

**TREMONTON CITY CORPORATION**  
**CITY COUNCIL MEETING**  
**June 21, 2011**

Members Present:

David Deakin  
Diana Doutre  
Lyle Holmgren  
Byron Wood  
Roger Fridal, Mayor  
Darlene S. Hess, Recorder

**CITY COUNCIL WORKSHOP**

Mayor Fridal called the June 21, 2011 City Council Workshop to order at 6:00 p.m. The meeting was held in the City Council Meeting Room at 102 South Tremont Street, Tremonton, Utah. Those in attendance were Mayor Fridal, Councilmembers Deakin, Doutre, Holmgren, and Wood, Recorder Darlene S. Hess, Public Works Director Paul Fulgham, Police Chief David Nance, Treasurer Sharri Oyler, and Finance Director Curtis Roberts. Councilmember Jeff Reese and City Manager Shawn Warnke were excused.

1. Review of agenda items on the 7:00 p.m. Council Meeting:

The Council reviewed the June 21, 2011 Agenda with the following items being discussed in more detail:

**Amendment of 2010-2011 Budget and Public Hearing** – Councilmember Deakin asked Finance Director Roberts to comment on Depreciation and Fixed Expenditures. Director Roberts explained that one philosophy of budgeting is that when a capital asset is built, its use occurs over time. The measurement of capturing the cost of an asset over time is called “depreciation.” User rates reflect the true cost of providing that service, so depreciation is an operating expense. Because depreciation is an operating expense, many governments choose to budget depreciation expense for the purpose of analyzing how the operations are going so there isn’t a big surprise at the end of the year when depreciation shows up.

This brings up the question of why Capital Outlay should also be budgeted if the cost of the assets is being captured through the depreciation. Budgeting for Capital Outlay provides a financial control within the budgeting process. It is a means of authorizing a maximum amount that can be spent for a new asset. The Capital Outlay really won’t affect the bottom line income. It is just a financial control.

Director Roberts has discussed with City Manager Warnke about making more differentiation between the Capital Outlay and the Operating Income and Expenses. Changes to the Chart of Accounts can be done to make things more clear in the future. Councilmember Deakin asked how the differentiation would occur. Director Roberts replied that the Capital Outlay items would be placed in a differently numbered section, or Department, of a Fund.

Councilmember Doutre asked why the Food Pantry Grants revenue line item showed zero income. Recorder Hess explained that no grant funds were received prior to submitting the budget. Director Roberts stated that a grant has likely been applied for and, if the grant authorization has been received but the expenses have not been submitted for reimbursement, even if the money comes in after the year end, a receivable will be put on the books and the revenue recorded in this year as the money was technically earned in this fiscal year.

**May Financial Statement and Warrant Register** – Councilmember Holmgren asked for an explanation of the \$817,000 payment to West Liberty Foods. It was discussed that it is reimbursement to them for their share of the tax increment.

**Resolution No. 11-33 – Election Services** – Recorder Hess told the Council that SB 0018 authorizes a city to enter into a contract or interlocal agreement with a provider election officer to conduct an election or to provide electronic election equipment to the municipalities for their elections. This Resolution would approve the State required contract which Box Elder County developed for providing those services. Attorney Ericson has reviewed and made revisions to the contract. The costing information provided would have to be doubled if the City has to do a primary.

**Resolution No. 11-34 – Services Agreement between Tremonton Police Department and Intermountain Health Care (IHC)** – Chief Nance explained that this previously discussed agreement would allow IHC to hire the City to provide off-duty officers for security at the hospital when there is a disorderly patient which may need extra care. There is no cost to the City. IHC will reimburse the City for the use of the officer.

Councilmember Deakin asked who would bear the liability in case an issue arises. Chief Nance explained that, inasmuch as the hospital will be paying the City, the City bears the liability. Utah Local Governments Trust has been contacted. Because of recent State law, that is the way most agencies that need officer assistance are doing it. The officers will be working as employees of the City. The hospitals will be charged a flat overtime rate.

**Resolution No. 11-37 – Reimbursement for UTOPIA Fiber Project** – Recorder Hess stated that \$312,000, the maximum obligation that may be required by UTOPIA, was budgeted to meet the inter-fund loan in the RDA. Director Roberts added that this just formalizes the loan agreement between Tremonton City and the RDA. As the RDA doesn't have the cash to make that payment, the City will loan them the necessary funds until the RDA is able to repay the City.

**Resolution No. 11-35 – Increasing Sewer Fees** – The Council recognized a need for this increase but expressed concern about the timing. Councilmember Deakin stated that the new budget was recently passed with the old rates and, though tight, it worked. Councilmember Holmgren feared that the City is playing a game of Russian roulette. The hope is that the economy will eventually recover, but the City risks using resources to get to that point. The Council needs to decide whether to try to limp through and hope for better times or a move and raise rates now?

Director Roberts said that his experience tells him that, when times are bad people will say, “You can’t raise fees. Just find ways to cut and get by.” However, when things are good, people will say, “Things are good and the government is flushed with money. They should leave things alone.” Director Roberts stated that his honest opinion is that to not do anything with the Storm Drain fee would be disastrous. It would just cause that Fund to go further into the hole. The Council would be creating deficits for some future generation to pay just as the Federal government has been doing.

Director Roberts stated that the Sewer Fund is struggling. Director Fulgham interjected that if he could choose only one rate to raise it would be the Sewer fee because when there are problems in that Department it costs the City more money than when there are problems in the Storm Drain Fund. When a sewer line fails, it can flood people’s homes. Some of the sewer lines were installed in 1913. There is one of the old lines on Third South which needs to be repaired. Director Roberts agreed that when a sewer line fails it costs a lot of money and said he does not advocate postponing the rate increase. However, looking at it from a strictly financial basis as opposed to an operational basis, if there is a fund the Council would want to buckle their belt and try to weather the storm on, it would be the Sewer Fund. Once again, doing so would be putting off steps to avoid potential future catastrophe and shifting the problem on to some future Council or future generation.

The fact that some communities have done away with curb and gutter was brought out. It was discussed that EPA regulations are going to make communities take a second look at the handling of storm drain water.

Councilmember Deakin asked if Director Fulgham had done a study on the water rates to see if there could be some mitigation of the total amount by making some adjustment to the water rate. Director Fulgham replied that he did a quick study, but that the Water Department is different. Operational costs are not covered by the flat rate. It is all based upon selling water overage, and overage is based upon “betting on the come.” It is Director Fulgham’s recommendation that the base rate of the water fund be self-sufficient without overage charges. Malt-O-Meal’s and West Liberty Foods’ overages have been carrying the Water Fund. If West Liberty Food hits a slow point and scales back, it will have a direct effect on the Water Fund. The big users are also carrying the Treatment Fund.

Director Fulgham expressed reservations about decreasing the water rates. He cited the advantages of being able to put in the new well without having to bond for the money. Several years ago that wasn’t possible and the City had to borrow money for a water project with the hopes of being able to pay it back with impact fees. They were able to do so, but now the City isn’t receiving impact fees and it wouldn’t be possible.

Councilmember Wood asked if it would be possible to borrow money from the Water Fund to do the road project on 2000 West. Director Fulgham agreed that that would be possible as long as the money was paid back. Director Roberts said he would look to see if it would be feasible for the City to pay a loan back to the Water Fund.

Mayor Fridal said his philosophy about increasing the Storm Water and Sewer Fees is that the minimum recommended increased amount of \$4.35 is only the amount of four diet Coca-Colas a month. The City doesn't want to play Russian roulette and gamble upon what is going to happen next year. He suggested that the sacrifice of four diet Cokes a month to keep the City functioning would be a reasonable alternative. No matter when the rates are increased, the Council will not be popular, but the City does not want to get behind.

Councilmember Deakin noted that Director Fulgham does not recommend making any adjustments to the water rate, but asked if the City could bear it if the rates were moved back to the pre Malt-O-Meal and West Liberty Foods era overages. Director Fulgham said that the water would bear it, but the bank account would not be as healthy as it is. Director Roberts added that if the Council were to reduce the water overages he would not feel as comfortable in saying that the Water Fund would be able to loan funds for roads and still be able to guarantee the Water Fund would have the cash flow they would need. Banks are more nervous about loaning money to a water fund when they see that there are inter-fund loans between the water fund and the general fund. Lowering the water rates may diminish the City's ability to borrow money.

Councilmember Holmgren commented that in the past the City's income has always been ahead of expenses. This year it is flat and may be even on a negative side. Councilmember Doutre commented that everyone should be responsible for the storm drain and sewer and that it is fairer to increase these rates than to touch the water overage. Councilmember Wood stated that the City doesn't want to touch the water overage and that he is not in favor of rolling back the water rate. It is a fee in place and it is doing its job.

Director Fulgham pointed out that if a project needs to be done in one of the Funds and revenue has not been built up to cover it, the City will need to borrow money. The Storm Drain has zero funds built up. Director Roberts said that the increases he recommended were the bare minimum needed just to make the fund survive. Either Fund would have to borrow money to do future major projects.

Councilmember Deakin stated that the Council clearly needs to do something but it may be more palatable to the people at the end of the summer when there are no overages.

The meeting adjourned at 6:55 p.m. by consensus of the Council.

## **CITY COUNCIL MEETING**

Mayor Fridal called the June 21, 2011 City Council Meeting to order at 7:03 p.m. The meeting was held in the Tremonton City Council Meeting Room at 102 South Tremont Street, Tremonton, Utah. Those in attendance were Mayor Fridal, Councilmembers Deakin, Doutre, Holmgren, and Wood, Recorder Darlene S. Hess, Public Works Director Paul Fulgham, Police Chief David Nance, Treasurer Sharri Oyler, and Finance Director Curtis Roberts. Councilmember Jeff Reese and City Manager Shawn Warnke were excused.

1. Opening Ceremony.

Mayor Fridal informed the audience that he had received no written or oral request to participate in the Opening Ceremony. He asked anyone who may be offended by listening to a prayer to step out into the lobby for this portion of the meeting. The prayer was offered by Councilmember Holmgren and the Pledge of Allegiance was led by Councilmember Doutre.

2. Discussion and approval of agenda.

Mayor Fridal asked if there were any changes to the agenda. **The Closed Session was deleted from the Agenda.**

**Motion by Councilmember Wood to approve the June 21, 2011 agenda with the deletion of Agenda Item 12 Closed Session.** Motion seconded by Councilmember Deakin. Vote: Councilmember Deakin, Councilmember Doutre - aye, Councilmember Holmgren - aye, and Councilmember Wood - aye. Motion approved.

3. Approval of minutes – June 7, 2011.

Mayor Fridal asked if there were any changes or corrections to the minutes. No comments were made.

**Motion by Councilmember Holmgren to approve the minutes of June 7, 2011.** Motion seconded by Councilmember Doutre. Vote: Councilmember Deakin – aye, Councilmember Doutre - aye, Councilmember Holmgren - aye, and Councilmember Wood - aye. Motion approved.

4. Introduction of guests.

Mayor Fridal welcomed Honeyville Mayor David L. Forsgren, representatives from EDC Utah, and all other guests in attendance.

5. Public Hearing

A Public Hearing was called to order at 7:07 p.m. to consider amending the 2010-2011 Budget. There were nine people in attendance.

- a. Consider amending the proposed budget entitled “The Tremonton City Annual Implementation Budget FY 2010-2011 (General Fund, Enterprise Fund(s), Capital Funds, Special Funds, Special Improvement District #1)” for the period commencing July 1, 2010 and ending June 30, 2011

There were no public comments. The Public Hearing was closed at 7:08 p.m.

6. Request(s) to be on the agenda

- a. Honeyville City’s Centennial Celebration – Mayor David L. Forsgren

Mayor Forsgren informed the Council that Honeyville was incorporated as a town one hundred years ago on July 8<sup>th</sup>. This year, on July 8<sup>th</sup>, Honeyville will be

celebrating their centennial. As part of that celebration, the City Council from Tremonton was invited to attend the program. Mayor Forsgren presented a gift pack to Mayor Fridal, each Councilmember present, and to Recorder Hess to show Honeyville's appreciation for Tremonton's support during the past one hundred years.

b. EDC Utah Report to the Council

Art Franks explained that EDC Utah is a private non-profit company which has been in existence for twenty-four years. They have been successful in bringing a lot of new jobs to the State of Utah and in assisting companies to retain those jobs. EDC Utah has had a banner year having obtained a couple of projects which will bring 8,000 new jobs to Utah.

Governor Huntsman assigned EDC Utah with the responsibility of new job recruitment for the State and dissolved that function from the Governor's office. Now the economic development focus of the Governor's office is focused on cluster development, like aerospace, outdoor retail, energy, medical devices, etc.

EDC Utah handles the incoming projects which come to them through national recruiters, cities, economic developers, or real estate developers. Those projects are then hand carried from the beginning to the end until the final decision is made as to whether they will be coming to the State of Utah.

There has been discussion about Tremonton City becoming a member of EDC Utah. With membership comes a position on the EDC Utah Board of Trustees, and EDC Utah becomes an extension of the City's economic development effort. Because of the size of Tremonton, the fee should be about \$1,500 per year. EDC Utah is actively recruiting for the La-Z-Boy building and for the business park.

There is a program on EDC Utah's website called Sure Sites which serves as a real estate marketing function. Businesses looking to relocate do a lot of their preemptive work on websites and can pretty much determine from Sure Sites if Utah has properties which meet their criteria before even coming to Utah.

Dennis Nordfelt, former West Valley Mayor and consultant for EDC Utah, commented on the great value of being a member of EDC Utah, not the least of which is being a member of the board of trustees and to have the opportunity to attend meetings and become acquainted with the movers and shakers throughout the State of Utah. If Tremonton is looking for a specific type of development, the EDC Utah staff can provide a great deal of assistance in getting the demographic and financial information needed to attract that type of economic development. Also, EDC Utah participates every spring in the International Conference of Shopping Centers in Las Vegas. EDC Utah hosts a booth where members can participate. This year, a couple of Utah cities were able to return from the Conference with commitments from retail businesses to locate in their cities. If Tremonton has a site that is ready for development, the EDC Utah staff can help find a good fit for that site and bring jobs to the City.

Mayor Fridal commented that he had visited with someone recently who attended the Las Vegas Convention. This person's response was that it was worth every penny it took to get someone to participate.

7. Council Department Head(s) Report:

a. Court – Judge Christensen

Judge Christensen reported that the Tremonton Municipal Justice Court is functioning better than it ever has. Court Clerk Tamara Judkins is on top of entering the tickets and getting them ready for court, following the cases all the way through to sentencing or the trial process, and following through on the issuance of warrants when necessary. Attorney Dustin Ericson is a great prosecutor. The City also has a good public defender.

Judge Christensen said that he and the Staff are looking at ways to improve the Court. The Court uses the CORIS Computer System which the State of Utah forced on the municipal courts. Currently a lot of hand receipts are being written. Steps are being taken to eliminate this process and let the computer print the receipts. The Court is also considering accepting credit cards. The CORIS Computer System is set up to take credit cards. Garland is taking credit cards now. Box Elder County and Willard City are looking at accepting credit cards. There are some concerns regarding the system, so questions will be asked before a decision is made to go that direction.

This Court also handles all of the small claims for Tremonton City, so any lawsuit under \$10,000 comes through this Court and is handled as small claims. The City uses the small claims process when someone doesn't pay their ambulance bill. Occasionally a City case goes to trial and Treasurer Oyler represents the City. Once a judgment is entered, it allows the City to collect in ways that were not previously available: such as garnishing wages, putting liens on real property, and selling personal property through a sheriff's sale.

Tremonton is in the process of setting the CORIS System up so that when officers enter a ticket on the computer in their car it will flow directly into the CORIS System, and when Ms. Judkins turns on the computer in the morning it will tell her that she has so many new tickets. Ms. Judkins now has to re-enter the ticket information into the computer, which the officer has already entered, and this is a wasted effort. Also the officers currently have several days to turn a ticket in, so if someone is passing through town and wants to pay a ticket right after issuance, the information usually is not available at the Court Office.

Mayor Fridal asked if the Court is busier than it has been in the past. Judge Christensen replied that the Court is as busy as it has ever been, but it seems like they are seeing a lot more cases that are of a more serious nature. There are a lot of assaults, domestic violence, DUI's, drug charges, underage drinking, etc.

Judge Christensen expressed his appreciation to the Mayor and Council for their support.

b. Fire Department – Fire Chief

Chief Batis reported that he is confident the Fire Department will end the year with revenues above and expenditures below budget, even with the write-offs for bad debt. As of last month, the Fire Department Fund had received 99.8% of

revenue and had only spent 87%. The ambulance crew has been very busy. It is expected that they will meet or exceed last year's call volume.

The City Council was provided with copies of the Tremonton City Fire Department 2010 Annual Report, a beautifully designed pamphlet which explains the structure, operations, activities, accomplishments, and goals of the Department, both in word and in colored photos.

2010 was the first year the Department had a part time Fire Chief, hired and appointed by the Mayor, City Council and City Manager. The positions of EMS and Fire Battalion Chief were filled along with five Captain positions. Department policies, procedures and guidelines were reviewed and updated.

The Fire Department received defibrillators/monitors donated through the Association of Physicians of Utah Foundation. Tremonton is one of the first Fire Departments in the State to be on board with these defibrillators which provide the capability of sending 12 lead information (heart rhythms) to the hospital from the scene. They also received grant funding for a Stricker Power Cot, three 800 MHz radios, two digital VHF radios, and one set of bunker gear. Except for five new EMT/fire fighters which were added this year, all of the fire fighters are now equipped with NFPA (National Fire Protection Association) and OSHA (Occupational Safety and Health Association) proof gear. With funds from this coming year, the Department will be fully compliant.

Chief Batis outlined activities related to fire prevention activities, community service/fundraisers, training, and Public Education. A record number of people were served this year at the Annual Steak Fry, and two hundred additional meals were delivered by the firemen to the elderly and/or residents that are considered shut-ins. Training was increased. As of this year, the Fire Department is 100% in Hazmat awareness ops, Firefighter I and Firefighter II training.

Mike Norr was recognized as the 2010 Firefighter of the year. Older Department members were also recognized: Lynn Iverson for 70 years of service and Nick Estep, Bevin Hales and Carter Rich for 50 years of service to the Tremonton City Fire Department. In 2010, Tremonton City's ISO (International Organization for Standardization) rating was lowered from a 5 to a 4. The Fire Department and their continued training played a leading role in obtaining this favorable rating.

As part of their Public Education Program, the Fire Department teamed up with Domino's Pizza. Members go out on pizza deliveries and ask to check smoke detectors at the homes. Out of twelve homes that were checked this past year, three did not work and one did not have a smoke detector. The members changed the batteries and gave a smoke detector to the homes that needed them.

The Department's statistical data shows an increase in EMS response from 646 in 2007 to 741 in 2010 (the ambulance is averaging a transport every day); and a decrease in Fire response from 137 in 2006 to 93 in 2010 though fire stats vary from year to year.

With the increase in call volume, the ambulance fleet is getting a lot of miles. Recently during an emergency transfer of a ninety-nine year old female who was having trouble breathing, the ambulance broke down between Tremonton and the

Riverside exit. It was necessary to dispatch another ambulance to pick her up and finish taking her to Logan. All but the newest ambulance have high mileage. As a result, the Department will continue to push for a new ambulance

The majority (almost 50%) of ambulance bad debt is related to services to out-of-state patients. It is expected that the total bad debt write-off for this year will amount to almost \$100,000. The reason the State of Utah sets the ambulance rates where they are is to help compensate for insurance write-offs with Medicare and Medicaid and for those who do not pay. The hope is that this will allow ambulance services to at least break even. Chief Batis said that, even with all the write-offs, he has a positive outlook. His expectation is that the Department will come out ahead this year.

Councilmember Doutre said that she was approached by a fireman at the Steak Fry who commented that the City Council does not support the Fire Department. She asked Chief Batis to explain why the Department feels that way. Chief Batis replied that some of it may be related to comments which have been made about getting rid of the ladder truck. He said that when the Council was approached about purchasing the ladder truck they were told that the Fire Department hoped it never had to leave the station. Still, having the ladder truck helped the City to obtain the lower ISO rating. The last time the ISO Committee visited Tremonton, Tremonton was given zero points for a ladder truck. Even though the tallest building at that time was the old hospital, the Department was told that they would not be able to “ladder” that building. When the Hampton Inn came in, it was taller than any hand ladder could reach. The City was also deficient in equipment. Mayor Weese asked what needed to be done to get to the maximum points and so the City purchased the few things that were needed. Now Tremonton City gets 100% of the points available for equipment. The ladder truck has been used at Malt-O-Meal when they had the roof fire. There are other examples of fires where that truck has saved a structure. It is an investment that will last the City for years. The Department takes good care of their equipment and it will last a long time.

The firemen tend to “want their fair share,” but no one is really mad at the City Council. The Fire Department Staff understands the economy. They hope the Council understands that they are working hard to stay within their budget. They are working to be able to pay for the equipment they need.

The Council expressed their appreciation for the Fire Department and all that they do for the City and the surrounding area.

8. New Council Business:

- a. Discussion and consideration of approving the May Financial Statement

**Motion by Councilmember Wood to approve the May 2011 Financial Statement.** Motion seconded by Councilmember Holmgren. Vote: Councilmember Deakin - aye, Councilmember Doutre - aye, Councilmember Holmgren - aye, and Councilmember Wood - aye. Motion approved.

Councilmember Deakin commented that he is pleased with how strong the Financial Statement actually looked. Mayor Fridal said that there seems to be a

trend. Financial conditions are no longer going down but are flattening out.

- b. Discussion and consideration of approving the May Warrant Register

**Motion by Councilmember Holmgren to approve the May 2011 Warrant Register.** Motion seconded by Councilmember Doutre. Vote: Councilmember Deakin - aye, Councilmember Doutre, Councilmember Holmgren - aye, and Councilmember Wood - aye. Motion approved.

- c. Discussion and consideration of approving Resolution No. 11-32 amending the proposed budget entitled “The Tremonton City Annual Implementation Budget FY 2010-2011 (General Fund, Enterprise Fund(s), Capital Funds, Special Funds, Special Improvement District #1)” for the period commencing July 1, 2010 and ending June 30, 2011

**Motion by Councilmember Doutre to adopt Resolution No. 11-32 and amend the proposed budget.** Motion seconded by Councilmember Wood. Vote: Councilmember Deakin - aye, Councilmember Doutre - aye, Councilmember Holmgren - aye, and Councilmember Wood - aye. Motion approved.

- d. Discussion and consideration of approving Resolution No. 11-33 approving a Contract for Elections Services between Box Elder County, State of Utah, and Tremonton City Corporation

Recorder Hess explained that Senator Knudsen sponsored SB 0018 to make provisions related to contracting with a provider election officer to conduct elections on behalf of a local subdivision. One of the requirements of the State law is that the City enter into a contract for those services. The Contract with Box Elder County has been reviewed by both the Box Elder County and the Tremonton City attorneys. The contract just needs to be finalized so that Tremonton City can use the County’s electronic equipment for the upcoming elections.

**Motion by Councilmember Doutre to adopt Resolution No. 11-33 and contract for electronic equipment with Box Elder County.** Motion seconded by Councilmember Deakin. Vote: Councilmember Deakin - aye, Councilmember Doutre - aye, Councilmember Holmgren - aye, and Councilmember Wood - aye. Motion approved.

- e. Discussion and consideration of approving Resolution No. 11-34 authorizing a Services Agreement between Tremonton Police Department and Intermountain Health Care

Police Chief Nance stated that the hospital occasionally has need for additional security services. The hospital asked about the possibility of hiring off-duty officers to fill that need. Both the hospital attorney and the City attorney have worked on the agreement, taking into consideration recent State laws. The City attorney has approved everything. The IHC attorney is now taking a final look at the agreement, but everything in the last draft has pretty much been agreed to by the hospital. The only change is a request by the City that the hospital provide training to the officers on the HIPAA (Health Insurance Portability and Accountability Act) laws to make certain the City is in compliance. The final

document is still pending but it should be pretty much what has been provided.

Councilmember Deakin stated that the Term of the Agreement has been left blank. He asked what Chief Nance anticipated would be the term. Chief Nance said he didn't recall that anything has been set. The wording states that it can be extended or terminated by either party giving notice.

**Motion by Councilmember Holmgren to adopt Resolution 11-34 authorizing the services between Tremonton City and Intermountain Health Care.**

Motion seconded by Councilmember Wood. Vote: Councilmember Deakin - aye, Councilmember Doure - aye, Councilmember Holmgren - aye, and Councilmember Wood - aye. Motion approved.

- f. Discussion and consideration of adopting Resolution No. 11-37 formalizing the reimbursement of Tremonton City Corporation for a UTOPIA Fiber Project through tax increment funding received by the Tremonton Redevelopment Agency

**Motion by Councilmember Holmgren to adopt Resolution No. 11-37 formalizing the reimbursement of Tremonton City Corporation for UTOPIA Fiber Project through the tax increment with the Tremonton Redevelopment Agency.**

Motion seconded by Councilmember Wood. Vote: Councilmember Deakin - aye, Councilmember Doure - aye, Councilmember Holmgren - aye, and Councilmember Wood - aye. Motion approved.

9. Unfinished Business:

- a. Discussion and consideration of adopting Resolution No. 11-35 increasing sewer fees and establishing a provision for the collection of those fees

Finance Director Roberts said that he would address both the sewer and the storm water fees. A potential increase of these fees has been a matter of discussion for a couple of months. The Storm Water has always been underfunded. That fund was broken out in last year's Financial Statement to see what the financial condition of the Storm Water Fund was. It showed a significant deficiency in the ability of that fund to generate enough funds to be able to recover the cost of that service. As a result of doing that analysis, a recommended fee increase range was developed with the bottom line being the minimum fee that would get the fund going. Money would still be needed to be borrowed to fund projects with the minimum fee. The high maximum fee increase would be what it would take to really make the operation of that fund solid going forward.

The Sewer Fund was also broken out and analyzed. It also showed a deficiency. Once again an analysis was done of the fee structure ranging from what it would take to keep that Fund operational up to the maximum of what it would take to really optimize the operation of that Fund so it wouldn't be necessary to come back for a fee increase for a while.

If something isn't done now, these funds will not cover their costs and the Council will be putting the burden on future generations. Director Roberts recommended that the Council consider a fee increase somewhere within the ranges provided so that these funds will cover their costs, and take care of the issue now rather than putting it on someone else.

Councilmember Deakin said that he would like to table both Resolution Nos. 11-35 and 11-36 until the first meeting in September. The FY 2011-2012 Budget has been approved where these accounts are being subsidized from Reserves. It would be more palatable for people if the increase occurred at the end of summer when people aren't paying as much for utilities and the Council will have a better idea of what overages the City has collected during the summer.

Councilmember Wood agreed stating that people will be paying overages during the summer months. At the end of the summer an increase may not be quite as big of a hardship. If the Council selected the total minimum recommended fee it would be an increase of about \$4.00 per month. Most of the people in town it wouldn't affect too much. It could be a struggle for some of the widows and older folks, however. Councilmember Wood added that he feels this increase should be addressed with a full body and Councilmember Reese is not present.

Mayor Fridal commented that this debt is going to have to be paid at some point in time. The Council can't keep putting it off. Councilmember Holmgren said that he feels that it won't be any more palatable in September than it is today. In considering the needs of the widow, etc., \$4.45 is going to be as hard to pay in September as it is in June. Councilmember Holmgren did agree, however, that it would be a good idea for Councilmember Reese to be present and have a full body to discuss these increases. He expressed appreciation for how seriously everyone has taken this issue.

Councilmember Doutre said someone spoke to her and told her the people he works with would have a hard time with this increase. Councilmember Deakin stated that the Council is going to have to deal with this at some point. The City Reserves are not going to last forever.

**Motion by Councilmember Deakin to table Resolution 11-36 until the September 6, 2011 Council Meeting.** Motion seconded by Councilmember Wood. Vote: Councilmember Deakin - aye, Councilmember Doutre - aye, Councilmember Holmgren - nay, and Councilmember Wood - aye. Motion approved.

- b. Discussion and consideration of adopting Resolution No. 11-36 increasing storm water fees and establishing a provision for the collection of those fees

**Motion by Councilmember Deakin to table Resolution 11-36 until the September 6, 2011 Council Meeting.** Motion seconded by Councilmember

Wood. Vote: Councilmember Deakin - aye, Councilmember Doutre - aye, Councilmember Holmgren - nay, and Councilmember Wood - aye. Motion approved.

10. Comments:

a. Administration/City Manager Advice and Consent.

No Advice and Consent items were discussed.

b. Council Reports:

**Councilmember Deakin** commented that the Council has been trying to save some money and make things more efficient. The Planning Commission has been meeting on a regular schedule except for times when the meeting was canceled. There has been a real shortage of topics with very little development lately. The Commission is wondering how the Council would feel if the Planning Commission were adjusted to just one meeting per month until there is something to plan. This would save a little bit in that the City wouldn't have to pay Zoning Administrator Bench and Treasurer Oyler to be present in the evenings. The Council was in agreement with the change. This topic will be placed on a future agenda.

Duane Kerr approached Councilmember Deakin stating that he lives next door to the Senior Center and he doesn't believe parking is as big an issue as the Council has been led to believe. Mr. Kerr stated that there is one night that they are over full, otherwise he is of the opinion that the parking need at the Senior Center is not that great. Mr. Kerr would like the City to take another look at this issue.

**Councilmember Doutre** stated that the triangle on Tremont Street has been planted and it looks very nice. The Mayor and Council agreed.

11. Public comments: Comments limited to three minutes.

Sean Sullivan said that he lives at 862 N. 400 E. in Tremonton. It is his understanding that there is an ordinance which requires a developer to chip seal a road at some point after the road has been paved and before turning it over to the City. Director Fulgham confirmed that that absolutely is a requirement. Mr. Sullivan said he talked with the City Manager about the gravel on his street and Manager Warnke had the streets swept in front of his house. Both 400 East and 470 East were chip sealed in accordance with the Ordinance, but at the time it was done the Ordinance, though well intentioned, was incomplete in that it did not require a fog coat over the top of the chip seal to keep the gravel in place. Mr. Sullivan stated that last night he swept a two foot by two foot section of road in front of his house. He demonstrated the amount of gravel he was still able to sweep up after two years of the chip seal being on the road.

The loose gravel causes two problems. One, after the snow season, the grass in front of the homes on the street is completely covered in gravel. The residents spend days cleaning it off their lawns. One neighbor spends an entire day vacuuming his grass with a shop vacuum to get the gravel out of his lawn. The other problem is that all the kids on

the street have skinned knees and hands from slipping in the gravel when riding their bikes. Mr. Sullivan recognized that the Ordinance has now been changed to require a fog coat to seal the rocks down.

Mr. Sullivan said there are other areas within the City that have similar problems. He asked if there was something the City could do to help. Sweeping alone is not addressing the problem. Director Fulgham said that the City wants to keep the gravel down to protect the road surface. To sweep them up would defeat the purpose of why the chip seal is put on the road. Mr. Sullivan said that the citizens would really appreciate anything the City could do to alleviate this problem.

Director Fulgham said the only alternative would be to fog coat the roads. Councilmember Deakin asked for an estimate of how many feet of streets there are within the City that fall into this category. Director Fulgham estimated about 15,000 feet. There are several subdivisions that were never fog coated.

Mayor Fridal thanked Mr. Sullivan for coming and told him the Council will take this problem into consideration at another meeting.

12. Closed Session to discuss the acquisition of land to provide the public body with the best possible terms of negotiation.

This item was deleted from the Agenda.

13. Adjournment.

**Motion by Councilmember Deakin to adjourn the meeting.** Motion seconded by Councilmember Wood. Vote: Councilmember Deakin - aye, Councilmember Doutre - aye, Councilmember Holmgren - aye, and Councilmember Wood - aye. Motion approved.

The meeting adjourned at 8:21 p.m.

The undersigned duly acting and appointed Recorder for Tremonton City Corporation hereby certifies that the foregoing is a true and correct copy of the minutes for the City Council Meeting held on the above referenced date. Minutes were prepared by Norene Rawlings.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

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Darlene S. Hess, Recorder