

**MINUTES OF THE CITY OF HARRISVILLE
CITY COUNCIL MEETING**

Tuesday, May 25, 2010
7:00 p.m.
Council Chambers
363 West Independence Blvd.
Harrisville, Utah 84404

COUNCIL: Mayor Richard Hendrix, Council Member Chad Allen, Council Member Wayne Crowther, Council Member Darla Fowers, Council Member Bruce Richins, Council Member Grover Wilhelmsen.

STAFF: Gene Bingham, Public Works Director; Pamela Crosbie, Finance Director; Lynn Fortie, City Treasurer; Max Jackson, Chief of Police; Jennifer Morrell, City Recorder; Bill Morris, City Administrator.

VISITORS: Robert Anderson, Wayne Crow, Lynn Leamaster, Jeff Pearce, Jeannie Smith.

7:00 P.M. CITY COUNCIL MEETING

1. Mayor Richard Hendrix called the meeting to order at 7:00 p.m. and welcomed all visitors.
2. Council Member Richins led the Pledge of Allegiance and offered the opening ceremony.
3. **CONSENT ITEMS**

Action to approve the minutes of May 11, 2010.

Minutes were delivered late to the Council Members and it was suggested to table approval to the next meeting.

MOTION: Council Member Richins moved to table approval of the minutes to the next meeting. Council Member Allen seconded the motion. All Council Members voted aye. Motion passed.

4. **BUSINESS ITEMS**

- e. **Discussion and possible action on contracts for 2010 street maintenance projects.**

Gene Bingham discussed the process for awarding bids for the street maintenance projects. Council Member Richins questioned the large variance between the engineers estimated cost and the amounts that were bid. Mr. Bingham pointed out those are projected costs based on prices acquired in January. He noted that the bids came in \$50,000 under the engineers estimate. Also, there was a savings of \$29,000 to the project by breaking out the bid schedules and awarding them separately. This usually creates more work for Mr. Bingham because he has to coordinate all the projects but it saves the City money. Council Member Richins asked about past costs of street maintenance projects. Mr. Bingham said they are spending the same this year as last year. He pointed out that three or four years ago they were caught up on all street maintenance and were able to save the City money. When they complete the current street maintenance projects they will be caught up again and are estimating \$300,000 to \$350,000 in reserve for Class C funds.

MOTION: Council Member Crowther moved to approve and accept the bids as outlined in the memorandum from Jones and Associates dated May 13, 2010 with Morgan Asphalt being awarded Schedule A for \$50,921.25, Advanced Paving and Construction for Schedule B for a total of \$85,922.00, Staker Parson Companies awarded Schedule C for \$50,008.70, and AAA Excavation awarded Schedule D for \$5,984.00. Council Member Wilhelmsen seconded the motion. All Council Members voted aye. Motion passed.

- f. **Discussion and possible action on proposed contract for 2010 paint striping project.**

Mr. Bingham said it has worked well to have Morgan Pavement receive the bid on the paint striping as well as the slurry seal as there is usually a lot of coordination that needs to take place between the two

projects. Council Member Crowther asked if this will cover stop bars. Mr. Bingham said he gives an itemized list of everything that needs to be painted before he solicits the bids.

MOTION: Council Member Fowers moved to approve the bid from Morgan Pavement for \$3,905.00 for the 2010 paint striping project. Council Member Crowther seconded the motion. All Council Members voted aye. Motion passed.

a. Discussion and possible action on point of clarification relating to access and utility cuts for Fiera Vista, P.R.U.D., formerly Fairview Manor.

Mayor Hendrix referred to the staff recommendation and the legal opinion from Mike Junk and recommended that the Council accept the settlement agreement. Council Member Crowther asked Mr. Bingham what had changed in the engineers cost estimate. Mr. Bingham said Kent Jones, City Engineer, confirmed the estimate is updated and adequate for what is being done. Council Member Crowther questioned the date of when the estimate was put together. Mr. Bingham affirmed again that he had reviewed the engineers estimate and Kent Jones felt it was appropriate. Council Members clarified their understanding of the staff recommendation.

MOTION: Council Member Allen moved to approve the settlement agreement as recommended by staff on Fiera Vista P.R.U.D. Council Member Wilhelmsen seconded the motion. Council Member Crowther asked that the City have a signed agreement with Mr. Crow that before units 13, 14, 17 and 18 are built that the construction entrance is moved as indicated in his email to Bill Morris. (Mr. Morris clarified the motion for the Council and Mr. Crow, Fiera Vista developer, said it is a fact that once construction begins on those units it will no longer be accessible as a construction access). All Council Members voted aye. Motion passed.

b. Discussion and possible action on final acceptance of Acorn Storage public improvements and extended discussion of the alleged violation of site plan and code enforcement.

Mayor Hendrix referred to the staff recommendation sheet and reviewed what took place at the Council meeting on May 11, 2010. He mentioned Acorn Storage has been sold to a new owner and is now Wildcat Storage. He also discussed the recommendation by staff to approve final acceptance but require the new owner to submit a corrective action plan addressing the landscaping concerns and site plan violation. Council Member Fowers reminded the Council that the initial reason for denying it was to use the money as an incentive for some corrective action. Mayor Hendrix explained that Mr. Mecham, whose money is in escrow, no longer owns the storage facility. Bill Morris explained how code enforcement works and what actions could be taken against the current owner to remedy the landscape issues. It was mentioned that there has been no response from Mr. Mecham on this issue and that the current owners have not yet been notified about the site plan violation.

MOTION: Council Member Crowther moved to give final acceptance to Acorn Storage and release of the remaining escrow and to have staff follow up with code enforcement contacting the new owners. Council Member Fowers seconded the motion. All Council Members voted aye. Motion passed.

c. Discussion and possible action on Ordinance No. 421 amending the official General Plan Map and Zoning Map based upon an application from Five "T" Corporation affecting the area located directly west of the Deseret Industries on North Street.

Mayor Hendrix reviewed the recommendation from the Planning Commission to deny Option A which was presented to them. He pointed out that the developer took the comments given from the Planning Commission and created an Option B which has been included in the Ordinance drafted by Mr. Morris. Mayor Hendrix recommended that the Council give the Planning Commission the opportunity to look at Option B. Council Member Richins asked what the difference was between the two options. Mr. Morris said it was the creation of a buffer zone as well as a reduction in the number of lots. He also asked what the buffer will be. Mr. Morris said it will be natural habitat much as it is now. Mayor Hendrix commented that the buffer zone's design was something the Planning Commission would need to discuss and noted that none of the commissioners had an issue with the assisted living facility.

Council Member Fowers mentioned the water table issues that have always been a problem in that part of the city and suggested sending this back to the Planning Commission so they can consider Option B. Council Member Crowther suggested zoning the whole thing as commercial unless they could have low density (A-1) housing. Council Member Richins asked what the purpose of the buffer zone was if it is going to look exactly the same and Council Member Fowers asked how deep it would be. Mr. Morris said it was 125 feet wide and 4.51 acres. Council Member Wilhelmsen asked how many homes would be taken out of the original plan by putting the buffer in. Mr. Morris explained they would go from 60 lots to

45 and their zoning request has been changed from R5-6 to R-1-10. Council Member Fowers said she hates to see agricultural land turned into high density housing. Council Member Crowther reiterated that he would like to see this rezoned commercial to create a tax base. Mr. Morris explained that the Deseret Industries has changed the ability to develop this area into commercial property. The Council and Mr. Morris discussed what their options were and what type of decision they needed to make at this meeting and whether it was appropriate to send this back to the Planning Commission. They also discussed how many neighbors came out for the public hearing.

Jeff Pearce, Planning Commission Chairman, was asked to make a statement about their recommendation. Mr. Pearce explained that they reviewed the plan for 60 homes without any details as to how the units would be clustered. He also stated that the neighbors have come to the Council four times in the last ten years to prevent this type of zoning change. He also mentioned there was no secondary water access to this property. Mr. Morris said Option B was not presented to the Planning Commission but came about as a result of notes taken by the developer from input given by the Planning Commission. Mayor Hendrix reviewed the Planning Commission motion to deny the request and implied that the Council could do the same. Mr. Morris said these options were only meant to be a rough concept. The only thing the Council should be looking at is zoning and compliance with the general plan.

MOTION: Council Member Crowther made a motion to consider Ordinance No. 421 amending the official general plan map and zoning map from commercial and agricultural to high density residential. Council Member Allen seconded the motion. Roll call vote. All Council Members voted no. Motion did not pass.

- d. **Discussion and possible action on Resolution 2010-02, a resolution approving an interlocal cooperation agreement between Harrisville City and Weber County relating to recreation, arts, museum and parks (RAMP) funding for main park improvements and splash pad.**

The Council discussed the liability insurance requirements and the indemnity clause releasing the City and the County from any damage or injury incurred by the contractor. Council Member Fowers asked how much money the City was required to contribute. Mr. Morris said the RAMP funds would contribute \$100,000 and the City would need to come up with \$150,000 to \$200,000 depending on the final cost. Mr. Morris said the cost may be less than anticipated if the splash pad is located [on the existing softball field] closer to restroom facilities and infrastructure. Mayor Hendrix asked for a report from the last park committee meeting. Council Member Allen said there were some concerns expressed about moving the home run fence but most members were okay with the proposed splash pad location. Council Member Wilhelmsen asked if it would still be a multiple usage field. The Council discussed how that could be accomplished. Council Member Allen said the park committee also discussed putting the fence in later along with the lights but the main focus would be to get it going for the recreation department's current needs. Mr. Morris made everyone aware there will not be any above ground features. Those will be added later as the money becomes available. Council Member Allen asked that it be a project that can be finished. Mr. Morris said Ridgeline Design is putting a plan together, explaining this project will need to be completed by October unless the Mayor requests an extension.

MOTION: Council Member Fowers moved to approve Resolution 2010-02 approving the interlocal cooperation agreement between Harrisville City and Weber County relating to the RAMP funding. Council Member Wilhelmsen seconded the motion. Roll call vote. All Council Members voted yes. Motion passed.

5. PUBLIC COMMENTS

Tanya Schmidt, Harrisville City, asked if there would be a refreshment stand if there is a splash pad. Mayor Hendrix said it was something that has been considered.

6. MAYOR/COUNCIL FOLLOW-UP

- a. **Sound system in the cabin.**

Mayor Hendrix mentioned this was a suggestion given by Council Member Wilhelmsen that came about from requests of those renting the cabin. Council Member Wilhelmsen clarified that he was thinking of something permanently installed that would function as a sound system and speaker system. Council Member Allen commented that he was at the cabin on Friday for an event and it would have been nice to have something there for music. Mr. Morris said there may be some money available in the non-departmental funds for equipment. The Council discussed what type of system they would like to have

including a docking station for an iPod. Council Member Richins said it is something that has been needed for years.

Council Member Crowther said he is going to schedule another Park Committee meeting for the first Thursday of the month. Mr. Morris and Jennifer Morrell gave a report to the Council on the possibility of using interns. Mr. Morris has talked with Weber State University and they can provide an intern to do GIS work for \$10/hour. Public Works will not get an intern because of the success they are having using the inmates. He explained that the inmates come every other week and do a good job for free. Mrs. Morrell explained that the Deseret Industries has a business partnership program where they will send an intern for eight weeks to receive some hands on training. The Deseret Industries will pay their salary and their Worker's Compensation. If their board approves partnering with the City, Mrs. Morrell has requested they begin with an eight week trial period.

Council Member Wilhelmsen reported on Heritage Days. They have asked Kate Blanche to run the parade. Also, the Heritage Days website has been updated and the mass gathering application has been turned in. He mentioned a suggestion was made for Shanna and Lynn Edwards to be the parade Grand Marshall.

Council Member Richins asked about the empty lot adjacent to the softball field wondering if it could be used for additional parking. Mayor Hendrix said UDOT would need to give permission first because it is restricted to residential access right now. He also mentioned there were plans drawn up at one time for renovating the front of the old public works building. Council Member Richins mentioned there are several options for parking besides the vacant lot including the dirt area on the south side of the driveway and the area west of the bowery where the sand bunkers are located. Council Member Allen also mentioned the vacant area north of the bowery parking lot. Mayor Hendrix said extra parking is being considered and is a concern for him because he has noticed people parking on the highway.

7. ADJOURN

Mayor moved to adjourn at 8:15 p.m.

(Pamela Crosbie, Finance Director arrived at 8:00 p.m.)

8:15 P.M. WORK SESSION

1. Discussion on FY 2010-11 final budget.

The Mayor and Council Members discussed some of the changes to the tentative budget along with Lynn Fortie, City Treasurer. Most of the changes being made were due to the new vehicle purchased by the Police Department. In addition, Mr. Fortie said the capital projects fund will be increased by \$50,000 for the new electronic marquee. Mayor Hendrix explained what he would like in the new marquee and that an RFP would be created to purchase it. Council Member Crowther questioned the existing sign ordinance. Mayor Hendrix said it is being updated and will allow for this type of sign.

Mayor Hendrix reviewed what had been discussed at the last two meetings regarding employee benefits, including retirement contributions and 401k contributions. He reminded the Council that a 2% cost of living raise has been included in the current budget. He suggested altering employee compensation to allow them to take control of their retirement. This would be accomplished by taking 2% from the current 401k contribution made by the City and giving employees a 4% cost of living increase. In addition, the remaining 2% used in the 401k contribution would remain if the employees wanted to contribute a minimum of 2% and match what the City was contributing. Mayor Hendrix felt this would put a little more responsibility on the employee.

Police Chief Max Jackson gave an explanation of why the City began contributing to an employee 401k. He said it began in the 80's when the State tried going from a contributory to a noncontributory retirement system. The decision was made to take the amount the City had been contributing and put it in a 401k. Mayor Hendrix stated that amount was originally larger than the current 4% but was decreased for economic reasons. However, the City has still been able to compensate employees with higher raises over the years. He stressed that he wants to treat the employees fairly but also treat the City fairly. He also clarified that this 401k was completely separate from the State retirement program which the City contributes to.

Mr. Fortie stated the Mayor's proposed changes will not affect this budget but will increase costs over a period of time. General discussion took place about which options will benefit the City and which will benefit the employee and how these proposed changes will affect future budgets. Mr. Fortie will get some figures together for the various options that have been proposed. Chief Jackson talked about the importance of higher wages for attracting quality people and his efforts to maintain a good work

environment so employees will stay despite lower wages than surrounding cities. Council Member Allen affirmed what Chief Jackson said saying he is aware our employees are paid less. Mayor Hendrix mentioned that the health insurance benefits will remain 90/10. Council Member Richins said he has seen a move by employers to 80/20. He also suggested as another option giving employees the extra 2% as a lump sum so it is not compounded over future years. He also reminded everyone that some cities are not giving a raise this year and some are even decreasing wages. Ms. Crosbie mentioned she would need enough time to put a benefits package together and do an open enrollment.

Council Member Allen mentioned that he has a 457 and a 401k and said the benefit of a 457 is you can take money out without any penalties or interest. Ms. Crosbie said a 457 is available to employees but none are using it. She also said the open enrollment is through PEHP. Council Member Allen asked if they could see the numbers to see what the impact would be to the City.

Chief Jackson talked about the volatility of the stock market and allowing employees to explore other investment options. Council Member Allen asked about the possibility of a 2% performance raise. The Mayor and Council discussed this idea. Chief Jackson thought it would be a good idea and a way to give supervisors some leverage to raise standards and get people motivated. Chief Jackson discussed some different options for performance evaluations including doing it on the hire date anniversary. Ms. Crosbie mentioned that whatever system is used it would need to be fair to all the employees. Mayor Hendrix suggested taking the 2% cost of living increase and putting it into a 401k until their raise comes around. Council Member Fowers asked about the possibility of doing all the evaluations in the same month. Chief Jackson expressed how he would like to see the 401k contribution done away with and a 4% wage increase in its place.

Mayor Hendrix said the 4% wage increase was an option that has been considered. He asked Mr. Fortie if he would send a spreadsheet to the entire Council showing how these different options would affect the budget. Mayor Hendrix said he would send copies of what he has proposed on the issue. Chief Jackson said raising the salary and lowering the retirement would follow the pattern of the state. Mr. Fortie mentioned the merit option would still budget the same anticipating that everyone would still get the 2% merit. Lynn Leamaster from the Sentinel News asked if he could comment. He talked about the complicated process of investing and the benefit of having someone administer a 401k for you. He feels that most employees don't understand the options and doing away with the 401k will not benefit the employees long term. Chief Jackson reminded the Council that the 401k is something on the side and the main source of retirement funds will come from the state.

The Council decided to meet again on June 8th at 6pm to make a final decision.

Mayor Hendrix moved to close the budget session at 9:20 p.m.

The content of the minutes is not intended, nor are they submitted, as a verbatim transcription of the meeting. These minutes are a brief overview of what occurred at the meeting.

RICHARD HENDRIX
Mayor

ATTEST:

JENNIFER MORRELL
City Recorder

Approved this 8th day of June 2010