

**Alpine City Council Meeting
Alpine City Hall, 20 North Main
October 11, 2011**

I. CALL MEETING TO ORDER: The meeting was called to order at 7:00 pm by Mayor Hunt Willoughby.

A. Roll Call: The following Council members were present and constituted a quorum:

Mayor Hunt Willoughby

Council Members: Bradley Reneer, Kimberly Bryant, Kent Hastings, Jim Tracy

Council members not present: Troy Stout was excused.

Staff: Rich Nelson, Charmayne Warnock, David Church, Shane Sorensen, Kip Botkin, Jay Healey, Jannicke Brewer.

Others: Mel Clement, Jason Kuhn, Will Jones, Chuck Castleton, Aimee Augusts, Keith Clark

B. Prayer: Bradley Reneer

C. Pledge of Allegiance: Chuck Castleton

II. PUBLIC COMMENT: None

III. CONSENT CALENDAR

A. Final Payment Request – Micro-surfacing Project, Geneva Rock - \$69,639.56

B. Final Payment Request – Asphalt Overlays – Kilgore Contracting - \$145,693.52

C. Bond Release #1 – McNiel Plat E - \$100,813.49

D. Bond Release #2 – McNiel Plat E - \$26,094.53

E. Bond Release #2 – McNiel Plat C - \$1,788.48

F. Approve Minutes of September 27, 2011

In regard to the bond release for McNiel Plat E, Shane Sorensen explained that the ordinance allowed a developer to move forward on construction of the infrastructure as long as they had Planning Commission approval. Developer Lon Nield had moved forward on the McNiel subdivision and had about half of the improvements on the ground. The City would still have the ten percent warranty bond.

MOTION: Kent Hastings moved to approve the Consent Calendar and approve the minutes of September 27, 2011 as amended. Kimberly Bryant seconded. Ayes: 4 Nays: 0 Motion passed unanimously.

IV. REPORTS/PRESENTATIONS (In the meeting, Item C was moved to the beginning of the Reports and Presentation Section.)

A Citizens Guide to the Municipal Budget: Rich Nelson said the document in the packet was a budget document in brief. It was designed to inform citizens about the budget and the budget process. The Citizen Guide was one step of a four-step process. The first step was a visioning meeting in which the Council and staff would identify a plan and possible projects for the next five years. The second step was to get the Citizen Guide out to the residents. The third step would be a discussion on the five-year plan envisioned earlier. The fourth step would be putting together a citizen group. The citizen group was not to be an indoctrination process but a communication process.

B. Monthly Financial Report: Rich Nelson presented the financial report for the month of September. There was a slight increase over the previous year in the General Fund. The fund balance in the Capital Improvement Fund was down from earlier in the year. It had carried a loan from the water fund for the park but it wasn't needed and it was moved from the Capital Improvement Fund back to the Water Fund. The General Property Tax revenue typically spiked in November and December when taxes were collected. The City was doing okay on sales tax revenue. There would be a discussion about franchise fees at a later date. Building permits were slightly up from the same time the previous year.

C. Introduction of newly hired police officers and the police dogs: Police Chief Kip Botkin introduced Officer Carter Grove who was hired as authorized by the approved budget. Officer Brandon Farnsworth was also hired to replace an officer that had recently resigned. Chief Botkin also introduced the two dogs the Lone Peak Safety District had recently acquired from North Carolina. Ringo was a German Shepherd dual purpose dog who performed both patrol work and drug detection. Harris was a Belgian Malinois trained for drug detection. They were both passive indicators which meant that when they detected drugs, they sat or lay down and stared continuously at the location of the drugs. Both the dogs and their handlers had undergone extensive training. Their last training was completed on September 15th of this year, and they had been used nine times since that date. Four of those nine times, narcotics were found.

In response to questions from the Council, Chief Botkin said the officers who handled the dogs were with them 24/7. The dogs were scheduled between the hours of 6 pm to 4 am but were subject to calls anytime. They had been used at the schools and the students knew about the dogs. When the officers performed a search at the school, the students were on lockdown while the dogs went through the hallways and sniffed lockers. It would be too chaotic to have students changing classes, etc. when the dogs were around because they were very high energy dogs. The dogs were available for a demonstration for community groups.

V. ACTION/DISCUSSION ITEMS

A. Audit Report: Independent auditor, Greg Ogden, presented the results of the audit for Alpine City fiscal year ending on June 30, 2011. The first thing he addressed was the impact fees and sewer fees the City collected from new construction. He cautioned the Council to make sure they didn't have too much in the accounts for too long. Cities were allowed to hold impact fees for six years before spending them, or have a good reason why the expenditure was being delayed.

The next item was the departmental budgets. He said there were three or four budgets that were overspent. Higher balances in other departments made it balance overall, but they needed to watch the department budgets. Also, there was an internal payroll deficiency. Caselle calculated what the city would owe but it didn't match the amount from the state. He said to make sure that what the city was being billed was what Caselle was calculating.

Regarding the impact fee fund, Shane Sorensen said they were updating the sewer master plan and there were two sewer projects left to do which would speed the money in the fund. The City had completed a couple of water projects this year. Some projects came in less than anticipated and others were more. They would be getting those things take care of.

Greg Ogden then went over the financial statements, referring to certain pages. He said the state limited how much a city could keep in the unassigned fund balance. The minimum was \$190,000 to \$600,000 and Alpine was right in the middle with \$363,000 so they were in compliance. If it did go over, they could transfer money into the capital project fund.

Greg Ogden noted that there was a deficit in the storm drain fund and if that continued they may need to raise the rates. He said the water fund showed a loss so the City was probably not charging enough for water.

Kent Hastings asked if the City was overcharging for the sewer. Rich Nelson said there was the charge from Timpanogos Special Service District (TSSD) and then the City had the sewer lines that needed to be maintained. Shane Sorensen said there had been a metering error by TSSD and the City received a credit for 8 months which allowed some excess build up. It would even out in the future.

Kent Hastings asked if they were charging too much for pressurized irrigation. Shane Sorensen said they hadn't had to run the pumps as much this year because there was more rain than usual. That could change from year to year.

Mr. Ogden complimented the City on refinancing the pressurized irrigation bonds at a lower interest rate which saved the City a lot of money. He also complimented Annalisa Beck on the job she did as financial officer, and was impressed that she was able to write the financial statements.

MOTION: Kent Hastings moved to accept the Independent Audit Report for the fiscal year ending June 30, 2011. Kimberly Bryant seconded. Ayes: 3 Nays: 0. Kent Hastings, Jim Tracy and Kimberly Bryant voted aye. Motion passed unanimously. Bradley Reneer had left the meeting earlier.

B. Appointment of Poll Workers and Counting Judges: Charmayne Warnock said the state law required the city councils to appoint the poll workers for the upcoming election. All the poll workers were registered voters in Utah County. They would be holding poll worker training the following week.

MOTION: Kimberly Bryant moved to appoint the poll workers and counting judges as presented. Kent Hastings seconded. Ayes: 3 Nays: 0. Motion passed unanimously. Bradley Reneer had left the meeting earlier.

C. Ordinance No. 2011-12 Regulating Hobby Beekeeping: Jannicke Brewer said the Planning Commission had discussed the recommendation from the City Council that the ordinance be simplified. They eliminated two sections and made a recommendation to send it back to the Council. She said their reason for keeping it was that David Church had said it made it easier for staff to respond to questions if they had something on the books. The Planning Commission felt the ordinance as recommended was helpful rather than restrictive.

Kent Hastings said that he didn't think the revised ordinance addressed any of their concerns. David Church had said they could simply identify apiaries as a permitted use and leave it at that. If someone was going to go into beekeeping they would have a mentor or join clubs to learn what they should do. There hadn't been a problem with beekeeping and he felt they should just make it a permitted use.

Jim Tracy said that he agreed with the recommendation from the Planning Commission.

Mayor Willoughby said that as a beekeeper who wanted to extract honey, there were certain things that he needed to do regardless of whether or not there was an ordinance telling him to do it. He said he knew that if he put his hives on the back fence, the neighbors would spray them. He said he didn't mind having regulations in the ordinance that protected the neighbors, but he didn't see a reason to have regulations that were necessary for successful beekeeping.

Kimberly Bryant agreed that they should include the regulations that had to do with the neighbors and eliminate that ones that didn't.

Kent Hastings suggested that since the Council was divided on the issue, they talk about it when there were more members present.

D. Ordinance No. 2011-14 Amending the Municipal Code, Title 14 –Utilities: Rich Nelson said the proposed amendment would make changes in the ordinance stating that all delinquencies on utility bills needed to be paid in full before reconnecting water service.

MOTION: Jim Tracy moved to adopt Ordinance No. 2011-14 amending Title 14 of the Alpine City Municipal Code to reflect that delinquent bills must be paid in full before the utilities would be reconnected. Kimberly Bryant seconded. Ayes: 3 Nays: 0. Motion passed.

E. Resolution No. 2011-11 Amending the Consolidated Fee Schedule: Rich Nelson said there were two changes in the fee schedule. The first was changing the amount of the application fee for construction jobs valued at \$50,000 or more to \$250. The fee schedule already required an application fee of \$250 for a new home permit. Construction jobs valued at less than \$50,000 would pay an application fee of \$25. The second change under Section F. Public Works, item 4c which stated that the delinquent penalty fee would be \$70 but it would be waived if the resident signed up for the Xpress Bill Pay service.

Jim Tracy said he would like to make the option of having the fee waived once a year annually to encourage people to get back on the bill pay service. He asked if Xpress Bill Pay was the only service that would qualify?

Kent Hastings asked if they could just say that it could be any city-approved electronic bill payment system. Rich Nelson said that involved more expense.

MOTION: Kent Hastings moved to approve Resolution No. R2011-11 amending the Consolidated Fee Schedule as proposed with the following change to be made under Section F. Public Works: Item 4c will be changed from “first time” to “first time annually.” Kimberly Bryant seconded. Ayes: 3 Nays: 0. Motion passed unanimously.

Mel Clement said he hoped the bill pay service would interface with his bank and credit union. Rich Nelson said it would only apply to delinquent bills.

F. Five-year Financial Plan Budget Assumptions Discussion: Rich Nelson said there were four phases to his budgeting plan. The first was assumption visioning where they identified the assumptions they would work under for the next five years. It would be updated every year for the next five years. He reviewed the list of assumptions which were:

1. No new staff positions for 5 years.
2. Increased use of part-time workers by Public Works.
3. 2% salary increase a year.
4. Retirement will go up by 2 to 3% a year for 3 years then go back to 1% for the last two years.
5. Planner position will stay a part-time position for 5 years.
6. The next replacement hire in Public Works will be an entry level position.
7. If the Federal Government’s health care is not repealed, our insurance program is going to have to change by 2014. It will, however, not cost the city additional money.
8. Continue on the same capital equipment replacement schedule as we have.
9. Assume we will have the same number of new homes per year as we have planned for 2012.
10. Assume we are going to turn over code enforcement to Jed and I will take more of a role in it.
11. Assume the assessed valuations for the homes in Alpine has reached bottom and will stay that way for 5 years and that property tax will only increase based on new growth (I am worried about this one, there is a potential for even lower assessed valuations).
12. If assessed valuations have bottomed out, assume TNT for the next 5 years to collect redemptions (This is dependent on how TNT works with #11 above).
13. Assume no new parks or other major projects.
14. Assume a gradual increase in WC, insurance, FICA, etc.
15. Assume police will hire an additional officer in January.
16. Assume police and fire and dispatch will grow 1 - 2% a year for the next 5 years.
17. Assume garbage rates will increase 4% next year and 2% the years after and that they will be covered by rate increases.
18. Assume sewer rates will increase by 2% a year and they will be covered by rate increases.
19. Assume that the City will stop subsidizing green waste garbage pickup or will go to a total city program.
20. Assume that the City will pick up the total amount of fees for telecommunications (cell phone fees), while actual revenue from this area will continue to decrease or, at best, remain neutral.
21. Assume a yearly 1 to 1.5% increase in utility rates for water, PI, and storm drain (I am going to propose a yearly CPI based rate increase for the city).
22. B&C road funds are expected to remain flat.
23. No new bonding.
24. Assume we will have to increase expenditures for emergency preparedness communication equipment (phones, UCANN, computers, TV screens).
25. Assume that the city will adopt policies to cash out some compensated absences on a yearly basis to reduce the long term costs of the compensated absences balance liability.

Rich Nelson asked the Council to review the assumptions and give him their comments. He would bring it back and they would discuss revenue next.

VI. STAFF REPORTS: Rich Nelson said the caretaker home in Moyle Park needed new shingles. They were hoping to do it for about \$3,000.

1 The Fire Department was holding an open house in Alpine on the 15th of October. A PSD Board meeting was
2 tentatively scheduled for October 27th. Mayor Willoughby said it had been postponed again.
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4 Rich Nelson said that when people had water leaks, they were shocked by the bill. If the leak was in the ground, the
5 City forgave it. If it was in the house, the City would forgive half the bill if the homeowner brought it proof that it
6 had been repaired.
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8 Shane Sorensen said they had ordered three signs warning about the use of engine brakes. They would be placed at
9 the three entrances into Alpine. He said software was on its way to adjust the speed at which the radar signs flashed
10 on 100 South. They would flash at 31 mph instead of 26 mph.
11

12 **VII. COUNCIL COMMUNICATION:** Kimberly Bryant said the Flag Retirement/Community Covenant Program
13 went well. She thanked everyone who helped with it. Mayor Willoughby said they would be bringing the
14 Community Covenant back to the Council meeting so more could sign it.
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16 **MOTION:** Kent Hastings moved to adjourn. Jim Tracy seconded. Ayes: 3. Nays: 0. Motion passed unanimously.
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18 The meeting was adjourned at 8:20 pm.
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