

PERRY CITY COUNCIL MEETING
PERRY CITY OFFICES
DECEMBER 13, 2012

7:00PM

OFFICIALS PRESENT: Mayor Pro-Tem Satterthwaite presided and conducted the meeting
Todd Christensen, Karen Cronin, Peter Gerlach, Jana Nelson

OFFICIALS EXCUSED: Mayor Jerry Nelson

CITY STAFF PRESENT: Duncan Murray, City Administrator
Shanna Johnson, Chief Deputy Recorder
Dale Weese, Chief of Police
Cody Herbert, Police Officer

OTHERS PRESENT: Brett Jones (Jones & Associates), Kenny Mowen, Mark Hankins, Kyler Hankins, Gary Brown, Jim Buchanan, Blake Thompson, Zachary Bullwinkel, Terry Thompson, Aldous Weight, Reese Nelson, Tyler Martin, Tim Martin, Todd Bischoff, David Rogers (Davis & Bott), Chuck Palmer (Crane, Christensen, Palmer & Ambrose), James Mackley (Sentinel News)

ITEM 1: CALL TO ORDER

Mayor Pro-Tem Satterthwaite called the meeting to order.

A. INVOCATION

Council Member Christensen offered the invocation.

B. PLEDGE OF ALLEGIANCE

Council Member Gerlach led the audience in the Pledge of Allegiance.

ITEM 2: NEW BUSINESS LICENSES, PROCEDURAL ISSUES, AND APPOINTMENTS

A. CONFLICT OF INTEREST DECLARATION

None.

B. NEW BUSINESS LICENSES

- **CLS Consulting – Business Owner, Cinde L. Shupe:** Mayor Pro-Tem Satterthwaite explained that this is a home business with no visiting clientele. She said the business does medical coding.

MOTION: Council Member Christensen made a motion to approve the business license for CLS Consulting. Council Member Gerlach seconded the motion.

ROLL CALL: Council Member Cronin, Yes Council Member Gerlach, Yes
 Council Member Christensen, Yes Council Member Nelson, Yes
 Council Member Satterthwaite, Yes
Motion Approved. 5 Yes, 0 No.

C. PASS OUT WARRANTS TO COUNCIL MEMBERS (AND POSSIBLE DISCUSSION)

Shanna Johnson passed out the warrants. Council Member Cronin asked about the new police vehicle. Duncan Murray stated this will be discussed during item 6B. Council Member Cronin asked if the vehicle was listed on the warrant list. Shanna Johnson said no this would be an approval to move forward with the purchase and the vehicle will show up on a future warrant list.

D. APPOINTMENTS PLANNING COMMISSION AND/OR OTHER POSITIONS

Duncan Murray advised that the Planning Commission has recommended David Walker to be the vice chair for 2013, and Chair Elect for 2014. Council Member Christensen asked how long Mr. Walker had been on the Planning Commission. Duncan stated approximately 2-years.

MOTION: Council Member Cronin made a motion to accept the Planning Commission Recommendation of David Walker as Vice Chair for the Planning Commission. Council member Christensen seconded the motion.

ROLL CALL: Council Member Cronin, Yes Council Member Gerlach, Yes
 Council Member Christensen, Yes Council Member Nelson, Yes
 Council Member Satterthwaite, Yes

Motion Approved. 5 Yes, 0 No.

ITEM 3: PRESENTATIONS

A. BEAR RIVER HEALTH DEPARTMENT TO PRESENT HEALTHY COMMUNITY AWARD

Duncan Murray stated that Bear River Health Department was not able to attend, so the presentation of the Healthy Community award will take place in January. He said the City has received notification that we have achieved a Platinum level award, which is the highest level.

B. JIM BUCHANAN TO PRESENT MULTI-YEAR ISO PUBLIC PROTECTION CLASSIFICATION SUMMARY REPORT

Jim Buchanan reported that in July the community underwent an ISO (Insurance Service Organization) Audit. They come out and audit fire departments throughout the nation. He said the lower the score, the better. Mr. Buchanan stated in 2012 we were rated at a 5/9. He said the Brigham City and Perry City Corporate limits were scored at a 5 and the area north and west of Brigham City that the Fire Department covers for the County received a score of 9. He said the score of 9 was based upon the limited supply of water and hydrants in the area. He reported the new ratings given based on the recent audit were 4/8B. He said this improved rating helps with fire insurance premiums both for residential and commercial. He said they evaluate the amount of water that can be pumped from trucks in the event of a fire, they review the dispatch services and circuits in the area, and they review the fire department, including equipment, resources, personnel, response time, and training. He said the score received on personnel was a 2.66 out of a possible 9. He said in order to increase this number; the department would have to hire paid fire fighters and this would cost additional money, with little cost benefit. He said the score for training was 3.6 out of 9. He said in order to receive a 9; his staff would have to attend 20 hours of training a month. He said you have to look at the cost benefit of these items. He said they are evaluating this, but they are not yet prepared to make any changes to staff or training. He said during the audit, hydrants were reviewed and received a score of 34.42 out of 40, which means the community has very good water, with exception of the outlying areas to the North and West. The ISO auditor rates the department on a scale of 1-10, 10 being the worse, and 1 being the best. He said most full-time departments in Utah are rated at a 2. He said there is one full-time department in the US rated at a 1 and that is Los Angeles, CA. He said throughout the nation only 15% of the departments were rated a class 4 or better, which means 85% of departments were rated not as good as our department. He said in Utah only 11% of communities are rated a 4 or better, and there are only 3 volunteer departments of similar size to Brigham City Fire Department that are rated a class 4. He said he feels very good about that. He said the department is currently evaluating the report in an effort to find areas where they can improve and they will then sit down with the Finance Director to evaluate cost and see if there is a benefit to making certain improvements. Mr. Buchanan said his goal is to be rated a 3 before he retires. He said the impact of this new rating is that all residents will see lower property insurance costs. He said this also helps with bringing in Commercial Development. Mr. Buchanan thanked the Mayor and Staff for their support

during the ISO audit and the residents of Perry for allowing the Brigham City Fire Department to service their community. Council Member Christensen asked when citizens can call their insurance companies and inform them of the new ISO rating in an effort to get lower insurance costs. Mr. Buchanan said the ratings will be available for review by Insurance Agencies in January. The ISO Auditor should also be sending notification to all agencies. He said there is a chance you will not see a rate drop. He said last time insurance costs were offset by and stayed the same due to Hurricane Katrina and you may see this again as a result of Hurricane Sandy.

C. HOLIDAY LIGHT AWARD PRESENTATION

Mayor Pro-Tem Satterthwaite presented Holiday Light Awards as follows:

- First Place – Gary Brown
- Second Place – Jared and Amber Newman
- Third Place – Aldous Weight

Award winners received a cook book and a gift card to Wal-Mart.

ITEM 4: PUBLIC COMMENTS AND/OR PUBLIC HEARINGS

A. PUBLIC HEARING TO RECEIVE PUBLIC COMMENT AND SUGGESTIONS REGARDING AN APPLICATION FOR COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDING, SPECIFICALLY TO CONSIDER POTENTIAL PROJECTS FOR WHICH FUNDING MAY BE APPLIED UNDER THE CDBG SMALL CITIES PROGRAM FOR THE CURRENT PROGRAM YEAR

Duncan Murray explained this could be any project that would benefit the city as a whole. Council Member Christensen said this public hearing is a requirement of the grant submission. Duncan agreed and said it is also a good way to ensure that the City has not missed any suggestions for possible projects.

MOTION: Council Member Cronin made a motion to close the Regular Meeting and open a Public Hearing. Council Member Christensen seconded the motion.

ROLL CALL: Council Member Cronin, Yes Council Member Gerlach, Yes
 Council Member Christensen, Yes Council Member Nelson, Yes
 Council Member Satterthwaite, Yes
Motion Approved. 5 Yes, 0 No.

Todd Bischoff: recommended a park in the Northeast section of the city, near Indian Hills.

Tim Martin: recommended street lights at in the area of 2000 and 2050 South. He said the area is very dark.

MOTION: Council Member Christensen made a motion to close the public hearing and reopen the Regular Meeting. Council Member Nelson seconded the motion.

ROLL CALL: Council Member Cronin, Yes Council Member Gerlach, Yes
 Council Member Christensen, Yes Council Member Nelson, Yes
 Council Member Satterthwaite, Yes
Motion Approved. 5 Yes, 0 No.

Peter Gerlach stated that he has had other requests for street lights in the 2000 and 2050 South area. Council Member Cronin asked if there is a priority list for streetlights in the City. Duncan said there was a list put together by the Engineer in the past. Council Member Cronin recommended having the Planning Commission put together a priority list to address street lights.

Todd Christensen asked if the City has decided yet what project they will apply for regarding CDBG funding, stating that there has also been talk of infrastructure and road improvements along 900West.

Duncan Murray said that is another project option. He said 900 West is one of the City's remaining asphalted streets that is in bad disrepair. He said the project area would include 900 West from 2250 South to 2450 South, and then down to 2700 South wrapping around to the new charter school. He said the project would need to be completed in phases. There are some B&C Road Funds saved that could be used on the project. He said it is believed that income levels in the area would qualify for the funding. Duncan said the project seems to be a good fit for CDBG funding.

B. PUBLIC COMMENTS

None.

ITEM 5: LAND USE ISSUES

A. DISCUSS DECEMBER 6, 2012 PLANNING COMMISSION MEETING

Todd Bischoff reported that the main item discussed was the sign ordinance; in particular, getting rid of the 10 foot setback and allowing signs anywhere within the property line, as long as they do not overhang the property line and do not cause any safety concerns. He said Duncan Murray was going to work on a draft amendment to the Ordinance. Duncan said after the meeting the City Engineer did figure out that the 10-foot setback probably had to do with Public Utility Easements. He said that if the language in the Ordinance includes that the sign is subject to Public Utility Easements, then removing the setback requirement will be fine. Mr. Bischoff said they also discussed a new park in the Northeast section of the city in the meeting as well.

ITEM 6: FINANCIAL AND PUBLIC UTILITIES, AND TECHNOLOGY ISSUES

Approx. 7:42PM

A. ANNUAL FINANCIAL STATEMENT AND AUDIT REPORT FOR FY2011-2012

David Rogers of Davis & Bott presented the 2011-2012 (FY2012) Perry City Financial Statement. In general, the City is in very good financial position. He reviewed the Management Discussion and Analysis section of the statement, which included the following highlights:

- The City's Combined Assets increased by \$694,000 or 5.2% from prior year.
 - Business type Assets increased by \$294,000.
 - Governmental Assets increased by \$400,000.
- He stated the overall Governmental Fund level increased \$364,000 or 505% over the prior by due to the collection of bond assessments from the Pointe Perry area.
- He reviewed fund balances in the Proprietary funds:
 - The Utility Fund increased fund balance by \$163,000.
 - The Sewer Fund increased fund balance by \$131,000, due to primarily grants received for sewer projects.
- Long term debt decreased from \$12.9 Million to \$12.5 Million due to principal payments on debt.
- Principal Payments on Bonds and Notes totaled \$412,000.
- He reviewed the change in Net Assets, which reviews profit and loss.
 - Governmental Activities:
 - Revenues increased to \$2 Million compared to \$1.8 Million last year. This is due to charges for services, mainly the bond assessments which were collected, and impact fees were also up.
 - Expenses decreased, due to interest being lower.
 - Total net income for the year is \$399,589.
 - Business Activities:
 - Revenues increased to \$1.9 Million a total of \$300,000 over the previous year. \$394,000 of this was capital grants and interest. This is due to increased impact fees and the Sewer Grant for the South Pipeline.

- Expenses increased from \$573,000 to \$1 Million, which is understandable due to it being the First full year of operations at the Sewer Plant. \$400,000 of this is depreciation and \$332,000 is interest the balance was operating costs for the Sewer.
 - Total net income for the year is \$694,000.
- He reviewed how much in taxes and other revenues are subsidizing the operation of the city (General Activities). He said the City has total program expenses of \$1.5 Million and Program Revenues bring in \$660,000, so taxes are covering \$921,000. He said program revenue coverage increased to 42% up from 37% last year.
- He reviewed program coverage for Business Type Activities. Program Expenses were \$1.6 Million and Program Revenues were \$1.8 Million. Which means that is great and gives room for any infrastructure improvements needed.
- Major Capital Asset Improvements included:
 - \$374,000 in Soccer Park Improvements, including park restroom and other improvements.
 - The new Gun Range.
 - The Alum Building was finished at the Wastewater Treatment Plant along with other improvements.
- There was a repayment of water Bonds totaling \$315,000, as well as \$118,000 in special assessment bonds at Pointe Perry.
- He reviewed profit and loss for the Sewer Fund stating there was \$769,000 in operating revenue and operating expenses totaled \$768,000. He said the sewer rates seem to be set at the right amount.

The Auditor, Chuck Palmer, of Crane, Christensen, Palmer, and Ambrose, presented the Audit Report. He stated that they have reviewed the City’s financials prepared by Management and Davis and Bott and that no errors were found and appear to be correct. He said there has been good improvement this year, all fund balances are positive and no departments were over budget. He advised that they reviewed the internal controls and found that they are effective. He said they are required by the State Auditor to go through a checklist of tests for compliance and there were no findings. He said Shanna Johnson and Duncan Murray have done a good job in getting things cleaned up and working well. He said management and staff were very helpful and there was no problem in working with them. He said fund balance looks good you are required to have 5% and you cannot exceed 18%. He said the City is right in the middle now. He advised to keep up the good work. Council Member Christensen thanked Shanna Johnson for her good work. He said she has been doing this for 5 years now and stepped into a bit of a challenge, but thinks she does a great job, and appreciates the monthly financial reports that she provides. Council Member also thanked Shanna and the staff.

Approx. 7:35PM

B. APPROVAL OF WARRANTS, INCLUDING A NEW POLICE VEHICLE

Council Member Christensen questioned sewer project expenses. Shanna Johnson stated that the expenses were in relation to the South Pipeline installation and is fully covered by Grant monies. Council Member Gerlach questioned the payment to Fat Pot Technologies. Shanna Johnson explained this has to do with the police radios and it is a yearly fee. Council Member Cronin asked if the payment to Staker Parsons was city road projects at 2000 South, 1200 West, and Maddox Lane. Shanna confirmed that this was full payment for those projects.

MOTION: Council Member Gerlach made a motion to approve the warrants. Council Member Christensen seconded the motion.

ROLL CALL: Council Member Cronin, Yes Council Member Gerlach, Yes
 Council Member Christensen, Yes Council Member Nelson, Yes
 Council Member Satterthwaite, Yes

Motion Approved. 5 Yes, 0 No.

Approx. 7:57PM

Chief Dale Weese reported that the Police Department has not purchased a new vehicle in over 2 years and they have been trying to make what they have last. The Dodge Durango is the oldest vehicle they have in their fleet; the transmission has been acting up over the last two years and is finally to a point that it locks up and is not functional. He said he was trying to wait until July before purchasing a new vehicle, but it is not going to last. He reported that they spent \$1,600 in repairs to Durango last year mostly for radiator repairs; he said to fix this properly it will be another \$1,700 and transmission repairs would be an additional \$2,250. There are over 100,000 miles on the vehicle and he would rather see this money invested into a new vehicle. He advised that he and Duncan have been working with Hansen Chevrolet on purchasing a new Chevy Silverado Truck; he said he can make room in his budget to cover the cost of depreciation. Council Member Christensen asked if this purchase would be under the State contract. Chief Weese said it is under State contract and Hansen Chevrolet has knocked \$10,000 off the purchase price. The final price of the vehicle will be approximately \$28,000 (instead of \$38,000). He said he recommends trucks over the Dodge Chargers; they work better for their needs. Council Member Christensen asked if the truck would be black. Chief Weese said “no,” and explained that it is a silver color and would be an unmarked vehicle, like the Durango is. Council Member Cronin asked how the rest of the fleet looks. Chief Weese said there is a 2006 Crown Victoria that will need to be replaced in the next budget year. After that, the police fleet will be in good shape. He said the vehicles in the past have been set at 10-year depreciation and one vehicle has been sitting for almost 2 years awaiting full depreciation, so that it can be sold. He has recommended this vehicle be placed on a 6-year depreciation to avoid this issue in the future. Shanna Johnson said patrol vehicles will placed on an even shorter depreciation in the future. Mayor Pro-Tem Satterthwaite asked if this is in within the Police Department budget. Chief Weese said he feels he can make room in his budget to cover this. Council Member Cronin asked how soon the Durango would be available for sale. Chief Weese said in the next two weeks. Council Member Cronin asked when he planned to purchase the new truck. Chief Weese said as soon as possible.

MOTION: Council Member Christensen made a motion to give approval for the Police Department to Purchase a new 4WD Truck as outlined under State contract and the proposal put before the Council. Council Member Cronin seconded the motion.

ROLL CALL: Council Member Cronin, Yes Council Member Gerlach, Yes
 Council Member Christensen, Yes Council Member Nelson, Yes
 Council Member Satterthwaite, Yes

Motion Approved. 5 Yes, 0 No.

Approx. 7:37PM

C. MONTHLY FINANCIAL REPORT

Shanna Johnson provided a financial report for November, 2012. She advised that 42% of the fiscal year has elapsed. She stated that she is awaiting reversing journal entries from Fiscal Year 2012, so these numbers may change slightly. She reported 34% of General Fund revenues show as collected; this will increase as property tax payments are collected. 39% of Utility Fund Revenues have been collected. The sewer fund has received 57% of its revenues, and the City has collected 34% of non-operating revenues. She advised that reports show that the General Fund has spent 49.9% of its budget, 39.4% of the Utility Fund budget has been expended, and the sewer fund has spent 24.9% of its budget. She advised that sales

tax came in at 7.27% higher than November, 2011. So far this year, the City has collected 5.82% more in sales tax, than during the prior year.

Approx. 8:07PM

ITEM 7: PUBLIC SAFETY AND PERSONNEL ISSUES

A. ORDINANCE 12-V AMENDING CERTAIN PROVISIONS OF PMC TITLE 3 (PERSONNEL) REGARDING EMPLOYEE COMPENSATION, INCLUDING HOLIDAY PAY

Duncan Murray recommended tabling the item until Mayor Nelson was present.

MOTION: Council Member Cronin made a motion to table Ordinance 12-V until the next meeting so the Mayor could be present. Council Member Christensen seconded the motion.

ROLL CALL: Council Member Cronin, Yes Council Member Gerlach, Yes
 Council Member Christensen, Yes Council Member Nelson, Yes
 Council Member Satterthwaite, Yes

Motion Approved. 5 Yes, 0 No.

ITEM 8: TRAINING REGARDING THE ROLE OF A CITY COUNCIL MEMBER

Duncan Murray provided training on the role of a City Council Member. He reviewed:

- Good Professional Relationships with People – working well with City staff, other cities, etc.
- Listening to Constituents – empathizing and collecting information.
- Having Good Meeting Skills – giving enough time to each council member and to the public during public comments.
- Having Good Institutional Knowledge – being involved and knowing what is going on in the City.
- Being Patient and Remaining Neutral.

ITEM 9: MINUTES & COUNCIL/MAYOR REPORTS

A. APPROVAL OF MINUTES FOR:

1. NOVEMBER 8, 2012 REGULAR MEETING

MOTION: Council Member Christensen made a motion to approve the minutes for the November 8, 2012 City Council Meeting. Council Member Cronin seconded the motion.

ROLL CALL: Council Member Cronin, Yes Council Member Gerlach, Yes
 Council Member Christensen, Yes Council Member Nelson, Yes
 Council Member Satterthwaite, Yes

Motion Approved. 5 Yes, 0 No.

B. TODD CHRISTENSEN: None.

C. MARCI SATTERTHWAITE: Reported that she received very good feedback about the Police, First Responders, and the Fire department regarding their response to the gas fire incident involving the young boys in the community. They said they were very helpful, quick, and very kind.

D. KAREN CRONIN: reported that she received a call from Pam Stinder who was involved with Shop with a Cop. She expressed appreciation for the Police Officers being there and the Youth City Council being there. She said the Youth City Council wrapped over a 100 presents during the activity. She also wanted to thank Maddox for hosting the Youth City Council on a tour of their business.

E. PETER GERLACH: Said had some calls on the leaves at Perry Park that were blowing over to the LDS Church property across the street. He said many people are wondering if the leaves can be picked up quicker. Duncan Murray said staff will work on getting these cleaned up quicker next year.

F. JANA NELSON: Thanked Walker Cinemas and Santa for all of their help with the Christmas Movie. She reported that she and her husband and grandson took a tour of the Wastewater Treatment Plant, stating it was very interesting.

G. MAYOR NELSON: Absent.

H. ITEMS FOR NEXT CITY NEWSLETTER:

- Thank you to Maddox for hosting the Youth City Council.
- Thank you to Walker Cinemas for hosting the Annual Christmas Movie.

ITEM 10: ADJOURNMENT (NEXT REGULAR MEETING ON JANUARY 10, 2013 AT 7:00PM)

A. MOTION TO ADJOURN

MOTION: Council Member Christensen made a motion to adjourn. Council Member Cronin seconded the motion.

ROLL CALL: Council Member Cronin, Yes Council Member Gerlach, Yes
 Council Member Christensen, Yes Council Member Nelson, Yes
 Council Member Satterthwaite, Yes
Motion Approved. 5 Yes, 0 No.

The meeting adjourned at 8:21PM.

Susan Obray, City Recorder

Marci Satterthwaite, Mayor Pro-Tem

Shanna Johnson, Chief Deputy Recorder