

PERRY CITY COUNCIL MEETING
PERRY CITY OFFICES
JUNE 28, 2012

7:00 PM

OFFICIALS PRESENT: Mayor Nelson presided and conducted the meeting.
Todd Christensen, Karen Cronin, Peter Gerlach, Jana Nelson

OFFICIALS ABSENT: Marci Satterthwaite

CITY STAFF PRESENT: Duncan Murray, City Administrator
Shanna Johnson, Chief Deputy Recorder
Scott Hancey, Police Officer

OTHERS PRESENT: Teresa Harris (North Logan City Recorder), Esther Montgomery, Carol Andreasen (Bear River City Recorder), Annette Spendlove (North Ogden City Recorder & UMCA 2nd Vice President), Nancy Dean (Clearfield City Recorder & UMCA President), Lani Braithwaite, Brett Ormsby (Peck Ormsby Construction), Bridgett Clark (Promontory School), Nate Denny (Twin D), Kim Jensen (Promontory School), Shanda Parkinson (Promontory School), Char Izatt (Smithfield City Recorder), Reese Nelson

ITEM 1: CALL TO ORDER

Mayor Nelson called the meeting to order.

A. INVOCATION

Council Member Cronin offered the invocation.

B. PLEDGE OF ALLEGIANCE

Duncan Murray 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

- Ricks Packaging (Business Owner, Chad Ricks) – Duncan Murray advised this business sells and distributes packaging. There is no visiting clientele.
- Man of Wit (Business Owner, Jason Whitaker) – Duncan Murray stated this business is an online business selling various merchandise. There is no visiting clientele.

MOTION: Council Member Cronin made a motion to approve the business licenses for Chad Ricks-Ricks Packaging, and Jason Whitaker-Man of Wit. Council Member Gerlach seconded the motion.

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

Motion Approved. 4 Yes, 0 No.

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

Shanna Johnson passed out the warrants.

D. REMOVE AND REPLACE A FLOOD DISTRICT ADMINISTRATIVE CONTROL BOARD MEMBER

Mayor Nelson advised that Mike Fife cannot attend meetings due to work and asked that council make a motion to replace his position on the board.

MOTION: Council Member Gerlach made a motion to create a vacancy on the Flood District Administrative Control Board and approve Mike Fife’s removal. Council Member Christensen seconded the motion.

ROLL CALL: Council Member Cronin, Yes Council Member Christensen, Yes
 Council Member Gerlach, Yes Council Member Nelson, Yes
Motion Approved. 4 Yes, 0 No.

ITEM 3: PRESENTATIONS

A. REPORT REGARDING THE BOX ELDER/PERRY FLOOD CONTROL DISTRICT

Duncan Murray advised the board has been working together for 6 months and has accomplished the following:

- Reviewed Budget and monies available.
- Reviewed the Capital Facilities Plan.
- Selected an engineer (Jones & Associates) to help with cost analysis and engineering of projects.
- Selected a contractor (Ormond Construction) for the maintenance of existing Flood Control structures.
- Selected officers and staff.
- Reviewed insurance needs.
- Undergone training.

Duncan stated they will present their progress to the County at the end of the year. He said the board is doing well, and it is a benefit to have this back in the City’s control.

B. RECOGNITION OF SUSAN OBRAY’S RECEIPT OF THE MASTER MUNICIPAL CLERKS AWARD

UMCA President Nancy Dean and 2nd Vice President Annette Spendlove presented Susan Obray with the Master Municipal Clerks Certification. Ms. Dean said Susan Obray is the 38th of 341 members to achieve the Master Municipal Clerks (MMC) Designation. She stated this takes 6-8 years to earn and explained Susan worked very hard to achieve this certification, completing 60 education points by attending the institute and academy through the University of Utah. She also was required to earn 50 social and professional points by serving on committees and helping to educate other clerks. Ms. Dean advised that a clerk must first earn their Certified Municipal Clerk Designation (CMC) before they can begin working toward their MMC. She said the CMC takes 4-5 years to achieve. Ms. Dean awarded Susan with her MMC certificate. All those present congratulated Susan for her achievement.

C. ANNUAL REPORT BY COREY BENNION, MOSQUITO ABATEMENT BOARD MEMBER FOR PERRY CITY

This item was tabled until next meeting.

D. REPORT REGARDING COMMUNITY SERVICE PROJECT BY THE BEAR RIVER HEALTH DEPARTMENT

Duncan Murray reported that the Bear River Health Department came to the City with a community service project focusing on healthy options and safety in the community. The City partnered with them allowing them use of the park for a business retreat. The Health Department staff donated 4-5 hours and completed a service project for the city, placing smoke free signs at the parks, repainting the well house at Anderson Park, planting trees (at the Anderson and Centennial Park), and placing buckle up and

pedestrian safety signs throughout the city. He said they were very helpful and expressed appreciation for their efforts.

E. OTHER PRESENTATIONS, IF ANY

None.

ITEM 4: PUBLIC COMMENTS AND/OR PUBLIC HEARING

A. PUBLIC COMMENTS

Esther Montgomery: Expressed her disappointment in the County Library Board and their decision to not provide Book Mobile services to the Promontory Charter School. She said the majority of students attending the school live in Box Elder County Library Board and pay a portion of taxes for the service, yet they denied the new Charter School located in the County access to the service. She said that she does not believe that the Box Elder County Library Board meant to discriminate, but it looks really bad. She said the book mobile provides services to 2 schools in Tremonton and 1 school in Garland for free and all of those schools have in house libraries and public library services. She asked if these schools really have a need for the Book Mobile service. She stated Promontory has neither a library “in house” or nearby. She requested the Mayor and Council’s assistance in getting Book Mobile service to the new Charter school and the children who attend it. Mayor Nelson stated he has contacted the County on her behalf and did not see why the Book Mobile could not change the location of their stop in that area to the school’s parking lot. He said this would help the students of Promontory, as well as provide a safer stop in that area for everyone who utilizes the service.

ITEM 5: FINANCIAL, PUBLIC UTILITIES, AND TECHNOLOGY ISSUES

A. RESOLUTION 12-10 ADOPTING A FINAL TAX RATE (REPORT 693)

Shanna Johnson advised annually the City must approve a tax rate for property tax. The County has provided the certified tax rate of 0.002775 and it is recommended that the City Council accept the Certified Tax rate with no increases for Fiscal Year 2012-2013. Council Member Christensen asked when the last property tax increase took place. Shanna advised 4-5 years ago. Council Member Gerlach asked if this is the same tax rate planned in the fiscal year 2012-2013 budget. Shanna advised the tax rate is the same, but due to values the revenue projection is lower than anticipated. She said this is only a few thousand dollars lower and she believes the City’s budget will be fine.

MOTION: Council Member Cronin made a motion approve the Certified Tax Rate approved by the County as the Final Tax Rate for 2012 (Fiscal Year 2013). Council Member Nelson seconded the motion.

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

Motion Approved. 4 Yes, 0 No.

B. MOTION TO APPROVE A BID TO CLEAN AND VIDEO THE WASTEWATER COLLECTION SYSTEM

Duncan Murray said this is the first multiple year RFP for this service. He said we received two very competitive bids from Pro Pipe and Twin D. He said three schedules were bid on (5-year, 4-year or 3-year). He said there is a limited budget for this service, but in a perfect world, we would like the entire system cleaned every three years. He said the budget line item for this service is set at \$20,000. He said only one of the bid amounts is at or under this \$20,000 (Pro Pipe \$18,500 for 5-year service) budgeted amount, but the Council does not necessarily have to select the lowest bidder, they could amend the budget to allow for a higher contract amount. He said Twin D is the most familiar with the system. Council Member Cronin asked what other cities Pro Pipe has worked with. Duncan Murray said most of their work has been done out of State. Mayor Nelson asked if there was a termination clause in the contract allowing the city to terminate service if they are not satisfied. Duncan Murray said he is currently writing the contract and would be sure to include this.

MOTION: Council Member Cronin made a motion to award the contract to clean and video the wastewater collection to Pro Pipe for \$18,500 on a 5-year schedule. Council Member Nelson seconded the motion.

ROLL CALL: Council Member Cronin, Yes Council Member Christensen, Yes
 Council Member Gerlach, Yes Council Member Nelson, Yes
Motion Approved. 4 Yes, 0 No.

C. FINANCIAL APPEAL BY PROMONTORY CHARTER SCHOOL TO WAIVE (OR TO ACKNOWLEDGE EQUIVALENT VALUE FOR) CERTAIN FEES, INCLUDING CONSTRUCTION SITE PLAN FEE AND POLICE AND FIRE IMPACT FEES

Duncan Murray explained Promontory school is requesting a credit for the Site Plan Fee, Police Impact Fee and Fire Impact Fee. He said the school argues that the fees should be waived because:

1. They donated 0.72 acres of land to the City for a roadway easement (valued at over \$23,818).
2. They have not incurred costs to the city to justify the full site plan fee.
3. They paid a storm sewer impact fee, though there is not a current storm sewer available to connect into.
4. They have installed a fire suppression system.
5. And they intend to join the CERT team and become a designated disaster shelter and will allow the city to use the site for meetings.

Duncan Murray advised that engineering fees through completion will only cost around \$400 and would not recommend charging the school more than the \$400 for their site plan fee. Council Member Gerlach asked if the fees in question were charged to the Three Mile Creek Elementary School. Duncan stated that Three Mile Creek was only charged Site Plan fees that were incurred by the engineer at the time and not a flat fee, and the city did not have the Fire or Police impact fee during the time the school was constructed. Duncan said that the credit of fees in exchange for land or something of value is legally defensible and it is up to the Council's discretion as to whether they grant the fee waiver request. Council Member Cronin asked Duncan what precedence the city has in relation to this request. Duncan advised recently the city approved crediting impact fees in exchange for some land to be used to extend the Nature Park. Bridgett Clark of Promontory School said she has talked with the State and they said most schools do not pay these fees; most cities waive the fees because they feel that they are being offered something of greater value. Brett Ormsby said he has built 14 charter schools in the last five years from St. George to Brigham City and has never been required to pay the Police or Fire impact fee. He said a few of the schools have donated land in exchange for a credit of fees. Council Member Cronin asked if the school is planning to dedicate the road on east side of the school. Duncan stated they are in the process of doing this. Bridgett Clark explained that the school cannot dedicate the road until the school takes ownership. She said all paperwork has been submitted and (as soon as possible) the road will be donated to the city. Council Member Cronin recommended the fee waiver be contingent upon the road dedication. Council Member Cronin said she did receive calls from concerned citizens about waiving the fees for fire and police services. She stated she wanted to be clear that the city is not waiving them, but crediting them in exchange for something of value. Council Member Gerlach said he prefers to hold onto the Police & Fire Impact fees. Council Member Christensen countered that the road is needed by the city and therefore it is not money lost. Council Member Cronin asked if by accepting the land for a dedicated road, does the city incur costs for property tax. Duncan Murray said no, because it would be used for a municipal purpose. (and therefore, the City's tax exempt status precludes any property tax).

MOTION: Council Member Cronin made a motion to charge only engineering fees incurred through the completion of the project (as a pass through) for the site plan fee, and to credit the \$212 for the Police Impact fee, and \$4,301 for the Fire Impact fee in exchange for the donation of land for a road dedication (including the surveying and dedication work), and for use of the building for emergencies, and certain city meetings, and due to the fact that similar fees have not been charged to charter schools in other cities. Council Member Nelson seconded the motion.

ROLL CALL: Council Member Cronin, Yes Council Member Christensen, Yes

Council Member Gerlach, Yes
Motion Approved. 4 Yes, 0 No.

Council Member Nelson, Yes

D. APPROVAL OF WARRANTS

Council Member Cronin asked about a warrant to be paid to Sunrise Engineering. Shanna advised that the check was voided and there is nothing to be paid to Sunrise for the Wastewater Treatment Plant. She said there will still be charges in relation to the new south pipeline being constructed.

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

ROLL CALL: Council Member Cronin, Yes
Council Member Gerlach, Yes
Motion Approved. 4 Yes, 0 No.

Council Member Christensen, Yes
Council Member Nelson, Yes

E. MONTHLY FINANCIAL REPORT

Shanna Johnson gave a financial update for the month of May. She advised that 92% of the fiscal year has elapsed. 96% of General Fund revenues have been collected, 90% of Utility Fund Revenues have been collected, the sewer fund has received 79% of its revenues, and the City has collected 133% of non-operating revenues. She advised the General Fund has spent 83.1% of its budget, 68.4% of the Utility Fund budget has been expended, and the sewer fund has spent 74.5% of its budget. She advised that sales tax came in at 7.23% higher than June 2011; so far this year, the city has collected 10.11% more than the prior year.

F. REPORT REGARDING STREETLIGHTS AND COOPERATION WITH ROCKY MOUNTAIN POWER TO REDUCE COSTS

Duncan Murray reported that Rocky Mountain Power has been working with the city in the following Energy savings efforts:

- Replacing light fixtures in the building, they are helping us with some vendors and the city will have a year to replace. Rocky Mountain Power will help with the cost of the replacement.
- Audit of our water pumps. He said the East Bench Well is using a lot of power and Rocky Mountain has recommended the city use the pump in off peak hours for power and cost savings (of up to \$20,000 per year).
- Street light at Nature Park. George Humbert of Rocky Mountain Power is looking at options for this area. The light is needed in order to improve safety at the intersection.
- The city is looking at taking over ownership of all streetlights in the city. If this is feasible, it can save money on energy rates and maintenance. George Humbert of Rocky Mountain Power is looking at the possibility of installment payments over a 3-5 year period.

ITEM 6: PUBLIC SAFETY AND PERSONNEL ISSUES (NO VOTE NEEDED)

A. REPORT REGARDING HEALTH INSURANCE PLAN FOR CITY EMPLOYEES

(Mayor and Council Member Cronin met with two different benefit representatives and recommended the city offer the HSA and HRA options rather than the Gap insurance plan)

Shanna Johnson reported that the city has adjusted the employee health plan options through Altius and eliminated a Gap insurance plan, to be replaced with two options for the city employees:

1. Health Reimbursement Account (HRA) Plan – Reimbursing the employees for their deductibles up to \$2,000. To be used in conjunction with the Altius Peak Preference Plan (with a \$1000/\$2000 deductible).
2. Health Savings Account (HSA) Plan – Providing employees with \$1,000 to \$2,000 to pay health insurance costs. To be used in conjunction with an Altius Qualified High Deductible Plan (with a \$1,200/\$1,200 deductible).

Shanna advised the city has been paying out money to the GAP plan through Transamerica and it has not been used; therefore, the money has been lost. By changing plans, the city provides the same deductible coverage to employees at no additional costs to the city, and the city has the potential of saving thousands of dollars through: lower utilization, resulting in lower renewals (HSA); and unclaimed reimbursement for deductibles (HRA). Shanna advised that the employees were informed on Wednesday of the changes and the employees were happy with the changes.

B. DISCUSS THE PAY RATE SCHEDULE FOR CERTAIN STATUTORY EMPLOYEES

Mayor Nelson said there is currently not a simple way to give increases to employees. He said he will be working on a pay rate schedule for employees to simplify increases and promotions and identify pay caps. A chart will be presented at one of the next meetings and he will be asking for the Council's input. He said there are employees who are not in the correct pay scale and some employees who have been with the city for a long time and want to progress in pay, but do not know how. He said this needs to be clarified and addressed. Council Member Gerlach said he would like more input from other cities, but is not accessible. Shanna Johnson said she could reach out to the Utah Municipal Clerks Association and get input from other cities in the same class and size as Perry. Mayor Nelson said that input is good, but each city is different and this needs to be for Perry City specifically. Mayor Nelson said the Police have a good model, which also includes differential pay for shifts and administrative work, and he would like to implement this in the other areas. Council Member Cronin said this will help to ensure that pay is not based on the person, but based on the value of the work capability. Shanna Johnson agreed, but recommended that performance still be a factor in pay increases, because two people may have the same skills, but may not put in the same effort. Mayor Nelson stated performance will still be a factor and each level will have a range, but it will also have a cap.

ITEM 7: APPROVE 2012 "ANNUAL AWARDS"

A. 4TH OF JULY PARADE GRAND MARSHALS

- Doyle & Lynn Maddox

B. BUSINESS OF THE YEAR

- Maverik

C. CITIZEN OF THE YEAR

- Stan Thompson

D. THE BOYD WHITE LIFE-TIME SERVICE AWARD

Karen Cronin presented two nominees for the award. Mayor Nelson cautioned the council, stating the Boyd White Family created this award and it has certain criteria the family wanted. He said a qualified candidate will have provided extraordinary lifetime service to the Community, the State, and the United States. He said one candidate has demonstrated service in all of these areas, while the other candidate is a great person, but they have not met all the criteria. He asked that the Council review each nomination carefully before voting on this award.

- Don Higley was selected as the Boyd White Service Award recipient. He was nominated because he is a retired member of the air force, he is a member of the honor guard participating in flag ceremonies, veterans in the classrooms, and Eagle Scout programs, and he has received many military honors, and currently serves on the Perry City Planning commission.

Council Member Cronin advised that the Mayor & Council will have a truck to ride in during the parade. She reported that the peach queen will be singing the national anthem at 12:00pm, after which awards will be given. She reminded Council Members Gerlach and Christensen that she will need their help with bingo from 12:15 to 1:15pm. Council Member Nelson will be helping with the race beginning at 6:30am and offered to help with bingo. Council Member Christensen offered to take pictures of the award ceremony.

E. MAYOR'S AWARD(S), LIVING AND/OR POSTHUMOUS

- Carol Reeder
- Varcel Jenks (Posthumous)

ITEM 8: APPROVAL OF MINUTES, CITY COUNCIL & MAYOR REPORTS

A. APPROVAL OF MINUTES FOR:

1. JUNE 12, 2012 RDA MEETING
2. JUNE 12, 2012 BUDGET WORK SESSION
3. JUNE 12, 2012 REGULAR MEETING

MOTION: Council Member Cronin made a motion to table the minutes for the June 12, 2012 Regular City Council Meeting so more detail can be added in regards to the discussion that took place prior to approving the Municipal Energy Tax increase. Council Member Gerlach seconded the motion.

ROLL CALL: Council Member Cronin, Yes Council Member Christensen, Yes
 Council Member Gerlach, Yes Council Member Nelson, Yes
Motion Approved. 4 Yes, 0 No.

MOTION: Council Member Christensen made a motion to approve the minutes for the June 12, 2012 RDA Meeting and June 12, 2012 Budget Work Session. Council Member Nelson seconded the motion.

ROLL CALL: Council Member Cronin, Yes Council Member Christensen, Yes
 Council Member Gerlach, Yes Council Member Nelson, Yes
Motion Approved. 4 Yes, 0 No.

B. TODD CHRISTENSEN: Nothing reported.

C. MARCI SATTERTHWAITE: Absent.

D. KAREN CRONIN: invited everyone to the Fireman's Ball in Willard, supporting our EMT Chief Van Mund. She said it will have a roasted pig and fireworks. She also reminded everyone to attend the First Responders breakfast.

E. PETER GERLACH: Nothing reported.

F. JANA NELSON: Nothing reported

MAYOR NELSON: Nothing reported

H. ITEMS FOR NEXT CITY NEWSLETTER:

- None.

EXECUTIVE SESSION

MOTION: Council Member Cronin made a motion close the public meeting and open an Executive Session to discuss Character and Fitness of an individual. Council Member Nelson seconded the motion.

ROLL CALL: Council Member Cronin, Yes Council Member Christensen, Yes
 Council Member Gerlach, Yes Council Member Nelson, Yes
Motion Approved. 4 Yes, 0 No.

The Regular meeting closed at approximately 9:50pm

MOTION: Council Member Christensen made a motion close the Executive Session and reopen the public meeting. Council Member Nelson seconded the motion.

ROLL CALL: Council Member Cronin, Yes Council Member Christensen, Yes
 Council Member Gerlach, Yes Council Member Nelson, Yes
Motion Approved. 4 Yes, 0 No.

The Regular Meeting reopened at approximately 10:00pm

ITEM 9: ADJOURNMENT (NEXT REGULAR MEETING ON JULY 12, 2012 AT 7:00PM)

A. MOTION TO ADJOURN

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

ROLL CALL: Council Member Cronin, Yes
Council Member Gerlach, Yes
Motion Approved. 4 Yes, 0 No.

Council Member Christensen, Yes
Council Member Nelson, Yes

The meeting adjourned at 10:01pm.

Susan Obay, City Recorder

Jerry Nelson, Mayor

Shanna Johnson, Chief Deputy Recorder