

The Work Session of the
 Brian Head Town Council
 Town Hall - 56 North Highway 143
 Brian Head, UT 84719
TUESDAY, APRIL 09, 2018 @ 10:00 AM

Roll Call.

Members Present: Council Mayor Clayton Calloway, Member Larry Freeberg, Council Member Shad Hunter, Council Member Lynn Mulder, Council Member Kelly Marshall,

Staff Present: Bret Howser, Town Manager; Nancy Leigh, Town Clerk; Cecilia Johnson, Town Treasurer; Dan Benson, Public Safety Director; Shane Williamson, Public Works Director

A. CALL TO ORDER

Mayor Calloway called the fiscal year 2019 budget work session at 10:15 AM

B. PLEDGE OF ALLEGIANCE

Mayor Calloway led the Council and others in the Pledge of Allegiance

C. WORK SESSION: FISCAL YEAR 2019 BUDGET REVIEW

Bret Howser, Town Manager, gave a brief explanation of the town’s budgeting process. Bret then highlighted some of the items for the fiscal year 2019 budgets as follows:

1. Bret went through the budget process in which the tentative budget will be presented to the Council during the first meeting in May and then a series of public hearings will be held with the adoption of the final budget in June 2018.
2. The Council reviewed the town’s debt service and the relation to the certified tax levy which identifies the amount needed by the town to retire the bonds. The town reports its bond debt to the state who in turn sets the certified tax levy number. Bret reported there is a column in the budget documents which shows the funding sources for the debt service. The total debt of the town is approximately 4.1 million dollars.
3. **General Fund:** There is approximately 2.3 million dollars in revenue which is down from last year’s budget due to the reduction in revenue for charges for services (sales taxes, retail business license fees, etc.). Bret explained the town is has made the final bond payment for the town hall of \$50,000 and will apply it towards the asset management fund. This is identified in the transfer section.
4. Bret explained the town has also removed the Volunteer Fire Fund which was identified in the General Fund since they are now a 501C3 non-profit organization. Bret explained the fund identified \$10,000 revenue and \$10,000 expense that has been removed from the General Fund.
5. **Water Fund:** Non-operating fund went from \$246,000 in 2016 to \$2,000 in 2018 in which the town transferred from the debt service fund to pay for a water GO bond in order to take pressure off of increasing the water rates.
6. **Water Fund Expenditures:** Shane explained the town budgeted approximately \$12,000 for lightening protection for the Bearflat pump house due to the severe damage that happened to the pumphouse last year.
7. The Water Fund is anticipating a surplus of \$300,000 which will be paying towards the principal on the water debt.



- 1 8. **Sewer Fund:** Bret explained when the rates increased for water, the sewer and solid waste
2 decreased in order to remain revenue neutral. The idea was to operate in the negative for
3 the sewer and solid waste fund intentionally in order to keep the pressure off the water fund
4 until it recovered. The town raised the sewer rates back up and next year the solid waste
5 rates will be brought back up.
- 6 9. There will be \$137,000 surplus that will be set aside for future capital projects.
- 7 10. **Proposed utility rates for FY 2018:** Water will stay static at \$76.00 and the sewer will
8 increase from \$36 to \$38 and the solid waste will increase from \$7 to \$9. There is about a
9 three percent (3%) increase to the overall utility bill and is weighted towards solid waste.
- 10 11. **Snowmaking Fund:** The bond will be paid off in 2020 in which the fund will identify a \$0
11 balance and the town will discontinue to budget for the fund or possibly look at replacing the
12 snowmaking, but the town would need to have that conversation with Brian Head Resort first.
- 13 12. Bret explained the 2016 GO bond in the water fund is for the USDA loan and the CIB loan for
14 the pond. Bret explained that as the debts are paid off, it should be the policy of the town to
15 pay as you go for a project and not to bond for projects.
- 16 13. **General Fund Revenue, Charge for Services:** Bret explain the proposed budget is half of
17 what the town received historically. Charges for services include the retail fuel, shop charges
18 along with other charges which are detailed in appendix "E" of the budget documents. The
19 total administration budget is proposed at \$132,900 for fiscal year 2019.
- 20 14. Mayor Calloway inquired if the name of the Redevelopment Agency needs to be converted to
21 the Community Development Area (CDA) since the state has changed the name from the
22 RDA to the CDA for consistency purposes.
- 23 15. **Property Taxes:** No property tax increase identified for the FY 2019 year. Bret presented a
24 graph (see attached) which shows the shift between the reliance on property taxes vs sales
25 taxes. The graph shows the town's increasing reliance on sales taxes to fund the general
26 services and since sales taxes are not always consistent year to year, the Council needs to
27 be aware the town is currently relying more on property taxes than sales taxes and the
28 Council should determine which trend the town should follow; property taxes or sales taxes,
29 but it will be a future discussion at some point.
- 30 16. Mayor Calloway inquired as to taxes the town voted for that Cedar City wouldn't have. Bret
31 explained the resort community tax and possibly the municipal transient room tax. The state
32 also implemented a transient room tax of 0.32% which took effect January 1, 2018. Brian
33 Head implemented the increase to the resort community tax from 1.5% to 1.6% along with
34 the municipal transient room tax in 2013.
- 35 17. Bret presented the financial fund model to the Council (see attached). Bret gave a brief
36 explanation of the model and explained the Council will need to look at the town's capital
37 projects again for future projects.
- 38 18. **Sewer Fund:** most of the operating expenses will fall into the wastewater treatment since the
39 town pays approximately \$100,000 annually per agreement and the town also pays one-third
40 of Parowan City's sewer operational budget which is around \$40,000, but now they are
41 indicating that the town's portion is increasing to \$75,000 which is one-third of their budget.
42 The town is disagreeing with the amount for their expenses identified in their sewer budget
43 and the town has been paying for their depreciation expenses which is not a cash amount.
44 Bret reported the town has contested this portion of the amount.
- 45 19. Bret explained his formula for the utility fund model to come to the proposed 3% increase in
46 utilities.
- 47 20. Mr. Wayne Rogers, Chalet Village HOA Present, explained Chalet Village is one of the oldest
48 developments on the mountain and gave a brief history of the development. Mr. Rogers
49 explained the development has been divided and in which he represents Phase A. The
50 Ridges are were separated from the original HOA nine years ago. The main office building
51 was recently purchased, and a private owner are is not part of the Chalet Village HOA. Mr.
52 Roger explained Phase A has been reduced to 46 condo units and the average unit is 700
53 square feet. Mr. Roger explained the majority of the occupancy of the condos is around eight
54 to nine units that are owned and not rented out on a nightly basis. Twenty-five of the units
55 are unused and are only used around 25% of the year. Mr. Roger wanted to make a
56 statement for the Chalet Village Phase A HOA in which there are only two water meters and



- 1 presented a copy of Chalet Village's utility invoice (see attached). The invoice identifies they
2 are using approximately 2,000 gallons per month per unit and are being assessed for 5,000
3 gallons of water p/unit, in which the allocated water is 230,000 gallons a month for the
4 complex and they do not use anywhere near that amount. Mr. Rogers requested if the
5 Council would consider reducing the amount of allocated water to the complex which would
6 reduce the water rate to the complex. Mr. Rogers explained the HOA has permanently shut
7 down the outdoor swimming pool which will be removed, and they have trimmed their budget
8 to the minimum and they feel the water rates are excessive for their usage. Mr. Roger
9 thanked the Council for their time and consideration on the issue. Mayor Calloway explained
10 it is an expensive system that the town has, and the Council has found this is the best way to
11 share the cost for the infrastructure over the connections to the system. The town is required
12 to maintain and improve the infrastructure. Mayor Calloway inquired if any of the condo units
13 would qualify for the ½ ERC instead of a full ERC. Wendy Dowland, Public Works Assistant,
14 explained she is not aware of any of the units are identified for the ½ ERC. Wendy
15 suggested Mr. Rogers submit a request to the town with a list of the units that meet the
16 qualifications to be identified as a ½ ERC.
- 17 21. Bret explained staff and Council reviewed the ERC issue a few years ago and made a
18 change to charge the hotels a full ERC. The hotels came to the Council demanding the town
19 reduce them back to the ½ ERC since the rates would shut them down. Bret explained that
20 the town is required to provide the service whether the owner or guest is in the unit or not and
21 the town has approximately 1,300 connections that share the cost of the system. The town is
22 currently looking at the Mountain View waterline which will increase the number of
23 connections which will share the burden of the system.
- 24 22. **Personnel:** Bret explained he has completed a compensation analysis for the staffing levels
25 which is done every two years. Bret explained staff has gathered data from other entities that
26 are similar to Brian Head such as resort towns and cities under a certain size. The plan
27 identifies total compensation which includes benefits and wages as a whole and the identifies
28 the 75% the Council set as a benchmark. Bret explained he is proposing the set the
29 maximum pay increase of 5% instead of the 7% that has been identified previously. Council
30 Member Freeberg explained the 5% is the total maximum and not every employee would
31 receive the 5%. Bret explained it would also depend on the pay range for the employee and
32 is proposing a budget of \$29,900 which is spread across all of the town funds; the general
33 fund and enterprise funds.
- 34 23. Bret reported the town health insurance increased only 1% last year which was an all time
35 low. Council Member Freeberg commented the town also contributes to the employees
36 401K. Bret explained if the employees receives the benefit, it would be included in their total
37 compensation. Bret reported the town assumed an 8% increase for the health insurance
38 since the town won't know the exact amount until December when the premiums ~~would be~~
39 are updated in January.
- 40 24. Mayor Calloway suggested staff look at comparison of comp and leave time of other cities.
41 Bret explained he is planning to do that comparison and is looking to change the town's
42 policy and procedures as it relates to vacation time.
- 43 25. **Capital Projects: Asset replacement program:** Bret explained there is a backlog of items
44 that need to be addressed. Vehicle replacement program identifies the some of the public
45 works equipment along with building improvements such as the repair of the rock face on the
46 town hall and the lightening prevention improvements at the Bearflat pump house. Public
47 Safety will have replacement program for their SCBA bottles, rescue truck generator, saws
48 and will be replacing the AED's with the 12-leads.
- 49 26. Council Member Freeberg inquired as to the new pumper truck the town will be receiving in
50 July 2018 and if the equipment for the truck will need to be budgeted for. Council Member
51 explained the new pumper truck will actually cost \$75,000 for the truck and equipment. Bret
52 explained those expenses will be identified out of the Wildland Fire Fund.
- 53 27. The town paved walking trail did not get completed in fiscal year 2018 and is identified in
54 fiscal year 2019 budget.
- 55 28. Mayor Calloway inquired as to the different numbers for the asset replacement fund; page
56 124. Bret explained the town will be transferring a total of \$150,000 for the asset



1 replacement which is about 80% funded. This amount does not include the fire trucks which
 2 are a large sum and the town has relied on grants in order to obtain the fire trucks. Chief
 3 Benson explained the fire department is survived by grants the department receives and
 4 were used to operate on a daily basis in which the department was ~~and~~ not getting ahead.
 5 Chief Benson explained grants are more difficult to get and the wildland program is also
 6 contributing to the operation of the department.

7 29. Bret explained the town currently leases the heavy equipment like the front-end loaders, but
 8 the town currently owns the grader. Bret explained they are ending the leasing program for
 9 the backhoe. Mayor Calloway recommended the town continue to lease the heavy
 10 equipment to ensure the town has newer equipment

11 30. Council Member Mulder inquired as to hiring a consultant for the asset replacement program
 12 to assist in balancing the lease program. Bret responded he believes a consultant can take
 13 the town further in which they would come in and review the salvage values along with the
 14 cost on the life of the equipment and then would identify a replacement program. They will
 15 value the equipment at the present condition to give an actual year for replacement. Bret
 16 explained he would be working on a policy which would identify the replacement of the
 17 equipment and would look at the projects and make decisions. Mayor Calloway stated he is
 18 not in favor of hiring a consultant at a large expense and receive information that would not
 19 benefit the town. Mayor Calloway commented he would be in favor of allocating \$2,000
 20 towards Bret's time to conduct the inventory and cost values of the equipment. Council
 21 Members Freeberg and Mulder commented they agree with Mayor Calloway on this item
 22 and suggested looking at the department heads to weigh in on the value of the equipment.

23 **Consensus of the Council:** No consultant will be hired for the asset replacement program
 24 and Bret will conduct the evaluation of the equipment. The Council agreed to budget \$2,000
 25 for the asset replacement program policy. Council Member Hunter suggested staff look to
 26 Southern Utah University for an intern for assistance or maybe as a class project. Bret
 27 explained he identified \$10,000 as a high end and inquired if the Council would consider a
 28 consultant for \$2,000. Mayor Calloway commented he would entertain \$2,000 for a
 29 consultant. Bret went on to explain he would like to price it out to see an actual cost for a
 30 consultant. **Consensus of the Council:** The Town Manager and Department Heads will
 31 complete the asset replacement program in lieu of a consultant.

32 31. **Trail from the Chair #1 parking lot / restrooms to the pond:** Bret explained funds have
 33 been identified in the FY2019 operating budget. The project will begin after the 4th of July
 34 holiday.

35 32. **Street Projects:** Shane explained the 2018 street projects are identified in the 2018
 36 construction season year since they will be completed in 2018. There is a list for 2019 in
 37 which there are three items currently identified.

38 33. Council Member Mulder inquired as to the higher interest rate for the Interconnect Bridge
 39 Bond than the others. Bret explained it was a private activity bond and had a higher interest
 40 rate. The town did try to refinance the bond but was unable to. The bond will expire in 2021.
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42 **BREAK FOR LUNCH:** The Council recessed the work session for lunch at 12:20 pm.
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45 **D. YEARS OF SERVICE & AWARDS PRESENTATION**

46 **1. Nancy Leigh, Town Clerk will receive her 15-year service award.**

47 Mayor Calloway presented Nancy Leigh her 15-year service award. The Council thanked
 48 Nancy for her years of service.
 49

50 **2. Bret Howser, Town Manager will receive his 5-year service award**

51 Mayor Calloway presented Bret Howser, Town Manager, his 5-year service award. The
 52 Council thanked Bret for his years of service.
 53

54 **3. Bret Howser, Town Manager will receive the Government Finance** 55 **Officers Association(GFOA) Distinguished Budget award.**



1 Mayor Calloway presented the GFOA Distinguished Budget award for 2018. The Council
2 thanked Bret for his dedication to the budget preparation.
3

4 **E. CONTINUATION OF WORK SESSION: FISCAL YEAR 2019 BUDGET**
5 **REVIEW**
6

- 7 34. Bret provided a summary of the strategic budget report (see attached). Bret explained the
8 document provides a summary and reconciles the line item budget with the strategic budget
9 for each strategy. The manhours, expenditures and overhead for each strategy is identified.
10 The line item budget and the strategic budget are the same but expressed in different ways.
11 35. **Strategy PI02: Actively solicit greater community participation:** Mayor Calloway
12 commented the public works crew also assist with the town clean up day by collecting the
13 trash bags and cooking for the community bbq and their time should also be added to this
14 strategy. Bret responded he will add some of public works time towards this strategy.
15 36. **PI02 and PI09: Plan and carry out community events geared towards building town**
16 **unity:** Mayor Calloway commented these two strategies are similar and inquired if they could
17 be combined as one strategy. Bret responded he will review it to determine if they can be
18 combined. Bret explained the town clean up day is identified in PIO9.
19 37. **CD01: General Plan Update:** Council Member Freeberg questioned the \$25,000 identified
20 for the General Update. Bret explained staff will investigate a little more before funds are
21 spent. Mayor Calloway suggested low-income housing could also be identified in the General
22 Plan revision.
23 38. **ED01: Assist with special events which draw visitors to the community.** Council
24 Member Mulder inquired as to the status of the cardboard boat race with the town's
25 insurance. Cecilia Johnson, Town Treasurer, reported she needs to contact the town's
26 insurance company on this item. Staff will follow up. Council Member Freeberg inquired as
27 to who is sponsoring the cardboard boat race? Mayor Calloway commented it was his
28 understanding that Brian Head Resort would be sponsoring the event. Staff will research this
29 event to determine who will be sponsoring the event along with the town's liability. Council
30 Member Freeberg recommended the town take safety precautions such as life preservers
31 along with other safety equipment be made available. Council Member Hunter suggested
32 Chief Benson meet with the resort to help with volunteers from the ski patrol.
33 39. **ED02: Plan and carry out a limited number of Town sponsored events:** Mayor Calloway
34 commented there was discussion on having the volunteer fire fighters take care of the bulk of
35 work for the fireworks display and the town in turn would contribute to the volunteer fire fund
36 for their annual Christmas dinner. Chief Benson explained with amount of time needed for
37 the fireworks display, the town would show support in letting them know they are doing a
38 good job. Mayor Calloway suggested the town contribute \$1,500 towards the volunteer fire
39 fund which will be an on-going contribution annually. Chief Benson explained that some of
40 the volunteer firefighters will not be doing the June 30th fireworks display, but there are others
41 that may want to help with the fireworks display. Chief Benson explained there were new
42 laws regulating fireworks, but since this is a community event, the town can do the fireworks
43 and if for some reason the town needs to cancel the fireworks display it would be due to a fire
44 hazard situation, but he will assess it as he has done in previous years.
45 40. **Snowmaking:** Bret explained the snowmaking principal is approximately \$302,000 and the
46 Resort pays \$285,000 since the town refinanced the snowmaking bonds at a higher interest
47 rate in order to free up bond capacity for the USDA bond. The town is responsible for the
48 difference of approximately \$17,000 a year. Bret explained he will identify this in the water
49 strategies.
50 41. **ED05: License Business to ensure health, safety and welfare:** Mayor Calloway inquired
51 if the business licenses offset themselves. Bret responded he could put the business license
52 revenue as an offset, but it fluctuates around \$15,000 total. Mayor Calloway commented the
53 business license rates should be set to offset administering the license and the town will need
54 to review the license fee at some point.



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42. **ED06: Facilitate mobility and decrease traffic through public transit:** Council Member Freeberg inquired if the shuttle contract was more than the \$120,000 identified. Bret responded the previous years the contract was higher, but last year St. George Shuttle proposed a contract of \$110,000 and there is room for any additional days that may be needed through the season along with the brochures and signage for the vehicles. Mayor Calloway inquired as to the plan for the summer transportation services. Bret explained it is identified for when the resort is needing shuttle service for an event.
43. **Retail Fuel:** Bret explained the fuel tank will be replaced in which the town has an estimated cost and the offsetting revenue against it. Bret explained the revenue received from the sales of fuel will pay towards the new tank.
44. **Multi-Mobile Transportation Plan:** Bret explained he has designated \$25,000 towards the plan. Bret went on to explain one of the challenges is identifying vehicles, ATV's, pedestrians and parking all within the right of way on Village Way and how much parking does the Council expect to get out of it. Bret explained he doesn't have a final quote on the plan, but the funds will be identified out of the Redevelopment Agency fund. Mayor Calloway inquired as to how far they are looking into the plan. Bret responded it will be identified as soon as the development of the village core since the town promised parking for the development.
45. **ED10: Beautify Brian Head:** Mayor Calloway asked the Council felt about putting more funds towards beautifying Bristlecone Pond area. Mayor Calloway commented that it has been five years since the start of landscaping the pond area and he would like to see more progress than what has taken place. Council held the following discussions:
- a. Bret explained staff has brought several options to Council for the landscaping such as sod, but Council did not want to allocate that much for sod and staff has laid down natural grass and wildflower seed specifically created for our environment along with taking soil samples along with putting down a special mix of fertilizer and scraping the chipped wood that was not helping with the erosion of the hillside.
 - b. Mayor Calloway commented with the installation of the restrooms, there will be a waterline installed that could also go towards keeping the ground watered to promote more green growth in that area. Mayor Calloway commented he would like to see more picnic tables coming off the Chair #1 parking area and the pavilion area improved.
 - c. Cecilia reported the Tree Commission accepts donations for trees and only received one donation, but they could also promote donations of picnic tables and have the community participate more.
 - d. Shane explained he doesn't believe the vision is aligned with all of the interested entities, the town, the resort and businesses. It was decided that it would be a natural landscape, but the resort want a finished look and the town is wanting a natural look and in trying to make it a natural look it takes time. If Council wants it done immediately, the cost will be \$50,000 to \$100,000. Shane went on to explain that it has taken five years to get the grass to grow on Chair #1 when the resort put it down and the Council needs to take that into consideration.
 - e. Wayne Rogers suggested the town should promote awareness such as announcing it at the pancake breakfast on July 4th along with the town's newsletter and other media resources.
 - f. Mayor Calloway commented he would like to see pavilions on the west bank and with the trail along that area, it would break it up. Mayor Calloway explained the with installation of the waterline in the area for a drip system for the trees, the town could accept donations from the public for the trees. Staff should identify a list of trees that will grow in the area for the donation list.
 - g. Council Member Freeberg suggested the town wait to see what growth took place from last year's seeding efforts and then determine which step to take next.
 - h. Council Member Freeberg suggested the town transplant trees instead of purchasing them from other locations. Bret reported he has identified \$2,500 for a tree spade for the transplanting which is approximately \$500 per tree for five trees. The town could transplant five trees to see if they survive and then either continue with transplanting or find another method.



- i. Staff will research the vendor and cost for the small pavilion that was installed at the park area west of the large pavilion and report back to Council. Council Member Freeberg commented there will be a higher cost for the concrete slab for the pavilion area on the west due to the terrain of the area
- j. Bret explained the Council previously agreed to not use sod, but the resort wants sod to cover the entire area. Bret suggested if Council is looking at sod, then he would recommend they start with three or four spaces in the area and determine if the area is being used by the public before the entire area is covered with sod.
- k. Council Member Mulder commented the town needs to have balance with the entire project since one side is unbalanced in having all the development on the east side and the west side is bare, but with the paving of the Chair #1 parking lot and restrooms, it should open the area up.
- l. Mayor Calloway proposed the Council identify \$8,000 out of the \$10,000 from the asset management study which would leave \$2,000 in the asset management fund for the study along with identifying the \$2,500 from the tree spade and an additional \$10,000 from the RDA to establish a budget of \$20,500 for park improvements. Mayor Calloway commented he did not believe the town needed to spend \$10,000 on consulting services this year. Bret inquired if the Council would consider using \$10,000 from the RDA instead of the asset management fund and recommended using \$20,000 from the RDA instead.
- m. Bret explained there could be some funds remaining from the paving of the Chair #1 parking lot and restrooms once the project is bided out. The town has identified \$165,000 for the Chair #1 parking lot/restroom project.
- n. Bret explained he would like to see \$20,000 from the RDA for the next phase on the west side of the pond for landscaping.
- o. The Council reviewed the \$150,000 for the Asset Management Fund as presented. It was determined the actual number is \$149,155. There was a number transposed (51,155 instead of 55,155). Staff will make the change.

Consensus of the Council: Strategy ED10: Beautify Brian Head: \$20,000 will be identified for the landscaping for the pond area as follows: \$20,000 from the RDA for the next phase of the west side of the pond. The \$2,500 for transplanting trees will remain in the Recreation fund. The Council also nominated Council Member Freeberg as the consultant for transplanting the trees

Public Safety Department

1. **PS03: Type 1 and Type 3 fire engines.** The equipment for the engines are coming out of the wildland fire fund.
2. **FD01:** The town's donation to the volunteer fire fund for their Christmas dinner will be identified from the 4th of July fireworks in the amount of \$1,500. Staff will verify the actual cost.
3. **FD10: Fuel Mitigation:** Chief Benson explained the town receives grants from the State Forestry and Fire and has a match in manhours. The minimum match is \$2,500 which is in kind match. Chief Benson the department will be burning slash this year from last year's wildfire. Council Member Freeberg suggested the town install signs on not reporting the prescribed fires.

Public Works department

1. **ST01:** Council recommended this strategy move over to ST02. Mayor Calloway commented the engineering contract is approximately 20%. Bret reported he will take it off the strategic plan and will identify it as a reminder to staff on how to split it up.
2. **ST05: Snow Removal:** Council Member Freeberg inquired as to where the fuel for the equipment is identified. Bret explained the fuel is identified in the shop fund and will reflect as overhead for public works and spread throughout the fund.
3. **ST08: Paved Town Trail:** The total project is identified \$250,000 in which \$50,000 will be identified from the town and the rest are grants from the Utah Outdoor Recreation and UDOT. The \$50,000 will come out of the RDA fund. Mayor Calloway inquired if the amount identifies anything for the planning of the next phase. Bret responded it includes the multi-mobile transportation plan.



- 1 4. **PK02: Trail Brochures:** Mayor Calloway inquired if there is an offset from the Tourism Bureau
2 for the trail brochures. Bret explained it is part of the marketing grant the town receives.
- 3 5. **AM03: Asset Management:** Mayor Calloway inquired as to the \$10,000 for the consulting
4 services. Bret responded he could pull it out. The fund will identify a transfer of \$150,000 and
5 what the town doesn't spend this year, it will stay earmarked for those asset replacement fund
6 which the \$10,000 is part of the \$150,000. The \$10,000 won't show this year since the town won't
7 be spending it and it won't show in any of the three strategies for this fiscal year since it will be in
8 the savings portion of the fund and could show up in the future if needed to spend the funds.
- 9 6. **WA03: Mountain View Water Distribution Line Project:** Council Member Freeberg commented
10 the town is assuming they will get the CIB grant and if the town doesn't get the grant, then the
11 project will not happen.
- 12 7. **SE01: Manhole Repairs:** Shane explained this includes going around the entire town and
13 repairing them, the town has approximately 300 manholes. Bret reported it is the next prioritized
14 project in the sewer master plan.
- 15 8. **SE01: Sewer Main trunk line Project:** Bret explained the sewer treatment plant was
16 considered by the Council but due to the existing contract with Parowan City for the sewer
17 lagoons, the town will hold off on the treatment plant until a later date. Bret went on to explain
18 when the Council is ready to consider building a treatment plant, the Council will need to revisit
19 the capital improvement project list along with any additional projects that may need to be added
20 to the list. Bret explained the costs for the treatment plant were identified at a 2012 cost, the
21 project would need to be rescoped.
- 22 9. **SW01 – Landfill fees:** Council Member Freeberg inquired as to the residential landfill fees the
23 town pays. Bret explained the town pays for residential landfill fees and also has the shop
24 dumpster that is available for the public to put their appliances in during the summer season.
25 Shane explained staff is trying to come up with solutions to reduce the garbage issues with non-
26 compactible items. Shane went on to explain South Jordan has a roll off dumpster and charges
27 the public for coming and picking up the garbage load and putting it in the roll off dumpster.
28 Council discussed the issue with the number of manhours it takes for the public works crew to
29 pick up garbage around the dumpster and pulling construction debris out of the dumpsters.
30 Those wanting to use this service would submit a request, but it would not include any logs or
31 stumps which still need to be hauled off. This is one solution the town is considering. Staff will be
32 working on notifying the homeowners of this service.
- 33 10. **SW02: Recycling:** Bret explained that 35% of the solid waste budget is dedicated to the cost of
34 recycling. Mayor Calloway commented the staff needs to get the results of the recycling survey
35 before the fiscal year 2019 budget year begins. The town can make a budget adjustment if a
36 change is needed. The town will notify the utility users by noticing it on the utility bills and on the
37 town's website.
- 38 11. Council Member Freeberg commented the taxpayers are paying \$69,000 for recycling mostly
39 commercial cardboard and if the town determines to expand recycling to plastic and glass, the
40 plan would be closer to \$225,000 for the Brian Head taxpayers. Council Member Freeberg
41 inquired if the taxpayers are aware of the total cost for recycling since they should know what it
42 costs the town. Bret responded the recycling survey asks the public how important recycling is to
43 them and how much are they willing to pay for it. Mayor Calloway commented recycling fits in with
44 the town's mission statement to co-exist is to be environmental friendly. Shane commented the
45 town does receive a small amount from the recycling center in St. George but is very minimal
46 compared to the cost of recycling.
- 47 12. **Overhead for public works:** Mayor Calloway stated he is in favor of the town continuing leasing
48 the heavy equipment and suggested staff look at other vendors who could provide a lease option
49 for the heavy equipment for the best price. Shane explained the town has been in a lease option
50 with Caterpillar due to the proximity, but staff can also research costs for other equipment
51 dealers, but those equipment dealers in St George could increase the cost of travel and transport
52 of the equipment.
- 53 13. **Merchant Fees:** Mayor Calloway inquired if the merchant fees should be split between water,
54 sewer, and solid waste. Staff will verify to determine if the fees are split correctly.
- 55 14. Bret explained staff will need to identify a new budget line item for the paved town trail and not as
56 part of the skier bridge line. Staff will verify this line item



- 1 15. **Appendix: C2:** Bret explained the town will identify \$50,000 of out savings for the replacement
- 2 of the fuel tank which is reflected in the budget.
- 3 16. **C2 – Projections:** Mayor Calloway commented this item shows the town losing its effective
- 4 buying powers due to inflations, salaries/benefits without an increase in property taxes. Bret
- 5 responded if the revenue projection continues to follow the trend along with over time cutting the
- 6 budget and barley balancing it will force the town to do a property tax increase. Council Member
- 7 Freeberg reminded the Council the RDA is not an ongoing revenue source since it is only
- 8 allocated for so many years. Bret explained the formula for the RDA funds that are based on new
- 9 growth calculations in which the town and County participate in.
- 10 17. Council Member Freeberg shared his appreciation to Bret for his knowledge and expertise of the
- 11 well thought out budget document.
- 12 18. Council Member Hunter commented he thinks staff could utilize the Ford Fusion vehicle more as
- 13 a commuter vehicle to Panguitch instead of using the trucks. Staff will follow up.
- 14
- 15

16 **F. ADJOURNMENT**

- 17
- 18 **Motion:** Council Member Freeberg moved to adjourn the work session of the Town Council for
- 19 April 9, 2018. Council Member Mulder seconded the motion.
- 20 **Action:** **Motion carried 5-0-0 (summary: Yes = 5 Vote: Yes:** Council Member Freeberg, Council
- 21 Member Mulder, Council Member Hunter, Council Member Marshall, Mayor Calloway.
- 22
- 23

24 The April 9, 2018 Town Council Work Session was adjourned at 3:20 pm.

25
26
27 May 14, 2018
28 Date Approved

29
30
31
32 _____
33 Nancy Leigh, Town Clerk

