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**ELK RIDGE
CITY COUNCIL MEETING
March 24, 2016**

TIME AND PLACE OF MEETING

This **Work Session** of the Elk Ridge City Council, was scheduled for **Thursday, March 24, 2016, at 6:00 PM**. The meeting was held at the Elk Ridge City Hall, 80 East Park Drive, Elk Ridge, Utah.

Notice of the time, place and Agenda of these Meetings, were provided to the Payson Chronicle, 145 E. Utah Ave, Payson, Utah, and to the members of the Governing Body on March 22nd, 2016.

ROLL CALL

Mayor: Hal Shelley

Council Members: Tricia Thomas, Ty Ellis, Nelson Abbott, Brittany Thompson, Dale Bigler

Deputy Recorder: Melanie Hoover, *Recorder:* Royce Swensen

Public Works Director: Cody Black

Public: Jim Chase, Paul Crook

OPENING REMARKS An invocation was offered by Brittany Thompson.

CITY COUNCIL WORK SESSION

6:00 pm

1. COUNTY PROPERTY ANNEXATION DISCUSSION.

Mayor Shelley stated that Council needs to make a decision soon. He reported the required public hearing has already been held in a Planning Commission Meeting. His proposal is to include in the master plan part or all of the county property commercial if it ever were to be annexed into the city. The plan for the city that was envisioned 20 years ago may not be the same today and the results of the survey will help with the decision to be made.

Brittany Thompson suggested having a commercial code in place.

Mayor Shelley responded that Planning Commission is already discussing this issue.

Nelson Abbott stated the code already has types of businesses that have been zoned out of our city. Some residents have concerns of another PUD with substantial density. He stated that PUD may need to be eliminated from the code to avoid these issues. The Master Plan needs to reflect what the city wants and the code needs to support that.

Mayor Shelley is not ready to remove the code, but stated that it may need to be refined and re-structured to avoid unintended consequences. There are areas where a PUD can be a benefit to the city.

2. DISPOSITION OF CITY PROPERTY.

Mayor Shelley stated that as they go through the budget tonight, they will see that there needs to be an increase in income to the city somehow. Selling part of the city property is a good option but that a determination of what the property would be used for needs to be decided. Is a civic center a viable option? The decision on what to do with the property needs to be made and a specific plan needs to be in place.

Dale Bigler feels council needs to look at selling the 4 lots and keeping the left over acreage for future city use/amenities.

Ty Ellis leans toward selling the 4 lots and keeping the rest of the property. Rather than using the funds to pay off the bond, use the funds to build a civic center. He feels the city needs to look forward. Is the current council room sufficient for the needs of the city?

Nelson Abbott stated that when the city property was purchased, the intent was to commit sales tax revenue to make the payment, and then when it's paid off, save the funds for a new city center. He feels the city should consider the interest rate, look at the numbers and make a decision from that point.

1 3. BUDGET DISCUSSION.

2 Royce Swensen provided a budgeting worksheet which took last year's budget and put it into this
3 year's budget. So far, his analysis has been on the income side. If the proposed full time sheriff is
4 taken out of the budget, it balances out. However, over the past year, he has taken notes and
5 documented the items/projects on an additional spreadsheet that needs to be discussed and/or
6 completed. A plan needs to be in place to get some of these items completed. He has spoken with
7 developers who reported there are only a couple developments in the next year's plans. The impact
8 fees are one time funds that come into the city. He referred to the general fund income of
9 \$1,500,000.00 on page 3 and stated there will be revisions by the end of the fiscal year. This is the
10 number the city needs to have to operate on.

11 Royce Swensen then referred to the spreadsheet of items that need to be discussed. He stated there are
12 two main common complaints that are reported to the city office: law enforcement and code
13 enforcement. We are currently budgeted for a part time officer and our population has nearly doubled.
14 Do we want to spend the funds to have a full time sheriff? Speeding is a huge issue. The call volume
15 posted in the monthly newsletters uses up most of her allotted time which leaves a minimal amount of
16 time for her to enforce traffic and speeding issues. Mayor Shelley asked if we can continue on the
17 way we have in the past? Brittany Thompson feels the speeding issue will be stopped by issuing
18 tickets. Dale Bigler pointed out that no one can ever stop speeding by ticketing. It might work for a
19 time, but it's the people themselves who make the decision to speed or not. Mayor Shelley referred to
20 the part time sheriff cost at \$58,000.00 per year and \$116,000.00 per year for a full time sheriff.
21 (\$116,000.00 included in budget) Tricia Thomas feels that a solar powered speed limit sign that
22 flashes may work for speed control.

23 Royce Swensen pointed out a new fire truck is needed soon. Last year \$15,000.00 was saved and this
24 year \$10,000.00 was budgeted for. At the rate we are going, it will take way too long to save the
25 funds necessary for a new truck. (\$15,000.00 included in budget) Nelson Abbott stated that if we get
26 to the point that we need the fire truck and we don't have enough in savings, we are going to have to
27 bond for a truck. Ty Ellis feels that setting aside \$15,000.00 per year for a new fire truck does not set
28 us on track.

29 Royce Swensen stated the apparatus and life safety equipment needs to be updated. We have 1-2
30 years to comply. (\$10,000.00 included in budget).

31 Ty Ellis asked what is absolutely critical that the city provide for the residents? Sewer, water, roads to
32 some degree. He feels if the residents want service, they have to be willing to pay for it. Snow
33 plowing and roads are examples.

34 Discussion ensued on snow blades, truck maintenance, tire purchases. (\$5,000.00 replacement blades
35 and \$1,500.00 tires included in budget)

36 Mayor Shelley stated that a needed 3rd bobtail truck isn't included in the budget and a new one would
37 be approximately \$170,000.00. A new bed is necessary on the 1997 bobtail and would cost
38 \$17,000.00 for carbon steel and \$20,000.00 for a recommended stainless steel bed. (not included in
39 budget)

40 Discussion ensued on the need for a salt shed and the cost of salt. (\$15,000.00 included in budget)

41 Discussion ensued on yearly road projects that are not included in the budget but need to be
42 completed: crack seal, road striping, road signs, road patching, and street sweeping. (not included in
43 budget)

44 Discussion ensued on road projects regarding: slurry/seal and center planter strips. (not included in
45 budget)

46 Discussion ensued on the additional projects that have been discussed in the past: Maple Lane
47 (approximately \$40,000.00), widen and re-construct Goosenest Drive (approximately \$300,000.00),
48 widen Salem Hills Drive (approximately \$27,000.00) and dugway road stabilization (approximately
49 \$1-1.5 million). (not included in budget)

50 Mayor Shelley stated the purchase for the GIS system for the roads is included in the budget at
51 \$7,000.00. (not included in budget)

52 Mayor Shelley stated that the mulch in the playground has to be put in to comply with insurance. This
53 amount is included in the budget at \$1,500.00 per year. (\$1,500.00 included in budget)

1 Mayor Shelley stated the \$7,000.00 to seal trails has been included in the budget. A previous quote
2 was given to seal the Elk Ridge Meadows Phase 1 and Phase 2 (approximately ¼ mile) trails at
3 \$16,000.00. Trails would need to be sealed every 5 years. (\$7,000.00 included in budget)
4 Discussion ensued on new park projects: pavilion with restrooms and storage (approximately
5 \$60,000.00) and park parking lot (unable to obtain an estimate since the size and exact location of the
6 parking lot is unknown). These costs could be covered by park impact fees as long as they are in the
7 capital facilities plan. After the initial build, the general fund will have to cover the cost of
8 maintenance. (not included in budget)
9 Cody Black asked Dale Bigler if he is applying for the matching grant for the trees this next year. If
10 so, the \$7,000.00 needs to be included in the budget. Dale responded that he is not sure since he
11 doesn't know where he would plant them. (not included in budget)
12 Mayor Shelley stated the additional trails in the amount of \$30,000.00 is included in the budget. This
13 will pay for approximately 200 yards of trails. If curb, gutter and sidewalks were to be installed, it
14 would cost a lot more money and the general plan would need to be changed. This can be paid for
15 with park impact fees. (\$30,000.00 included in budget)
16 Mayor Shelley stated the tennis court wall needs repair and the cost would be approximately
17 \$5,000.00. (not included in budget)
18 Mayor Shelley stated the lights for Shuler Park to flood the field would cost approximately \$20-
19 \$25,000.00 and would allow residents to use the field at night. (not included in budget)
20 Mayor Shelley stated the wildflower park area is located in Elk Ridge Meadows Phase 2. This is the
21 open space where the disc golf course is. He asked if the city should landscape this area and if so, it
22 would need to be included the budget. (not included in budget)
23 Dale Bigler suggested filling in the dirt area of the public works parking lot with crushed asphalt. In
24 order to gravel the parking lot, it would cost about \$4,000.00 compared to the estimated \$15-
25 20,000.00 to asphalt the parking lot. He offered to get a bid on the cost of asphalt grindings. (not
26 included in budget)
27 Mayor Shelley stated the fence at the public works is necessary for security and an estimate can be
28 obtained at a later date. (not included in budget)
29 Mayor Shelley stated the public works storage shed is necessary and the cost is approximately \$30-
30 40,000.00 and agrees with Brittany to have all items stored in one location. (not included in budget)
31 Mayor Shelley stated the public works property in loafer canyon has a well on it and needs to be
32 maintained. This is one area to utilize for sand, gravel and pipe storage. This could be a storage yard
33 with no shed necessary. The well is already fenced off. (not included in budget)
34 Mayor Shelley stated the cost for a new civic center would be approximately \$2.5 million. It would
35 cost approximately \$60,000.00 to begin the architecture drawings. (not included in budget)
36 Ty Ellis would like a starting point and see if any resident would like to donate some concept
37 drawings. This is an approximate 8 year project and feels there needs to be a starting point. He
38 requested putting \$5,000.00 in the budget to help cover the cost of a starting point for the civic center.
39 Mayor Shelley stated the city property discussion was just made and move to the next line item.
40 Mayor Shelley reported that a private owned cemetery ideas are still in progress. (not included in
41 budget)
42 Mayor Shelley stated the time to digitize records is coming. A software program would need to be
43 purchased in order to do so. The cost would be approximately \$3-4,000.00. (not included in budget)
44 Mayor Shelley stated the UTV/Parks Maintenance Vehicle is needed and would cost approximately
45 \$20,000.00 and would last approximately 30 years. (not included in budget).
46 Mayor Shelley stated the parks are aerated twice per year. The city has been borrowing Salem's free
47 of charge. The city has over 17 acres of parks and most of it is grass. An aerator would cost
48 approximately \$5,000.00. (not included in budget)
49 Mayor Shelley reported discussion has been made in the past to purchase a crack seal machine. A new
50 machine would cost approximately \$40,000.00 and would last approximately 15 years. The city has
51 rented one and that costs \$2-5,000.00 per year. (not included in budget)
52 Mayor Shelley referenced the ongoing equipment replacement costs-trucks, mowers, street sweeper,
53 etc. and stated that its impossible to know a dollar amount. Cody Black stated the next piece of
54 equipment that will need replacement is the street sweeper. Ty Ellis suggested that whenever a new
55 piece of equipment is purchased, a plan needs to be in place for replacement.

1 Brittany Thompson suggested a list of all equipment, the year it is, the life expectancy and the cost to
2 replace. (not included in budget)

3 Mayor Shelley referred to office equipment-computers, printers and phone system. Royce Swensen
4 would like a plan in place to purchase equipment when needed. (not included in budget)

5 Royce Swensen requested council to refer to the water section on page 14 of the budget. The city
6 should gain approximately \$550,000.00 in revenue for water. The utility portion was budgeted at
7 \$80,000.00 this year and is already over budget. He feels that \$135,000.00 will be the total cost for
8 this year. This doesn't work well with the budget. What Curtis Roberts (City Financial Director)
9 presented several months ago is a reality. Nelson Abbott has a concern on fixed costs in the water
10 department and wondered if the base rate covers the cost. Royce Swensen replied it does not. There
11 has not been a rate change in approximately 15 years and the city has grown immensely. The
12 electricity in the summer months to run the wells is approximately \$17,000.00. Nelson Abbott is
13 concerned that vacant lots do not create revenue. He feels they need to figure out the fixed cost and
14 raise the base rate because the water fund is an enterprise fund and needs to fund itself. Mayor
15 Shelley stated that Rural Water and other resources can help determine the necessary water rate.

16 Royce Swensen stated that next year's water fund will start with a negative number.

17 Royce Swensen then referred to the waterline replacement projects that need to be completed: Alpine
18 (approximate cost \$150-175,000.00), Powell/Maple Lane (estimate not obtained), Salem Hills Circle
19 (estimate not obtained) and the well construction (approximate cost of \$1.6-2 million). The pipes in
20 the older part of town need repair and replacements. These projects need a plan in place. (not included
21 in budget)

22 Mayor Shelley stated the estimate cost of a new well is \$1.6-2 million. (not included in budget) The
23 highline canal enclosure will prevent all recharge into the aquifer which will point blame to our wells
24 and will open protests. Part of the cost can be paid with impact fees but cost to the city will incur.

25 Nelson Abbott referred to the purchase of SUVWMA shares. There are 277 shares available at
26 \$3,500.00 per share and will be available to purchase by August 2017. Water shares can be purchased
27 with impact fees. If all shares available were purchased, it would cost the city approximately
28 \$970,000.00. Most developers bring in their own water but takes longer to get approved through the
29 state. Mayor Shelley feels the city does not have the funds or the need to purchase all of the water
30 available. If the Capital Facilities plan is changed, then impact fees can be used to purchase the water.
31 (not included in budget)

32 Mayor Shelley referred to the sewer projects needed on Canyon View Drive and Ama Fille Lane. The
33 cost is \$125,000.00. The Capital Facilities Plan includes this therefore it is impact fee driven.
34 (included in budget)

35
36 Mayor Shelley asked Council which of the items on the list can be taken off or delayed. Brittany
37 Thompson feels that Council needs to follow Ty's idea on determining what is essential for the City.
38 Tricia Thomas stated that if the full time sheriff cost was taken out of the budget, then the budget
39 would be at a \$18,000.00 deficit. This would include adding in \$4,000.00 for the Public Works
40 Parking lot, \$5,000.00 to start the civic center plans, \$4,000.00 to digitize office records and
41 \$5,000.00 for an aerator. Nelson Abbott stated the current year property tax has \$13-14,000.00 less
42 from actual to revised. The budget then includes this extra amount.

43 Tricia Thomas asked if the additional dollars for code enforcement is included in the budget?

44 Royce Swensen responded that it is not included but needs to be discussed. Currently the code
45 enforcement hours have been doubled from 5 hours to 10 hours and is in the current budget. He stated
46 a lot of violations have had to be set aside since the city lacks the manpower to enforce them.

47
48 Council discussed timelines of when budgets are to be approved, truth and taxation meetings are to be
49 held and when the county reports the property tax amount that will be collected. Budgets may need to
50 be approved and then amended after numbers are presented from the county. Costs and income are on
51 a decline. There will come a time when building is completed and income stops but the maintenance
52 will continue. Cities don't fund themselves that's why the discussion of economic development has
53 taken place. Woodland Hills' property taxes are three times the amount of Elk Ridge.

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55 Ty Ellis wants operating costs looked at.

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Mayor Shelley asked council to review the current budget and see if there's any sections to cut or add to. The reality is that Royce Swensen has carefully reviewed all expenditures and if anything was able to be cut, it has already been done.

Brittany Thompson has obtained information regarding costs in road maintenance in Michigan and has obtained a quote from Eckles regarding the costs relating to asphalt maintenance. She would like this format/procedure to be tracked by the city.

Discussion ensued on how recycling helps the city and also on garbage rates.

Nelson Abbott feels that if the city is to charge a fee, it needs to match what the city is trying to accomplish. He doesn't want to balance the budget with the water fund. The General Fund needs to be funded so there is enough revenue to run the day to day operations with the city. If a property tax increase is necessary, then so be it.

Mayor Shelley adjourned the work session at 10:00 pm



Melanie Hoover, Deputy Recorder