

AMERICAN FORK CITY  
COUNCIL RETREAT MINUTES  
JANUARY 28, 2016

RETREAT

The American Fork City Council met in a retreat on January 28, 2016, at the Fox Hollow Golf Club Banquet Room, located at 1400 North 200 East, commencing at 8:30 a.m.

Those present: Mayor James H. Hadfield  
Councilman Kevin Barnes  
Councilman Carlton Bowen  
Councilman Brad Frost  
Councilman Rob Shelton  
Councilman Jeff Shorter

Staff Present: City Administrator Craig Whitehead  
City Recorder Richard Colborn  
Deputy Recorder Terilyn Lurker  
Development Director Audra Sorensen  
Finance Officer Cathy Jensen  
Fire Chief Kriss Garcia  
Legal Counsel Kasey Wright  
Library Director Colleen Eggett  
Human Resources Judy Thimakis  
Parks and Recreation Director Derric Rykert  
Police Chief Lance Call  
Public Works Director Dale Goodman  
Senior Planner Adam Olsen  
Technology Director George Schade

Also present: Dan Griffiths, Barbara Christiansen

Craig Whitehead introduced Dan Griffiths, who would be working with the participants at the retreat. Mr. Griffiths works for Tanner LLC Professional Services Group in Salt Lake City and has been working with strategic planning for private companies. He has also volunteered with local governments. Mr. Whitehead turned the time over to Mr. Griffiths.

Mr. Griffiths explained that this morning they would be having a discussion on the book *Good To Great* by Jim Collins and how the principles apply to municipal government. Following that discussion, they would talk about last year's goals, what has been accomplished and what still needs to be accomplished. This afternoon, the participants would have discussions on what they would like to see happen in the upcoming year. Mr. Griffiths indicated he would also share some of the results from the survey that was sent out to the participants by Mr. Whitehead.

Mr. Griffiths asked the participants to have discussions amongst their table about what their takeaways were from the book and then to report what they have. Some of the takeaways were:

- Culture – if you build a sustainable culture, it does not matter who the players are, the culture would prevail
- The right people on the bus in the right chairs – first who, then what. The most successful enterprises first focused on getting the right people and then deciding on where they were going to go.
- Hedge hog – the purpose and simplicity and understanding what they can do best in an economical, efficient way

Chief Garcia found the bus concept a little harsh, just to get rid those who are in the wrong place. He felt that in our small organization, everybody feels what happens to an individual.

Councilman Barnes stated he has been exposed to both concepts in different trainings and the concepts were fairly common in the business world.

Mr. Griffiths stated that both concepts are timeless. He noted that there are some people that can be put off by the concept of throwing people off the bus. Jack Welch, the CEO of GE, had the nickname Neutron Jack because he cut the number of employees by tens of thousands of employees back in the 80s. That type of approach doesn't feel right to some people.

Chief Garcia stated that when he came to American Fork City, the bus was already full; he imagined that most of the directors came to positions where the bus was full. The question was what they do with the full bus. Chief Garcia stated that he understood the concept, but the actions on any personnel have an effect on the department.

Councilman Shelton stated that in 2015 a Gallup study was done showing that 30% of employees were actively engaged and working toward the vision of the company, 50% were there to clock in and out and only do what was required, and 20% were duds or those who were detrimental to the company. He felt that they needed to look at those who were detrimental to the company.

Mr. Whitehead commented that if they have a high performing culture, the low performers won't be comfortable in that environment and would hopefully leave on their own. He also noted that Jack Welch would regularly kick off two of the lowest performers on his leadership group.

Mr. Griffiths noted that one of the points the book makes is that as soon as you recognize a significant lack of fit for whatever reason, the sooner you take action the better. If the low performers do not leave, you risk having the top performers leave. Mr. Griffiths stated that if an organization had a supervisor who was not effective and in the wrong role, they needed to take action right away.

Councilman Bowen stated that the exception was Circuit City, who worked on getting every last employee in the right place throughout the entire organization down to the delivery drivers. He commented that they need to ask themselves if they want a mediocre organization or a great organization. Any organization should want to be the best.

Mr. Griffiths commented that everything you can do to set high expectations is a positive thing. If those employees in the 20% actively disengaged group are trying to sabotage the aims of their employer, then it would be better for both parties if they find a way for that individual to do something else. Some of the most difficult things he has had to do was to identify people in that category and find something for them to do. However, that could be the best thing for the employee and the organization.

Mr. Whitehead mentioned that in past retreats they have talked about the six levels of commitment in an organization. Leadership has to be at a level 1. You could get by with Level 2 or 3 with employees depending on where they were in the organization. And a four, five or six level of commitment was not a good fit and tough decisions must be made concerning the employee.

Ms. Sorensen commented that she was learning about Rosa Parks as she was going through this book. Rosa Parks was kicked off the bus, but it lit a fire under not only her but others as well. It was a win-win, although uncomfortable, situation.

Other takeaways from the book were:

- Flywheel concept. You need to have the right people in the right place on the bus in order for this to work. How you apply technology to the organization matters. Slow is smooth and smooth is fast.
- Technology and not implementing it too quickly. Make it strategic and careful so it does not harm the organization
- With the Level 5 leadership, it gives hope. Some people may need a little bit of guidance and encouragement. Level 5 leadership can be developed.

Councilman Frost commented that as they discussed this, he thought of all the employees and how to get this information to everyone. As they establish this culture, he was hoping they as elected officials were aware of what they could do to be better. Mr. Griffiths stated that the tone they set as the elected body was critical. It made all the difference in the organization.

Mr. Griffith explained that Jim Collins and his team researched real companies, companies that were the best of the best. This study was done over a 15-year period and thousands of interviews were conducted. The lessons they learned from those companies are applicable to many organizations. He commented that this was not just a guy who had an idea on how to run a company and how to be a leader.

Mr. Griffiths stated that Level 5 leadership was one of the first concepts discussed. Some characteristics of a Level 5 leader are humility, more passionate about the company and wanting the company to succeed rather than self. Mr. Griffith gave the example of the window and the mirror. When you receive praise you look out the window and give that praise to the organization, but if there were problems then you look at yourself in the mirror and take accountability. He questioned why this goes hand in hand with higher performance, and it was answered that it sets the tone of the organization.

Mr. Griffiths asked why they thought it was difficult in municipal governments for this type of leadership to exist. Councilman Shelton stated that the spectators were different and there was a greater interest and spotlight on government. Residents of a municipality do not have a choice on who provides the water and sewer, etc. This was personal to the residents and while municipalities are not-for-profit, the “investors” still want a good return on their investment.

Ms. Sorensen did not think it was always wise to be a good leader who did not brag about their accomplishments. They needed to be honest about their accomplishments. Mr. Griffiths explained that the research done was what the differences were between the two populations, the successful organizations and the ones that muddled through. The organizations that just muddled through had great PR. When they looked at the highest performing organizations, they found that the leadership were not proud. They were humble. They gave the credit to others. Mr. Griffiths stated that it was important, especially for a municipality, to tout the organizations accomplishments. However, when it comes to leading a team, the more you do to shine the spotlight on the team and away from yourself and the more you take accountability for failures, the more likely you will inspire great results.

Mr. Griffiths asked what it takes to win an election. With a lot of promises, inspiring people to show up to vote, expressing a shared vision, being sincere and have a determined desire to serve, know that you are running to serve and not just one agenda item. Mr. Colborn stated that there may not be a lot you can say to win an election, but there was a lot you could say to lose an election. Mr. Griffiths stated that what generally gets people elected is taking credit for something they were able to take credit for. However what type of tone does that establish for the leadership of the organization? As elected officials they do need to speak of their accomplishments, but they also have to accept some of the blame. That was the environment we work in and it takes a lot of focused attention and effort to break that mold and exhibit Level 5 leadership. Unifying the body is important so everyone was working for the community. The day you are elected, you needed to understand that you represent everyone, not just the people who voted for you.

Mr. Griffiths stated they need to consider what tone they are establishing for the staff. If it is one that causes defensiveness, blaming others or taking credit for ourselves, that could have a powerful effect on an organization. He has watched City Councils sabotage the entire process; they want things to be better, but the things they are doing are creating a culture and a tone that was leading to the exact opposite.

Mr. Griffiths asked the tables to talk about some obstacles to getting the right personnel on the bus in municipal government.

Mr. Goodman stated many of them started their position and the bus was already full. This left the responsibility of correcting any problems on new leaders.

Councilman Shelton thought that there may not be other seats available.

Mayor Hadfield asked how the department heads would feel if he came into the job and asked them for their resignations before he was even sworn into office. What confidence would that give them in his leadership style? He commented that if they have the best people in each of the

leadership positions, they need to be given guidance and then turned loose to do their job. He stated that things are tough. He had two good friends, Rod Despain and Howard Denney, he worked with who had to be let go. Times change, the focus changed and things needed to be changed. It was not an easy decision to make.

Councilman Shelton commented that a question they asked themselves at their table was if the department heads know that they had the council's support if they need to make changes? He felt they needed to give people a chance to change, but people need to find their right seat on the bus or find another seat on another bus.

Mr. Griffiths pointed out that another obstacle is the fact that they are friends and neighbors, people who are close to you and it is hard to do some things.

Councilman Frost stated that another obstacle was that our coworkers are people we spend a considerable amount of time with and it creates a "family" atmosphere. He also noted that our personal culture, or religion, is an obstacle. With the LDS culture in the area, people try to build another up and not to bring them down; there is a tendency to want to help people. Mr. Griffiths stated that you can keep people there, but just put them in the right seat.

Mr. Whitehead stated that when you are trying to recruit employees, the political environment is important. Mr. Griffiths stated that if they want to recruit skilled public administrators, they need to show that this was an environment that administrator would want to come into. If a Mayor comes in and asks for resignations from employees, that would affect the recruiting for that city for many years.

Ms. Thimakis stated that she has been a public servant in Human Resources for over 25 years and she has found that when you have someone new come in with people who have worked there for 20 years or so, the long-tenured employees have a hard time adjusting to change. They are resistant to change because of how things have been done in the past. They do not realize that things are not working because they have been there for so long.

Mr. Griffiths stated that it was easy to hunker down and not bring attention to one's self. He stated that every organization has its own version of these obstacles.

Councilman Frost stated that councilmen are "graded" every four years and either kept or let go. There is a balance between getting everyone to perform. Councilman Shelton stated that communications go both ways and opinions are valued.

Mr. Wright has stated that council members are responsible for what happens in the city, but there is a chain of command that needs to be followed or there will be trouble in the ranks.

"Great vision without great people is irrelevant."

Mr. Griffiths stated that he hoped they would be able to exhibit a willingness to confront the brutal facts. One brutal fact that he has observed in the last 2 years of presenting at the retreats is that 80% of the roads in American Fork are failing. That is a brutal fact that they will have to confront in

order to address the challenges. He hoped that during the discussions there would be a willingness to lay those brutal facts out there and deal with them as they are and not as they wish they were.

With the Hedgehog concept, there are three areas of importance: passion, strength, money.

This book talked about a culture of discipline. One example was a runner who rinsed the cottage cheese to cut out some of the fat. The point was that he was willing to take the tiny, painful steps to perform better.

The Flywheel concept was that slow is smooth and smooth is fast. You can be amazed at what happens when the flywheel takes off. He wanted the participant to consider why it could be difficult to get the flywheel going in municipal government.

There was a break from 10:15 a.m. to 10:30 a.m.

Mr. Griffiths explained that they were now going to go over the goals from last year, evaluating how they were doing.

#### STREETS

Mr. Goodman reported that in some areas they did well, such as working with the B&C funds and more efficiency in all areas of operation. They did not pass on the TSSD rate increase nor was a transportation utility fee approved this past year. There were several communities that have passed a transportation utility fee; this was a fee that was included on the utility bill and it was easier for people to accept than an increase in the property tax. It was funding that went specifically for streets, whereas revenue from property tax could go toward any need the municipality had. They have worked on the best practices and have improved that area. They did receive some grants from MAG, which allowed for the 900 West project and the 1120 North project.

Mr. Griffiths stated that the Council received an update on the goals a few months ago. The report indicated that debt margin was down from 33% in 2011 to 16% in 2015.

Councilman Bowen stated that there were several street projects done in the last year, with some of them minor progress. He knew there was still a long way to go, but he wanted to commend the progress that has been made.

Councilman Shelton noted that they did purchase the street equipment with Lehi and they have been able to do some projects with that.

Mr. Griffiths asked how well they think they have done on the planning and education side of the goals. Councilman Shelton thought that the problem with streets was funding, and part of that was in limbo until the Legislature made some decisions. Councilman Shelton has done a lot of looking around neighboring cities and towns and thought we were similar to other communities as far as infrastructure is concerned.

Councilman Bowen stated he was not in favor of the transportation utility fee and was opposed to some of the grant money received. He also thought there were other ways to increase funding without going into debt.

Councilman Frost stated it was uphill battle on educating people. It was a very confusing process how they can appropriate funds. Teaching them via OpenGov has been a mechanism on educating them. Mr. Griffith stated that among city officials and staff, there was a general understanding that there was a massive gap between what was being spent to maintain the existing roads and what was needed to keep up with the maintenance of the roads. Ms. Sorensen stated that she needed to get involved so that she could get the information to the citizens; she needed information on the master plan and the road inventory with the Remaining Service Life on the existing roads. She would meet with Public Works to get easy-to-understand information to the public.

Mr. Goodman stated that the citizens aren't aware that they are the owners of the infrastructure and they need to provide the funding to maintain the infrastructure. It was similar to maintaining a car; if you didn't provide regular maintenance, problems arise.

There are a number of pieces to the puzzle of street maintenance. The underground infrastructure needs to be in place so the roads do not have to be torn up for water and sewer repairs. Curb, gutter and sidewalk as well as good storm drainage needs to be in place to help keep the roads from deteriorating.

Councilman Shelton stated they need to make an effort and start getting information out in small bits. They should educate the citizens on what they are going to do the upcoming year. Mr. Griffiths commented that the average person probably does not realize what it takes to maintain the roads and that the taxes received for roads does not cover it. The B&C road funds only provide about 20% of what is needed for maintenance. Another consideration they need to keep in mind was the need to spread the wealth around so that each area of town has an opportunity for new roads.

Councilman Frost stated that the citizen's number one issue in the City is the road conditions. Councilman Barnes felt that was because streets were a visible issue and were used by everyone.

Mr. Griffiths stated that as they go through their planning session this afternoon, he indicated he wanted them to also ask the question of how they would measure success for the upcoming year.

#### PARKS

Mr. Griffiths asked for any progress reports on the Parks issue.

Councilman Shelton stated there has been a lot of progress on Parks. The PARC Tax was approved and the committee has been organized. There was a meeting last week with the PARC committee and they were now looking at the private/public partnerships as the grant requests start coming in. Councilman Shelton stated that they will be going through the first allocation process in the next few months. He thought they had a great, strong committee; they had the right people on the bus for this committee. They were working with communication and public relations to get the word out. This was a great step that will reap rewards.

It was noted that with the restaurant funding tax that the County collected and then dispersed to the cities, American Fork has changed the strategy. In the past, the City received only a tiny portion of the funds available. Instead of requesting improvements to the Art Dye Complex, they were looking at improvements to the Boat Harbor.

Councilman Frost stated that with transparency, they have made huge strides. It does cost money to be transparent, but it has been worth it. He noted that there are people who are watching our council meetings online now. Councilman Shelton commented that it was important to build trust with the constituents and you have to have transparency to do that.

Mr. Griffiths stated that in the Hedgehog principle with regards to the money circle that drives the economic engine, the municipal government could replace money with trust.

Mr. Rykert commented that with the flywheel principle, things are starting to flow with regards to the PARC tax.

Mr. Schade stated that with streaming the City Council meetings live, there were four people that watched within the first four or five minutes. After the meeting is over, the number of people watching increases. He has heard from residents how wonderful the live streaming is. Mr. Griffiths stated that developers like to watch the meetings so they can get a feel of the tone of the City.

#### COMMUNICATION

Mayor Hadfield stated that in the past, the newsletter did not have someone ultimately responsible for it and it was mish mash. Now with Ms. Sorensen on board, she takes the time to gather the information and it is consistent each month. That added a lot to communication with residents.

Councilman Shelton stated that they have come a long way. However, in using Councilman Bowen's example of Circuit City, going forward they need to look at the branding and get all the employees on board with providing great service.

Ms. Sorensen stated that communication is powerful. The newspaper is going by the wayside and Facebook and other social media is coming to the forefront.

Mr. Griffiths stated that he would now like to have the participants talk about what they would like to see in the coming year in these areas and additional areas.

It was noted that Streets definitely needed to remain on the table to discuss, and would probably remain on the list for years.

Councilman Shelton stated that with parks, part of it is completed but it wasn't something that they were done with. He stated they have the foundation there, but it was something they would need to continue looking at. He wanted to make a list of all areas they want to look at, but narrow it down so they can focus on a few areas.



Councilman Barnes thought that Parks and Recreation would always be something they need to look at, but maybe not as much of a focus.

Councilman Bowen did not think that communication was a top priority, but it was important. With Parks, there were still things that needed to be done but he did not think it was in the top five priorities. He did believe that Streets needed to be discussed further and he would be interested in seeing how they measure success.

Councilman Barnes stated that there was a lot of noise coming from the council but he wanted to make sure that every participant talks about the priorities in their department. He wanted to hear from them before they decide.

Mr. Whitehead explained that they were not there to come up with a list of exact projects to be done this year. They were there to come up with broad goals; they would come back with objectives for those goals.

Mr. Colborn stated that the Recorder's Office received a lot of attention this year with the start of using the Accela software and streaming.

Mr. Griffiths stated that in the past they have set annual priorities from the council. That was a good practice, and he felt it was beneficial to have a strategic plan that has buckets of priorities that they will look at further. They could then take the annual goals and marry them up with the long-term goals.

Councilman Shorter stated that streets are important as was having clean water and proper wastewater disposal. They need to focus on the core functions. Parks still need to be kept on the list because there will be money for those improvements soon. Communication was much better and he did not think that was as much a priority.

Councilman Frost stated the streets were important, but they needed to be specific and note the water and sewer systems under the streets.

Mr. Griffith stated that they would make sure that staff has an opportunity to talk about their priorities. He wanted to go over the survey results that the Council and staff responded to. He highlighted the responses:

- Grants - there were comments about continued efforts in finding grants for projects, grant writers
- Streets
- PARC tax and funding
- Main Street Redevelopment/Vision
- Quality of Life – library, recreation, arts council projects.
- Emergency preparedness – specifically water supply, focusing on making sure we have a water flow in an emergency with regards to water lines and backup power supply, Spring

Line replacement project to increase water supply (this would be a project that would be done in a year and not over the course of several years)

- Water lines – making sure the fire lines are adequate

Councilman Frost stated that they need more information on projects put on by the State. For example, if they know the time frame for the 100 East project then it would be beneficial to have that information for budget planning purposes.

Mr. Griffiths stated that he now wanted to start the list of what they think are priority needs for the upcoming year list. He had the department supervisors briefly list some of the priorities of their department.

#### *Parks and Recreation*

- Fitness center parking and traffic control
- Relocation of horse shoe pits
- Continuation of cemetery improvements
- Boat Harbor improvements – what level we are prepared to go to
- PARC tax funding projects such as restrooms, improving parking lot at Miller Park.
- Art Dye – they are feeling an urgency to development the 9 undeveloped acres.
- Fleet

Ms. Jensen noted that park impact fees could be used on some of the projects going forward.

#### *Public Works*

- 100 East Water line project (\$2.5 million) from Main Street to 450 North. The State of Utah will be taking care of the storm water portion down to the river so the City would only need to do road work south of Main Street on that. If the State extends the project to 1120 North, they will need to triple the funds needed for the project. The State will work with the City on this, but it would have to be done in one year. Funding would need to be looked at, particularly the rate structure to see if it would take care of future projects. The State was anticipating their project to take place in 2018, and the City would do the work at the same time so the roads do not have to be shut down twice.

Ms. Jensen was asked how much was in the fund balance in the enterprise fund and if that would be able to cover the project. Ms. Jensen was not sure what the amount was, but noted that the fund balance was not necessarily cash available to use. After some searching, Ms. Jensen reported that there was about \$9.7 million unrestricted fund balance in the enterprise funds, about 40% of which was for water and secondary irrigation.

#### *Fire Rescue*

- Fire Station – the current staffing could almost cover a second station. American Fork makes more money, spends less, and does more than any of the surrounding communities. There is approximately \$250,000 in the impact fee account that could be used to start the process of a second fire station. The ideal location for this second fire station would be around 700 East to 900 East, directly east of the golf course. They were a very efficient

department, but additional coverage was needed. The increase in businesses and residential units have increased the need for fire/rescue protection. This area was critical for protection for the east end of the city and for the American Fork Hospital. The south side of the freeway was not as critical.

There was a lunch break from 12:05 p.m. to 12:50 p.m.

Councilman Barnes asked Chief Garcia what the bottom line was for the cost of a second fire station. Chief Garcia stated they would need \$2 to \$3 million for the building; they would also need one additional employee per platoon (a total of 3 employees) plus a newer apparatus. He explained they would need about two acres and could use impact fee funds to start the process. Chief Garcia stated that if money were not an issue, he felt it would be good to get rid of the current station and build two smaller ones on each side of town. Every minute was critical in an emergency.

Mr. Whitehead stated that they needed to remember they were talking about a level of service and with that level of service came a price. What did they want our level of service to be?

Councilman Bowen wanted to know where Chief Garcia would want the second station. Chief Garcia explained that the most reasonable for a station is near the amphitheater on 700 North, with the access on to 700 North.

#### *Police Department*

- The budget creeps up every year. In 2007 they started body cameras and the city was storing videos in house. They have now migrated to a cloud service for storage of those videos, which costs \$9000 per year for that storage.
- They have about \$322,000 in police impact fees to build another facility. The only application was to build a training building for training officers; the question was where that was placed. One potential would be to build a facility with an indoor shooting range.

Impact fees must be used for brick and mortar facilities, but Councilman Frost thought that there were other needs that could use impact fees if the laws allowed for that.

Chief Call stated that the City had excellent officers. Last year each officer responded to over 800 calls, with surrounding agencies averaging 600 calls per officer. Our officers are doing great work, but are very busy. They need to look at bringing those numbers down; with all the development going on, those calls will only be increasing.

#### *Library*

- Most of the Library's needs have been satisfied by the grants she has been able to receive this last year, which was approximately \$8,000. They will have additional opportunities for grants this year.
- More money for books.

Ms. Eggett reported that the Library Board did have a strategic planning session for the Library earlier this month. The items the library will be needing will not be a great expense to the City.

### *Information Technology*

- Conduit throughout the city. The Fitness Center was a bottleneck area and hinders getting a good quality connection up to the cemetery. The city was looking into conduit paths to get the fiber where it needs to be with the help of CentraCom. The City had fiber from Salt Lake City to Spanish Fork and in order to leverage the fiber, the conduit paths need to be upgraded. They needed to look at ways to get more conduit paths in place, particularly when new construction is taking place. Google fiber likes to see what the infrastructure is in place when they come to an area. When the City sold AF Connect, AF Connect purchased the residential fiber lines. When they are talking about conduit lines, they are mainly talking about commercial areas. There are things they could be doing in order to get the fiber in place, such as betterments when construction projects are taking place. When the development process started, Mr. Schade wanted to see him or Micah Hunsaker involved to see how they could get conduit into the areas.

Mr. Schade explained that when Google Fiber went into Provo, they purchased all of the fiber lines. Provo City was required to do some upgrades to the system.

### *Planning*

- Main Street Vision Phase II. It has been completed and they will be coming before the City Council to report. With the reconstruction of 100 East, in order to implement the Main Street Plan they need to budget money for those improvements called out in the plan. They have an estimate for what that would cost so they would not fall behind when the construction takes place. By focusing on the revitalization of Main Street, it accomplishes many things and could improve several areas.

Mayor Hadfield asked if they buy into the downtown businesses. They have one company that has worked to revitalize downtown American Fork and improve their property. Did the City need to get involved with this? One in question was the Harrington School. Was now the time for the city to invest in the property and create one building for city offices for a city center? They needed to decide what their comfort level was and where they saw them going with the Harrington building. He felt the Harrington Building should be included in the downtown revitalization. He also felt they needed to find some industrial property in order to get Humphries' compressed air business off of Main Street and into an industrial area; the retail can stay there, but the industrial area needs to relocate.

Councilman Frost stated that he understood the Harrington school was historical value as the first public school this side of the Mississippi, but it would be worth looking into the building and evaluate the options and see what the citizens want.

Councilman Shelton stated that one of his top priorities was a physical facilities plan that would include a second fire station, library, etc. They could look at the Harrington School building and what it could offer the city down the road. Councilman Shelton stated that there could be areas in the police/courts building that could be utilized by the City if the courts move out in a few years.

Councilman Bowen stated that he would not be in favor of the City taking the Harrington School from the owners, but if they voluntarily sold the property he would be interested in looking at the potential uses.

Ms. Sorensen stated with Main Street in Provo, they thought it was a lot of money but it turned out to well worth the investment.

Mr. Whitehead stated that the current City Administration building was not functional, nor does the City Hall function as a City Hall. Whether they do acquire the Harrington Building or move to the Police/Courts building if that is vacated, they will need to have money for those projects.

Mayor Hadfield thought that the city should look into a Justice Court system if the 4<sup>th</sup> District Court does vacate the police/courts building. They would need to look closely into a Justice Court and all that it entails. The Harrington School building did need to be included in Main Street revitalization.

Mr. Griffiths stated that they would keep Communication, Parks and Streets on the list of priorities. He then had each table prepare a list of priorities. From 1:45 p.m. to 2:00 p.m. each table came up with some priorities and then presented them to the group. Those priorities are:

- Emergency Well Generator
- Art Dye Development - \$1.2 million(to be included under Parks)
- Art Dye 9 acre development (to be included under Parks)
- Spring Water Line - \$4 million
- 100 East Water line improvement project - \$2.5 million
- Additional fire station
- Fitness center parking lot (to be included under Parks)
- Transportation utility fee (to be included under Streets)
- Conduit
- Main Street Corridor – Streetscape, Facilities, Lights, New businesses, RDA, Library parking, 100 East
- Facility Management Plan
- Employee total compensation
- Bus – who was sitting on the bus and at the end of the row
- Long term avoid debt
- Harrington
- Water
- Employee moral (not always about the money)

Mr. Griffiths spent a few minutes grouping like-items together in order to narrow down the list. Mr. Griffiths had each employee mark what their priorities were by placing dots on the board next to the issue; they had two red dots which represented their top two priorities and 3 other dots.

The group took a break from 2:10 p.m. to 2:30 p.m.

While the employees were taking a break, Mr. Griffiths tallied the dots and the following was the results:

- Streets: 10 red dots, 17 total
- Facilities Management Plan: 7 red dots, 12 total
- Water: 7 red dots, 11 total
- Main Street: 3 red dots, 14 total
- Parks: 2 red dots, 13 total
- Communication: 1 dot
- Long Term avoid debt: 1 red dot, 2 total

They talked about the possibility of further combining some of the items in order to have fewer areas to focus on. Mr. Griffiths stated the question was how many areas they wanted to discuss further.

Councilman Shelton felt that they needed to narrow the list down.

Councilman Frost thought that some items on the list were just the Council indicating their support and possibly saving money for a project.

Ms. Sorensen stated that all the projects will have some type of facility. Mr. Rykert asked what the facilities management plan would entail. Mr. Whitehead stated the intent was for brick and mortar buildings and that they could hire a consulting firm to prepare the plan or it could be done in house; some departments, like Public Works, have already prepared their facilities plan. Councilman Bowen felt that they need to understand the needs of each of the departments and need to inventory what we have and what we need.

Mr. Rykert asked the Council if they had a priority for parks projects that they wanted to see accomplished as they turn in the applications for a grant through the PARC tax. Ms. Sorensen stated that if the group thought that certain things would be paid for out of the PARC tax grant but the committee voted against that project, they were in a bind. They need to have some guidance on where the funds should go. Councilman Shelton suggested the Mr. Rykert prioritize the needs. Ms. Sorensen stated that they need to plan the budget for the Parks as if the grant money was not there. Councilman Shelton agreed and stated that they did need to have a Plan B in case they don't get the funding they desire.

Councilman Barnes stated that requests would be submitted and that whatever money allocated would have to be spent in that 12-month period. They could not build up surplus and carry it over; they will have to be careful how they request it. Ms. Sorensen pointed out that they could request a set amount of money each year for the next four years. Councilman Barnes felt the PARC Tax grant money was extra money they did not have in the budget.

They decided to discuss the following areas to focus on:

- Water
- Streets
- Facilities Management Plan
- Parks
- Main Street Vision Plan
- Employee Morale

The participants broke into six groups, one council member per group, to discuss the six different priorities. Each group was to work on the intention statement on what we want to accomplish, creative pathways of how we get there, guiding principles, and how success would be measured. The individual discussions took place from 2:55 p.m. to 3:30 p.m.

After the discussions, each group made their presentations:

*WATER*

Intention Statement: Secure Culinary Water

Creative pathways:

- Year 1 – Spring Line - \$4 million
  - Funding:
    - \$600,000 water tank lid
    - \$ 50,000 850 East
    - \$600,000 PI Filter
    - +\$2.75 million Fund balance/net revenue
- Year 2 – 100 East water line project - \$2.5 million
- Year 3 – Water tank lids, PI filters, Emergency Generator\* (\$450,000)
  - \*if funding available, this will be purchased earlier

Guiding Principles: Build up water fund balance from secondary bond savings; advance projects as funding becomes available

Comments: The emergency generator would cost approximately \$450,000; it would be on a semi-truck trailer that could be moved from well to well. Mayor Hadfield stated that one-third of the Cave Spring was owned by the State of Utah and he felt that the State needed to share in the cost of the water line as they own a portion of the water; the Developmental Center will need to go up the chain to obtain the necessary funding from the Legislature.

STREETS

Intention Statement: Increase quantity of resurfaced streets

Creative pathways:

- Allocate 50% of budget surplus (any revenue brought in to the General Fund over the projected revenues)
- Allocate fund balance over 20%
- Create Transportation Utility (funding?)
- Funding options – 1% of the existing 6% utility fee (1% streets, 5% other)
- Increase regular budget funding for Capital Improvements for streets

Measurement: Compare quantity of streets resurfaced to previous year, \$5 million budget for streets, road registry

Comments: Councilman Shelton stated that in 2008, the council saw the need for increased funding and that \$500,000 has been included in the general fund to use for streets. He questioned if there was a way they could lower the property tax but increase the utility bill for the same amount with the creation of an enterprise fund for roads; this would be a charge that all customers would pay, even non-profits. It would not be an increase for residents, but overall would be a revenue boost to the city. Councilman Shelton would like a study done for that.

#### FACILITIES MANAGEMENT PLAN

Intention Statement: Create and prioritize the facility needs of the city

Creative Pathways: -Show trust to the residents that use of impact fees will keep the same level of service  
-How to legally and effectively use various funds available  
-Developer participation/grants

Guiding Principles: -Look at the next five years and prioritize by needs  
-Evaluate the properties owned and sell what is not needed (those funds could go toward other projects)

Measure Success: -By meeting stated needs  
-Possibly hire consultants.

Comments: There were no comments.

#### PARKS

Intention Statement: Create and prioritize large impact improvement projects related to parks, Recreation and tourism.

Creative Pathways: -PARC Tax was passed – applications, renewing  
-Budget  
-Restaurant Tax – change focus to Boat Harbor  
-Private/Public Partnerships – continue  
-Citizens' committees

Guiding Principles: -Process and administration (policy ordinance)  
-Committee Appointments DONE  
-Transparency  
Communications and PR

Measure Success: -Are we "on the field"  
-Highlight impacts from PARC



Comments: Mayor Hadfield thought that there should be a sign showing the PARC tax dollars were used on the project. With the Restaurant Tax, the focus has been on Art Dye Park but they would change the focus to the Boat Harbor to see if we are hopefully more successful. The hope was to use funding from the Restaurant Tax to be the matching funds for the \$300,000 grant the city received for the Boat Harbor.

#### MAIN STREET VISION PLAN

Intention Statement: To create a vibrant, safe, well-constructed corridor that stimulates economic growth and improves quality of life

Creative Pathways:

- Add to Main Street account – Capital budget
- Façade Loans – Façade Improvements
- Identify UDOT vs city responsibility
- Identify sub-street infrastructure
- East Main RDA approval
- Implementation Team
- Grants; private-public partnerships
- Land evaluations, zone enforcement, acquisitions, trades
- Harrington Study
- Facilities Study

Guiding Principles:

- No debt, pay-as-you-go
- Communication/Cooperation with business owners
- Citizen engagement

Measure Success:

- RDA Approval
- Allocation/Budget/Funds
- New Business
- Downtown Event Participation
- Actual improvements installed

Comments: Councilman Barnes asked if there was a way to estimate taxes that would be generated before an RDA was created, and he was told they could do that. Mr. Griffiths pointed out that a Senator has a proposal regarding RDAs, so they would want to keep track of that.

#### EMPLOYEE MORALE

Intention Statement: Making American Fork City a place where employees feel appreciated, respected, and fairly rewarded

Creative Pathways:

- Implement an extensive performance management system
- Develop a performance plan for the year
- Set up monthly meetings with employees to review the plan and provide direction, praise, and correction when needed
- Do a yearly performance evaluation
- Provide a recognition reward system – merit increase, bonus or reward
- Provide a competitive compensation package

Comments: There were no questions or comments.

Mr. Griffiths thanked the participants for their input and turned the time over to Mr. Whitehead.

Mr. Whitehead stated that the next step would be a follow-up session with the Mayor and Council so they could refine the goals.

Mr. Whitehead thanked Mr. Griffiths for coming.

ADJOURNMENT

The retreat adjourned at 4:15 p.m.



Terilyn Lurker  
Deputy Recorder