

MINUTES OF THE WORK/STUDY MEETING OF THE SPRINGVILLE CITY COUNCIL HELD ON TUESDAY, JUNE 09, 2020 AT 5:30 P.M. AT THE CIVIC CENTER IN THE MULTI-PURPOSE ROOM, 110 SOUTH MAIN STREET, SPRINGVILLE, UTAH.

Presiding and Conducting: Mayor Richard J. Child

Elected Officials in Attendance: Liz Crandall
Craig Jensen
Patrick Monney arrived at 6:05 p.m.
Matt Packard
Mike Snelson

City Staff in Attendance: City Administrator Troy Fitzgerald, Assistant City Administrator/City Attorney John Penrod, Assistant City Administrator/Finance Director Bruce Riddle, City Recorder Kim Crane, Deputy Recorder Jennifer Grigg, Operations Manager Rod Oldroyd, Public Safety Director Craig Martinez, Buildings and Grounds Director Bradley Neel, Golf Pro Craig Norman, Community Development Director Josh Yost, Public Works Director Brad Stapley, Power Director Leon Fredrickson, Library Director Dan Mickelson, Recreation Supervisor Richard Thurman, and Museum Director Rita Wright.

Excused: Recreation Director Corey Merideth

CALL TO ORDER 5:30 P.M.

COUNCIL BUSINESS

1. Calendar

- Jun 16 - Work/Study Meeting 5:30 p.m., City Council Meeting 7:00 p.m.
- Jul 03 - Independence Day Observed (City Offices Closed Friday)
- Jul 07 - Work/Study Meeting 5:30 p.m., City Council Meeting 7:00 p.m.
- Jul 14 - Work/Study Meeting 5:30 p.m.

2. DISCUSSION AND PRESENTATIONS

a) Budget Discussion - Troy Fitzgerald, City Administrator

Administrator Fitzgerald started his presentation by saying there has been a lot going on in the policing world. He discussed a variety of situations with Chief Martinez and Attorney Penrod. Springville City received the first phone message calling to defund the police. He suggested after he researched, Springville has already defunded the police. He showed the percentage of general funds some cities spend on police. Springville City spends 15.7% of the general fund on police. He suggested that Springville City uses the rest of the general fund budget for the services that protesters are calling for; social and educational programs at the library, the museum, recreation programs, the Clyde Recreation Center, and our parks system. He said Chief Martinez can argue that Springville police are underfunded. According to broad-brush measures like officers per 1000 count, we are lower than most local communities. Compared to more dangerous cities, Springville City spends much less. As this City Council interacts with citizens, this information will be helpful to answer questions about defunding the police. We

are spending a lot of money on other services to make our community better. Maybe we can argue we spend less money on our police services. Right, wrong or indifferent, from the available data; Springville already underfunds our police department.

Councilmember Snelson commented that from the interactions he has with most of the public, Springville citizens love our police department. He continued by stating they are well trained and doing a good job. He received a letter from a lady and he gave our department high kudos, stating they are professionally trained, a fantastic department, and well-loved by the residents. Administrator Fitzgerald added that the hiring of Chief Martinez and former Chief Finlayson addresses this. Springville City has been hiring officers that have a different outlook than some of the officers we see on the news. He said we are not perfect and we keep training. At the end of the day, we have very young people handling very tense situations. Our department does a fantastic job. Councilmember Snelson added that it is the responsibility of government to protect its citizens, so defunding a police department seems illogical.

Councilmember Jensen agreed stating Springville Police Department is more proactive than reactive. As an example, some of the officers hang out at the skate park, giving the public a positive image of the police and provide services that give youth something to do. Mayor Child said there is a new compliance officer. He has received comments from the public saying it is nice having someone get it done. Chief Martinez said he got one phone call about defunding the police. The caller asked why Springville City spends so much on firearms and not enough on training. Chief Martinez told the caller they are the same. An officer that shoots needs to hit what he is shooting at. The caller understood the point the chief was making.

Administrator Fitzgerald moved on to the budget. He showed information about the stock market, unemployment, economic indicators, and the COVID-19 Pandemic statistics. Ultimately, he indicated this is a hard year to create a budget. Mayor Child asked the Council about their goals. He specifically referred to the Allen's block. He reminded the Council that many other projects are coming up. The current code allows a dollar store or tattoo shop. If someone bought it they could build residential or commercial up to the height of 40 feet. Councilmember Snelson said it is currently zoned for a huge square block of residential, retail, or commercial up to 40 feet. Mayor Child agreed and continued by stating the city officials delayed action on the commercial land at Main Street and 1400 North because of the lack of direction. There are many more development areas in the same situation. Director Yost said the Council will receive the zone text drafted for the Allen's block tomorrow. Mayor Child if we do not act the Allen's block will be the same or worst. In the past Springville has done some good things and stopped other projects by enacting code changes.

Administrator Fitzgerald continued by stating we are still in the middle of a pandemic. Currently, both the state of Utah and Springville are classified as high risk. Springville has a positive COVID test rate of 150 cases per 100,000. Councilmember Snelson asked about specific locations in Springville. Administrator Fitzgerald answered the Public Safety Department gets an address. The state website explains locations in general terms. Springville City is not getting much more information on the COVID-19 pandemic statistic here in Utah than the general public.

Administrator Fitzgerald explained that he and Director Riddle are still planning for 3-6 months of impact from COVID-19 in this FY 20-21 budget. Their strategy is to budget as realistically as possible because if the economy recovers, adding funding back into the budget is easier than removing funds later. Utility revenues are higher than the tentative budget, but revenue is still forecast to be down \$1.4 million for the year.

Councilmember Packard asked what happens if we mothball the CRC until the governor moves the state into the green phase. Administrator Fitzgerald said the CRC is the driver in the budget. He showed a chart that illustrated a drop in active members because of the pandemic. Passes are frozen and renewals are clustered around the opening day in May of 2018. Attendance since reopening 20 business days ago is down 73%. Revenue is down 81%. Budget revenue is 25% down and expenses are



down 13.5%. Administrator Fitzgerald said the CRC is not fully opened so he anticipates expense savings; fewer lifeguards, less programming. Pass sales are a huge question. If the pandemic looks good by next spring, revenue could come back when people sign up for passes. Returning to Councilmember Packard's question, he said if the revenue continues to fall, keeping the CRC open creates an \$800,000 hit to the budget. That equals the entire year of the library's budget without staff or book purchases. That is a future question for the Council. Councilmember Snelson asked what months of the year have the highest attendance for the CRC. Administrator Fitzgerald said summer and right after Christmas.

Councilmember Jensen questioned why the visits cost more in 2019. Administrator Fitzgerald said these numbers are driven by pass purchases and this pandemic will spread out renewals into the beginning of the fiscal year. Pass holders have two options, keep the pass frozen and pay a day rate or reactivate the pass. Mayor Child asked about current attendance. Administrator Fitzgerald answered virtually everyone attending is reactivating their pass. Councilmember Packard asked about other towns with recreation centers. Administrator Fitzgerald answered the crowds have not come back. Director Riddle said Logan opened and reclosed. Councilmember Snelson suggested incentives to buy passes. Administrator Fitzgerald stated in the yellow and green phases, pass holders do not want to be charged, because childcare is not open and swimming is limited. Councilmember Snelson asked about prorating based on the services we are offering. Administrator Fitzgerald said the program is flexible. The fear was the CRC would create a deficit. After 18 months of data there was no deficit until now; potentially an \$800,000 hit to the general fund. I hope we can close this gap. Mothballing or closing the facility might be the best option by hundreds of thousands of dollars, but the community will complain.

Administrator Fitzgerald continued by discussing raises; noting that 23 of 47 Utah county cities are planning to give raises. The current budget includes no change in wages, benefit increases, and pension changes, particularly in the police department. Today, per the economic information discussed, staff is not recommending raises in this budget year. Administrator Fitzgerald suggested a softening of that position because of a possible V-shaped economic recovery. The Council could look at raises for staff based on the great work they are doing by January. It makes no sense to give raises and then lay off people three months later. Councilmember Snelson agreed. Administrator Fitzgerald confirmed the Council is comfortable with that policy. Councilmember Packard agreed and stated this policy is a reflection of the current economic reality. He said the employees appreciate honesty and doing our best to get through this. He continued by asking how much is the historical raise. Administrator Fitzgerald answered it is \$100,000 per percent of raise for the whole city or \$450,000 for a typical annual raise including general and enterprise departments. Mayor Child said the other cities might have been paying too little for employee wages. Springville has kept pay fair for its employees. Councilmember Monney arrived at 6:05 p.m.

Administrator Fitzgerald continued by stating the Council instructed staff not to raise any fees across the board, which is shown in the tentative budget. Today's budget has a 10% increase in recycling suggested by Director Riddle for Council approval. Over 10 years Springville City fee increases have been well below inflation relative to costs. Councilmember Packard said there is merit in reviewing impact fees and enacting these fee increases because the demand for development is still there. Administrator Fitzgerald agreed and said directors are reviewing the impact fees through the normal course of approving the budget. Specifically, the draft recommends a rate decrease for power, adding water, wastewater, and secondary irrigation impact fees creating a net-zero for impact fees. If this Council enacts these changes the state requires a 90-day waiting period or October 1, 2020, before the city can collect.

He continued by saying if the Council is comfortable staff has it on a schedule. Councilmember Jensen agreed with passing on the savings even though building is going strong. Administrator Fitzgerald said we still need to provide that service and we need those dollars to cover costs. Spanish Fork raised impact fees \$3000 last week. Their impact fees were just below Springville's and now their fees are substantially above. Councilmember Packard said he is more comfortable combining the lowering of fees

with the addition of new fees to lower the strain on developers. Councilmember Jensen clarified staff is proposing an increase of 10% on recycling and stormwater.

Administrator Fitzgerald started explaining the fee increase for recycling. A 10% increase comes to \$.074 per can per month. The only reason for the increase is the tipping fee increased from \$85 to \$100 per ton at the solid waste district. The increase has nothing to do with our cost of operations, just the increase in the tipping fee. Solid waste tipping fee is \$36 ton. Recycling tipping fee is \$100 per ton. Councilmember Monney asked about if a truck is contaminated, does it ruin the entire load. He asked how much is making it to the recycling center. Director Stapley answered 40% of each recycling is rejected. Councilmember Crandall asked if it is inspected. Administrator Fitzgerald said every single piece of garbage is touched by the human hand to be recycled. Councilmember Monney said he and his family make sure everything in their recycling can is acceptable.

Councilmember Packard asked why we are offering this service other than making us feel good. Administrator Fitzgerald said the city was paid \$10 per ton for recycling. Now the city pays \$100 per ton. The market has shifted dramatically in the roughly 10 years since we started this program. Council agreed this needs to be discussed.

Director Stapley commented that solid waste is coming up to what he calls a wall and the city will need to buy a new \$268,000 garbage truck and hire a new \$60,000 driver. If Springville City stops recycling it will be years before buying a new truck and hiring a new driver. Councilmember Packard asked if the monthly recycling fee covers the expense of recycling. Administrator Fitzgerald explained the answer is a qualified yes because the costs are divided between two different departments in the budget. The fee for a recycling can needs to cover 100% of the expense. The wall hits the solid waste side first. Councilmember Jensen agreed that the recycling service needs to stand on its own. Councilmember Packard agreed the service needs to completely stand on its own.

Administrator Fitzgerald turned his attention to stormwater fees. Springville City charges below average among Utah County communities. Currently, the stormwater service is underfunded with recent unfunded changes in regulatory requirements from the state. He suggested that continuing to make nominal changes to the fees gets revenue closer to charging what it actually costs to meet the regulatory requirement from the state. The numbers shown in the presentation are calculated by ERUs (equivalent residential units.) Businesses with large amounts of impervious surface like Walmart and the businesses in the industrial park will see a larger increase in their stormwater fee. Councilmember Jensen agreed that fees for using services are better than charging developers increased impact fees.

Councilmember Jensen asked about the golf course sprinkling system. Administrator Fitzgerald said CUW (Central Utah Water Conservancy District) has some significant grant programs in exchange for water conservation. Most of the grant money requires water shares in trade. Springville City has water rights owned by South Utah Valley Water Association that can be transferred. The grants require matching funds so the Council will need to decide how much money to use on the golf course sprinkler system. Councilmember Packard asked if this is the water that was proposed to lease out. Administrator Fitzgerald answered yes.

3. MAYOR, COUNCIL AND ADMINISTRATIVE REPORTS

a) Discussion with Department Directors

Mayor Child asked Director Neel why there is no power at the Jolley's Ranch campground. Director Neel reported that the power pedestals have been shut down because they need to be replaced. Mayor Child asked if the customers have been notified. Director Neel answered that staff released social media announcements and Jody Gooch and Teresa Tipton called every reservation for the campground starting in January to inform the customers that there would be no power this year. Mayor Child asked if the power pedestals were installed properly. Administrator Fitzgerald answered the pedestals are just old. He continued by stating staff submitted a capital improvement project to keep that service running,

but it did not score high enough to be funded in this year's budget. He asked if it makes sense to go to that expense when the camping fee charged woefully undercharges to maintain that service. Staff will prepare a report and ask Council if they want to fund this project or charge what it actually takes to run this project. Attorney Penrod said Director Neel is evaluating the fees for camping. The rates have been great for many years. Half a mile up the canyon, Cherry Campground, camping costs twice as much. Administrator Fitzgerald said that the decision to shut down the power pedestals was made late in the budget planning game because the problem was realized when staff began energizing the system in the spring. Director Fredrickson noted that campers are allowed generators until 10:00 p.m. Mayor Child agreed and stated that as long as the customers know there is no power this year. Director Neel added that they are trying solar panels for the bathrooms. Councilmember Monney asked about the cost to fix the issue. Director Neel stated to correct the wiring and add GFI protection would cost about \$45,000 internally and \$60,000 out to bid. Councilmember Monney asked about the solar system cost. Director Neel answered that the solar panels were just for the bathrooms and cost about \$600.

Recorder Crane reported the primary election will be all vote by mail. There is a link on our website leading to the county information page. June 19 is the last day to register. There will be four vote centers in the county. There will not be provisional ballots this year. Mayor Child clarified the Utah County ballot drop box is available.

Attorney Penrod said Springville City has been authorized by the FFA to quit the airport business. The final deed will be signed by the mayor. Administrator Fitzgerald said that will save \$50,000 per year plus half of each project in the general fund. Attorney Penrod stated the water adjudication continues toward possible settlements.

Director Neel reported David Ashton of Springville has been hired as the facilities superintendent and starts Monday, June 15, 2020. He continued by stating progress continues toward the dog park. The Parks and Recreation Board approved plans to change from the north side of Kelvin Grove Park to Memorial Park near the old Grant Elementary. Councilmember Crandall stated the city should maintain what we have. She wondered why funds were going toward a new dog park when there is no power at Jolley's Ranch. Director Neel said the dog park funds were approved before staff knew the state of the power equipment at Jolley's Ranch. Councilmember Crandall said she understood and referenced the lack of maintenance on the roof of the old library 10 years ago. Councilmember Monney asked if the funds can be used for Jolley's Ranch power and the dog park. Director Neel answered yes.

Director Stapley reported that former Storm and Wastewater Superintendent Juan Garrido has accepted the job of Public Works Director in the Lindon. Jake Nostrom the 2nd in command in the Water (culinary) Department will replace him. Juan Garrido was with Springville City for many years and Jake Nostrom has worked here for 15 years. Attorney Penrod said that Lindon has hired three previous Springville employees: Alex Roylance, Noah Gordon, and Juan Garrido.

b) Mayor and Council Reports

Mayor Child complimented staff on the budget. He reported on meeting with south county mayors. He and the other mayors discussed \$111 million that Utah County received from through the Cares Act. The county tried to keep the money, but the mayors wrote a letter to the county commissioners who have agreed to release the money to the cities for economic development in Utah County. Administrator Fitzgerald said North Utah County has always been organized. Mayor Child said South Utah County Mayors meet every Thursday. Administrator Fitzgerald added Utah County Commissioners were following national trends and were one of the last willing to share with the cities so this is big news. He concluded the meeting by reporting one employee has tested positive for COVID-19. Cares Act funds will offset some of those leave costs. This budget did not include funds for the pandemic because of the Cares Act language. Mayor Child said the unspent money returns to the county and then to Washington in December. Administrator Fitzgerald said the city will sign an indemnification.

4. CLOSED SESSION

The Springville City Council may temporarily recess the regular meeting and convene in a closed session to discuss the character, professional competence, or physical or mental health of an individual, pending or reasonably imminent litigation, and the purchase, exchange, or lease of real property, as provided by Utah Code Annotated Section 52-4-205

There was no closed session.

5. ADJOURNMENT

COUNCILMEMBER PACKARD MOVED TO ADJOURN THE WORK SESSION OF THE SPRINGVILLE CITY COUNCIL AT 6:48 P.M.

COUNCILMEMBER CRANDALL SECONDED THE MOTION, ALL VOTED AYE.

This document constitutes the official minutes for the Springville City Council Work/Study meeting held on Tuesday, June 09, 2020. I, Jennifer Grigg, do hereby certify that I am the duly appointed, qualified, and acting City Recorder for Springville City, of Utah County, State of Utah. I do hereby certify that the foregoing minutes represent a true and accurate, and complete record of this meeting held on Tuesday, June 09, 2020.

DATE APPROVED: _____

Jennifer Grigg
Deputy Recorder