

MINUTES  
EAGLE MOUNTAIN CITY COUNCIL MEETING

May 19, 2015

Work Session 4:00 p.m. Policy Session 7:00 p.m.

Eagle Mountain City Council Chambers, 1650 East Stagecoach Run, Eagle Mountain, Utah 84005

**4:00 P.M. WORK SESSION – CITY COUNCIL CHAMBERS**

ELECTED OFFICIALS PRESENT: Adam Bradley, Donna Burnham, Ryan Ireland, Richard Steinkopf and Tom Westmoreland.

CITY STAFF PRESENT: Ifo Pili, City Administrator; Paul Jerome, Assistant City Administrator/Finance Director; David Mortensen, City Treasurer; Jeremy Cook, City Attorney; Johna Rose, Deputy City Recorder; Melanie Lahman, Deputy City Recorder; David Norman, Public Works Director; Chris Trusty, City Engineer; Steve Mumford, Planning Director; Linda Peterson, Public Information Director; Ross Fowlks, Fire Chief; Eric McDowell, Sheriff's Deputy.

Mayor Pengra called the meeting to order at 4:17 p.m.

1. CITY ADMINISTRATOR INFORMATION ITEMS – This is an opportunity for the City Administrator to provide information to the City Council. These items are for information only and do not require action by the City Council.

City Administrator Ifo Pili invited Fire Chief Ross Fowlks to make a presentation. Chief Folks reported that Councilmember Adam Bradley attended Fire School 101 last Friday, which is a class designed to introduce elected officials to how the fire service works. He showed pictures of Councilmember Bradley participating in the class.

2. AGENDA REVIEW – The City Council reviewed items on the Consent Agenda and Policy Session Agenda.

10. May 5, 2015 Minutes

Councilmember Steinkopf pointed out a spelling error in the minutes.

13. FY 2015 Budget Amendments

Assistant City Administrator/Finance Director Paul Jerome presented changes to the fiscal year 2015 budget. The budget will be amended to include funds to pay for the energy costs the City will be paying to Rocky Mountain Power and Questar Gas for the rest of FY 2015, due to the sale of the City's electric and gas utility systems. There will also be an amendment to replace the SaaN and Exchange servers, which are beyond their five-year replacement dates.

In Public Safety, the City has received invoices of \$25,000 for the Wiley Fire in 2006 and \$125,000 for the Dump Fire in 2012.

In the Fleet Fund, truck #70 needs to be rebuilt, which was an unexpected expense.

Councilmember Bradley asked why the City didn't budget funds for the server replacements. Mayor Pengra responded that Mr. Taumoepau took over supervision of the IT services recently.

Staff has been discussing switching to more cloud-based services. In addition, the budget process doesn't allow for holding money over from one year to another.

Councilmember Bradley asked the same question about the fire payments. Mr. Jerome said fire costs take years to determine. It isn't known in what budget year the funds will be needed. Mr. Jerome has been keeping a placeholder in the budget, knowing that the payment would have to come from fund balance through a budget amendment.

Mayor Pengra stated that he's been talking with Mr. Jerome about running a multi-year line item for computer server replacements.

Councilmember Ireland suggested replacing one of the servers just after the start of the new budget year on July 1, so the server replacements could be staggered in separate budget years.

In the Enterprise Funds, \$100,000 was added to pay for emergency repairs to Well #1. Public Works Director David Norman explained that the pump at the bottom of the well wore out.

#### 14. FY 2015-2016 Budget

Mr. Jerome stated that the FY 2015 IT budget was reduced and part of it moved to FY 2016. A meeting expense line item was added for one department that had no meeting budget. The tuition reimbursement budget was reduced. The Military and Veterans Board proposed projects that will cost \$2,600. The yellow ribbon and care package budgets have been moved from the Public Information budget to the Military and Veterans Board budget.

The net effect of the changes is a decrease of approximately \$2,000.

If the proposal for a streetlight fee fails, the City may use \$125,000 of the proceeds from the utility sale for one-time funding for streetlight maintenance.

Another option, if the streetlight fee proposal fails, would be to cut expenses from the General Fund to avoid using proceeds from the utility sale. Those cuts would eliminate travel and training and reduce the budget for salary parity, as well as make other reductions. A third option would be not to decrease personnel-related expenses, but increase revenue. Because the City budgets so conservatively, there is room to increase revenue estimates by \$125,000.

Councilmember Westmoreland asked if the City had ever budgeted so closely to projected income. Mr. Jerome said it has always budgeted very conservatively.

Mayor Pengra clarified the options, aside from the streetlight fee: budget less conservatively, cut General Fund expenditures or use one-time utility sale proceeds with a new solution in the next budget year.

Councilmember Westmoreland wanted to know if a tax increase was an option for paying for streetlight maintenance.

Mayor Pengra didn't feel that operational changes could create \$125,000 in savings. If not, covering the streetlight maintenance expense would require imposing either a fee or a tax.

Mr. Pili noted that personnel-related cuts are a temporary solution. They're not sustainable over the long term. He felt that one year's experience will give a clearer picture of how much streetlight maintenance will cost and whether growth will cover the cost.

Councilmember Steinkopf asked how much money the City makes on its investments. Mr. Jerome said it's approximately \$65,000 per year in interest. He was concerned about using a temporary solution and having to implement more tax and fee increases in the future. A year would be the maximum time he would be comfortable postponing a permanent solution.

Mr. Jerome listed the remaining proposed changes to the budget. In the Enterprise Funds, the City will allocate money for electricity and gas costs. There will be a slight decrease in storm drain maintenance costs. The parade float expenditure will be removed from Capital Projects because it was approved as a budget amendment for fiscal year 2015.

3. ADJOURN TO A CLOSED EXECUTIVE SESSION – The City Council will adjourn into a Closed Executive Session for the purpose of discussing reasonably imminent litigation and the purchase, lease or exchange of real property pursuant to Section 52-4-205(1) of the Utah Code, Annotated.

No Closed Executive Session was held.

The meeting was adjourned at 5:35 p.m.

### 7:00 P.M. POLICY SESSION – CITY COUNCIL CHAMBERS

ELECTED OFFICIALS PRESENT: Adam Bradley, Donna Burnham, Ryan Ireland, Richard Steinkopf and Tom Westmoreland.

CITY STAFF PRESENT: Ifo Pili, City Administrator; Paul Jerome, Assistant City Administrator/Finance Director; David Mortensen, City Treasurer; Jeremy Cook, City Attorney; Johna Rose, Deputy City Recorder; Melanie Lahman, Deputy City Recorder; David Norman, Public Works Director; Chris Trusty, City Engineer; Steve Mumford, Planning Director; Linda Peterson, Public Information Director; Ross Fowlks, Fire Chief; Eric McDowell, Sheriff's Deputy.

#### 4. CALL TO ORDER

Mayor Pengra called the meeting to order at 7:08 p.m.

#### 5. PLEDGE OF ALLEGIANCE

Boy Scout Troop 1652 presented a flag ceremony.

#### 6. INFORMATION ITEMS/UPCOMING EVENTS

- **Pony Express Rodeo** – The Pony Express Special Events Committee is holding the 2015 Pony Express Rodeo on May 22, 23, and 25. The committee will also be holding a demolition derby on the last night of Pony Express Days, June 6. Tickets for both events are available on their website at [ponyexpressspecialevents.com](http://ponyexpressspecialevents.com).

- **City Offices Closed** – The City offices and Library will be closed on Monday, May 25 in observance of the Memorial Day holiday. The Library will also be closed on Saturday, May 23.
- **Prison Relocation Open House** – The Utah Prison Relocation Commission (PRC) will host an open house/Q&A session on Tuesday, June 2 from 4:00-9:00 p.m. at Frontier Middle School. From 4:00-9:00 p.m., attendees can browse informational displays and talk with staff members from the PRC, the Utah Department of Corrections, the Commission on Criminal and Juvenile Justice, the PRC's consulting team, and some PRC members. From 7:00-9:00 p.m. there will be a moderated Q&A session. The Tuesday Food Truck Underground will relocate to the middle school that evening.
- **Pony Express Days** – Pony Express Days will be held from June 2-6. The event schedule and information are posted on the City website at [eaglemountaincity.com/PED](http://eaglemountaincity.com/PED). Enjoy fun traditions like the carnival, parade, 5K and Family Fun Night, as well as new events, including a dodgeball tournament and pancake dinner. Volunteers for the parade and carnival are wanted. Contact the Events Department.

7. **PUBLIC COMMENTS** – Time has been set aside for the public to express their ideas, concerns and comments.

Mayor Pengra read a public comment from Christopher Jones, saying that the City needs a recreation center.

Charles Carlisle thanked Mayor Pengra for providing information on the prison relocation on his blog. He said that the Legislature seemed to lack concern for cities the prison relocation will impact. There aren't enough roads in this area to handle the increased traffic.

Marianne Smith thanked Mayor Pengra for his work on the prison relocation issue and providing information about it to City residents. She said her friends' home was vandalized and their dog was killed and hung up in the yard and asked for help from the Sheriff's Office.

Mayor Pengra said police reports need to be filed in cases like that. He hoped that more people would participate in the Neighborhood Watch program.

Lt. Eric McDowell asked Ms. Smith to talk to him later about the vandalism case. He wasn't aware of it. He recommended that residents keep their garage doors closed to prevent thefts, and watch out for their neighbors' property. He also said parents should know where their children are at night. Many petty thefts are committed by juveniles.

8. **CITY COUNCIL/MAYOR'S ITEMS** – Time has been set aside for the City Council and Mayor to make comments.

Councilmember Steinkopf

Councilmember Steinkopf thanked everyone for being at the meeting. He was happy for the rain that's been falling lately, and reminded everyone to turn off their sprinklers when it's raining. He said in his neighborhood, kids take their bikes and scooters the school bus stops, then they are stolen. He bought a bicycle rack for the bus stop on his street, so the kids can lock up their bikes.

Councilmember Burnham

Councilmember Burnham said there are lots of great events coming soon. She hoped many people would attend them. She also asked residents to attend the prison relocation information meeting

being held at Frontier Middle School on June 2. She asked Mayor Pengra if it would be all right to put up signs advertising the meeting. Mayor Pengra said there's a new signage law, so he'll look into it. City Attorney Jeremy Cook said the new State law applies to political signs. Informational signs fall under the Municipal Code.

Councilmember Burnham suggested that people not announce on Facebook that they're going places. It's led to robberies in homes where people were known to be away.

#### Councilmember Ireland

Councilmember Ireland thanked the Boy Scouts for the flag ceremony.

#### Councilmember Westmoreland

Councilmember Westmoreland welcomed the Boy Scouts and the Miss Eagle Mountain Royalty.

#### Councilmember Bradley

Councilmember Bradley said it's important for residents to encourage their neighbors to attend the prison relocation meeting. He asked Mayor Pengra what the City will do to advertise the meeting. He mentioned that he attended Fire School 101 last Friday. It's an annual event to educate public officials about the Unified Fire Authority.

#### Mayor Pengra

Mayor Pengra stated that Public Information Officer Linda Peterson has been working on an informational postcard to be sent to all residents of Eagle Mountain. The City has requested permission to distribute flyers at the schools. They're waiting for a response from Alpine School District. They have also requested a booth at the meeting on June 2. Electronic road signs will be posted on main roads for a week before the meeting. There will also be information on the main page of the City website.

### 9. INTRODUCTION – Miss Eagle Mountain Royalty

Miss Eagle Mountain, Ella Barlow, introduced herself and her attendants. Kaylie Blacka is the first attendant, Katie Spencer is the second attendant and McKell Finch is the third attendant.

Miss Eagle Mountain's platform is "Fostering Childhood: Every Child Needs a Chance." Her family had the opportunity to foster two boys last year. She plans to assist the Christmas Box House, a temporary housing facility for children in foster care, by raising funds and holding a coat drive. She has partnered with the Utah Foster Care Association.

## CONSENT AGENDA

### 10. MINUTES

- A. May 5, 2015 – Regular City Council Meeting

### 11. BOND RELEASE – Into Warranty

- A. Evans Ranch, Plat B2
- B. Evans Ranch, Plat B3
- C. SilverLake, Plat 10
- D. Skyline Ridge, Plat 1C

### 12. BOND RELEASE – Out of Warranty

- A. Southmoor, Phase 2

**MOTION:** *Councilmember Ireland moved to approve the Consent Agenda with the spelling correction requested by Councilmember Steinkopf. Councilmember Westmoreland seconded the motion. Those voting aye: Adam Bradley, Donna Burnham, Ryan Ireland, Richard Steinkopf and Tom Westmoreland. The motion passed with a unanimous vote.*

## **SCHEDULED ITEMS**

### **PUBLIC HEARING**

13. ORDINANCE – Adoption of an Ordinance of Eagle Mountain City, Utah, Amending the Fiscal Year 2014-2015 Budget.

This item was presented by Assistant City Administrator/Finance Director Paul Jerome. The proposed amendments to the FY 2014-2015 budget include utility costs; computer equipment; wildfire suppression; vehicle maintenance; and well repairs.

Mr. Jerome recapped the presentation he made during Work Session, which is found on pages 1 to 2 of these minutes.

*Mayor Pengra opened the public hearing at 7:46 p.m.*

Destry Johnson asked if the budget would be posted anywhere for the public to read. Mayor Pengra stated that it is available in the City Council meeting documents online and in the Recorder's Office.

Christopher Jones asked where the amendments were coming from. Mr. Jerome described the budget line items that will pay for the amendments. Mayor Pengra explained the reserve funds required by the State. Each city must retain at least 5% but not more than 25% of its General Fund budget in a reserve fund for emergencies such as the well failure which is responsible for a \$100,000 budget amendment.

*Mayor Pengra closed the public hearing at 7:53 p.m.*

Councilmember Ireland reiterated his preference that the computer servers be replaced in different budget years, meaning the end of FY 2015 and the beginning of FY 2016.

**MOTION:** *Councilmember Ireland moved to approve an Ordinance of Eagle Mountain City, Utah, amending the fiscal year 2014-2015 budget. Councilmember Bradley seconded the motion. Those voting aye: Adam Bradley, Donna Burnham, Ryan Ireland, Richard Steinkopf and Tom Westmoreland. The motion passed with a unanimous vote.*

### **PUBLIC HEARING**

14. ORDINANCE – Consideration of an Ordinance of Eagle Mountain City, Utah, Adopting the Eagle Mountain City Fiscal Year 2015-2016 Budget. This is not an action item – the final budget will be adopted June 16, 2015.

This item was presented by Assistant City Administrator/Finance Director Paul Jerome. The State Code requires that the City Council hold a public hearing on the proposed budget and that the budget be adopted by June 22. The tentative budget was accepted by the City Council on May 5, 2015. The City Council held the public hearing on May 19, 2015 and will adopt the final budget, as proposed or with amendments, at the June 16, 2015 City Council meeting. The final budget will be the document that governs the expenditures for FY 2015-2016.

Mr. Jerome recapped the presentation he made in Work Session, which is found on pages 2 to 3 of these minutes.

*Mayor Pengra opened the public hearing at 8:01 p.m.*

Christopher Jones asked how much the homeowners' associations (HOAs) will be contributing to the cost of streetlight maintenance. He said that some HOAs are collecting fees but not providing any services. He hadn't found anything in State or county law regulating them, but said that cities other than Eagle Mountain are regulating HOAs. He asked why there was a \$50,000 increase in sewer costs, when expansion is paid for by impact fees. He also wondered why law enforcement costs \$2M per year. He felt the county should provide law enforcement services out of the taxes paid by residents. He also felt that the City ought to be investing in people by providing a recreation center, and investing in landscaping in City Center. He commended the Mayor, Council and staff on the good work they're doing.

Mayor Pengra thanked Mr. Jones for his comments. Mr. Jerome explained the financial issues in running the sewer system. The \$50,000 line item is not a fee increase. It shows the cost of paying Rocky Mountain Power for electricity to run the system and is covered by funds the City already has.

Mr. Pili said that the \$2M in law enforcement costs works out to about \$75 per resident, which is in the low range of what similarly-sized Utah cities pay. Regarding HOAs, the City has no authority over them because they are private organizations created by residents and protected from local government regulation.

Mr. Jones asked if HOAs receive their authority through the City. Mr. Cook explained that HOAs are licensed through the State. A city can make an agreement with a developer for maintenance of improvements in a subdivision, requiring that an HOA be created to maintain the improvements, but that is the only connection between a city and an HOA.

Mayor Pengra invited Mr. Jones to visit with him, Mr. Pili, Mr. Jerome or any of the City Councilmembers to discuss his concerns.

Fred Peoples stated that the taxes City residents pay for police and fire services are well spent. He thought that the Unified Fire Authority (UFA) was going to pay the City's costs for the Dump Fire as part of Eagle Mountain's annexation to UFA. He stated the Council approved \$5,000 for bike park maintenance last year and wanted to know if that money was still in the budget.

Mayor Pengra responded that he thought what was said at the time the City was annexing to UFA was that, had the City been a member of UFA at the time of the Dump Fire, UFA would have absorbed the costs. Mr. Pili said the \$5,000 for the bike park is still in the budget.

*Mayor Pengra closed the public hearing at 8:23 p.m.*

Councilmember Ireland asked residents to read the budget, ask questions and give feedback before the Council votes on it on June 16.

15. RESOLUTION – Adoption of a Resolution of Eagle Mountain City, Utah, Amending the Eagle Mountain City Consolidated Fee Schedule.

Prior to the sale of the electric and gas systems, the cost to maintain City streetlights was built into the electric fees charged to each account holder. As a result of the sale of the electric and gas systems and in order to continue to maintain the streetlights, City staff recommended implementing a streetlight maintenance fee of \$1.71 per account. This item was tabled from the May 5, 2015 City Council meeting.

Mr. Pili said the City staff recommends implementing this fee.

Councilmember Bradley stated that fees are a way to tax residents. He thought that fees could be imposed when different parts of the City need to pay different rates. This fee is intended to be paid equally, and should therefore be a tax. He wanted the cost of streetlight maintenance to be covered by the budget without any additional charge to the residents.

Councilmember Burnham said that the maintenance and electricity costs should come from the budget, but the initial costs could come from utility sale proceeds.

Councilmember Westmoreland stated that any time there is discussion of raising taxes or fees, it's important to have hard data. He felt that using utility proceeds to pay the initial costs of streetlight maintenance will give the City time to find out exactly what ongoing streetlight maintenance is going to cost.

Councilmember Ireland said that all the money the City collects goes into the General Fund. He didn't like mandatory General Fund fees, saying they should be for optional expenses for which people receive direct benefits, such as sports registrations. Anything residents are required to pay for should be a tax. As for how to pay for streetlight maintenance before setting either a fee or a tax, whether it's by using utility sale proceeds or taking it from the budget, it's all one-time money.

Councilmember Steinkopf was concerned that not deciding now would lead to more fees in the future. He would like to have it in the budget by next year.

Mayor Pengra explained that this fee was proposed from an analysis of how the utility sale would impact the City budget. There has been opposition from both the Council and members of the public. The budget is very tight. There's not much room to absorb \$125,000, but it can be tried for a year. He didn't want to go year to year cutting things that are needed to cover the costs of the streetlights.

The resolution failed for lack of a motion.

Mr. Pili asked for clarification of what the Council wanted. He asked for a \$125,000 placeholder for purposes of balancing the budget. The City budgets so conservatively that there probably will be adequate revenue, but the placeholder will allow the budget to balance until staff knows whether there will be revenue or whether the budget will have to be cut.

Councilmember Ireland preferred to reserve the utility sale funds for capital improvements.

16. RESOLUTION – Adoption of a Resolution of Eagle Mountain City, Utah, Amending the Eagle Mountain City Policies and Procedures Manual.

This item was presented by City Attorney Jeremy Cook. The proposed amendment to the Eagle Mountain City Policies and Procedures Manual adopts a media use policy.

Mr. Cook stated that this amendment clarifies the City's media policy, so that employees know what media use is and isn't acceptable in relation to their work, particularly in regard to social media.

**MOTION:** *Councilmember Bradley moved to adopt a Resolution of Eagle Mountain City, Utah, amending the Eagle Mountain City Policies and Procedures Manual. Councilmember Westmoreland seconded the motion. Those voting aye: Adam Bradley, Donna Burnham, Ryan Ireland, Richard Steinkopf and Tom Westmoreland. The motion passed with a unanimous vote.*

17. CITY COUNCIL/MAYOR'S BUSINESS – This time is set aside for the City Council's and Mayor's comments on City business.

Councilmember Steinkopf

No comment.

Councilmember Burnham

Councilmember Burnham stated that the budget amendment requested by the Military and Veterans Advisory Board came about because of the City's budget procedures. The Board had hoped to raise the funds, but the City couldn't guarantee that the funds would be used for the Board's projects. All outstanding funds collapse into the General Fund at the end of the fiscal year.

Councilmember Ireland

Councilmember Ireland announced that Youth City Council elections will be held on June 9. He would like to see lots of young people run for the Council and vote in the election. The Council is still looking for advisors. He thanked the staff for how promptly they respond to his questions.

Councilmember Westmoreland

Councilmember Westmoreland noted that the Planning Department held an open house about the City's trails and open space plans at a recent Tuesday Food Truck Round-up. It was very successful.

Councilmember Bradley

No comment.

Mayor Pengra

Mayor Pengra discussed fundraising. The issue is how to account for funds raised but not spent during a fiscal year. Mayor Pengra was willing to discuss it with staff. Mr. Jerome clarified that funds spent in the same fiscal year in which they were raised are not a problem. Funds to be rolled forward into the next year need to be accounted for in order to keep them from collapsing into the General Fund.

Mayor Pengra noted that several City boards aren't functioning at this time. He's met with all of them. He recommended that the Economic Development and Public Works Boards be dissolved and perhaps replaced with other solutions. He also suggested that the Parks and Recreation Board be absorbed into the Cemetery Board, which is functioning well. The Library Board and Military Boards are also functioning well. Councilmember Ireland suggested involving groups of residents in specific projects, rather than creating ongoing boards.

18. CITY COUNCIL BOARD LIAISON REPORTS – This time is set aside for Councilmembers to report on the boards they are assigned to as liaisons to the City Council.

None.

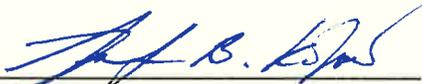
19. COMMUNICATION ITEMS

A. Upcoming Agenda Items

20. ADJOURNMENT

**MOTION:** *Councilmember Ireland moved to adjourn the meeting at 9:15 p.m. Councilmember Bradley seconded the motion. Those voting aye: Adam Bradley, Donna Burnham, Ryan Ireland, Richard Steinkopf and Tom Westmoreland. The motion passed with a unanimous vote.*

APPROVED BY THE CITY COUNCIL ON JUNE 6, 2015.



Fionnuala B. Kofoed, MMC  
City Recorder