

AMERICAN FORK CITY
COUNCIL MEETING MINUTES
NOVEMBER 20, 2014

The American Fork City Council met in a special session and a work session on Thursday, November 20, 2014, in the American Fork City Offices, 51 East Main Street, commencing at 3:30 p.m. Those present included Mayor James H. Hadfield and Councilmembers Carlton Bowen, Brad Frost, Rob Shelton, Jeff Shorter. Councilman Clark Taylor was excused.

Staff present: Accounts Payable Clerk Shauna Thomas
Associate Planner Wendelin Knobloch
City Administrator Craig Whitehead
City Planner Adam Olsen
City Recorder Richard Colborn
Fire Chief Kriss Garcia
Human Resources Director Craig Smith
Parks & Recreation Director Derric Rykert
Police Chief Lance Call
Public Works Director Dale Goodman

Also present: Chris Schulz, Trevor Schulz, and Mike Swallow

SPECIAL SESSION – 3:30 p.m.

REVIEW AND ACTION ON THE APPROVAL OF THE CITY BILLS FOR PAYMENT AND PURCHASE REQUESTS OVER \$25,000 – *Cathy Jensen*

Mayor Hadfield asked if there were any questions on this item.

Councilman Bowen observed that there was a blood draw for \$35.00 and another for \$3500.00 and asked if it was a typo.

Shauna Thomas confirmed that it was.

Councilman Bowen asked about the abandonment of some wells for \$6,000.

Mayor Hadfield responded that American Fork City owned property at 492 West Pacific Drive which was purchased with the intent of a future sale to the Utah County Housing Authority. There was a well on each parcel. The wells were a part of the negotiations. The wells were to be abandoned and capped and the water rights transferred to American Fork City culinary wells. The cost to cap was \$3,000 for each well.

Councilman Bowen asked about legal services regarding the Broadband.

Mr. Whitehead explained that when it got into legal review regarding Broadband it required a specialized attorney.

Councilman Bowen asked about the payment of a sewer fee to Cedar Hills and also a bill from Black and McDonald.

Mayor Hadfield explained that there was one business and nine residences that were in the City that received services from Cedar Hills. Cedar Hills billed American Fork City and American Fork City in turn billed back to the one business and the nine residences.

With regard to Black and McDonald, of the \$101,864.43; \$4,248.70 was the monthly maintenance fee. There was additional maintenance work above and beyond that in the amount of \$4,200. There was \$93,408 for new street lights in various projects for which the developer pays back to the City.

Councilman Bowen asked about an \$80 payment for image editing.

Ms. Thomas responded that it was for reviewing images from a video to be placed on the City's Facebook Page.

Councilman Shorter moved approval of the City bills for payment and purchase requests over \$25,000. Councilman Frost seconded the motion. Voting was as follows: Aye, Councilmembers Shorter, Frost, and Shelton. Nay, Councilman Bowen. The motion carried.

ADJOURNMENT TO A WORK SESSION

Councilman Bowen moved to adjourn to a work session at 3:37 p.m. Councilman Frost seconded the motion. All were in favor.

WORK SESSION

The purpose of City Work Sessions is to prepare the City Council for upcoming agenda items on future City Council Meetings. The Work Session is not an action item meeting. No one attending the meeting should rely on any discussion or any perceived consensus as action or authorization. These come only from the City Council Meeting.

DISCUSSION TO MODIFY THE AGREEMENT WITH ALPINE PINNACLE RECREATION TO INCLUDE ICE RINK OPERATIONS AT ART DYE PARK AND THE BOAT HARBOR WATERFRONT MARINA – Derric Rykert

Derek Rykert introduced Alpine Pinnacle Recreation owner Chris Schulz and his son Trevor Schulz who provided Boat Harbor Marine Services and they operated Ice Rinks.

Mayor Hadfield noted that the City had an executed a contract with Alpine Pinnacle Recreation for the Boat Harbor but it was late in the season.

Mr. Rykert added that was correct and then the water level dropped.

Mayor Hadfield reported that he had read the proposed agreement and had a question regarding security with regard to vandalism. Also the restroom facilities at Art Dye were not designed for use in wintertime.

Mr. Chris Schulz stated that he had a sincere love for the Council and Mayoral positions. He was a City Planner for 14 years and a County Administrator for years in Summit County. He expressed his appreciation for Derric Rykert and his professionalism with which he attacked his job. Alpine Pinnacle Recreation was about providing good wholesome family recreation to residents of the community and visitors. Several years ago Utah Lake State Park used to have an ice rink. It got to the point that they did not think it was feasible to run. Mr. Schulz stated that they were able to acquire needed facilities at a much discounted price.

Mayor Hadfield commented that there were a lot of youth in the community that were involved in Youth Hockey in various locations.

Mr. Schulz reported that they had done the demographics and within 17½ miles of Art Dye Park there was 561,000 people and according to National Recreation Standards there should be ice skating facilities for every 35,000 to 40,000 people. Locally, persons were underserved. The Art Dye Park was an incredible facility. They want to make sure that it stayed as nice as it was. They would provide persons to police the area. They would work closely with the police and fire departments.

Mr. Schulz continued that they had big plans. Next year they could provide an ice hockey rink and a recreational skating rink. Now, Peak Ice Arena housed the BYU Men's and Women's Hockey Teams, the UVU Hockey Team, all the future Olympic figure skaters, and the Timpanogos Amateur Ice Hockey Association. There was not really any time for public skate. They would provide additional amenities to the City and see if they can't increase the use of local businesses. At a future work session he would like to talk about expansion at the American Fork Boat Harbor and making it a crown jewel in the City's recreation amenities.

Mayor Hadfield asked if there were any questions.

Councilman Bowen asked about the proposal.

Mr. Schulz explained that one of the issues they had at the Boat Harbor last year, besides low water, was with power. They could not get a 100 amp service. They have now worked that out. The American Fork Boat Harbor is the most centrally located harbor for the 1.9 million people between Santaquin and Ogden.

Mayor Hadfield added that they needed to expand the parking at the Boat Harbor.

Councilman Bowen asked about the revenue from the project.

Mr. Rykert answered that there would be no cost to the City. For the Boat Harbor the City would receive seven percent of the gross sales and three percent of the gross sales at the Ice Rink.

Mr. Schulz felt this was a great public/private venture. They had already met with the Corps of Engineers and they were pretty enthusiastic because this was one of the few places where they could actually create some wetlands that would suit the Utah Lake Commission.

Mayor Hadfield would like to see a beach on the west side of the Marina. Mayor Hadfield felt it was a great partnership. With regard to the Art Dye Park he felt they needed to do it for one year, get a little experience under our belts and see how it went and then look at something longer term.

Councilman Bowen asked that after the ice rink season the ball field would be put back into playing condition.

Mr. Schulz answered that was correct.

Councilman Frost asked what measures would be taken for admittance to make sure it was a good family atmosphere.

Mr. Schulz responded that he did not want to be involved if it was something that he had to question. The lyrics to the music were scrutinized and it would not be too loud. The Art Dye was a much more appropriate location than at the amphitheater for a myriad of reasons. They did not have a problem in the past with roving gangs. They had appropriate music, appropriate lighting, and appropriate supervision.

Mayor Hadfield explained that when he visited the Provo Marina Ice Rink it was always family groups that were there or it was some LDS Youth Group that had their own supervision.

Mr. Schulz noted that they pretty much reserved Tuesday, Wednesday, and Thursday for youth groups. They could handle about three LDS wards at a time. Sometimes they had whole LDS Stakes. They would be advertising nationally. The Art Dye was like a Norman Rockwell setting.

Councilman Shelton asked the typical price.

Mr. Schulz answered that it would be \$6 for adults; 12 and under was \$4; and if needed, skate rental was \$2. They also had a family pass for 4, 6, and 8. They would also have a warming hut where kids could retreat to, to do homework or just get warm and eat.

Mayor Hadfield asked if Mr. Schulz saw problems with the logistics using the Art Dye Complex.

Mr. Schulz responded that originally he did thinking it was out of the way but came to the realization that this place was made for ice skating. There was plenty of parking. Their lights were not going to interfere with the neighborhood. They want to be sensitive to the neighborhood.

Mayor Hadfield commented that Public Works may need to look at their snow plowing priorities during a major event with regard to the Art Dye Access along with the parking lot.

Mr. Schulz added that it was important to them to represent not only the community values in American Fork but their own values as well.

Mayor Hadfield asked if the proposed agreement had been run past the City Attorney.

Mr. Rykert responded that it had been and he was okay with it.

Councilman Bowen asked if it was more like a lease agreement.

Mr. Rykert stated that it was pretty close. It was a partnership.

Councilman Bowen asked if there was liability for the City.

Mayor Hadfield stated that they would have their own insurance.

Councilman Bowen asked Mr. Schulz if he felt he had the funds and means to bring in the equipment.

Mr. Schulz answered that the equipment was already theirs.

Trevor Schulz explained that they shipped the rink down from Indiana.

Mr. Chris Schulz added that the Model 500 Zamboni provided professional ice. This was not pond hockey. It was top shelf stuff like in the Maverick Center or the Energy Solutions Arena.

Chief Call asked how they intended to keep people from going on the ice after hours or on Sundays.

Mr. Schulz responded that they were contracting with Bevan Security to have eight cameras placed and have it so the police could also view it on line. They were not going to be able to prevent access, but it was ice, there was not a whole they could do to it.

Mayor Hadfield commented that the City may want to move up the time table for the installation of the gates that would at least keep the vehicles out.

Councilman Frost asked what the public perception would be as they were walking in.

Mr. Schulz stated that they wanted to be hand in hand and arm in arm with the City. When it came to liability, they would catch the spears. People would enter through the chain link fencing at the north end of the parking lot where they would decorate.

Mayor Hadfield believed that action on this proposed agreement would require Council approval and asked if this should be on the agenda for December 9th.

Mr. Rykert did not think it required Council action but just to be signed by the Mayor.

Councilman Shelton did not think that the Mayor could sign anything without Council approval, contract wise.

Mr. Whitehead commented that it would be up to the City Attorney. The previous agreement was done that way.

Mayor Hadfield added that if it needed Council approval he would get it before the Council at their next meeting. He thanked Chris Schulz and Trevor Schulz for their presentation.

DISCUSSION REGARDING THE JOB CLASSIFICATION AND COMPENSATION STUDY FOR ALL POSITIONS WITHIN THE CITY OF AMERICAN FORK – *Craig Whitehead*

Craig Whitehead explained that periodically in organizations it was critical that they take a look at their classification system and their divisions and compensation. He introduced Mike Swallow from Personnel Systems and Services.

Mr. Whitehead explained that the last time this type of study was done in American Fork was by the Hay Group in 2007. The City was past due. Over time job descriptions and grade placement of positions change. There was a need to look at the equity of City positions both externally and internally and also to remain competitive to attract and retain excellent employees. In the past the City has trained police officers only to have them go elsewhere. This study would help to address that.

Mr. Whitehead added that this included something that he had not seen before which was not job grades. The study would include

- Job description update
- Evaluation classification
- Market analysis
- Compensation policies and procedures

The City sent out RFP's and received back three. The proposal from Personnel Systems and Services was excellent.

Mr. Swallow commented that the most recent was Eagle Mountain and right now Orem City was engaged in that process along with Spanish Fork and Cedar City. There was quite a bit of momenta for this approach.

Mr. Whitehead expressed excitement regarding this cutting edge approach. The cost was just over \$30,000 and was not a budgeted item this year. Funding would probably come out of savings from health care costs. There would be a budget amendment. Staff would like to move forward with this with action at the December 9 Council meeting.

Councilman Shelton commented that at the last election cycle as a candidate he continued to hear how much the City overpaid its employees compared to neighboring cities. He was able to contact Mr. Whitehead who was able to provide a good and defensible study that showed exactly where the wages came from. It was critical for the City to have that kind of information.

Councilman Shorter asked that without a classification system how control was maintained.

Mr. Whitehead responded that they would still have classifications. There would be no grades.

Mayor Hadfield mentioned that he had reviewed the references provided and it was like the “Who’s Who” because it was not only municipal government but all kinds of governmental entities. The list also included Timpanogos Special Service District.

Councilman Shorter asked if the no grade system had actually been implemented somewhere.

Mr. Swallow explained that there were two potential decision making environments; market driven vs. equity driven. In this approach it was a marriage between the two. There would be a value based worth of work created. It would be influenced by the employees thru a value survey.

Mr. Whitehead commented that this would be a very comprehensive look at classification and compensation. Every couple of years the City did a kind of market survey. Mr. Swallow did the last one to see where we were in the market.

Councilman Shorter added this was the study and then they would need to figure out how to implement it.

Mayor Hadfield was committed to make this survey as professional as possible and keep personal opinions out of it.

Mr. Whitehead liked that this process was from the ground up. Mr. Swallow’s references were excellent. He anticipated a good end result while still having some subjectivity.

Councilman Shelton commented a long time back the perception was a “good ole boys club.” This independent study would eliminate that perception.

Councilman Bowen noted that this was not currently budgeted for. He asked why we needed to do the study now and not seven months from now when they would be in a new budget year.

Mr. Whitehead responded that was an option but it was felt that it was important that it be done before the next employee evaluation cycle that came up next year. Plus it was felt it could be done with the savings realized from other accounts.

Councilman Bowen felt that those savings could be applied towards roads and other things that hadn’t been discussed or presented.

Mr. Whitehead responded that they could, certainly.

Councilman Shelton did not think that \$30,000 would get more than two feet of road. Also, that money was allocated toward employee benefits. He felt it was a critical time right now, from an economic standpoint. Competition was starting to come in. In the last four to five years people were just grateful to have job. He felt it was good to be on top of it and ahead of the curve ball.

Mr. Whitehead commented that the City just had an issue come up with one of our best employees in the City that they did not want to lose that could go somewhere else for a little more or significantly more. That had to be addressed.

Mayor Hadfield explained that when they started this budget year the City was told that health costs were going to go up. When funds were allocated Personnel was one thing and Operations and Maintenance were something else. Health costs did not go up.

Councilman Bowen thought that money to be surplus General Fund money and it could be used for anything.

Mr. Whitehead responded that it was in both General Fund Personnel and Utility Fund as they had employees there. It was not surplus now. They were projecting there to be significant savings due to the renewal at zero percent versus what was budgeted. The amount of savings expected on the health insurance was \$66,000.

Councilman Shelton added that a nice thing about this renewal was that it was for 18 months with a zero percent increase. This was a great job done for the City by Tom Hunter. The health care cycle and the budget cycle would now line up.

Mayor Hadfield continued that there were some good negotiations that have saved money in personnel including going with Utah Local Governments Trust for Workman's Comp benefits. The last review was done by the Hay Group about seven years ago. It should be done no less than every four years.

Councilman Frost commented that he was a small business owner with 10 to 14 people. Labor costs were the biggest of costs. It was the same with the City. He could lose many people in the course of a week if he was not careful. This was a core cost and they needed to make sure they were on top of it. They needed to see where they were good and where there were other things they could do. He asked how the City defined compensation and if this study would take into account, everything?

Mr. Swallow answered that they were still talking about some of those logistics. Ultimately the total compensation package included all out of pocket employer costs on each individual employee.

Councilman Bowen asked if this study would break out pay versus non-pay compensation.

Mr. Swallow responded that in terms of compensation there were hard costs and soft costs which would be discussed with the employees at the front end. He asked if Councilman Bowen was referring to stuff like annual leave.

Councilman Bowen noted that Councilman Shelton referred to the last election cycle and what he saw was that people were referring to a state run website that listed compensation that included benefit costs. The perception was that was what their salary was but the reality was that the salary was less. Would there be something that made it clear what was salary and what were benefits?

Mr. Swallow answered that would be easy to separate and he would be happy to do that.

Mr. Whitehead stated that the study focused on salary and wages.

Mayor Hadfield explained that American Fork was always getting compared to Lehi and Pleasant Grove. American Fork offered a benefits package that included contributions to 401-k's and health care at no cost to the employee a dental plan, babysitting plan, etc. Lehi and Pleasant Grove did not offer that. That benefits package was huge to an employee of American Fork and it had a certain value.

Mr. Whitehead agreed. They would look at the jobs and then the benefits package would be added to that for the total compensation. This process was not going to look at the benefits package.

Councilman Shorter wanted to see the wages and the compensation on top of that.

Councilman Frost hoped that through this process of reflecting and looking at jobs and classifications that there might be a win-win in the fact that it would show where the City was at and it even might cause an employee to reflect upon all these neat things that the Mayor just said. Sometimes one did not realize how valuable those things were.

Mr. Swallow explained they would talk about that in the orientation meetings. One of the things that flew under the radar of employees' minds was the non-work paid time issue. They would talk about it but would not spend a lot of time analyzing it in the market place. In the workforce for every 12 days of non-work paid time was equal to a 4.6 percent pay increase. One did not take it to the bank in the same way. Benefits were a big deal. The bottom line was cost.

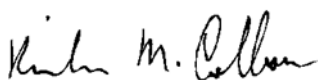
Mr. Whitehead stated that they were going to do a mailing to the employees that would outline their compensation package so they would see that and realize the value of their total compensation. That was not part of this process but through the City's health care agent.

Councilman Shelton felt this was a large issue. He supported the study.

Mayor Hadfield reminded the Council that they were honoring Sgt. James Bevard this afternoon from 4:30 to 6:00 at the Police Department Training Room. Sgt. Bevard was retiring after 21 years of service. He wished everyone a Happy Thanksgiving. There would be a work session on December 4 and one time in December as a Council on December 9.

ADJOURNMENT

The work session adjourned at 4:35 p.m.



Richard M. Colborn, City Recorder