

**COUNCIL MINUTES**  
**MARCH 26, 2014**

The City Council held a meeting on Wednesday, March 26, 2014, at 5:30 p.m., in the Council Chambers, 10 North Main Street, Cedar City, Utah.

**MEMBERS PRESENT:** Mayor Maile Wilson; Councilmembers: Ron Adams; Paul Cozzens; Fred Rowley; Don Marchant.

**EXCUSED:** Councilmember John Black.

**STAFF PRESENT:** City Manager Rick Holman; City Attorney Paul Bittmenn; City Engineer Kit Wareham; City Recorder Renon Savage; Finance Director Jason Norris; Police Leisure Services Director Dan Rodgerson; Public Works Director Ryan Marshall; Economic Development Director Brennan Wood.

**OTHERS PRESENT:** Rusty Aiken, Sala Tamabuvao, Tom Jett, Stacy Jones, Rich Gillette, Jennie Hendricks, Steve & Robbie Sadan, Paul Johnson, Dean Steel, Carl Parker, Holly Combs, Doug Hall, Derek Christensen, Sherri Riggs, Brett Greenhalgh, Stephanie Greenhalgh, Shay Bauman, Landon Barney, Susie Barney, Gavin Brown, Toni Brown, Marilyn Kidwell, Scott Garrett, Jaron Garrett, Jaxon Garrett, Traci Sullivan.

**CALL TO ORDER:** Pastor Steve Baden from Light of the Valley Church gave the opening prayer; the pledge of allegiance was led by Mayor Wilson.

**AGENDA ORDER APPROVAL:** Councilmember Adams moved to approve the agenda order; second by Councilmember Cozzens; vote unanimous.

**ADMINISTRATION AGENDA – MAYOR AND COUNCIL BUSINESS; STAFF COMMENTS:** ■Marchant – I would like to have the sign ordinance reviewed in the near future. ■Rowley – thank you to Danville Services for cleaning up the Parking Structure. Rick – the youth with service hours also help out. Rowley –I had someone say that there are vehicles on the walking trail by Wal-Mart, I have not checked it out, but it would damage it. Also I have a petition from Eagle Ridge at South Mountain regarding an alternative road that is master planned. ■Cozzens – can we get a report on Stone Castle. Rick – Ryan and I are scheduled to meet with them on Friday and I sent each of you a time frame. I will get a report and email you the results of the meeting. Marchant – we each should review the email before we move forward. Rowley – I see a lot of references to long distance calls, are there other companies that a can provide that package so it is not billed separately. Rick – we have separate carriers for local and long distance. Rowley – is the bill per call or set? Rick – per call.

**PUBLIC COMMENTS:** ■Sala Tumabuvao – I was here a few weeks ago about putting on an event from Tim Crestinger. I was recommended to get more details. We want to hold it on April 25<sup>th</sup>. I am asking to have the fees for the Heritage Center waived or sponsored. Calamity Cause will be putting on a show. They ask that there are 10 tables

for bake sale and silent auction and chairs. They have their own sound system. The show would run 7-9PM, clean up would be around 10:30 PM. They bring in \$2,500 – \$13,000 for an event like this. If we were to use the Heritage Center and got the number we would like to pay the fee ourselves. The audience is 200-300. Rowley – the main theatre or upstairs? Sala - the main theatre. Rick – a concert in the main theatre and then a dance? Sala – no, they are a dance group. Rowley – you are thinking 300 at \$10 each. Cozzens – what is the fee for the group? \$1,000 - \$1,200 for a weekend night. Rowley – did you meet with Mr. Rodgerson about the Aquatic Center? Sala - It was too small of a venue. Cozzens – what amount would you have to make to pay the fee? At least \$5,000. Rowley – how much for admission? Sala - \$10. Rick – you can't make a decision, you would have to have a public hearing that would be the 3<sup>rd</sup> Wednesday in April. Mayor - how would you promote/advertise? We would have people taking flyers, also through social media and radio. Mayor – are you hoping to have the advertising donated as well? Sala - They typically work well with events of this nature. Mayor – knowing the earliest it can be voted on is April 16<sup>th</sup>, what are your feelings towards that? Sala - We need to start advertising immediately. We would have to look for another venue or think about it more. Mayor – because of how meetings are structured, the earliest we could vote is April 16<sup>th</sup>. Sala - we could potentially change the date. If it is possible then we could wait. Mayor – have you looked at any other venues? Sala - Yes, high schools and St. Jude Church. Adams – have you checked on the availability for that date? Sala - Yes, it is available. Rowley – does it lend itself to an outdoor event? Sala - the weather is a little iffy. Mayor – last time we met we thought you would look at SUU with the time constraints. Sala - We have talked with them, it is a matter of securing what is available. Rowley – you may be better off at the University because of the natural audience. Cozzens – what is the cost for Sharwin Smith? Sala - I don't know. Cozzens – what is the history of donating the center? Paul – all over the board, some councils have said no and some have said no and the elected officials got together and paid the fee, some have said yes. Marchant – the most prudent thing would be to look at changing the date giving us more time to take action and for you to get costs and figures. We are in a tight time frame for you. Reexamine the date and see if you can modify it. Rowley – do we give her an idea of what we will do before she does that? Marchant – I think she should look at all venues and costs and evaluate, but the April date is tight to benefit you. Rowley – it might work to do a percentage so you carry some of that burden. Donating this is like asking every elderly person in this town for money to put on the show, it is not just us. We need to balance that as well. Tim has done a lot for our city and promoted the city, and I understand he is the middle of the tough part of the treatment. Cozzens – I wonder if we could discount the use and I would be willing to kick in some from my business. I would rather donate some personally. The challenge we have, with our budget to replace the carpet it is \$190,000 we have to at some point make some money. I would like to see us discount half and then raise some funds and I would commit to help. Paul – can we publicize the hearing and then we can make a decision on what to do. Council – yes.

**CONSENT AGENDA: (1) APPROVAL OF MINUTES DATED MARCH 5 & 12, 2014; (2) APPROVAL OF BILLS DATED MARCH 20, 2014:** Rick – all the lists are long distance service at the different locations billed separately by department. Rowley - is there a company where local and long distance is the same bill, flat fee. Rick – when I

was more involved with this we advertised to get the best price. We will look into this. Paul – we looked 2-3 years ago and the switch we use is an old switch, if we move off we cannot get back on and we were getting a good rate.

Councilmember Rowley moved to approve the consent agenda items 1 & 2 as written; second by Councilmember Marchant; vote unanimous.

**CONSIDER REQUEST TO HAVE THE BUSINESS LICENSE PENALTY WAIVED – PAPA JOHN’S PIZZA:** Councilmember Marchant moved to deny waiving the penalty for Papa John’s Pizza; second by Councilmember Adams; vote unanimous.

**CONSIDER REQUEST TO MODIFY/REMOVE THE ISLAND IN THE VICINITY OF 647 S. CROSS HOLLOW ROAD IN FRONT OF STONE HAVEN – STACY JONES/SHARON WASDEN:** Cozzens – I think removing the median can cause as many problems as leaving it. Did you review a gravel base for a U-turn? Stacy Jones – I looked at it and it is solid ground. Cozzens – what about some chip seal, would that be inexpensive, would it hold up? Kit – it depends on the base you build it on. A wet condition base it will not last. There was not any base other than a couple feet from the road. Cozzens – what is the distance from the asphalt to curb and gutter? Kit – about 10 feet.

Adams – it is all down to money. Stacy – it is for us, but we want it to come to your attention. Hopefully down the line something can be done, I don’t know if you have looked at signage. Cozzens – a sign from your facility saying right turn only coming out of the parking lot would help. Marchant – if no traffic is coming there is no problem. If you could restrict that to a right hand turn and we could look at the signage for the least confusing, some signs don’t help at all. No one is financially prepared to do this right now.

Councilmember Marchant moved to leave it in abeyance at this time; second by Councilmember Rowley; vote unanimous.

**CONSIDER A RESOLUTION ESTABLISHING A WATER RATE FOR EXISTING BUSINESSES OUTSIDE THE CITY LIMITS – RUSTY AIKEN/KIT WAREHAM:** Cozzens – Kit do you feel good about this? Kit – yes, right now he is charged under residential rates.

Councilmember Cozzens moved to approve the resolution establishing water rates for existing businesses outside the City limits; second by Councilmember Adams; vote as follows:

AYE:   4    
NAY:   0    
ABSTAINED:   0

**APPROVE SETTLEMENT FOR SEWER BACK-UP CLAIMS – PAUL**

**BITTMENN:** Paul – on March 6 we had a sewer back up in Equestrian Point because of maintenance we did on the lift station. The Greenhalgh and Childs family were damaged. It was personal property, carpet, baseboard, pad and sheet rock. We called a disaster clean-up company and an adjuster, Frontier and documented and cleaned it up. The homeowners got a list of personal property and listed the replacement price. Frontier provided a depreciated cost. The only thing left is to do construction in the basements; the clean-up is done. The variance in numbers, the depreciated amount is \$800 from their costs of personal property. The depreciated on Brett & Stephanie's property it is approximately \$2,000. The biggest difference is a larger list and they had some handmade items. Last time we had a sewer back up claim in 2009 we didn't depreciate the personal property, prior to that sometime we depreciated and some time we didn't. years back URMMA did a lot of work for us on sewer back-up claims. Cozzens – it was our fault and we need to make them whole. Rowley – we did it we need to make them whole. Paul - once approve we will send you a release, get that back to us and we will get you paid. Marchant – our deepest apologize for the issue.

Councilmember Marchant moved to approve the settlements for the sewer back-up claims on a non-depreciation value; second by Councilmember Rowley; vote unanimous.

**APPOINT MAYOR PRO TEM FOR APRIL 1-11:** Mayor – I will be gone and will miss one City Council meeting.

Councilmember Cozzens moved to appoint Councilmember Marchant as the Mayor Pro Tem for April 1 – 11; second by Councilmember Rowley; vote unanimous.

**URMMA PRESENTATION:** Dean Steele – thank you for having us down. We want to tell you about our operation, we were created in 1985 in an insurance crisis, and the insurance companies would not insure cities because we were too risky. An interlocal agreement was put together and a pool created and each city that belongs has a vote and policies and procedures were made. We focus on risk management and reduce and eliminate loss and exposure. We have Carl Parker, loss control manager he will explain his program. Paul Johnson to talk about claims and litigation and I will talk financing. Rowley – were we to pay or involve URMMA on the claim we just discussed? Rick – we will pay our deductible and URMMA will pay the remainder and we will have recaptured losses for a period of time.

Carl Parker - we all exercise risk management. Cities deal with risk, vehicles on the trail, the key is to get everyone involved in the City, staff, you and the citizens to try and make things better. The VAC trucks, you spend a lot of money that is so these things don't happen. We also want to hold the staff accountable. We have an annual inspection where we identify problem areas and look at solutions and hold them accountable, if you hold them accountable they work harder. What you face today someone else has already faced and so we can share information. We can fix if we can identify and take action. Excited to work with staff, they do a terrific job, but they can't do it alone. You have to provide funds to replace sidewalks, playground equipment, etc. If the staff knows you

are holding them accountable they do better. Sometimes things happen and we deal with it. We have a full-time trainer that provides training to your employees. If you have something specific she works with the employees on that issue instead of you sending your employees somewhere else.

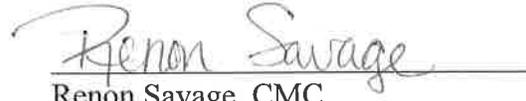
Paul Johnson – I am claims and litigation manager; you don't want to see me. You call us when you have a claim or lawsuit. You could have had URMMA investigate the sewer back-up claims, use us we have a lot of experience. We will not tell someone to go away and we won't pay without you approving it. Lawsuits we will seek your input on how we respond. One of my responsibilities is to hire outside attorneys and we will not do that without corresponding with Paul and then we work together. If we decide we want to pay we come to you first; if we think we should fight it you decide also. Rick sets on our board and on the executive committee. If Rick sees areas the employees need we bring that to your employees. You don't have a lot of claims or lawsuits, but you do have a few. One other area of control, you use us as resources, we have a lot of experience in municipal law, claims and adjusting and you can call us any time and I am happy to consult at any time. We want to get in front of potential problems. Cozzens – If you do training for Public Works on shoring is there a charge? No, it is part of the premium. I have done training with the Police Department and with employees on social media.

Dean Steele – one of the other hallmarks other than training and educations, Cedar has been an important part of our association, and Rick has been on the Board of Directors two times. We appreciate you allowing them to serve, they give us direction and have input. We changed our coverage a few years ago to cover your rail spur. We do things to improve coverage to your cities. We get the question we pay a premium, why do we have to pay for a loss. When set up 28 years ago we said we like each other and want to help each other, but want cities to pay for their own loss. They pooled money to pay for claims and then set up a program to pay claims back. We have a great reserve. You can budget for your premium; we haven't raised the premiums in 6 years. We are your insurance company, you own us and that is unique and a great benefit. We are a government entity and are audited each year and have an actuarial study each year as well. We also have insured but not reported incidents. The actuarial is very comfortable and they evaluated to see if we could give some back. We are bringing a check for \$12,184, 20% of this year's premium to refund back to you. It is a statistical study. Cozzens – how many cities participate and how is the premium established. Dean – there are 19 cities and the premium is based on population and budget. The board approves a budget and then it is allocated to every city. In the industry there is a buying business; URMMA is not established that way. Salt Lake City and a few others are self-insured, some insure up to \$250,000 and have insurance above that. URMMA has catastrophic coverage as well, it cannot increase your premium by more than 20% and we also have reinsurance for over \$660,000 for up to \$6 million and it is a no aggregate policy. It is a great program that serves you well.

Rick – when the board decided on the rebates, we looked at some of our more prevalent risks and I would suggest that we use the money to mitigate those risks such as grinding sidewalks.

**EXECUTIVE SESSION – PROPERTY NEGOTIATIONS:**

**ADJOURN:** Councilmember Rowley moved to adjourn and move into executive session at 6:35 p.m.; second by Councilmember Cozzens; vote unanimous.

  
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Renon Savage, CMC  
City Recorder