

Pleasant Grove City Council Work Session Minutes
May 25, 2010
6:00 p.m.

PRESENT:

Mayor:

Bruce W. Call

City Council Members:

Cindy Boyd

Val Danklef

Lee Jensen

Kim Robinson

Jeffrey D. Wilson

Excused:

Colleen A. Mulvey, Deputy Recorder

Others:

Scott Darrington, City Administrator

Tina Petersen, City Attorney

Dean Lundell, Finance Director

Richard Bradford, Ec. Dev. Director

Lynn Walker, Public Works Director

Tom Paul, Police Chief

Deon Giles, Leisure Service Director (came into the meeting at 6:55 p.m.)

Marc Sanderson, Fire Chief

Kathy T. Kresser, City Recorder

Karen Bezzant, Treasurer

Libby Flegal, NAB Chair

The City Council Members and staff met in the City Council Chambers, 86 East 100 South, Pleasant Grove, Utah 84062 at 6:00 p.m.

AGENDA

1. Call to Order

Mayor Bruce W. Call called the meeting to order and indicated that Council Members Wilson, Jensen, Robinson, Danklef and Boyd were present.

2. Pledge of Allegiance

Mayor Call led the audience in the Pledge of Allegiance

3. Opening Remarks

Council Member Jensen gave the opening remarks.

4. Christina Davis to update Council on the I-15 Core Project

Geoffrey Dupaix commented that he is the Public Involvement manager for the I-15 Core Project.

He then introduced Amalia Deslis who is the Public Involvement Coordinator for the Pleasant Grove area. What he would like to do tonight is to give an overview of the I-15 project and how they are handling the communication with the public on the project. He said hopefully everyone has seen the work that has been going on with the Interstate; the construction will include rebuilding several of the interchanges throughout the project. We have a very aggressive time frame to complete the project by 2012. With that we want to make sure everyone knows what is going on. The way the construction area is broken down we have three different areas that we will be working on. The north area will include Lehi Main Street to 200 South in Lindon from that point down to south University Parkway. The third work area goes from about the Orem/Provo border down to University Ave and Center Street. We want to make sure that there is communication between us and the public. Amalia Deslis is the contact person for the north area and is very experienced with transportation. With the coordinators UDOT is also trying to do a mass communication effort. We have created the web site so it will be a one stop shop of information. Some of the tools that have been added and will continue to add to the web site is an interactive map which will show the design elements of the project and construction elements of the project so people will be able to go in and see where the construction will be taking place and where the planned closures will be. We also send out weekly email updates. The email updates that we send out are in two different forms, the first one is what we call Project "Y", this one is less detailed about what is going on but if you signed up for the "work area" update there is more detail because we are trying to focus on certain areas for closures and construction. We are also using other methods of the media to get the word out which are TV ads, newspaper and radio ads, right now we are encouraging people to use these to adjust their travel time, with the holidays that are coming up. This will help to let people know the area that will be slower for travel. Mr. Dupaix said that we have to use as many tools as we can to communicate to the public. There will also be online ads where you can go to KLS.com and click on the links to get the information. Another tool that they have just included is called the community dashboard with this dashboard you will be able to sign up and customize what you want to see. You can use different web cams to see what the traffic is like. Mr. Dupaix then remarked that the intent is to finish the project by December 2012, that means the contractors are going to have to work 24/7, which is going to have an impact on residents and businesses throughout the project area. He then stated that with the construction there are some bridges that will have to be removed; one of the first bridges that will be removed is the 2700 North Bridge in Spanish Fork that will be removed around mid June. He then showed Council a map of the different stages of construction that will take place throughout the project. Mr. Dupaix then turned the time over to Ms. Amalia Deslis to comment.

Ms. Deslis said that she is the Public Involvement Coordinator from the Lehi to Lindon area and if you have any questions you can direct them to her. She then said that some of the projects that are being worked on at this time are the 500 East Bridge in Lindon to prepare for the I-15 widening there. They are also working on the Sam White's Lane Bridge and the 200 South bridge in Lindon. We have shifted traffic around the bridges to allow the construction workers to continue work in the center which will bubble the traffic around the bridges. We are going to begin construction around the bridge farms in the late summer. The bridge farms will be located near all the bridge locations. She also commented that 200 South is going to be closed next summer for approximately 6 months and Proctor Lane 1300 West will be the alternate route for that closure. They will be working on bridges on Geneva Road and we will have road closures for the utilities that will have to relocate. Ms. Deslis then said that one of the things that they are trying to encourage the public to do is to travel wisely to minimize delays by shifting travel times to different times of the day, consider car pooling, and working from home if possible. One of the campaigns that the UDOT is promoting is called "Stay an extra day." We are currently working with the office of tourism to help with

recreational destinations which will give the public various travel offers to some of the different recreational sites throughout Utah. To get this information you can visit udot.utah.gov/stay an extra day.

Mr. Dupaix asked if there were any questions from the Council. There weren't any. Mayor Call thanked Mr. Dupaix and Ms. Deslis for coming and complimented them on the efforts that UDOT is going through to keep the public informed about what is going on in the State and County.

5. Discussion on use of social media for Pleasant Grove City

Mayor Call read this item and then turned the time to Council Member Boyd. Council Member Boyd commented that when she was down to the Utah Leagues of Cities and Towns, Desert News did a presentation about social media and how the Cities can use it. They have created an active link for each City which will lead to Twitter, Facebook, blog and other kinds of social media. Council Member Boyd then said that most people are getting their information from the computer, TV's, and cell phones by using Twitter and Facebook, which is the way this generation is going.

City Administrator Darrington commented that Pleasant Grove already has a link through the Deseret News and they are just looking for information from the City to update so people can get the most current information. The benefit of using social media is that we can post what happened at City Council or any other things that we would like to put on there. With Twitter only use one hundred forty characters whenever you send out a tweet so if we were to put the City Council agenda on it there would be a link that went back to our website, that is what it does it links you to different information so they get it automatically. With Facebook you can put the information in and people can read it without going to different links. If Council is okay with this then Staff will need to sit down and figure out if we are going to go with Twitter or Facebook or both. We could have one city account that all the employees and department heads can access or someone in their department can have access and they can post at any time, or we can set up individual accounts for each department so they can update their own information. It's all free so there is no cost to the city. Facebook is just a matter of setting up an account and figuring out what information we want to put on it and who will be responsible for keeping it updated. In essence we create this grand network that over time we could have five hundred of our residents that will follow us on Twitter or even up to one thousand friends that would be following the City on Facebook.

Council Member Boyd mentioned that in the meeting a lot of the cities are very pro in doing this but other cities said that you just open a can of worms. If we do this we will need to be very careful of what is being put on. Attorney Petersen questioned if other cities had a policy in place to cover this. Council Member Boyd replied that she thought that they did because there was a discussion about the legal things that can happen. City Administrator Darrington commented that we do have to be careful, but we can have a policy that only certain people can post what goes on there.

Council Member Jensen suggested that someone from the City should call and get information from other cities as to what they are doing. City Administrator Darrington responded that there are enough cities out there doing it, it shouldn't be a problem getting a policy from another city.

Fire Chief Sanderson said that he was curious about how we can control what the friends of Pleasant Grove City can post that would be one of the negatives about doing this. City Administrator Darrington said that you just don't let them comment. Mayor Call commented that he loved the idea

and he would like the City to do to it, but the biggest problem is being consistent with getting the new stuff out there and he didn't think that the City has anyone to take the time out of their day to do that. City Administrator Darrington replied that we would split it up between different departments and have someone from each department do the upkeep of the site. Also the Director will have to approve anything that will go on there then we can regulate it that way. He also said that if we don't allow comments from the public then that should take care of that problem Mayor Call said that he liked the idea and Staff should move forward.

6. Review and discussion of permitted uses in the Grove Zone.

Mayor Call turned the time over to Director Young for discussion. Director Young indicated that Staff is prepared to start the discussion but would like to get a feel from Council as to what direction they would like to go. There has been a lot of discussion regarding what we are planning on doing in the Grove Zone. Staff has come up with some recommendations to present to Council, but we are not presenting an ordinance change at this time. We have gone through the different sub-districts in the Grove Zone and those sub-districts are the Commercial Sales Subdistrict, the Mixed Use Subdistrict and the Interchange Subdistrict. Staff would like to get Council's feel on certain uses that will be allowed or allowed with conditions and eventually we might want to discuss the boundaries of each sub-district. The Interchange Subdistrict came from an amendment from the Gateway zone and the boundaries for that sub-district were expanded. A question has arisen about the need for having all that area for interchange, maybe we should have more commercial sales available for that area. There is no particular format or agenda Staff would like some direction from Council as to where to go from here. Director Young then turned the time over to Planner Allen to highlight the changes that have been discussed. Planner Allen indicated that most of the changes that have come about are from the Economic Development meetings that have been held and have gotten changes Council Members and Staff at Community Development Department.

Council Member Boyd commented that there might have been some confusion on what a permitted use is and what a conditional use is. We have talked about the apartments and then we found out that they are not a permitted use, so she would like to clarification between the two uses. Director Young said that a conditional use gives more control with certain types of uses where we can say we want to take a second look at these or we want to have the ability to control it just a little bit more. Planner Allen commented that what we look for is to see if there is an impact to the zone or if there is an impact to the purpose, for example having a university in the Sales District. In the Mixed Use zone if you have residential involved heavily then some of your uses like amusement park and convenience stores are not going to make good neighbors so we can say this is the impact and this is the condition that you would have to follow if you want to keep it in the zone. Attorney Petersen added that in the Interchange Subdistrict we kept the list kind of small so let's take for example eating places including fast food drive through establishment. If an eating place comes in and wants to be placed in that sub-district then the Council will look at it and decide what kind of an impact a 24 hour drive through restaurant would have on the surrounding uses in the zone, is it noise? Is it traffic? Is it lights? So, those types of impacts you can mitigate by putting conditions on. You can require them to put domes or certain screening on the lights so the light will go down instead of out. You can have a condition for where their accesses are so the traffic will not be right next to residential, things like that, but you are not going to be able prohibit the use unless there is not a way to mitigate that negative impact.

Director Young said that if there is a concern with a fast food coming into the Interchange Subdistrict

in the near future then if we want to have any control then we have to look at if we want to permit it or add it as a conditional use or do we want to prohibit it then we have to put it in the text of the zone.

He said that he has gone through the Land Use Code and the numbers that are attached to each use and with that number will shed a little more light on that use, for instance Land Use #5800 is Eating and Drinking Places and then under that umbrella or subsection Land Use #5810 lists eating places which is fast foods and drive through establishments which is listed as a permitted use, but Land Use #5811- restaurants is not on the permitted or conditional use list. So what we want to do is move the #5810 under conditional uses and then add #5811 as a permitted use. Council Member Boyd noted that restaurants are not in there but fast foods are and that is not what we wanted.

Mayor Call asked Planner Allen how Council should now proceed with this. Planner Allen replied that we could go though line by line and see if there is a concern with the use. Mayor Call suggested that each council member go through these items and then at a work session each one comes prepared to say which should be permitted, conditional or not permitted. We can all go on line and get the definitions of each Land Use. Planner Allen said that the land use code isn't on line but he would see if he could find an electronic copy for the Council.

Council Member Jensen asked the significance of the asterisk and the underline of the uses. Planner Allen replied that those could potentially become big boxes which are a concern. Council Member Boyd questioned that these items could possibly become a big box store and we don't want that in the Interchange? Planner Allen said that that is correct.

Council Member Wilson wanted to address apartments. Planner Allen replied that they are allowed in the Mixed Use Subdistrict, but if Council wants to change it we can look at that.

City Administrator Darrington suggested taking the Interchange Subdistrict first and going through that to make sure all the Land Use definitions are correct and where they should be and then move on to the other subdistricts. Council Member Boyd stated that that is a good idea but wanted to address the apartment's now so if someone wants to come in how are we going to address that? Director Young asked if we are not under pending legislation discussing this, so that should cover any application that comes in. Attorney Petersen replied that that is correct. Director Young said that he would go ahead and submit an application for the ordinance amendment.

Council Member Jensen asked what the difference is between apartments and multi-family dwellings. Mayor Call asked if apartments have a land use code. Attorney Petersen said that in Land Use Code #1130 the definition is for multi-family dwellings which lists the uses that we are anticipating. Land Use Code #1140 the definition is Apartment (Low-Rise or Garden Type) Including Condominiums. Land Use Code #1150 the definition is Apartment (High Rise) Includes Condominiums. So they are different and are designated by different land use codes. So, technically apartments aren't permitted as a use if you go by the specific land use code. The land use code that is listed for multi-family dwellings is very specific about the type i.e. Low Rise and Garden Type. It was not anticipated at the time that they were included in the zone we are discussing that high rise apartment type multi-family dwellings would be included in that. Mayor Call responded that that is something that we need to look at so there isn't any question of what we want.

City Administrator Darrington suggested we should figure out what our vision is for the Interchange.

We need to have this understanding that when we choose the uses we can choose the type but not the business. Just because we don't like so and so brand and we don't want them in our City, we can only control so much. If we restrict the zoning it will take longer to build out.

Director Young commented that with the vision it is very important to remember that the current boundaries of the Interchange are what they are and do we like it or not. This is a decision that needs to be made before we start looking at the uses because uses are going to be related to area and the northern area of the Interchange is acceptable but the southern area is not, so we need to decide if we need to change the boundaries. Council Member Boyd said that from 700 South up was not part of the Interchange originally but was expanded when the outdoor amphitheater was coming. So do we shrink that and get what we really want off the Interchange and not up north. Mayor Call commented that we could have the Interchange boundary follow the Boulevard on up. Director Young responded that that looks pretty on the map but it is better to follow property lines.

Mayor Call then said that all Council Members should look into the Land Use Codes and decide what uses we want. City Administrator Darrington said that the next work session will be June 29th.

7. Budget discussion

City Administrator Darrington suggested that Council review the June 1st agenda first and then come back to the budget discussion. Council agreed to this.

8. Discuss Items for the June 1, 2010 agenda

After discussion of the June 1st agenda it was determined that there weren't any items that were of concern, but Mayor Call suggested that if there are any concerns to contact Director Young.

Note: The budget discussion was held at this time.

City Administrator Darrington stated that at the last budget meeting we had lined out about a seven hundred thousand dollar deficit for next year's budget. We have taken a look at some things and now have it down to about five hundred thousand dollars. Part of what we want to discuss tonight is how we can bridge the gap in this year's budget and see what we can do for next year's budget. He also said that Council Member Jensen handed him a list of items to be looked at and we have addressed most of them and have added dollar amounts to them so we can discuss them. He then said that he and Finance Director Lundell have recommendations for the Council about what we think is appropriate for the City with the understanding that if the Council chooses to go in a different direction they will understand that you make the final decision.

City Administrator Darrington said that in review of the budget he would like to start with the Fund Balance. According to State law the City's Fund Balance should be at a maximum of eighteen percent of the budget so in order for us to meet that number in essence we have one point three seven million dollars that needs to be accounted for by June 30, 2010. So we have five hundred sixty thousand seventy dollars in what we anticipate that we will use this year for the budget gap fund. The revenues have not come in as high as projected, the expenditures are actually coming in a little less but we are still not balancing on the current year budget. So we would take that five hundred sixty thousand seventy dollars of the one point three million dollars to get us through the current year budget which ends June 30, 2010. That will leave us eight hundred seventy thousand one hundred

fifty four dollars which we will now need to account for in some manner whether it is used to bridge the gap for next year or putting it in the Capital Fund or a combination of both and that is what we are proposing. If you look at the graph, in order for us to bridge our gap for this year it is four hundred ninety eight thousand seven hundred dollars, we will use the fund budget balance to patch for fiscal year 2011 which will leave the City three hundred eighteen thousand dollars which we will move it into the Capital Fund. There might be a couple of expenditures that we will have to move but we will have that discussion in the executive session. What we are proposing is that in order to make it through the next budget year let's use our reserve account and then account for what we need to do for next year.

City Administrator Darrington then continued on with the budget review by going over how the numbers went from seven hundred thousand to five hundred thousand. There were several things that were done to reduce the number. He indicated that a member of the Council waived his rights for City health insurance, there will be a sale of vehicles, our City Code Enforcement Officer is leaving to continue his education and we will combine that position and not hire for that. The tipping fees for Allied Waste for the recycling has been reduced, there was also a correction in the retirement that has been made.

City Administrator then said that the next budget item that we are going to discuss is the list of ways to reduce the deficit even more. The first item it part of the employee wage compensation in the terms of a Christmas bonus, if we were to eliminate that it would cut one hundred twenty one thousand four hundred forty four dollars out of the General Fund budget. It is the recommendation of Staff that that it be left in the budget for this year, we feel like that is part of the overall employee compensation package but we did want to have a number for Council so we can have a discussion on it. Another item that has been looked at is the health insurance for employees. The City has a family plan that costs fourteen thousand dollars a year. If the employees are on the basic plan the City covers that cost one hundred percent of the premium. We had a nine percent increase in the health insurance rate and that was an addition of one hundred three thousand dollars to the General Fund Budget. If we require the employees to pay for four percent of the health insurance premium that would save fifty thousand dollars and the cost per employee per month would be one hundred five dollars out of their pocket. The next item that we could look at is the employee events. The summer party for the employees is one thousand two hundred dollars, which is pretty cheap because we just do a barbeque and swim at the pool. The employee Christmas party that is a catered event and held at UVU, last year cost sixteen thousand dollars. There is also a Mayor and Council Christmas dinner that is held with the Department Heads and the cost on that was two thousand dollars. City Administrator Darrington then indicated that the Christmas party and the Mayor and Council party could go away but he felt that the summer party could stay because it is fairly cheap but that is up to the Council to decide. Council Member Boyd commented that the summer party is where we invited the volunteers to come, is that the price including them? Director Lundell replied that that is the cost from last year.

City Administrator Darrington said that another suggestion was instead of eliminating positions is to do an across the board pay decrees for the employees. If we did a four percent pay decrease that would save two hundred thirty three thousand three hundred one dollars, a two point five percent decrease would come to a total of one hundred forty five thousand eight hundred dollars. As we look at it, this is not an action that we need to take this year because of the fund balance that we can use. He continued on, noting that there was a line item for the Council for membership and training that was ten thousand dollars but last year only three thousand dollars was used so that line item was

reduced to three thousand dollars or if Council wants to do away with that that is something that we can do. He indicated that he didn't have an opinion on the IT contracts; there is more analysis that needs to be done on this item. There are some other items that need to be discussed but they have to do with personnel so they will have to be discussed in the executive session. City Administrator Darrington said that this year he would like to keep the employees whole with the understanding that next year all those things will be on the table if the City has another rough year as far as the economy goes.

He then turned the time back over to Council for discussion.

Council Member Danklef voiced his concern with things that may come at the City that won't be in the budget, things like the Lindon project for waste water and other things. He said his concern is if we get hit with even half of that what is the City going to do? City Administrator Darrington replied that there is a difference between the Enterprise Fund and the General Fund for instance the three million dollar project for the storm drain which would be the Battle Creek debris basin and the Grove Creek debris basin, we are working on ways to get that financed using other entities, but the worst case scenario for our City is we would have to pay the three million dollars and that is money, in essence, would come out of the storm drain enterprise fund. There is not three million dollars in that fund that would cover that cost so the City would look at an alternative like bonding to pay for that cost. We just have to keep in mind that bonding for a storm drain project is different than the General Fund budget. Director Lundell commented that any project dealing with the Enterprise Fund should be funded through the user fee that is the way that it is set up. City Administrator Darrington said that those things should pay for themselves that is why we have separate rates for all of those things. He also said that there are expenses in the Enterprise Fund that should be in the General Fund and we will have to make those changes but making those changes will not make up for funding a three million dollar project. Council Member Danklef replied that that is the other comment that he wanted to make, every one hundred thousand dollars that we can save is a hundred thousand dollars that we don't have to bond for the building or whatever down the road.

Council Member Boyd questioned if there has been any feedback from the employees as far as creating an employee committee that could make recommendations as to what the employees would like to see happen when it comes to crunch time. Would they rather skip the bonus or what would they like to see cut if it comes to making cuts. City Administrator Darrington said that he would like to have that set up but because of the timing isn't going to happen at this time. He also said that he didn't know from the past how much input, if any, the employees have had on their benefits, but the employee committee would be very beneficial for next year when we will really have to start looking at cuts in the benefits and salary and let them decide. He also said that there is a mandatory meeting set up for June 2nd for the employees where they will be discussing sexual harassment, insurance benefits and the budget. Whatever is decided here is what we will present to them and say this is where we are in the budget and let them know that we are not being mean but this is where the City is standing with the budget at this time.

Council Member Jensen asked what makes you think they will feel good about the budget in a year. City Administrator Darrington replied because of the involvement of the employees. Council Member Jensen responded that just because we are going to involve more people, but a reduction in force is a reduction in force and it is still going to hurt. Director Lundell stated that it also gives us more time to look at services to see if there is something there that we can cut before we look at cutting employees.

Council Member Robinson said that as the budget moves forward there are other considerations as far as benefits; we have elected officials that get benefits that could be looked at. The City pays eighty five thousand dollars for health benefits for the elected officials where other Cities don't pay that. Mayor Call mentioned that the reason that that item is not on the list is because that is something that Staff shouldn't suggest it is something that we as a Council need to suggest. Council Member Robinson agreed but it is something that should be looked at.

Director Lundell pointed at there are several other things that we can look at like purchasing, we can also make an adjustment to the budget at anytime if we need too. City Administrator Darrington agreed, if the revenues are coming in less than what we projected we can make an amendment to the budget and take care of it immediately. If revenues come in better than projected then that will be a good thing and it will be less money that we will spend out of the Fund Balance.

Council Member Wilson asked if there is a possibility that we will have to raise taxes. City Administrator Darrington said that he didn't think that will be necessary because of the amount of money that we have in the Fund Balance, we don't even have that on the table.

Council Member Robinson asked if there are studies out on our utility rates. City Administrator Darrington replied that yes there is and when we adopt our budget we will be adopting our Enterprise Funds as what they were last year and then when the study is completed then we will have the recommendations and then we may have to make adjustments to the utility rates.

Council Member Jensen stated that municipalities across the nation are facing these same issues, the revenue short falls, the slowing economy is everywhere it is not just a Pleasant Grove issue. If you look at what is happening in Cities across the nation they are taking the tough path as elected officials in saying we are cutting staff, we are cutting services, we are laying people off, we are furloughing people, and they are doing a lot of this to bring their budget in alignment. He said that he is not comfortable with taking the easy way out by saying we have money in the bank lets go spend it. We are here to represent the citizens of Pleasant Grove City we are not here as an employment agency, we are here to manage the City's revenues on issues that are pleasant to do and the issues that are not. He would like to go through and have a discussion on the items that we would feel comfortable doing to help bring the five hundred thousand dollars down and balance the budget.

City Administrator Darrington replied that he thinks that it is helpful to have that discussion but there is one caveat, most of the Cities have already burned through their reserve money that is why they are doing the layoffs and the furloughs. Pleasant Grove is in the position that we are in because we are just now starting to dip into our reserves where other Cities were doing it two years ago they are down to the five percent that the State allows them to have. Council Member Jensen retorted that we as a City don't want to get down to that zero percent so every time we can save we need to save. City Administrator Darrington said that if we were at the eighteen percent then we would be looking at cutting benefits for the employees so we wouldn't go below the eighteen percent. Mayor Call said that he knows that he doesn't get a vote but he feels that same way as City Administrator Darrington does and he agrees with what it being recommended. One thing we need to understand that the rainy day fund is made to use not to hoard and so if we have a situation where we are over the eighteen percent and it makes sense for this year, at least, to use it so we are not doing something drastic to our employees, he would like to buy another year and keep our employees whole. Council Member Robinson agreed and she said she felt fortunate that we have that fund to do that with. She also said

that she doesn't have the hard facts but Pleasant Grove's number per citizen we are short employees. As we interviewed for the City Administrator position we heard repeatedly the number of employees they had in comparison with Pleasant Grove, we run a pretty lean mean machine. We have to be smart and we have to look at different options, but we need time to look at next year and see where we are going.

Mayor Call wondered the thoughts of the Council are in using the surplus to buy an extra year. Council Member Danklef said that he didn't have a problem with using it to get us to the eighteen percent but didn't want to use it beyond that. Just as an example he worked for the State of Utah until he retired, and the State of Utah is in some hard straights and some of the policies that their department made was that there will be no traveling out of state but we will pay for instate training, but no out of state training, there will be no bottled water, there will be no food, they just went right down the line. To be honest he didn't know how much it costs for bottled water but every meeting he goes to they are all over the place. The dinner that we had the other night it didn't make any sense and he has heard that dinner was supplied to the Planning Commission or used to be and that is offensive to him. We are in some tough times across the nation and he agrees with Council Member Jensen. Mayor Call wanted to clarify that we have one point three million over and above the eighteen percent, what would you like to see done with it. Council Member Danklef replied that he would like to see it moved into the Capital Expenditures. City Administrator Darrington said that ideally you would like it to go into Capital Expenditures but for one year you are okay in using it to get us to the eighteen percent.

Council Member Boyd commented that she agrees with using the Fund Balance, her concern is to then put into place the other areas where we can cut back. It seems like we are going to loan ourselves this money and in order to loan ourselves the money then we need to do our due diligence in making those future purchases and future decision based on the fact that we have delved into the surplus. She also said that we need to take it to the employees and see what and where we can cut back next so that we are all in this together.

Council Member Wilson stated that he thinks we are still over spending in a lot of areas. Where he currently works they have cut way back and he is glad that he has a job. When looking at the bonuses why give it when we really can't afford to give it. If we make little cuts then someone wouldn't have to lose a job.

Mayor Call then recapped the opinion of the Council in that they are okay with using the funds that are over and above the eighteen percent to mitigate so we are not doing something drastic but continue looking at the list of items that could still be cut or done away with. Council Member Boyd agreed and commented that even though we are approving the budget doesn't mean that we still can't save and cut and reevaluate. Mayor Call then asked if the Council still wanted to go through the items on the Other Discussion Items sheet. The Council agreed to this.

The first item discussed was the Christmas bonus at one hundred twenty one thousand four hundred forty four dollars. Mayor Call commented that cutting this would be like cutting the employee's wages; this is a wage compensation for them. Council Member Jensen said that the biggest heartburn that he has on this is the fact that he has been on the Council for five years now and this is the first time that he has ever heard anything about this. The part that bothers him is the fact that the legislative body of the City is unaware of these kinds of things going on are now suddenly handcuffed because that is the way that we have been doing it for years now. To him that dog don't

hunt as a rationale of the way we do things. Mayor Call agreed that it does present some handcuffs but from an employee point of view it has been part of the compensation and part of the annual salary. Council Member Wilson stated that in the old days we were just glad to get a turkey. Police Chief Paul commented that saying that the Council did not know about this is not correct, certainly Jeff know about it because he has been a recipient of it. He said that he has heard about it the budget meetings but it may not have been a line item that was pointed out. He then went on to say that this bonus or wage adjustment started out a number of years ago with a turkey and then went to a mid-year pay adjustment and it was done on a percentage of your wage, the more you got paid the bigger your chunk was and that wasn't fair to everyone. That is when they made it an across the board payment. At first it started out at two hundred twenty dollars and then it went up to four hundred forty dollars and then it went up to eight hundred eighty dollars, but he didn't know how the past Council got to eight hundred eighty dollar but that is where we are at. Council Member Jensen responded that this item should have come up every year at budget time and this is the first year that he has heard about it. Police Chief Paul replied that it has been in the budget but it is now more transparent, where before you really had to look for it. Fire Chief Sanderson commented that in 2006 when the fire department went full-time this bonus or pay adjustment was included in the benefit package that was given as a salary for each one of the full time fireman. It was a line item and it was completely transparent. He also commented that every time that Gary Clay presented the budget it was in there. Council Member Wilson interjected that he was happy with getting that but he felt that the eight hundred eighty dollars could be cut in half. Council Member Danklef responded that he would like to see it cut back to two hundred or two hundred fifty dollars. Council Member Robinson said that most of the employees have been hired with the bonus as part of their compensation. Fire Chief Sanderson commented that when the salary survey was done for the employees he thought that the eight hundred eighty dollars was included in each of the salaries. Director Young said that at the time when the study was done it showed that the employees of Pleasant Grove was below the average and that the adjustments were made were leaning towards bringing our employees to the middle of that pay scale, but we didn't exceed that average compensation.

Council Member Jensen retorted that if we are going to be using a yard stick we need to be consistent with using the yard stick for example he has never seen a study done with having to do what is happening across the state with health benefits. The City has great health benefits but to have the City continued to pay one hundred percent of the health care cost but we can't continue to do this. Council Member Robinson said that as we come down the list there are more creative ways of approaching the health care cost. She said that Council Member Boyd mentioned that changes in the deductible verse the change the benefits. Attorney Petersen replied that the City has done that not to long ago. Last year or two years ago the City did that. With the percentage of increase this year is smaller than it has been in the past, we have experienced really large increases in the past and that is when the benefits changed because we had to cover those large increases. This one hasn't been as large as the past and that is why we haven't been talking about having the employees contribute. She also commented that she agrees that in the future the public employer will not be able to offer the health benefits and retirement benefits that they have in the past. She then said that generally the choice to work in the public sector you expect and understand that you will be making a lesser salary but the benefit package has been really good. Council Member Robinson asked if Attorney Petersen if she thought that the Christmas Bonus would be considered part of that benefit. Attorney Petersen replied that the employees in general would look at it that way. Council Member Robinson said that we need to educate the employees as to what good benefits they have.

Director Young suggested that all service or all cost saving perhaps should not be measured by their

dollar value. There are other values to certain areas including morale. When you start cutting just for the sake of dollars you also need to consider the expense of cutting morale. Council Member Robinson replied that cutting the Christmas or summer party is not cutting morale; the bonus is part of what they have planned on. Mayor Call suggested that we put the Christmas bonus on the back burner for now and move onto the next item.

The Council then went on to discuss the employee events. Council Member Boyd voiced her opinion that the cost of the employee parties doesn't even add up to "a hill of beans," that is less than twenty thousand dollars a year. City Engineer Lewis commented that the way that he looks at is come Christmas I am going to get a bonus and a gift and a Christmas party so looking at it from the outside it looks like Christmas is really good. If the Christmas bonus is really a paid compensation then we need to start treating it like a paid compensation and pay it out quarterly or monthly and transition it back into making it part of the base salary. Director Young commented that it's a lot more than just being nice, for some of the employees this is how they pay for Christmas. City Engineer Lewis said that he has neighbors who are not working and things like this look really bad and it is hard to justify almost a thousand dollars per employee. Merrill Haws commented that he works for another City and the things that have attracted him to the job there have left. He said that he enjoys working for Pleasant Grove because it feels like family. He then said he makes less money here than he would somewhere else but he is okay with that because of what he gets from the City. He loves working with his friends and associating with them. He also commented that he would be willing to take less money than have the parties and the social events taken away. There are other ways to scale down. Fire Chief Sanderson said that his comment goes hand in hand with what the City Engineer said about his neighbors. His neighbors may or may not be in the private sector that when things were good they were making a lot of money but are currently out of work which goes to the point that the City Attorney made about working for the public, we didn't make that much money but with the stability of the City has made it so we can do some of these things.

Council Member Jensen said that if we as a City were totally transparent and when this information comes out and the person down the street is out of work and calls up and said I am out of work and I cannot afford the fifty dollars to opt out of recycling or someone calls and says I can't afford the five dollars and ninety cents for the recycling, one of the things that the Council is trying to do is communicate to our citizens that we want to involve them in the decision making and that we have their best interest at heart as far as how we use the resources that are given to us. He said that he wouldn't feel comfortable talking with his neighbors and talk about some of these issues and tell them this is the way we do it because it is the way that it has always been done as opposed to what are you doing to look after me as a council member. He then said that he thinks that the City needs to be doing more than what we are doing to make the budget balance. He then thanked the Staff for the work they have been doing on the budget and having the discussions that they are having on the budget, the Council has never had that before.

Council Member Wilson said he didn't want the Directors to have to go to the employees next year and tell them that they will have to start cutting employees just because of a bonus. That will hurt the departments and that will hurt the citizens. Mayor Call asked if Council Member Wilson would like to eliminate the bonus instead of an employee. Council Member Wilson replied that eliminating the bonus may help the City survive a little longer. He said he is more worried about the employees; they work hard for the citizens of Pleasant Grove. Mayor Call then asked if Council believes that the cuts that being made are saving jobs or balancing the budget or looking for ways to extend our surplus for a number of years. The Mayor then said that he didn't understand how making these cuts this year

will save somebody's job for next year. Council Member Wilson said that it could. City Administrator Darrington replied that the surplus money will have to be rolled over into the Capital Fund then it is gone, it won't be available next year. Mayor Call said that when we get to the point where we don't have the surplus over the eighteen percent then we need to do some kind of cutting. Council Member Robinson suggested again that cutting the health benefits for the Council will save eighty four thousand dollars that we won't have to take from the employees.

Director Bradford said that he would like to inform the Council that there are a couple of sales tax payers coming on line this year which will make the future a little brighter, beyond that we cannot see the future we may be better off or we could be worse off. He thinks that trying to fix a problem that we don't have yet could be cumbersome. We need to get down to where the State mandates that we should be with the surplus and then realize that next year if we are looking at a worse situation then every department in here will have to bite the bullet and make the cuts that will be necessary. We could wrestle for months on something that may or may not be a problem and understand that next year it could be a very serious problem. City Administrator Darrington added to Director Bradford comments that the City is anticipating another one hundred thirty five thousand dollars in sales tax revenue that was not included in the budget because we don't know what that number is going to be exactly. For us to add that to the budget would take a matter of five seconds by changing a few numbers and reduce another one hundred thirty five thousand dollars from the deficit. He said that when we put the revenue projections into the budget they were being very conservative and we really hope that the projections go beyond that. The five hundred thousand dollars is just a paper number, if we wanted to make adjustments to the revenue number and be a little more liberal that gap could be cut in half. City Administrator Darrington then said that he would rather go on the conservative side on the revenues and then pin point the expenditures the best we can with the understanding that we try to create more revenue than expenditure for the end of the year. Just because our budget doesn't balance on paper it doesn't mean at the end of the year we are going to spend the five hundred thousand dollars. It's just a matter of moving the line items on paper.

Director Bradford continued to say that if things are not getting better then every department head that is here is on notice that the Council may come to them and tell us that we need to cut another twenty percent out of our budget. He said he will be thinking all year about what he can cut. Council Member Boyd said that using the Fund Balance it will give us a year to evaluate so we are not worse off next year. There are ways to make the cuts without taking away from the employees this year.

Director Giles said that as he has talked to his employees and asked what are some of the things that they feel that could be cut from the budget; the Christmas Party at UVU is the first things they say can be cut. Treasurer Bezzant agreed and said that every department has their own little party anyway so that would be easy to cut out.

Mayor Call stated that he is putting the department heads on notice that because of good years in the past we have developed this surplus and we don't have this problem that other cities are having this last year and even though we are not solving problems that don't exist yet doesn't mean that it can't be twice as bad next year so let's be aware of everything that we are spending. Fire Chief Sanderson interjected that the last two years have been lean years. We have continued to cut and reduce and cut again so we are aware. Council Member Boyd replied that the Directors would know this better than the Council because we don't see that you have made the cuts before the Council even see the budget. Director Bradford commented that this is also a great time to seek grants for the items that are needed. The Mayor agreed we need to start looking at alternative budgeting.

Council Member Danklef asked what was decided about the Christmas bonus and the health benefits. Mayor Call restated that we are going to be using the over and above eighteen percent that we have so we are not addressing the problem that doesn't exist right now. Council Member Danklef replied that he has heartburn with Christmas bonus. I would say that if you do not want to get rid of it then take it out as a line item and put it in with their pay package. Mayor Call replied that that won't save the City any money. Council Member Danklef agreed but he said it would look better.

Treasure Bezzant commented that the bonus is not guaranteed. She said that every year before she would cut the checks she would ask the Finance Officer and the City Administrator if she should go ahead and issue the checks and they would tell her yes or no. She also said that it has been her understanding that that is something that can be given if the funds are there. Mayor Call suggested that we leave it in the budget but let the employees know now that that is something that is not a given and if the revenues are coming back on line and if they are coming up fast enough then that will remain in the budget.

Director Young said that there is wisdom in the thought that it would be very beneficial to the City as an organization and to the employees as a whole that we all have time to look at evaluate and make good decision about the budget that may not necessarily be good right now just because there is a number on a paper. We do need to take more time with all of these items and let the employees understand or have buy in and help in the decision making where they are not just forced into it. We do have some leeway this year let's do that. Fire Chief Sanderson said that he would much rather deal with the employees not receiving it now than on November 16th so let's make a decision now. Mayor Call reiterated and wanted to make sure that the general feeling of the Council is that we use the excess of the eighteen percent to balance the budget and that will give us the year to figure things out and what our options will be for next year's budget. Council Member Danklef responded that he would still like to see the bonus cut significantly. If you are not going to do that, then add it back into the salary package. Fire Chief Sanderson agreed that if we add it into the salary then we won't have this discussion every year. Council Member Robinson questioned if that would be done in December. City Administrator Darrington replied that that would be taken care of July 1. Director Young replied that there is something about Christmas and getting something at Christmas, whether you call it a bonus or whatever, it is something that comes at Christmas time and it has meaning and there is something more to it than just the dollar amount. Fire Chief Sanderson retorted that it is something that is going to be taken away at some point, so we need to do it now. Police Chief Paul replied that if you add it into the salary then that is going to increase the tax base for the employee and more taxes will be taken out. He also said that he agrees with Director Young it has become a tradition in the City whether we like it or not.

Mayor Call then asked if there are any other issues from the list that says "I know we have the money but I don't feel right about paying this." Council Member Jensen said that he didn't think that it is so much about feel right about the money but we have to address the health insurance issue. We haven't made a decision about that yet and we will need some direction from Staff and we do need to have some discussion about the nine percent increase. City Administrator Darrington said that we need to decide because we are going to start enrolling people next week. Generally he have these kinds of conversations in March but we just didn't have that this year. If we get our employee committee going in July and then we can start having the discussion on these items then we will be better prepared.

Mayor Call then took a straw vote as to how each Council Member feels about the Christmas bonus.

Council Member Danklef stated that he would like to reduce the bonus to two hundred fifty dollars. Council Member Boyd stated that she is fine with that amount for now because we have a year to look at it and decide what we want to do then.

Council Member Robinson stated that she agreed with Council Member Boyd.

Council Member Jensen stated that he would like to see it reduced to half, four hundred forty dollars.

Council Member Wilson stated that he would like to see it reduced to five hundred for full-time and two hundred fifty for part-time.

Council Member Robinson asked if Council is considering these actions now or consider these in the future and are we considering the cut in Council health benefits or are we considering other cuts right now. If we are going to do it then we should do all of it. Mayor Call said that the current question is what Council would like to see done with the Christmas bonus. Council Robinson then stated then we should go line by line on the rest of the items. Council Member Jensen interjected that he would like to see the bonus cut out completely but he thought it was a wonderful idea to have the employees get involved with the decision making so instead of deciding right now let's take the numbers to the employees and see what their opinion is. City Administrator Darrington asked if Council is going to take just that one item to the employee committee, if so then the committee is going to say that they want the whole amount. Mayor Call then said that we have the majority of the Council saying, let's just get through the year but get dead serious about the rest of the items for the coming year. The Council agreed with this.

City Administrator Darrington commented we will take out a couple items that have been mentioned and then we will go with the budget as is and that will be the document for the public hearing on June 1st and then we will still have three weeks, June 22nd for the final adoption of the budget. That will also give us time to get a another month of sales tax revenue and if there is an up take in that then we will give us more of a feeling if we can take our sales tax slightly. So for the most part we have the general feel and direction from Council.

9. Mayor, City Council and Staff Business

- Attorney Petersen commented that she would like to add pending litigation to the executive session. The Mayor then said that when it comes to item ten we will to add pending litigation.
- Treasurer Bezzant informed that Council that Della Davis a past employee passed away.
- Director Bradford mentioned that the clean up for the downtown area will be on June 8th.
- City Engineer Lewis noted that as part of I-15 there are changes being made to 400 North in Lindon. That road is going to be closed because they need to relocate the Pleasant Grove sewer main out of the way of the bridge. He then said that they are going to build the new Proctor Lane bridge immediately north of the existing one. The bridge farm for that is going to be on the Hammons property. City Administrator Darrington asked for a clarification on where the bridge farm is going. City Engineer Lewis replied that they are going to build a bridge on the Hammons property. City Administrator Darrington then asked if they have gotten permission from the Hammons group. City Engineer Lewis replied that that is what the people for UDOT told him so he hopes that they have permission from the Hammons group.

- Director Giles reminded everyone about the Memorial Day program the will be held at Monday at 9:00 a.m.
- Fire Fire Chief Sanderson reminded everyone about the Fireman's Breakfast on Saturday the 29th from 6:00 a.m. to 11:00 a.m. We will be eating indoors in case of rain. He also noted that at 10:00 p.m. there will be a news story on Channel 5 about the Rex Walker funeral. He was a past employee of the fire department. He then stated that he would like to be involved with the executive session about personnel.
- Director Walker mentioned that the paving in the City is going well. The streets that are being paved are 2600 North, 1100 North, 1800 North and Locust Ave.
- Council Member Boyd said that she has two items. She asked what was going to be talked about in the RDA meeting. City Administrator Darrington replied that across State Street would be a prime RDA area to try to redevelop it so we just wanted to get the okay from Council to start that project. Director Bradford said that in the Economic meeting they were going to discuss some boundaries for the project. Council Member Boyd then said that second thing is that there have been calls from the public about the chicken issue and she thought that Council should address it. Planner Allen stated that he was under the direction to not bring that forward but if there is someone from the public that would like to do that. Linda Butler stood and said that she is the chicken lady that has sent out the emails about chickens. Mayor Call instructed her to get with Planner Allen to discuss what needs to be next. He then thanked her for being so patient to sit through the whole meeting. Ms. Butler replied that chickens are patient and so is she. Attorney Petersen asked the Council if they are ready to address this issue then. Mayor Call responded that there had been enough interest from the public it should come forward again.
- Council Member Danklef said that he attended the Fox Hollow Golf Course meeting last Thursday and their income is down twenty five thousand dollars for April, and their year to date budget is down eighty thousand for this year's budget. He then said that they have given them a spreadsheet which shows that they have more people coming this year even with the bad weather. They said that they had anticipated that May would bring in one hundred thousand dollars but they are going to be lucky to get sixty thousand dollars. The one good weekend that they had in May they brought in sixty five hundred on Saturday and thirty five hundred on Sunday. Council Member Danklef then said that he has received several phone calls from the public about the opt-out of recycling and maybe we should take another look at the requirements to opt-out and see if there is justification for some individuals to not pay the fifty dollars to opt-out. City Administrator Darrington asked what this is based on. Council Member Danklef replied that it is based on hardship. These people are just part time residents and felt like they didn't get the notification about the program. Attorney Petersen asked if the call was from a specific individual. Council Member Danklef replied yes. Attorney Petersen replied that that individual was in the City when the recycling was first talked about and so they should have known about the program. City Administrator Darrington responded that he didn't know of any way that we could waive the fees for one person out of it and not another. Mayor Call replied that we need to stay unified in this decision and the decision is that no one can opt-out without paying the fee. Council Member Robinson agreed that the City

needs to stay unified as we start with the recycling program. Council Member Jensen commented that Staff shouldn't be giving out the phone numbers of the Council Members if there is a problem with the opt-out. City Administrator Darrington said that they shouldn't be, they have been instructed to send all phone calls about recycling to him.

- Council Member Robinson mentioned that the North Point Landfill has a web address that you can go to find out information about tipping fees and hours of operation. That address is utahcountygaraage.org. She also reminded them that the green waste can be taken to TSSD.
- Council Member Jensen asked Director Lundell asked if he is going to do a new budget report. Director Lundell replied that he wanted to put a new book together. Council Member Jensen then suggested that with the new budget book that Director Lundell put a recap on the General Funds where the line items are and how much is in each line item. Director Lundell replied that he would look into it. Mayor Call interjected that that would be good as a quick reference.

Mayor Call commented that the Council now needs to go into executive session to discuss the character, professional competence or physical or mental health of an individual and pending litigation. He then invited City Administrator Darrington, Attorney Petersen, Fire Chief Sanderson and Police Chief Paul and Director Lundell to stay.

ACTION: Council Member Jensen moved to go into executive session to discuss the character, professional competence or physical or mental health of an individual and pending or reasonably imminent litigation. Council Member Danklef seconded the motion passed unanimously with Council Members Boyd, Danklef, Robinson, Jensen and Wilson voting "Aye."

Council Member Boyd asked for a five minute break. At 8:10 p.m. the Council went into Executive Session.

10. **Executive Session pursuant to Section 52-4-205(1)(c) (UCA) "To discuss pending or reasonably imminent litigation and Section 52-4-205(1)(a) (UCA) "Discussion of the character, professional competence, or physical or mental health of an individual."**

PRESENT:

Mayor:

Bruce W. Call

City Council Members:

Cindy Boyd

Val Danklef

Lee Jensen

Kim Robinson

Jeffrey D. Wilson

Others:

Scott Darrington, City Administrator

Tina Petersen, City Attorney

Dean Lundell, Finance Director

Marc Sanderson, Fire Chief
Tom Paul, Police Chief
Kathy T. Kresser, City Recorder

At 8:20 p.m. Recorder Kresser was excused and the Council continued with the Executive Session to discuss the character, professional competence or physical or mental health of an individual.

ACTION: At 10:29 p.m. Council Member Wilson moved to close the executive session and return to regular session. Council Member Danklef seconded and the motion passed unanimously with Council Members Boyd, Danklef, Robinson, Jensen and Wilson voting "Aye."

11. Adjourn

ACTION: At 10:30 p.m. Council Member Wilson moved to adjourn the meeting. Council Member Robinson seconded the vote and the motion passed unanimously with Council Members Boyd, Jensen, Robinson, Danklef and Wilson voting "AYE."

ADJOURN

Meeting adjourned at 10:30 p.m.

This certifies that the Work Session
Minutes of May 25, 2010 are a true,
full and correct copy as approved
by the City Council on June 22, 2010

Kathy T. Kresser, City Recorder