

SPECIAL COUNCIL WORK MINUTES
JUNE 10, 2015

The City Council held a meeting on Wednesday, June 10, 2015, at 7:05 p.m., in the Council Chambers, 10 North Main Street, Cedar City, Utah.

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

STAFF PRESENT: City Manager Rick Holman; City Attorney Paul Bittmenn; City Engineer Kit Wareham; City Recorder, Renon Savage; Finance Director Jason Norris; Police Chief Robert D. Allinson; Fire Chief Mike Phillips; Public Works Director Ryan Marshall; Fire Marshall Mike Shurtz; Heritage Center Manager Jason Clark

OTHERS PRESENT: Jessica Sury, Lanor Warby, Blake Cozzens, Tom Jett, Kip Hansen, Terri Hartley, Wayne Hartley, Doug Hall, Carin Miller, Katrina Arnell.

PUBLIC HEARING TO CONSIDER THE ADOPTION OF THE 2015-2016 FISCAL YEAR BUDGET, AND FOR AN INCREASE TO ELECTED OFFICIALS COMPENSATION – JASON NORRIS:

Jason – See the revisions from the tentative budget on Exhibit “A”. We had Trevor present the analysis for the voice over IP phone system, it is included for \$31,220, additional for Fire Training for \$4,000, council recommended \$0.50 for hourly employee, added street light project \$348,000 funded by RDA and \$50,000 UDOT grant, added Coal Creek Road Phase 1 involves water, sewer collection and storm drain and not funded by enterprises, and there will be a grant for \$850,000,

Mayor – we are decreasing the city image and moving it to community promotions.
Rowley – Ryan, why does this need to be a dedicated roller? Ryan Marshall – the purpose, in our inspection we were deficient because of the prairie dogs, the blade them back in, but it is not sufficient for FAA standards, so you have to do compaction. Rowley – how often? Ryan – 3 to 4 times a week. Cozzens – where are we on the prairie dog issue? Ryan – we have had calls with US fish and Wildlife, DNR, us and FAA, they say they will go by FAA standards, DNR says they have a state law regarding that, FAA said they will come back with a recommendation. Ryan – we only have initial pricing that is for new; we are looking for used equipment. Marchant – when the inspector was here, they went around the night before, they made it as flat as possible, overnight one prairie dog popped up and it set the FAA inspector on fire. Ryan – the DNR is doing the control for us until we get permission from FAA.

Jason – background on changing the salaries on elected officials, it is not a request from the elected officials. Right now all the elected official salaries are part of the URS and they have minimums for tier 1 retirement that we have to pay for individuals to be eligible. That moves it roughly \$300 a year, we raised it so it lasts about 5 years. If we don't increase the annual salaries then they won't be eligible for the retirement system. I proposed the amount so we don't have to do it every year, that we change the annual

wage by \$1,144 which currently is \$11,958.96, makes it \$13,102.96. The Mayor's salary would go from \$19,013.28 to \$20,157.28, for a total change of \$1,144, which is \$0.55 an hour (See Exhibit "B"). Adams – you did mention that going through the budget. Mayor – it was for the retirement purposes. Black – I have a little problem for raises being given to officials during their term; can we freeze that until after the election? Rick – we would have to talk with URS to see if someone is ineligible if they are eligible again. Cozzens – I have the concern as well. I would rather do it yearly, I am uncomfortable with this. Jason – it is procedural.

Mayor opened the public hearing on the 2015-16 FY budget. Doug Hall – I have 3 comments on the current budget, #1, glad to see the City sees it should be paying for water like everyone else. #2 concern in the amount of money paying for utilities, it has jumped almost \$2 million a year. We need to make efforts to rein in costs, it needs further looking at. #3 there is approximately 400 fire hydrants in Cedar that don't meet the fire flow of 1500 gallons per minute. Approximately 10% have been upgraded by replacing water lines. There is a replacement plan, but not a targeted plan based on low fire flow. There are about 66,000 linear feet of water lines that need replacement at \$13.2 million dollars. At the current rate of \$500,000 annually it would take over 26 years to catch up with the back log that does not include any new ones. All funds come out of water enterprise fund that is only from water fees. The City increased water rates for the first time in many years; I applaud the Council for doing this. If the predecessors would have done that we wouldn't be here. A major fire could deplete and we would have a bucket brigade. I have one across from my house, it makes me uncomfortable. I don't know if it has an impact on my homeowners insurance and if the city would have liability. No one wants to pay increased fees, but at the current rate it will take 26 years. I would pay increased rates to bring the fire hydrants up to code. Cozzens – this comes to needs versus wants. We have an infrastructure problem and I think we need to focus on this for replacement of what we build, just like we did with RAP tax. Rowley – I talked with Chief Phillips and he informed me that the pressure in the area is too high, there is a difference in volume versus pressure, have you pumped one to see what happens. Chief Phillips – annually ISO has us flow ½ the fire hydrants, some in question we did actual tests and they came back greater than the model. The Fire Code requires us to sprinkler buildings in commercial which reduces the hydrant flow. We are able to bring 7,000 gallons of water on the truck; typically we put out most fires with 1,000 gallons of water. We have had to shuttle water, we have partners from Kanarrville, Parowan, Brian Head. Rowley – if we go to one of these dots, what happens if they don't flow? Chief – we have the hydrant flow into a truck and supplement with the 4,000 tender. Rowley – if the red dot were gone you could hook up and flow? Chief – yes. When ISO audits they look at the water line in the ground, if we maintain hydrants, there is no state law requiring water for suppression, the question about liability there is no promise in the State of Utah that sways you have to have water and we will put your fire out. Cozzens – if we set that aside, we don't want to minimize the issue; the Water Department is putting band aids on now. Rowley – the system needs to be upgraded and improved. Does it require larger lines? Mike – Water line is 40% of the rating and that is where the insurance rating is. The last rating the Fire Department was the weak link, we were 5, the water system was 3, 1 is high 5 is low. Rick – the question is, if we want to accelerate the rate of line

replacement in the community, we need to determine what we would have to raise the rates to meet that. Rowley – do we have a yearly installment plan to replace lines in the City like we do streets? Rick – yes, a few years ago we put together a list of all lines less than 8” and asked the Water Department to prioritize line size, repair efforts on certain lines such as Wedgewood line which was a 12” line and they were spending more time repairing that line. Rowley – we should have a grid so you don’t have to go further than 3 blocks for water and then come up with a plan. Rick – in addition, we want to be sensitive to what Jeff is doing in maintenance, we don’t want to redo a street and then dig it up to fix a water line. Marchant – if we can coordinate and do it before so you are not double spending. Mayor – we can go back and look at the list and work with Mike on some of the lines. Black – when you take the tender to a fire is it mobile? Chief Phillips – yes, and we have a map to know where the bigger water lines are, we always go to the east side of Main Street. Cozzens – the water issue won’t go away, being on the CICWCD, we are looking at long term planning and it will cost money. If you look at California you see that water costs come into play. We need to be responsible and plan as we go. Black – the new water does not have to be processed.

Kip Hansen – I applaud you for making the hard decision. As I recall there are 2 issues in raising rates, not to raise revenue but to encourage conservation. If you look to increase the revenue, perhaps the revenue could decrease if you want so much conversation.

Kit – it is a worst case scenario based on a model on the high flow day and hour and it is not all on old undersize lines, it is on how they system is configured. In Equestrian Point they are less than 10 years old and it shows every hydrant being replaced and it is because of the pressure, once it is looped line the hydrants will go away. Rowley – that is the issue on Interstate Drive. Kit – yes and on Coal Creek Road. It is not necessarily a line problem.

Black – for the departments that rely on seasonal employees, we need to take a look at if we have returning employees the learning curve flattens out and the supervisor knows what they have. I would like to see something done on each succeeding year. Rick – we have established pay ranges for all seasonal employees based on duties, knowledge, skills and abilities and they do have a top of that range like full time employees. The seasonal have the same situation as full-time we have tried to treat them the same. I understand what you are saying.

The public hearing closed.

Cozzens – we are voting next week. I think the staff and everyone has done an excellent job. I won’t be able to vote in the affirmative on the budget with the rate increase. Black – Rick will you find out with URS. Rick – yes. Mayor – it is on action and we will find out with URS the parameters. Rick – we will find out if not having elected officials on URS would hurt us. Cozzens – we have a challenge giving a 10 year seasonal employee a \$0.50 raise, I feel I am compensated fairly. I would rather see the increase go somewhere else. I would appreciate you looking into that to see if we can leave it like it

is. Rick – URS defined plan is accurately based and have set limits on how many full-time employees can opt out. We will check to see if elected officials can do that. Black – can we stay at what we are and not opt out?

CONSIDER A CONTRACT WITH DCFS FOR FESTIVAL HALL USE – JASON

CLARK: Jason – we have been approached by Department of children and Family Services, this is 3 years, the local offices were consolidated and they lost training space. We established this and it is mutually beneficial. Wayne Christensen who does the State Contracts, I recommend that the numbers he provided, the State has no plan to expand, and this could be a beneficial arrangement for years to come. Black – are there scheduling problems? Jason – a few, but I have the flexibility to move their meetings around other events. It has most of the time worked out. Most of the DCFS hours are off peak and don't demand large staffing requirements. Consent.

ADJOURN: Councilmember Cozzens moved to adjourn at 7:46 p.m.; second by Councilmember Rowley; vote unanimous.


Renon Savage, MMC
City Recorder

EXHIBIT "A"
SPECIAL WORK MEETING, JUNE 10, 2015

Budget Revisions

June 10, 2015

Departments: New Items or Revisions

- 1) Airport
 - a. Revenue Projections from Ryan & Jeremy:
 - i. Fueling Fees: increase from \$13,500 to \$65,000 (so it's a \$51,500 increase)
 - ii. Landing Fees: increase from \$55,200 to \$76,000 (so it's a \$20,800 increase)
 - b. New Capital Request Based on FAA Inspection
 - i. Roller: \$30,000
 - c. Personnel: Based on FAA Inspection
 - i. Re-classed a vacant part time position to be full-time (an increase of \$22,743)
 - d. Increased asphalt maintenance by \$2,952
- 2) Engineering
 - a. \$31,220 increase for VOIP Phone System (City unified network with voice over IP phones) – this is in the Engineering Budget as Trevor has been the one working on this project
- 3) Fire Department
 - a. \$4,000 increase to cover the additional training costs
- 4) Leisure Services
 - a. \$25,000 increase to Recreation budget- Legal Claims to pay Dan
 - b. \$1,000 increase - Cross Hollows: Salaries & Wages – Temp \$1000 for the \$0.50/hr raise for Nate
- 5) Street & Highways
 - a. Increase of \$348,000 - Street Light Replacement from Monterey Drive to 800 South (Cobra Head Lights)
 - i. \$298,000- RDA
 - ii. \$50,000 – UDOT
 - b. Coal Creek Road Phase I Main to 1045 N (\$1,547,000)
 - i. \$850,000 - Grant
 - ii. \$360,000 – Coal Creek Fund
 - iii. \$265,000 – Transportation Impact Fees
 - iv. \$72,000 – C-Road Fund
- 6) Storm Drain
 - a. \$100,000 increase for Coal Creek Road Improvements/ Storm Drain
- 7) Wastewater Treatment Plant
 - a. \$168,000 increase for Rotomat Screen

Other Changes

- 1) Community Promotions
 - a. Created line items for the following
 - i. \$5,000 – Iron County Care and Share
 - ii. \$5,000 – Canyon Creek Women's Crisis Center
 - iii. \$5,000 – Iron County Children's Justice Center
 - iv. \$5,000 – Community Event Promotions (this will remain the fund groups can apply for through the grant application process)
 - b. Decrease City Image Campaign line item by \$5,000 to cover the above line items
- 2) Change Event Coordinator/ Event budget to be under Economic Development instead of combined with the Heritage Center/Festival Hall budget

EXHIBIT "B"
SPECIAL WORK MEETING, JUNE 10, 2015

| Name | Proposed Annual Wage | Current Annual Wage | Change |
|---------------|-------------------------|------------------------|----------|
| Adams, Ron | 13,102.96 | 11,958.96 | 1,144.00 |
| Black, John | 13,102.96 | 11,958.96 | 1,144.00 |
| Cozzens, Paul | 13,102.96 | 11,958.96 | 1,144.00 |
| Marchant, Don | 13,102.96 | 11,958.96 | 1,144.00 |
| Rowley, Fred | 13,102.96 | 11,958.96 | 1,144.00 |
| Wilson, Maile | 20,157.28 | 19,013.28 | 1,144.00 |

| Name | Proposed Hourly Wage | Current Hourly Wage | Change |
|---------------|-------------------------|------------------------|--------|
| Adams, Ron | 6.30 | 5.75 | 0.55 |
| Black, John | 6.30 | 5.75 | 0.55 |
| Cozzens, Paul | 6.30 | 5.75 | 0.55 |
| Marchant, Don | 6.30 | 5.75 | 0.55 |
| Rowley, Fred | 6.30 | 5.75 | 0.55 |
| Wilson, Maile | 9.69 | 9.14 | 0.55 |