



118 Lion Blvd PO Box 187 Springdale UT 84767 * 435-772-3434 fax 435-772-3952

**MINUTES OF THE SPRINGDALE TOWN COUNCIL WORK MEETING ON
TUESDAY, APRIL 28, 2015 AT TOWN HALL, 118 LION BLVD., SPRINGDALE, UTAH.
MEETING CONVENED AT 12:10 PM**

MEMBERS PRESENT: Mayor Stan Smith, Council members Mark Chambers, Adrian Player, Bill Weyher, Mike Alltucker
ALSO PRESENT: Town Manager Rick Wixom, staff members DCD Tom Dansie, Chief Kurt Wright, Treasurer Dawn Wallace, Public Works Supt. Robby Totten, Parks Supt. Zac Martin, CCC Director Julie Hancock, Streets Superintendent Joe Barker, RSFPD Representative Luci Francis and Town Clerk Darci recording.

Approval of agenda: Motion to approve the agenda by Adrian Player, seconded by Mark Chambers:

Weyher: Aye

Alltucker: Aye

Smth: Aye

Player: Aye

Chambers: Aye

Motion passed unanimously.

Discussion/Information/Non-action Items

General discussion & announcements: There was no discussion or announcements.

Budget work session with staff: FY 2015-16 Budget: Mr. Wixom provided a brief summary of where the Town is at for the current year.

- There are three major sales tax buckets which make up the lion share of Town revenues – the resort tax, the sales & use tax and the transient room tax. Mr. Wixom used the actual 2014 budget returns as a starting point for this next fiscal year.
- Long term debt will see a sharp upturn in 2016 due to the water revenue bond. Mr. Wixom noted debt service will increase from approximately \$25,000 to \$75,000.
- General Fund revenues are expected to be \$2,194,000. Eighty-three percent of this total comes from taxes - property tax contributes less than 3%; sales & use tax contributes approximately 21%; resort tax contributes approximately 53%, the TRT tax contributes approximately 16%.
- The top three expenditures are public safety, administration, and community development.
- Roughly 51% of the General Fund is for salaries, taxes, benefits and contract labor. Transfers are 9%. Other expenditures are 40%.
- For Water Fund, 36% are for salaries, taxes and benefits. Other expenditures are 59%.
- For Sewer Fund, 35% are for salaries, taxes and benefits. Other expenditures are 63%.
- Mr. Weyher asked why the debt service spikes. Mr. Wixom answered that initially there were low payments with the majority of debt owed from 2016-2023. He recommended the Town refinance this debt.
- A snapshot of 2015-2016 FY budget shows expenditures are below revenues by \$57,000.

General Fund Revenues

- Revenues, including all tax buckets and the new RAP tax, total \$1.8MM. There will also be revenue from permits, zoning fees, police department tickets, interest and the Canyon Community Center. There is not a lot of fluctuation from the previous year. Funds not spent roll into the fund balance.
- The new gas tax, which flows into class B road funds, goes into effect January 2016.
- When developing the budget, Mr. Wixom likes to take a conservative approach. He does anticipate more growth given what is happening in the economy, tourism and ZNP visitor numbers. The Town has been able to roll money into the fund balance for the last several years.
- Projected revenue for 2015-2016 includes \$390,000 from sales and use tax, \$300,000 from transient room tax, \$1,000,000 from resort tax. This represents a \$248,000 increase over 2014-2015 actuals.

General Fund Expenses (by Department)

Council and Administration

- Funds have been added to cover the expenses for a municipal election this year.
- Budget for salaries went down due to the Town Clerk position being doubled up for a period of time.
- Legal fees remain flat; however Town is currently well below what was budgeted last year.
- Mr. Alltucker asked if the Izzy Poco litigation was covered by insurance. Mr. Wixom said it was primarily covered by the Trust.
- Mr. Chambers asked if the Paiute situation will cause an increase in the legal fees. Mr. Wixom said there were costs this year developing the comment book to respond to the Paiute's application. As the issue moves forward and if the Paiute's are successful in the application process, costs to litigate are not currently included in the budget numbers.
- Mayor Smith wanted to plan a community BBQ before the July 4th concert. Tickets would be sold, however there will be some expense. He anticipated 500-800 people.
- Mr. Wixom said the Joy to the World Committee has requested \$7,000 for fireworks. They are preparing a formal request and will present to the Town Council.
- Mr. Wixom explained RAP tax revenues will remain part of the fund balance until projects are identified where to spend the money. He said the Town can internally determine how money is spent on recreation however if funds are spent on arts programs or organizations, requests must first funnel through a county or Town advisory body.

Government Buildings

- The addition of two flat screen televisions to the Council Room will aid in presentations. One would point toward the audience and the other toward the Council. Adding wireless microphones was also discussed.
- The Town Hall and Canyon Community Center driveways will be seal coated this year. This project is generally done once every five to six years. This will be a transfer from the Building Authority Fund to the General Fund.
- Improvements to the Town Hall basement will include new flooring and carpeting. There will also be improvements made to the outside drain.

Public Safety

- Mr. Alltucker asked about salaries in general; they appeared to bounce up and down. Mr. Wixom said he has a spreadsheet for each employee with a breakdown. That information is then added to the budget by department. Employee compensation is allocated to the department under which they work.
- Mr. Chambers thought by adding Jared last year the Town would have full police coverage. Chief Wright indicated police were on duty until midnight except for Tuesday and Sunday night when they were off duty at 8:00pm. There is coverage 20 hours per day except for Tuesday and Sunday.
- Mr. Player asked if there had been adjustments to salaries. Mr. Wixom said there were a few, but only placeholders at this time based on changes he was suggesting.
- Ms. Wallace indicated fuel was budgeted based off actuals from this year.
- Mr. Chambers asked about employee performance evaluations. These need to be done annually. Mr. Wixom said he would be presenting ideas to staff. With satisfactory job performance employee would receive a cost of living increase. He would be recommending improvements to the evaluation process that are goal-driven and incentive-based. He felt they would be ready to do evaluations next year.
- Mr. Alltucker asked if the use of body cameras triggered storage expenses. Ms. Wallace said they spoke to the IT company and they recommended addition external storage. This was added to the budget.
- Mr. Weyher noted the training budget was low. He thought there should be more money added in this area to be sure police officers continue to get extra training. Mr. Chambers agreed and suggested the Police Department look at other training opportunities and provide costs to Mr. Wixom.

Streets

- The budget included sidewalk grinding, fixes and replacements.
- Three shuttle stop light poles would be replaced by Flannigan's. Mr. Barker indicated he was having a problem finding a fiberglass replacement pole similar to the others. They will focus on this project this year.
- Mr. Chambers felt with the street lights and fiber optics going in the Town should put in extra money for repairs.
- The Council agreed conduit should be added down Lion Boulevard to Town Hall and the Library.

- For the street light project, Mr. Wixom said money from the General Fund would move to the Streets Capital Project Fund. The total cost was estimated to be about \$400,000. So far this year the Town has spent about \$50,000 with the County and \$41,000 with Forsgren. The remaining costs for design and construction would roll into next year. Once the Council narrows the choice for light fixture models the Town can talk to the manufacturer and begin to determine quantity and spacing.
- Shuttle stop roofs were being replaced and repaired. Mr. Barker said the Council needed to decide whether asphalt shingles or metal corrugated should be used.
- The department requested the purchase of a single-axel, 2-yard capacity dump truck. Mr. Weyher said it was likely this vehicle would be utilized by other departments too and therefore the cost should be shared. Mr. Wixom said right now the cost is a flat expenditure out of the General Fund but it can be adjusted as an expense from the Vehicle Capital Fund. About \$40,000 is going back into this fund which can be used to purchase the dump truck.
- Mr. Barker discussed the acquisition of a new, used or leased skip loader. He said the Town averages about 300 hours per year on each piece of equipment. Mayor Smith said if there is only 300 hours of use each year, perhaps they should consider renting versus owning. Mr. Barker anticipated it would be used for more than originally anticipated so he preferred to own.
- Mr. Chambers asked about the storm drain project for Juniper Lane and Winderland Drive. The plan is to retain the water on Juniper Lane in a 24" pipe that is 30' long with a restrictor. It will have the capacity to retain flood waters and be released over time. The Town has also had discussions with UDOT on how to mitigate the water in that area.

Parks

- Mr. Chambers asked about the status of the old Pioneer Cemetery in terms of property acquisition. Ms. Carlson said the Historic Preservation Commission had been asked to provide manpower necessary to identify O.D. Gifford's heirs to minimize expenses associated with the quiet title process. Boundary issues need to be settled so Town is motivated to move the process forward. It will take time however. Legal counsel anticipated costs could run \$10,000-\$20,000 unless we can sift through the heirs internally.
- Funds were put in the budget for lighting the tennis and pickleball courts.
- Mr. Alltucker planned to present a proposal to expand the courts. Mr. Smith asked if RAP tax funds could be used for this project. Mr. Wixom said 'yes'.
- Ms. Carlson asked about funding for the Memorial Grove project. Mr. Wixom said Rocky Mountain Power agreed to enter into an agreement with the Town to access the property via their bridge. The next step would be to approach the BLM for an easement. If the project came to fruition, a budget amendment could be considered.

Community and Economic Development

- Funds for the second outdoor lighting audit had been added.
- Mr. Alltucker asked about the culinary water plan update. Mr. Wixom said there was a portion of the project currently underway but it was part of the water fund. The Town was also looking into a state grant to help fund.
- Mr. Dansie wanted to add another \$10,000-\$15,000 into the budget for a public opinion poll through the Trust for Public Land initiative.
- Mr. Chambers asked about the funds in the Open Space Preservation Fund. There will be \$20,000 after FY 2014-2015 and \$30,000 after FY 2015-2016. It is budgeted each year and the money is placed into a separate bank account.
- Mr. Chambers asked Mr. Dansie to add money for training at a National Conference.

Community Center

- Mr. Chambers said the attic ladder should be replaced. It comes down too quickly and is a danger.
- The addition of solar roof arrays was discussed. Mr. Alltucker wanted to know if a break-even analysis had been done. Mr. Wixom said it takes approximately 15-18 years to break-even based on current power costs. The water tank has a 25kw array which covers power costs at the CCC for every month except four. Mr. Wixom said in FY 2012 cost of power at the CCC was \$4,497.00, but with the water tank solar power adjustment this expenditure dropped to \$1,300.00 in FY 2014. Solar output from new arrays could be aggregated and any excess power would roll over to other months. He said the Town was applying for a Blue Sky grant which would defray the cost. There was also money left in the building construction account.
- Mr. Alltucker asked if solar production could be comingled. Mr. Wixom said meters on the same billing cycle on the same circuit can be aggregated.

- Mr. Dansie noted there was an exemption in the ordinance which says energy cannot be sold. The amount produced must equal the amount consumed. Therefore if the amount of solar power the Town produces is equal or less than what the Town consumes it would comply with the ordinance. Solar panels can be roof-mounted, pole-mounted or ground-mounted.
- Drop boxes will be added to improve drainage in the parking lot.
- Mr. Chambers asked about shared insurance with Z-Arts. Ms. Hancock indicated the Z-Arts Board will likely pursue individual event insurance so they can serve alcohol at events.
- The Council had received proposed budget numbers on the Zion Canyon Music Festival previously. Ms. Hancock said Wildcat Willies will get the permit for the event liquor license.

Transfers

- Funds would be transferred to the Water Fund, Fire Department, Capital Projects Fund, and Vehicle Capital Fund.

Parks Capital Projects

- Budget still shows appropriation of fund balance for trail easements and ball field construction.
- Any projects not completed in FY 2014-2015 will roll into FY 2015-2016.

Streets Capital Projects Fund

- Fund will realize expenses from the street light design and construction project.

Vehicle Capital Projects Fund

- Some leases will be expiring soon including Shane Lowery's truck, Chief Wright's vehicle, and Joe Barker's truck. Robby Totten's truck was purchased this year. About \$24,000 will roll back into the fund, including interest. The Parks Department and Water Fund are putting \$15,000 back into the Vehicle Fund. Therefore about \$40,000 will be coming back into the fund which can be used to buy the dump truck.
- Another option was to transfer \$35,000 from the General Fund into the Vehicle Fund and start the repayment. Therefore the \$40,000 set to come back into the fund would not be spent, it would be added to. Mr. Wixom preferred this option so the fund simply carries itself.
- Old police vehicles will be sold and new ones purchased.
- A new water truck will also have to be purchased in the future.

Irrigation Enterprise Fund

- Fund will have \$67,000 in expenses including salaries, equipment, supplies, utilities, line repairs, irrigation assessments and a new valve exerciser. Revenue includes a \$40,000 transfer from the Water Fund. Mr. Wixom said he would rather transfer from the Sewer Fund.

Water Enterprise Fund

- The budget included \$40,000 for a hydro-evacuation device. Mayor Smith suggested the expense be broken down by department since more than the Water Fund will use. Mr. Alltucker wanted to assess time and use to substantiate the expenditure. Mr. Chambers recommended the Department illustrate how the device would be used to validate the expense. Mr. Totten felt the device would be used more and more over time. It would help create less disruption in Town when problems arose.
- Mr. Wixom suggested the debt service could be refinanced to a 1% interest rate. It would add ten years to the repayment schedule.
- Mayor Smith asked if the manhole project repayment was in the budget. Mr. Wixom said SWAB repayment was still in question. Once a commitment is made, funds will be added back in. It was noted their loan had been paid off and therefore they should have cash flow to repay their portion of the expenses.
- Ms. Wallace said SWAB also owes \$8,900 for maintenance. She would follow-up on payment of this bill.
- Mr. Alltucker asked about depreciation. Mr. Wixom answered it is not a physical expense, just a paper expense. He noted they have not been able to fully depreciate the Water Fund for years. Instead they do a transfer to cover expenses.
- Mr. Wixom said the Zion Shadows water line was not in the budget but needs to be done.

Sewer Fund

- The Sewer Fund has not changed a lot from previous years.
- Mr. Wixom said the sewer blower line upgrade needs to be done. Changing out the diffusers and adding airlines will allow all three blowers be used at the same time. Procurement code requires a sealed bid.

- Rockville and Zion National Park continue to pay their portions.
- Canyon Springs' homeowners are not responsible for their sewer grinders. In Anasazi, the homeowner originally paid the Town for a grinder that their contractor installed. If it goes bad the Town will replace and turn over to the homeowner.

SMBA

- This is a pass-through fund from the General Fund.
- Ms. Wallace suggested the Medical Clinic pay their portion of the parking lot seal coating.

Mr. Wixom said he could make some adjustments which would bring the General Fund in balance. They were all estimates at this point.

Mr. Chambers asked why vacation accrual is kept on the books. Ms. Wallace said the accumulated absences are booked as a liability at the end of the year before the audit. Everyone's entire accrual balance is kept on the books because they are entitled to them as long as they work for the Town. There are personnel policy restrictions however, and there is a maximum of fifteen days' vacation allowed in a month.

- Mr. Player inquired about pay increases for staff. Mr. Wixom said if cost of living increases are applied to all they could be managed easily. If the Council wanted to consider individual pay increases they would need to be discussed. He will send a spreadsheet to the Councilmembers for them to review.

Mr. Wixom said according to state law, the Council needs to approve the tentative budget at their first regular meeting in May. Then a public hearing date needs to be set for questions and comments before June 22nd.

Council Discussion and announcements:

RSFPD Representative Luci Francis was in attendance and addressed for the Council. She said last year she asked for money for the dog shelter. She wanted to prepare a formal thank you the contribution to the Zion Animal Shelter and present at an upcoming Council meeting. The Town's \$4,000 contribution went a long way.

- She gave the Council a handout (attachment #1) and asked them to consider help with matching funds for a Fire Board feasibility study. The total cost of the study was estimated to be about \$30,000. They are seeking a CIB Grant for \$15,000 with 50% matching funds. Ms. Francis said it would be helpful to their grant application if the Town could provide a letter of support and show an amount they are willing to contribute.
- Mayor Smith said if this study was vital, worthwhile and a benefit to the community he was in favor.
- Mr. Player said the feasibility study will tell the Board if the district is being managed correctly and will address staffing issues. He wanted the Council to budget these matching funds now. Mr. Weyher felt the results would determine if the district is going in the right direction.
- Ms. Francis said the study will look at the district as a whole and develop a strategic plan that will serve the community for many years. It will provide relevant, expert advice.
- Councilmembers were supportive of Ms. Francis' request for matching funds and the topic would be added to the May 13th Town Council agenda. In addition they all agreed Rockville should contribute at some level.

Adjourn: Motion to adjourn by Bill Weyher at 3:10 pm. Seconded by Mark Chambers.

Weyher: Aye

Alltucker: Aye

Smith: Aye

Player: Aye

Chambers: Aye

Motion passed unanimously.


Town Clerk, Darci Carlson

APPROVED:  _____ DATE: 5/13/15