

NORTH SALT LAKE CITY
CITY COUNCIL REGULAR SESSION MEETING
JANUARY 5, ~~2009~~
2010

Mayor Len Arave called the meeting to order at 7:07 p.m. Council Member Stan Porter offered the invocation and led the Pledge of Allegiance.

PRESENT: Mayor Len Arave
Council Member Ron Gordon (arrived at 7:00 p.m.)
Council Member Stewart Harman
Council Member Brian Horrocks
Council Member Matt Jensen
Council Member Stan Porter

STAFF PRESENT: Collin Wood, City Manager; Brian Passey, Assistant City Manager and Finance Director; Rod Wood, Public Works Director; Paul Ottoson, City Engineer; Blaine Gehring, Community and Economic Development Director; LaRae Dillingham, City Recorder; Linda Horrocks, Minutes Secretary.

OTHERS PRESENT: Robert Franson, Parks and Trail Advisory Board Chairman; Brenda and Gary Mumford, Eric Klotz, Juan Arce-Larreta, Ronald Whitehead, LaVar and Susan Jensen, Roger and Kathy Jacketta, Shane Richins, Dave Pack, Shanna Schaefermeyer, Robert Cole, Kym Littlejohn, Allen Tidwell, Matt Hardy, residents; Elise Lechtenberg, LYRB; Lynzee Wardle, *Standard Examiner*.

1. (The swearing in of new elected officials was repeated for those who missed it during the previous meeting.)
2. RECOGNITION OF SHANNA SCHAEFERMEYER, OUTGOING MAYOR

Mayor Arave presented former Mayor Schaefermeyer with a crystal bowl/award and thanked her for her service and efforts for the City of North Salt Lake.

3. BEAUTIFICATION AWARDS

The City accepted nominations for City beautification earlier in the year. Mayor Arave presented plaques to the following residents who were chosen for their efforts in beautifying the City:

Roger and Kathy Jacketta
Neva and Larry Smith
Lavar and Susan Jensen
Kathy Guymon
Scott and Charlynn McNair
UPS

4. CITIZEN COMMENTS

There were no citizen comments.

5. CONSIDERATION OF RESOLUTION NO. 2010-01 APPOINTING A NSL REPRESENTATIVE AS A MEMBER OF THE ADMINISTRATIVE CONTROL BOARD FOR THE SOUTH DAVIS RECREATION SPECIAL SERVICE DISTRICT

Council Member Gordon moved to adopt Resolution No. 2010-01 appointing Mayor Len Arave as the NSL representative member of the Administrative Control Board for the South Davis Recreation Special Service District. Council Member Harman seconded the motion. The motion was approved by Council Members Jensen, Horrocks, Porter, Gordon and Harman.

6. CONSIDERATION OF RESOLUTION NO. 2010-02 APPOINTING A NSL REPRESENTATIVE TO THE ADMINISTRATIVE CONTROL BOARD FOR THE WASATCH INTEGRATED WASTE MANAGEMENT AND ENERGY RECOVERY SPECIAL SERVICE DISTRICT

Council Member Porter moved to approve Resolution No. 2010-02 appointing Mayor Len Arave as the NSL representative to the Administrative Control Board for the Wasatch Integrated Waste Management and Energy Recovery Special Service District. Council Member Horrocks seconded the motion. The motion was approved by Council Members Jensen, Horrocks, Porter, Gordon and Harman.

7. REVIEW AND ADOPTION OF THE ANNUAL MEETING SCHEDULE FOR 2010

Council Member Horrocks moved to adopt the annual meeting schedule for 2010. Council Member Porter seconded the motion. The motion was approved by Council Members Jensen, Horrocks, Porter, Gordon and Harman.

8. DISCUSSION OF PROCESS FOR REPLACEMENT OF CITY COUNCIL VACANCY

There was some discussion about the need to fill the position Ron Gordon will be vacating January 31, 2010. It was suggested that the application period be left open longer than is currently posted.

The Council wished to review the applications and hold an interview process. Council Member Harman said the deadline could be the 19th at 5:00 p.m. which would provide time for the process. Applicants could be invited to give a one minute presentation. Council Member Porter suggested making a decision on February 2. This agenda item will be discussed later in the meeting.

9. ELISE LECHTENBERG (LYRB) – UTILITY RATE COMMITTEE
DISCUSSION

Elise Lechtenberg presented information on the City's utility rates, including culinary, storm water and secondary water. Utility rates are set to cover the expenses of the related enterprise fund. It is one fund; however, this fund is divided into three sub-funds: culinary water, secondary water and storm water. The goal is to have each of these funds be self-sufficient. The City sets these rates to cover certain expenses and amass reserves. LYRB recommends that the City strive to amass six months operational and maintenance reserve and 1-2 years capital reserve (minimum).

The goal is to do away with subsidies among different user types. Historically, all users have paid the same rates. Conservation should be encouraged among culinary and secondary water users, and the City should work towards equity in charges: actual demand = monthly payment.

The culinary water system serves most of the City with indoor water, and all but Foxboro and one other small area, for outdoor water needs. Many water lines in the City are 30-40 years old and will need to be replaced in the near future. The City does not currently have a reserve fund for repair or replacement type projects.

While water system expenses continue to increase, rates have stayed fixed during the last six years causing shortfalls in the fund. Some issues with current user categories and rate structure include: the same base rate for all users, a lack of real conservation based overage tiers, no multi-family category (users have been under charged), and the City needs a new category for those with separate outdoor water.

Elise Lechtenberg then showed a slide with recommended culinary water base rates, including consideration for meter size multiplied by a demand unit.

Regarding secondary water, the City has contracted with WBWCD (Weber Basin Water Conservancy District) to provide secondary water for outdoor watering needs to the Foxboro development due to a shortage of irrigation water supply (at a cost of approximately \$5 million). The anticipated number of users at build-out is 2,000 connections. The agreement with WBWCD requires the City to purchase the total amount of water needed at build-out each year. Assuming the service area at 100% build out, the rate per ERU would be in the range of \$9-10 per month.

A proposed secondary water rate schedule was also presented according to meter size from \$15.00 for a ¾" meter up to \$120 for a 4" meter.

Ms. Lechtenberg stated that the current assessment of storm water rates causes significant inequity in the revenue collected versus demands placed on the storm water system. Sufficient rates not assessed, allowed by City ordinance, has caused a shortfall of revenues. Everyone has been charged the same amount, rather than being charged based

on impervious surface space. Some of the industrial park lots have a large amount of impervious surface, but they have been paying the same as a single family home. Ms. Lechtenberg recommends charging \$4.00 per ERU. This will increase many of the commercial users somewhat; however, NSL will still be much lower than neighboring communities. It was also noted that these users have been getting a “good deal” in the past.

Council Member Porter suggested that the City plan how this will be presented to the businesses to be sensitive to their budgets and needs, rather than just sending them a bill at the higher rate.

Council Member Horrocks stated that a public hearing is a good idea and also letting the businesses know that they have been receiving a very favorable rate from the City and are lucky that the City will not charge a retroactive fee.

Council Member Harman stated that the City needs to educate the users that the rate increase is really covering expenses, past and future, and that it is not just “surplus.”

It was decided to hold a public hearing Feb. 2nd. It should be noted on the web site, and with signs, and mailers to businesses who use more than 50 ERUs. Elise Lechtenberg agreed to prepare a summary for the web site.

10. CITY COUNCIL VACANCY (continued discussion)

The deadline for City Council applications will be January 14, 2010 at 5:00 p.m. Discussion will be held during a closed session on Jan. 19th, and a decision will be made by the City Council on February 2, 2010.

11. DISCUSSION AND POSSIBLE ADOPTION OF \$138,000 EQUIPMENT LEASE PURCHASE FOR RECYCLING CANS

Brian Passey reported that with the recently adopted recycling program, recycling cans need to be purchased. It is the City’s desire to meet IRS regulations for tax exempt leasing, and a rate of less than 4% has been secured with Zions Bank (with whom the City has other leases). This amount of \$138,000 will purchase new cans and reimburse the City for the shipment previously purchased cans. The recycling program is expected to start March 1st.

Mayor Arave asked why the City would borrow the money rather than just paying this expense outright since it is only \$138,000. Brian Passey responded that it is a cash flow issue. It also ties the monthly user fee to a monthly pay down on the container lease. He stated that there is no prepayment penalty, so if the City changes its mind, it can be paid off at any time.

Council Member Porter moved to adopt Resolution 2010-03R approving the form of the equipment lease agreement with Zions First National Bank, Salt Lake City,

Utah, finding that it is in the best interest of the City of North Salt Lake, Utah to enter into said agreement and authorizing the execution and delivery thereof. Council Member Jensen seconded the motion. The motion was approved by Council Members Jensen, Horrocks, Porter, Gordon and Harman.

12. APPOINTMENT OF MAYOR PRO TEM FOR 2010

Council Member Porter moved to appoint Council Member Horrocks as Mayor Pro Tem for 2010. Council Member Gordon seconded the motion. The motion was approved by Council Members Jensen, Horrocks, Porter, Gordon and Harman.

13. COUNCIL COMMITTEE APPOINTMENTS

Mayor Arave suggested the following City Council appointments:

Council Member Horrocks – Planning Commission

Council Member Harman – Uniting Neighbors

Council Member Porter – Parks and Trails Advisory Board

Council Member Jensen – Youth Council and Economic Development and Transportation

Council Member Porter moved to accept Mayor Arave's appointments of the City Council Members. Council Member Horrocks seconded the motion. The motion was approved by Council Members Jensen, Horrocks, Porter, Gordon and Harman.

Council Member Porter suggested having a City History Committee, with which he would like to be involved. Council Member Porter suggested it be a casual committee, filled by volunteers. An article could be included in the next newsletter. He stated that he has been on a Web Steering Committee as well.

Council Member Horrocks suggested putting together a time capsule for the cornerstone of the new building and thought this may be a good project for a City History Committee.

Everyone nodded in agreement to Mayor Arave's appointment of Council Member Porter to a History Committee.

14. APPROVE MINUTES

The work session and regular session City Council minutes of December 1, 2009 were reviewed and amended. **Council Member Porter moved to adopt the December 1, 2009 City Council minutes as amended. Council Member Harman seconded the motion. The motion was approved by Council Members Jensen, Horrocks, Porter, Gordon and Harman.**

15. ACTION ITEMS

The list of action items was reviewed. Completed items were removed from the list, and incomplete items remained on the carry over list.

16. COUNCIL REPORTS

Council Member Porter stated that conflicts of interest by Council Members need to be announced. He wanted the newly elected officials to be aware that he works for several cities, including NSL, because he wrote a building permit software program, which these cities use.

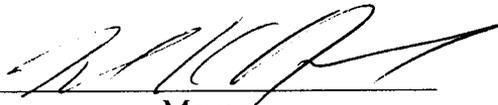
Council Member Porter said he serves on the Jordan River Parkway Committee, and on January 14, Envision Utah is having a cultural celebration and inviting people to the lunch. They would like local officials and people of interest to attend.

Council Member Horrocks asked Collin Wood to thank the Police Department for their assistance in watching the Stoker family's home and neighborhood during the funeral this past week.

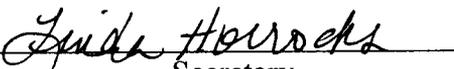
Mayor Arave stated that in December, a committee was formed to choose a replacement for the City's retiring City Manager. The committee consists of Mayor Arave, Stan Porter, Stewart Harman, Brenda Mumford, and Duane Richens. They have narrowed the resumes to 11 people. After some initial follow up, they have eliminated one, and another has taken another job. Nine candidates are now being considered, and interviews will be held on Thursday January 7.

17. ADJOURN

Mayor Arave adjourned the meeting at 10:00 p.m.



Mayor



Secretary