

OFFICIALS PRESENT: Mayor Karen Cronin presided and conducted the meeting. Esther Montgomery, Todd Christensen, Jana Nelson, Brady Lewis

OFFICIALS EXCUSED: Peter Gerlach

CITY STAFF PRESENT: Greg Westfall, City Administrator
Shanna Johnson, Chief Deputy Recorder

OTHERS PRESENT: Lani Braithwaite, Shelly Gomez, Darren Thompson, Lawrence Gunderson

ITEM 1: CALL TO ORDER

Mayor Cronin called the meeting to order.

A. INVOCATION

Council Member Christensen offered the invocation.

B. PLEDGE OF ALLEGIANCE

Council Member Montgomery led the audience in the Pledge of Allegiance.

C. REVIEW AND ADOPT THE AGENDA

MOTION: Council Member Lewis made a motion to approve the agenda. Council Member Montgomery seconded the motion.

ROLL CALL: Council Member Christensen, Yes
Council Member Lewis, Yes
Motion Approved. 4 Yes, 0 No. Council Member Montgomery, Yes
Council Member Nelson, Yes

ITEM 2: PROCEDURAL ISSUES

A. CONFLICT OF INTEREST DECLARATION

None.

B. PASS OUT WARRANTS TO COUNCIL MEMBERS (AND POSSIBLE DISCUSSION)

Shanna Johnson passed out the warrants.

C. BUSINESS LICENSE(S)

- Utah Clinical Services LLC

Mayor Cronin explained that this is a home business with no visiting clientele she introduced the Business Owner, Shelly Gomez and asked her to explain what the business

does. Shelly Gomez stated she is a licensed clinical social worker and will be doing mental health assessments. She said that she will provide these services at the client's homes or at times in legal offices and then will prepare her reports from home.

MOTION: Council Member Lewis made a motion to approve the Business License for Utah Clinical Services LLC. Council Member Nelson seconded the motion.

ROLL CALL: Council Member Christensen, Yes Council Member Montgomery, Yes
 Council Member Lewis, Yes Council Member Nelson, Yes
Motion Approved. 4 Yes, 0 No.

ITEM 3: PRESENTATIONS

A. PROPOSED FY2015-2016 BUDGET AND FY2014-2015 BUDGET AMENDMENTS

Mayor Cronin gave a presentation on the budget process while creating a banana split Sunday. She stated the process includes:

- Starting with a shell of budget based on the previous year's budget,
- Things get a little bananas but we stick together and move through the process.
- We went to our department heads and asked for their input (ice cream)
- We have to plan for future years and that things are compliant with the State (toppings)
- Right when you think it is ready to go, things always get a little nuts.
- Tonight the Council has the opportunity to finish it off (cherry on top).
- When it is all said and done it is a sweet process.

Shanna Johnson presented the attached budget presentation for Fiscal Year 2015-2016; she reviewed the following sections of the budget:

- General Fund
 - Projected Revenue - \$2,254,736
 - Projected Operational Expenses - \$2,112,108
 - Transfer to Sewer Fund - \$142,628
 - Also includes \$25,000 being contributed to capital projects for a future joint fire station with Brigham City.
- Utility Fund
 - Projected Revenues - \$763,500
 - Projected Operational Expenses - \$763,500
- Sewer Fund
 - Projected Revenues \$1,173,222
 - Includes transfer from General Fund of \$142,628
 - Projected Operational and Bond Expenses - \$1,173,222
 - Includes \$5 being contributed to fund balance

Shanna Johnson reviewed the projects planned for Fiscal Year 2015-2016:

- Road Improvements
 - Chip Seal Various Areas

- Land Acquisition for future improvements on 900 West
- Park Improvements
 - Trail Improvements
 - Dale Young Park Bowery - \$20,000 (impact fees to be used)
- Three Mile Creek Gun Range Improvements
 - Storage Building (tourism grant funds to be used)
 - Engineered Plan
- Building Upgrades
 - Surveillance Cameras
- Printer Upgrades
- Community & Economic Development
 - Tour of Utah (Bike Race)- coming August 4th
 - Pointe Perry Area Commercial Development
- GIS Training & Updating of Maps and Data
- Increased Storm Water Maintenance
- 900 West Waterline Upgrades (impact fees to be used)
- Well Upgrades

Shanna Johnson presented Fiscal Year 2014 -2015 Budget General Fund amendments for approval stating there is no planned increase to the budget since the last amendment. She explained that changes were made to the following departmental budgets:

- Community Development – reduced by \$16,585 in professional technical (no longer utilizing asst. planner)
- Administration – Adding \$10,637 to cover increased personnel costs
- Police – Adding \$5,948 to cover benefit costs not anticipated
- Total General Fund Budget: \$2,156,201
- Net Change - \$0

Shanna stated this will allow all areas to afford expenditures through the end of the year as well as year-end adjustments.

ITEM 4: PUBLIC COMMENTS AND/OR PUBLIC HEARING

A. PUBLIC HEARING REGARDING THE AMENDMENT AND EXTENSION OF AN INTERFUND LOAN FROM PERRY CITY REDEVELOPMENT AGENCY'S TAX INCREMENT FUND

MOTION: Council Member Nelson made a motion to open a public hearing regarding the Amendment and Extension of an Inter-fund Loan from Perry City Redevelopment Agency's Tax Increment Fund. Council member Montgomery seconded the motion.

DISCUSSION: Shanna Johnson reported that about a year ago the City took an inter-fund loan from the Perry Redevelopment Agency's Tax Increment Fund to be used to help to make an assessment payment on a Special Improvement District (SID) Bond for the Pointe Perry Commercial area in which a developer failed to make payment. Shanna explained that Perry City serves as a middle man collecting assessments from developers in the commercial area which are then forwarded on to the bank to make the SID Bond payment. Shanna stated that the inter-fund loan was scheduled to be paid back on June 30, 2015.

What is being proposed is extending this loan to June 30, 2016, if approved the interest rate will increase from 0.463 to 0.540 and will give the City an extra year to sale land in the area and create revenue needed to pay back the Inter-Fund Loan.

ROLL CALL: Council Member Christensen, Yes Council Member Montgomery, Yes
 Council Member Lewis, Yes Council Member Nelson, Yes
Motion Approved. 4 Yes, 0 No.

No public comment received.

B. PUBLIC HEARING REGARDING THE PROPOSED FISCAL YEAR 2015-2016 BUDGET AND FISCAL YEAR 2014-2015 BUDGET AMENDMENT

MOTION: Council Member Christensen made a motion to close the public hearing regarding the Amendment and Extension of the Inter-Fund Loan and open a public hearing for the Proposed Fiscal Year 2015-2016 Budget and Fiscal Year 2014-2015 Budget Amendment. Council Member Nelson seconded the motion.

ROLL CALL: Council Member Christensen, Yes Council Member Montgomery, Yes
 Council Member Lewis, Yes Council Member Nelson, Yes
Motion Approved. 4 Yes, 0 No.

Cody Herbert (Perry Police Officer): stated that currently the Perry Police Department is currently working with 5 full-time employees, 4 officers work 12 hour shifts and 3 part-time officers help to cover shifts. He said that this is somewhat overwhelming at times because the full-time officers do not feel they can get time off when needed and work a lot of overtime. He suggested hiring an additional full-time officer or more part-time officers to help with shifts.

MOTION: Council Member Christensen made a motion to close the public hearing regarding the Proposed Fiscal Year 2015-2016 Budget and Fiscal Year 2014-2015 Budget Amendment. Council Member Montgomery seconded the motion.

ROLL CALL: Council Member Christensen, Yes Council Member Montgomery, Yes
 Council Member Lewis, Yes Council Member Nelson, Yes
Motion Approved. 4 Yes, 0 No.

C. PUBLIC COMMENTS

None.

ITEM 5: ACTION ITEMS

A. APPROVAL OF THE WARRANTS

MOTION: Council Member Christensen made a motion to approve the warrants. Council Member Lewis seconded the motion.

ROLL CALL: Council Member Christensen, Yes Council Member Montgomery, Yes
 Council Member Lewis, Yes Council Member Nelson, Yes
Motion Approved. 4 Yes, 0 No.

B. RESOLUTION 15-07 AMENDING VARIOUS SECTIONS OF THE PERSONNEL POLICY

Mayor Cronin explained that the Resolution 15-07 Amending Various Sections of the Personnel Policy was discussed earlier in a work session and is now up for action. Council Member Christensen asked if the City should set a timeframe of which the personnel policy should be reviewed next. Shanna Johnson said that would be fine as long as it did not restrict when the policy could be updated as the policy will need to be updated on an as needed basis when employment laws change. Mayor Cronin said this is a living document and probably changed more often than any other City Policy, but she likes the idea of having a review on policies that are not updated frequently. Shanna suggested reviewing and updating if needed a section of the policy each year. Mayor Cronin said it is easier to update the policy as needed, rather than having a timeframe listed in code because if you do not get to it, then you are violating your own code. Council Member Christensen said it could be an internal best practice, even with the department heads. Council Member Montgomery and Mayor Cronin recommended the following changes to the proposed policy language:

- **Page 20 (Work Hours):** Council Member Montgomery recommended this read *“Hours reported on timecards exceeding 40 hours in one week or 80 hours in a two week period must be hours worked.”* Removing excess, unnecessary language.
- **Page 25 (On Call, second sentence):** Council Member Montgomery suggested that this read *“Employees on call will be paid 1 hour per day...”* Removing the word working, as they would not be working but waiting to be called in to work.
- **Page 18 (Recognized Holidays falling on a regular day off):** Mayor Cronin recommended adding the words after the current sentence *“Public Safety Employees may be paid this time at a straight rate to reduce overtime due to the 24/7 coverage requirements.”*

MOTION: Council Member Montgomery made a motion to approve Resolution 15-07 Amending Various Sections of the Personnel Policy with the changes noted. Council Member Christensen seconded the motion.

ROLL CALL: Council Member Christensen, Yes	Council Member Montgomery, Yes
Council Member Lewis, Yes	Council Member Nelson, Yes
Motion Approved. 4 Yes, 0 No.	

C. RESOLUTION 15-08 AUTHORIZING THE AMENDED INTER-FUND LOAN FROM THE PERRY CITY REDEVELOPMENT AGENCY TAX INCREMENT FUND

Council Member Christensen asked what the balance of the loan is. Shanna Johnson referred to the Promissory note, stating the original loan amount was \$14,720.23. Council Member Montgomery advised that there is repayment schedule in the packet. Shanna explained that if the loan is extended the loan pay off will change from \$14,772.29 to \$14,852.06.

MOTION: Council Member Montgomery made a motion to approve Resolution 15-08 Authorizing the Amended Inter-Fund Loan from the Perry City Redevelopment Agency Tax Increment Fund. Council Member Christensen seconded the motion.

ROLL CALL: Council Member Christensen, Yes Council Member Montgomery, Yes
Council Member Lewis, Yes Council Member Nelson, Yes
Motion Approved. 4 Yes, 0 No.

D. RESOLUTION 15-10 APPROVING AN AMENDED BUDGET FOR FISCAL YEAR 2014-2015

MOTION: Council Member Lewis made a motion to approve Resolution 15-10 Approving an Amended Budget for Fiscal Year 2014-2015. Council Member Nelson seconded the motion.

ROLL CALL: Council Member Christensen, Yes Council Member Montgomery, Yes
Council Member Lewis, Yes Council Member Nelson, Yes
Motion Approved. 4 Yes, 0 No.

E. RESOLUTION 15-11 APPROVING THE TENTATIVE FISCAL YEAR 2015-2016 BUDGET AS THE FINAL BUDGET

MOTION: Council Member Nelson made a motion to approve Resolution 15-11 Approving the presented Tentative Fiscal Year 2015-2016 Budget as the Final Budget. Council Member Montgomery seconded the motion.

ROLL CALL: Council Member Christensen, Yes Council Member Montgomery, Yes
Council Member Lewis, Yes Council Member Nelson, Yes
Motion Approved. 4 Yes, 0 No.

Shanna Johnson advised Police Officer Cody Herbert that Perry City currently has a part-time officer opening and plans to increase staff.

F. FINANCIAL APPEAL FROM DARREN THOMPSON REQUESTING IMPACT FEE CREDITS

Greg Westfall explained that this is a building that 12 years ago was allowed to be split into 2 parcels. Darren Thompson purchased one of the sides of the building and has been doing his best to run a compliant business and this requires that his business has a restroom. Greg stated this creates the need for a water and sewer line to be ran to his business and this has caused some hardship because there is only one line ran to the building and only 1 impact fee has been paid.

Darren Thompson addressed the Council and respectfully requested that the City Council consider waiving the impact fees that would be required for the installation of water and sewer services to his business. He said that Perry City is requiring him to have a restroom for a business license and he feels that this is a reasonable request. He said he is willing to incur the expense. He said that at the time the property was split separate utilities should have been required in order for the property to be legal and conforming to State code. He said that impact fees were paid when the building was constructed. He said that he purchased the property in 2014 and was not aware that impact fees would be required. He said he does not feel it is just for him to be left holding the bag. He asked that the City consider waiving the fees so that he can do business in Perry. He said that he will be

installing a single restroom with 1 toilet and will not have an employees and very little public accessing the restroom.

Council Member Christensen asked what the use of the business will be. Darren stated that he plans to do automobile restoration, body, and paint work. He asked if they ever tied utilities into the other half of the building. Mayor Cronin said that at the time Desmond Thomas owned both halves of the building and did not have the need for utilities on the other half of the building. She said that she believes Desmond's intent was to split the building at some point but never completed the installation of utilities to the half sold. Mayor Cronin said that she believes there is some issue with the city but some goes with the original owner. She said that she has talked with Greg Westfall about this and he has a suggested resolution. Greg stated that staff has been researching this issue and it has been found that there may be a line that can be tapped into for sewer, the City won't be sure until we move forward with the connection so the Sewer impact fee (\$5,500) may not be required. The water impact fee will be approximately \$3,000. He recommended that if the Council makes a motion to waive a portion of fees that they leave this motion broad enough to allow for water and the sewer fees just in case the sewer line is not available for connection. Mayor Cronin said that she has talked with Greg Westfall and they both feel that if the City does waive fees this should be a percentage. She said that a portion of the issue is the cities, but was also an issue with the owner and is a little bit of a buyer beware issue. Greg suggested possibly waiving 60% of the fees, but said the Council can approve any amount. Council Member Christensen said he cannot recall any precedence set regarding this particular situation. The Mayor agreed that this is the first time the City has had this situation, but this issue could come up again. She stated that she feels that waiving 50-60% is fair. Council Member Montgomery stated that Darren Thompson seems like a good citizen who is really trying to work legally through this process and she would be okay with waiving 70%. Darren said he felt this should have been addressed when the property was split, but he is willing to do whatever to resolve the issue and is hoping that the City will consider helping him. Mayor Cronin echoed Council Member Montgomery stating she appreciates the respectful way that Darren has approached the City with this issue. Council Member Montgomery stated that this is a unique situation and she doesn't think that this situation will come up again.

MOTION: Council Member Montgomery made a motion to waive up to 70% of the impact fees related to Darren Thompson's connection of City utilities at his Business. Council Member Christensen seconded the motion.

ROLL CALL: Council Member Christensen, Yes
Council Member Lewis, Yes

Council Member Montgomery, Yes
Council Member Nelson, Yes

Motion Approved. 4 Yes, 0 No.

ITEM6: DISCUSSION ITEMS

A. RESOLUTION 15-09 APPROVING A FRANCHISE AGREEMENT WITH COMCAST

Greg Westfall stated that he and Malone Molgard have reviewed the agreement and made notes of concerns in which Malone will be sending back by email to Comcast for review. Greg reviewed the following sections of concerns:

- **Section 3.3 Paragraph 3** – *“The grantee will have in all cases the right to abandonment of its property.”* Greg stated that the City is not okay with Comcast just

walking away from their infrastructure and will require Comcast to clarify, revise, or remove this statement from the agreement.

- **Section 3.7** – *“Nothing contained in this section shall require the grantee to construct, operate, maintain any underground apparatus such as customers taps, lines, or power supplies, etc.”* Greg stated that what this states is that they can install lines any way they want, but the City requires that all infrastructures in new subdivisions be installed underground. So this conflicts with the City standards.
- **Section 6.3 Bonds & Other Surety**–
 - *“Except as expressly provided herein the grantee shall not be required to obtain or maintain bonds or other surety as a condition of being awarded the franchise.”*
 - *“The franchising authority acknowledges that the legal, financial, and technical qualifications of the grantee are sufficient for compliance with the terms of the agreement.”*
 - *“The franchising authority agrees that in no event however it shall require bond or other surety in an aggregate amount greater than \$10,000.”* Greg advised that you cannot even patch asphalt for \$10,000 so the City has issues with the bond amounts stated and statements that bonds shall not be required.

Greg stated that is just some of the concerns there were also others that have been noted and sent on to Comcast for review. He said we are not ready to sign this agreement.

Council Member Lewis asked for more information regarding the Franchise Agreement. Mayor Cronin explained that Comcast has to have an agreement to install their lines in our City. She said that they had an agreement that expired, but that agreement continues until renewed and this is an update to that agreement. She said that this differs from the previous agreement and that is why staff is reviewing it and forwarding any concerns prior to Council action.

Council Member Christensen said these agreements originated back in the day when the telecommunication industry was a monopoly and they were acting like a State utility, but then the industry was privatized and now must abide by certain standards to provide infrastructure in communities and agree to support the infrastructure. He said that this ability must be leased from the communities. He said that he has some questions regarding the proposed agreement and will get them to Malone. Council Member Christensen expressed his appreciation with having the sections of the document that have changed highlight he said this helped in reviewing the changes.

Mayor Cronin said this report is to provide an update to the Council so that they can keep a pulse on the agreement as we work with Comcast to finalize it. She instructed the Council to forward any other comments or concerns to Malone and Greg for them to consider.

ITEM 7: MINUTES & COUNCIL/MAYOR REPORTS

A. APPROVAL OF CONSENT ITEMS

- **APRIL 29, 2015 WORK SESSION MINUTES**
- **May 7, 2015 CITY COUNCIL MEETING MINUTES**

Council Member Montgomery asked if there is really only \$2 being contributed to the Sewer Fund balance. Shanna confirmed at the time that was the planned contribution to Sewer Fund balance but it is now \$5.

MOTION: Council Member Montgomery made a motion to approve the meeting minutes for the April 29, 2015 Work Session and the May 7, 2015 City Council Meeting. Council Member Christensen seconded the motion.

ROLL CALL: Council Member Christensen, Yes Council Member Montgomery, Yes
 Council Member Lewis, Abstain Council Member Nelson, Yes
Motion Approved. 3 Yes, 1 Abstain

B. Todd Christensen: reported that last Saturday Utopia fiber lines were installed from I-15, under the railroad, up 2950 South, down 1200 west to 2450 South, and up to communication hut at the Perry Park. He said that they will light this telecommunication hut up and it will become the redundancy for Perry, Brigham and Tremonton services. He said that now the telecommunication hut is active the City will need to keep an eye on it. Councilman Christensen reported that the Willard City 1200 West path is complete and is fantastic, he said as Perry works next year and try to obtain grants it would be nice to complete the Perry portion. Mayor Cronin said that is the funding we almost received last year and we hope to get this next year. Council Member Christensen said he had several discussions over Memorial Day with citizens about why Perry City does not have a cemetery. He said the problem is land and the expense of land. He said it would be nice to put a future cemetery into the City's long term plan. Mayor Cronin said that portions of Perry City pay into the Willard Cemetery. She said that we have a cemetery committee. Council Member Nelson said that she got a committee together but with a lack of funding it is hard to work on a cemetery plan. Greg Westfall said another option is putting together a special service district.

C. Peter Gerlach: absent

D. Jana Nelson: nothing reported.

E. Esther Montgomery: nothing reported.

F. Brady Lewis: nothing reported.

G. Mayor Cronin: Reporting that the Fourth of July is coming up and there will be a new Pickle ball event.

H. Staff Comments: Greg Westfall reported that H.B. 362 that was discussed in a previous meeting regarding a fuel tax that the County could implement if they so chose and would possibly create funding for local city transportation projects was originally talked about not bringing to the Counties this fall but the following fall. There is now a chance that Salt Lake County will be putting it on the ballot this fall. He said that if this happens most other counties will follow as the Salt Lake Chamber of Commerce will fund advertising for the bill which will benefit the other communities. He said that most likely cities will be asked to pass a resolution in support of the bill. Council Member Christensen asked what percentage of tax will be given if approved. Greg

advised this will be a 0.25%. Council Member Christensen asked how closely watched the funding is. Greg stated the funds will be monitored very much like B&C road funds and only be able to be used for specific transportation projects. Greg clarified that this would just be in support of putting the bill on a ballot for the public to vote on at the next election.

I. ITEMS FOR NEXT CITY NEWSLETTER

- None

ITEM 8: EXECUTIVE SESSION

None.

ITEM 9: Adjournment

MOTION: Council Member Nelson made a motion to adjourn the council meeting.

Motion Approved. All Council Members in favor.

The meeting adjourned at 8:26pm.

Susan Obray, City Recorder

Karen Cronin, Mayor

Shanna Johnson, Chief Deputy Recorder