

**Pleasant Grove City Council Work Session Minutes  
November 23, 2010  
6:00 p.m.**

PRESENT:

Mayor:

Bruce W. Call

City Council Members:

Cindy Boyd

Val Danklef

Lee G. Jensen

Kim Robinson

Jeffrey D. Wilson

City Recorder:

Kathy T. Kresser

Colleen A. Mulvey, Deputy City Recorder

Others:

Scott Darrington, City Administrator

Dean Lundell, Finance Director

Tina Petersen, City Attorney

Ken Young, Comm. Dev. Director

Richard Bradford, Economic Dev. Director

Deon Giles, Leis. Services Director

Lynn Walker, Public Works Director

Marc Sanderson, Fire Chief

Tom Paul, Police Chief

Degen Lewis, City Engineer

John Schiess, Utility Engineer

Libby Flegal, NAB Chairperson

The Mayor, City Council Members and staff met in the City Council Chambers at 86 East 100 South, Pleasant Grove, Utah

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**1. Call to Order**

Mayor Call called roll for the Council and noted that Council Members Boyd, Danklef, Jensen, Robinson and Wilson were present.

**2. Pledge of Allegiance**

The Pledge of Allegiance was lead by Engineer Lewis.

**3. Opening Remarks**

Opening Remarks were given by Deputy Recorder Mulvey.

**4. PFC Longson to do a presentation on the Community Covenant Program**

Mayor Call stated that PFC Longson will not be in attendance tonight due to the impending storm, so we will move this presentation to a future meeting. The Mayor encouraged everyone to visit the website: [www.army.mil/community](http://www.army.mil/community), regarding this program in which the Army has taken the lead for all of the armed forces in creating this Community Covenant idea which allows elected and appointed officers, business owners and community leaders to make a written declaration of their support for our active, guard and reserve troops.

## **5. Discussion on utility rate increases**

Administrator Darrington explained that he wanted to make sure that the smoothing process on the utility rate increases and how it will work is very clear. He said that he has asked Director Lundell to explain what is being proposed with taking sewer reserve funds and using them to help offset some of the other funds so that we don't have to increase the rates as high, transferring these funds will require another public hearing and we want to make sure that there is an understanding of the timing and the importance of the rates and where we need them in order to be in compliance with the bond holders.

Finance Director Lundell explained that the reason that we have the option and are able to increase these rates gradually over four years instead of all at once is that there is some money in our sewer fund. He said that when we do the next budget adjustment there will be a transfer from the sewer fund into the water fund and anytime you transfer money out of an enterprise fund, an additional notice regarding a public hearing on this will need to be done and have to be in the utility bill. Director Lundell pointed out that we have talked a lot about what our covenants are to our bond holders and the concern with having our rate structure in place and being sufficient enough to have the debt coverage on them. Administrator Darrington interjected to mention that this is part of the reason that we want to adopt a four year rate plan so if the bond holders come back and say that they are not sure about our coverage then we can show them the four year plan that the Council has adopted. Administrator Darrington said that this also goes to the secondary water issue where we are still going to be doing some adjustments with the tier structure for the different size lots but we still need to adopt a rate before January 1, 2011, to make sure that we are compliant on this even though that rate could change before April of 2011. Administrator Darrington explained that the idea here is that we won't necessarily have a culinary water fund and a secondary water fund, but within the fund we want to make sure that the rates that we are charging for secondary are only paying for the secondary system and the rates that we are charging for culinary are only paying for the culinary system.

Administrator Darrington next reviewed the information that he handed out on the utility rate increases (exhibit A) which included the current water rates for the residential, commercial, pressurized irrigation, storm drain and sewer. He said that the increases are on the base rate as well as on the usage and pointed out that the first five thousand gallons of water used are included in the base rate.

Council Member Jensen asked if there was a basis for setting that at five thousand gallons. Utility Engineer Schiess stated that in all of the studies that he has done on community water usage, that five to six thousand gallons is a pretty good average for normal water usage. Mayor Call added that the whole idea of having a base rate is that there is a certain minimal cost to running the system.

Council Member Danklef said that we don't want to do away with the base rate but to start at a lower number than five thousand gallons and for those who are using more water, they should pay more. Mayor Call stated that he would like staff to figure out what their recommendation on the base rate number ought to be based on what the costs are, not based on what we think or feel it should be. City Engineer Lewis added that part of the system is to provide fire protection and there is a large amount of infrastructure that is there in case we need it.

Administrator Darrington stated that it was quite clearly pointed out in our public hearings that the secondary water is the main source of frustration and the equity of making sure that we are charging people for the water that they use. He said that Director Walker has been working on this with the lot sizes, etc. and we are hoping to have something to present in January.

Mayor Call asked for clarification of the residential and commercial rates. Administrator Darrington said that as they have researched this, and what he believes is that a lot of the commercial areas do not have access to secondary water and have to use culinary and that may be the reason they have a lower water rate, also some commercial places don't have any grass or landscaping to water. He added that as we look into our secondary rates we are going to look into this as well so that we also have a recommendation for commercial users.

Administrator Darrington said that included in the information handed out is a list of the capital projects for the culinary and secondary water systems and the sewer and storm drain that were included in the rate study which specifically show where the needs are within our system. Director Walker stated that these capital projects are only the starting point, a good portion of the system is well past its normal life expectancy and we have to replace the system as we go forward. Engineer Schiess added that most of these capital projects are related to the maintenance of the system but there is a component for growth, the older parts of the system have lead joints and are too small for growth and for meeting the needs of the current fire flow requirements. Administrator Darrington explained that the projects with the Fugal Well and the No Name Spring are both projects to help us capture more water for our secondary system.

Council Member Jensen asked about the culinary water and if the current proposed rates are going to cover the cost of all of the work that needs to be done over the next eight years. Administrator Darrington said that rates that are being proposed are going to cover us through 2015 and then at that point we will evaluate if our rates are in a good enough position that either we can increase them a little bit more to save money to do a "pay as you go," or bond at that time and do all of the projects. He added that the project on the sewer with the Insituform which is the relining of our current sewer lines, this is a new maintenance technique that increases the life of the sewer lines. Director Walker said that the Insituform will increase the life of the sewer lines anywhere from fifty to ninety years.

Administrator Darrington stated that on the storm drain projects the issue that we have talked about extensively is the land acquisitions which right now is estimated at just under three million dollars for this project and as we bid this project and find out what the actual number is, that will effect what our future rate could be for the storm drain. He added that the construction estimates for the Battle Creek and Grove Creek pipeline have also been included in this information. Administrator Darrington said that it was suggested that we pipe and detain the storm drain underground so we asked if that has ever been considered and there was a project on 2600 North and those figures are

included in the information and what we found is that if you are going to go with the cost to detain water underground it is going to be more expensive than buying a piece of land and constructing it so it flows properly.

Mayor Call said that the figures on this 2600 North project show that it is two times more expensive to detain water underground and asked Engineer Schiess if this was representative of this sort of project. Engineer Schiess said that is it very representative, he said that he has run through this process at several different locations and piping or storing underground is expensive.

Administrator Darrington said that in looking at what our master plan said in 2004 there were fourteen storm drain projects scheduled to be completed by 2015 and of all of the projects listed, so far none of them at this point have been completed, there are some that are partially completed, some of the land has been purchased and some that haven't been started. He said that Engineer Schiess has provided updated costs to complete these fourteen projects. Administrator Darrington said that to say that this plan hasn't been followed is not fair, it has been followed in some ways but that the money has not been available to start completing each project. He said that when we talk about whether or not to purchase land because it may or may not be cheaper now as opposed to five years from now, we don't know. Administrator Darrington said that the way that we as staff are looking at it is that we know what the land values are now and if we bond and buy the land now we are hoping that will save us money in the future so if the Council decides that we put these purchases off then there just needs to be an understanding that there is a chance we would pay more in the future. He added that as far as any risk with not buying this land right away for storm drainage and having something major happen that could cause us problems, that is something else we cannot predict. Engineer Schiess added that with storm water it is one of the hardest things to predict because when you don't have any storms and don't see any need, there is no urgency but we do have flooding every so often. Director Walker agreed, he said we get flooding with almost every major storm especially in the south end of the city near the freeway. Administrator Darrington said that if the rates are passed as proposed that we are taking major steps forward in correcting a lot of these issues and we will be able to do a lot of projects that have not been done in the last ten years.

Council Member Danklef asked about the pipelines for Battle Creek and Grove Creek, he said that he recognizes the need but that he would like to understand better why it is our responsibility because we don't own the property. Administrator Darrington said that we have asked the owners, the North Utah County Water Conservancy District and they said that they will help us, we don't know how much help at this point and we have also talked to the Natural Resources Conservation Service about them funding this project and their funding is unsure on the federal level so they have no timeline on when they will be able to do this project. Council Member Danklef asked if we had any recourse where we could bill them back. Administrator Darrington said that we did ask that and they told us "no." Administrator Darrington said that we are continually pursuing grants and we will take impact fees when eligible to use for some of these capital projects.

Administrator Darrington next reviewed the rate proposals (exhibit A) that have been discussed, the first one is the initial proposal with the smoothing plan; Alternate plan one is for proposed rates that do not include purchasing any land for the storm drains; Alternate plan two is for proposed rates that do not include purchasing land but includes the increase immediately from TSSD all at one time; Alternate plan three is for proposed rates that include the immediate TSSD increase and includes

purchasing land for storm drains; Alternate plan four is for proposed rates where the initial monthly increase is equal over the next four years and does not include purchasing land. Administrator Darrington then mentioned the tax abatement program through Utah County and there are five ways to qualify for the abatement which are listed in the handout and once an individual is qualified with the county then they can come to us with their certificate. He said that and what we need to decide is how much of a break we are willing to give and that it would be nice if we have this ready to go by next week so that when we adopt the rates we can adopt this program at the same time.

Council Member Boyd asked about a donation program. Administrator Darrington said that we talked to Questar about their program and what they do is whatever they collect they send to the Red Cross and the Red Cross is the one who verifies individual's income and determines if they get money back on their bill. Director Lundell said that it is just a portion of a larger program; Questar said that they get a couple million dollars of federal money for energy/utility assistance. Administrator Darrington said that we could take whatever the volunteer donations are and split them equally amongst those who qualify for the abatement, but if we are going to extend above and beyond those who qualify for the abatement then we would have to start getting into the income verification portion.

Council Member Jensen expressed a concern on the abatement process in that if a person qualifies for the abatement one year and then not the next we may be discounting rates for these people who didn't qualify again and then we will have to turn around and ask for the discount back. He said that there has got to be a bit more thought given to this and maybe when the individual qualifies through the abatement process they get the discount on their rates for the ensuing year rather than the previous year. Mayor Call said that that makes more sense and would be the better solution.

Mayor Call stated that in looking at all of these alternate plan proposals, by 2014 the rate proposals that include the land purchases there is a seventy nine point two percent increase and without the land purchases there is a seventy point four percent increase, so there is roughly a nine percent difference. The Mayor then asked the Council if they want to say that we will not consider anything that includes acquiring the land, or do we consider the proposals with the land acquisitions. Council Members Robinson, Jensen and Boyd indicated that they want to consider the rate proposals with the land acquisitions and Council Member Danklef indicated that he did not want to consider rate proposals that include land acquisitions. Mayor Call also said that one alternate plan that we didn't discuss is the equal increase over the next four years that does include purchasing land. Director Lundell calculated that that would put the increase at ten dollars and sixty cents on average for four years.

Council Member Jensen said that he likes that option and thinks that if we adopt the equal ten dollar and sixty cent increase for the next five years then the public will look at that and see that we have made an adjustment and that we have responded to their concerns where we have made this more equitable for them over a longer period of time and we are also meeting our responsibilities as elected officials to the city's short and long term needs.

Mayor Call asked the Council if they liked the idea of this four year equitable plan of the ten dollars and sixty cent increase that includes the land acquisition, the general consensus of the Council is that they were in favor of it. The Mayor then said that the direction to staff is to revise the rate proposal

plan to include the land purchases and equally adjust the average monthly increase to ten dollars and sixty cents for the four years.

Mayor Call stated that the staff has done a lot of good work on this and thanked them for their efforts. Administrator Darrington said that he thinks that this has been a good process for us a city to help build trust with one another and that we appreciate the support that we receive from the elected officials.

## **6. Discussion on land uses in the Grove Interchange Subdistrict zone**

Administrator Darrington said that he had talked with Mr. Baker and explained that we needed the time in tonight's meeting to focus on the utility rates and that we will need to postpone this item until the meeting on December 14<sup>th</sup>. Administrator Darrington said that he informed him that we don't want to hear another full presentation and Mr. Baker said that he does want another opportunity to explain the same things to the full Council since they were not all present during their last presentation.

## **7. Discussion on the proposed modification to the UDOT Interchange**

City Engineer Lewis said that he and Director Giles have met with UDOT and the contractor on this project and in reviewing this, the contract requires the contractor to review each of the interchanges and make sure that they include any changes that are needed in looking forward to the 2030 design year. There are a couple of changes that need to be made at the Pleasant Grove interchange, one of them is for the northbound on-ramp, a right turn lane coming from in town. Engineer Lewis said that right now there are two lanes coming up to the freeway and the right lane turns on to the freeway, in the long term there needs to be two lanes going across the bridge over in to Lindon, so what they are saying is that in looking ahead there is a need to cross the freeway and not just get on and off the freeway. They have determined that they will need that extra lane so they are going to put in a right turn lane preceding that on-ramp and that means that the landscaping is coming out and they are going to move the sidewalk back. He said that they plan to give us a five or six foot wide planter strip and they will either relocate the existing trees or plant replacements and it won't be as wide as it is today. Engineer Lewis explained that on the inside, they are proposing to eliminate the left hand left turn lane to go northbound on the freeway and make that into additional storage space for the southbound on-ramp, continue on to the east into town and take out a portion of the median which would remove our water feature so that we have room for two lanes of storage up towards the freeway, across the ramp to the on-ramp.

Engineer Lewis stated that we asked them since this was their design looking towards 2030, when does the need for this really arise. He said that they indicated that they were required to model until 2030 but that he did not get the impression that we should expect much alternation immediately. Engineer Lewis said that they would really like the median to go away but there is still some question in their minds as to whether or not they need our permission because they think that the right of way is theirs. Engineer Lewis stated that he is fairly sure that the right of way is ours up to the edge of the ramps and if it is ours, we could say "no," he added that we did discuss changes to the landscaping.

Attorney Petersen stated that if they were planning this ahead for twenty years why didn't they tell us

all of this when we built it and will they reimburse us because they are taking this out. Director Giles stated that we asked them and they said that they will look into it, we are still considering the different options and he pointed out to them that we have also invested a lot of time, maintenance and money into this area. Engineer Lewis stated that when we were discussing the options with them that he brought up their statement which has always been to replace in kind.

Engineer Lewis said that he thinks that there are some things that we can take to them but part of the problem is the way that they did this project, this is fixed priced so there are no change orders to this project because there are no additional funds available.

Mayor Call stated that he thinks the approach here is to continue as you've done with the in kind phrase and let them propose something. Engineer Lewis said that he would put together a list of issues and ideas that we have. Administrator Darrington added that we just wanted the Council to be aware of the issue and that we will negotiate it from here and before we complete any deals we will bring this back to the Council with what we feel is the best option.

#### **8. Discussion on sidewalk and landscaping on 2000 West on the north side of State Street to 1100 North**

Engineer Lewis explained that this is 2000 West north of State Street, the county's project to widen that all out to five lanes all the way up to State Route 92. The plans that we have at this point provide on the shoulder for no more than eight feet behind curb and gutter and right now we have a four foot sidewalk and in most places twelve feet of landscaping. Engineer Lewis said that their plan has the same size lanes but they have put in an eight foot shoulder and curb and gutter so our landscape area has completely gone away, what they have proposed is a four foot sidewalk and a four foot planter strip. Engineer Lewis pointed out that on that class of a road a four foot sidewalk is not what we want and a four foot planter strip is really too narrow to do much with.

Engineer Lewis said that we, along with American Fork told the county that we felt this was going to be a problem because both cities have aesthetic guidelines and requirements and this project isn't providing anything. The county said to give them some options to look at and that they are open to including some things in the project but they do not have any money for additional right of way acquisition. Engineer Lewis said that as staff we have talked about what we want from an aesthetic standpoint and the feeling was that we give them our standard for a collector or arterial road.

Engineer Lewis mentioned that American Fork's Council is very unhappy about this and have told their engineer to just give them the standard and say that this is what is required. Administrator Darrington added that if we are consistent with what American Fork is doing then we team with them and hopefully we will have a little more power in this situation so that is what we are recommending. Mayor Call agreed and asked the Council if had any disagreement with the recommendation of holding to our standard, there was none.

#### **9. Discussion of items for the November 30 & December 7, 2010 City Council meetings:**

##### **November 30, 2010:**

- a. To consider for adoption a resolution (2010-049) amending Title 8 Chapter 1 "Water**

**Works” Subsection 5-D “Water Service Charges,” Chapter 4C “Timpanogos Special Service District” Subsection 12 “Fees,” Chapter 5 “Storm Water Utility Fee” and Chapter 9 “City Pressurized Irrigation System” Subsection 2 “User Fees,” by increasing the utility rate fee to adequately support each utility (CITYWIDE IMPACT)**

- b. To consider for adoption a resolution (2010-056) adopting a low income program for utility payments (CITYWIDE IMPACT)**
- c. To consider for adoption a resolution (2010-057) authorizing the Mayor to sign the amended Hammons Hotel Project agreement**

Administrator Darrington said that this is still in progress, we have some verbal agreements with them but whether this is ready to be adopted on the 30<sup>th</sup> or not, we don't know at this point. We have already sent them the invoice to make the payment and are confident that they will the issue is that we have to have a signed document by December 1<sup>st</sup>.

**December 7, 2010:**

- a. Fire Chief Marc Sanderson to present a plaque to the Richard Johnston family**
- b. To consider the request of Barry Edwards for approval of a six lot division of land called Baylie’s Bend Subdivision Plat B, being Phase 2 of the development as a whole; located at approximately 2490 North 700 West in the R1-20 (Single Family Residential) zone (NORTH FIELD NEIGHBORHOOD)**

Engineer Lewis said that this was originally approved for fourteen lots and they came back with the slowdown in the economy and asked if they could phase out those lots and create Phase 2 and combine and create two more lots. In this process we will also finish up the right of way dedication needs along 2600 North and there will be two large parcels left that could further split into two more lots in the future.

- c. Public Hearing to consider the request of Jared Bishop for approval of a four lot division of land called Heritage Grove Subdivision, including the vacation of lot #24 of Heritage Estates Subdivision Plat A; located at approximately 2800 North 900 West in the R-R (Rural Residential) zone (MANILA NEIGHBORHOOD)**

Director Young said that this is a revised version of the plat.

- d. Public Hearing to consider for adoption an ordinance (2010-20) to amend Chapter 10-19/ Signs and Outdoor Advertising; by adding exemptions for business signage and extending timeframes for commercial banners; and creating three new theme districts for wall signage; and expanding the advertising area for freestanding signage for the purpose of creating greater visibility and advertising options for businesses in the city**

Director Young stated that a lot of work has gone into this ordinance, we have gotten a lot of feedback from the Downtown Advisory Board and staff has looked at this thoroughly and we feel that it is time to bring it forward for approval.

- e. **To consider for adoption a resolution (2010-058) authorizing the Mayor to declare a 2003 Smithco Superstar Field Conditioner, a 1995 Smithco Super Rake and a 1994 Smithco Super Rake as surplus property and allow them to be sold at bid (CITYWIDE IMPACT)**

Director Giles said that the four wheeler vehicle that they use for ground maintenance works better and at a fourth of the cost, so with the funds from this surplus we will purchase another four wheeler.

- f. **To consider for adoption a resolution (2010-059) authorizing the Mayor to execute an Interlocal Agreement with American Fork City for a contract to lease dark fiber from American Fork for internet services to city offices (CITYWIDE IMPACT)**

Administrator Darrington said that item “f” and “g” are tied together, we have been working with our IT contractor, Jeremy Roos on some fiber that American Fork has that is not being used which will provide faster internet service for a lower price.

- g. **To consider for adoption a resolution (2010-060) authorizing the Mayor to accept a bid from American Fiber for internet bandwidth services to provide internet services to city offices (CITYWIDE IMPACT)**
- h. **To consider for adoption a resolution (2010-061) adopting the MAG 2010 Pre-Disaster Hazard Mitigation Plan (CITYWIDE IMPACT)**

Administrator Darrington stated that this is for the emergency management plan.

- i. **Review and approve the 2011 city meetings schedule**

## **10. Mayor, City Council and Staff Business**

- Director Bradford mentioned that the State Street Grill on 2000 West and State Street is now open for business.

There will be a ribbon cutting on November 27<sup>th</sup> at 10:00 a.m. for Brigham’s Piano Service located at 185 West 200 South. Director Bradford pointed out that this is a full service piano store, they sell new and used instruments and they do refurbishing in the shop as well as offer maintenance and tuning for pianos.

- Director Walker reported that the crews are prepared for snow plowing.
- Council Member Boyd asked if the city accepts any food donations. Director Young stated that there will be an announcement in the upcoming city newsletter for a Holiday Food Drive with drop off locations which is being sponsored by Community Action Services and Food Bank of Utah County. Director Giles added that the library also has the “Food for Fines” program.

- Council Member Danklef thanked everyone for all of the hard work on the utility rate item. Mayor Call also thanked the staff and said that they have been very responsive and that is appreciated.
- Mayor Call mentioned the TSSD Board appointment and asked how that was coming along. Administrator Darrington said that we had talked about having Council Member Jensen replace him on the board and Commissioner Ellertson asked that he stay on through the end of the year while they take care of some issues. Administrator Darrington said that none of those issues are going to be taken care of anytime soon so if we are to move forward on this then we will have to get with Commissioner Ellertson and let him know who we would like to have take his place and that he would contact him to take care of this.

**The Mayor and Council signed the Sun Ridge Estates Plat A Subdivision plat.**

### **11. Executive Session**

Executive Session to discuss pending or reasonably imminent litigation (UCA 52-4-205(1) (c)) and to discuss the purchase, exchange or lease of real property (UCA 52-4-205 (1) (d)).

**ACTION:** At 8:19 p.m. Council Member Jensen moved to go into an executive session, to hold a strategy session to discuss pending or reasonably imminent litigation (UCA 52-4-205(1)(c)) and to discuss the purchase, exchange or lease of real property (UCA 52-4-205 (1) (d)). Council Member Danklef seconded and the motion passed unanimously with Council Members Boyd, Danklef, Jensen, Robinson and Wilson voting “Aye.”

PRESENT:

Mayor:

Bruce W. Call

City Council Members:

Cindy Boyd

Val Danklef

Lee G. Jensen

Kim Robinson

Jeffrey D. Wilson

Others:

Scott Darrington, City Administrator

Tina Petersen, City Attorney

Colleen A. Mulvey, Deputy City Recorder

**ACTION:** At 8:48 p.m. Council Member Wilson moved to close the executive session and return to regular session. Council Member Jensen seconded and the motion passed unanimously with Council Members Boyd, Danklef, Jensen, Robinson and Wilson voting “Aye.”

**ACTION:** At 8:49 p.m. Council Member Wilson moved to adjourn the meeting. Council Member Jensen seconded and the motion passed unanimously with Council Members Boyd, Danklef, Jensen, Robinson and Wilson voting “Aye.”

**10. Adjourn**

Meeting adjourned at 8:49 p.m.

This certifies that the Work Session  
Minutes of November 23, 2010 are a true,  
full and correct copy as approved  
by the City Council on January 18, 2011

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Colleen A Mulvey, Deputy City Recorder

*(Exhibits are in the Work Session Minutes binders in the Recorder's office)*