

**Pleasant Grove City  
City Council Meeting Minutes  
Work Session  
August 26, 2014  
6:00 p.m.**

PRESENT:

Mayor: Mike Daniels

Council Members:

Dianna Andersen  
Ben Stanley  
Jay Meacham  
Cindy Boyd  
Cyd LeMone (arrived at 6:14 p.m.)

Staff Present:

Scott Darrington, City Administrator  
David Larson, Assistant to the City Administrator  
Dean Lundell, Finance Director  
Deon Giles, Parks and Recreation Director  
Degen Lewis, City Engineer  
Kathy Kresser, City Recorder  
Mike Smith, Police Chief  
Marc Sanderson, Fire Chief  
Tina Petersen, City Attorney  
Ken Young, Community Development Director  
Lynn Walker, Public Works Director  
Sheri Britsch, Library and Arts Director

The City Council 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 Daniels called the meeting to order and noted that Council Members Andersen, Meacham, Boyd, and Stanley were present. Council Member LeMone was not present and arrived later.

**2) Pledge of Allegiance.**

The Pledge of Allegiance was led by Council Member Stanley.

**3) Opening Remarks.**

The opening remarks were given by Council Member Meacham.

4) **Approval of Agenda.**

**ACTION:** Council Member Stanley moved to approve the agenda as written. Council Member Meacham seconded the motion. The motion passed with the unanimous consent of the Council. Council Member LeMone was not present for the vote.

5) **Discussion with representatives of TestOut Corporation regarding the vision for downtown development.**

Douglas Edwards introduced himself as the General Manager of TestOut, and provided a background on the company. Mr. Edwards noted that he has been with TestOut for over 21 years. Mr. Edwards explained that TestOut was founded in 1991 as a computer and IT skills development training company. The sole owner is Noel Vallejo. It was noted that Heath Vallejo was also present at the meeting. TestOut does not sell directly to individuals, but rather sells through academic institutions. Their primary goal is to train, certify, and employ individuals; thereby changing lives by helping people find careers.

Mr. Edwards explained that TestOut has locations in eight to ten countries and are continuing to expand. The building located on Main Street was purchased in March of 1994. A second building was purchased and remodeled in 1997. A third building located at 22 South Main, was purchased within the same time frame, and used for direct mail. This building is now primarily used as a warehouse. Mr. Edwards stated that TestOut purchased the bank building a few years earlier and acquired additional buildings. Recently they also closed on another building with Craig Smith. Mayor Daniels asked which buildings TestOut Corporation does not own in the vicinity. Mr. Edwards noted that they do not own the dentist and chiropractic offices, nor do they own the Smith Drug building, the Harts building, and one of the houses on the back side of the road.

Council Member LeMone joined the meeting.

Mr. Edwards explained that back in the 1990s, TestOut started as a company with about 20 employees. In the early 2000s growth was steady and profitable and the most significant changes were made between 2008 and 2009, which led to dramatic growth of about 30%. TestOut now has between 70 to 80 employees.

Mr. Edwards spoke about the owner, Noel Vallejo, and explained that he is a kind and generous individual, as well as a good businessman. When the company celebrated its 20 year anniversary in 2011, Mr. Vallejo purchased Christmas lights for the trees on Main Street in downtown Pleasant Grove. Additionally, he has hosted drinks at Harts, various BBQs for business neighbors as well as for the Police and Fire Department. Mr. Vallejo also instituted Service Days for the City. Mr. Edwards stated that Mr. Vallejo is always thinking of ways to give back to the City.

Mr. Edwards segued into a discussion about the future and stated that the company is still in growth mode, and therefore needs more space. Currently, the company is remodeling the old dental building, as well as the building on the corner of the block that will be used as a fitness facility. Mr. Edwards remarked that Mr. Vallejo is in favor of growth that can mutually benefit his employees as well as the City's overall development. Furthermore, Dr. Bezzant's old dermatologist building, which will soon be remodeled, will provide sufficient space until the company moves forward with the next stage. Mr. Vallejo's vision with Main Street was for it to be laid out like a campus. The

company's motto is that they are "Main Street, not Wall Street." TestOut is a self-funded organization that functions with their own revenue sources and is nearly debt free.

Mr. Edwards stated that TestOut is committed to the quaint culture of the downtown area. As the company remodels buildings, especially those located from the bank building and further north, they will be left with the same for the most part. The only changes that may be made will be to update the facades. Those changes will all be in line with City requirements. Mr. Edwards pointed out that not all buildings will look the same, when remaining with the period of each building. TestOut is also committed to retail on the Main Street frontage. Mr. Edwards noted that if the company growth moves forward as projected, they will need to hire hundreds of employees, thereby requiring much more space. Planning is just in its conceptual phase at this point. Parking will go underground due to the size of the buildings and the company would like to maintain some green space.

Mayor Daniels noted that TestOut has had a very successful business model. He also remarked that from the City's perspective, their remodeling projects have been outstanding. He asked Mr. Edwards to elaborate on TestOut's timeline in terms of future growth. Mr. Edwards explained that the company is about one year out from arriving to any solid conclusions. When they reach that point cost projections will also need to be made. He noted that moving into a building can take 12 to 18 months. Therefore, it will be between three to five years before TestOut does anything noticeable.

Council Member Stanley expressed his appreciation for TestOut's corporate model, and commented that his dad has taught through their programs. Council Member Meacham asked Mr. Edwards why TestOut chose Pleasant Grove, specifically in the downtown area. Mr. Edwards explained that prior to moving to Pleasant Grove, TestOut was a young business operating out of a basement in Orem. Mr. Vallejo had just moved to Cedar Hills at the time and he would drive down Geneva Road on his way home every night. During his commute, he came across the building on Main Street, which was up for sale. The seller was very motivated and the price was right as was the location.

Council Member LeMone asked if the office space they are planning for future remodeling is currently being occupied by employees. Mr. Edwards replied that the Wells Fargo Bank would be a natural place for TestOut to expand to, because it has a lot of space and the servers could be stored in the vaults. However, the problem with the bank is that there is a potential asbestos problem. Mr. Edwards explained that TestOut is just now starting to clean out the other building and it has quite a bit of direct mail machinery. Since the company is primarily based online, much of the old inventory is being cleaned out.

Council Member Meacham asked if the space needed will be for classrooms. Mr. Edwards responded that their entire curriculum is delivered online. The company develops the curriculum which in turn is used by schools. He noted that their vision for the theater will be to use it primarily for business conferences. Council Member Boyd thanked Mr. Edwards for TestOut's community mindedness. She acknowledged the company's respect for the City's vision for the downtown area and stated that Pleasant Grove has the second most popular downtown in Utah.

Council Member Meacham requested that as TestOut continues to grow they also consider ways to bring more residents to the downtown area. Mr. Edwards agreed that this matter will be included in the dialogue moving forward. There was continued discussion. Community Development Director,

Ken Young, concluded that as staff has had these discussions with TestOut over the past several months, they have also been pleased that the company has had a vision for the downtown area that is similar to theirs.

**6) Discussion on agenda items for the September 2, 2014 City Council Meeting.**

Mayor Daniels announced that there will be a work session mini-retreat on August 28, 2014. City Engineer, Degen Lewis, explained the first item on next week's agenda, which will be adoption of an ordinance amending the City Code regarding landscape requirements in street parkways. This item was brought forward when requests were made from the Pemberley HOA as well as the developer of the new extra storage space, both of whom wanted to install xeriscape landscaping rather than trees and sod. The proposed ordinance will include details such as the minimum required width of the park strip, where they will be located, and the minimum tree size throughout the City. It was noted that currently, everything north of 2600 North is supposed to have a park strip.

Engineer Lewis explained that Park and Recreation Director, Deon Giles, has come up with a Guide for Trees with the Pleasant Grove Beautification Commission. One of the sections specifically addresses boulevard parkway trees. The ordinance requires individuals to follow the recommendations as they are laid out in the guide. He continued to explain that the proposed ordinance contains details on ground cover, which will be broader than just having rocks. Furthermore, any rocks used for landscaping purposes will need to be washed and cleaned and be at least three inches in diameter.

Council Member Boyd asked how weeds will be maintained, as they are very unsightly once they have grown up through the rocks. Director Giles replied that weed mats can be used underneath the rocks, which makes weeds easier to remove. Council Member Boyd asked if this could be listed as a requirement. Engineer Lewis reassured her that the standard drawing shows some form of a weed barrier. Council Member Boyd asked who would oversee that weed barriers are installed. Engineer Lewis explained that this would be done during construction. Furthermore, it will be easy for City staff to determine whether or not the mats have been installed. There was continued discussion on landscaping options other than sod and how the use of xeriscaping can greatly reduce water usage.

Council Member Stanley inquired about the approval process. Engineer Lewis explained that presently permission is needed to change the trees shown on a landscape plan. The ordinance would allow a property owner to change their entire landscaping plan to xeriscaping. City Administrator, Scott Darrington, added that a public hearing on the matter will take place during next week's Regular Meeting.

Director Young spoke about the second item on next week's agenda, which will be adoption of an ordinance amending the Pleasant Grove General Plan. He explained that a couple of months ago, staff approached the City Council with proposed amendments to the first two chapters of the General Plan. It was determined that the first chapter will include demographic information and the second chapter will mostly consist of the land use map. Director Young reviewed the proposed changes as well as the land use map and stated that an in depth overview will be provided at next week's meeting.

Mayor Daniels commented that amending a General Plan can be a significant undertaking. He suggested that the project be broken up into different sections so that instead of reviewing it in one huge lump every several years, it is constantly being reviewed on an annual basis. This would allow the City to only review the sections that are applicable to the City in the given year. Director Young explained that staff moved forward in reviewing the entire plan because of a few chapters that required more in-depth review. He agreed with Mayor Daniels that rather than talking about the whole plan, one specific chapter such as the Urban Design Chapter, should be reviewed. Staff, however, has been waiting to see what happens with the Public Safety Building before making major changes.

City Attorney, Tina Petersen, reminded them to make sure that they abide by all of the notice provisions. Council Member LeMone asked if everything online has been updated. Director Young replied that there is quite a bit that still needs to be updated. Council Member Meacham asked if a revision date will be specified for each chapter. Mayor Daniels responded in the affirmative.

Director Young next discussed the third item on next week's agenda, which will be the consideration of approval for a two-lot final plat called Winter's Cove Plat A. Engineer Lewis added that curb and gutter will be also installed. Council Member Stanley remarked that the application seems straight forward. Council Member Meacham asked staff to elaborate on the City's property. Engineer Lewis explained that the property was donated to the City by the developer of the Sun Ridge Development. The property is comprised of the former access to Bob Bingham's property as well as several other properties along the way.

The fourth item on next week's agenda will be approval of a two-lot final plat called Tuscany Farms Plat E. Director Young explained that between two property owners, one has been letting the other use a portion of their property for gardening. They have finally decided to combine the two lots and create Tuscany Farms.

Last on next week's agenda will be a resolution to authorize the Mayor to sign an Independent Service Agreement with Jeremy Roos, for various IT needs. Administrator Darrington stated that Jeremy Roos has been under contract with Pleasant Grove City for seven years. Mr. Roos asked that the City revisit his Agreement, namely that his pay be raised from \$60 per hour to \$65 per hour. The City pays him a base amount as well as an hourly wage. Administrator Darrington noted that at this point Attorney Petersen still needs to review the contract.

Mayor Daniels asked if there have been any problems with the services Mr. Roos has provided. Administrator Darrington explained that Mr. Roos has a contractor assigned to Pleasant Grove and staff has been pleased with their work. Mayor Daniels asked Administrator Darrington if he has compared rates with IT contractors from other cities. Administrator Darrington relayed that Mr. Roos informed staff that his other clients pay the new rate. Council Member LeMone wanted to see how Pleasant Grove compares to other cities and wanted information other than hearsay. Administrator Darrington concluded that there is a chance that this item will not be ready for next week's meeting.

Administrator Darrington reviewed the discussion items for the August 28, 2014, mini-retreat. The retreat will begin at 8:00 a.m. and end around 1:00 p.m. He asked for feedback from the Council as to the order in which to discuss certain items. Administrator Darrington explained that the Public

Safety Building will be discussed as well as the associated utilities, maintenance costs, and technology costs. The Council previously asked for a definition of these items and staff was working with MOCA to provide the requested information. He noted that all of the items are listed as soft costs on the bond. Item "C" on the agenda will relate to public outreach leading to the election. Council Member LeMone suggested that the City solicit MOCA's feedback on this item as well. Administrator Darrington explained that the contract with MOCA has expired, however, they are still willing to answer questions. He suggested that item "D" on the agenda relate to the public hearing scheduled for September 16, 2014, that will take place at the junior high.

Other discussion items for the mini-retreat will include updates on economic development, as well as updates on the Hammon's property. Additionally, there is a group interested in developing a manufacturing plant in Pleasant Grove. The group is based in Hawaii and currently has a facility in Lindon. They are interested in consolidating their growth in Pleasant Grove.

The fourth item listed on the August 28, 2014, agenda relates to Public Works and Parks, including updates on the City's funding plan for roads. Staff would specifically like to discuss Provo's model and how they are funding their road projects. Administrator Darrington stated that the City has a 10-year reconstruction and maintenance plan, with a certain amount of funds. The discussion that staff would like to have with elected officials has to do with ways funding can be increased to do more than what is currently outlined in the 10-year plan.

Mayor Daniels explained that he requested that staff prepare a comprehensive plan that outlines ways the City can get ahead of the curve with respect to road repair and maintenance. This will be a very large financial figure that will likely intimidate the public; however, if the issue is not addressed, eventually all of the City's roads will deteriorate. Administrator Darrington stated that the requested plan will not be ready by the August 28 mini-retreat. Mayor Daniels suggested that the plan be ready by the beginning of the next fiscal year, which starts on July 1, 2015. Administrator Darrington agreed and added that he anticipates that staff will have a draft of that plan available for review during next year's annual budget retreat.

Attorney Petersen asked Mayor Daniels if there have been any discussions at the MAG meetings regarding upcoming legislation that will potentially increase road funding. Mayor Daniels explained that the discussion has been to push the matter to the State Legislature. However, it is not looking favorable at the State level either. Brian Green, who was present at the meeting, added that there were several proposed plans at the last legislative session regarding road funding. However, because it was an election year, discussions on tax increases were very sensitive. Mr. Green explained that there were plans that would change the formula for the gas tax that would lower the per gallon rate and in turn be converted to an increase in the general sales tax. Currently, the State of Utah has a shrinking contribution from each user because people are driving less and using vehicles that are more fuel efficient. Another option proposed in the last legislative session was to allow for local tax increases. Mr. Green expressed the importance of grassroots awareness on the issue, and how critical it will be for the public to put pressure on the legislature as well as on UDOT.

Attorney Petersen noted that she sits on the LPC Committee and stated that there have been discussions about another plan that could potentially provide more funding for local entities. She stated that the Utah League of Cities and Towns is pushing for it and Ken Bullock is at the forefront of the plan. Council Member Andersen referenced a recently published article on the matter.

Last, Administrator Darrington stated that staff will provide a quick update on the secondary water during the August 28 mini-retreat. Additionally, there will be a brief discussion about the Public Works property, and two separate bids on Shannon Fields. Mayor Daniels suggested that time constraints be placed on each item.

#### **7) Neighborhood and Staff business.**

NAB Chairperson, Libby Flegal, spoke about park strips and stated that she doesn't have any in her neighborhood. She explained that she has a difficult enough time keeping weeds out of the street where the asphalt meets the gutter. Additionally, her neighborhood committee met with Sergeant Nelson last week and he mentioned that there are issues with garbage around the City. They discussed the idea of doing a City-wide cleanup. Ms. Flegal noted that the Neighborhood Committee could use help from public works.

Library and Arts Director, Sheri Britsch, reported that a Boy Scout group painted the stalls in the bathrooms at the library. All that remains to be done are the counters. She noted that the paint was donated by Allreds. She thanked everyone for the well wishes and flowers.

Several other staff members shared business matters relative to their department. Engineer Lewis announced that repairs to the traffic signal at Proctor Lane will take place tomorrow. Furthermore, the City needs to adopt the revised standard drawings. There are two specific changes that need to be made to street signs as well as size increase to sidewalks. Finance Director, Dean Lundell, reported that the quarterly report is coming up. Police Chief, Mike Smith, provided a brief update on Everbridge and explained that the system will be the most effective with as many registrants as possible. The Police Department will be starting a media campaign in order to inform citizens.

#### **8) Mayor and Council Business.**

Council Member Meacham stated that recently he distributed a link that reported that Pleasant Grove was listed as the seventh best place to live in Utah. The article also reported that the odds of being a victim of a violent crime in Pleasant Grove is 1 in 3,490. Council Member Meacham commended the Police Department for this statistic.

Council Member Meacham noted that he gets an undeliverable message whenever he tries emailing Council Member Stanley. Other Council Members concurred that this has happened to them as well. Last, Council Member Meacham reported that he received a call from a Council Member in Cedar Hills wanting to discuss 100 East. Administrator Darrington replied that he has been working with David Bunker on a proposal for the County, requesting that they take ownership of the project.

Council Member Andersen reported that she met with the owner of Culinary Crafts on State Road and 550 West State Street and noted that the business will move in on September 18, 2014. Council Member Andersen relayed that the business owner had many nice things to say about the process of working with the City. Council Member Andersen spoke about the 50-year storm that recently occurred. Council Member Stanley added that Public Works Director, Lynn Walker, went above and beyond in assisting a resident in his neighborhood with flooding that occurred in her home as a result of the storm.

Council Member Stanley requested that the Daniel Zupalla project be added to the upcoming agenda. Director Lundell responded that the project cannot move forward until the accounting software is updated. Last, Council Member Boyd announced that she will be gone next Tuesday.

**9) Signing of Plats.**

There were no plats to sign.

**10) Review Calendar.**

There were no calendar items to review.

**11) EXECUTIVE SESSION TO DISCUSS THE PURCHASE, EXCHANGE OR LEASE OF REAL PROPERTY (UCA 52-4-205 (1)(d)) THE SALE OF REAL PROPERTY (UCA 52-4-205 (e) AND PENDING OR REASONABLY IMMINENT LITIGATION. (UCA 52-4-205 1 (c))**

Mayor Daniels asked for a motion to go into executive session to discuss the purchase, exchange or lease of Real Property (UCA 52-4-205 (1)(d)), the Sale of Real Property (UCA 52-4-205 (e) and Pending or Reasonably Imminent Litigation (UCA 52-4-205 1 (c)).

**ACTION:** At 8:06 p.m. Council Member LeMone moved to adjourn the Regular Work Session and go into an Executive Session to discuss the purchase, exchange or lease of Real Property (UCA 52-4-205 (1)(d)), the Sale of Real Property (UCA 52-4-205 (e) and Pending or Reasonably Imminent Litigation (UCA 52-4-205 1 (c)). Council Member Stanley seconded the motion. The motion passed with the unanimous consent of the Council.

**PRESENT:**

Mayor: Mike Daniels

Council Members:

Dianna Andersen  
Ben Stanley  
Jay Meacham  
Cindy Boyd  
Cyd LeMone

Staff Present:

Scott Darrington, City Administrator  
Tina Petersen, City Attorney  
Degen Lewis, City Engineer  
Kathy Kresser, City Recorder

Mayor Daniels called for a motion to come out of executive session and adjourn.

**ACTION:** At 8:51 p.m. Council Member Stanley moved to come out of executive session and adjourn. Council Member Meacham seconded. The motion passed with the unanimous consent of the Council.

The City Council Meeting adjourned at approximately 8:51 P.M.

As approved by the City Council on September 23, 2014.

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Kathy T. Kresser, City Recorder

*(Exhibits are in the City Council Minutes binders in the Recorder's office.)*