

**Pleasant Grove City
City Council Regular Meeting Minutes
March 21, 2017
6:00 p.m.**

PRESENT:

Mayor: Michael W. Daniels

Council Members: Dianna Andersen
Eric Jensen
Cyd LeMone
Ben Stanley
Lynn Walker

Staff Present: Scott Darrington, City Administrator
David Larson, Assistant to the City Administrator
Denise Roy, Finance Director
Mike Roberts, Police Captain
Kathy Kresser, City Recorder
Tina Petersen, City Attorney
Dave Thomas, Fire Chief
Ken Young, Community Development Director

The City Council and Staff met in the City Council Chambers at 86 East 100 South, Pleasant Grove, Utah.

1) CALL TO ORDER

Mayor Daniels called the meeting to order and noted that all Council Members were present.

2) PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Assistant to the City Administrator, David Larson.

3) OPENING REMARKS

The opening remarks were given by City Administrator, Scott Darrington.

4) APPROVAL OF MEETING'S AGENDA

ACTION: Council Member Jensen moved to approve the agenda. Council Member Andersen seconded the motion. The motion passed with the unanimous consent of the Council.

5) OPEN SESSION

Mayor Daniels opened the Open Session.

Nathan Stoker stated that he respects the City Council despite the grief he gives them. He respects the burden they have and the decisions they make, especially with the negativity that comes with it. He expressed understanding for the hard decisions they have to make concerning the roads. He mentioned they all love their park services and would do anything to save or expand them. If something is not done now to stop the deterioration, it will be a six-fold increase on costs in the future. He hoped to get better ideas and mentioned that other cities added a one-tenth of one percent sales tax. He made reference to budget strategies in American Fork and suggested moving the parks to an Enterprise Fund to secure their revenue. Mr. Stoker commented that there are so many needs in the City that it is difficult to justify everything. He commented that the sales tax increase is a great option and mentioned other ways to increase revenue. He stated that a modified zero-based budget is a great way to provide services. If the work is put in, they can approach the citizens for support.

Jacob Zonts expressed gratitude for Mr. Stoker sponsoring the Citizens' Initiative with him. He pleaded with the Council to take a moderate approach to fund roads. He opined that the Citizens' Initiative was the best option.

Sandi Carter was confused about the trouble getting the bond passed and stated that now there is a group of people requesting an increase in taxes. She agreed that the roads need work but thought their condition was being exaggerated. She recognized that the State has extreme climate changes and no one escapes erosion. She was bothered by the Citizens' Initiative because it suggests arbitrary amounts of funding without a specific plan of where it will come from and what services and people will be affected if it passes. She stated that the Council cares deeply and diligently serves the community.

Dean Hale stated that at the February 28 meeting the Mayor stated that \$3.8 million was needed for roads. He mentioned the scenarios the Council discussed to meet those needs, especially regarding whether to allocate an additional \$25,000 toward roads. The Council Members were polled and they indicated that did not want to fund the roads from the current budget, but rather from a road fee that would be imposed on the citizens. He argued that the Council later proposed budget cuts in other areas of the City.

Karl Kuhni wanted the Council to get creative and reported that he shrunk a business by \$2.3 million during the recession. He commented that \$25,000 against a \$2.3 million problem is not a sacrifice from the City. Everyone in the City will have to sacrifice, both the City and the citizens. He asked why a budget would be passed without fully funding the roads, which is the highest percentage of services used. He commented that he uses the roads much more frequently than the Recreation Center. He asked the Council to show leadership on the matter.

There were no further public comments. Mayor Daniels closed the Open Session.

6) **CONSENT ITEMS**

- a) **City Council Minutes:
City Council Minutes for the February 7, 2017 Meeting.
City Council Minutes for the February 21, 2017 Meeting.
City Council Minutes for the February 28, 2017 Work Session Meeting.**
- b) **To Consider Approval of Payment Approval Report for (March 09, 2017)**

ACTION: Council Member Jensen moved to approve the consent items. Council Member LeMone seconded the motion. The motion passed with the unanimous consent of the Council.

7) **BOARD, COMMISSION, COMMITTEE APPOINTMENTS**

There were no appointments.

8) **PRESENTATIONS**

There were no presentations.

9) **PUBLIC HEARING ITEMS**

- A) **PUBLIC HEARING TO CONSIDER FOR ADOPTION AN ORDINANCE (2017-14) TO AMEND THE STANDARD SPECIFICATIONS CHAPTER 4 DIVISION 3A PRESSURE PIPE CULINARY WATER ADDING SPECIFICATIONS REQUIRED BY THE UTAH DIVISION OF DRINKING WATER. THE REQUEST INCLUDES MODIFICATION OF STANDARD DRAWINGS CHAPTER 5 DIVISION 1 DRAWING 16 TO MATCH MODIFICATIONS IN THE SPECIFICATIONS. (PLEASANT GROVE CITY APPLICANT) *Presenter: Director Beaumont.***

Director Beaumont stated that the above item came forward as the result of a review by the Division of Drinking Water based on their standards for culinary water systems. They recommended updates to adhere to the City standards within the current State standards, namely with regard to leakage testing on pipelines. Additionally, bedding for the water lines was originally four inches but was increased to a minimum of six inches under pipes.

Mayor Daniels opened the public hearing. There were no public comments. The public hearing was closed.

Council Member Stanley asked if there was any financial impact to the City. Director Beaumont explained that the impact would be on the developers. There would, however, be a financial impact to the City if the new requirements are not met. Mayor Daniels asked if the four to six inches would need to occur if maintenance or replacement work is completed. Director Beaumont explained that the City would need to do the same as would be required of developers.

ACTION: Council Member Stanley moved to adopt Ordinance (2017-14) to amend the Standard Specifications Chapter 4 Division 3A Pressure Pipe Culinary Water adding specifications required by the Utah Division of Drinking Water. The request includes modification of Standard Drawings Chapter 5 Division 1 Drawing 16 to match modifications in the specifications. Council Member Jensen seconded the motion. A public hearing was held. A voice vote was taken with Council Members Andersen, Jensen, LeMone, Stanley and Walker voting "Aye". The motion carried unanimously.

B) PUBLIC HEARING TO CONSIDER FOR ADOPTION AN ORDINANCE (2017-15) PERMANENTLY ABANDONING TWO STORM WATER EASEMENTS ON PROPERTY LOCATED AT APPROXIMATELY 2093 WEST PLEASANT GROVE BOULEVARD. THE CITY WILL RECEIVE A REPLACEMENT STORM WATER EASEMENT ON THE SAME PROPERTY BUT IN A DIFFERENT LOCATION. (SAM WHITES LANE NEIGHBORHOOD) *Presenter: Director Beaumont.*

Director Beaumont explained that the above item pertains to two easements obtained through construction on Pleasant Grove Boulevard. They were necessary for moving drainage off the boulevard into existing channels. With the future development of the property, the City requested that the easements be vacated. If St. John's Properties at Valley Grove realigned the ditch and provided a drainage system that followed Pleasant Grove Boulevard and Granite Way, it would dogleg the infrastructure to that point. Staff and the Planning Commission recommended approval of the vacation contingent upon providing the infrastructure, which would involve providing a 36-inch pipe and boxes to connect the infrastructure and the open channel. An easement for said infrastructure would also be needed.

Mayor Daniels opened the public hearing. There were no public comments. The public hearing was closed.

ACTION: Council Member Stanley moved to adopt Ordinance (2017-15) permanently abandoning two storm drain water easements on property located at approximately 2093 West Pleasant Grove Boulevard. The City will receive a replacement storm water easement on the same property but in a different location with the specific conditions of the second easement and the infrastructure as described. Council Member Walker seconded the motion. A public hearing was held. A voice vote was taken with Council Members Andersen, Jensen, LeMone, Stanley, and Walker all voting "Aye". The motion carried unanimously.

C) PUBLIC HEARING TO CONSIDER FOR ADOPTION AN ORDINANCE (2017-16) TO AMEND THE PLEASANT GROVE GENERAL PLAN LAND USE MAP BY APPLYING THE LAND-USE DESIGNATION OF LOW DENSITY RESIDENTIAL TO APPROXIMATELY .19 ACRES OF LAND RECENTLY ANNEXED INTO PLEASANT GROVE LOCATED AT APPROXIMATELY 899 EAST 1190 NORTH. (BIG SPRINGS NEIGHBORHOOD) (Dan Van Woerkom and Don Anderson, Applicants) *Presenter: Director Young.*

Director Young reported that the above matter pertains to a recently approved annexation. At the time of annexation, a designation of land use and zoning should have been done, but was omitted. Automatically, it is designated as the lowest density. As soon as the plat is recorded, it will not reflect what is currently occurring in the area. The property is a small portion of land owned by Don Anderson at the end of a cul-de-sac. The applicant's request is consistent with low density residential, which is the general land use designation in the area.

Mayor Daniels opened the public hearing.

Richard Plotho lives adjacent to the subject property and expressed concern with the lot being moved out of their area as described in Item 10D. Mayor Daniels commented that that item is being continued indefinitely. Director Young explained that the zoning and land use designations needed to be in place before approving a proposed plat on the same parcel. To do so will create a new plat, thus vacating the land from the plat on which it was originally approved. He explained that this action will have no impact on the existing neighborhood or existing plat, only the parcel in question. It will not be discussed due to issues with an easement between neighbors to the north. The plat will need to be resubmitted showing the easement.

Mr. Plotho mentioned that he received notice informing him of the annexation of that parcel and a zone change from Agricultural to Residential. He never received notice that it was being taken out of the area. Director Young clarified that notice was not received by him because the plat is not ready. Residents will receive notice regarding that item when it is received.

There were no further public comments. Mayor Daniels closed the public hearing.

ACTION: Council Member Jensen moved to adopt Ordinance (2017-16) to amend the Pleasant Grove General Plan Land Use Map by applying the land-use designation of Low Density Residential to approximately .19 acres of land recently annexed into Pleasant Grove located at approximately 899 East 1190 North. Council Member Walker seconded the motion. A public hearing was held. A voice vote was taken with Council Members Andersen, Jensen, LeMone, Stanley, and Walker voting "Aye". The motion carried unanimously.

D) PUBLIC HEARING TO CONSIDER FOR ADOPTION AN ORDINANCE (2017-17) TO REZONE APPROXIMATELY .19 ACRES FROM AN A-1 (AGRICULTURE) ZONE TO A R1-9 (SINGLE-FAMILY RESIDENTIAL) ZONE LOCATED AT APPROXIMATELY 899 EAST 1190 NORTH. (BIG SPRINGS NEIGHBORHOOD) (Dan Van Woerkom and Don Anderson Applicants) *Presenter: Director Young.*

Mayor Daniels opened the public hearing. There were no public comments. The public hearing was closed.

ACTION: Council Member Jensen moved to adopt Ordinance (2017-17) to rezone approximately .19 acres from an A-1 (Agriculture) Zone to a R1-9 (Single-Family Residential) Zone located at approximately 899 East 1190 North. Council Member Andersen seconded the motion. A public hearing was held. A voice vote was taken with Council Members Andersen,

Jensen, LeMone, Stanley and Walker voting "Aye". The motion carried unanimously.

E) PUBLIC HEARING TO RECEIVE COMMENTS ON THE PROPOSED PLEASANT GROVE CITY FISCAL YEAR 2016/2017 BUDGET AMENDMENT TO REFLECT ACTUAL AND ANTICIPATED EXPENDITURES IN THE AMOUNT OF \$521,740 FOR THE ROCKY MOUNTAIN POWER STREETLIGHT AGREEMENT.

Director Beaumont reported that the current streetlights in the City have been discussed over the past five months. The majority of lights are currently owned by Rocky Mountain Power who indicated that the cost to purchase the lights from them would be \$521,740. American Fork and Salt Lake City have also gone through this process and seen great benefits. Staff assessed the power and maintenance costs of owning versus continuing to lease the lights. It was determined that owning them would be substantially less expensive. The current power costs are \$220,000, and they would decrease to \$94,200 a year.

Owning the lights would increase the City's liability and staff assessed that \$35,000 would be needed to cover damages. The City, however, would still save approximately \$90,000 per year. To acquire the lights they would have to pay off the \$521,740 in debt. The proposal for the budget amendment was to use some of the Sewer General Fund as a loan with 1.18% interest rate, paying it back over the next six years. At the end of the loan term, the \$90,000 could be utilized elsewhere in the budget.

Mayor Daniels opened the public hearing.

Lori Williams inquired about the \$2,500 in legal fees listed on the proposal. Director Beaumont explained that the contract amount of \$521,740 includes \$2,500 for legal expenses to execute the contract.

There were no further public comments. Mayor Daniels closed the public hearing.

10) ACTION ITEMS READY FOR A VOTE

A) TO CONSIDER FOR ADOPTION A RESOLUTION (2017-016) APPROVING THE PLEASANT GROVE CITY FISCAL YEAR 2016/2017 BUDGET AMENDMENT TO REFLECT ACTUAL AND ANTICIPATED EXPENDITURES IN THE AMOUNT OF \$521,740 FOR THE ROCKY MOUNTAIN POWER STREETLIGHT AGREEMENT. *Presenter: Director Beaumont.*

ACTION: Council Member Andersen moved to adopt Resolution (2017-016) approving the Pleasant Grove City Fiscal Year 2016/2017 Budget Amendment to reflect actual and anticipated expenditures in the amount of \$521,740 for the Rocky Mountain Power Streetlight Agreement. Council Member Stanley seconded the motion. A voice vote was taken with Council Members Andersen, Jensen, LeMone, Stanley, and Walker voting "Aye". The motion carried unanimously.

B) TO CONSIDER FOR ADOPTION A RESOLUTION (2017-017) AUTHORIZING THE MAYOR TO SIGN THE STREETLIGHT AGREEMENT WITH ROCKY MOUNTAIN POWER; AND PROVIDING FOR AN EFFECTIVE DATE.
Presenter: Director Beaumont.

Director Beaumont noted that the end of this month is the deadline to respond to Rocky Mountain Power's agreement.

ACTION: Council Member Andersen moved to adopt Resolution (2017-017) authorizing the Mayor to sign the Streetlight Agreement with Rocky Mountain Power; and providing for an effective date. Council Member Jensen seconded the motion. A voice vote was taken with Council Members Andersen, Jensen, LeMone, Stanley and Walker voting "Aye". The motion carried unanimously.

C) TO CONSIDER FOR ADOPTION A RESOLUTION (2017-018) AUTHORIZING THE MAYOR TO SIGN THE AGREEMENT AND NOTICE TO PROCEED WITH C&L WATER SOLUTIONS INC. FOR THE FY 2016-17 SEWER REHABILITATION PROJECT; AND PROVIDING FOR AN EFFECTIVE DATE.
Presenter: Director Beaumont.

Director Beaumont reported that the project has been awarded to C&L Water Solutions, Inc. to install a UV-cured pipe. The resolution is to approve the Agreement and the Notice to Proceed. C&L plans to commence work on the project in the beginning of June. He commented that it will disrupt 1300 West.

Council Member Stanley asked if the cured-in-place UV process differs from Insituform. Director Beaumont explained that it is a better product when a substantial amount of groundwater enters the pipe. The standard process of Insituform involves pulling the sock into the pipe and curing it with steam. As a result, it is difficult to get the temperatures right. With the UV light curing it instead of steam, it is a better product with the current inflows into the pipe. He explained that it is not more disruptive than the Insituform. They will be in the middle of the road in a high-traffic area, so much of the work will take place on weekends when traffic volumes are lower.

ACTION: Council Member Stanley moved to adopt Resolution (2017-018) authorizing the Mayor to sign the Agreement and Notice to Proceed with C&L Water Solutions, Inc. for the FY 2016-17 Sewer Rehabilitation Project; and providing for an effective date. Council Member Walker seconded the motion. A voice vote was taken with Council Members Andersen, LeMone, Jensen, Walker, and Stanley voting "Aye". The motion carried unanimously.

D) TO CONSIDER FOR APPROVAL A SINGLE LOT SUBDIVISION PLAT CALLED DON ANDERSON PG SUBDIVISION. THE NEW PLAT INCLUDES THE VACATION OF LOT 12 FROM THE WADE SPRINGS SUBDIVISION PLAT G ON PROPERTY LOCATED AT APPROXIMATELY 899 EAST 1190 NORTH IN THE PROPOSED R1-9 (SINGLE-FAMILY RESIDENTIAL) ZONE. (GROVE CREEK NEIGHBORHOOD) *Note: This item is continued indefinitely.*

E) TO CONSIDER FOR APPROVAL A 20-LOT FINAL SUBDIVISION PLAT CALLED MANILA CREEK PLAT B, LOCATED AT APPROXIMATELY 3000 NORTH 900 WEST IN THE RR (RURAL RESIDENTIAL) ZONE. (MANILA NEIGHBORHOOD) *Presenter: Director Young.*

Director Young presented the staff report and explained that the applicant is requesting approval of a 20-lot final subdivision called Manila Creek Plat "B", on property located at approximately 3000 North 900 West in the R-R Zone. This specific parcel was formerly owned by the Alpine School District and after an unsuccessful application to rezone it to a higher density, the land was fragmented into three different parcels acquired by three different developers. This subdivision is the second of the three future proposed subdivisions on these parcels. An application for the plat was received on October 5, 2016.

The proposed subdivision is to be located on approximately 12.82 acres, which includes the addition of an existing lot owned by the Tanners at 2858 North 900 West. The Tanner's lot is being adjusted and vacated from the Heritage Estates subdivision in order to plan for the new roadway alignment of 2900 North. The final plat consists of 20 subdivided lots designated for new single-family dwellings. All of the proposed lots meet the minimum area requirement of .5 acres (21,780 square feet). Therefore, the proposed layout of the subdivision meets the minimum requirements set forth in the Pleasant Grove City Code.

The applicant was also proposing the adoption of a new Vicinity Plan. According to Engineering and Planning staff, the proposed new vicinity plan meets the requirements pertaining to traffic, the number of access points, and maximum block distance without an access. Before the submission of the first plat application, the three developers and City staff agreed on a Vicinity Plan that would work for the entire 43.34 acres. Manila Creek Estates Plan B complies with the aforementioned Vicinity Plan. The subject property falls within the General Plan designation of Very Low Density Residential.

Director Beaumont stated that with the development of the property, there is an issue getting the radius around a power pole. They met with the Tanners and explained that in order to make the radius work a nuisance strip would be created, which, would be owned by the City. They asked the Tanners to be included in the Ivory development to avoid that gap. Ivory Homes entered into a Development Agreement with the Tanners but it has not been finalized and approved. Staff recommended that approval be contingent upon the signed agreement with the Tanners. Requests by the City included an addition of 0.2 acres to the property. This brought the Tanner's property into a higher irrigation water cost bracket, so the applicant requested the City hold them at the same irrigation rate they were at previously since they accepted that property.

Brian Prince, from Ivory Homes, stated that the Development Agreement incorporates landscaping and fencing. The development will cover those costs. Afterward, it will be the Tanner's responsibility to maintain the nuisance strip.

Council Member Stanley asked how long the secondary water agreement is in force. Director Beaumont explained that they will hold the Tanners in the tier structure they are in currently. If that tier structure changes, they will be required to pay the new rate but the addition of the property will not move them into a higher tier.

ACTION: Council Member Jensen moved to approve a 20-lot final subdivision plat called Manila Creek Plat B, located at approximately 3000 North 900 West in the RR (Rural Residential) Zone subject to execution of the Development Agreement. Council Member Andersen seconded the motion. The motion carried with unanimous consent of the Council.

F) TO CONSIDER FOR APPROVAL A SINGLE-LOT COMMERCIAL SUBDIVISION PLAT CALLED DEVCO PLAT "B." THE NEW PLAT INCLUDES THE VACATION OF LOTS 1 AND 2 FROM DEVCO PLAT "A" ON PROPERTY LOCATED AT 1991 WEST 680 NORTH IN THE C-S (COMMERCIAL SALES) ZONE. (MUD HOLE NEIGHBORHOOD) *Presenter: Director Young.*

Director Young presented the staff report and explained that the applicant is requesting approval of a one-lot commercial final subdivision called DEVCO "B" on property located at approximately 1991 West 1680 North in the C-S (Commercial Sales) Zone, with a General Plan designation of Commercial Retail. The Planning Commission reviewed and approved the preliminary plat on March 9, 2017. A site plan for the Quick Quack Car Wash was subsequently approved on the site (see attached).

The proposed DEVCO Plat "B" commercial subdivision includes the vacation and consolidation of the previous Lots 1 and 2 DEVCO subdivision plat "A". The single-lot subdivision includes approximately 0.95 acres and will be used to accommodate the Quick Quack Car Wash. The single-lot subdivision is located at the border of City limits and is a corner lot surrounded by public roads.

ACTION: Council Member Jensen moved to approve the request of Dallas Hakes, for a single-lot Final Subdivision Plat called DEVCO Plat "B" on property at approximately 1991 West 1680 North, in the C-S (Commercial Sales) Zone; and adopting the exhibits, conditions, and findings of the staff report, and as modified by the conditions below:

1. All Final Planning, Engineering, and Fire Department requirements are met.

Council Member LeMone seconded the motion. The motion carried with unanimous consent of the Council.

G) TO CONSIDER FOR ADOPTION A RESOLUTION (2017-019) AUTHORIZING THE MAYOR TO SIGN A PURCHASE AGREEMENT WITH JAYSON AND ANNA CHRISTENSEN TO PURCHASE A 0.39-ACRE PIECE OF REAL PROPERTY LOCATED AT 399 SOUTH LOCUST AVENUE; AND PROVIDING FOR AN EFFECTIVE DATE. *Presenter: Administrator Darrington.*

City Administrator, Scott Darrington stated that there is a piece of property the City has been looking at on Locust Avenue for a number of months. The City owns all of the property from Veterans Memorial Park to the Recreation Center with the exception of one home. This is the last remaining property for future planning and potential recreation expansion. The owners are moving and approached the City about purchasing the subject property. They have entered into a Real Estate Purchase Contract in order for the City to purchase the property, which must be approved by the Council. The cost is \$278,500, per the appraisal and another offer, and will be purchased with Park Impact Fees. If approved, a budget amendment will need to be made to authorize the expenditure of said funds. Administrator Darrington stated that the owners asked to remain in the property free of rent as they are transitioning to their new property over the next few months. After July 31, the City will be paid \$1,000 per month. In response to a question from Council Member Stanley, Administrator Darrington explained that \$1,000 is in the neighborhood of a fair market rental; however, the price can be renegotiated at the end of December.

ACTION: Council Member Walker moved to adopt Resolution (2017-019) authorizing the Mayor to sign a Purchase Agreement with Jayson and Anna Christensen to purchase a 0.39-acre piece of real property located at 399 South Locust Avenue in the amount of \$278,500 as well as the Rental Agreement mentioned by Administrator Darrington; and providing for an effective date. Council Member Andersen seconded the motion. A voice vote was taken with Council Members Andersen, Jensen, LeMone, Stanley and Walker voting "Aye". The motion carried unanimously.

Council Member LeMone asked if the rent will go back into Park Impact Fees. Administrator Darrington indicated that would be done if staff is given such direction from the Council. Mayor Daniels asked how that would affect the six-year impact fees. Finance Director, Denise Roy, stated that she would file a report with the State of Utah to show it separately. Administrator Darrington suggested earmarking the money for parks.

H) TO CONSIDER FOR ADOPTION A RESOLUTION (2017-020) AUTHORIZING THE MAYOR TO EXECUTE AN ARCHITECTURAL SERVICES CONTRACT WITH JRCA ARCHITECTS, INC., FOR THE PROGRAMMING, DESIGN AND CONSTRUCTION ADMINISTRATION FOR THE PROPOSED PUBLIC SAFETY FACILITIES; AND PROVIDING FOR AN EFFECTIVE DATE. *Presenter: Administrator Darrington.*

Administrator Darrington stated that six weeks ago the Council directed staff to enter into an agreement with JRCA Architects for the New Public Safety facilities. Their standard agreement has been reviewed by City Attorney, Tina Petersen, and deemed consistent with the proposal of their fee in the bid process.

ACTION: Council Member Andersen moved to adopt Resolution (2017-020) authorizing the Mayor to execute an Architectural Services Contract with JRCA Architects, Inc., for the programming, design, and construction administration for the proposed Public Safety Facilities; and providing for an effective date. Council Member Jensen seconded the motion. A voice vote

was taken with Council Members Andersen, Jensen, LeMone, Stanley and Walker voting "Aye". The motion carried unanimously.

I) TO CONSIDER FOR ADOPTION A RESOLUTION (2017-021) OF THE PLEASANT GROVE CITY COUNCIL DECLARING THEIR SUPPORT FOR THE CURRENT LEVELS OF SERVICE PROVIDED TO THE CITIZENS OF PLEASANT GROVE; AND PROVIDING FOR AN EFFECTIVE DATE. *Presenter: Council Member Jensen.*

Council Member Jensen reported that at the March 7 City Council Meeting, he presented numbers he had worked on with Director Roy regarding the impact \$2 million from the budget would have on levels of service. The next day the Council received the Citizens' Initiative, which he claimed would be harmful to the City. For that reason, he drafted the proposed non-binding resolution.

Council Member Jensen read the resolution, which declared the support of the City Council for the current levels of service provided to the citizens of Pleasant Grove. It stated that the City Council has municipal administrating power through the resolution process and that they recognize the need for a sustainable and manageable solution to the road maintenance issue without compromising other services. The resolution also stated that the City Council recognizes that the Citizens' Initiative seeks to dramatically change the current General Fund allocations and will result in the loss of funding for critical operating costs for each department. If adopted, the Initiative will necessitate the loss of jobs in various departments connected to the services provided. The City Council desires to declare its opposition to mandatory budget requirements founded in the Citizens' Initiative.

The resolution mentioned that the Council has administrative and legislative powers for the best interest of the majority of services. The City Council recognizes the mandatory budget requirements will cause a significant reduction or loss in levels of service currently provided to Pleasant Grove citizens. The remainder of the resolution further elaborated on those points.

In response to a question from Mayor Daniels, Attorney Petersen stated that she has reviewed the resolution and found that it meets State requirements. Council Member Stanley asked why it was not included in the packet. Council Member Jensen explained it was being worked on until the last minute. Council Member Stanley noted that a few clauses are factually untrue, including that it will result in the loss of funding for critical operating costs and necessitate a loss of jobs. He stated that it is up to the Council to determine what changes will be made. Council Member Jensen expressed that \$2.3 million of \$12.5 million will have a negative effect. Council Member Stanley noted that resolution refers to necessities, but they do have other options such as to raise taxes. He commented that he does not agree with any resolution that is put in front of him immediately prior to making a decision. Council Member Jensen stated that his intentions were clear even before the initiative was received. Council Member Stanley requested that these types of resolutions be written in advance. Attorney Petersen clarified that the resolutions are mandated to be in written form before the Council can consider them; however, there is no statutory requirement that it be included beforehand.

ACTION: Council Member Stanley moved to continue the item. The motion died for lack of a second.

Council Member LeMone asked how much time he would like to review the proposed resolution. Council Member Stanley preferred several days and stated that he would not sign anything with factual misrepresentations. Council Member LeMone asked if it was non-binding. Attorney Petersen noted that it is a policy declaration, which is permitted under the law to declare one's opinion on the issue. It does not bind the Council to any action. It simply states that the Council supports the current level of service and does not support the Citizens' Initiative with its funding restrictions. Attorney Petersen indicated that she spent 30 minutes reviewing the proposed resolution.

Council Member Stanley expressed that false narratives damage the credibility of the City. Council Member LeMone expressed her agreement with the resolution but suggested there be discussion to review any recommended changes. She recognized Council Member Jensen's effort in showing support for the current level of service. Council Member Stanley stated that usually support is shown through voting on budget processes and was concerned about who the intended audience was on this matter. He commented that certain services should be better funded than they are, such as roads, but not exclusively. He expressed concern with the timing of the proposed resolution and reiterated that he would like time to privately review it. Council Member Jensen asked Council Member Stanley to list any statements he found to be false, and noted that the Citizens' Initiative will have impact on employees and levels of service. Council Member Stanley stated that is not true as the City has options to raise property taxes. Council Member Jensen stated again that the Citizens' Initiative asks for \$2.625 million to be allocated toward roads before funding police, fire, or any other services in the City.

Mayor Daniels asked Council Member Stanley if his main concern was that the proposed resolution was a surprise to him or if there are factually false statements contained therein. Council Member Stanley noted that he received the proposed resolution only five minutes ago and has not digested its contents in their entirety. He stated that there are claims that look factually false to him. Mayor Daniels clarified that part of his response is emotional, whereas if sufficient time was given to review it, he may react differently and reach similar conclusions with different language.

Mayor Daniels stated that two weeks earlier, he received the Citizens' Initiative, which affected the future budgeting of the City. He recognized that his reactions may have been an emotional response and his comments that evening did not reflect his initial reaction. He witnessed the Council Members reacting in the public eye possibly more out of emotion than rational thought. He stressed the importance of working together on a solution for Pleasant Grove.

ACTION: Council Member Jensen moved to continue the item to March 28, 2017. Council Member Walker seconded the motion. The motion carried.

11) ITEMS FOR DISCUSSION

A) DISCUSSION ON THE CITIZENS' INITIATIVE FISCAL NOTE. *Presenter: Administrator Darrington.*

Mayor Daniels stated that this is not a discussion on what was written but on the work staff has done so far to assess the fiscal impact of the proposed resolution. Five members of the Council prioritized each item in the General Fund.

Administrator Darrington explained that the Citizens' Initiative states that the City will take \$2.625 million of General Fund money from the City's budget on an annual basis to fund roads first. There is already \$325,000 per year earmarked for roads, so the gap remaining is \$2.3 million. That is the number used in the process of determining how a loss of \$2.3 million will affect the General Fund. He stated that the term "loss" refers to the change in use of funds.

Council Member LeMone referenced HB 362 and explained that since it has not yet passed, the General Fund money could be used elsewhere. She stated that a future Council would need to take the \$2.625 million the Citizens' Initiative is requesting. Administrator Darrington clarified that the amount earmarked for roads is in the annual base budget. It could be used for any other expense chosen. HB 362, if passed, states that money will not be taken from sales tax to replace the \$325,000. Mayor Daniels stated that if HB 362 and the Citizens' Initiative both pass, whatever money is being put toward roads becomes permanent.

Administrator Darrington stated that if \$2.3 million were taken from the General Fund to fund roads first, other services could not be funded at their current level of service. The Council determined to review the matter on a service basis, which Director Roy and the department heads have listed. There are 53 services provided to residents that are funded by the General Fund. Staff generalized the services being provided. He noted that some services are external and visible to citizens while others are internal and serve the City Council or City employees. He presented the list of the services and identified the employees tied to those services. He noted that some employees cross over to other services, so not all numbers will be rounded. These include the budgeted numbers associated with fiscal year 2017.

Administrator Darrington stated that the City Council received this information on spreadsheets and identified each by priority. Priority A is vital, Priority B is important, and Priority C being an amenity. They were reviewed by Director Roy and assigned points. A was worth 3 points, B was worth 2 points, and C was worth 1 point. He explained that a value of 15 would show that it is vital. Those items included liability and property insurance, legal, administrative services, police patrol, investigations, police support services, dispatch, fire, ambulance, and streets. He noted that there are potential cost savings in the line items, but they did not have the time to review each item. He explained that taking \$2.3 million from a \$12.5 million General Fund will mean a loss of jobs in the City and a reduction of service. He mentioned that \$130,000 was cut out of the General Fund last year and earmarked that for roads, which did not disrupt services. It was noted, however, that a \$2.3 million cut would be significant.

Administrator Darrington showed the rankings of services. He noted that anything that ranked 7 to 11 were services that will be impacted. Those included elected officials wages and benefits.

Technology and summer programs at the Library ranked high enough to be included, but some part-time employees, circulation, and reference would be affected. It was unlikely that the Library would function without people or books, so to keep the Library intact, the rankings would have to be modified. He stated that there is a significant impact on community services. This shows that it affects half of the Library, the entire Parks Department, and the employees who maintain landscaping and playgrounds. Council Member Jensen commented that if the fields are not maintained, that would also affect the recreation programs they offer. Administrator Darrington mentioned that there is a cross-over in services as programs and facilities are above the cut-off line, however, the facilities could not be maintained if the Citizens' Initiative passes.

Mayor Daniels clarified that this is a worst-case scenario, since there was not much time to review each line item. The Council and staff would have to sit down and look at the cuts in more detail. Administrator Darrington agreed that further analysis would have to be done to define specifics. The snapshot showed the possibility of what would be considered.

Council Member Stanley asked if it would be better to reduce every service by 18.4%. Mayor Daniels noted that would be an option. After subsequent discussion, Administrator Darrington stated that the fiscal note could show the residents what 18% out of each budget would look like. A number would not show the full story; it needs to be tied to how it would impact residents such as number of police officers. He stated that this was the methodology determined by the Council.

Administrator Darrington listed other services that would have to be eliminated. The City's economic development contribution to the Chamber of Commerce and the contract employee, the swimming pool and its 128 part-time employees, the Senior Center, custodial, cemetery services, employee services such as tuition reimbursement, memberships to professional organizations, City celebrations such as the Miss Pleasant Grove Pageant, fireworks, Heritage Days, Beautification Commission, Arbor Day, cultural arts, Christmas lights, tree maintenance, and Parks greenhouse services. He mentioned three items that fell in this range that were more vital or had contractual obligations. The Fox Hollow Golf Course is bonded for the next 10 years, so citizens would lose the service, but there would be no financial benefit. Second, Information Technology is an internal service and includes the City's website, internet, and financial software used for utility billing. He noted that the majority of the \$116,520 is vital. The third are facilities, which include one full-time employee and an administrator. There was further deliberation regarding the services provided in the aforementioned categories.

Council Member Walker asked if a poll could be taken to see if the citizens want to give up any services. Mayor Daniels did not want to distribute any information that would not be useful. Administrator Darrington noted that tonight they are creating the fiscal note and showing the impact on the General Fund budget. Mayor Daniels stated that before the Council is a scenario showing what funds can be eliminated from the General Fund and allocated toward roads. He asked if the exact play-out could be more refined by the time it reaches the ballot. Administrator Darrington noted that if they get surgical on any service, it will be difficult to pinpoint which areas need further attention.

Attorney Petersen explained that two items need to be prepared. The fiscal note does not have a word limit and could be more detailed. Language could be included stating that the Council

reserves its right to further refine the fiscal impacts. The 100-word summary does not have the ability to make that same provision, nor can it be changed afterward. It is critical that the City draft an objective, reasonable message since they cannot change it later. The more detailed fiscal note can include language providing for further refinement.

Mayor Daniels asked how the initial fiscal impact is circulated. Attorney Petersen said it will be filed with the Lieutenant Governor's Office, along with the Citizens' Initiative. The City would also have the opportunity to post it in any manner they see fit. Administrator Darrington suggested putting the document on the City's website. Attorney Petersen added that Director Roy would also have to prepare a Final Fiscal Impact Statement.

Mayor Daniels summarized the discussion. He agreed with Council Member Stanley that it was speculation to discuss the unknowns and undetermined new revenue. Council Member Stanley mentioned that the current available funding should also be presented. Administrator Darrington further reviewed how the passing of the Citizens' Initiative would impact changes to the Fiscal Years 2017 and 2018 budgets.

Council Member LeMone stated that the City has not yet reached \$2.3 million, and asked if they should go to \$2.6 million as stated on the Citizens' Initiative. Administrator Darrington answered in the negative, as \$325,000 is already earmarked for roads. Mayor Daniels asked how they would propose coming up with the shortfall.

Council Member Jensen was opposed to the Citizens' Initiative because of the impacts a \$2.3 million budget reduction would have on other services in the City. Council Member Andersen agreed.

Council Member LeMone addressed Jacob Zonts, the sponsor of the Citizens' Initiative. She commented that he had asked them to work together. She asked if he would withdraw the initiative and work with the Mayor, Council, and staff to find a solution to fund roads. She did not want to put the community through the division that has occurred in choosing roads versus services. Mr. Zonts was willing to work with the City. He could not agree to stop the initiative from moving forward as it was sponsored by others. The other sponsors agreed to fund roads first through the General Fund. He would have to discuss the matter with the other sponsors. He expressed a desire to work with the City to find a middle ground. He agreed to reach out to Council Member LeMone the following day.

Council Member Jensen asked if Mr. Zonts was thinking of property taxes as a possible solution. Mr. Zonts stated that some solutions he was considering were mentioned by Council Member Stanley, such as diving deep in the budget to find savings and then increasing taxes or fees. Council Member LeMone expressed appreciation to Mr. Zonts for contacting the other sponsors and confirmed that he would be willing to withdraw the Citizens' Initiative.

Mayor Daniels stated that if the \$2.1928 million were taken from the \$2.3 million required, they would still be short \$107,407. He reviewed several line items presented by Director Roy. Director Roy stated that she could rework the spreadsheets and redistribute it to the Council.

Attorney Petersen agreed to draft the 100-word summary, which she noted would not require Council action. She and Director Roy would work on proposals and drafts based on their perceived direction from Council. Those documents would be circulated for Council comments, but will not require Council action. She explained that time was of the essence with regard to this matter.

Council Member LeMone commented that Council Member Stanley should not say he did not want to cut services on social media. The Council all agreed. Staff had worked two weeks on the issue and though not his preferred method, that was the direction given. Council Member Stanley objected to the methodology tonight and two weeks ago. He commented there is a methodology that is fairer to all departments. Council Member LeMone asked for his solutions in writing. Mayor Daniels suggested they speak privately.

Council Member Andersen commented that this has been a painful exercise. She stated that they cannot see how to cut \$2.3 million without compromising services. In her research, she found that they are a very poor City. A neighboring City has the same miles in road, 8,000 fewer residents, and twice the budget with the same services. For every dollar in Pleasant Grove City, there is a service or value attached. She stated that 75% of the budget is people, who already do more for less. She commented that on social media there are very negative things being said about the Council. They each represent someone and should be respectful of who they represent. She values the quality of services they offer. The issue of roads is 25-year issue and they are doing their best to solve the problem.

12) REVIEW AND DISCUSSION OF THE MARCH 28, 2017 CITY COUNCIL WORK SESSION MEETING AGENDA

The agendas for the above stated meeting, as well as the agenda and the Special Meeting scheduled for March 22 were briefly reviewed and discussed.

13) NEIGHBORHOOD AND STAFF BUSINESS

Staff reported on several items pertinent to their respective departments. Neighborhood Chair, Libby Flegal, commented that she does not want to live in a City that is going backward. She stated that employee morale has suffered since the Citizens' Initiative came forward. Director Young mentioned that they issued a building permit to The Void for the construction of their building. They are looking at a minor site plan amendment for Evermore Garden which should be approved soon. Director Beaumont stated that a handout will be posted on the City website regarding Canyon Road. It came from Utah County and pertains to the projected schedule for road reconstruction. The kickoff meeting was held the previous day with the County and engineers. He mentioned that there are four projects being bid this week including 700 South, 900 South, the Walker Tank project, and the streets projects where utilities are being laid. Library and Arts Director, Sheri Britsch, reviewed the Library's upcoming program and activities and noted that they are staying very busy.

14) MAYOR AND COUNCIL BUSINESS

Council Member LeMone stated that she could not be calm about the Citizens' Initiative. Park employees were present and real lives will be affected if it is passed. She had to perform an exercise of cutting programs that should not be cut. She stated that the community should be as angry as she is with what is happening. She pledged to the employees of the City to do everything she can to not cut services.

Council Member Stanley invited those in attendance to the Rotary Club Meeting the following Thursday at Chubby's. Senator Hemmert was the guest speaker.

15) SIGNING OF PLATS

There were no plats to be signed.

16) REVIEW CALENDAR

Mayor Daniels stated that a meeting was to be held the following day to select the contractor for the Public Safety Buildings. He mentioned changes to the meeting schedule and noted that he will be out of town from March 26 to April 8.

17) CLOSED MEETING TO DISCUSS THE SALE OF REAL PROPERTY (UCA 52-4-205 (e))

ACTION: Council Member Stanley moved to adjourn into a Closed Meeting to discuss the sale of real property (UCA 52-4-205 (e)). Council Member Jensen seconded the motion. The motion passed with Council Members Andersen, Jensen, LeMone, Stanley and Walker voting "Aye."

Note: The Council adjourned into a Closed Session at 8:58 pm.

PRESENT:

Mayor: Michael W. Daniels

Council Members: Dianna Andersen
Eric Jensen
Cyd LeMone
Ben Stanley
Lynn Walker

Staff Present: Scott Darrington, City Administrator
Tina Petersen, City Attorney
Kathy Kresser, City Recorder

ACTION: At 9:25 p.m. Council Member Stanley moved to come out of a closed meeting. Council Member Walker seconded. The motion passed unanimously with Council Members Andersen, Jensen, LeMone, Stanley and Walker voted “Aye.”

18) ADJOURN

ACTION: Council Member LeMone moved to adjourn. Council Member Jensen seconded the motion. The motion passed unanimously with Council Members Andersen, Jensen, LeMone, Stanley and Walker voting “Aye.”

The meeting adjourned at 9:26 pm.

The minutes of the March 21, 2017 City Council meeting were approved by the City Council on April 18, 2017.

Kathy T. Kresser, City Recorder, MMC

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