in order to enforce the Agreement, or for any other purpose, except as otherwise required by law.

*[signatures begin on the following page]*

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

Grantors:

Morris Jay Thomas Attorney in fact.  
MORRIS JAY THOMAS, TRUSTEE OF THE ELSIE S THOMAS TRUST AGREEMENT 1-14-1994

Morris Jay Thomas  
MORRIS JAY THOMAS, CO-TRUSTEE OF THE JAY AND SHARLA THOMAS TRUST dated 6-29-2001

Sharla N. Thomas  
SHARLA N. THOMAS, CO-TRUSTEE OF THE JAY AND SHARLA THOMAS TRUST dated 6-29-2001

STATE OF UTAH UT )  
:SS  
COUNTY OF UTAH UT )

On this 14 day of October, 2014, personally appeared before me MORRIS JAY THOMAS, TRUSTEE OF THE ELSIE S THOMAS TRUST AGREEMENT 1-14-1994, and CO-TRUSTEE OF THE JAY AND SHARLA THOMAS TRUST dated 6-29-2001 and SHARLA N. THOMAS, CO-TRUSTEE OF THE JAY AND SHARLA THOMAS TRUST dated 6-29-2001 who acknowledged to me that he/she signed the foregoing instrument in the capacity indicated.

WITNESS my hand and official seal.

Shelley Montague  
Notary Public  
SHELLEY MONTAGUE  
NOTARY PUBLIC-STATE OF UTAH  
COMMISSION# 671059  
COMM. EXP. 11-02-2017

**Grantee:** SPANISH FORK CITY, a Utah municipal corporation

By: \_\_\_\_\_  
Name (Print): \_\_\_\_\_  
Its: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF UTAH            )  
                                  :ss  
COUNTY OF UTAH        )

On this \_\_\_\_ day of \_\_\_\_\_, 2014, personally appeared before me \_\_\_\_\_, known or satisfactorily proved to me to be the \_\_\_\_\_ of **SPANISH FORK CITY, a body politic of the State of Utah**, who acknowledged to me that he/she signed the foregoing instrument as \_\_\_\_\_ for said entity.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public

**Exhibit A**

(Utah County Parcel #'s of the Grantor's Property)

Parcel# 25:018:0032

Parcel# 25:018:0045

Parcel# 25:015:0033

**Exhibit B**

(Description of the Sewer Easement Area)

**Sewer Easement:**

Commencing at point located North 01°09'19" East along the section line 666.51 feet and West 204.33 feet from the West Quarter Corner of Section 24, Township 8 South, Range 2 East, Salt Lake Base and Meridian; thence West 63.93 feet; thence North 48.53 feet; thence along an arc of a 567.65 foot radius curve to the right 365.10 feet (chord bears North 72°09'00" East 358.84 feet); thence South 89°25'30" East 945.11 feet; thence South 00°34'30" West 30.00 feet; thence North 89°25'30" West 945.11 feet; thence along an arc of a 537.65 foot radius curve to the left 79.96 feet (chord bears South 86°18'50" West 79.89 feet); thence South 69°32'46" West 210.91 feet; thence South 49.70 feet to the point of beginning.

Area = 43,447.4326 Square Feet / 1.00 acres

**Exhibit C**

(Description of the Trail Easement Area)

**Trail Easement:**

Commencing at point located North 01°09'19" East along the section line 190.98 feet and West 298.64 feet from the West Quarter Corner of Section 24, Township 8 South, Range 2 East, Salt Lake Base and Meridian; thence North 89°51'09" West 11.00 feet; thence North 00°06'00" East 482.53 feet; thence along arc of a 567.65 foot radius curve to the right 430.16 feet (chord bears North 68°52'00" East 419.94 feet); thence South 89°25'30" East 945.11 feet; thence South 00°34'30" West 15.00 feet; thence North 89°25'30" West 945.11 feet; thence along an arc of a 552.65 feet to the left 417.73 feet (chord bears South 68°55'20" West 407.85 feet); thence South 00°06'00" West 472.28 feet to the point of beginning.

Area = 25,787.17 Square Feet / 0.59 acres

**SPANISH FORK CITY  
STAFF REPORT TO CITY COUNCIL**



Agenda Date:	October 21, 2014
Staff Contacts:	Seth Perrins, Assistant City Manager
Reviewed By:	Dave Oyler, City Manager Junior Baker, City Attorney
Subject:	Salary Validation Study

### **Background**

In 2006, the City Council hired the Hay Group to overhaul the compensation system and to complete its annual salary studies. Since 2006, the City has hired the Hay group each year to complete salary studies but we haven't had further training or updates to the program. Last year, staff asked the Hay Group to send us a proposal to retrain a group of employees and refresh the compensation system. After 7 years, staff felt there may be some elements of the program that had become stale. We received a project estimate that exceeded \$20,000

Staff has also wanted more access and understanding of why ranges are where they are. When we receive our annual updates, we only receive the percent increases per range with no explanation or detail why. Sometimes that is hard for us to explain when asked.

We have sought out a local firm that could provide salary information that is compatible with the salary system we currently have in place. We currently use the Wasatch Compensation Group to benchmark salary and benefit information. The parent company, Personnel Systems and Services, has developed a program that should work well with our current salary program and they will be able to validate our salary ranges. This is an extensive project and one that our current salary system needs, but they offer local access and understanding and price of \$10,735.

### **Budget Impact**

\$10,000 is already budgeted in the FY 2015 budget for study. We can find the additional \$735 from another line so no additional funds are needed.

### **Recommendation**

When we originally contracted with the Hay group, they recommended we do something like this every 5 to 7 years. Due to budget constraints, we have waited now 8 year and feel a refresh to the program is important. Staff recommends you approve the salary validation study.

### **Attachment:**

Proposal For A Job Evaluation & Compensation Validation Study

# *Spanish Fork*

*Proposal For A  
Job Evaluation  
&  
Compensation  
Validation Study*

*September 27, 2014*

---

**Prepared By**



**1325 W. Bluemont Dr.  
Salt Lake City, UT 84123  
801-269-8977  
[personnelsystems@comcast.net](mailto:personnelsystems@comcast.net)**



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## **INTRODUCTION**

The development of a sound personnel management system begins with an organizational statement addressing the objectives of management related to achieving a predetermined employer status and labor market posture. Underlying the objectives is the organization's attitude or philosophy about work and workers. With this in mind the consultant assumes (1) that the City of Spanish Fork desires to achieve a reasonable level of competitiveness and maintain current standards in providing quality services by attracting and retaining the most qualified employees and (2) in order to avoid becoming a training ground for other employers, the city views it desirable to provide career development opportunities where ever possible, competitive compensation and commit other resources necessary to enhance the attractiveness of the city as an employer.

## **PROJECT PHILOSOPHY**

Personnel Systems & Services subscribes to and promotes equal pay for equal work, non-discrimination in employment and fair and good faith dealing in all employee-employer relationships. Management has the right to expect a fair day's labor for the daily wage provided. Employees have the right to expect a fair day's pay for the labor given. The appropriateness of the pay provided is a function of the market place, the organizations internal equity system, which establishes the value of the job to a specific employer, and the perceived value of the individual based upon job performance, which includes loyalty, dependability and competence.

The employee's perception of equity and consistency in pay practices may not result in greater productivity and efficiency while the perception of inequity and inconsistency will most always produce discontent.

# SERVICE AREAS

## JOB EVALUATION

The evaluation of the job comes through the establishment of measurement criteria against which all jobs are compared in order to determine relative organizational value. The instrument is typically a point system, a factoring method, job ranking, or a combination. Measurement criteria are aspects of the job such as job knowledge, minimum qualifications, and difficulty of work, accountability, responsibility, supervision, job controls, and work environment. The objective of this phase of the project is to determine and establish the internal equity program that is ultimately attached to market data to create a formal pay plan. This process will assist the city to identify its own "worth of work" values resulting in a "**site validated**" internal equity methodology.

## LABOR MARKET ANALYSIS

A review of the labor market, the economic area in which you wish to compete, is essential to the overall success of the pay plan. The objective of the analysis is to achieve external competitiveness. This phase involves the completion of a survey of **employer wages and benefits** for city benchmark positions. Through the use of statistical measures and evaluation techniques it is possible to determine your competitive position in the chosen market place including public and/or private employers, and then establish a specific posture regarding the most realistic market objectives in terms of pay ranges and methods of pay progression. Where does the City want to posture itself in the market place; as a trendsetter? A leading edge competitor? At market parity? Or, as reasonably comparable?

## BASIS OF SOUND PAY PROGRAMS

As the city seeks to establish and maintain an effective compensation program it is recommended that consideration be given to some or all of the following:

1. Size and type of business: *The ability to pay* certain rates, based upon revenues and financial resources.
2. Organizational Philosophy: *The willingness to pay* certain rates and *attitudes* about ranking among other employers within a selected labor market.
3. Nature and Diversity of Work: *The degree of specialization*, work variety, and technology (an element of the job classification methodology).
4. Regional Economics: *The prevailing rates of pay* and the rates of inflation.
5. Availability of Labor Supply: *The competition* for certain types of jobs resulting from an abundance or shortage of certain skills and abilities within the labor market.
6. Value of Work Contribution: *The worth of a particular job* to the organization (the overall value determined through classification methodology).
7. Pay Supplements: *The total compensation comparability* afforded through various incentives and discretionary benefits.
8. Reputation of the Organization: *The competitiveness of pay* and *social recognition* as high- or low-paying.
9. Pay Progression Policy:
  - The learning curve impact associated with certain types of jobs.
  - Pay range uniformity vs. diversity (pay schedule design).

- Length of Service.
- Performance based increases.
- Pay for knowledge or level of competency.
- The use of "control rates" within the pay ranges.

10. Bonus and Incentive Plans:

- The use of "non-scheduled" recognitions.
- The use of non-monetary rewards.

11. Ownership Protection: involves realistic consideration of resource limitations. The cost of administration should constantly be balanced against achieving the other objectives of the pay plan and overall personnel program.

## **SCOPE OF WORK JOB ANALYSIS & CLASSIFICATION STUDY**

### **PRE-PROJECT PLANNING**

- A. Review background materials, including organizational charts, pay philosophy, compensation policies and procedures.
- B. Conduct webinar/meetings with designated staff and/or city management to discuss philosophy, work plan and explain instruments.
- C. Determine customization needs for proposed instruments.
- D. Identify communication processes and methods to satisfy employee engagement expectations.
- E. MANAGEMENT/HR staff delivers electronic copies of existing/current job descriptions to the consultant.
- F. MANAGEMENT/HR staff to email the consultant an Excel file containing the fulltime employee census identifying employee first name, last name, department, job title, pay grade/band, pay range minimum and maximum and current actual pay.
- G. HR Staff verifies TechNet data is up to date and accurate.

### **QUESTIONNAIRE ADMINISTRATION**

- Step #1: The consultant will provide to MANAGEMENT/HR staff a data collection instrument (along with instructions for completion) for distribution to fulltime employees (hard copy and/or electronic). This instrument will constitute a "Job Values" survey allowing employees to offer their perceptions relative to various aspects of compensation, i.e., the perceived importance of the factors used to value a job, the priority for compensation elements impacted by policy and practice, the ranked importance for recognizing the employee's contribution (efficiency, effectiveness, longevity/loyalty) and their perception of compensation fairness impacted by volume of work, co-worker relationships, marketplace standing and the worth of the job to the city.
- Step #2: MANAGEMENT/HR staff to review a "Job Values Survey" instrument provided by the consultant to determine that the survey content addresses all the "worth of work" values of interest to the city. This process results in the delivery of a "site validated" job evaluation (point factor) instrument consistent with those criteria set forth in the Fair Labor Standards Act as the legitimate basis to "discriminate" or differentiate the pay between jobs. The application of this instrument will serve to validate the relationships between jobs as currently established through the city's job valuation methodology.
- Step #3: MANAGEMENT/HR distributes to all departments the survey along with instructions for completion and a targeted completion date with the hard copy completed forms being returned to the MANAGEMENT/HR office. The electronic versions will be submitted to the consultant directly via email and an embedded link in the survey. This is an anonymous exercise.

Step #4: Completed survey (only those completed manually) to be compiled and mailed to the consultant by MANAGEMENT/HR staff.

## **ONSITE ENGAGEMENT (OPTIONAL)**

Step #5: **Employee Orientation:** The consultant will conduct employee orientations, a presentation with all employees regarding the purpose of the review, the processes to be followed, describe job analysis and deliver the results of the values survey. Multiple sessions could be scheduled to allow all employees to attend, without disrupting services and operations. Each orientation should require 45-60 minutes each.

## **JOB EVALUATION**

Based upon the results of the "Job Values" survey the consultant will develop and deliver a customized job evaluation instrument reflecting the employee "worth of work" priorities. The consultant will then perform the initial point factor evaluation of each job based upon the current job descriptions and prepare recommendations for internal relationships (traditionally reflected in pay grades or levels). The instrument will compare each job against those measures identified by employees in the survey as having the greatest degree of importance when considering the value of the job; such as responsibility, difficulty of work, job knowledge and work environment, etc. The scientific approach used in the construction of the factor tool is based upon Weber's "Law of Just-Noticeable-Difference." An optional step in the valuation process would be to involve the use of a committee facilitated by the consultant, which would make the "fine-tuning" **point value recommendations.**

Step #6: The consultant applies the point valuation instrument to each job and creates the baseline for establishing internal equity and job valuation consistency.

Step #7: MANAGEMENT/HR Officer and assigned staff in cooperation with the consultant "fine-tunes" the assignment of points to each job, which process may include an invitation to subject matter experts, supervisors and/or job incumbents to meet and discuss job content.

## **SCOPE OF WORK MARKET COMPENSATION STUDY**

### **MARKET DATA COLLECTION & ANALYSIS**

Step #8: The consultant will utilize the Utah/Technology Net, web-based resource to expedite the conducting of the Market Compensation review and analysis. Additionally, complementary market data will be added to the data obtained through direct solicitation of the **targeted survey participants in the Spanish Fork market area as defined by management.**

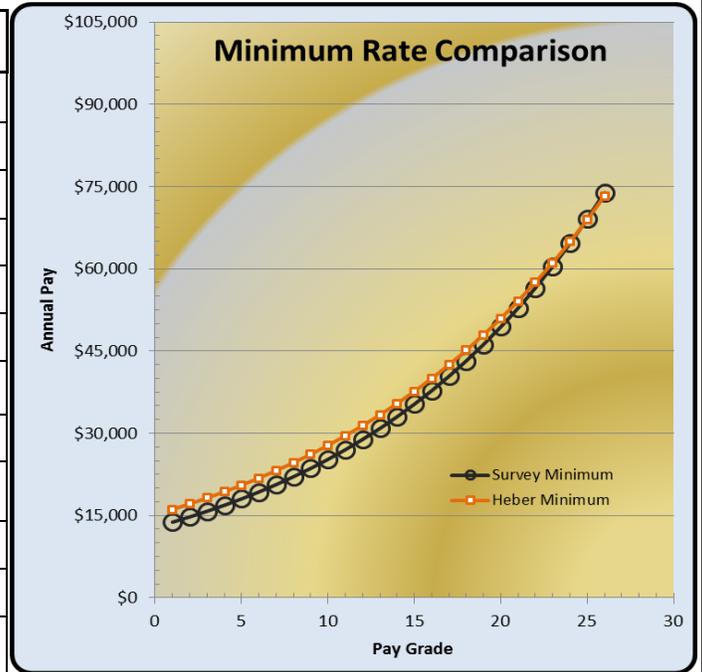
Step #9: **Labor Market Analysis:** The consultant will conduct a survey of base wages within a selected labor market for the benchmarks matched in the TechNet system. The survey participants will be chosen by city management and MANAGEMENT/HR staff and represent various public and private entities with whom the city desires to be competitive. It is recommended that this sample remain fairly stable over the years in order to assure consistency in market evaluation.

It is also recommended that the survey participants represent the "trend setters", thus enabling the city to ascertain the leadership position of the market. By knowing what market leaders are doing the city can determine what kind of pay policy and posture they want to maintain in relationship with the selected market. Another alternative would be to "shoot the moon" and include all available TechNet data. Statistical analysis and charts will be used to describe the survey results.

Step #10: Develop and deliver regression analysis graphic illustrations of the city's comparative position with the defined market area and survey participants.

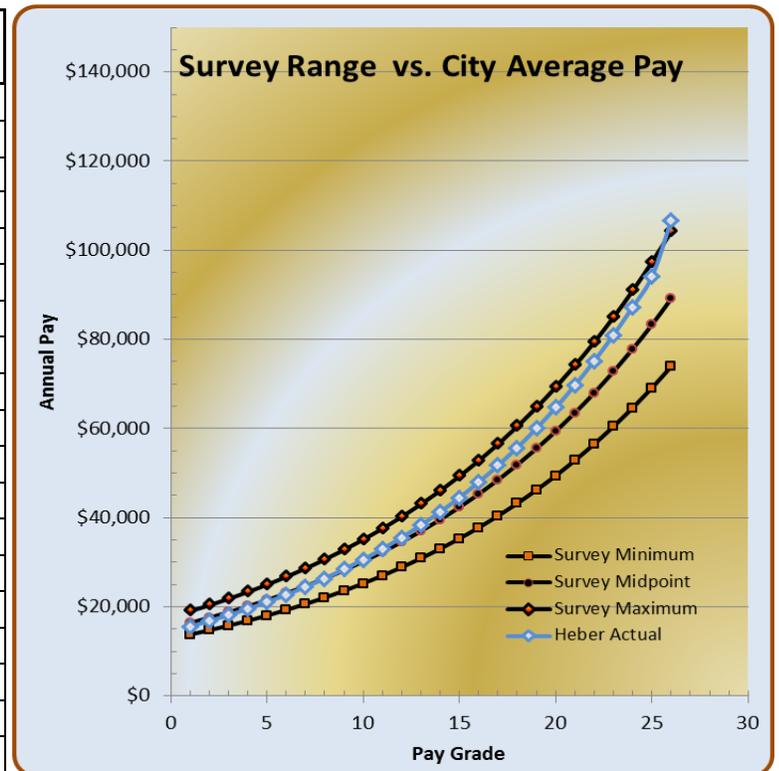
**Sample Analytical Chart #1**

Pay Grade	Survey Minimum	Heber Minimum	\$ Difference	% Difference
10	\$25,249	\$27,814	\$2,566	9.2%
11	\$27,002	\$29,551	\$2,549	8.6%
12	\$28,877	\$31,396	\$2,518	8.0%
13	\$30,883	\$33,355	\$2,473	7.4%
14	\$33,028	\$35,438	\$2,410	6.8%
15	\$35,321	\$37,650	\$2,329	6.2%
16	\$37,774	\$40,000	\$2,226	5.6%
17	\$40,398	\$42,498	\$2,100	4.9%
18	\$43,203	\$45,151	\$1,947	4.3%
19	\$46,204	\$47,969	\$1,766	3.7%
20	\$49,412	\$50,964	\$1,551	3.0%
21	\$52,844	\$54,145	\$1,301	2.4%



**Sample Analytical Chart #2**

Pay Grade	Survey Minimum	Survey Midpoint	Survey Maximum	Client Actual
1	\$13,797	\$16,417	\$19,018	\$15,614
2	\$14,756	\$17,566	\$20,357	\$16,827
3	\$15,780	\$18,796	\$21,790	\$18,135
4	\$16,876	\$20,112	\$23,324	\$19,544
5	\$18,048	\$21,520	\$24,966	\$21,062
6	\$19,302	\$23,027	\$26,724	\$22,699
7	\$20,642	\$24,639	\$28,605	\$24,463
8	\$22,076	\$26,364	\$30,619	\$26,364
9	\$23,609	\$28,209	\$32,774	\$28,412
10	\$25,249	\$30,184	\$35,082	\$30,620
11	\$27,002	\$32,298	\$37,552	\$32,999
12	\$28,877	\$34,559	\$40,195	\$35,563
13	\$30,883	\$36,978	\$43,025	\$38,326
14	\$33,028	\$39,567	\$46,054	\$41,304
15	\$35,321	\$42,338	\$49,297	\$44,513
16	\$37,774	\$45,302	\$52,767	\$47,972
17	\$40,398	\$48,473	\$56,482	\$51,699
18	\$43,203	\$51,867	\$60,459	\$55,716
19	\$46,204	\$55,498	\$64,715	\$60,046



**New Alternative: No More Pay Grades:** Now developed and available is an approach to compensation analysis that eliminates the use of pay grades but still retains the integrity of an internal equity maintenance methodology. Over the years there have always been complaints about pay grade structures that become manipulated. While it is almost impossible to eliminate all manipulation, this new approach can significantly minimize and may eventually eliminate such fairness distortions. Based upon an internal equity valuation each job can have an individualized market based pay range. The slightest variations between the worth of jobs based upon your entity's worth-of-work values can now be recognized resulting in base pay management that is not cumbersome attached to a confining "pay plan". Each job or job classification will have a "stand alone" market based pay range.

This approach **can also overcome the frustrations of "Broad Banding"** and eliminate the challenges of associating non-benchmarked jobs to the benchmark anchor. Here too, every job can be uniquely assigned a market derived pay rate. Additionally, maintaining broad banded pay plans forces the escalation of costs. Any time it is determined that a benchmark job needs to be adjusted to a prevailing pay rate you must automatically adjust all other non-benchmark jobs in the band.

## **EMPLOYER PROVIDED BENEFITS**

In identifying the city's competitive posture with the labor market, the consultant will develop a total compensation picture. There are three basic approaches to comparing benefits: (1) Benefit plan provision method, (2) Employer cost method, and (3) standard cost method or the "level of benefit approach". All three methods have strengths and weakness. Method #2 is the approach utilized by U.S. Chamber of Commerce and the Bureau of Labor Statistics to analyze trends in employer benefits. The question that will be addressed is: "How does the amount of money the city is spending per employee (for employer paid benefits) compare to the amount of money competitors are spending on their employees" (discretionary and mandatory benefits)?

Step #11: The consultant will utilize TechNet Total Compensation data, the total value of employer paid benefits. The Total Compensation Value (TCV) will be calculated for each position and included in the final market analysis. The city will determine the "core" benefits to be included in the analysis.

## **SALARY STRUCTURE REVIEW & RECOMMENDATIONS**

Step #12: The Consultant and MANAGEMENT/HR Staff will finalize the salary structure to ensure conformity with management philosophy for pay progression methodology and competitive positioning within the defined market. After identifying market relationships the City will select a level of competitiveness to be achieved in the design of the new pay plan or "plans" with consideration being given to targeted percentiles in the data's prevailing rates. The learning curve philosophy may also be reflected in the development of ranges for various job classifications. Under the "No More Pay Grade" alternative, each individual job classification/description will potentially have an independent and separate pay range based upon market.

Step #13: The Consultant will complete the full integration of the results of the classification and job evaluation phase of the study with the market compensation study.

Step #14: The Consultant will identify and calculate a least cost implementation plan and identify the placement of each employee in relation to their job's revised pay range and classification. As needed, the consultant along with HR Staff will create "phase-in" options based upon calculated economic impact.

Step #15: Based upon the preferred option for the number of pay grades the consultant will prepare and deliver recommendations for salary schedule restructuring. If the "No Pay Grade" option is of interest the results can be reviewed according to individual jobs and job families.

Step #16: Discuss with MANAGEMENT/HR staff the desire and value of opening an appeal window to allow employees to appeal their job's classification and recommended pay range/grade.

## ADDITIONAL CONSIDERATIONS/ PROJECT ENHANCEMENTS

**Performance Management System:** A performance management and evaluation program will normally be designed in combination with one of two ways: (1) to be utilized to monitor employee, work unit, and organizational progress toward achieving established goals and objectives; and (2) to provide justification for pay increases, advancement, promotion, and incentive awards and job retention. In achieving option two, the success of the program will involve integrating the performance management and evaluation program into the other aspects of the total compensation system. Other compensation factors to be evaluated simultaneously would include some or all of the following:

**A. Base Pay:** This is the acceptable market range as determined through labor market analysis. The objective of the base pay program is to achieve a predetermined pay posture within the city's defined market area. One of four levels is usually pursued: 1) trend setting 2) competitive 3) parity or 4) comparable. The base pay plan is the companion to the job classification system that is the method of determining internal equity for the purpose of establishing base pay. Movement through the base pay schedule would be determined by two factors- the learning curve concept and acceptable performance (the minimal level of job productivity that would justify job retention).

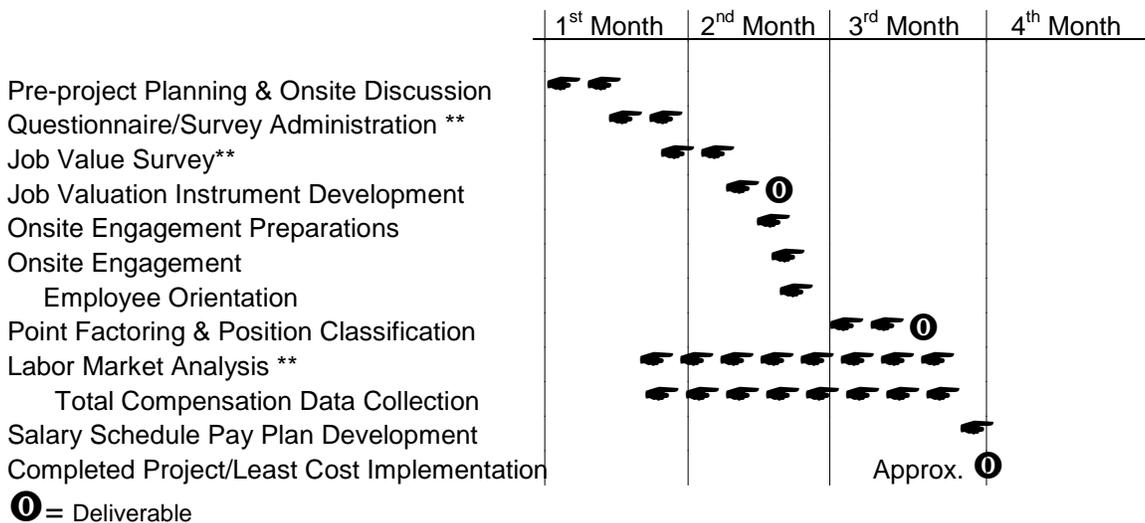
**B. Incentive Award/Bonus Plan:** This system allows management to reward performance without compounding the costs in all other areas of compensation which are related to base pay (FICA, retirement, supplemental retirement, insurance, etc.). Such awards are one time, based upon predetermined criteria, can be given to individuals or work groups, and can be either monetary or non-monetary. Even benefits, such as additional annual leave could be used. Such reward systems would provide more financial control.

**C. Longevity Pay:** Generally, such pay is attached to the base pay schedule. When so attached this program does also compound other costs mentioned above. Annual leave schedules that allow employees to accumulate leave at increasing rates according to time in service are a form of longevity pay. When considering options for rewarding the dedicated, long service employee, annual leave can be supplemented by a lump sum cash program structured similar to annual accrual schedules. By separating items "b" and "c" from the base pay schedule, management will be better able to minimize the rewarding of mediocrity.

**D. Cost-of-Living Adjustments:** This adjustment to the general base pay schedule is an estimate of market changes. The amount of such adjustments is determined regionally by the Bureau of Labor Statistics and reported as the consumer price index. This is a shortcut substitute to conducting a thorough labor market analysis. It is generally recommended that an organization conduct the labor market analysis at least every two or three years to rectify error produced by using CPI or some other market index.

**E. Market Differentials:** This compensation practice comes into play when the supply and demand in the job market impacts certain types of jobs. It is identified through labor market analysis and shows up as an inconsistency between internal job value (classification) and external market pay. These adjustments are temporary and are utilized as needed to retain quality employees who have recognized the marketability of their knowledge, skills, and abilities.

### **TIME REQUIREMENTS** **Wage & Salary Market Analysis Study**



## **COST OF SERVICES**

(Based upon approximately 250 FTE's, approx. 96 job classifications)

### **Program A-Job Evaluation & Classification**

1. Values Survey Data Entry & Tabulation approx. 90% or 225 @ \$5.00 ea.	\$1,125.00
2. Employee Orientation Meetings	\$500.00
3. Customization of Point Factor Instrument	\$1,250.00
4. Job Analysis & Classification 96 job classes (Pay Grade Determination) @ \$35 ea.	\$3,360.00

<b>Total: Program A</b>	<b>\$6,235.00</b>
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### **Program B-Labor Market Wage/Salary Analysis**

1. Labor Market Salary Survey and Analysis	\$3,500.00
2. Employer Paid Benefit Survey and Analysis	\$3,000.00
3. Pay Plan Integration & Recommendations	\$2,500.00

**Utah/TechNet Subscriber Discount @ 50%** **(\$4,500.00)**

<b>Total: Program B</b>	<b>\$4,500.00</b>
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<b>Total Cost: Program A-B:</b>	<b>\$10,735.00</b>
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Payment Schedule: Up front project binder- 30%. Upon delivery of job evaluation instrument - 30%. Upon completion of project including delivery of initial pay grade or market range recommendations and Wage Analysis with final project materials and least cost implementation impact- 40%.

**MIKE SWALLOW**  
**PROFESSIONAL & BUSINESS PROFILE**

**WORK EXPERIENCE**

(1976-2014)

**Technology Net, Inc.;** Partner and co-developer of the TechNet online Compensation Survey System. 1500 Subscribers in Utah, Idaho, New Mexico, Wyoming, Colorado, Mid-American Regional Council (Kansas & Missouri), Virginia and Maryland. Established 2002.

**Personnel Systems & Services.** Currently providing technical assistance consulting services in human resource management systems consisting of: job analysis and classification, labor market compensation analysis and pay plan development, policy and procedure development, grievance management and resolution, performance management, recruitment and selection, training and general HR management programs. Company established in 1988.

**Bureau Manager- Local Government MANAGEMENT/HR Consultant,** Bureau of Consulting Services, Department of Human Resource Management, State of Utah. Develop, market, coordinate and deliver technical assistance services to Utah cities and counties in human resource management, supervisory training, organizational development, employee assistance programs, employee relations, fair employment programs, recruitment and selection, job classification, and wage and benefit analysis. Direct and coordinated state-wide and interstate salary and benefit surveys and analysis.

**Contract Consultant,** Emery County, Price City, Tooele City, Iron City, Tooele City and Carbon County Utah. In conjunction with State of Utah consulting duties, and under special contract, acted as advisor and resource to the City. Provided consultation related to policies, procedures, classification, compensation, recruitment, selection, discipline, termination and employee relations.

**Self Employed, Benefits Broker & Personnel Consultant.** Marketing and sales of individual and group benefits utilizing medical reimbursement plans, salary continuation plans, business continuation programs, stock redemption plans and 401(k) salary reduction plans. Performed private consulting to professionals and local governments. Developed business plans or proformas with income projections, cash flow analysis, balance sheets and break even analysis. Worked as an associate to Ricketts and Associates-Risk Management/Vierra-CPA firm. Licensed to sell life, health and disability insurance.

**Idaho Association of Counties,** Boise, Idaho. Develop, market, coordinate and deliver technical assistance services to Idaho cities and counties in human resource management, supervisory training, organizational development, employee assistance programs, employee relations, fair employment programs, recruitment and selection, job classification, and wage and benefit analysis.

**Current Retainers:** North Davis County Sewer District, UT; Washington City, UT; Lafayette, CO.

**Current Projects:** Mountainland Association of Governments, UT; Clearfield, UT; Duchesne County, UT; Heber Light & Power, UT; Weber 911 Emergency, UT; Orem, UT; Mt. Olympus Improvement District, UT.

**Annual Projects Conducted via Technology Net:** Wasatch Compensation Group annual salary and benefit survey (50+ Utah governmental entities, cities, counties, special districts, state of Utah). Colorado Municipal League, Virginia Institute of Government/University of Virginia, Maryland Municipal League, New Mexico Municipal League, New Mexico Association of Counties and Mid-America Regional Council.

## REFERENCES

Mr. Dan Tarwater, HR Director, Las Vegas, NV, (702) 229-6011, [dtarwater@lasvegasnevada.gov](mailto:dtarwater@lasvegasnevada.gov)

Ms. Sue Brown, Compensation Administrator, Las Vegas, NV, (702) 229-6011, [sbrown@LasVegasNevada.GOV](mailto:sbrown@LasVegasNevada.GOV)

Ms. Pam Springs, HR Director, Lafayette, CO, 303-665-5588, [pamsp@cityoflafayette.com](mailto:pamsp@cityoflafayette.com)

Mr. David Mitchem, City Manager, Pagosa Springs, 970-264-4151, [dmitchem@pagosasprings.co.gov](mailto:dmitchem@pagosasprings.co.gov)

Mr. Scott Burns, Executive Director, National District Attorneys Association, 703-519-1673, [sburns@ndaa.org](mailto:sburns@ndaa.org)

Mr. Roger Carter, City Manager, 111 North 100 East, Washington City, UT, 435-656-6300, [rcarter@washingtoncity.org](mailto:rcarter@washingtoncity.org)

Mr. David Sanderson, Finance Director, Lehi City, 801-768-7100, [dsanderson@lehi-ut.gov](mailto:dsanderson@lehi-ut.gov)

Mr. John Aguirre, HR Director, Gillette, WY, 307-686-5204, [johna@ci.gillette.wy.us](mailto:johna@ci.gillette.wy.us)

Mr. Zane Logan, City Administrator, P. O. Box 1008, Powell, WY 82435, 307-754-5106

Mr. Larry LaMaack, Executive Director, Wyoming Municipal Power Agency, 4041 US Hwy 20, Lusk, Wyoming 82225-0900, 307-334-2170.

Mr. Raymond Jojola, HR Director, Hard Rock Hotel & Casino, 11000 Broadway SE, Albuquerque, NM; 505-244-8145.

Melanie Marsh, HR Director, City of Idaho Falls, Idaho Falls, ID; 208-612-8248; [mmarsh@idahofallsidaho.gov](mailto:mmarsh@idahofallsidaho.gov)

Ms. Ruth Holyoak, HR Officer, 111 North 100 East, Washington City, UT, 435-656-6315; [rholyoak@washingtoncity.org](mailto:rholyoak@washingtoncity.org)

Mr. William Fulginiti, Executive Director, New Mexico Municipal League, 505-982-5573; [wfulginiti@nmml.org](mailto:wfulginiti@nmml.org)

Ms. Dora Mae C'Debacca, New Mexico Finance Authority, 505-984-1454; [DCdeBaca@nmfa.net](mailto:DCdeBaca@nmfa.net)

Mr. Dan Byron, County Clerk, Bonneville City, Idaho Falls, ID; 605 N Capital Ave, (208) 529-1350

### **Others Upon Request**

## PREVIOUS ENGAGEMENTS

### Classification, Compensation, Supervisor Training, Performance Management

#### UTAH

<p>Bluffdale City          Bountiful Water Subconservancy District          Box Elder City          Brian Head Town          Brigham City          Cache City School District          Canyonlands Natural History Association          Carbon City Housing Authority          City of Spanish Fork          Centerfield          Central Weber Sewer Improvement District          Clearfield City          Davis Applied Technology Center          Davis City          Davis City School District          Draper City          East Carbon City          Emery City          Emery City School District          Ephraim City          Five City Association of Governments          Garfield City          Grand City          Heber City          Heber Light &amp; Power          Heber Valley Railroad          Helper City          Holladay City          Hurricane City          Kearns Improvement District          LaVerkin City          Layton City          Lehi City          Mapleton City          Midvale City          Morgan City          Mountainland Association of Governments          Murray School District  <b>Neways International</b></p>	<p>North Davis City Sewer District          Park City School District  <b>Phonex Corporation</b>          Pleasant Grove City          Price City          Provo City          Riverdale City          Salt Lake City Service Area #1          San Juan City          San Juan School District          Santaquin City          Sevier Applied Technology Center          Six City Commissioners Organization          Snyderville Recreation District          South Davis City Fire Department          South Jordan City          South Salt Lake City          Southeastern Utah Association of Governments          Spanish Fork City          Springville City          State Board of Education (Utah)          State Court Administrator, Office of          Summit City          Syracuse City          Taylorsville          Timpanogos Special Service District          Tooele County          Tooele City          Uintah Basin Applied Technology Center          Uintah School District          Utah Risk Management Mutual Association          Wasatch City          Wasatch Front Regional Council          Washington City          Washington City          Washington Terrace          Wellington City          West Jordan          Woods Cross          Zion Natural History Association</p>
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#### IDAHO

<p>Coeur d'Alene City          Idaho Falls City          Benewah County          Blaine County          Bonner County          Bonneville County          Boundary County          Canyon County          Caribou County</p>	<p>Custer County          Gooding County          Idaho County          Kootenai County          Lemhi County          Madison County          Minidoka County          Owyhee County          Power County          Valley County</p>
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**NEW MEXICO**

New Mexico Municipal League New Mexico Finance Authority Albuquerque Ruidoso Santa Fe North Central Regional Transit District	Taos Ski Valley Carlsbad Town of Taos Clovis
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**WYOMING/COLORADO/ALASKA**

Hoonah, AK Cody, WY Park County, WY Powell, WY Lander, WY Central Wyoming College	Wheatland, WY Torrington, WY Wyoming Municipal Power Agency, WY Lafayette, CO Walsenburg, CO Logan City, CO Georgetown, CO
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**Other: National District Attorney Association, Washington DC/Arlington VA**

**Gateway Group One, Newark, NJ**

## RESOLUTION No. 14-11

### ROLL CALL

VOTING	YES	NO
<b>STEVE LEIFSON</b> <i>Mayor (votes only in case of tie)</i>		
<b>ROD DART</b> <i>Council member</i>		
<b>RICHARD M. DAVIS</b> <i>Council member</i>		
<b>BRANDON B. GORDON</b> <i>Council member</i>		
<b>MIKE MENDENHALL</b> <i>Council member</i>		
<b>KEIR A. SCOUBES</b> <i>Council member</i>		

I MOVE this resolution be adopted:

I SECOND the foregoing motion:

## RESOLUTION No. 14-11

### A RESOLUTION AUTHORIZING THE RECREATION DIRECTOR TO EXECUTE SFCITYTIX AGREEMENTS

WHEREAS, Spanish Fork City maintains a software program known as SFCITYTIX,  
which allows customers to purchase tickets to city sponsored events online; and

WHEREAS, the City contracts, from time to time, with third parties for the use of  
the fairgrounds; and

WHEREAS, the SFCITYTIX program is available with the fairgrounds rental, which  
makes it easier to administer events held there; and

WHEREAS, the recreation director has been authorized to sign form rental

agreements for the use of the fairgrounds; and

WHEREAS, the SFCITYTIX program is also based on a form contract when the fairgrounds are leased to third parties; and

WHEREAS, the recreation director should be authorized to execute the form for use of the SFCITYTIX software program when the fairgrounds are leased;

NOW THEREFORE, be it resolved by the Spanish Fork City Council as follows:

1. The recreation director is hereby authorized to execute form contracts for the use of the SFCITYTIX software, without bringing each individual contract before the City Council.
2. This Resolution is effective immediately upon passage.

This resolution adopted this 21st day of October, 2014, by the City Council of Spanish Fork City, Utah.

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STEVE LEIFSON, Mayor

Attest:

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KENT R. CLARK, City Recorder