

PERRY CITY COUNCIL SPECIAL MEETING
PERRY CITY OFFICES
MAY 31, 2012

7:00 PM

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

OFFICIALS EXCUSED: Peter Gerlach

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

OTHERS PRESENT: Lani Braithwaite, Reese Nelson, Brett Jones

ITEM 1: CALL TO ORDER

Mayor Nelson called the meeting to order.

A. INVOCATION

Council Member Cronin offered the invocation.

B. PLEDGE OF ALLEGIANCE

Council Member Satterthwaite 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

- GE3k Life 4 – Vendor selling comic and hobby items online (no visiting clientele)

MOTION: Council Member Cronin made a motion to approve the business license for GE3k Life 4 (business owner Jordan Anderson). Council Member Nelson seconded the motion.

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

ITEM 3: LAND USE ISSUES

A. REVIEW TIMING OF THE REMOVAL OF THE TEMPORARY BUILDING FOR CANYON GATE ASSOCIATES AT 1465 SOUTH COMMERCE WAY

Mayor Nelson stated he talked with Shirlene Peck about the removal of the building and her new office will be ready to go in the middle of June, she will be meeting with the city about the removal of the temporary building after the new office is open.

ITEM 4: PUBLIC SAFETY AND PERSONNEL ISSUES

A. ORDINANCE 12-V TO ENACT PMC SECTION 03.02.035 TO ESTABLISH A VETERAN’S BONUS FOR EMPLOYMENT BY PERRY CITY

Duncan Murray explained this allow for Perry City to give bonus points to Veteran Applicants or their Spouses. Points equal to 5% of allowed points would be given to Veterans and points equal to 10% would be given to Disabled Veterans. Council Member Christensen asked how Veteran status would be collected during the hiring process. Shanna Johnson advised a question would be added to the employment application.

MOTION: Council Member Cronin made a motion to table Ordinance 12-V. Council Member Christensen seconded the motion.

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

Motion Approved. 4 Yes, 0 No.

ITEM 5: FINANCIAL, PUBLIC UTILITIES, AND TECHNOLOGY ISSUES

A. MOTION TO APPROVE CONTRACT FOR CITY ENGINEER

Duncan Murray stated he met with Jones and Associates on the contract the following items were revised:

- Indemnity policy was revised to indemnify the city if there was an act of negligence on the Engineer’s part.
- Dispute clause was changed so that all disputes will be handled outside of court with alternative solutions.

Duncan reviewed the contract details and fees to be charged by Jones & Associates:

- Monthly Meeting Fixed Rate (2 meetings: 1 Planning Commission, 1 Council): \$350
- Additional Meetings: \$300
- Land Application Fees to be paid to Engineer: 35%
- Miscellaneous Engineering (under 3 hours) Hourly
- Special Projects will be billed with a not to exceed contract price
- Grant Research – No fees to be charged until application process begins

MOTION: Council Member Cronin made a motion to approve the Contract for Engineering Services between Perry City and Jones & Associates. Council Member Nelson seconded the motion.

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

Motion Approved. 4 Yes, 0 No.

B. APPROVAL OF WARRANTS

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 Satterthwaite, Yes
 Council Member Christensen, Yes Council Member Nelson, Yes

Motion Approved. 4 Yes, 0 No.

C. MONTHLY FINANCIAL REPORT

Shanna Johnson gave a financial update for the month of December. She advised that 83% of the fiscal year has elapsed. 87% of General Fund revenues have been collected, 81% of Utility Fund Revenues have been collected, the sewer fund has received 70% of its revenues, and we have collected 129% of non-operating revenues. She advised the General Fund has spent 72.5% of its budget, 63% of the Utility Fund budget has been expended, and the sewer fund has spent 69.7% of its budget. She advised that sales

tax continues to come in higher than expected; so far this year the city has collected 10.37% more than the prior year.

D. EXECUTIVE SESSION (FITNESS OR CHARACTER OF A PERSON)

MOTION: Council Member Cronin made a motion to close the regular meeting and go to an Executive Session to discuss character and fitness of an individual(s). Council Member Christensen seconded the motion.

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

Regular meeting closed at approximately 8:41pm.

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

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

Regular meeting resumed at approximately 9:25pm.

E. CONSIDERATION OF A TENTATIV BUDGET AMENDMENT FOR FY2011-2012 AND A TENTATIVE BUDGET FOR FY2012-2013 (PUBLIC HEARING SCHEDULED FOR JUNE 12, 2012)

Shanna Johnson presented a Tentative Budget Amendment for Fiscal Year 2011-2012 & Tentative Budget for Fiscal Year 2012-2013 (See attached).

Shanna stated that the Debt Service Fund is looking better due to a payment being received in the amount of \$180,000 from Rollie Walker. She stated the budget for next Fiscal Year includes his payment being brought current and making the City whole.

Shanna advised that the Sewer Fund is scheduled to take a loss in the current year and going forward unless revenues increase. She explained this is due to lack of growth in the community due to the economy. The City had anticipated 4% growth when the bond was first secured and currently growth in the city is at a tenth of a percent. She said because anticipated impact fees and user rates are not being collected the rate will either need to be increased significantly or the City will need to increase the Municipal Energy (MET) Tax and raise the Sewer rate by a few dollars. The Council did not want any fees to be increased, but realized that the lack of growth has affected cash flow. The Council agreed raising the MET tax and increasing the user rate for sewer by \$2 was the best option.

The Council members asked that supervisors submit letters to the Council explaining why employees are deserving of a performance increase prior to them considering the increases presented within the Fiscal Year 2012-13 budget. The letters will be due by the next council meeting. Mayor Nelson stated the pay models for the city need to be reviewed and revised in an effort to simplify the pay process at year end; he said he would like to start working on this in July.

The Council stated that because they are looking at raising fees they could not justify covering the entire increase to health insurance. The Council agreed to cover 50% of the increase at 90%. This would leave

the other 50% of the increase to be covered by employees. They suggested contacting the insurance provider and looking at higher deductible plans or other options. Council Member Cronin said the employees are much appreciated and the City's greatest asset. She said the Council wished that they could do more to cover the insurance increase. Mayor Nelson asked that a member of the council be on a committee to review insurance next year. Shanna Johnson stated that would be fine, and asked that the Mayor & Council provide feedback sooner next year to allow for further research into other insurance plans, and more time to communicate with staff.

MOTION: Council Member Christensen made a motion to direct staff to begin the process of increasing the Municipal Energy Tax to 6% and being the process needed to increase the sewer user rate by \$2.00 for Fiscal Year 2012-2013. Council Member Nelson seconded the motion.

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

MOTION: Council Member Cronin made a motion to approve the Tentative Budget Amendment for Fiscal Year 2011-2012 and the Tentative Budget for Fiscal Year 2012-2013 with the following changes:

- Increase Municipal Energy Tax to 6%
- Increase Sewer user rate by \$2.00
- Cover only 50% of health insurance increase at 90%
- Performance increases to be considered after letters from supervisors (justifying increases for employees) are received and reviewed.

Council Member Christensen seconded the motion.

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

ITEM 6: APPROVAL OF MINUTES, CITY COUNCIL & MAYOR REPORTS

A. APPROVAL OF MINUTES FOR:

1. MAY 10, 2012 REGULAR CITY COUNCIL MEETING
2. MAY 10, 2012 BUDGET WORK SESSION

MOTION: Council Member Cronin made a motion to approve the minutes for the May 10, 2012 Regular City Council Meeting and Budget Work Session. Council Member Satterthwaite seconded the motion.

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

B. TODD CHRISTENSEN: asked the other council members if they prefer an iPad or Laptop. Council Member Cronin stated she needed a keyboard, but either would be fine. Council Member Satterthwaite asked that he look at other tablets that may be cheaper than the iPad. Council Member Nelson was fine with anything.

C. MARCI SATTERTHWAITE: nothing reported.

D. KAREN CRONIN: Reported that she did not have a volunteer for Fourth of July bingo and asked the elected officials and police to help. Mayor Nelson Council Member Christensen and Chief Dale Weese said they could help. Chief Weese said he would get other officers to help as well. Council Member Satterthwaite said she had to work and Council Member Nelson was unsure if she would be

available. Council Member Cronin asked that the schedule of events for the Fourth of July be faxed to Box Elder News Journal.

E. PETER GERLACH: Absent.

F. JANA NELSON: Nothing reported.

G. MAYOR NELSON: Nothing reported.

H. ITEMS FOR NEXT CITY NEWSLETTER:

- None

I. DISCUSSION REGARDING “ANNUAL AWARDS”

No discussion took place.

ITEM 7: ADJOURNMENT (NEXT REGULAR MEETING ON JUNE 12, 2012 AT 7:00PM WITH A 6:00PM RDA MEETING)

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 Christensen, Yes

Council Member Satterthwaite, Yes
Council Member Nelson, Yes

Motion Approved. 4 Yes, 0 No.

The meeting adjourned at 9:50PM.

Susan Obay, City Recorder

Jerry Nelson, Mayor

Shanna Johnson, Chief Deputy Recorder