

CLEARFIELD CITY COUNCIL MEETING MINUTES
6:00 P.M. WORK SESSION
April 3, 2018

PRESIDING:	Mark Shepherd	Mayor
PRESENT:	Kent Bush	Councilmember
	Nike Peterson	Councilmember
	Vern Phipps	Councilmember
	Tim Roper	Councilmember
	Karece Thompson	Councilmember
STAFF PRESENT:	JJ Allen	City Manager
	Summer Palmer	Assistant City Manager
	Stuart Williams	City Attorney
	Scott Hodge	Public Works Director
	Greg Krusi	Police Chief
	Eric Howes	Community Services Director
	Spencer Brimley	Community Development Director
	Rich Knapp	Finance Manager
	Lee Naylor	Accountant
	Trevor Cahoon	Communications Coordinator
	Nancy Dean	City Recorder
	Wendy Page	Deputy Recorder

VISITORS: Kathryn Murray

Mayor Shepherd called the meeting to order at 6:02 p.m.

DISCUSSION ON A REQUEST BY FREEPORT CENTER TO REZONE PROPERTY
LOCATED AT APPROXIMATELY 1000 WEST AND STATE ROAD 193 FROM A-1
(AGRICULTURAL) TO M-1 (INDUSTRIAL)

Spencer Brimley, Community Development Director, stated Freeport Center Associates (FCA) requested a rezone for parcels located on the southeast side of the intersection at approximately 1000 West and Highway 193 from A-1 (Agricultural) to M-1 (Manufacturing). He indicated the request to rezone approximately four acres was being made in anticipation of a reconfiguring of lots to accommodate the expansion of one of its larger tenants.

Councilmember Bush asked if Freeport Center Associates was intending to sell the property to a developer. Mr. Brimley answered the intention was to keep the property and when it was ready to be developed there would be requirements to improve the frontage along 1000 West and maintain the standards relative to its development for those parcels.

Mr. Brimley noted the 4.415 acres were currently shown on the zoning map as Business Park which allowed for M-1 use within the City's General Plan Land Use Map and were zoned A-1. He mentioned the parcels were vacant and surrounded by the following zones and land uses:

- North - R-1-9 (Single Family Residential)
- East - M-1 (Manufacturing)
- South - M-1 (Manufacturing)
- West – Syracuse City

Mr. Brimley stated the proposed amendment was in accordance with the General Plan to maintain consistency with the surrounding parcels and with the current operations.

He announced staff had not received any public comments to date. Mr. Brimley indicated the Planning Commission was scheduled to hold its public hearing for the request on Wednesday, April 4, 2018. He stated the recommendation of the Planning Commission would then be brought to the Council for its consideration on April 10, 2018. He asked if there were any questions.

DISCUSSION ON THE 2018/2019 FISCAL YEAR BUDGET

Rich Knapp, Finance Manager, stated during the March 27, 2018 work session discussion on budget revenues, park impact fees were not specifically noted and Councilmember Bush had asked how much revenue was anticipated. He identified \$60,000 was budgeted in Fiscal Year 2019 (FY19) for anticipated park impact fee revenue. He acknowledged the balance remaining from prior years collected was much higher and approximately \$600,000. There was a discussion about park impact fees and the six year limitation for spending those funds. Eric Howes, Community Services Director, noted \$250,000 of the park impact fee revenues were budgeted for the Mabey Pond waterline project identified in the FY18 budget.

There was a discussion about the projects which could be funded by impact fees, the Capital Facilities Plan and its need for an update, fees which were manageable for developers, the Council's discretion to approve an impact fee lesser than the maximum amount, and the balance with development which included a plan for open spaces, parks and amenities. Mr. Knapp stated that two years previous water, sewer, and storm impact fees were significantly reduced. He reviewed the FY16 and FY17 actual revenues for water, sewer, and storm impact fees as well as the budgeted FY18 and FY19 amounts.

Mr. Knapp mentioned the capital project for new flooring at the Aquatic Center on the first and second floors was projected to cost \$120,000 and had been cut from the draft budget. He indicated it had not been mentioned during prior discussions. He reviewed the draft FY19 budget highlights; the budgeted operating and debt expenditures; expenditure summary, budget notes, and changes from FY18.

He noted all personnel expenditures would be higher in FY19 due to increases for market, merit, and benefit costs. Mr. Knapp acknowledged medical insurance costs could be increased as much as 15 percent but those actual costs would not be known until closer to the tentative budget adoption. He asked if the Council was comfortable not having the final numbers until the tentative budget was adopted and keeping the maximum 15 percent projected increase included

until numbers were more definitive. The consensus of the Council was to keep a 15 percent buffer for medical insurance costs until the actual numbers were known. Mr. Knapp asked if there was any further discussion needed. Councilmember Phipps expressed his opinion the insurance benefits offered to City employees were a great benefit. He anticipated a time would come industry wide when it would not be economically feasible to continue to offer high cost sharing ratios due to the medical cost increases. Mr. Knapp agreed if costs continued to rise similar to previous years it would be difficult to sustain.

He explained the draft budget had changed from the prior week's review because the General Fund budget was \$47,000 too low due to a calculation error. He indicated the current draft before the Council included the adjustment. He highlighted the significant changes in revenues, personnel and capital projects. Mr. Knapp noted cell tower lease revenues were not included in the budget revenues due to the initial nominal amount expected and traffic school revenues were also not included because it was still being evaluated.

He reviewed budget expenditures which included historic trends by expense type and function; projected energy savings; bonds and debt services. Mr. Knapp went through the General Fund expenditures projected for FY19 based on the FY16 and FY17 actual and FY18 proposed budgets. He suggested the budget notes could be examined if necessary and then reviewed the changes in expenditures from FY18 to FY19 for all accounts. There was a discussion about various expenditure accounts and purposes, the conservative budgeting process, and the variances from FY18. Mr. Knapp acknowledged a large percentage of expenditures were projected based on historical data and some expenses had been shifted to other departments when it seemed applicable.

Councilmember Peterson asked if there was still grant funding available to cover costs for the victims advocate position to ensure those services would still be available for residents. Stuart Williams, City Attorney, advised the last grant application was good for two years and the data supporting the need for services should provide justification for future grant renewals. He stated the next grant application would be due in April of 2019.

Councilmember Peterson asked for information about the Community Services expenditure line item regarding \$17,500 for Fourth of July rentals. Mr. Knapp explained the rentals should have been included in the FY18 budget and were not due to an oversight. He explained the drastic increase from the FY18 to FY19 budgets for operational expenditures was because rentals fees had been included in the FY19 budget. There were further discussions about expenditures in the budget and the budget notes were reviewed in more detail for Communication and Fourth of July expenditures.

Councilmember Phipps wondered when the Maintenance Operation Center (MOC) was anticipated to be operational. Scott Hodge, Public Works Director, responded the building should be ready in June 2018 and the moving-in process would begin. Councilmember Phipps asked if there were any additional expenditure items associated with the new building or if all were factored into the cost of the project. There was a discussion about costs associated with a new building and whether or not a buffer was added to the FY19 draft budget for any anticipated utility and maintenance costs. Councilmember Phipps requested to know if furniture costs were

included with the project costs. Mr. Knapp acknowledged furniture was included with the cost of the project; however, he planned to review the draft FY19 budget and work on projecting the MOC operational costs so it could be discussed during a future budget discussion.

Mr. Knapp concluded the budget review and asked if there were any questions. Councilmember Bush asked what UPS (Uninterruptible Power Supply) batteries were that were identified in budget notes of building maintenance. Mr. Howes explained the UPS batteries were for the building's power system located near the dispatch center. He explained there were 75 batteries which needed to be replaced every three years.

Councilmember Bush wondered why the Parks and Recreation code 611501 for part time had all zeros on the spreadsheet but totaled \$20. Lee Naylor, Accountant, responded the zeros were actually a fraction and valued less than a dollar thus reflecting the zero; however, when totaled it represented the anticipated cost for FICA payroll taxes for part-time personnel for a particular project.

Councilmember Peterson questioned if converting the police fleet to trucks was something being considered for the FY19 budget. JJ Allen, City Manager, mentioned the data had been prepared; however, requested another week to fine tune the analysis before having a discussion. He stated if the truck program was implemented it would draw down the City's reserves and suggested it would be important to take a closer look to determine the financial impacts, risks, and provide time to evaluate the pros and cons during a future budget discussion. He complimented Mr. Knapp and Mr. Naylor for researching and preparing an analysis.

Councilmember Peterson wondered if the \$2,000 budgeted amount for messaging of special projects was adequate for communication specifically regarding the Form Based Code. There was a discussion about using messaging to explain the "why" about Form Based Code and the City's plan for urbanizing its corridor. Trevor Cahoon, Communications Coordinator, stated the expense in the FY19 budget included messaging through a full page condensed newsletter which would be distributed quarterly with the utility bills; however, about 3,000 residents would not receive that publication because the bill typically went to the landlord rather than the tenant.

There was a discussion about messaging forums and costs for providing information to residents; creating a simplified message which could be distributed to residents about the City's vision for the downtown; and preparing something with familiar wording which would better explain Form Based Code that could be shared during the City event on May 3, 2018 at the Aquatic Center. Mr. Allen expressed his opinion it would be a good idea to have something prepared and ready for distribution at the May 3rd event which simplified the City's vision for the downtown area. Mr. Cahoon concluded there were expenses included in the communications budget for various forms of messaging through video, printing, and mailing which were not specified for a particular project; however, if more funding was available the condensed newsletter sent out with the utility bill could be distributed more frequently. The consensus of the Council was not to increase the messaging budget for additional distribution; however, use budgeted funds toward at least one mass circulation on simplified Form Based Code messaging to explain the City's vision for the downtown area.

Mr. Allen acknowledged with Mr. Cahoon's increased workload of Mr. Cahoon, the electronic newsletter had been less frequent and wondered if the Council had any reservation about transitioning to a quarterly report. There was a discussion about reducing the frequency of the City newsletter, the current readership, impacts to email inboxes, and if there was a reduction in frequency perhaps other specialized event announcements could be sent when needed and not put a strain on inboxes.

Councilmember Phipps asked if there would be suitable time for the newly hired IT Manager to review the draft budget and determine if the proposal was adequate or perhaps could be reduced. Mr. Allen answered there would be time for review and input because the new manager was anticipated to start work the following day and there was still another month until the tentative budget would need to be adopted.

Mr. Knapp reassured the Council that there was time to review and discuss the budget in more detail in the coming meetings if necessary. Mr. Allen commented if the Council had questions or concerns when reviewing the budget to contact staff and details could be reviewed as needed during future discussions. Councilmember Phipps thanked staff for the detail provided and expressed his opinion adopting a fiscally responsible budget was one of the most important duties of the City Council.

There being no further business to come before the Council, **Councilmember Peterson moved to adjourn at 7:37 p.m., seconded by Councilmember Bush. The motion carried upon the following vote: Voting AYE – Councilmember Bush, Peterson, Phipps, Roper, and Thompson. Voting NO – None.**

**APPROVED AND ADOPTED
This 22nd day of May, 2018**

/s/Mark R. Shepherd, Mayor

ATTEST:

/s/Nancy R. Dean, City Recorder

I hereby certify that the foregoing represents a true, accurate, and complete record of the Clearfield City Council meeting held Tuesday, April 3, 2018.

/s/Nancy R. Dean, City Recorder