

NORTH SALT LAKE CITY
CITY COUNCIL MEETING – WORK SESSION
JANUARY 17, 2012

Mayor Arave called the meeting to order at 6:10 p.m.

PRESENT: Mayor Len Arave
Council Member Stewart Harman
Council Member Brian Horrocks
Council Member Conrad Jacobson
Council Member Matt Jensen
Council Member Stan Porter

STAFF PRESENT: Barry Edwards, City Manager; Ken Leetham, Community and Economic Development Director; Rod Wood, Public Works Director; Paul Ottoson, City Engineer; Craig Black, Police Chief; Brent Moyes, Golf Course Director; Marta Nielsen, Deputy Recorder and Administrative Assistant; Linda Horrocks, Minutes Secretary.

OTHERS PRESENT: Ryan Child, Wood, Richards and Associates; Beth Goodrich, outgoing Planning Commissioner, and husband, James.

1. AUDITOR'S ANNUAL REPORT

Ryan Child, of Wood, Richards and Associates, addressed the Council to discuss the audit of the City's financial systems. He noted that some of the procedures in the City's court system need to be fixed to ensure that checks and balances are in place.

State Code has a certain requirement that the treasurer have a fidelity bond in place, and the auditors recommend that the risk management policies be reviewed to determine if the fidelity bond should be expanded to include other employees. Mayor Arave suggested staff look into it.

Mr. Child stated that the debt service fund balance should be made whole through some type of budget adjustment.

Property taxes decreased in 2011 compared to 2010; however, sales tax revenue increased. In the expenditures section, the City is operating below budget. Mayor Arave asked Brian Passey to adjust the budget to show the Capital Project Fund loaning funds to the golf course, rather than the General Fund providing the loan, and record cash in the General Fund.

Mr. Child stated that the water fund is in need of liquid assets, and he added that the enterprise funds definitely needed the rate increases that have taken place. (He noted that the funds have already improved since the increase in rates). He stated that the audit went well, and they appreciate working with North Salt Lake.

2. RECOGNITION OF OUTGOING PLANNING COMMISSIONERS

Mayor Arave thanked Beth Goodrich for her two terms of service on the North Salt Lake Planning Commission and presented her with a plaque. Mrs. Goodrich stated that she learned a lot from her service and appreciates the role of city government.

Jim Allen was absent, but Mayor Arave acknowledged his service on the Planning Commission as well.

3. COUNCIL REPORTS

Council Member Jensen reported that there was a good audience at the recent Second Sunday Concert Series. The February concert will be a jazz trio from a local high school. He then asked Brian Passey for a financial breakdown of the \$10,000 collected for NSL Live and how much was spent.

Council Member Jacobson stated that the Youth City Council talked about the possibility of manning a concessions stand on additional nights other than just at the "Movies in the Park." January 25th is the Elected Official's Day at the legislature. The Youth City Council will participate in a tour of the capital, and have a mock city council meeting and legislative session.

Council Member Harman stated that there is a dumpster across from the Foxboro North clubhouse in a dangerous spot (about three feet from the corner on 1100 North). He stated that it is a very busy street and asked if the police department or code enforcement could look at the situation.

Council Member Harman said he sent a general email to residents looking for input on a City cemetery, and simply stating it is being discussed by the City Council. He also spoke with individuals from Bountiful City and others, and listened to concerns.

Council Member Horrocks reported that the Planning Commission was cancelled due to the special election. The Mosquito Abatement Board had their monthly meeting. One thing to report is that there have been deaths from the West Nile Virus in surrounding states; however, there have been no deaths in Utah this year.

Council Member Horrocks said he was approached about high school lacrosse practices and games, and the possibility of using the City's parks. A policy needs to be established. Barry Edwards stated that most cities do not allow scheduled practice times, including Woods Cross City, and he was not sure what Bountiful City does. He is still gathering information. Council Member Jacobson stated that WXHS Girls Lacrosse has always used Hatch Park. Council Member Porter stated that the City discussed allowing South Davis Baseball to use Hatch Park when the other City parks are complete, as they do not have baseball diamonds.

4. CEMETERY DISCUSSION

Barry Edwards presented some cemetery data and an accompanying report. Based on the information he was able to obtain (as cemeteries are not usually a line-item by themselves in city budgets, it is difficult to break out their exact costs), most cemeteries have a 10% deficit each year. The NSL cemetery would have 5,600 burial plots available, priced at \$500, and additional internment fees. He noted that internment fees would reflect the actual cost. Staff estimated the City would probably sell 80-100 lots per year.

Council Member Horrocks stated that government should not do anything that the private sector can do and asked if the City should zone the land for a cemetery and sell it to a private company. Council Member Harman stated that Farmington's cemetery is sold out, and they are trying to expand. The Centerville cemetery is nearly full, and they are expanding as well. One thing that everybody told him from all cities when they found out the NSL parcel size, was that it is not much space and would fill up quickly, with no place to expand. It would be one thing to build that size of cemetery if you had land to expand, but the other thing they all told him was that a cemetery is beneficial to a city and that their residents love them.

Council Member Harman argued that North Salt Lake should not have a cemetery at this location. Farmington said it is a wonderful benefit to a city, but added that it does not make money. From the day it opens, no money is made. All the money taken in from burial plots has to go into a perpetual maintenance fund. Bountiful has lost money the last three years. Farmington cemetery is not full, but all the plots are sold. They did not originally restrict the number of lots available for purchase by an individual, and have since put restrictions on the sale of their plots to "as needed only". A person can purchase a plot for themselves and their spouse, but must be a resident or have lived in the city for ten years. They are taking a park and making it into the cemetery (only an acre), and it's landlocked. Council Member Harman's concerns are funding, and size of cemetery. And, unless we restrict it heavily, the plots are sold out in 5-10 years. Bountiful City indicated that they have about 250 internments per year. Mayor Arave stated that Bountiful is looking to expand their cemetery as well.

Barry Edwards stated that it is a function of the size of city. When it comes down to it, you can never get enough land for a cemetery. Mayor Arave stated that a NSL cemetery would be a high quality cemetery and in high demand.

Barry Edwards said he is not proposing to put a perpetual maintenance fund in place, but have maintenance costs come out of the General Fund. Council Member Harman said that if you do it that way, a larger portion of residents would not be able to be buried there, yet they would be subsidizing it. Mr. Edwards said it could be set up like a perpetual care fund, so only the interest would be used for maintenance. Mayor Arave said it is still cheaper than a park. Council Member Porter stated that cemeteries can be used for other things, like walking, other events.

The land near the new east bench park being discussed for a cemetery has 9.3 acres (gross space). Roads, maintenance sheds, etc. would use a portion of the acreage, but the 5,600 plots were calculated on usable space.

5. ADJOURN

Mayor Arave adjourned the meeting at 7:08 p.m.

NORTH SALT LAKE CITY
CITY COUNCIL MEETING – REGULAR SESSION
JANUARY 17, 2012

Mayor Arave called the meeting to order at 7:10 p.m. Council Member Harman offered the invocation, and Hunter Smith, BSA Troop 1185, led those present in the Pledge of Allegiance.

PRESENT: Mayor Len Arave
Council Member Stewart Harman
Council Member Brian Horrocks
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STAFF PRESENT: Barry Edwards, City Manager; Ken Leetham, Community and Economic Development Director; Rod Wood, Public Works Director; Paul Ottoson, City Engineer; Craig Black, Police Chief; Brent Moyes, Golf Course Director; Marta Nielsen, Deputy Recorder and Administrative Assistant; Linda Horrocks, Minutes Secretary.

OTHERS PRESENT: Tom Johnson, Allen Tidwell, and Marty Peterson, residents; Brad Nelson and Michael Russell, Spectrum Academy; 1 Lt. Earl Simmons, National Guard; Wilford Cannon, Eaglepointe Development; Mark Green, Centerville.

1. CITIZEN COMMENTS

Tom Johnson, 623 Ridgetop Circle, approached the Council. He stated that construction has begun on the Crestpointe development, and he is representing neighbors to request an increase in police patrols in the area as there has been some concern. Mr. Johnson emphasized that City staff should be making sure grading, cuts and fill requirements are met. He added that there will be a lot of people watching this.

Brad Nelson, Director of Spectrum Academy on Cutler Drive, stated he would like to start the process of improving the traffic and student crosswalk situation on Cutler and Foxboro Drives. Now that there are two schools in the area, there have been several near misses. Students cross back and forth between the two schools. He asked what the solutions might be and what steps they need to take to begin this process.

Mayor Arave stated that the City is very concerned about the safety of children as well, and asked if Chief Black had been brought into discussions. Barry Edwards stated that staff is currently conducting traffic counts, and Rod Wood has scheduled a Safety Committee meeting for next week. Mr. Nelson said they are hoping for a school zone and lights, and a cross walk further back from the roundabout.

2. COMMUNITY COVENANT PROGRAM – 1 LT. EARL SIMMONS

First Lt. Earl Simmons reported that there are many benefits available to military veterans, and part of their Community Covenant Program is to let all veterans know what is available, no matter what area of the service they were in. As part of the program, cities can hold a signing ceremony that can be elaborate, or more intimate. They like to get the media and military members of the community involved as well. He would like every military family in Utah to know about the Family Assistance Center. His mission tonight is to ask North Salt Lake to participate in this program. He said he would like to establish a military liaison to work with him in planning the covenant and ceremony. Council Member Jensen stated that the Council is a sympathetic audience, but asked what he is specifically asking for. Mr. Simmons responded that their main objective is a commitment from the community and its leaders. They share good ideas and practices, including utility abatement, discounts to recreation centers, etc.

Council Member Porter stated that what he is hearing is that those active duty and inactive duty can benefit from this program, and maybe with individuals working together, they can come up with some good ideas to serve those military personnel. Council Member Porter offered to serve as this liaison. Mayor Arave then appointed Council Member Porter as this liaison.

3. CONSIDERATION OF VACATION OF A PUBLIC UTILITY EASEMENT IN EAGLEPOINTE ESTATES PHASE 16

This public hearing on this item was held January 3, 2012. **Council Member Harman moved to vacate the existing public utility easement between on 1609-A of Eaglepointe Estates Phase 16. Council Member Jacobson seconded the motion. The motion was approved by Council Members Jensen, Horrocks, Porter, Harman and Jacobson.**

4. CONSIDERATION OF A WATER CONSERVATION PLAN

Rod Wood addressed the Council and referred to a proposed water conservation plan and memo guiding them through the plan. He stated that this is a report the City is required to prepare and have approved by the Council every five years by the Division of Water Resources. Karen Baxter, Assistant Engineer, has spent a lot of time on this report, as through the years, more and more language is required.

Karen Baxter said the State expects the City to make attempts to reduce usage and attempt a ten percent reduction in water use per capita per day. She reported that the City has reduced water use substantially, both its culinary and secondary water. Secondary water use reduced the culinary water use, and the increase in population helped. The majority of the City's water used is non-residential, so the water consumption in our City is spread through the population, so per capita use goes down. She stated that the City has also replaced all the water meters in the City, which has made a difference.

Rod Wood said if you are looking at numbers, do not use the normal population numbers. From the Water Department's perspective, population is about 15,000, because there are about 1,000 residents that are not on City water.

Mayor Arave said this report shows we have irrigation water coming out of our culinary water use. Karen Baxter stated that the City has some connections that are non-indoor use, including watering a park, or golf course, and specifically that parkway along Hwy. 89, Palmquist, Mathis, and Deer Hollow Parks. Council Member Porter asked about the contaminated well not being used and if it could be brought into circulation in the future. Karen Baxter stated that she is not sure the State would let the City, but the contamination in that particular well is extremely evaporative. It has now exceeded the maximum contaminant level. Council member Jacobson asked if the City knew where the contamination came from, and Karen Baxter responded that they do, and they are drilling test wells and taking samples. She added that when the State does come up with a plan, it would be a 40-60 year remediation plan.

Mayor Arave stated that the City had water pumping problems a couple of years ago, and with two wells out of service, he asked if the City will have problems this year. Karen Baxter responded that the City should not because of the secondary water on tap now. However, by 2040, NSL will not have enough water without those wells in working order. Staff has looked at completing the well that has been drilled and not equipped, as well as looking at secondary water for the golf course and areas around it.

Council Member Jensen asked about the watering hours and if the City has to comply with that same restriction. Rod Wood stated that there are some circumstances when the golf course and parks have to spot water, or blow out a line, etc., but they do try to adhere to the policy in place.

Council Member Porter said it would be nice if the City could capture some of the spring water throughout the City and use it for watering. It was noted that some of the spring water flows to the nature preserve, and eventually into the Jordan River.

Barry Edwards stated that so far, there is not any water in Utah that is not owned by someone. Water rights are specific to a source and location, and it would be highly unlikely to use rain water to water lawns, etc. Rod Wood stated that the wetlands/nature preserve does get some of the water coming down Center Street.

Paul Ottoson stated that the water crosses Redwood Road at about 550 North, and the north part of the industrial park feeds that area. After it goes through Foxboro wetlands, it hits a pipe and goes to the Jordan River and bypasses the nature preserve.

Council Member Porter moved to approve the Water Conservation Plan update 2011 for the City of North Salt Lake. Council Member Jensen seconded the motion. The motion was approved by Council Members Jensen, Horrocks, Porter, Harman and Jacobson.

5. PUBLIC HEARING: TO REOPEN FISCAL YEAR 2011-2012 BUDGET

Mayor Arave opened the public hearing at 8:08 p.m. There were no comments, and he closed the public hearing at 8:08 p.m.

6. RESOLUTION 2012-02: A RESOLUTION ADOPTING THE AMENDED FISCAL YEAR 2011-2012 GENERAL FUND, SPECIAL REVENUE FUNDS, REDEVELOPMENT AGENCY, DEBT SERVICE FUND, CAPITAL PROJECTS FUND, AND ENTERPRISE FUNDS BUDGET

Brian Passey stated that staff is pleased to put an amended budget together as close to mid-year as possible. The economy has changed quite a bit. Cities are not insulated from recessions, and it has changed our mindset to make course corrections. He addressed the summary by funds. There are a number of things that are one-time expenditures, and he addressed those.

Brian Passey stated that the reimbursement from Kern River helped significantly to increase revenues, and was the reason for eliminating the use of fund reserves. As far as one-time expenditures, some of the expense relates to former judge retirement expense. Also, engineering staff has requested to have the engineering intern move to full time from part time, rather than hiring consulting engineers. It was noted that the Center Street project did not happen, and that money was put back into the fund. Also, reconstructing the golf course parking lot cost more than anticipated.

Water revenue was down because of the wet year. The largest expense in water was an increased interest expense to the water bond done last December. There will be some operating decreases, and also in personnel expense. Mr. Passey added that the General Fund and Golf Fund affect each other.

Mayor Arave stated that the last few years, the City has been receiving \$2.1 million in property taxes, and are now getting 10% less. Barry Edwards stated that essentially, the reason property tax is down is that the law does not allow us to raise the amount for the City without doing a "truth in taxation" hearing. If the City has positive assessed growth valuation, then property tax receipts go up. If there is negative growth, then property tax receipts stay the same at best. Had the City done a truth in taxation hearing, some of those redemptions may be captured. According to Lamar Sayer, of the Utah State Tax Commission, the City's actual tax receipts are reduced by reductions. They calculate property tax rates after redemptions. In his mind, the City did not lose the money because we did not have it to begin with.

Council Member Horrocks asked if the State is getting the windfall because the City is not. David Church stated that since the City is in a negative growth pattern, the State sent the City a new rate that no longer includes redemptions. For the City to get the same amount of money, we would have had to set a tax rate over and above what the State sets. The redemptions are created when someone pays late, or homes are in foreclosure and no one pays. Barry Edwards said Lamar Sayers was willing to come speak to the City about this.

The City lost a hundred million dollars in assessed valuation, and Mayor Arave stated that the other taxing districts did not see a decrease.

Council Member Jensen moved to adopt Resolution 2011-02R amending the Fiscal Year 2011-2012 General Fund, Special Revenue Funds, Redevelopment Agency, Debt Service

Fund, Capital Projects Fund, and Enterprise Funds Budgets. Council Member Jacobson seconded the motion. The motion was approved by Council Members Jensen, Horrocks, Porter, Harman and Jacobson.

7. CONSIDERATION OF LEASE AGREEMENT WITH THE UTAH DEPARTMENT OF TRANSPORTATION

Barry Edwards stated that this is a lease for the landscaped area directly west of the Cottonwood Inn.

Council Member Harman moved to approve the lease agreement with the Utah Department of Transportation. Council Member Jensen seconded the motion. The motion was approved by Council Members Jensen, Horrocks, Porter, Harman and Jacobson.

8. APPROVE MINUTES

The January 3, 2012 City Council minutes were reviewed and amended. **Council Member Harman moved to approve the work session and regular session City Council minutes of January 3, 2012 as amended. Council Member Porter seconded the motion. The motion was approved by Council Members Jensen, Horrocks, Porter, Harman and Jacobson.**

9. CITY MANAGER'S REPORT

Barry Edwards reported that staff met with the new owner of the Tran home and discussed his submitted plans for the property. Construction is scheduled to be completed in July. The neighbors, Mrs. Mendez and the Murphys, were in attendance as well, and he added that it was good to get everyone together to discuss the issues.

Mr. Edwards said he also met with Big West Oil on some water issues. They are using more water than what their water source will produce. After several discussions, we came to resolution that Big West Oil will pay the City \$186,000 for past water usage. The City and Big West Oil have agreed how to resolve this issue going forward.

Regarding secondary water, Mr. Edwards distributed an estimate for the secondary water project. South Davis Water District expended some prior costs, which the City agreed to pay, it was included. The cost of the previous system to the delivery point, compared to the new plan, will result in significant savings for the City.

Tunnel Springs Park update: Mr. Edwards reported that staff has the plans and specs for the park and are down to picking finishes on the cement, etc., so it is progressing nicely. The City will put the park construction out to bid in February, with a plan to award at the first meeting in March, and hope to have a finish date of August 15. Council Member Harman asked about the cemetery and what will be on the next agenda. Mr. Edwards said there is additional land near the park, owned by Hughes, that they want to do something with.

Mayor Arave said the Council could look at the cemetery information and have it as an agenda item for discussion. At that point, the Council could give staff further instruction. Council Member Harman stated that if something is to be decided, more notice needs to be provided to the Council and City residents, not just Thursday or Friday before the meeting.

Barry Edwards stated that the last item is an agreement with Weber Basin and South Davis Sewer District on secondary water. We had been operating without an official relationship, but we are working to get an agreement in place with Weber Basin. Dave Church has reviewed it and sent it back to Weber Basin. The term of the agreement, as well as who will discuss this with the Department of Interior, are two things being decided. Mr. Edwards stated that we really cannot move forward unless the Department of Interior approves the connection to the canal. (Weber Basin needs to be the party that communicates with the federal government on this issue.) He stated that the project should begin moving forward in the next few months.

10. MAYOR'S REPORT

Mayor Arave reported that he received a thank you note from LaRae Dillingham expressing gratitude for the retirement gifts and golf pass.

The Mayor reported that Davis County Animal Control fees go up about \$800 per year. He stated that there may be a decrease this year due to fewer wildlife calls.

11. CITY ATTORNEY'S REPORT

Regarding the Sherriff litigation on the Foxboro Park project, David Church stated that it has not yet been resolved, but they are working on it. They are reviewing actual losses, and hope to come to an agreement. Staff has determined an amount they feel is acceptable.

12. ADJOURN

Mayor Arave adjourned the meeting at 8:56 p.m.

Mayor

Secretary