

Heber City Corporation
City Council Meeting
06/16/2011
7:00 p.m.

REGULAR MEETING

The Council of Heber City, Wasatch County, Utah, met in **Regular Meeting** on June 16, 2011, in the City Council Chambers located at 75 North Main Street in Heber City, Utah.

Excused: Mayor David R. Phillips

Present: Council Members Eric Straddeck
Nile Horner
Robert Patterson
Alan McDonald
Benny Mergist

Also Present: City Manager Mark K. Anderson
City Recorder Paulette Thurber
City Engineer Bart Mumford
City Planner Tony Kohler
Chief of Police Ed Rhoades

Others Present: David Remington, Randy Birch, Erik Rowland, Kendall Crittenden, Greg McPhie, Jerry Duke, Mike Kohler, Steve Farrell and Tammy Thacker.

Pledge of Allegiance: Councilman Alan McDonald

Prayer: Councilman Eric Straddeck

Minutes: 05/19/2011 Budget Meeting, 05/19/2011 Work Meeting,
06/02/2011 Regular Meeting

Councilman McDonald moved to approve the 05/19/2011 Budget Meeting Minutes, the 05/19/2011 Work Meeting Minutes and the 06/02/2011 Regular Meeting Minutes. Councilman Patterson made the second. No discussion. Voting AYE: Eric Straddeck, Nile Horner, Robert Patterson, Alan McDonald and Benny Mergist.

OPEN PERIOD FOR PUBLIC COMMENTS

No comments received.

PUBLIC HEARING

Public Hearing – Open Fiscal Year 2010-2011 Budget to allow for additional revenues and expenses: Mayor Pro Tempore Straddeck opened the Public Hearing. The Public Hearing Notice was read. Mayor Pro Tempore Straddeck asked Anderson to address the issues that needed to be discussed to amend the budget.

Anderson reviewed the needed amendments based on information provided in his memo of 06/09/2011: Flood Control – sandbags and wages; additional cost of snow removal at the airport (additional wages based on high snow pack); donation to Heber Valley Historic Railroad Authority; Police Department copier lease; Valley Hills Park retaining wall; 2011 Road Improvement Project engineering; Storm Drain 650 South project and impact fee study. Anderson said that the estimated quantity of crack seal needed was too low on the crack seal project and Mumford was asking for an additional \$86,000. He recommended the Council increase the amount of budget in transportation fund from \$75,000 to \$150,000.

Mayor Pro Tempore Straddeck asked if anyone wanted to make comment on the proposed budget amendments. Jerry Duke said he noticed a lot of the monies for the amendments were going to come out of surplus funds. Anderson said his recommendations proposed some funds coming from the General Fund, as well.

Duke wondered why the City was only getting ½% interest from Public Treasurer Fund and felt there were other places to invest with more interest. He was asked to come in and visit with Anderson any time about this issue so the issues relating to the Public Hearing could stay on track.

Mayor Pro Tempore Straddeck closed the Public Hearing and asked for thoughts from the Council. Mayor Pro Tempore Straddeck asked about \$15,000 line item for board compensation. He said it showed going out but not coming in. Anderson said that he should have shown the revenue coming in to offset the expense.

Councilman McDonald moved to approve the opening of the 2010-2011 fiscal year budget and the amendments as proposed. Councilman Mergist made the second. No further discussion. Voting AYE: Eric Straddeck, Nile Horner, Robert Patterson, Alan McDonald and Benny Mergist.

CONSENT AGENDA

Approval – Memorandum of Understanding (MOA) between Wasatch County, Heber City, and Wasatch Area Economic Development regarding assistance to the Heber City Cowboy Poetry Festival: Councilman Patterson moved to approve the Memorandum of Understanding

between Wasatch County, Heber City, and Wasatch Area Economic Development to assist the Heber City Cowboy Poetry Festival. Councilman Mergist made the second. Councilman McDonald wanted to make it clear that this was a loan of \$60,000 from the Wasatch Area Economic Development organization and that it would be paid back. However, if there was a shortfall, Heber's obligation would not be more than \$30,000. Councilman Horner asked the representatives of the County Council about the \$60,000 and what happened if there was a shortfall of \$90,000. County Councilman Farrell said the committee worked with the Whitakers and set a maximum of \$60,000 to determine if a profit could be made. He said the Whitakers were looking for someone else to take this over and the County Council was trying to see if it could be run at a profit.

Voting AYE: Eric Straddeck, Nile Horner, Robert Patterson, Alan McDonald and Benny Mergist.

Approval to Award Bid – 300 West Waterline Replacement Bid: Anderson said this particular project was funded by CDBG. The City could not formally award this bid until there was a grant in place. So when this was considered for discussion and a motion, it needed to be on condition of a grant being in place. Councilman McDonald said he felt comfortable going ahead with this issue based on the information outlined in Mumford's memorandum.

Councilman Patterson moved to award the bid on the 300 West Waterline replacement to TNT after the grant agreement was in place. Councilman Mergist made the second. Mumford said TNT references were checked and he had gotten good references. He said the bid was lower than expected.

Voting AYE: Eric Straddeck, Nile Horner, Robert Patterson, Alan McDonald and Benny Mergist.

APPOINTMENTS

Wasatch County Council – Discuss request to waive Impact Fees for new development at the Event Center: Mayor Pro Tempore Straddeck indicated the County Council was in attendance for this discussion. County Councilman Crittenden suggested that instead of waiving the impact fee that they would request the fee be adjusted. That way they could use their available funds and continue with the project they were doing at the Event Center right now. He reminded the Council of the benefits that activities at the Event Center brought to the City. He said there had been some concern expressed by some Councilmembers that the County was not abiding by an agreement that was in place for those impact fees. He talked about the City budget and the County budget and the desire to work together and help each other out. County Councilman Farrell indicated the water rights would still be transferred. County Councilman

Crittenden said in the future they would work on some in-kind project to help mitigate those fees that were adjusted.

Councilman McDonald asked about letter (D) of the original document. County Councilman Crittenden said if an in-kind agreement was put into place, the original agreement could be left as is. Discussion. Mumford said the need for the money did not go away, but the County was looking for some in-kind projects to substitute for the money. If some kind of relationship could be established to offset the cost, maybe there was something that could be done. Councilman Horner said if the Council did waive the fees, the City had to come up with the money. However, if the Council mitigated them they didn't have to come up with the funds somewhere else in the budget. Mayor Pro Tempore Straddeck said that was not what the City's attorney had said. It was indicated the interpretation of the law was different from different attorneys. He wanted to make sure that any interpretations of the law considered were those of professionals. County Councilman Kohler said there were ways in the future the County could make up the costs by doing things for the City. (Hauling gravel, etc.)

Mumford said there needed to be a clear understanding of the substitution. For instance a good example would be exchange of property and selling it, working off the debt by hauling gravel, etc., but unless the Council felt there was clear way to replace the money, it had to be pulled from somewhere else to replace it. He said there was still a need for the funds. Anderson said basically it would end up being a loan that the time frame and way of pay back was unknown. He said there were provisions in the Code to adjust impact fees if there were indications showing that the City's calculations were not justified. Anderson talked about the waiving of park impact fees for the Rec Center. He said it was true that park impact fee could be waived but still there was water, sewer, and road impact fees that were required and legal opinions agreed on that. He continued the Council had the right to reduce fees but there had to be logical explanations and justifications to do so.

Anderson talked that the City needed to improve the water system on 100 South from 700 West to 1200 West. If the County wanted to put that in or oversize that the City could realize that as payback. County Councilman Kohler said they were not totally offering to take over a project, but they did have some resources, equipment, gravel, etc., and ideas of things they could do to help the City with that could be considered. Anderson talked about updates/improvements to the flood control after this high water year and that Kent Berg had said there was work to be done. Mumford suggested that possibly the City and County could work together on that by the County doing the work and the value of what the City would have contributed be put towards what the County owed in fees. Anderson said if the Council went down this road the services would have to be valued and then move monies from one place to another.

Councilman Mergist moved to mitigate fees for the new development at the Event Center to “0” based on a written agreement between the City and County that the County would return the cost of the fees via in-kind work or other considerations at the same value. Councilman McDonald made the second. Discussion about leaving letter “D” in place in the original document. County Councilman Crittenden hoped that the City and County could work together in the future in a similar fashion. Councilman Horner was in favor of just mitigating to “0” because he thought the Heber City residents benefited from the Event Center. Councilman Mergist said he did not believe in charging impact fees to other governmental entities. Mayor Pro Tempore Straddeck indicated he did not like an agreement being so open ended and would like something identified in the agreement and took the subjectivity out of it. He thought the Council needed to get as many details nailed down up front as possible. Councilman Horner said that was why he wanted it to go to 0 and be done with it.

Voting AYE: Eric Straddeck, Benny Mergist and Alan McDonald; Voting NAY: Robert Patterson and Nile Horner. Motion passed.

Approval of FAA Grant Agreement for Runway Painting, etc.: Anderson said the City didn’t have a grant agreement for approval but it was going through FAA and should be ready in the next two weeks.

Councilman Mergist moved to continue this item until the City had a clear understanding about the grant. Councilman Patterson made the second. Voting AYE: Eric Straddeck, Nile Horner, Robert Patterson, and Benny Mergist. Voting NAY Alan McDonald.

Awarding of Bid – Runway Painting, etc.: Anderson said a pre-construction meeting was scheduled for Monday at 2:00 p.m. with the apparent low bidder. He said that in order to get this project done on the time-line of the FAA (first week in July) there was a need to get it started. He continued there was a need for a 36-hour closure of the airport. He asked the Council in light of e-mail from FAA saying there was money available but grant not yet approved but forthcoming were they okay moving forward without the grant in place.

Councilman McDonald moved to approve awarding the bid for Runway Painting, etc., based on the assurance from the FAA that the grant was forthcoming. Councilman Patterson made the second. No further discussion. Voting AYE: Eric Straddeck, Robert Patterson and Alan McDonald. Voting NAY: Nile Horner and Benny Mergist.

Awarding of City-Wide Road Improvement Project Bid: Mumford said there was a need to expedite this project and there was a very compressed time frame. He said the bids were opened earlier in the afternoon. Mumford indicated that the Staker Parson bid was low bid in the amount of \$3,391,000. He explained that would not be the end cost but would have what was called

additive alternatives--base bid for base work and extra work included. He referred to the memo he had passed out earlier in the meeting and specifically attachment 3. Mumford explained the additive alternatives such as Police Department parking area resurface. He talked about the additive alternatives and the deductive alternatives. Mumford said some of the additive would be reimbursed from developers (about \$60,000 or \$70,000) and that money would be collected up front. He said that work would not be done without the money collected first. He continued that lowered the cost the City would pay. Councilman Horner questioned why the bid was not by mileage instead of quantity of product. Mumford said this was more accurate than mileage. He said it was a mixture of square footage and tons.

Mumford said the City was significantly over on the quantity of materials needed for the crack seal project and the contractor had gone back to his vendor to get additional materials. The vendor would not supply the materials at the same price. He said the bottom line for the Road Improvement Project was \$3,391,003.00 and the City would have to bond for \$1,700,000. Anderson said the additive for the Police Department would not be funded from Class C monies so it would come out of something else.

Councilman McDonald moved to approve the extra amount for the crack seal for Bonneville and award the City-Wide Road Project to Staker Parson. Councilman Patterson made the second. Discussion about some of the additives for the School District and Red Ledges. Voting AYE: Eric Straddeck, Nile Horner, Robert Patterson, Alan McDonald and Benny Mergist.

Approve Engineering Contract with Horrocks Engineers for 100 South Waterline: It was indicated that information had been given to Council at the first of the meeting. Mumford said this was just formal approval for engineering design on 100 South Waterline. He said he had met with UDOT last week and they had found a way to integrate their work with the City's work. He said they had agreed to include the City's work with their work so the City could take advantage of the asphalt they would be putting in on 100 South. He said they would integrate our contract into their contract but the City had the option to come back to the Council before construction actually started if it was found the costs would be too high and pull out or do just the laterals. If everything worked out the City could take advantage of their costs, traffic control, etc., which should save the City money in the long run. Mumford indicated UDOT would do an engineer's estimate on their project and the City's. He asked the Council if they wanted him to come back before giving UDOT a deposit. Mayor Pro Tempore Straddeck said yes he definitely wanted Mumford to come back prior to giving a deposit. Mumford estimated the cost to the City would be approximately \$400,000.

Councilman Patterson moved to approve the Engineering contract with Horrocks Engineers for the 100 South Waterline project. Councilman Mergist made the second. Voting AYE: Eric Straddeck, Nile Horner, Robert Patterson, Alan McDonald and Benny Mergist.

As there was no further business, the June 16, 2011, regular meeting of the Heber City Council adjourned.

Paulette Thurber, City Recorder

Approved 09/01/2011