NORTH OGDEN CITY COUNCIL MEETING MINUTES

May 10, 2011

The North Ogden City Council convened in regular session on May 10, 2011 at 5:30 p.m. in the North Ogden City Council Chambers, 505 East 2600 North. Notice of time, place and agenda of the meeting was delivered to each member of the City Council, posted on the bulletin board at the municipal office and posted to the Utah State Website on May 5, 2011. Notice of the annual meeting schedule was published in the Standard-Examiner on January 1, 2011.

PRESENT:	Richard G. Harris	Mayor
	Wade Bigler	Council Member (arrived 5:49 pm)
	Ron Flamm	Council Member (arrived 5:32 pm)
	Brent Taylor	Council Member
	Carl Turner	Council Member
STAFF PRESENT:	Edward O. Dickie III	City Manager
	Annette Spendlove	City Recorder/HR Director
	Dave Carlson	City Attorney
	Debbie Cardenas	Finance Director/Acting City Manager
	Craig Barker	Community Development Director
	Julia LaSeure	Deputy City Recorder
	Dave Nordquist	Community Services Director
	Mel Blanchard	Public Works Director
EXCUSED:	Martha Harris	Council Member
VISITORS:	Keaton Briggs	Dave Hulme
	Stephanie Godlewski	Kaylle Nelson
	Monica Rogers	Teddy Jo Rogers
	Cody Saunders	T. J. Woodhouse
	Rachel Saunders	Chanera Butler
	LaVern Cottrell	Todd Parkins
	Lana Tohman	Holly Fuller
	Megan Strank	Don Mathenson
	Loren Baguley	Tom Baguley
	James Barnes	Jaimee Martinez
	David Aardema	Tate Crowell
	Justin Olrey	Steve Olrey
	Mitchell Aardema	Nathaniel Hamer
	Kaden Nipko	Heather Baldwyn
	Eva Preece	Zach Thomer
	Amy Slaughter	Klanssa Kemp
	Steven Bernett	Greg Clarke
	Jude Clarke	Charles Crippen
	Barry Brunson	Joan Brown

NOT APPROVED

WELCOME

Mayor Harris welcomed everyone in attendance. Edward O. Dickie III gave the invocation and led the audience in the Pledge of Allegiance.

CONSENT AGENDA

1. Consideration to approve minutes of the April 26, 2011 City Council meeting.
2. Consideration and/or action to approve business licenses.
3. Set May 24, 2011 as the date to hold a Public Hearing to receive comments regarding an Entertainment Overlay Zone.
4. Consideration to adopt a Resolution to amend the Personnel Policy.
5. Set May 24, 2011 as the date to hold a Public Hearing to receive comments regarding the Final Budget for Fiscal Year 2011-12.
6. Set May 24, 2011 as the date to hold a Public Hearing to receive comments regarding the RDA Final Budget for Fiscal Year 2011-12.

Mayor Harris stated that the minutes for the April 26, 2011 Council meeting will be pulled. There are some things that need to be reviewed that are too extensive to get into tonight.

Council Member Taylor moved to approve consent agenda items 2 through 6. Council Member Flamm seconded the motion.

Voting on the motion:
Council Member Flamm yes
Council Member Taylor yes
Council Member Turner yes

Voting was unanimous. Motion passed

PUBLIC COMMENTS.

Charles Crippen, 3576 N 575 E, article in the standard examiner presented his comments inaccurately. He is not opposed to home occupations; he does have views on those that are appropriate and inappropriate. He encouraged the City Council to look at all sides.

CONSIDERATION AND/OR APPROVAL OF AN ORDINANCE REGARDING AMENDMENTS TO SECTIONS 11-2-1, DEFINITIONS; 11-7A-4, 11-7B-4, 11-7F-4, 11-7G-4, 11-7H-4 AND 11-7J-4, RESIDENTIAL ZONES; 11-9-8, HILLSIDE PROTECTION ZONES AND 11-10-6, REGULATIONS APPLICABLE TO ALL ZONES, AS THEY RELATE TO ACCESSORY BUILDINGS.

Craig Barker, Community Development Director, reviewed the current regulations regarding accessory buildings and the issues that we have had in the recent past. He explained that these types of buildings can get to be really large and impact the neighbors negatively.

Council Member Bigler arrived 5:49 pm.

Craig Barker stated that the Planning Commission came up with some additional regulations which are included in this proposed ordinance. He reviewed the proposed changes.

Mayor Harris asked what the proposed maximum height is. Craig Barker replied it is currently 35 ft. this will change it to 25 ft. which will reduce the impact.

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Council Member Taylor asked what the setbacks are for a standard house in the back yard. Craig Barker said they do vary from zone to zone but it is generally 20 ft.

Council Member Taylor asked, regarding section 11-2-1, if the large accessory building meets the definition of a garage can it be used for a home occupation. Craig said the intent is that a large accessory building cannot be used for a home occupation. The structure has to first be used as a garage and must meet that definition. Council Member Taylor said he knows people who have large shops and currently do home occupations out of an accessory building. Craig Barker replied they are probably doing it illegally. He added this is only for the newly constructed large buildings over 600 sq. ft. and we may need to clarify that.

Council Member Taylor asked what if someone comes in to build a detached garage and wants to put in a home occupation. Craig said it would depend; the Planning Commission would have to look at that. If you already have a garage is an additional structure a garage or a storage shed?

Council Member Taylor said that the 3' setback for a 15' tall building seems pretty close to him. Craig Barker said that is the present regulation and we didn't try to change that.

Council Member Turner moved to approve Ordinance 2011-07 amending Sections 11-2-1, Definitions; 11-7A-4, 11-7B-4, 11-7F-4, 11-7G-4, 11-7H-4 and 11-7J-4, Residential Zones; 11-9-8, Hillside Protection Zones and 11-10-6, Regulations Applicable to All Zones, as they relate to accessory buildings. Council Member Flamm seconded the motion.

Council Member Taylor asked if a detached building is not a garage can they have a home occupation in it. Craig Barker said no and added that that is the way it is now.

Voting on the motion:

Council Member Bigler	**yes**
Council Member Taylor	**yes**
Council Member Turner	**yes**
Council Member Flamm	**yes**

Voting was unanimous. Motion passed.

CONSIDERATION AND/OR APPROVAL OF AN ORDINANCE REGARDING AN AMENDMENT TO SECTION 11-10-27, SITE PLAN APPROVAL.

Craig Barker said this is going to require all commercial developments to include a sign plan with their site plan submittal. He reviewed the items that are currently required under this chapter which do not include signs. The developer will be required to match the sign design and materials with the buildings themselves so it is all coordinated and will be all tied together that way.

Council Member Turner asked if there is an ordinance somewhere else that talks about setbacks for signs. Craig Barker said yes, there is a whole chapter dedicated to that.

Council Member Turner said basically this is a single line addition to the existing ordinance. Craig Barker replied yes. Council Member Turner said he is surprised this wasn't in here before.

Council Member Bigler asked how long the required dimensions and landscaping at the base have been in place. Craig said it has been in the ordinance since he has been with the City. Council Member Bigler said there are a bunch of new buildings that don't comply to that. He said he feels this is micromanaging and we should let the

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business owner decide. Craig said he has been doing this for over 30 years and added that most of the developers, if they scrimp, this is where they scrimp. He feels that it does detract from the overall project look if it is not included. Council Member Bigler said he is ok with the site plan change but would like to look at the landscaping requirements later. He said he thinks the rest of it is good.

Council Member Taylor moved to approve Ordinance 2011-08 amending Section 11-10-27, Site Plan Approval. Council Member Bigler seconded the motion.

Voting on the motion:

Council Member Taylor	**yes**
Council Member Turner	**yes**
Council Member Flamm	**yes**
Council Member Bigler	**yes**

Voting was unanimous. Motion passed.

CONSIDERATION AND/OR APPROVAL OF AN ORDINANCE REGARDING AN AMENDMENT TO SECTION 11-16-1, HOME OCCUPATIONS.

Craig Barker said the Planning Commission has looked at a number of ordinances and this is another of them. He reviewed the changes that the City Council requested at the last meeting and stated those have been included in this proposal.

Council Member Taylor asked regarding environmental impacts and mitigation requirements as referenced in paragraph D. He said we have been hearing a lot about this recently and asked what role this gives to residents that live near the home occupation? Who determines if there are environmental impacts? Craig Barker said if you use a garage for a home occupation it is always a conditional use so there will be a public hearing and the neighbors have that time to comments. The Planning Commission will hear those concerns. He explained that what tends to happen is if there are technical questions, we attempt to get the technical answers. We may check with the health department on questions regarding chemicals for instance. He said there is also an appeal process.

Council Member Taylor said the Council had one of these come to us on appeal but didn't have any technical information on it. He said the Council listened to the residents on both sides and had to try to split the baby, like Solomon. Craig Barker said this will help with those issues. Council Member Taylor said we are still getting emails from residents in that area who swear that their quality of life is being impacted. Craig said the bottom line is that we would need to set aside funds to budget for this type of thing. Right now all we can do is go look or listen for ourselves and ask them to mitigate these things; otherwise we need to pay for experts. He said we do the best we can.

Council Member Bigler said he thinks it would open a huge can of worms to let the residents decide so we need to do a good job with making the laws. He would love to see our business district thrive and the residential areas thrive also. He said everyone has property rights but asked can a person do anything they want on their personal property? He said he doesn't think so because other people have property rights too. He said this is still too vague and there needs to be more direction. He added that if we are going to do this tonight he wants to make sure that the things that have been done so far will stand; it's ok as long as we are not trying to cancel out what has been done. Craig Barker said that nothing in this ordinance allows residents to make decisions; that still lies with the Planning Commission. He added that Dave Carlson, City Attorney, will tell you that everything that has happened in the past, if they don't conform to this, are grandfathered. He stated this ordinance would take effect on May 11, 2011 and only applies to things that happen from that point on. Craig said that the other issues are in the past but some people just don't let it go though they should. He added that we have not received any specific complaints related to that particular home occupation.

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Council Member Bigler said there is wisdom in having balance and that is what we are trying to do.

Council Member Flamm moved to approve Ordinance 2011-09 amending Section 11-16-1, Home Occupations. Council Member Turner seconded the motion.

Voting on the motion:

Council Member Turner	**yes**
Council Member Flamm	**yes**
Council Member Bigler	**yes**
Council Member Taylor	**yes**

Voting was unanimous. Motion passed.

CONSIDERATION AND/OR APPROVAL OF AN ORDINANCE REGARDING AN AMENDMENT TO SECTION 11-22-7, SIGNS PERMITTED FOR NONRESIDENTIAL USES IN SPECIFIC DISTRICTS.

Craig Barker explained this is probably the most sweeping amendment to this regulation in the last 30 years; in the 1980's the discussion centered on allowing only monument style signs. They are currently permitted up to 32 sq. ft. with a maximum height of 8 ft. Those are currently the only free standing signs allowed. He said we are talking about some changes to how we measure the sign area and explained the current calculation process for building signage. He said there are permitted use and conditional use signs proposed and reviewed the types of signs included in this proposal.

Mayor Harris said this is a sweeping change to the sign ordinance that started out with the Economic Development Committee (EDC). He said this has what he considers grass roots support and has gone through the Planning Commission and is now at this level. This is not something that was just hatched overnight; a lot of thought and preparation went into this.

Council Member Flamm said Kirt's sign has been a part of this community for a long time. He said you would not be able to put up that type of sign now. Craig Barker said since the 1980's that is correct. He added that this amendment will allow that type of sign as a conditional use.

Council Member Bigler said he is happy to see that we are helping the businesses. He asked about the two poles on the sign vs one pole. He said the attractiveness concern was taken care of with the requirement of the cladding. He said that a smaller sign may look better with one pole and asked if one pole could be cladded and allowed. He said he is not sure if that will do what we wanted. Mayor Harris said that is where we would go to the monument sign. Craig Barker said that could also be a low-profile sign so there are ways to allow that.

Council Member Taylor said he is on the EDC and they have spent over a year discussing this change and going back and forth. There were a couple changes proposed by the Planning Commission. He asked for some insight on their recommendations. A 75 sq. ft. maximum was the original proposal from the EDC, why did the Planning Commission reduce that? Craig said it is a smaller amount with that change but is still adequate. Council Member Taylor said the changeable copy area was originally in addition to the size of the sign but it looks here like it will be included in the total. Craig Barker said no, you can have an additional 50% of the total sign area as changeable copy and that is in the current ordinance. Council Member Taylor said he would like to see it go back to the 75 sq. ft. maximum if the City Council is agreeable to that.

Council Member Taylor moved to approve Ordinance 2011-10 amending Section 11-22-7, Signs Permitted for Nonresidential Uses in Specific Districts with the change that the 60 sq. ft. maximum be increased to 75 sq. ft. Council Member Flamm seconded the motion.

NOT APPROVED

Voting on the motion:
Council Member Flamm yes
Council Member Bigler yes
Council Member Taylor yes
Council Member Turner yes

Voting was unanimous. Motion passed.

Mayor Harris proposed that agenda item 15 be moved up to this point in the meeting.

Council Member Flamm made a motion to move agenda item 15 up to this point. Council Member Taylor seconded the motion.

Voting on the motion:
Council Member Bigler yes
Council Member Taylor yes
Council Member Turner yes
Council Member Flamm yes

Voting was unanimous. Motion passed.

PUBLIC HEARING TO RECEIVE COMMENTS REGARDING THE TENTATIVE BUDGET FOR FY 2011-2012.

Debbie Cardenas, Finance Director, explained that staff went through the budget and made some significant cuts before the proposed budget came to the City Council. Staff then met with the City Council at the budget retreat and additional cuts were made. After the budget retreat, staff went back and recommended some additional cuts. The budget being presented tonight does not include those cuts. This budget reflects a decrease in General Fund expenditures, increases in insurance premiums and Utah Retirement System contribution rates. She said we have budgeted for one new police officer and computer upgrades. She added that there is an 18% increase to the Central Weber Sewer District and there are no proposed increases in pay or taxes. There was a request to cut the City's contribution to the health insurance premiums which would result in a 1% increase in the General Fund but a significant impact to the employees. The proposed 4/10 schedule can be discussed. She said she would like to have the Council look at those cuts and let staff know what they would like to see included in this budget.

Council Member Bigler asked for clarification that the proposed cuts are not in this budget? Debbie Cardenas said that is correct, if the Council tells her what they want to be included she can let them know what the impacts would be.

Mayor Harris said we have always had a balanced budget; the question is what the General Fund balance is. The State requires it to be between 5% and 18%. Debbie said we are sitting at 7.04% right now. Mayor Harris reminded the Council that we have a balanced budget.

Council Member Flamm said general tax revenue comes from a lot of places, one of which is property taxes where we have really taken a hit. It has gone down substantially over the last three years. We have kept tightening our belts but we have been committed to not raising property taxes. It is not our intent to raise property taxes. Debbie Cardenas said this year the City will see $33,000 less in property tax revenue than was budgeted.

Mayor Harris reminded the City Council that we are holding a public hearing tonight.

Council Member Bigler said Cherry Days is showing $30,000. He said when staff brought the budget to the

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retreat there was nothing budgeted for that. Dave Nordquist, Community Development Director, said we have been able the raise about $20,000 in past years. The other $10,000 comes from booths and parade fees which totals $30,000 in revenues. Dave Nordquist said just the fireworks and concert is $30,000. Without money from the City we will have a parade and booths with no fireworks or entertainment. We will use the booth revenue and parade funds to put on Cherry Days on a smaller scale.

Edward O. Dickie III, City Manager, said we have to pay for fireworks in August in order to get a discount and we don't have the money to do that.

Council Member Turner said tonight we are deciding on the tentative budget. The final budget will come to the Council in a couple weeks and we can still add cuts and things between now and then.

Council Member Flamm said this is a good time for people to give us input on whether they want us to keep cutting things or increase taxes. Those are basically the options. The feeling is that times and tough and people would rather have us cut things that raise taxes. We are getting to the point where we have to look at these things.

Council Member Taylor asked if the numbers for motor pool have changed. Debbie Cardenas said it is still $405,000. Council Member Taylor asked what the long term implications of that are. Debbie said the motor pool fund will still have funds in it. The question is whether the motor pool fund will go to cover equipment purchases or if the general fund will begin contributing to that. We propose having the motor pool fund itself this year. Council Member Taylor asked what the implications are on the sewer and water funds with large imbalances having those funds used. Debbie said when you have a loss in an enterprise fund it is an actual loss. We have been spending down in each of those funds but the enterprise funds are meant to sustain themselves. The City needs to look at the fact that we are not charging enough to cover the operating costs there. Our revenues are consistent they are just not enough to cover the operating costs of those funds.

Debbie Cardenas thanked Council Member Flamm for recognizing that these cuts were difficult for staff to make and added that we are at a point that we have to make these cuts.

Mayor Harris opened the public hearing at 7:18 pm.

Dave Hulme, 513 E 1700 N, said he appreciates all that staff and City Council have done since the budget retreat to look at this. The cuts made show an understanding of the gravity of the situation. Regarding Cherry days, he agreed that residents will be disappointed but there have been disappointments for everybody over the last several years and this deserved to be on the list. He said relying on private donations is the way to go.

Council Member Taylor move to close the public hearing. Council Member Turner seconded the motion.

Voting on the motion:
Council Member Flamm yes
Council Member Bigler yes
Council Member Taylor yes
Council Member Turner yes

Voting was unanimous. Motion passed.

The public hearing closed at 7:21 pm.

<u>DISCUSSION AND/OR ACTION TO APPROVE A RESOLUTION ADOPTING THE TENTATIVE BUDGET FOR FY 2011-2012.</u>

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Debbie Cardenas reviewed the post retreat cuts.

Travel and training with a cut of $28,851.

Council Member Taylor asked about the trainings that are necessary vs. those that are nice to attend, is there more room to cut there? Edward O. Dickie III said what is in there now is for the required training. Debbie Cardenas said we mandated a 10% cut for everyone and added that she doesn't think there is any more there.

Debbie Cardenas said the mileage reimbursement has been cut to half of what the IRS allows.

Council Member Taylor moved to cut the $28,851 from travel and training. Council Member Bigler seconded the motion.

Voting on the motion:

Council Member Bigler	**yes**
Council Member Taylor	**yes**
Council Member Turner	**no**
Council Member Flamm	**yes**

Voting was 3 to 1. Motion passed.

Mayor Harris mentioned for everyone's information we have a five member Council and the Mayor doesn't vote unless to break a tie.

Debbie Cardenas said staff presented the 4/10 schedule to come up with some estimated savings. She said we are currently open now between 9am and 5:30pm Monday through Friday but are not servicing our customers who like to come in earlier in the morning. The only way to have those extended hours with the staff we have is to be open four days a week. Edward O. Dickie III said the 4/10 schedule we are proposing would mean a Friday shutdown. Debbie said North Ogden City is not servicing the citizens that want to come in early in the morning. We would work a four day work week. The estimated savings in fuel is $6,540 and $5,274 in utilities. These numbers reflect a very conservative 10% savings but she said she came up with about 20%. The employees would still work 40 hours a week and a holiday would be paid at 8 hours rather than10. She said we are not cutting the hours that we are servicing the citizens. This change would raise the General Fund balance to 7.79%.

Council Member Bigler asked regarding the fuel savings, where that savings come from? Debbie Cardenas said there are start-up costs with equipment. Council Member Bigler asked for more clarification. Mel Blanchard, Public Works Director, said when you start a truck up you can't just start it up and take off. Right now we don't have a facility that allows them to be kept inside so it takes time to warm them up. He said the City is really big on not idling if we don't have to but with a diesel engine it's different.

Mayor Harris said, regarding both fuel and utilities that we won't know what the savings are until we try it.

Council Member Bigler asked how we are going to save on utilities if we are still open 40 hours a week. Debbie said even though the doors aren't open to the citizens until 9am we have staff here at 7:30am. Council Member Bigler said he is trying to go through the numbers but doesn't see how that will save money. Council Member Bigler said his recommendation is that if you can shut down on Friday and still get the work done you could just stay open five days a week and not come in until 9am. Debbie said there is no way to know what the savings would be unless we do it for a year and then look at it.
Council Member Flamm said one thing he looks at is the level of service. When you are closed three days and there is a dog running loose on Friday, the Animal Control Officer has to come in on overtime. He said for him it seems that it is always a Friday that he needs to renew a license or something. He said construction is slow

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right now but when things pick up there will be people who are not happy that they can't get service on a Friday. He said maybe we should cut all the employees' hours to 32 a week and that would save the budget a lot. He said he is having a hard time with this.

Council Member Taylor asked if there are other cities that use this schedule. Debbie Cardenas replied yes but they all did it recently and have not tracked their savings yet. Council Member Taylor said a lot have done it in the last year or two. Mayor Harris said Provo City is on the 4/10 schedule. Council Member Taylor said it was mentioned that there are not a lot of residents coming in a Friday and asked if that is just Administration. Edward O. Dickie III said staff looked at this after the retreat in staff meeting. He said he has no idea how much savings we would see but the main point that staff made is that there are a lot of people coming before 9am on other days than come in all day on Friday. He said we don't have the staff to be open 10 hours a day all week but there are a lot of people who wish we were open earlier. He suggested if the Council is not united on this, we move on.

Council Member Taylor said if there are savings and we can increase service to the residents before they go to work it might be something to consider. He said that would give staff an extra benefit that doesn't cost the City anything and he doesn't think we pay our staff enough. It could be a job benefit though not a financial benefit. That is another reason to look at it further and he is open to looking at it more.

Council Member Turner said he is the one that initially asked staff to look at it.

Council Member Turner moved to not include the 4/10 schedule. Council Member Bigler seconded the motion.

Voting on the motion:

Council Member Taylor	**no**
Council Member Turner	**yes**
Council Member Flamm	**yes**
Council Member Bigler	**yes**

Voting was 3 to 1. Motion passed.

Debbie Cardenas said we have a part-time person working 29 hours and if we cut them to 20 hours it would save $5,850. Mayor Harris said the part-time person is amenable to that change.

Council Member Turner moved to cut the part-time employee from 29 to 20 hours. Council Member Bigler seconded the motion.

Voting on the motion:

Council Member Turner	**yes**
Council Member Flamm	**yes**
Council Member Bigler	**yes**
Council Member Taylor	**yes**

Voting was unanimous. Motion passed.

Debbie Cardenas said there is savings this FY by not having the pageants which total $13,000. Mayor Harris said the effect is raising the fund balance this year which rolls into next year. He said this requires no vote and is just informational.
Debbie Cardenas said eliminating Movies in the Park would save $4,100. Mayor Harris said there is a cost associated with that as we have already spent some money on this.

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Council Member Taylor asked if we are going to look at trying to see if people will put contributions toward it or just end it. Dave Nordq uist, Community Services Director, said he thinks we are going to just cancel it. There have been some concerns about Monday night activities in the City and the police. We would do it four times this year and none next year.

Council Member Turner moved to eliminate Movies in the Park. Council Member Bigler seconded the motion.

Voting on the motion:
Council Member Turner yes
Council Member Flamm yes
Council Member Bigler yes
Council Member Taylor yes

Voting was unanimous. Motion passed.

Debbie Cardenas referred to a proposed cut to the MUTCD upgrade which would save $4,800. Mel Blanchard, Public Works Director, explained that the Federal Government is mandating that we upgrade to a certain reflective type sign and we have already started that process. Debbie said it is a five year program and this is the first years expense, next year we will have to add this in and spread the expense out over four years instead of 5.

Council Member Bigler moved to leave the MUTCD upgrade in the budget this year. Council Member Flamm seconded the motion.

Voting on the motion:
Council Member Flamm yes
Council Member Bigler yes
Council Member Taylor yes
Council Member Turner yes

Voting was unanimous. Motion passed.

Debbie Cardenas mentioned cutting rental equipment for the parks which would save $1,000. Council Member Flamm asked what it is for. Dave Nordquist said the biggest part is that we were renting a lift truck but we have our own now. Edward O. Dickie III said that is not the only reason for the cut and mentioned that we made other cuts at the retreat.

Council Member Flamm moved to remove the $1,000 for rental equipment for the parks. Council Member Taylor seconded the motion.

Voting on the motion:
Council Member Bigler yes
Council Member Taylor yes
Council Member Turner yes
Council Member Flamm yes

Voting was unanimous. Motion passed.

Debbie Cardenas referred to a proposed cut to the budget for the replacement of Christmas lights.

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Council Member Taylor moved to cut $1,000 from Christmas lights. Council Member Flamm seconded the motion.

Voting on the motion:
Council Member Taylor yes
Council Member Turner yes
Council Member Flamm yes
Council Member Bigler yes

Voting was unanimous. Motion passed.

Debbie Cardenas referred to a proposed cut for Court phone expenses.

Council Member Taylor moved to cut $400 for Court phone expenses. Council Member Turner seconded the motion.

Voting on the motion:
Council Member Taylor yes
Council Member Turner yes
Council Member Flamm yes
Council Member Bigler yes

Voting was unanimous. Motion passed.

Debbie Cardenas referred to a proposed cut to Court warrants.

Council Member Flamm moved to reduce the budget for Court warrants by $1,500. Council Member Taylor seconded the motion.

Voting on the motion:
Council Member Taylor yes
Council Member Turner yes
Council Member Flamm yes
Council Member Bigler yes

Voting was unanimous. Motion passed.

Debbie Cardenas referred to a proposed cut to the non-departmental unemployment budget.

Council Member Turner moved to cut $6,800 from non-departmental unemployment. Council Member Flamm seconded the motion.

Voting on the motion:
Council Member Flamm yes
Council Member Bigler yes
Council Member Taylor yes
Council Member Turner yes

Voting was unanimous. Motion passed.

Debbie Cardenas said the line item for inspections is an error and should be taken off the list.

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Debbie Cardenas said the final proposed item is elections because Annette Spendlove, City Recorder, felt we could cut $1,000. Annette Spendlove said at the time of the budget retreat she did not have the numbers from the County and the Fire District will have to contribute their share also so she is comfortable with this cut.

Council Member Turner moved to cut $1,000 from elections. Council Member Taylor seconded the motion.

Voting on the motion:

Council Member Flamm	**yes**
Council Member Bigler	**yes**
Council Member Taylor	**yes**
Council Member Turner	**yes**

Voting was unanimous. Motion passed.

Debbie Cardenas asked whether the City Council wants to look at the 90/10 vs. 80/20 on insurance.

Council Member Bigler said he would like to look at it. He said it is not popular with staff but we need to look at it. If we took it from 90% to 80%, which he thinks is still fair; we would save over $50,000 a year, each year. With the proposed 4/10 schedule we don't know if that would save anything, this is a certainty. He wants to include that he appreciates all that the staff does but he thinks 80% is a fair and reasonable number.

Council Member Flamm asked what the current rates are.

Council Member Bigler said we are cutting a lot of things that residents benefit from but we aren't looking at the employees' benefits. Debbie Cardenas said there is no cost of living adjustment included in this budget. The employees got nothing last year and there is nothing proposed this year either.

Council Member Bigler said he had some information that differed from that but we won't get into it here. He said government jobs tend to pay more than private sector jobs because we are spending other people's money. If you compare North Ogden to other cities the pay is good and the benefits are really good.

Annette stated the current monthly premiums for medical and dental are as follows:

<u>Medical – Altius Health Plans</u>

Peak Plus	Peak
Single $368.67	Single $334.14
Family $1260.85	Family $1134.40

<u>Dental – EMI Health</u>

Single $31.90
Two Party $69.70
Family $113.10

Debbie Cardenas said for a lot of the employees a 10% increase in insurance premiums equals a 6% pay cut. Debbie explained that the Utah League of Cities and Towns has a benchmarking process and North Ogden City falls in the high income category.

Council Member Taylor said he agrees in philosophy that we need to look at more cuts. He still thinks we have a bad fiscal trend that is somewhat being corrected by these cuts. If the economy doesn't improve this year we are looking at bigger problems next year. When we start talking staff benefits in government we have to know that

NOT APPROVED

the staff is our biggest expense in the City but also our biggest resource. People can do a lot, a little, or a little and make it look like a lot and if there is low morale that is not good for the City. The amount of knowledge that the long-term employees have is invaluable. He said he personally thinks it's better to look at some furlough days. Mandatory furlough days will cut the deficit we have so it's not so bad next year. He said he would prefer to leave the benefits alone but look at a more temporary solution.

Council Member Flamm moved to maintain the current insurance payment at 90/10. Council Member Turner seconded the motion.

Voting on the motion:

Council Member Turner	**yes**
Council Member Flamm	**yes**
Council Member Bigler	**no**
Council Member Taylor	**yes**

Voting was 3 to 1. Motion passed.

Council Member Taylor said in finance there was $9,800 in credit card processing fees. Debbie Cardenas said it has been split out by department. She said it is a significant expense to the City but a benefit to the citizens. Council Member Taylor suggested adding a small convenience fee for credit card payments. He suggested we attach a small fee to the user. The processing fees in finance alone are nearly $10,000. He proposed that we attach a fee to the use of a credit card that would offset the merchant fees and asked what would the consequences of that would be. Debbie Cardenas said she went to another city and they charged a $3 fee. She said if they don't want to pay that fee the consequence will be increased traffic in the City office.

Edward O. Dickie III asked what the fee is. Debbie Cardenas said it depends on the card. Council Member Taylor said for Visa and MasterCard it is typically 2 to 4%.

Council Member Flamm said Farr West City charges a fee and on $120 it was $4. Council Member Bigler asked if we could just charge everybody $3.

Council Member Turner said he would like to see some potential dollars associated with this for our next discussion. Debbie Cardenas said it might be difficult to project.

Council Member Turner asked if there is a cost to implement this. Debbie said no, other than an initial startup cost.

Council Member Taylor suggested directing staff to look at it. Annette Spendlove said it will have to go in the consolidated fee schedule too.

Council Member Turner said the next meeting is the public hearing but we don't vote on the final budget until June 14th.

Debbie Cardenas said we could bring the numbers back at the public hearing.

Council Member Bigler said we could even do $2 to begin with and see where we are. So it is not totally drastic for residents. Council Member Taylor suggested we would need to see average transactions and take it from there. Debbie said staff will bring some proposals.

Council Member Taylor asked staff to look at the line items for purchase equipment and use licenses. He mentioned that he would like to explore using any free services currently available.

NOT APPROVED

Council Member Taylor asked about cleaning contracts. He said he thinks we could have part time employees hired for that purpose. Debbie Cardenas said we went out to bid, cut back the number of days the buildings are cleaned and the employees will be responsible for cleaning their own areas.

Council Member Taylor said he is still concerned about the budget as far as the trends. He said we are spending more than we make. Instead of correcting the imbalance we have been supporting the lifestyle for lack of a better term. He said we need more revenue or less expenditure.

Council Member Taylor said the recreation revenue is $60,000 and expenditures are $180,000. He said he would like to see at least $60,000 new dollars for recreation. He said, regarding payroll, that he would rather see a few furlough days this year than having to cut jobs next year. He said we have to fix the imbalance so we are not in this cycle for years and years. He suggested a sliding scale for furlough days based on wages. Another option is a property tax increase.

Council Member Bigler said he would be against a tax increase with the 90% insurance benefit there. We are looking too much in this room than out in the community. There are certain things that some people can't do for themselves. Recreation is something that people enjoy and they can't do a league by themselves. He suggested that nonresident football fees be increased. He would like to see that for the nonresidents. We can do furloughs too but if we are looking at the trends for several more years he feels that furloughs are a Band-Aid approach. That is not going to fix the trend.

Council Member Bigler said we should look at cleaning and credit card fees.

Mayor Harris said some of the things Council Member Taylor proposed are drastic and we need motions on some of those. Mayor Harris said we could end up hurting ourselves; we have big city expenses with small town revenues and not a lot of options for raising revenues. It doesn't take much of a positive trend to raise our revenues as well. He reminded the Council that it wasn't too many years ago that we had the funds to pay cash for the community services building.

Debbie Cardenas asked for a list of the Council's recommendations.

<u>Credit card fees</u> –

The Council agrees that Staff should take a look at this.

<u>Software licenses</u> –

Council Member Flamm said you get what you pay for and he has concerns with that. Debbie Cardenas said our IT person can bring back a recommendation.

<u>Cleaning contract</u> –

Mayor Harris and Council Member Flamm said there are security issues there also. Annette Spendlove said they would have to be bonded and pass background checks. Council Member Bigler said he and Council Member Taylor would like staff to look at that. Council Member Flamm said as they have already gone out to bid and issued a contract that could cause some problems. Annette Spendlove said we have not signed contracts yet. Council Member Bigler said his employer expects perfection and security. They contract it out and he doesn't have to stay there when the cleaning people are in the building. He said he is not talking about having 18 year olds do it. Debbie Cardenas said we went out to bid and got quite a few proposals.

NOT APPROVED

Council Member Taylor moved that we direct staff to examine the possibility of using in house part-time employees for cleaning city buildings and report back and next meeting. The motion died for lack of a second.

Council Member Bigler asked if they would only have to be bonded to be here when the doors are closed. Annette Spendlove said they have to be bonded no matter what.

Recreation fees –

Debbie Cardenas said it is a delicate balance and a chance of pricing ourselves out. Edward O. Dickie III said we are implementing adult leagues and there may be more revenue there.

Council Member Taylor moved to require Recreation to self-fund at 2/3 of its operating budget rather than the current 1/3. Motion died for lack of a second.

Dave Nordquist said he took that recommendation to the Recreation Director and we can do that in football but as we work with the other cities the tradeoff for the non-residents is that other cities have pretty much funded our flag football. Becca Godfrey, Recreation Director, didn't think we would see any savings there. Annette Spendlove said they don't charge us to use the fields and gyms in those cities either. Council Member Bigler said we don't play football in Pleasant View or Harrisville. As far as recreation goes instead of doing tons of things why don't' we do a few things really well or require these cities a fee to have their people participate.

Council Member Bigler said he feels that particularly with football non-residents should be paying more. Mayor Harris said we will look at that specifically.

Furloughs on a sliding scale –

Council Member Taylor moved to direct staff to examine a temporary one year furlough program on a sliding scale and what the impacts would be on operations and savings. Council Member Bigler seconded the motion.

Council Member Bigler said we are talking about just looking at it and bringing back some different recommendations. He is not asking for anything specific, just different options.

Council Member Taylor said he wants this to be a temporary solution. This is still not a good thing for the employees but it is the least bad thing.

Voting on the motion:

Council Member Flamm	**no**
Council Member Bigler	**yes**
Council Member Taylor	**yes**
Council Member Turner	**no**
Mayor Harris	**no**

Voting was tied. Mayor Harris voted no. Voting was 3 to 2. Motion failed.

Property tax increase –

Council Member Taylor said he feels like we are getting as close to the edge as possible and we can fix things by either more revenue or less spending. If we aren't going to do the cuts then we need to increase revenue. Mayor

NOT APPROVED

Harris said he hears what Council Member Taylor is saying but hopefully there are better days ahead. Council Member Bigler said there are other things that are going to be increasing if the City Council votes for them.

Council Member Taylor moved that staff examine a property tax increase to raise our revenues and have staff report back in two weeks. Motion dies for lack of a second.

Council Member Flamm moved to approve Resolution 02-2011 adopting the tentative budget for FY 2011-2012. Council Member Bigler seconded the motion.

Council Member Taylor said he will be voting no for the reasons he stated before. He hopes next year the revenues increase but we are not planning for the future.

Voting on the Motion:

Council Member Turner	**yes**
Council Member Flamm	**yes**
Council Member Bigler	**yes**
Council Member Taylor	**no**

Voting was 3 to 1. Motion passed.

Debbie Cardenas said, as the Finance Director, she hears Council Member Taylor loud and clear but there is a balance.

DISCUSSION AND/OR ACTION TO APPROVE A RESOLUTION ADOPTING THE CONSOLIDATED FEE SCHEDULE.

Annette Spendlove, City Recorder, reviewed the changes to the Consolidated Fee Schedule.

Council Member Taylor asked, regarding records requests, if someone requests something on the website do they get it free. Annette Spendlove replied yes and we always direct them to the website if the information is there.

Council Member Bigler said he is glad we have lowered the Senior Center rates but he would like to see the refundable deposit increased for residents to $200 and non-residents to $300. Dave Nordquist said the only problem with that is that we are keeping the citizens money for a long time and we were worried about the amount of money that the City would be holding. Council Member Bigler asked if we can take their credit card number but not charge it unless we need to, like a hotel does. Dave Nordquist said for residents we feel like their rates need to go down. Edward O. Dickie III said he would like the higher deposit also. He asked if we could take a 10% deposit or something and then have them come in closer to the reservation and pay the rest? Dave Nordquist said they will have to come up with a different way to handle reservations. Council Member Bigler said he would like the contract state that if you bring in alcohol you get kicked out and you lose your deposit. Council Member Bigler said, regarding weddings, that the longer reservation time is necessary to allow for weddings. Because of the way the fees are structured we may be losing out on a lot of money by requiring $100 per hour over the first four hours. Mayor Harris suggested a separate wedding rate. Council Member Bigler said yes, it is a beautiful place and that could work for Saturday weddings. He said he thinks that could bring in some more revenue.

Council Member Flamm moved to adopt Resolution 03-2011 with the changes discussed. Council Member Turner seconded the motion.

NOT APPROVED

Voting on the motion:

Council Member Flamm yes
Council Member Bigler yes
Council Member Taylor yes
Council Member Turner yes

Voting was unanimous. Motion passed.

PUBLIC HEARING TO RECEIVE COMMENTS REGARDING BORROWING MONEY FROM THE SEWER FUND TO PURCHASE PROPERTY.

Debbie Cardenas, Finance Director, said the City has the opportunity to purchase property that we are very interested in. We propose that we borrow from the sewer fund. $1,313,852 will be left in that fund if we borrow from it. We have received an appraisal and have made an offer. We propose a 10 year allocation to pay that back. We could also rent the home that is on the property and put that money back in. We also propose that we sell some other property and use the proceeds from that to pay the fund back in full. The property in question is the McCormick property on the corner of 2750 N and 550 E.

Mayor Harris said this would become part of North Ogden Park and would be a wonderful addition to the park. He said the purpose of tonight's meeting is just to take public comment. Mayor Harris explained that the City has made a $220,000 offer to purchase.

Council Member Bigler said it is important for everybody to know that the offer was based on City Council approval so it is not a done deal. Mayor Harris said that is true; we are going to have to borrow from the sewer fund so we need to hold a public hearing.

Council Member Taylor said the general fund is the same one that we are already borrowing from so how will we pay the sewer fund back? Debbie Cardenas said the general fund does have a balance but it is less than what it has been in the past. Council Member Taylor said our expenditures are exceeding our revenues and that is his concern.

Edward O. Dickie III reminded the City Council that they gave staff direction to get an appraisal on the property proposed to sell.

Council Member Bigler said he would rather sell that property first and then buy this other property. It is easier said than done that we will pay it back. He feels this is a nicety not a necessity and at some point we have to decide what is necessary and crucial.

Council Member Flamm said this property has not been available to us ever before and we have been trying to get as much of that block as possible. We do have a piece of property but we feel it is not as nice as this would be. While Real Estate values are down and we have the funds he thinks we need to strike while the iron is hot.

Debbie Cardenas said we chose the sewer fund because it is the healthiest.

Mayor Harris opened the public hearing at 6:50 pm.

Dave Hulme, 513 E 1700 N, said he thinks it would be a mistake to borrow from the sewer fund to buy this. It would make it very difficult to rationalize increases in utility rates in the future. This would be a mistake, but if this is a once in a lifetime opportunity maybe we can pursue other options for the money.

NOT APPROVED

Cody Saunders, 3169 N Holiday Dr., asked what the intended purpose is for that property. Mayor Harris said it is an acre that is adjacent to an existing park that would make a nice addition to the park. The important thing is to get that property and make that block complete as far as North Ogden Park is concerned.

Council Member Turner moved to close the public hearing. Council Member Taylor seconded.

Voting on the motion:
Council Member Taylor yes
Council Member Turner yes
Council Member Flamm yes
Council Member Bigler yes

Voting was unanimous. Motion passed.

The public hearing closed at 6:54 pm.

PUBLIC/COUNCIL COMMENTS

Dave Hulme, 513 E 1700 N, said he thinks we should annex Pleasant View as it would be a huge source of revenue without much cost to us. Regarding the credit card fees he recommended that we don't charge them at the pool. He said he is curious if we have a primary election how that gets paid for? Annette Spendlove said there are funds in the budget to cover primary and general elections. He said, regarding tax increases, that we should consider a sunset clause and do it year by year and have it revert back. Regarding operational hours he suggested that we make some days different hours than other days. For instance Wednesday could be a late start day and with a later finish and Friday we could start earlier and close earlier. People who want to come in earlier would make Fridays busier.

Tom Baguley, 3590 N 575 E, suggested that the City find a cheaper health insurance plan to help with the budget. He said he pays $2,500 in property taxes and we don't need higher taxes. Regarding the ordinance on home occupations, he thinks it was appropriate. He said he is still confused on 11-16-1 items D and J regarding minimal environmental impact. He said Craig Barker said he is not under this proposed ordinance so the original conditional use standards will apply. He asked who polices what an environmental impact is and who has the right to say anything about it. On air quality he said he called many government agencies and the health department and others and they said he would need to hire a professional to do it. He contacted some professionals and was told it would cost about $2,400 but none of them had ever heard of doing it for a home business.

Council Member Turner said he won't be at the next City Council meeting because his son is graduating high school. He mentioned that tomorrow at 5:30pm the Parks and Trails Beautification Committee is meeting. He said it has been mentioned previously that Big-D Construction pays 90% on the health insurance but they do not. He said you can't run a government agency like you run a private business. He said he understands the passion and the goals of saving money. He said the staff has done a fantastic job and they are working on a bare bones budget. He thanked the staff for all they have done.

Council Member Bigler thanked the staff for the work they did and said he appreciates it. He agrees with Dave Hulme's comment regarding the credit card fee at the pool. He said he thinks those $5 charges should be left out but we should look at permits and utilities. He said he thinks government can be run similar to a private business. You spend less than you make. He referred to the website that has all the public employee's incomes and asked for clarification; on the salaries there is a disclaimer that the salaries are from 2009. Annette Spendlove said she sent that information effective 1-24-2011 and she doesn't know why it would say that. Council Member Bigler

NOT APPROVED

said he would like to know about that. Annette Spendlove said those are the correct numbers and she will call tomorrow on that.

Debbie Cardenas passed out and reviewed the quarterly report for this FY through March 2011. (Attachment A)

ADJOURNMENT.

Council Member Bigler moved to adjourn and reconvene in the RDA. Council Member Flamm seconded the motion.

Voting on the motion:

Council Member Taylor	**yes**
Council Member Turner	**yes**
Council Member Flamm	**yes**
Council Member Bigler	**yes**

Voting was unanimous. Motion passed.

Meeting adjourned at 10:02 pm.

_____

Richard G. Harris, Mayor

_____

S. Annette Spendlove, MMC
City Recorder

_____

Date approved

NOT APPROVED

ATTACHMENT A

FINANCIAL STATUS
MARCH 2011

TO: MAYOR AND CITY COUNCIL

FROM: DEBBIE CARDENAS DMC

DATE: 5/10/2011

- Through March we are at 75% of the fiscal 2010-2011 budget year.

- At this point the General Fund is as follows:
  - General Fund revenues are at $4,963,361 or 79.3% of the budget
  - Expenditures in the General Fund are at $4,450,084 or 73.2% of the budget
  - Revenue over expenditures is $513,277

- Year End Projections:
  - We project fee-in-lieu taxes to be $50,000 more than budgeted
  - Property taxes are $33,178 less than budgeted due to delinquencies
  - We anticipate a $40,000 surplus in the State Road Allotment (Class 'C' Road funds)
  - We anticipate a $20,000 less in Interest Earnings
  - Sales Tax revenue is on track at 76%
  - We anticipate a $20,000 shortfall in Charges for Services related to building
  - Overall we project $30,354 less in budgeted revenues

- Overall Departments cut $230,150 from the budget

- Most of the departments are below or within budget. Exceptions include the following:

  - Finance @ 80.5% - page 3
    - Account number 10-45-310 – Audit services cost more than anticipated.

  - General Government @ 135.2% – page 4
    - Account number 10-49-260 – Due to the Sewer backup.

  - Sewer Fund @ 111.1%
    - Account number 12-40-740 – We purchased the Vacuum Leaf Collector.

- We will be re-opening the budget on June 21st to address all other expenditures not originally budgeted but approved by the Council throughout the year.

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