

**Pleasant Grove City Council Meeting Minutes  
City Budget and Planning Retreat  
Friday, February 7, 2014 and Saturday, February 8, 2014**

**PRESENT:**

Mayor:

Mike Daniels

Council Members:

Dianna Andersen

Cindy Boyd

Cyd LeMone

Jay Meacham

Ben Stanley

Staff Present:

Scott Darrington, City Administrator

Dean Lundell, Finance Director

Degen Lewis, City Engineer

Tina Petersen, City Attorney

David Larson, Assistant to the City Administrator

Deon Giles, Parks and Recreation Director

Mike Smith, Police Chief

Marc Sanderson, Fire Chief

Ken Young, Community Development Director

Lynn Walker, Public Works Director

Sheri Britsch, Arts and Culture Director

Kathy Kresser, City Recorder

The City Council and staff met at the Fox Hollow Golf Course 1400 North 200 East, American Fork, Utah.

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**ACTION:** Council Member LeMone moved that the City Council begin the City Budget and Planning Retreat. Council Member Stanley seconded the motion. The motion carried with the unanimous consent of the Council.

1) **CALL TO ORDER.**

Mayor Daniels called the meeting to order at 4:00 p.m. Council Members Andersen, Boyd, LeMone, Meacham, and Stanley were present.

**AGENDA FOR FRIDAY, FEBRUARY 7, 2014**

4:00 p.m.

- a. 2013 Year in Review;
- b. Mission/Vision/Values; and
- c. Budget;
  - i. Current Year;
  - ii. FY 2014-2015;
  - iii. Staffing Needs;
  - iv. Utility Rates/Fee Schedule; and
  - v. Zero Base Budget - Council Member Stanley

6:00 p.m.  
Dinner

6:30 p.m.  
Social Activity

## 2) **YEAR IN REVIEW.**

Mayor Daniels turned the time over to Administrator Darrington. Each department head reviewed their accomplishments thus far this year and shared their upcoming goals. Assistant to the City Administrator, David Larson, stated that the Pleasant Grove Chamber of Commerce has made significant improvements this year and membership has increased by almost 50%. Additionally, a new website, mobile app, and management data base system were all created. This is also the first year that Promenade had regular special events on theme night, which was a huge success. Assistant Larson explained that they are already planning for the next event and will be making adjustments to help it be even more successful.

The Pleasant Grove Chamber of Commerce has increased its social media presence over the past year. Currently the Chamber has 546 Facebook likes, 477 Twitter followers, and has created a Flickr account. Constant Contact Email Contacts also increased by 52%, from 214 to 326 contacts. Assistant Larson remarked that this is the City's first year implementing the PROUD training and Employee Recognition. The City awarded an Employee of the Year for the first time last year, and is in the process of nominating another for this year. He described the new Welcome Packets and spoke about the Main Street Movement. As part of the movement, businesses such as Cocolito's, Cravings Cupcakes, Firebird, and Drab to Fab have joined the other Main Street businesses.

Mayor Daniels asked about TestOut, and asked if it will be a good fit for downtown, based on what the previous City Council has desired in the area. Additional property has been acquired on the west side of the street. Mayor Daniels wanted to know what their plans were and how they will fit in with the theme discussed. Assistant Larson replied that at this point they are not planning on occupying all of the space. For example, they will lease out the space that was previously occupied by Sammy's to Craving's Bistro. He also noted that they plan to remain in line with the look and feel that was previously discussed.

Community Development Director, Ken Young, added that they recently met with the applicants. While they are still formulating final plans, they have considered constructing a new building on the southwest portion of the same block. Eventually they would like to lease out a few of their other Main Street properties. Right now they are looking to occupy the old Wells Fargo Bank. Staff has

communicated to them that they would like to see more retail along Main Street. Design guidelines had also been reviewed. Council Member Boyd echoed the importance of communicating to TestOut the Downtown Ordinances and guidelines. Administrator Darrington replied that they understand the requirements. Director Young stated that while they may understand the architectural requirements, it may be beneficial to reinforce that the desired use is for retail. There was further discussion on the matter.

Director Young shared his department's updates, and noted that it was a very busy year. They had a 48% increase in processed planning applications, an 85% increase in issued building permits, and a 497% increase in building permit valuations. A chart was presented showing the types of planning applications submitted. Director Young identified the increase that has occurred since 2007. With the increases comes a strong need for additional staff to help process all of the information. The Planning Department was requesting a part-time Planning Intern become a full-time Planner, the addition of a part-time Administrative Assistant, and the addition of a part-time Building Inspector. A chart representing the total building permit valuation and building permits from 2000 to 2013 was presented to the Council.

Mayor Daniels stated that there is no question as to the need for additional support. He wanted to know, however, if the additional positions will be on the City's payroll or professional services. Administrator Darrington replied that as a staff they will work through the details and report back to the Council with recommendations. Once decisions are made, they will make the hires immediately using existing funds in the budget from the date of hire until the end of the fiscal year. It was noted that the work load is the same in the Engineering Department as it is in the Planning Department. Administrator Darrington mentioned that if the City continues building at this rate, eventually they will reach their build out point and the City staff will need to be reduced again. Therefore, they need to find additional support staff, without potentially laying off people several years down the road. There was further discussion regarding the type of workers the City can hire. Director Young stated that he needs employees who can be in the office and who know the City, as opposed to generalized planning.

Fire Chief, Marc Sanderson, shared his department's accomplishments over the past year. He explained that for the first six months, they were able to reorganize the department, assess how they are laid out structurally, and look at their needs moving forward. They have looked at ways to increase services while decreasing the overall Fire Department line item budget. With one position that was vacated, they were able to promote Corey Cluff, who was the Captain to a Battalion Chief role. Mr. Cluff works closely with community development, performs fire inspections, and serves other fire prevention roles. He also serves as an on-shift shift supervisor, which allows the captains on scene to work with their team. Chief Sanderson explained that through this reorganizational process, they were able to undergo a series of competitive tests in order to promote workers within their department.

Chief Sanderson explained that Captain Jolley implemented a wildland firefighting team last year. They made almost triple the money on State and National fires, and were able to recoup their funds, which not only paid the workers but also cleared another \$17,000 in billing for the Fire Department. The department will continue to expand and increase the program. Chief Sanderson announced that last year Ryan Rackman spearheaded a program that assisted high school students who are interested in fire service. Mr. Rackman also conducted mock interviews with students. The

department will be hiring them as Fire Interns to give them experience and see if this is a path they want to pursue.

Chief Sanderson stated that the Fire Department worked closely with the Police Department this past year to strengthen public safety in general. In working together, they promoted the Public Safety Building Bond by providing both funding and personnel for canvassing. He also explained that each year they strive to make small improvements to the station that remain within budget and properly meets the needs of the fire staff.

Arts and Culture Director, Sheri Britsch, announced that the Professional Writers Series, which features local authors, has been very successful and will be continuing this year. Two self check-out machines have been added to the facility and patrons have given positive feedback. She reported that teen programs have increased by 43%. Director Britsch expressed her enthusiasm for these types of activities. She also mentioned that two databases were added including Ancestry.com and Mango Languages. She stated that over 1,000 patrons used Ancestry.com to search for their ancestors. She also mentioned that the agreement with Ancestry.com requires it be used in the library; however, Mango Languages can be accessed from home as well as the library. A lot of extra training was conducted by Cindy Bjerregaard to bring the library to a paraprofessional level.

Director Britsch announced that Bring Your Own Device Day was hugely successful, with over 80 participants. She reported that the Library Board hosted the City's race series, which was very successful and will continue this year. A \$10,000 donation was received to help digitize the local newspaper, which covered the years 1929 to 1947. More donations were needed to continue with that project. Director Britsch reported that last year the library offered 620 programs, with 24,228 attendees. The Literacy Center served 50 regular students, with 47 volunteer tutors. Lastly, there was brief discussion about the chocolate fundraiser. Director Britsch noted that it was very successful.

Attorney Petersen reported that they handled numerous criminal cases, and implemented a tracking system for alcohol related offenses. This helps the Police Department when justifying the DUI and tax monies collected every year. A case tracking system was also developed to help break down where certain types of crimes are committed in the City. Until recently the City had been unable to give good statistical reports with this information. Other system updates were reviewed including an updated tracking system for Pleas in Abeyance. Last year the Legal Department updated the expungement forms, which has streamlined the process. Attorney Petersen announced that she hired a new part-time Prosecutor this past year. In addition, the position was moved from an independent contract position to a part-time position.

With regard to Civil Law, Attorney Petersen spoke about the doTerra project and noted that there were 43 ordinances and 49 resolutions created. The department also amended the City Policy and Procedures Manual. Attorney Petersen commented on the City's economic development and PROUD committee. She stated that last year Pleasant Grove legal departments involvement with the way in reinstating the Utah County Municipal Attorneys Association's monthly meetings.

Police Chief, Mike Smith, reported on the Citizens' Academy held this past fall. It was so successful that the determination was made to make it at least an annual event. He spoke about the Heroes Behind the Badge event, which was also very successful. Chief Smith felt this was a great

opportunity to bring awareness to the community about the sacrifices officers make. Another project the department accomplished during the past year was to help Grove Crest Elementary put together emergency packs that were placed in each classroom in the event of a lockdown. The department also participated in the Beards for Santa Program.

Chief Smith spoke about the Honorary Colonel Association, which is a group of citizens that has supported the Pleasant Grove Police Department. The Council was instrumental in establishing priority dispatch, which is a nationally recognized system that guides callers through a series of questions to ask in the event of an emergency or other dilemma. This ensures that the right questions are asked and that services are provided in an efficient manner. Chief Smith mentioned that last year officers faced issues with their pistols. The department was able to replace all defective service pistols and provide a long gun for every officer at little to no cost to the City.

Chief Smith mentioned the School Walk Through Program, which proved to be a huge success last year. He announced that the City Emergency Operations Plan is moving forward. He noted that the plan was outdated by about 20 years. It has since been brought current with City standards. Chief Smith announced that last year Detective Henderson was presented with an award from the U.S. Attorney's Office for the manner in which he handled a case. Lastly, it was noted that the Heroes Behind the Badge program made a substantial donation to the department that allowed them to purchase new portable radios and rotate the old ones out.

Mayor Daniels asked Chief Smith to summarize some of the Police Department's statistics, regarding their call load and types of calls they receive. He wanted more information on their budget needs based on the nature of the calls they receive, response times, and aspects of the department that are changing. Administrator Darrington added that as overall staffing needs arise, relevant information will be provided to the Council. Council Member Boyd initiated a brief discussion about the safety of Pleasant Grove's police officers and dispatch. Administrator Darrington stated that City Hall is not secure. Council Member Andersen expressed concern with security issues that exist even at City Council Meetings.

Parks and Recreation Director, Deon Giles, stated that his department was challenged with several large projects last year. In the first three months of the year, three new managers were hired in separate departments, and all have done an exceptional job. Each spearheaded major projects within their respective departments and will be reporting on them in Council Meetings or Work Sessions in the near future. The Parks and Recreation and the Bicycle and Pedestrian Master Plans have also been progressing.

Director Giles announced that a riser was installed at the cemetery this past year as part of a scout project. This is beneficial when the honor guard comes in for graveside services and allows them to be viewed. Several compliments have been received from members of the community who have attended those services. He also spoke about a customer service program to keep children entertained when parents come in to conduct business. Director Giles reported that they increased the part-time wage last year, which has greatly improved the graveyard shift at the recreational center. With regard to facilities, the department made significant electrical upgrades to the library this year. They will be also be working with Public Works Director, Lynn Walker, this year to update the well houses and hopefully make upgrades to the City Hall and Police Department.

One of the Park Department's biggest accomplishments was that they have improved relationships with other departments City wide. They installed a new mowing program, which improved consistency. They initiated a new program to address weeds and to add color to the City's boulevards and along I-15. The Turf Management Program was also established throughout the City. Director Giles indicated that there are safety issues with sidewalks that still need to be addressed. They also worked with scouts to install bike racks along Murdock Trail, which involved several generous donations.

The Recreation Department created an Assistant Aquatics and Recreation Manager position that was filled by Tyler Wilkins. Director Giles provided updates on the pool liner project and noted that it has a 15-year warranty.

Director Walker explained that the Public Works Department consists of five different groups. He felt this past year went very well but stated that there is always room for improvement. He announced that for the first time in his career they have fixed all of the deficiencies contained in the State Sanitary Survey and received zero points. Director Walker spoke about flooding that occurred last year and stated that his department responded to the issue within the first hour of the first call being received. Water was rerouted immediately, which kept the effects of the flooding to an absolute minimum.

It was reported that the City recently got the spring back. Director Walker stated that it is difficult to guess when an emergency situation will occur and be proactive but the Public Works Department does the best it can. He explained that 72% of the calls they receive pertain to issues that take time. He remarked that their department is definitely short on manpower and noted that they lost three workers in various departments. Director Walker pointed out that the City has 120 miles of sewer that is in the care of only 2 ½ men. He stated that the City has 155 miles of water line between the culinary and secondary water systems and emphasized the City's need for additional workers and resources. Director Walker acknowledged the comradery among City staff and encouraged continuous open discussions between departments and the Mayor and City Council.

Mayor Daniels asked if staff has run reports on staff and services provided over time as a result of population growth in the City. Administrator Darrington responded that they have not, but agreed that staffing is one of the City's current deficiencies. He explained that hiring employees is expensive; however, they need additional staff. Those changes also need to fit in the budget. Director Walker interjected that his department is starting to see a similar problem with staffing in terms of pay.

Administrator Darrington reported that this past year the City updated their park impact fees. They also purchased the pipe plant in early July. He felt this was the most significant thing they did last year. He also stated that the doTerra project relocating to Pleasant Grove was important for the City. Administrator Darrington spoke about Rec Center improvements and described how significant the process was for the City. He recognized Director Walker, Engineer Lewis, and John Scheiss for their efforts in planning for the water shortage. The City purchased water to help get through the year but had there not been any foresight into the matter, the City could have run out of water. He also noted that the restrictions were enforced for the first time, which made a big difference in water conservation. There was further discussion regarding the enforcement program.

Finance Director, Dean Lundell, added that one of the department's most significant projects was getting the storm bonds issued to purchase the pipe plant property. He was grateful to have financial stability, which is something they have not had in a long time. He reported that staff applied for the GFOA Budget Award for the first time last year. Administrator Darrington asked when the City will hear back about the award. Director Lundell estimated it would be six to eight months before they hear.

Director Lundell felt it would be important to focus on impact fee studies and noted that some are outdated. The one for Parks was also outdated but they have since completed another. He mentioned that the storm drain study will be the next that is conducted and will probably be done sometime in the spring. Attorney Petersen asked who would be conducting the study. Director Lundell informed her that Zion's will be performing the task. Once the storm drain study is complete, the City can focus on the sewer.

Council Member Andersen asked Director Lundell to define park impact fees. He explained that if someone wants to build a house in Pleasant Grove, the City will charge impact fees to maintain parks, roads, storm drains, sewer, water, police, and fire. The idea of impact fees was that there is a certain amount of infrastructure that goes with a construction of a new house or development that increases the City's load. Impact fees were established so that developers can buy into the infrastructure. Director Lundell explained that impact fees can only be used for construction and cannot be used for maintenance of existing parks and facilities. They also cannot be used for rebuilding.

Engineer Lewis echoed comments that made by Director Lundell. He emphasized the importance of having the pipe plant space, which takes pressure off of the Grove area. He stated that staff is trying to acquire utility maps electronically, which will be shared with the Council. Having this information available through tablets and other devices will be very beneficial.

Administrator Darrington acknowledged the work performed by April Harrison. Ms. Harrison has retired and was replaced by Sheri Britsch. He remarked that the transition is going very well. Administrator Darrington spoke about the GO Bond Election for the Public Safety Building and noted that the planning process began in February of last year. A great deal of effort has been made by staff and he felt the process created more unity.

### 3) **MISSION/VISION/VALUES.**

Administrator Darrington explained that two years ago, staff and elected officials had a meeting to create a mission and vision for the City. He asked the Mayor and City Council to review the mission and vision and determine if they still apply. The Mission Statement was read which is as follows: *"To provide central services and life enriching amenities to every resident in Pleasant Grove."* The Vision Statement is: *"To become the best run City in the State of Utah."* An additional note was added that every employee runs the City, meaning that every employee is responsible for his or her respective area of responsibility.

The fallout of these goals is what the City's key strategies will be in order to become the best. Administrator Darrington explained that the strategy is to have proud, satisfied citizens in any business climate and professional, happy employees. Initiatives were created to help carry out these

strategies. Administrator Darrington presented a chart that was updated last year, entitled "Vision Implementation." He noted that one of his goals for the upcoming year is to update this chart and refer to it throughout the year. He mentioned that the City's cascading value is to always be professional in conduct. He addressed the priorities the City has to keep employees safe, maintain consistency in City business, and act in a courteous manner with citizens. Lastly, Administrator Darrington asked if the Council had any changes to propose to the City's mission, vision, and values statements.

Council Member Stanley indicated that a statement reflecting the City's financial conscientiousness is missing from the existing statements. He stated that this is a tremendously important value and should be better communicated. He remarked that if there are two options that are equal in terms of value or need, the Council should choose the less expensive option. Council Member Boyd added that the first item listed in the City's key strategies is their solid sense of stewardship. She felt this encompasses budget and financial responsibility. Council Member Stanley agreed that this is implied in stewardship and professionalism; however, a more explicit statement should be made about Pleasant Grove's commitment to fiscal responsibility. Administrator Darrington didn't think that implementing the request would be a problem. There was further discussion on how this addition to the City's statements could be included.

Mayor Daniels initiated a discussion about whether or not the City is accomplishing the statements they have made. He inquired as to whether the City has proud, satisfied citizens, a vibrant business climate, and professional, happy employees. Those in attendance unanimously agreed that there is room for improvement. Mayor Daniels asked where the City currently is in terms of these goals. Administrator Darrington explained that part of the key strategies include initiatives used to measure whether or not the City is accomplishing these goals. It was noted that some of these goals are not measurable other than the fact that they are notable. Mayor Daniels suggested that there is a direct way to measure proud, satisfied citizens along with a thriving business climate and professional, happy employees. This measurability occurs every two years and there is a direct feedback to elected officials and City leadership, and directly to employees. When feedback is received by the electorate that feedback is dramatic and has an effect on City employees, elected officials, and citizens. Until that disconnect can be resolved and harmony restored, there will be difficulty in accomplishing these overall goals.

Mayor Daniels explained that as a City they were recently told by citizens that the direction the City wants to go in one particular case was not the direction the public wants to pursue. Mayor Daniels felt there was a disconnect between what the City wants to say is true of their citizens, as opposed to reality. He expressed his belief that a tone is set from the top down in organizations. If the City disconnects from the public who pays the bills it is difficult to have happy, professional employees and a vibrant business community. He emphasized that this is an issue that cannot be ignored.

Council Member LeMone stated that the City is not indicating that they have already attained their goals but rather that these are the goals they are striving for. She explained that there will be both good and difficult times that the City will face with various issues. Council Member Boyd added that regardless of where the City is in attaining these goals, they still reflect the attitude of the staff and elected officials. The Vision and Mission Statements serve as motivation to work harder to do what is best for the City.



Mayor Daniels clarified that he feels City employees are a direct reflection of what takes place in the decision making process. City employees are good, optimistic people, who go out of their way to serve the community. However, when he reflects on the 36,000 citizens that as elected officials and staff they are trying to serve, he sees a disconnect with the majority of the City. He does not see this as the individual attitude of the employees and in fact, looking back over decades of decision making the City has undergone, it could be concluded that this group practices frugality. He still felt, however, that there is a sense of disconnect. He emphasized the importance of identifying where that disconnect originates and stated that the City realign with the majority of the public. He agreed with the City's values and felt they are on target. However, changes are needed in order to get in tune with citizens.

Council Member Meacham suggested that citizens are looking for the elected officials to come up with objectives in the near future. If they don't sense any kind of change in what is presented, they will look at the Council and feel that the previous issues were dropped for a reason. The Council needs to go back to the public and present a new direction to them. He felt these objectives are not between departments but between the citizens and elected officials.

Chief Sanderson stated that from his perspective the disconnect between his department and the public lies in the services his department deems necessary for the community and citizens who are not willing to pay for them. They have an expectation of what level of service they would like the Fire Department to provide, but when it comes to cost the citizens are not willing to pay. Council Member Andersen asked about public clamor. She stated that 30,000 people were completely satisfied with how things went last year and 5,000 who were angry. There is a disconnect with those 5,000 people, and it was suggested that they be the focus of the discussion.

Director Giles stated that last year they identified the number one issue as public safety and felt it would be unwise to change that direction since it could damage the City's credibility. Chief Smith agreed with previous comments made and indicated that everything was fine until the bond discussion occurred. To say that the whole system is broken probably isn't fair. The entire City wasn't opposed to that item but only a small group of citizens. Chief Smith expressed his opinion that the City did its best to provide the public with proper information on the issue. A few citizens spread rumors, which was what the City was opposed to. Council Member Boyd added that in the end there was great support from the City and unification among the departments. Council Member LeMone suggested the City focus on how they will reconnect as opposed to the disconnection. Nothing can be done to change what has happened in the past six months. It was recommended they now focus on the positive and move forward.

Chief Smith noted that there wasn't a single GO Bond that passed in the State of Utah last year. He felt the City was battling something much larger. There is a general distrust for government. Several comments were made regarding the federal government. He stated that citizens need to understand that municipal government does not operate in the same manner. He reiterated other comments previously made.

Administrator Darrington concluded that the Civic Center Plan will be reviewed in the Saturday session of the budget retreat. He explained that in the past some cities have done strategic planning, which is about a one year process. This could help reconnect with the citizens, and be a way to involve even the most vocal citizens.

#### 4) **BUDGET**

The time was turned over to Director Lundell. It was noted that there won't be sufficient time to discuss all of the items listed in this session.

##### a) **Current Year.**

The budget for the 2014/2015 Fiscal Year was presented. Director Lundell states that the budget is out of balance of approximately \$297,090. An amended budget deficit of \$212,880 was projected. Never the less he also anticipated a surplus at the end of the year of around \$336,949, which comes from additional revenues above the base budget and a decrease in expenditures of around \$144,829. Director Lundell felt that the number estimated for expenditure decreases is modest and the number will probably be higher. He also explained that surplus is typically rolled into the Capital Fund. Director Lundell directed the Council to review the 2013 Governance Letter, which provides information on financial statements and governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information on Pleasant Grove City for the year ending on June 30, 2013.

*Note: There was insufficient meeting time to discuss the following items listed on the Friday, February 7, 2014 budget retreat agenda:*

- b) **FY 2014 – 2015.**
- c) **Staffing Needs.**
- d) **Utility Rates/Fee Schedule.**
- e) **Zero Base Budget.**

**AGENDA FOR SATURDAY, FEBRUARY 8, 2014 AT 9:00 A.M.**

PRESENT:

Mayor:

Mike Daniels

Council Members:

Dianna Andersen

Cindy Boyd

Cyd LeMone

Jay Meacham

Ben Stanley

Staff Present:

Scott Darrington, City Administrator

Dean Lundell, Finance Director

Degen Lewis, City Engineer

Tina Petersen, City Attorney

David Larson, Assistant to the City Administrator

Deon Giles, Parks and Recreation Director

Mike Smith, Police Chief

Marc Sanderson, Fire Chief

Ken Young, Community Development Director

Lynn Walker, Public Works Director

Sheri Britsch, Arts and Culture Director

Kathy Kresser, City Recorder

The City Council and staff met at the Fox Hollow Golf Course 1400 North 200 East, American Fork, Utah.

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- a. Civic Center Plan
    - i. Public Safety Facility
    - ii. Library
    - iii. Placement of other future City facilities
  
  - b. Roads
    - i. Funding
  
  - c. Economic Development
    - i. Director
    - ii. Studies
    - iii. Pleasant Grove Ambassadors to Business - Council Member Stanley
    - iv. Restaurant Incentive
  
  - d. Secondary Water
    - i. Purchasing (Water surcharge)
    - ii. Restrictions
    - iii. Metering

- e. Parks and Open Space
  - i. Bike Park
  - ii. Shooting Range - Council Member Stanley
  - iii. Grove Open Space
  - iv. Wetlands Park
  - v. Memorial Grove
  
- f. Miscellaneous Items (As time allows)
  - i. Quarterly Mini-Retreats
  - ii. Cultural Arts Title
  - iii. Suicide Prevention Liaison
  - iv. Contract with Center Stage
  - v. Council Appointments to Departments
  - vi. Ladder Truck
  - vii. Parlant Technology
  - viii. Future Joint Meetings with Cedar Hills
  - ix. Televising Council Meetings - Council Member LeMone
  - x. Pipe Plant Master Plan
  - xi. Electronic Elections
  - xii. Open Government Initiative - Council Member Stanley
  - xiii. Jose Valdez Benefit Concert - Council Member Stanley
  - xiv. Accessory Apartments - Council Member Stanley

1) **BUDGET.**

Director Lundell continued with the budget discussion items from the previous day's agenda.

a) **FY 2014 – 2015.**

Director Lundell presented a chart of the projected additional revenues, sources and uses for the upcoming fiscal year. He explained that the tax revenues from property and sales taxes, as well as franchise fees, comes to approximately \$320,000. With regard to projected revenue uses, Director Lundell stated that he has made conservative estimates with each use. He then reviewed each projected, line item use. He noted that \$93,215 will be used for retirement costs. Health insurance costs were discussed, including a projected 9% increase. Director Lundell had a meeting with Pleasant Grove's insurance broker the previous week and the City's numbers in terms of usage were not ideal. There was a financial loss between the premiums paid by the City versus what was covered by the insurance companies on claims.

Director Lundell described employee increases and stated that those figures are shown on the chart as COLA/Merit Increases and listed as step-by-step costs. Administrator Darrington added that for the past couple of years, the COLA/Merit Increases have been approximately 3%. Mayor Daniels asked how the economy has affected the increases. Director Lundell noted that inflation has not been high for about five or six years. There was continued discussion on the matter.

Also listed in the projected revenues and uses chart was a computer replacement program, with a listed figure of \$9,809. Director Lundell explained that this is an installment amount for the overall

project which costs about \$45,000 annually. He noted that the project is fully funded at this point, so this line item will not be included with next year's projected revenues and uses chart. Another revenue use was that of part time pay increases with \$30,583 having been allocated to this expense. Dispatch and Courts Wage Adjustments were assigned \$70,779, and a technology budget of \$7,500 was listed for various miscellaneous projects.

Director Lundell noted that the beginning deficit for this year is \$297,086, and there are \$493,657 in unallocated funds. He explained that these numbers will improve over time as revenue increases. Additionally, the chart showed that there is currently \$2,183,981 in the General Fund. This figure represents about 16% of next year's budget, and is, therefore, entirely reserve money. Director Lundell noted that legally the City has to have at least 5%, and cannot exceed 25% of their annual budget in reserves. Administrator Darrington explained to the Council that they should not be discouraged by the \$493,657 in unallocated funds as this number decreases more every month.

Mayor Daniels asked what effects have taken place as a result of the Affordable Care Act. Director Lundell explained that there are some new taxes and fees that have been implemented that were absorbed last year. Therefore, those figures are already calculated into what the City is currently paying. There was further discussion regarding policies that relate to the new healthcare law. Director Lundell explained that according to new laws, there can't be wide discrepancies in premiums between different companies in the same area. Pleasant Grove is below the community rating, and at risk of increased premiums. One of the ways the City is addressing this is by providing a Health Savings Account with a high deductible plan. It was noted that 15 to 20 percent of the employees use this plan.

**b) Staffing Needs.**

Administrator Darrington was currently working on recommendations for staffing that will be presented to the Council soon. Council Member Boyd inquired about the status of determining employee compensation. Administrator Darrington replied that they are still working out those details. Pleasant Grove has joined a group that has all of the market wages for the participating cities. Therefore, City staff's pay scale has been compared to other similarly sized and neighboring cities. Information pertaining to employee compensation will be included with this year's budget and presented to the Council in the near future. Administrator Darrington explained that there will be some adjustments made along the way as well. Council Member Andersen commented that every City employee likely knows where they are on the pay scale in comparison to other cities.

Director Giles commented that the City's operations budgets haven't changed in five years. Director Lundell remarked that when determining whether to use general funds for wages versus operations, it is usually used for wages and pay increases. He expressed hope that in the next few years the City can focus more on operations. Chief Smith asked if any leftover funds could be rolled over into the City's budget for next year. Administrator Darrington explained that leftover funds turn into a one-time sum of money; in other words, those funds may or may not be available in subsequent years. He stated that while a deficit of about \$300,000 has been indicated in the current budget year, at the end of the year staff is projecting that the City will have a surplus of \$300,000. A portion of this money is then turned over as leftover funds, and the other portion indicates higher revenues.

Director Lundell added that part of the money also comes from building permit revenues. He anticipates there will be more such revenues coming in next year; however, that money is not budgeted for spending. Director Young further explained that there is a hesitancy to use the funds generated from building permits and application fees specifically for ongoing expenses. However, he pointed out how this has impacted the Planning Department. He stated that a few years ago some of the department's employees were laid off. Now that there is greater activity in the City, staffing may need to fluctuate with revenues. Revenues are reflecting the need for personnel, which should be funded appropriately based on the level of activity. Director Young felt that completely ruling out the option of using revenue funds for personnel is not necessarily the best approach.

Administrator Darrington acknowledged that more staff needs to be hired, and stated that there will be a way to add these expenses into the budget. He noted that additional personnel were added last year, and the City still had a nice return in terms of revenues over expenditures. Administrator Darrington expressed confidence that as a City they will be able to successfully add more staff, get to a reasonable deficit and provide pay increases for current employees. He also noted that part of the reason why operations haven't changed in so long, is because the City is deciding to invest that money into people.

Attorney Petersen added that when she started working for the City, there was a much different mentality among department heads. It was a more common practice to spend the money at the end of the fiscal year rather than allow it to roll over for better uses. She commended the current department heads for their attitudes of wise spending.

**c) Utility Rates/Fee Schedule.**

Administrator Darrington explained that in looking at the City's various capital projects, staff is assessing what needs to be done in terms of utilities. If there are projects that need additional funding, staff will approach the Council and present their recommendations on potential changes and fees. He explained that the utility rates over the past four years have increased exponentially. Several expenses have contributed to these increases, namely the building of the pipe line from the debris basins down to the Murdock Canal. Additionally, the City has purchased a significant amount of property and increases from the Timpanogos Special Service District (TSSD) have also contributed to the rate increases. Director Lundell remarked that the rate study should be reviewed each year. He noted that there will be an additional budget workshop with the Council in April.

**d) Zero Base Budget.**

Council Member Stanley explained that zero based budgeting is the practice of assessing the budget without preference to historical numbers. It can have many benefits. It can provide an opportunity to rebuild Pleasant Grove's values and restore the citizens' trust. Zero based budgeting can also help communicate to the public that as a City, they are assessing the budget from multiple perspectives. Council Member Stanley suggested the City embrace this concept and periodically look at the budget on more of a basic level. Council Member LeMone asked him to specify what types of details should be analyzed during this process. Council Member Stanley explained that instead of having general categories, more defined expenses for certain projects or events should be identified and listed as line items in the budget. He noted that this will require a lot more work; however, it will provide significantly more information to the public.

Chief Sanderson stated that it would be extremely challenging for his department to plan and justify every expense for the next 12 to 18 months. Council Member Boyd asked where it would be appropriate to start micromanaging the budget. She pointed out that only 11 to 12 percent of the citizens of Pleasant Grove vote, and probably only about .5% review the City's budget. She felt that educating interested citizens and remaining transparent with the budget is important, but micromanaging every line item would be extremely time consuming. Administrator Darrington commented that zero based budgeting would be done primarily by staff and department heads, and would then be presented by Director Lundell to the City Council for approval. Council Member Stanley added that through this process, staff would present all necessary budget information to the Council, which would ensure complete transparency with the community. Council Member LeMone asked how this process would differ from current budgeting procedures. Administrator Darrington explained that more detailed work would be conducted by staff, and the approval process would essentially remain the same for the Council. There was continued discussion on the kind of information that would be provided in a zero base budget, and various comments were made about certain processes that the City currently undergoes in order to remain completely detailed and transparent with their spending.

Mayor Daniels stated that even with the finite resources that undergo the City's normal processes, every once in a while the perception that floats to the public eye on certain matters appears stupid or extravagant. Citizens who pay attention to budgetary matters on a regular basis recognize those decisions, and because they don't understand what is going on they ask questions. Mayor Daniels stated that he has spent many days sitting through these types of discussions, and he feels that all of the necessary spending detail is available. However, he also believes that the City can do a much better job at communicating with the public on how money is being spent, particularly on items that appear unusual or questionable.

Council Member Andersen suggested that an information session between Director Lundell and members of the public be organized, during which time Director Lundell can better explain the budget to citizens who are interested. She stated that he is very good at breaking down information in way that is understandable. Council Member Andersen also commented that as a Council they can better communicate their confidence in each of the City's department heads. Mayor Daniels felt that citizens are not necessarily interested in specific line items in the budget, but rather want a better understanding of certain matters for which limited details have been provided. He gave the reverse 911 system and public safety building as examples. Council Member Andersen asked how this can be accomplished, and Administrator Darrington referred to an informational pamphlet that was mailed out in a previous year, and suggested that this be created again.

Director Walker commented that these issues come down to the level of service for which the community is willing to pay. Council Member Meacham remarked that the City has many needs, and the problem is always determining where to find the necessary funding. He felt that returning to budget basics will be one of the only ways to assess how to bring critical projects to fruition. Council Member Stanley agreed with his comments. Mayor Daniels asked if Council Member Stanley felt that there is a lack of trust from the public on the granular level within each department. He replied that overall, the public just wants reassurance that the City is looking at all of the hard questions.

Attorney Petersen asked if the community feels that there has been a lack of justification on bigger projects or more on day to day activities. Council Member Stanley felt that it has been two-fold; if more discipline is exercised in the day to day spending, then there can be more funding available for the bigger projects. Council Member LeMone commented that she has never had a citizen approach her about smaller, daily expenses; they are more interested in the details pertaining to larger projects. She felt that it would be an unwise use of staff's time to go more in depth than they are already doing with the detail report that is presented in Council meetings. She stated that City departments are obviously being frugal, as indicated by the money that they are returning at the end of the year. Council Member Meacham remarked that as a City, they need to be cognizant of what the current needs are, and not just focus on what has occurred in the past. He provided an example of the expenses involved in hiring temporary help for major projects, and there was additional discussion on the matter.

Administrator Darrington remarked that all decisions that are made by staff, as well as the associated costs are always brought forward to the City Council. He stated that there is a tremendous amount of trust between staff and elected officials. As a City they can be reassured that wise decisions will be made, thereby moving the City in the right direction. Mayor Daniels commented that the most important action that the City can take is maintaining trust at the fiduciary level. When the public asks budgetary questions, staff and elected officials need to be able to provide knowledgeable, well thought-out answers. He explained that this is what builds trust with the public, and by not having all of the information on these matters, that trust can be damaged. Mayor Daniels stated that he trusts the level of work that is occurring with the City's department heads, because he has been through these processes before.

Engineer Lewis suggested publishing the City Council packets, in addition to the archived agendas and minutes. He acknowledged the fact that residents would still need to put forth effort in looking them up, however it would serve as one more additional reference tool. Administrator Darrington agreed that this would be a good idea. Mayor Daniels summarized many of the comments that were made throughout this discussion, such as how the budget is prepared, re-evaluation of specific line items as they are brought up, remaining knowledgeable on budget decisions and keeping an open dialogue with the public. Overall, the Council Members expressed that they need to continue to perform their due diligence in researching each project, and they agreed with Mayor Daniels's remarks.

## **2) CIVIC CENTER PLAN.**

Mayor Daniels stressed the importance of City Council meetings being a place where individuals feel safe to express themselves and their perspectives on different issues.

### **a) Public Safety Facility.**

Administrator Darrington provided some context relating to the original Civic Center Plan. He noted that upon reviewing the notes from the budget retreat held four years ago, he learned that the City's number one priority as discussed in that meeting was the Civic Center. He turned the time over to Director Young for further review and discussion.



Director Young presented some PDF copies of display boards that were prepared for an Open House that was held in April 2012. At that point, the City had already been well under way in developing plans with VCBO, and this was their first initial presentation to the public on the project. The first display included what has been proposed to be included in the new Civic Center. Director Young stated that the proposed facility will play an important role in downtown Pleasant Grove, because it will impact the social gathering, the services that are needed and the interaction with downtown commercial areas. It will significantly affect the growth and revitalization of downtown.

The next display showed the proposed Civic Center Master Plan, which covers a four-block area with all new facilities. Director Young stated that the goal is for the new Civic Center to be looked at as one component that all works together in downtown Pleasant Grove. Other unique areas include the pedestrian underpass on 100 South, which is currently a pedestrian plaza. Other discussions included where to locate certain buildings and whether or not to move the downtown park or keep it at its current location. Overall, the Master Plan which was presented at the Open House in 2012 was approved by the City Council. There were a couple of additions that were made later through the public process, such as the potential preservation of Hart Home.

Administrator Darrington commented that one of the major discussion points during this initial planning process was to have a campus feel for the Civic Center, as opposed to cramming everything into one building. Director Young pointed out that many of the existing historical buildings have been incorporated into the entire campus, with green spaces in between and an expanded City Park.

The next display explained some of the elements and alternatives to consider for the Civic Center. Furthermore, a slide presenting the overall planning history for the downtown area was shown. It was noted that planning and discussions for this project have been occurring for over the span of several years, dating back to as early as 2006, if not earlier. The next couple of slides in Director Young's presentation explained the architectural design theme for the Civic Center and other buildings in the downtown area. The overall theme is meant to encompass designs that were commonly applied in Utah and Pleasant Grove during the period from about 1855 to 1910.

The Council / Directors Survey Results were also reviewed, which listed priorities and gave guidance to staff in developing the Civic Center Plan. A General Plan Survey was also distributed to citizens, and it received a very good response. It was noted that of the feedback which was received, 80% of the individuals who took the survey felt that there was some level of importance in having a good Civic Center in downtown Pleasant Grove. The last few slides in the presentation included discussion items on Civic Center funding options, as well as aerial views of the proposed site from different angles. Additional site options were then presented, each representing different ways in which additional parking can be added and how to maintain the historical park.

Mayor Daniels asked the Council what their overall impressions were with pursuing a long term Civic Center Plan. Council Member Andersen stated that she knocked on 1500 doors, and there were two main questions that came up at each one. First, citizens wanted a more defined public safety option upon which to vote, and second they wanted to know what the City would do about roads. Other than those two concerns, citizens were generally not opposed to the Civic Center Plan. Council Member Andersen voiced her support for the four block proposal as presented by Director

Young. She explained that when staff and elected officials make a unified decision on the Civic Center Plan, they will be able to make a successful pitch to the community on the matter as well.

Council Member Meacham suggested that the Civic Center Plan be phased, and explained that the City can't move forward until they determine where the Public Safety Building will be located. The Civic Center Plan can be modified over time in order to incorporate the decisions that are made. Chief Sanderson remarked that the City doesn't own the property that's needed for building, and the property owners who attended previous public meetings on the matter indicated that they were not willing to sell.

Council Member LeMone added other concerns that have been voiced in other public meetings, including eminent domain and location. She expressed her opposition to the plan as it was outlined, mainly because the City doesn't own all of the property. She stressed that this has been one of the biggest issues that has come up over the past six months. Council Member LeMone further explained that even though during public hearings the City emphasized that they would not exercise eminent domain with the property, it didn't matter. She also felt that the project should be pushed more towards the west near Main Street and downtown, rather than so close to a residential area. There has also been some confusion related to tearing down the museum and historic homes, as well as what will happen with existing buildings. Council Member LeMone acknowledged that several years have gone into planning this project; however, she felt that perhaps past planners did not foresee what would happen to the surrounding residential neighborhoods by placing the Civic Center in this particular location.

Chief Sanderson stated that if this proposal is the best plan, then the City should pursue buying the property. Director Young replied that they started to do so, and Engineer Lewis added that the same approach was taken with the Rec Center. The Rec Center was built through phasing, with the intent of purchasing neighboring properties as they became available. He noted that the City now owns all of the necessary property in order to finish building the Rec Center.

Council Member Boyd felt that it would be important for everyone to take a step back and decide whether or to move forward specifically with the Public Safety Building, and if so, how to proceed. She emphasized that as staff and elected officials, they need to be unified in their decision. There was brief discussion about how this same issue transpired last year, and Administrator Darrington explained that there are things that can be done better this time. Council Members LeMone and Boyd both felt that the details of the project need to be the number one priority. Council Member Boyd also wanted to know which Council Members were currently on board with pursuing the Public Safety Building. Director Giles remarked that there needs to be a plan for the entire Civic Center in order to move forward with the Public Safety Building, and Director Young agreed, adding that it needs to make sense to an overall vision. There was further discussion on previously made comments.

Engineer Lewis explained that the stopping point last time related to the expenditure of funding. The decision was made to fund the project as a single package, and the residents didn't feel that there was enough detail provided in order to move forward. He concluded that this is what appears to be the next step; funding within the budget needs to be identified in order to provide an extra level of detail. Council Member Meacham also inferred that the City needs to make a decision on whether or not to keep the four block layout for the Civic Center Plan. Mayor Daniels separated

individuals into different teams as another constructive way to discuss the matter. He then outlined the current proposal, and noted that the Civic Center Plan immediately segued into a discussion about the Public Safety Building.

Director Young stressed that staff has identified a four block area for this plan, because this is the amount of land needed in order to accomplish these goals. He emphasized that the City cannot do everything on what they currently own, and that the purchase of additional property is necessary. Council Member LeMone disagreed, based on what has transpired over the past six months. There was discussion regarding past interactions with the surrounding property owners. Council Member Boyd asked if the project could be phased with just the property that the City currently owns.

Mayor Daniels called for general, non-decision making votes from staff and elected officials. Prior to voting, Council Member Andersen expressed her desire and intent as an elected official to make decisions that will benefit Pleasant Grove in the long run.

There were two separate, informal votes taken. The first vote was for whether or not individuals were in favor of the Civic Center Plan as it was presented by Director Young; a document which has been previously reviewed and "blessed" by the governing body of the City Council. Director Young clarified that the current plan has not yet been formally adopted by resolution; however it was a decision item made in a previous meeting. The results of this vote were as follows: Council Members Andersen, Boyd, Meacham, and Stanley voted "Yes," and Council Member LeMone voted "No." From staff, Engineer Lewis, Director Giles, Director Young, and Administrator Darrington voted "Yes," and Chief Sanderson, Director Lundell, Director Walker, Attorney Petersen, Director Britsch and Chief Smith voted "No." Administrative Assistant Larson abstained from voting.

A second, informal vote was taken for whether or not individuals were in favor of a four-block plan, with the option of rearranging the buildings from where they have been indicated in the current Civic Center Plan. Staff and elected officials voted unanimously in favor of this option.

Mayor Daniels asked if the City has identified the correct four blocks to use for moving forward with a Civic Center. Several staff commented that the goal with the Civic Center is to bring people to the downtown area, and to provide the convenience of having everything close for the citizens. Chief Sanderson remarked that the only reason why the Civic Center was never considered to be built out of the downtown area was because the City didn't own enough property outside of that area. Chief Smith added that another reason given to his department for possibly building outside of the downtown area was that it would be less expensive. He wanted to know if the City shied away from building in the downtown area, who would build there instead. Chief Smith felt that the City should show some pride and lead the way for building in the downtown area.

Council Member LeMone emphasized the importance of honing in on the City's long term plan for these projects. She expressed how significantly the past six months have shaped her personally and professionally. She shared that she wants the City to move forward in a way in which the citizens can come together and be unified. Mayor Daniels thanked her for expressing her feelings candidly. Council Member Boyd stressed the importance of determining what phases need to take place and when, and then moving forward with each of those steps. Chief Sanderson felt that one of the biggest hindrances that exists with the current plan is with the park. He stated that he disagrees with

this park being labeled as "taboo," and explained that the City could build a better park downtown within the four block area. Director Giles and Director Young echoed comments made by Council Member Boyd that the City needs to devise a specific plan, so that as the projects move forward there is a vision for the end result.

Council Member Stanley suggested creating a process by which there would be greater citizen involvement in these decisions. Chief Sanderson replied that citizens typically only get involved if it directly affects them. He noted that even after direct solicitation, the attendance at the Open House was poor. Council Member LeMone commented that if the City wants to put this matter on the ballot in November, there isn't much time for the neighborhood committees to reconvene and make other preparations. She also explained that while it is important to have a detailed plan in place, she felt that it would be too overwhelming for the public if the Civic Center Plan in its entirety was presented all at the same time.

Mayor Daniels summarized the discussion, and wanted to clarify the conclusions that have resulted from this discussion. He explained that the Council is in favor of moving forward with a Public Safety facility on property that the City currently owns, without addressing property that they don't own and the four acre Civic Center Plan. Council Member LeMone added that while a conceptual plan needs to be available for future planning, she reiterated that she does not want to campaign for the entire Civic Center all at once. Director Young agreed with Council Member LeMone. He stated that part of the conceptual plan needs to include how all of the components of the Civic Center will work together, so that in the end everything makes sense.

Council Member Stanley remarked that he does not have any problem in presenting the entire four block plan to the public, and communicating to them that the timeline on certain parts of the development has yet to be determined. He emphasized that he wants the public to know every detail of what the City envisions for these facilities. Administrator Darrington replied that the City started to go down this road before and despite diligent efforts, information was not being absorbed by the public. Council Member Stanley felt that the price tag on the Public Safety Building was the citizens' biggest concern, and stated that if there could be a way to bring that cost down, citizens would not have as many issues with the broader vision of the entire Civic Center.

Council Member Boyd commented that when the community is exposed to the entire plan all at once, they find more things to pick apart. Director Young explained that in his experiences working with smaller communities, he has found that encouraging a public planning approach can be very difficult because everyone has their own objectives and agenda. He stressed that there needs to be some level of expertise involved in order for projects to move forward successfully. Council Member Andersen shared that the first time she attended a Planning Conference, she learned that city planning can be a real science. She stated that she is not in favor of individuals who do not have planning expertise making comments on issues for which they have limited knowledge or information. Chief Smith added that the citizens have elected officials that they can trust will make wise decisions for the community.

*Note: A lunch break was taken at 12:30 pm.*

**b) Library**

The Mayor and City Council decided to postpone a discussion about the library.

**c) Placement of other future City facilities.**

The Mayor and City Council decided to focus specifically on identifying placement of the Public Safety Building. An aerial map of properties owned by the City was presented. Mayor Daniels asked where the Public Safety Building should be placed, and Chief Sanderson replied that it belongs right where it is, downtown in the four block area. Mayor Daniels asked if it should be one or two buildings, and Chief Smith responded that they are flexible on the matter. He noted that the original conversation was to have shared space in a combined basement. However, their preference would be for two separate buildings. Chief Sanderson commented that when discussions began ten years ago about the location of the fire station, his department wanted to exit onto 200 South. Chief Smith added that the police station should also remain where it is, right next to the fire station.

Director Young commented that as locations for the Public Safety facilities are considered, the importance of where everything fits together should not be disregarded. He asked how the locations of these buildings would impact the park, and if the City wanted to keep or eliminate it. If the City decided to keep the park, Director Young wanted to know if staff and elected officials were willing to fit underground parking into the budget. If the decision is made to eliminate the City park, then a new location for it needs to be determined. He emphasized that it is critical to think about where every single component belongs. Council Member Boyd remarked that citizens want to keep the park. Director Young suggested that as a City, they have already been through the process of reviewing where everything should be located.

Council Member Andersen stated that she agreed with Director Young that an entire plan should be in place, but right now she only wants to focus on Phase I. Engineer Lewis remarked that in reviewing an open aerial photo of the property lines, it appears that there would be sufficient space to keep the park and have some above ground parking. He noted that quite a bit of parking can be put on the space where the Beck Home is located, and across the street on property that the City already owns. Engineer Lewis pointed out that these might not be the permanent, final locations; however, it would be part of the overall phasing of the project. Council Member LeMone stated that she would be in favor of finding a way to save the park and also accommodate above ground parking, and there was continued discussion on phasing.

Mayor Daniels asked if it was necessary to keep the old seminary building, and staff replied that it is mostly just used for storage. Council Member Boyd inquired as to whether or not there would be citizens that would oppose tearing it down because of its historical value. Council Member LeMone added that this building hasn't been brought up as much as other historical buildings in Pleasant Grove. Mayor Daniels then asked if there were any particular reasons for keeping the old Rec Center. Director Young replied that Holy Cow and the Flea Market use that facility periodically throughout the year and those events bring quite a few people to the downtown area. Mayor Daniels asked if the City needs to continue to provide space for Holy Cow, and Council Member Andersen responded affirmatively, if the City wants that clientele to continue coming to Pleasant Grove's downtown area.

The next question that Mayor Daniels asked was how everyone felt about the old fire station and community development building. Mayor Daniels explained that once this project moves forward,

the size of the park and public safety buildings might be expanded. He reiterated suggestions made throughout the meeting that the City only focus on the public safety facilities, instead of biting off more than they can chew. Mayor Daniels stated that the City has many talented experts who can take the general direction and figure out how to deal with all of the required project elements.

Director Young stressed that the all of the discussion points that have been brought up in this meeting about the park and locations of other public facilities have been reviewed before, and the four block plan that was presented was the product of those discussions. He asked the Council how difficult it would be to pursue purchasing the additional property first, so that they could move forward with this plan. Mayor Daniels called for an informal, non-decision making vote on the matter. Council Members Andersen, LeMone, and Boyd voted "No," and Council Member Meacham voted "Yes." Council Member Stanley explained that he would vote "Yes" if purchasing the property was a possibility; however, the property owners have been explicit from the beginning that they don't want to sell. Director Young suggested that waiting a little longer in order to acquire all four blocks or potentially just three of those blocks would be in the best, long-term interest of Pleasant Grove. Alternative building configurations and the placement of public parking were then discussed.

Mayor Daniels explained that it has been decided to not wait until property can be acquired on the east side of 100 South, but rather to move forward with a Public Safety facility on City-owned property on the west side. All of the details relating to cost, architecture, programming, parking and orientation will be deferred to City professionals and contractors. These kinds of details will be planned out before they are presented to the public, and may be more time consuming. Mayor Daniels commented that it will take some time in order to gain the necessary public support.

Assistant Larson suggested that the process include citizen focus groups that can weigh in on building design and layout. He provided the Provo Rec Center as an example of when this has been successfully implemented. Attorney Petersen agreed that the public should be more involved, however not necessarily with the planning aspect. She suggested that small groups be involved in educating the public on the project, in an effort to get them back on the City's side. Council Member Andersen added that neighborhood representatives could be recruited for this type of community involvement. Chief Smith remarked that there is no reason for Pleasant Grove to try and "reinvent the wheel" on this type of process, and suggested that the City look to other areas such as Salt Lake, for guidance on the matter. Council Member LeMone agreed with Chief Smith's comments, and added that professional guidance might also help speed up the process.

Administrator Darrington remarked that as the City moves forward, they will need to get an architect involved. He wanted to know if VCBO was off the table, in light of the political ramifications from last time. Council Members LeMone, Boyd and Andersen expressed that she would be interested in looking at other architects. Council Member Meacham added that he would like the contracted architect to have experience in designing public safety buildings. Chief Smith explained that there are firms that work specifically with these types of facilities.

Administrator Darrington stated that legally, the City does not have to go through the RFP process, but rather just needs to make a phone call and hire someone to do the job. He wanted to know if the Council would be supportive of staff making this type of a phone call. Council Member LeMone felt that it would be more transparent if staff were to get a couple of bids. Engineer Lewis replied that last time they did obtain several bids for the Civic Center. Council Member LeMone pointed

out that the bids were not just for that of the public safety building. Engineer Lewis also suggested using a website called BidSync.com to post an RFP for public safety consulting in order to get a large response from many firms. Administrator Darrington stressed that going through an RFP will take at least one month. Mayor Daniels stated that the City stands a chance of losing much more by trying to rush the process, than they stand to gain by taking some time to do things right. He felt that one of the ways to start doing things right is by obtaining several bids and selecting someone who is competent in this area.

*Note: A 15 minute break was taken at 2:20 p.m.*

### 3) **ROADS.**

#### a) **Funding.**

Administrator Darrington reported that Pleasant Grove increased a franchise fee up to six percent last year, giving the City another \$200,000 per year. These funds have been earmarked specifically for roads, in addition to the "B" and "C" road funds that aren't tied up in a bond. Director Walker added that the total funding amount between these two sources is \$500,000, which is going into road repair on an annual basis. It was noted that the bonds expire in 2018, and at that point the City will have an additional \$750,000. Details of the bonds were then reviewed.

Administrator Darrington outlined other options for obtaining additional funding for roads, such as a Go Bond or tax revenue bond. However, the danger of bonding is that millions of dollars are poured into reconstructing roads, with little accountability considered for maintenance. Therefore, the City's most recent philosophy has been to use current resources to focus on roads that are only between five to ten years old. Council Member Andersen also pointed out that a portion of the bond payment goes towards paying interest.

Administrator Darrington asked if the City wants to consider another funding mechanism, which would entail some sort of fee increase. The model that staff has discussed is the Provo Model, which is essentially a street maintenance fee that their city will start collecting in March 2014. Provo City had conducted extensive analysis, and Administrator Darrington stated that every city in the State is looking to see how this works for them. If it is successful, there will be several other cities that will jump on the bandwagon. He continued explaining that Provo initially pursued this plan because they have several tax exempt entities in their city, and don't have as much revenue from property taxes to pay for roads. They currently have a bond that is set to expire in the next one to two years, which costs four dollars per household. Therefore, the street maintenance fee will not impose a huge burden on citizens based on what they are currently paying for their roads. Administrator Darrington remarked that this is a much easier sell to the public than it would be for Pleasant Grove. The other funding mechanism would be to dedicate funds from the General Budget towards roads.

Chief Sanderson asked how a fee would differ from a Go Bond, and staff outlined some legal challenges between the two options. It was also noted that tax exempt entities still pay for utilities, and so a fee would simply be an extension to those expenses. The citizens in Provo were fine with the additional fee; however it was a new concept for the tax exempt organizations. Administrator Darrington also pointed out that citizens will pay the same amount with a bond as they would with a

fee; however some of the bond payment would go towards interest, whereas 100% of the money collected from fees would go towards roads. Engineer Lewis added that funding collected from fees would also be used consistently on an annual basis, whereas bonds only last for a set amount of time.

Mayor Daniels asked if there was a local gas tax option. Administrator Darrington explained that the local gas tax is currently being debated in the State Legislature, and the Utah League of Cities and Towns is trying to figure out a way to get more money from this tax. He reported that the City should know more in the next six weeks the results of that issue. He also explained that the gas tax is tied to the gallon, and to the price of gas or the usage of the road. If citizens start using less gas for whatever reasons, the City will actually get less funding from the State for class "C" roads.

Administrator Darrington stated that staff can put some numbers together to see what kinds of funds could be generated from the options presented. Council Member Andersen felt that road fees wouldn't be under four dollars per month, and that the implementation process would be phased. Council Member Boyd asked how much the utility rates have gone up, and wanted to look at the bigger picture on the matter. It was also noted that the roadways study included energy taxes.

Director Walker provided some tentative figures, including missing curb, gutters and sidewalks that would cost Pleasant Grove about 22 million dollars to construct. Additionally, there is currently a 151 million dollar liability on road replacement and repair. He explained that once the bond is retired, the City will only be taking in a little over one million dollars. Director Walker implored the Council to consider how long it will take to get caught up on roads, and to get started on a solution as soon as possible. There was additional discussion on the replacement of certain utilities that needs to take place prior to road repairs as well. Mayor Daniels asked Director Walker how much it will take per year to get the City caught up and stay ahead of road repairs. Director Walker responded that it will take more than two million dollars per year, within a 20 year time frame. Mayor Daniels agreed with Council Member Boyd's comments about needing to look at the overall picture, and added that the City needs to be aware of the magnitude of these road and utility projects.

Engineer Lewis explained that if roads are approached in the right manner, the City will always be working on roads that citizens think are already in pretty good condition. If there is visible distress in the road, then the City has waited too long. He noted that UDOT's perspective is that better roads cost less. Therefore, if basic, routine maintenance is performed on roads, then they will last longer.

Mayor Daniels calculated that a catch-up cost to reach 120 million dollars, would be around \$30 a month per household, for an indefinite amount of time. Director Walker stated that he doesn't expect the City to even consider this harsh of an increase, because eventually there will be other cheaper ways of fixing roads. However, the City needs to be moving forward with some sort of a plan. Chief Sanderson felt that citizens need to understand the cost of living in Pleasant Grove. People come to meetings to complain about roads, therefore they should be presented with the information they need in order to understand the costs of improving the overall road system.

Engineer Lewis added that some of the City's current needs are also addressed in the Transportation Master Plan. Council Member LeMone wanted to know from a Public Relations perspective what should be done with roads that are more than 25 years old and nearly un-drivable. He responded



that money is better spent when focusing on roads that are already in better condition. Mayor Daniels posed the question of whether or not the City wants to continue focusing on the public safety facility in light of the information that has just been given about roads. He felt that as staff and elected officials, they owe it to the citizens to consider this question. Council Member Andersen felt that the public would be capable of having both conversations, but timing them so that they don't happen simultaneously. Administrator Darrington stated that staff will make some calculations and present to them to the Council.

**4) ECONOMIC DEVELOPMENT.**

Administrator Darrington briefly spoke about the restaurant incentive, which was created several years ago when the economy was especially bad. The incentive was that if a broker brought a sit-down restaurant to Pleasant Grove, then they would get a \$10,000 tax rebate after the first year of sales, or two million dollars in sales. Administrator Darrington recommended taking away that incentive, because the economy is much better now and the incentive is no longer necessary.

**5) MISCELLANEOUS ITEMS.**

**a) Ladder Truck.**

Chief Sanderson explained that the ladder truck is an essential apparatus for providing service to the community. He continued explaining that rather than getting stuck with an apparatus that would wear out, the department decided to go on a seven year lease buy back, with the intention of returning it and then leasing another new truck. This would ensure access to a truck that would always have up-to-date technology. Chief Sanderson reported that the City is at the point that they need to let Oshkosh Corporation know if they are going to turn back their current apparatus, and noted that there is \$320,000 residual buy back that will credit the City for what they owe on the vehicle. The decision boils down to the level of service that the City wants to provide its citizens.

Administrator Darrington provided three options that the City has on the matter. The first option is notify Oshkosh Corporation by mid-April if the City plans on refinancing the truck, and then keep it permanently. The second option is to turn the truck back in and then use the money that Oshkosh will pay to buy it back, to purchase a new tiller. The third option is to turn in the truck and walk away, and then purchase some other kind apparatus. Chief Sanderson added that one of the benefits of refinancing the truck would be that it would free up some money, so that the City could potentially buy a new engine. Administrator Darrington concluded that staff needs to draft up a spreadsheet of the costs involved with each option, and then present it to the Council in the near future

**b) Cultural Arts Title.**

There was brief discussion on past director titles. Attorney Petersen proposed that Director Sheri Britsch's official title be Director of Library and Arts, in the Library and Arts Department.

**c) Quarterly Mini Retreats.**

Administrator Darrington stated that upon preparing for this budget retreat, the directors knew that there wouldn't be enough time to go through everything that needs to be discussed. Therefore, staff has proposed that mini retreats or full day planning sessions continue to occur periodically, in order to continue these in depth discussions. Administrator Darrington suggested planning these meetings in four hour windows, and Mayor Daniels felt that this would be a productive way of following up on assignments that have given. Administrator Darrington replied that he would prepare a schedule of these planning meetings for the next six months, and then distribute it to the Council for review. He then asked if there were any items that needed to be prioritized differently, and Mayor Daniels noted that a final budget needs to be finalized by June 22, 2014. He also felt that the City should focus on the main issues where they are falling behind, as they were discussed throughout this meeting.

Administrator Darrington stressed that a meeting regarding secondary water needs to happen soon, and it was noted that a meeting with John Scheiss will be held on March 11, 2014.

**d) Council Appointments to Departments.**

Administrator Darrington reviewed some of the current Council appointments to various committees, and noted that staff would like to have additional discussion on assigning Council Members to different departments. As directors have discussed this matter, they have decided that this would be beneficial in building relationships with the Council, and that valuable input could be given to each respective department. Administrator Darrington also noted that when Council Members are assigned to departments, it is important for them to understand the roles that they are meant to play. In general, Council Members will not get involved in employee issues. If there are employee issues, then the departments should handle them directly. If there is anything extensive, then Administrator Darrington and Attorney Petersen will also get involved.

Mayor Daniels commended everyone for all of the efforts and participation put forward for this meeting.

**ACTION:** At 4:00 p.m., Council Member Boyd moved to adjourn. Council Member Andersen seconded the motion and the motion passed with the unanimous consent of the Council.

This certifies that the City Council Minutes of February 7, 2014, and February 8, 2014 are a true, full and correct copy as approved by the City Council on May 20, 2014.

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Kathy T. Kresser, City Recorder

*(Exhibits are in the City Council Minutes binders in the Recorder's office.)*