

Minutes of the Salem City Council Meeting held on June 4, 2014 in the Salem City Council Chambers.

Worksession 6:00 p.m.

Jeff Nielson went over the budget for fiscal year 2015 with the council.

Bruce Ward discussed with the council about the model for the sewer system.

MEETING CONVENED AT: 7:00 p.m.

CONDUCTING: Mayor Randy A. Brailsford

COUNCIL PRESENT:

Mayor Randy A. Brailsford
Councilperson Janie Christensen
Councilperson Aaron Cloward
Councilperson Soren Christensen
Councilperson Sterling Rees
Councilperson Craig Warren

Excused:

STAFF PRESENT:

Jeffrey Nielson, Finance/Recorder
Chief Brad James, Police Chief
Junior Baker, City Attorney
David Johnson, Building Dept.
Richard Heap/Engineer
Matt Marziale/Recreation
Clark Crook/Power

OTHERS PRESENT

Elwood Jones, Bruce Hurst, Robert Palfreyman, Charlotte McIntier, Dwight Thompson, Matthew Thompson, Joshua Hintze, Hunter Hintze, Bruce Ward, Delos Andrews

1. VOLUNTEER MOTIVATIONAL/INSPIRATIONAL MESSAGE

Mayor Brailsford asked if anyone would like to give a motivational or inspirational message. Elwood Jones stated he would like to offer a motivational message in the form of a prayer.

2. INVITATION TO SAY PLEDGE OF ALLEGIANCE

Hunter Hintze invited those who wish to participate, to stand and say the pledge of allegiance with him. He then led the pledge of allegiance for those who wanted to participate.

3. PUBLIC HEARING

MOTION BY: Councilperson Sterling Rees to open Public Hearing.

SECONDED BY: Councilperson Craig Warren.

VOTE: All Affirmative (5-0).

a. Approve the Budget for Fiscal Year 2014/2015

Mayor Brailsford talked about issues the city will be facing in the future; the Sewer Plant and need for upgrading because of regulations imposed by the state, issues with power/electricity production and regulations on coal power plants, and this year we have the Storm Water regulations placed on the city by the state. All of these issues will be costing the city money and we need to be aware of them. He then turned the time over Jeff Nielson, Salem City Finance Director to present the budget.

Jeff Nielson explained the budget for next year.

2014/2015 Budget Public Discussion

General Fund

\$735,458 from last year

- No Property Tax Rate Increase by Truth in Taxation.
- Sales Tax is up. (Thank You for Shopping Salem)
- Building increasing (Budgeting 75 homes (over 600 lots in approval with subdivisions).
- B&C Road Funds (using \$250,000 from restricted and unreserved fund balance to pay for Main Street improvements).
- Recreation programs continue to increase.
- New Subdivisions (8 in process before moratorium).
- State Retirement increased (mandated by the state, Public Employee 1.18% and Public Safety Employees 1.54%)
- Added funds in Salaries for merit increase (based on evaluations).
- Employee health insurance increase of 9%.
- PI and Sewer enterprise funds now charging general fund accounts for use (parks, buildings, etc.)
- Administration - more people using credit card (fees), with growth utility bills (shut off notices used mailing service).
- Library – continuing to grow.
- Use of City Planner to help in planning.
- Property Purchase (Davis home) – Money from assigned Fund to pay.
- Public Safety –Fire and Ambulance – Payment for new vehicles. Police vehicles replacement (using \$40,817 from Capital Improvement fund balance), Parks Dept. new vehicle.
- Cemetery – new lawnmower - Perpetual Care.
- Roads - current year, Main Street - 400 North.
- Recreation programs (increase in Revenue = increase in expenses). Budgeted that the programs pay for themselves.
- Parking lot at Loafer Recreation Complex expansion.
- Donations of \$300 to Boys & Girls State program, and \$500 Misc.

Water Fund

\$96,697 from last year

- No Planned Rate increase in Water Rates.

- Building up, I.F. able to help with bond payments.
- Transferring \$36,000 to General Fund (same as last few years).
- Transferring \$5,000 to Capital for Public Safety Vehicle (same).
- Water Line improvements

Sewer Fund

\$192,676 from last year

- Grant to help with Sewer Collection plan and Sewer Treatment Plant plan
- No Planned Rate increase in Sewer Rates.
- Charging general fund
- Transferring \$17,500 to General Fund.
- Jet Truck was paid off current (FY2014) budget. Use money to help pay for PS Vehicle.
- Transferring \$20,000 to Capital for Public Safety Vehicle.
- Transferring \$15,000 to motor pool fund.

Power Fund

(\$74,251) from last year

- No Power Rate increase.
- Newways leaving, lost revenue.
- Nebo School District cutting back on power usage.
- Continue doing improvements on Arrowhead Substation.
- Transferring \$300,000 to General Fund.
- Transferring \$5,000 to Capital for Public Safety Vehicle.

Solid Waste Fund

\$13,029 from last year

- Republic Services increase of 1.5% (City absorbed increase, trying to work out with Republic Services to get no increase).
- SUVSWD increasing fees by \$8,360.
- Transferring \$12,500 to General Fund.
- Transferring \$5,000 to Capital for Public Safety Vehicle.

P.I Fund

\$68,250 from last year

- No Planned Rate increase in PI.
- NO Watering on Tuesday – look at conserving water (it is going to be a rough year).
- PI Bond payment, having to use revenue to pay for bond, and not I.F. (not enough impact fees to cover full bond payment).
- Transferring \$5,000 to General Fund.
- Transferring \$5,000 to Capital for Public Safety Vehicle.
- Transferring to motor pool \$15,000.

Storm Drain Fund

New Fund

- Mandate from State and Federal (Must be a revenue generated fund)
- Rate \$6.24 per month.
- Employee (1/2 salary), possible another employee.

- Need to monitor Storm Water for the city. Really need to be aware of it. Read newsletter and webpage.
- A lot of mandates from the state on what we need to do. Will cost money. If don't do it, then we could be fined.
- Transferring to motor pool \$5,000.

There were some questions about the budget and the Storm Drain fund. This is a new fund this year that the city is required to create because of regulations from the state. The city will now have to enforce the storm water system in Salem, along with controlling it for city property. The city will begin charging \$6.24 each month to help fund the mandates.

b. Amend the Budget for Fiscal Year 2013/2014

Jeff Nielson explained to the council he is requesting the council continue the public hearing for this item, this will give him an opportunity to close out the month of May.

MOTION BY: Councilperson Janie Christensen to Close the Public Hearing on item A – Approve Budget for Fiscal Year 2014/2015 and to continue the Public Hearing for item B - Amend the Budget for Fiscal Year 2013/2014 until June 18, 2014, next council meeting.

SECONDED BY: Councilperson Craig Warren.

VOTE: All Affirmative (5-0).

a. Approve the Budget for Fiscal Year 2014/2015

MOTION BY: Councilperson Soren Christensen to approve the Budget for Fiscal Year 2014/2015.

SECONDED BY: Councilperson Aaron Cloward.

Mayor Brailsford stated he met with the mayor council advisory board the prior night and went over the budget with them. They had a lot of questions, but the questions were answered. He felt the meeting went well and they all recommended approving the budget.

VOTE: All Affirmative (5-0).

4. APPROVE ORDINANCE CREATING STORM WATER UTILITY

Mayor Brailsford stated this is the ordinance creating the Storm Water Utility Fund, as it was discussed in the budget.

MOTION BY: Councilperson Craig Warren to approve Ordinance 60414 Creating the Storm Water Utility Fund.

SECONDED BY: Councilperson Sterling Rees.

VOTE: All Affirmative (5-0).

5. APPROVE BUDGET FOR FISCAL YEAR 2014/2015

The budget was approved in item 3.

6. APPROVE MAYOR TO AWARD BID FOR NORTH MAIN STREET RECONSTRUCTION

Mayor Brailsford stated we have sent out RFP for the North Main Street reconstruction. The bids are due tomorrow. Mayor Brailsford recommended to have Richard Heap review the bids tomorrow and recommend the lowest responsible bid. Richard stated the estimate for the project is \$250,000.

MOTION BY: Councilperson Aaron Cloward to approve the Mayor to award the bid for North Main Street Reconstruction after reviewing them with Richard Heap.

SECONDED BY: Councilperson Sterling Rees.

VOTE: All Affirmative (5-0).

7. APPROVE MINUTES OF MAY 21, 2014

Mayor Brailsford asked for a motion on the minutes of May 21, 2014.

MOTION BY: Councilperson Janie Christensen to approve the minutes of May 21, 2014 as written.

SECONDED BY: Councilperson Soren Christensen.

VOTE: All Affirmative (5-0).

8. APPROVE BILLS FOR PAYMENT

Mayor Brailsford asked for a motion to approve the bills.

MOTION BY: Councilperson Soren Christensen to approve the bills for payment.

SECONDED BY: Councilperson Janie Christensen.

VOTE: All Affirmative (5-0).

Mayor Brailsford stated the total amount of the bills tonight for approval was \$333,332.38.

COUNCIL REPORTS

9. MAYOR RANDY BRAILSFORD

Mayor Brailsford thanked the employees for working on the cemetery and getting it ready for Memorial Day.

10. COUNCILPERSON STERLING REES

Councilperson Rees reported there will not be a power increase from UMPA this year. They are looking for new sources of power, as some of our agreements are up in 2017.

He also thanked the employees and those who helped with the Memorial Day services.

11. COUNCILPERSON JANIE CHRISTENSEN

Councilperson Janie Christensen reported the library reading program is going, the unplugged program is also going, and the Miss Salem pageant is Friday.

Mayor Brailsford reported the float is getting serviced and ready for the first parade in a couple of weeks.

12. COUNCILPERSON SOREN CHRISTENSEN

Councilperson Soren Christensen reported on May 27th the city used 12.4 acre feet of water, June 3 we used 6.3 acre feet. It is down but we need to still watch the use of water on Tuesday. There should be no watering on Tuesday's. We really need to conserve our water usage.

13. COUNCILPERSON AARON CLOWARD

Councilperson Cloward reported the recreation programs are going on, so please be careful. We have some high school camp programs also going on. The city employees are working on getting the property the city purchased by the Salem Stake Center for parking at the Loafer Recreation Complex. He also reported the restrooms at the cemetery/soccer field is looking good.

14. COUNCILPERSON CRAIG WARREN

Councilperson Craig Warren reported we have already talked about storm drain tonight and did not have anything else to report.

15. PUBLIC SAFETY – CHIEF BRAD JAMES

Police Chief Brad James did not have anything to report tonight to the council.

16. DAVE JOHNSON, BUILDING DEPARTMENT/PUBLIC WORKS

Dave Johnson did not have anything to report tonight to the council.

17. RICHARD HEAP, CITY ENGINEER

Richard Heap did not have anything to report tonight to the council.

18. ATTORNEY S. JUNIOR BAKER.

Attorney Junior Baker notified the council that Eagle Mountain sold their electrical department/fund to SESD.

19. JEFFREY NIELSON, CITY FINANCE DIRECTOR/RECORDER

Jeff Nielson thanked the Mayor, Council, and Directors/Supervisors for working on the budget.

20. MATT MARZIALE, RECREATION DIRECTOR

Matt was excused from council.

21. CLARK CROOK, ELECTRICAL DIRECTOR

Clark Crook did not have anything to report tonight to the council.

22. CLOSED SESSION – Legal Discussion (8:05 p.m.)

MOTION BY: Councilperson Aaron Cloward to move council into a closed session for Legal Discussion.

SECONDED BY: Councilperson Craig Warren.

VOTE: All Affirmative (5-0).

ADJOURN CITY COUNCIL MEETING

MOTION BY: Councilperson Craig Warren to adjourn city council meeting.

SECONDED BY: Councilperson Janie Christensen.

VOTE: All Affirmative (5-0).

MEETING ADJOURNED AT: 8:40 p.m.

Jeffrey Nielson, City Recorder