

NORTH SALT LAKE CITY
CITY COUNCIL MEETING-WORK SESSION
FEBRUARY 18, 2014

DRAFT

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

PRESENT: Mayor Len Arave
Council Member Matt Jensen
Council Member Brian Horrocks
Council Member Ryan Mumford
Council Member Conrad Jacobson

EXCUSED: Council Member Stan Porter

STAFF PRESENT: Barry Edwards, City Manager; Ken Leetham, Assistant City Manager and Economic Development Director; Paul Ottoson, Public Works Director and City Engineer; Jon Rueckert, Assistant Public Works Director; Janice Larsen, Finance Director; Chief Craig Black, Police Chief; Brent Moyes, Golf Course Director; David Church, City Attorney; Linda Horrocks, Deputy Recorder; Andrea Bradford, Minutes Secretary.

OTHERS PRESENT: Ryan Child, Wood Richards and Associates; James Hood, resident.

1. PRESENTATION AND ACCEPTANCE OF FISCAL YEAR 2012-2013 FINANCIAL
AUDIT- RYAN CHILD

Ryan Child, Wood Richards and Associates, reported that the audit for fiscal year 2012-2013 has been completed and noted three items for consideration. The first item includes sharpening the policy for per diem reimbursement and the requirement for supporting documentation for reimbursement. The second item is the allocation of administrative costs and other overhead expenses such as utilities, insurance and information technology. Government departments such as parks, administration, courts, etc. should pay utility fees to the enterprise funds at the same rate charged to outside customers. The City does allocate costs on a reasonable methodology although consideration should be given to allocating of utilities and insurance and a formal study should be done every five years. The third item is in regards to conflicts of interest and nepotism. The City currently has a policy in place but Mr. Child recommended that it needs to be more descriptive.

Mr. Child highlighted a few other items from the financial statements and said that sales tax and property taxes have increased this year. The general fund showed an increase, and the capital project fund is in good shape. There was a lot of activity in the park development fund with park impact fees and other revenues coming in and \$3.1 million spent on parks. He also reported that all the funds were within budget and followed State code. The water fund is doing well with a balance of \$1 million dollars, especially compared to two years ago, and pressurized irrigation is at \$219,000 with storm water at \$233,000.

Council Member Horrocks moved to accept the financial audit for 2012-2013. Council Member Jensen seconded the motion. The motion was approved by Council Members Jensen, Horrocks, Mumford and Jacobson. Council Member Porter was excused.

2. DEPARTMENT REPORT-GOLF

Brent Moyes reported that tournament bookings are on par for this year in comparison to last year. Continued efforts have gone into developing the relationship with the hotels in downtown Salt Lake. The PGA is encouraging the State to promote golf in the same way they have promoted the ski industry. The PGA is also focusing on increasing tourism in Utah with a program called “Bring your shoes” which will be a package for out of town golfers.

Mr. Moyes said that the course drained well with all the recent moisture and that the greens are healthy and in good shape. There also haven’t been as many vole problems on the course this year.

Mayor Arave asked how the reception center revenue was doing especially with the upgrade of new carpet. Mr. Moyes responded that the total revenue is up \$30,000 from last year.

3. DEPARTMENT REPORT-PUBLIC WORKS

Paul Ottoson reported that City staff had just received the drawings for the 1100 North street upgrade project. There is no set bid opening date yet but he would like to have this project started by the first of May. They are also waiting for Union Pacific Railroad to check their drawings as well. Staff is in the process of negotiation agreements with Woods Cross as they will be paying for a portion of the work that will be done.

Mr. Ottoson said that street reconstruction and preservation projects will go up for bid a week from tomorrow. Other projects include 1100 North water lines along with the previously mentioned street project. There are old cast iron water lines that need to be replaced before the new streets are done. City staff is also working on a new program in the storm drain department.

Council Member Horrocks reported that there is a significant bump at the railroad tracks on Center Street and asked if a sign could be put up to notify drivers. Mr. Ottoson commented that the new panels the railroad put in made the bump worse and that City staff would look into having a sign installed.

4. ACTION ITEMS

The action items list was reviewed. Completed items were removed from the list.

5. COUNCIL REPORTS

Council Member Mumford commented on an item from the previous Planning Commission meeting and how they would like to promote access for walk-ability in the City and that the City code may need to be amended to provide backing for the Planning Commission to do these types of projects. David Church said that there are standards for pedestrian access and that schools will usually not want that type of access, but certain businesses may as it would encourage traffic.

Council Member Horrocks commented that ultimately the property owner's rights should carry weight especially regarding after hour uses.

Council Member Jensen said that the City plans for and encourages walk-ability but that they need to be conscientious of the property owner's rights as well.

Council Member Jacobson reported that the Youth City Council filled 1,200 Easter eggs earlier that day in preparation for the City's annual Easter Egg Hunt. The next activity will be the youth leadership conference March 14-17th at Utah State University.

Council Member Horrocks reported that he would like Gary Hatch to come make a presentation on the West Nile virus for the Council. He also asked if the roundabout on Orchard Drive would be worked on. Paul Ottoson responded that the City has applied for a grant to narrow the road and put a sidewalk in.

Council Member Jensen reported that the Parks, Trails, Arts and Recreation board met and a calendar of events was presented. The board currently has four members and will meet again on Tuesday.

Mayor Arave said that the City will have a park budget and would like a list of prioritized projects to focus on. He asked that the Parks, Trails, Arts and Recreation board provide recommendations for these park funds.

6. CITY ATTORNEY'S REPORT

David Church reported on the invoices from the former IT consultant for the City. He spoke with the defendant's attorney and will work with City staff to resolve the matter.

7. MAYOR'S REPORT

Mayor Arave reported that Wasatch Integrated Waste Management has leased the Utah Paperbox building. They are now looking for a new location for a waste transfer station. The Mayor also met with South Davis Transit in regards to the transit study. There will most likely be a bus line or rapid transit system but no rail line. He also reported that the City has requested \$300,000 from the legislature for the Springhill project.

8. CITY MANAGER'S REPORT

Barry Edwards reported that Stericycle will possibly move from North Salt Lake in two to three years. Mr. Edwards commented that the City is working with Davis County to try and get a grocery store on the Kimball property.

9. ADJOURN

Mayor Arave adjourned the meeting at 6:59 p.m. to begin the regular session.

NORTH SALT LAKE CITY
CITY COUNCIL MEETING-REGULAR SESSION
FEBRUARY 18, 2014

DRAFT

Mayor Arave called the meeting to order at 7:08 p.m. and offered the invocation. Nate Jensen, BSA Troop 1036, led those present in the Pledge of Allegiance.

PRESENT: Mayor Len Arave
Council Member Matt Jensen
Council Member Brian Horrocks
Council Member Ryan Mumford
Council Member Conrad Jacobson

EXCUSED: Council Member Stan Porter

STAFF PRESENT: Barry Edwards, City Manager; Ken Leetham, Assistant City Manager and Economic Development Director; Paul Ottoson, Public Works Director and City Engineer; Jon Rueckert, Assistant Public Works Director; Janice Larsen, Finance Director; Chief Craig Black, Police Chief; Brent Moyes, Golf Course Director; David Church, City Attorney; Linda Horrocks, Deputy Recorder; Andrea Bradford, Minutes Secretary. Parker Bradley and Karyn Baxter, Engineers for the City, were also in attendance until after their presentation.

OTHERS PRESENT: Nate Jensen, BSA Troop 1036; James Hood, resident.

1. SWEARING IN OF NEW NSL POLICE OFFICERS JOSH ELLERY AND CHRIS BENEDICT AND INTRODUCTION OF JASON ROSKY AND T.J. DECARLO, NEW CORPORALS

Chief Black introduced the new NSL police officers Josh Ellery and Chris Benedict. Josh Ellery was a West Bountiful City police officer for seven years. Chris Benedict is from the Davis County sheriff's office and comes with six years of experience. He was recognized as police officer of the year with City Weekly and is a paramedic. Mayor Arave performed the swearing in of Officers Ellery and Benedict.

Chief Black also introduced the two officers who were promoted to corporals. Jason Rosky has been with the NSL police department for five years and has served as a detective for two and a half years. T.J. DeCarlo has 14 years of police experience and has been with the City for a year.

Both officers are assigned to patrol duty on the day and night shift respectively. Mayor Arave presented both officers with certificates.

2. PRESENTATION OF "EXCELLENCE IN PAVING" AWARD TO CITY ENGINEERS

Mayor Arave said that he and Council Member Porter attended the American Concrete Pavement Association luncheon where the City was recognized by the State for the Center Street reconstruction project. Paul Ottoson commented that Parker Bradley was the design engineer on this project and handled the day-to-day management with Karyn Baxter as the supervisor over the entire project. Most of the design work is done in house and the City does not do concrete streets very often as the design is very complicated. Mayor Arave presented Parker Bradley and Karyn Baxter with the Excellence in Paving award.

3. CITIZEN COMMENT

There were no citizen comments.

4. PUBLIC HEARING TO RECEIVE COMMENT ON ADOPTING THE FISCAL YEAR 2013-2014 GENERAL FUND, SPECIAL REVENUE FUNDS, REDEVELOPMENT AGENCY, DEBT SERVICE FUND, CAPITAL PROJECTS FUND AND ENTERPRISE FUND BUDGETS

Barry Edwards stated that with the election of the new state auditor, every expenditure must now have a budget. Previously City staff would get City Council approval on items that weren't budgeted and would amend the budget twice a year. The budget must now be amended on a more frequent basis.

Janice Larsen reported on the account descriptions and the budget adjustments that are being requested. Building permit revenue is expected to come in higher than originally budgeted so there is now an increase to that budget in revenue and the credits should now equal the debits. Noticeable increases include the Center Street Trail grant money and the revenue from Woodside Homes for completion of the park, with a budget for the work to be done on that park. Other highlights from this report include the adjustment in water and pressured irrigation and the decision to move that infrastructure on the east side of the City out of pressured irrigation and into the culinary water fund. Additional adjustments and expenditures include the handheld police radios, the cameras at City hall and City parks and a transfer from the Public Safety fund to pay back the police public safety portion of the building.

Council Member Horrocks commented that there have been cases where private entities have been sued for cameras as it gave victims the illusion of safety. David Church replied that it creates the argument and he could do some research to see if it would be an issue.

Barry Edwards said these cameras were meant to help with vandalism in the parking lot and in the bathrooms, etc. There would not be cameras in the bathrooms but it would help to who is entering and for preventative measures.

Janice Larsen reported that the other large increase in the parks fund is the revenue from the development and impact fees that are owed to Woodside for land that the City purchased. She also said that the City originally planned to get a lease from Wells Fargo for fleet vehicles but would rather transfer funds into the fleet fund instead. A fleet replacement policy will be brought before the City Council to decide which vehicles to replace and purchase with cash.

Mayor Arave opened the public hearing at 7:35 p.m. There were no comments, and he closed the public hearing at 7:35 p.m.

5. CONSIDERATION OF RESOLUTION 2014-01R ADOPTING THE AMENDED FISCAL YEAR 2013-2014 GENERAL FUND, SPECIAL REVENUE FUNDS, REDEVELOPMENT AGENCY, DEBT SERVICE FUND, CAPITAL PROJECTS FUND AND ENTERPRISE FUND BUDGETS

Council Member Jacobson moved to adopt Resolution 2014-01R amending the fiscal year 2013-2014 General Fund, Special Revenue Funds, Redevelopment Agency, Debt Service Fund, Capital Projects Fund and Enterprise Fund Budgets. Council Member Horrocks seconded the motion. The motion was approved by Council Members Jensen, Horrocks, Mumford and Jacobson. Council Member Porter was excused.

6. CONSIDERATION OF MAYOR AND COUNCIL APPOINTEES TO THE PARKS TRAILS ARTS AND RECREATION COMMITTEE

There were no appointees at this time.

7. RESOLUTION NO 2014-06R A RESOLUTION AMENDING THE CITY'S COMPREHENSIVE FEE SCHEDULE RELATED TO CERTAIN WATER RATES AND ESTABLISHING AN EFFECTIVE DATE

Barry Edwards commented that there are four objectives for the rate increase including maintaining an industry standard cash balance, bond covenant coverage, inequities in the rate

schedule related to industrial users, and other issues in the rate structure relating to HOA's and inverted rate coverage rates. Money also needs to be put aside for the portions of the water system that are very old and will need to be repaired in the near future.

Janice Larsen reported that one of the changes to the water rates would be fixing some, including a catch-all category which had no base rate and would now be reclassified. The first group was HOA's which were in the same base as other residential customers but only use indoor water. There were also some HOA's that were using outdoor watering as well and paying the same base. City staff is proposing to look at each HOA and leave the homeowners in the same base and tier but give each homeowner a credit towards the HOA meter for common areas so that there is a higher usage base. The second group would be residential customers with two meters and the last group would be commercial accounts with outdoor watering.

Council Member Jensen said that he is not opposed to increasing water rates and that it should be done on a regular basis but is concerned that it seems like sometimes the projections appear inflated. Barry Edwards replied that the prior City Council did a capital project without sufficient funds. The City is still trying to payback those funds to the general fund which is around \$200,000. There also needs to be the target amount of \$1.6 million in the water fund. The City also needs to have income for the hours spent by current City staff to maintain new projects, connections, and funds for deferred maintenance projects. The City is also trying to be more equitable in the rates as there is currently one consumer that uses 25% of the water but only pays 10% of the bill.

Janice Larsen commented that staff is conservative in overestimating expenses and underestimating revenue in adjusting the fee schedule. Mayor Arave said that part of the increase is the assumption of costs for health care and retirement services. He also said that there was not a lot spent on water projects but that this year costs are starting to come through such as the 1100 North project and other maintenance.

Council Member Horrocks said that staff has done a great job in addressing rate deficiencies and raising revenue as opposed to taking money from the general fund but asked where the savings were reflected. Barry Edwards replied that the City Council can allocate where the resources are spent, such as putting the money into roads or reducing property taxes.

Mayor Arave stated that this revenue has funded the general fund and that the golf course will be paid for in 2017. He also commented that the Planned Unit Developments (PUD's) above 350 East should pay the same rate as the other residents in that area.

Council Member Mumford asked why there is only the recommendation to raise the base and not the usage. If users pay for and are allotted a certain amount, it seems like this would encourage them to use more water rather than conserving it. Janice Larsen responded that usage can vary and the base rates needs to cover the fixed costs. It also seems like the base usage they are given is close to the average usage in non summer months.

Council Member Jensen commented that most homes are not equipped to tell how much their rate usage is and that there are fixed costs for the City regardless.

Barry Edwards said that there are some cities that charge a base even if residents use no water that covers fire suppression, meter checking, etc.

Council Member Mumford commented that he would push for lower allotted water amounts and that residents should be able to monitor their water usage. He also asked why the PI system does not have deferred maintenance built in and that it should be planned for now. Barry Edwards responded that the City is still paying off the system and since it is state of the art system it requires less deferred maintenance right now.

Council Member Mumford also questioned the proposed five-year-plan increase and if it would be brought before the Council every year. Janice Larsen replied that it will be reviewed every year and adjusted as needed.

Council Member Jensen moved to adopt Resolution 2014-06R adjusting the culinary water and pressurized irrigation water section of the City of North Salt Lake comprehensive fee schedule with the exception that the PUD's above 350 East pay higher tier increases similar to what residents above 350 East pay. Council Member Jacobson seconded the motion. The motion was approved by Council Members Jensen, Horrocks, and Jacobson. Council Member Mumford voted in opposition. Council Member Porter was excused.

8. CONSIDERATION OF NORTH SALT LAKE FACILITIES USE AGREEMENT

Jon Rueckert reported that this Facility Use Agreement has been reviewed and revised by the City attorney and is an agreement between North Salt Lake and users of City facilities. The provisions in this document are designed as a hold harmless contract with NSL's obligation to provide the facilities in an as-is condition. This agreement clearly obligates users to follow Federal, State and City ordinances relating to building code compliance and also protects the City from copyright infringements.

The City Council made suggestions including clarifying flammable materials, damage to the facilities, animals in the parks, raising the indemnification policy amount to at least two million dollars, and other minor fixes.

David Church commented that the process will include the completed application, signed contract and payment of fees.

9. RESOLUTION NO 2014-05R A RESOLUTION AMENDING THE CITY'S COMPREHENSIVE FEE SCHEDULE FOR DEPOSITS IN ITS TRAIL USE POLICY, ATHLETIC FIELD USE POLICY AND SPECIAL EVENT APPLICATIONS AND ESTABLISHING AN EFFECTIVE DATE

Paul Ottoson reported on the Trail Use Policy, the Athletic Field Policy and the Special Events Policy as they relate to fees. There have been problems in the past with trash and vandalism of the fields, so staff is proposing refundable deposits if the facilities are left in good condition. Staff recommends fees of \$100 for trails and athletic fields, and \$200 for special events.

Mayor Arave asked when the deposit would need to be paid and where it was defined in the policy. Barry Edwards responded that if the user fills out the application, the fee would then be collected. It is defined in the facility use agreement and would specify the fee schedule amount.

Council Member Horrocks moved to recommend approval of Resolution 2014-05R amending the City's Comprehensive Fee Schedule for deposits in its Trail Use Policy, Athletic Field Use Policy, and Special Events applications and establishing an effective date of February 19, 2014. Council Member Mumford seconded the motion. The motion was approved by Council Members Jensen, Horrocks, Mumford and Jacobson. Council Member Porter was excused.

10. SCHEDULE 2014 BUDGET RETREAT

Barry Edwards proposed a budget retreat for Saturday March 22nd from 8am-12pm.

11. ADJOURN

Mayor Arave adjourned the meeting at 8:49 p.m.

Mayor

Secretary