

Heber City Corporation
City Council Meeting
March 19, 2011

8:00 a.m.

SPECIAL MEETING- BUDGET

The Council of Heber City, Wasatch County, Utah, met in **Special Meeting** on March 19, 2011, in the City Council Chambers in Heber City, Utah.

Present: Mayor David R. Phillips
Council Members Eric Straddeck
Nile Horner
Robert Patterson
Alan McDonald
Benny Mergist

Also Present: City Manager Mark K. Anderson
Deputy City Recorder Michelle Kellogg
City Engineer Bart Mumford
Planning Director Tony Kohler
Police Chief Ed Rhoades
Building Inspector Wes Greenhalgh
Cemetery Sexton Mark Rounds
Justice Court Judge Randy Birch

Mayor Phillips opened the meeting and welcomed all in attendance. Anderson stated Steve Tozier, Public Works Director, was en route to a funeral and could not attend this meeting.

Anderson referred to the Summary of the General Fund sheet in the packet, which compared expenses from the last two years. He complimented staff for their efforts to keep costs down and stated there was a surplus. He stated one expense for this fiscal year that had not been budgeted for was the Valley Hills Park, and said the maintenance on that could be taken from the General Fund but the surplus figure would be lower.

Discussing revenues for the next budget year, Anderson thought sales tax revenue would increase as a result of Walmart opening for business as well as an increase in population. He noted the Heber Light and Power repayment would end as of April 2011, and therefore that

revenue would not continue next year. New building permits were predicted to decline, but some big developments were scheduled to begin construction.

Anderson stated health insurance expenses were budgeted to increase by 10% for the next fiscal year although the City had a proposed increase of 16.2%. He indicated with the federal health law changes, premiums were impacted. Council Member McDonald asked Anderson to put the health insurance out to bid and get quotes from other companies. He suggested asking Humana for a quote.

With regard to retirement expenses, Anderson stated there would be an increase in contributions by the City. Anderson indicated that as of July 1, 2011, any new employee hired would have reduced benefits. He also stated there were budgeted monies to increase the hours and benefits for the Business Licensing employee. There was also money in the Planning Department budget for another employee if needed.

In the Capital Facilities Master Plan, there was a storm water utility fee proposed that was thought to raise \$100,000 by charging \$2.00 + per user. Suggested uses for the fee included street sweeping, canal and ditch maintenance, etc. Anderson stated in this budget, there was no money available for capital purchases unless surplus funds were used. For community contributions, there were funds set aside for High School Rodeo and Wasatch Economic Development.

In summary, Anderson stated the City was in a better financial position than last year. Anderson was looking for direction as to what parameters to work with in coming up with a viable budget. He asked if the Council was willing to look at surplus funds, raising taxes and fees, and budgeting in cost of living increases for the employees.

Council Member Horner asked if Anderson could compile a breakdown of fees received from the water and sewer services. He also wanted a breakdown of all the cash accounts of the City. Mayor Phillips asked to see the high priority one-time requests. Anderson said those were in the packet under each department, but he would list those on one sheet. Mayor Phillips also asked for a separate Council meeting for storm water utility fee discussion.

Council Member Straddeck wanted to propose that the format for today was not to resolve all the issues. He asked that the Council only listen and ask questions to the department heads at this meeting. All were in favor of this proposal.

Police Department

Chief Rhoades talked about Animal Control and asked for 48% (Heber City's portion) of the requested equipment expense totaling \$9,000. The requested items included nets for vicious animals, floor drying equipment, and a livestock trailer.

Chief Rhoades stated there was no code enforcement officer this year. Thus, code enforcement calls were down by 500. Overall, the department was down 700 calls from the prior year. Some of the decrease was attributed to nobody serving on the Backnet force. In 2009, there were 14 officers, with each officer averaging 709 cases. In 2010, cases were down, but because there were fewer officers, the workload went up to 766 cases handled per officer. Consequently, the officers were not doing many self-initiated calls. It was recommended that 45% of on-duty time should be for self-initiated calls, but Heber only had self-initiated calls 30% of the time. Chief Rhoades also indicated a police vehicle should also be at school crossings to slow traffic down, but that was not always achieved. He stated designated patrols were also down because the officers did not have enough time.

Vehicles: It was felt that three vehicles needed to be replaced because they were not cost effective. Chief Rhoades cited the many hours of maintenance on the older vehicles and recommended that those three vehicles be replaced.

Computers: Chief Rhoades requested the replacement of three laptops and two office computers.

Personal protective equipment: It was indicated the protective vests were warranted for five years. Chief Rhoades' vest was a year out of date. Tyvex suits were also needed, especially if officers went in on hazmat situations or had to move a deceased person that had been there for a few days. The Department had some that were purchased in 1998, but they only had a five year life as well.

Gun lockers: Chief Rhoades explained guns had been left in desk drawers, which was not an optimal situation. There was also a need for gun clearing equipment. Chief Rhoades also stated he would like to purchase gun safes for off-duty officers to place in their homes as a good safety precaution.

Officers: There were currently 13 officers in the Department. Chief Rhoades requested an additional two officers and a school resource officer. He stated the need for a school resource officer was due to the fact that five of the seven schools in the district were in Heber. He also mentioned the increased need for officers was because of Walmart opening this summer.

Building: Chief Rhoades stated he had \$20,000 left in this budget year to address repairs but hadn't used it because there were so many needs he didn't know where to begin. There was a leaking roof, deteriorated walls, broken windows, bad rain gutters, and chinking was needed in

the brick. He thought he could get various grants to help refurbish the building. Anderson stated if the Police Department would be staying in the building for awhile, Chief Rhoades needed to know the priorities. Council Member Horner said to get the critical things done first, and if there was money left over, Chief Rhoades could have a study done.

Chief Rhoades passed out a sheet about emergency management. Mayor Phillips asked what equipment was needed to communicate with the Public Works Department in a time of disaster. Chief Rhoades discussed the items on the list. Mayor Phillips asked Chief Rhoades to get with Rounds and Tozier and come up with what they have and what they need to communicate, and bring it back to the Council.

Justice Court

Judge Birch stated the State statute required certain things such as court having to be open five days a week. He felt there were security issues with the building being open on Fridays. There was also money collecting concerns. He knew there was no money in the City for capital improvements or new buildings. He requested to refurbish the Central School and turn it into the courthouse and Police Department. If the Council approved, he would proceed with getting the necessary grants.

Judge Birch cited some problems with having the court in the City Offices, such as insufficient facilities for the judge, staff, attorneys, victims, and restrooms as set forth in the code.

Mayor Phillips asked if the Council was in favor of this proposal. They all were amenable to Judge Birch's proposal.

Building Department

Greenhalgh stated Chief Rhoades had talked about emergency response and indicated the Building Department was also part of that. He stated in the past, the City relied heavily on building permits as revenue to the General Fund, but with the economic downturn, that was not the case anymore.

He respectfully disagreed with Anderson's comment on the General Fund surplus. He stated part of the reason for the surplus was that there hadn't been a COLA increase for employees. Also, it seemed to him the operating expenses were being cut short to have a big surplus. He suggested using the General Fund to get the manpower and resources needed, and not having the focus on maintaining a huge reserve.

Planning Department

Kohler stated it was difficult to foresee the future, but there were many empty building lots waiting for construction. He did not expect more developers in the near future. He requested a

replacement planner position, a new computer, and a replacement vehicle. Kohler indicated the current vehicle was a 1997 Blazer with 88,000 miles.

Council Member McDonald asked what the cost would be to replace Boal's position. Anderson stated \$40,000 plus benefits. Council Member Mergist asked if a good percentage of code enforcement calls were for junk in the yards. Kohler stated for this time of year those calls were prevalent, but in the summer there would be calls about landscaping, fences, construction, etc. Kohler said if Boal's position was not filled, the Planning Department would continue to work in a reactive mode instead of a proactive mode.

Mayor Phillips asked about the equipment. Kohler stated that he was putting more manpower into keeping computers functioning than the computers were worth. Council Member Mergist asked if Kohler could get an estimate on leasing computer equipment. Council Member Horner asked if Kohler could provide data on the expense incurred from fixing the office computers.

Cemetery/Parks

Rounds stated his department would cut the grass but would ignore the weeding, pavers, edging, and other things. He requested an additional part-time person for mowing at the airport and spraying weeds for 19 weeks out of the year. Council Member Mergist asked if the Council should consider increasing this request to an additional full time employee.

Rounds also wanted to install a cremation niche, and indicated this was 60% of what a mausoleum would cost. Council Member McDonald asked about Rounds' request for uniform allowance. Rounds thought pants and boots needed to be replaced yearly since the public saw the employees, and they represented Heber City. Mayor Phillips asked about a drinking fountain and restrooms at the cemetery. It was discussed that new locks should be put on the restrooms as well as signs directing the public to the restroom area. Mayor Phillips asked that a water fountain be installed by the restroom area.

Rounds also talked about the Cemetery/Parks wage scale. He explained the multi-tasking done by his department. He stated there were certifications such as weed control and playground inspection and thought raises should be given accordingly, and also a raise was requested in the interim based on the work done by his employees. Mayor Phillips indicated the Council agreed to look at pay structures in the different departments. Rounds said in talking with other cities, the parks employees traditionally made less than public works employees by about \$.50-\$1.00. But in Heber, the pay difference was \$4.00-\$5.00. He stated he would like to see that gap filled. Mayor Phillips asked what the cost would be to raise the electrical plugs above ground by the Main Street trees so Christmas lights could continue to be a seasonal feature.

Rounds also indicated that the Main Street Park playground was out of compliance. The replacement equipment would be \$125,000. Mayor Phillips thought six more picnic tables should also be added. Council Member Straddeck asked for a grouping of costs of things that would affect Main Street, and thought it might overlap into various departments.

Engineering Department

Mumford wanted to cover three areas: projects, roads, and miscellaneous items. He took items from the 20-year Master Plan and created five-year plans. Then he took the five-year plans and made a spreadsheet for the current budget year. He referred to the spreadsheet and explained the justification for the projects listed on page 81 of the packet. Concerning street issues, Mayor Phillips asked if the County would help widen 650 South. There was discussion on agreements made with the County for road widening. Council Member Horner asked for a spreadsheet showing how the projects would affect the accounts.

Mumford talked about pulling some bonds and finishing the subdivision work. He indicated he would send the Council a list of subdivisions that may have the bonds pulled.

Roads: Mumford indicated there were 67 miles of roads in the City that had to be maintained. In the maintenance schedule, crack sealing was required every two to three years, road sealing every five to six years, rehabilitation of roads, consisting of overlays at 15-20 years, and at 40 years, completely replacing the road. He stated if the maintenance schedule was not followed, the costs would go up astronomically. Last year, the roads were scheduled for sealing, but due to the economy, the project was put off. Mumford stressed that this City-wide project was a priority for this year. He also stated 1200 South from Main Street to 600 East Street was in bad condition and would have to be fully replaced. Council Member Patterson asked if the seal monies were already in the budget. Mumford said the money was not in the 2010-2011 year's budget but he would like to see some money from the 2011-2012 budget advanced so he could get bids and start the process instead of waiting until July 1. Council Member Horner asked to see what effect this project would have on the account balances. Mumford stated there was currently \$2 million in the account and the project would cost \$3 million, thus making it necessary to bond for the remaining cost. The Council agreed that Mumford should start the process for the street maintenance project.

Miscellaneous Projects: Mumford requested manpower in the form of assistance from Horrocks Engineering. Council Member Straddeck asked how much of the work Horrocks did that could be done in-house with an additional employee. Mumford stated Horrocks helped with new development and City projects.

GPS: Mumford stated the GPS equipment was the backbone of the City. It was nine years old and it was shot. A new GPS would cost \$24,000. Mumford indicated it would be used for water

sewer, irrigation, and all mapping. He said much time had been wasted trying to get the current one in working condition.

Mumford also agreed with Greenhalgh and was in favor of giving relief to the employees by using surplus funds. Anderson indicated there were many dedicated employees working for the City.

In additional budgetary concerns, Anderson stated there were grants for equipment to improve court security. He also indicated this year's City Council election would need to be budgeted for. The City Hall needed paint and carpet, and Anderson requested janitorial services be reinstated.

In administration, he reviewed the requests and explained that new State and Federal laws had made it necessary to upgrade or buy new computer software.

Airport

Anderson thought there should be money for the demolition of the Lloyd Building. Mayor Phillips asked if there was an updated aerial view of the City. Mumford said two years ago Heber got a really good picture. It was discussed the Council would like a big copy for the Council Chambers' wall and individual copies to go in their Council binders.

Council Member Mergist asked about paving Center Street. Mumford stated Red Ledges was supposed to help overlay the section from 1300 East to the City limits.

It was discussed that the next budget meeting would be April 1st at 5:00 p.m.

Michelle Kellogg, Deputy City Recorder