

said it was passed 'at the worst possible time'. He stated that considering that the average Utah household ends up giving 24 percent of its hard earned money to Washington, Utah, the County, and various local government entities, now is not the time to increase taxes. He stated that is why Mayor Caroon vetoed his county's tax increase.

Councilmember Knight reported that last week he attended a TRANSCOM meeting held at Syracuse City Hall and he wanted to report that there were many people that were very complimentary of the City's facilities. He stated that he also met with people that are concerned about some issues surrounding the opening of the new junior high school located in the City. He stated that there will be students that will be walking along 500 West and their parents are asking about constructing sidewalks in that area. He stated eh told them that the City does not currently have the money to install the sidewalks, but it may be possible to apply for some safety sidewalk grants. He read some information provided to him by Mayor Panucci that stated that the Department of Transportation would participate in the construction of the sidewalks by contributing 75 percent of the cost if the City is able to provide 25 percent in matching funds. He stated there are water boxes in the area and it would be necessary to work around them. Councilmember Clark stated there are sidewalks on the east side of that road. Councilmember Knight stated that is correct, but there are not sidewalks on the west side of the road. He then stated that in regards to taxes the North Davis Sewer District (NDS) has advertised a public hearing for August 13; since property valuations are decreasing in the County the NDS may realize approximately a \$500,000 shortfall in their next fiscal year budget. He stated that this year the NDS has decided to use money from a reserve fund and some other areas in the budget to make up for that shortfall, but if revenues continue to decrease it may be necessary for the NDS to consider a tax increase in the future. He stated that those that are interested in this issue should attend the public hearing. Mayor Panucci asked if there has been any thought about holding the public hearings anywhere else besides the sewer plant. Councilmember Knight stated that has not been discussed, but that he would certainly ask that question. Mayor Panucci stated that more people may attend if the meetings were held at a different location. Councilmember Clark inquired as to what time the meeting would start, to which Councilmember Knight replied 6:00 p.m.

Councilmember Clark reported that the committees that he serves on did not meet during the month of July and he had nothing to report.

Councilmember Peterson stated that he recently visited with the City's Fire Department and the Public Works Department. He stated that he had not seen the recently remodeled Public Works facility until this recent meeting. He stated that he attended the Thursday night drill at the Fire Department and the Fire Fighters were very accommodating and he was able to hear some exciting reports from them. He stated that the thing that he wanted to mention most about the buildings was how well they were organized. He stated that even the garages and the fire bays were very well organized and he stated he was sure that contributes to how well the Departments are ran.

5. Mayor Report

Mayor Panucci reported that Intermountain Health Care (IHC) held their grand opening event at their new Syracuse facility. He stated it is a state of the art facility with the latest equipment and it will be a great benefit to the citizens. He stated it was also very nice to see that, without being asked, IHC chose to preserve some of the City's heritage by placing a marker on the site that talked about the people that had originally settled on the property upon which the IHC facility now stands. He then reported that the Syracuse theater group will be presenting Pirates of Penzantz; the dates of the play are August 13 and 14 at 7:00 p.m. and August 15 at 2:00 p.m. and 7:00 p.m. He stated the play is a fun musical and it is amazing to see the talent that is present in the community. Councilmember Hammond asked where the play will be performed, to which Mayor Panucci answered Syracuse High School.

6a. Set public hearing for August 11, 2009 to consider annexation petition 2009-01 requesting the annexation into Syracuse City 4.8 acres of property located at approximately 2200 South 3000 West.

David L. and Cleone B. Cook are petitioning Syracuse City to annex 4.852 acres of land located at approximately 2200 South 3000 West. The property is currently part of unincorporated Davis County. The land is intended to be used for the construction of a Stake Center building for the Church of Jesus Christ of Latter Day Saints. City staff has reviewed the plat that has been submitted with their petition. A letter from the City engineer regarding the proposed annexation was provided to each member of the Governing Body. There are only minor changes to be made to the plat map and staff has found that the parcel would have sufficient access to public utilities were they to be provided by the City. At this time staff recommends the Council set a public hearing to consider annexation petition 2009-01 requesting the annexation into Syracuse City 4.8 acres of property located at approximately 2200 South 3000 West.

COUNCILMEMBER KNIGHT MADE A MOTION TO SET A PUBLIC HEARING FOR AUGUST 11, 2009 TO CONSIDER ANNEXATION PETITION 2009-01 REQUESTING THE ANNEXATION INTO SYRACUSE CITY 4.8

ACRES OF PROPERTY LOCATED AT APPROXIMATELY 2200 SOUTH 3000 WEST. COUNCILMEMBER CLARK SECONDED THE MOTION; ALL VOTED IN FAVOR.

6b. Proposed Resolution R09-21 appointing Mike Norton to the Syracuse City Planning Commission with his term expiring July 31, 2010.

The Planning Commission consists of members appointed by the Mayor with the advice and consent of the City Council. Members are appointed for four year terms or until a successor is appointed. Commissioner Evert Cook resigned his position on the Planning Commission effective June of 2009. Mayor Panucci has recommended appointing Mike Norton to the Planning Commission to finish Commissioner Cook's term. Proposed Resolution R09-21 was drafted to allow the Governing Body to consider appointing Mike Norton to the Planning Commission with his term expiring July 31, 2010.

Mayor Panucci reported that he spoke to Mike Norton who told him that he would be unable to attend tonight's meeting, but that he was looking forward to the opportunity to serve on the Planning Commission.

Councilmember Clark asked if the City currently does anything to recognize those that have served on the Planning Commission. City Administrator Worthen stated that has not been done in the past, but he could look into some sort of recognition program upon direction from the Council. Councilmember Clark stated he thought that would be a great idea.

COUNCILMEMBER KNIGHT MADE A MOTION TO ADOPT PROPOSED RESOLUTION R09-21 APPOINTING MIKE NORTON TO THE SYRACUSE CITY PLANNING COMMISSION WITH HIS TERM EXPIRING JULY 31, 2010. COUNCILMEMBER CLARK SECONDED THE MOTION; ALL VOTED IN FAVOR.

7. Vendor Presentation regarding Human Resources services.

Mayor Panucci asked that this item be added to the agenda. No documentation regarding the presentation was provided by close of business Thursday, July 23.

Mayor Panucci reported that Ken Spencer is the president of a company named HR Services, Inc. He then read a brief biography of Ken Spencer as follows:

“Ken Spencer, CEO, Consultant and Trainer, formed HR Service, Inc in 2004 to provide hands-on HR solutions, compliance assistance, training and recruiting results. Ken not only guides the team of HR Specialists that provides our various services, he is an active consultant and trainer. Mr. Spencer earned a Master's degree in Human Resource Management from the University of Utah and holds undergraduate degrees in Marketing and Finance. Ken has over 20 years of professional human resource management experience working in manufacturing, software development, banking and consulting. He taught various human resource management courses for Westminster College for 8 years, and currently teaches employment law and other courses part-time for the University of Phoenix. Mr. Spencer was certified in change management techniques and is a certified Senior Professional in Human Resources (SPHR) through the HRCI and the Society of Human Resource Management (SHRM).”

Mr. Spencer approached the Council and stated that he also wanted to introduce Debbie Siddoway, one of the HR experts working for HR Service, Inc. He stated she is also the acting HR Director for Morgan County and she assisted them in their transition from having an in-house HR Director to contracting with HR Service, Inc. for that service. He then stated that he wanted to review a couple of items from his presentation to help introduce his company to the Council. He stated he understands that the City, as well as many other entities, is looking for ways to control and reduce costs and one opportunity the City has is to review how HR management is currently being handled. He stated that he means no disrespect to the City's current HR Director and the job she has done; he simply understood that the City may be looking for opportunities to control costs. He then reviewed the objectives of the presentation he will be making this evening as follows: 1) introduce HR Service, Inc., and show how they can reduce HR support costs while maintaining high quality HR solutions; 2) discuss how to execute effective HR outsourcing; and 3) cover the cost and suggested approach. He stated he would like for there to be open dialogue throughout his presentation. He then stated that HR Service, Inc. was created to help create high performing organizations, effective people leadership practices, positive work environments, engaged, happy, productive employees, and operations that comply with the law. He then reviewed the core competencies of HR Service, Inc. as follows: they offer professional-level HR solutions for groups of all sizes; they empower organizations to operate within the law using effective HR practices; they take complicated laws and practices and break them into easy to use implementation steps; they are coaching experts in compliance, HR, and people leadership, and they have an organized approach to HR management. He then reviewed the HR model used by his business. He stated that the model is centered on what the business wants to accomplish, which is the business' strategy. He stated there are usually core competencies related to the business strategy and those items are usually accomplished by the company's employees. He stated surrounding those competencies are the typical HR functions of hiring the right workforce, training people correctly, managing employees' performance, and paying them fairly. He stated there are then three levels of HR functions including the strategic HR level, the functional and

professional HR level, and the administrative HR level. He stated his organization is involved more in strategic and functional HR levels. He stated the administrative level usually encompasses payroll and benefits, file management, etc. He stated the real HR managers in an organization are the company's supervisors because they are the employees that are managing employees day in and day out. He stated the roles of the HR director are as follows: help supervisors identify problems and needs; monitor and create HR practices and functions; coach and guide leaders to manage people; provide tools, resources, and training; and monitor compliance. He stated that using supervisors as HR managers requires them to perform the following functions: hiring, where they will interview and select new employees; provide vision, where they will define and communicate expectations of the company; be a resource, where they will provide tools, resources, advice, and training; coach employees, where they will encourage results, build self-confidence, convey positive energy, optimism, and motivation; gather facts that they will evaluate and monitor; give feedback, such as positive enforcement, constructive coaching, and corrective action; and provide reinforcement, such as rewards, recognition, and corrective action. He stated that his company will give the supervisors the tools to make sure they can accomplish each one of these functions.

Mayor Panucci stated that there may be instances where HR Service, Inc. would be asked to assist, for example, the City's Public Works Director in finding a supervisor for his water division. He asked Mr. Spencer if he would write the job description for the position. Mr. Spencer stated he would write the job description, but ahead of time he would make sure he has a very clear understanding of the duties that employee would perform. He stated that he would also make sure that the leader had good selection techniques and he would work with the HR administrator to advertise the job opening and facilitate the interviews. He stated his goal in that scenario would be to coach and help the leader be effective in selecting the right applicant to fill the position.

Councilmember Knight asked if the HR administrator referred to by Mr. Spencer would be on-site. Mr. Spencer stated that the City would maintain an employee to serve as the HR administrator and that person would handle day-to-day functions such as paperwork, benefits issues, and assisting new hires. He stated that his company would ensure that appropriate processes are set up and operating effectively. Councilmember Knight asked if the HR Administrator would be involved with coaching supervisors. He stated that in Syracuse City some supervisors do not have HR training and if they are experiencing a problem with one of their employees they need to be trained on how to handle that. Mr. Spencer stated that during escalated HR situations, such as in a case where corrective action is necessary, the City's supervisor would work directly with him. He stated that he or someone from his company would arrive on site to assist, but most of the time he is able to assist a company over the phone. He stated that employees can call them anytime they need during the week for coaching assistance, but he will make sure that ahead of time he has clear processes in place so that when issues arise everyone knows what process to follow. He stated supervisors may interface with the on-site HR administrator to assist them with day-to-day functions.

Councilmember Clark asked Mr. Spencer how many employees he has on his staff. Mr. Spencer stated that there are currently three staff members and he is in the process of hiring a consultant that will begin working for his company in the next three weeks. Councilmember Clark inquired as to the background of the company's employees. Mr. Spencer stated they all have Master's degrees and several years of HR management experience as well. Councilmember Clark inquired as to emphasis of the employees' Master's degrees. Mr. Spencer stated they all have Master's degrees with an HR emphasis. He added that he works with and guides each of his employees.

Councilmember Clark stated that Mr. Spencer mentioned that the true HR directors in a company are the company's supervisors and he asked if that means that more HR responsibility is placed on those supervisors than normal. Mr. Spencer stated that the answer to that question depends on how the City is currently operating. He stated that a lot of organizations that they work with are more used to a HR manager or director type of person that is performing a large number of HR functions for the leaders. He stated that if that is the scenario the City is currently operating under, the answer to Councilmember Clark's question is yes – the supervisors would be assuming more duties. He stated some of the things they may be doing is handling the various employment practices and decisions that need to be made. He stated that his company will help to ensure that they are following the law and selecting good employees. He stated the supervisors will be deciding which employees are eligible for pay increases and his company will help the City create an overall compensation program that will be fair and equitable and based on the market. He stated that supervisors will help with coaching issues and guiding employees. He stated that part of his program would be working with and training supervisors in some of these practices while realizing that some of them are probably already very skilled and trained. He stated that a situation may arise were there could be a conflict between a supervisor and an employee and in that situation he may come on site and assist the supervisor. He stated that if the conflict is simply between two employees his company may be able to assist over the phone. He stated that his company may be involved in corrective actions or discharges and he would guide and work with supervisors through those situations.

Councilmember Peterson asked Mr. Spencer where his office is located, to which Mr. Spencer responded Murray, Utah. Councilmember Peterson stated there are some advantages to having an HR Director on site; employees have the

opportunity to visit with that person face to face. He asked how often someone from his company would be on-site. Mr. Spencer references his contract with Morgan County; they were looking to control costs and they contracted with his company to perform work for them on an outsource basis. He stated that Morgan County found there were not enough things happening every day to keep a professional level person busy and they felt they were paying professional level wages to a person that was performing administrative-type duties. He stated it works better for Morgan County to ask their leaders to do more of the people management things knowing that they always have HR Service, Inc. available when they have a problem. Councilmember Peterson stated that if an employee is angry about something and they want to talk to someone immediately, it seems like it would be better for them to have an office to walk into where they could talk to the HR Director in person. Mr. Spencer stated that scenario is dependant on how available the HR Director is as a resource. He stated that employees could easily talk to him or Ms. Siddoway over the phone. He stated that in some ways it is easier to talk to someone over the phone because the conversation has the potential of being more confidential. He stated he has been involved in situations where he has gone on-site to assist a supervisor with a touchy employee situation; he would anticipate being on-site in Syracuse City once a month. He stated that may not sound like a lot of time, but he felt it was sufficient. He stated that initially he would spend a lot of time during the first month of the contract period conducting 'set-up' duties and implementing his system. He stated that he would want to observe to see what types of things are happening and what practices are currently in place. He stated that he has found that during this information age people do not have a problem with communicating with him over the phone or via email, but he agrees that there may be times when there is a need for face-to-face contact. Councilmember Clark stated that he has concerns about the amount of time that HR Service, Inc. would spend on-site, but he stated he would hold the rest of his questions until Mr. Spencer was finished with his presentation.

Mr. Spencer then reviewed the outsourcing model used by his company. He stated that he uses a team approach by which the City would have access to a team of experts that setup and help maintain the City's HR practices and compliance efforts. He stated there would be three steps in the delivery of service; one would be the design step during which his company and the City will assess where the City is now and create plans to get the City where it needs to be; two would be the building step during which his company would create HR practices and compliance infrastructure; and three would be the maintenance step during which he will assist the City in maintaining compliance and using best practices.

Mayor Panucci asked Mr. Spencer if he would create a new policies and procedures manual for the City or if he would simply update the City's current policy manual as needed. Mr. Spencer stated that when it is necessary to make changes to the policy manual he would handle those changes.

Councilmember Clark inquired as to how many clients HR Service, Inc. currently serves. Mr. Spencer stated that he has a number of clients that are 'hotline only' clients and they only call his company when they have questions or problems. He stated that he serves approximately 40 clients currently, but the number of full-support clients he serves is approximately 10.

Mayor Panucci asked Mr. Spencer if it is necessary for him to receive legal advice when writing personnel policies. Mr. Spencer stated he knows how to write personnel policies. He stated he has created policies and procedures manual and he has had them reviewed by an attorney. He added that he is not an attorney and he does not want to portray himself as one, but he did want to communicate that his policies are very effective.

Mr. Spencer then reviewed his outsourcing model. He stated the first thing he would do was review how the City's HR department is working and design plans to get the City where it needs to be. He stated he would then begin working to build the City's HR functions, practices, and compliance programs. He stated he would then implement these practices primarily through supervisors and the HR administrator or specialist with coaching from his company. He stated that would include training and coaching leaders; providing tools, resources, and on-going help; periodic on-site visits, hotline calls, quarterly training, and a HR resource center; and acting as the City's HR Director. He stated he would then maintain ongoing support and solutions. He stated the City could expect the following services from HR Service, Inc.; identify organization HR needs; monitor and create HR practices and functions; coach and guide leaders to manager people; provide tools, resources, and training; monitor compliance; and help resolve any HR challenges. Mr. Spencer then reviewed the cost for his services. He stated the initial setup cost would be \$5,500 and that cost would cover his company's expenses incurred in conducting the review of the City's current HR situation, reviewing policy manuals and making any necessary changes, getting acquainted with the City's processes, and coming on-site to monitor the organization. He stated he may find that it is not necessary to make any changes to how the City's HR Department is functioning.

Councilmember Clark asked what the initial setup would include. Mr. Spencer reiterated that the initial setup would include his company gaining and understanding of the current workings of the City's HR Department as well as review of the City's personnel policies and procedures. He stated that most of what he does requires involvement from leaders or employees in terms of making changes in the way the HR Department functions. He stated that process would take place over time. He stated that making changes to the employee manual may take a month or two months and it would take

approximately about the same amount of time to develop a compensation plan. He stated that he would create a priority list for the City and focus on priorities to be accomplished month to month.

Councilmember Clark asked which party would be the proactive, responsible party in the relationship. Mr. Spencer stated that he would be responsible for policies, procedures, and practices, but sometimes questions or recommendations come to him from supervisors and managers and in that case he would try to understand what the manager is asking for and make changes if necessary.

Councilmember Knight asked if the HR administrator would be Mr. Spencer's main point of contact. Mr. Spencer stated that the onsite HR administrator would become a very key liaison between the City and his company. He stated that supervisors have the option of contacting him directly, but they may want to also contact the onsite HR administrator in person. He stated that his company could be a resource to the HR administrator, which in turn eliminates some of the need for Mr. Spencer or his staff to be onsite more often.

Councilmember Clark stated that the monthly cost that would be charged to the City by HR Service, Inc. would be \$2,000 and he asked what that would cover. Mr. Spencer stated that the monthly services he would provide include building, coaching, and training leaders; assisting the City with any HR challenge or function; providing the City with tools, techniques and resources, and maintaining compliance. He stated that in a given month his company will receive multiple calls from leaders dealing with performance management issues and there may also be several new-hire processes to manage. He stated that he would like employees to work with their managers and resolve as many issues as they can on their own, but it is nice for them to have a resource to turn to in the event that is not possible.

Councilmember Clark stated he is concerned; he did not understand how Mr. Spencer could accomplish all of the things he said he would accomplish while only being on-site once a month. He asked Mr. Spencer how he would know the needs of the City and the challenges its employees are facing. He added that it would be difficult for Mr. Spencer to be familiar with the personalities of the employees or supervisors if there is not much in person interaction. He then asked if the \$2,000 monthly payment would cover the once monthly visits. Mr. Spencer stated the monthly price does cover his visits. He then added that the job he expects to perform is much easier than it sounds. He stated his company will establish a dialogue and relationship with the leaders in the City and those leaders will ultimately trust him and rely on his staff as a resource. He stated that there are many things that he can accomplish without being on-site, such as creation of a compensation plan or writing the policy manual. He stated he would need to be on-site to perform some duties, such as training supervisors. He stated that there will be change and employees will need to get used to that change and understand that making a phone call when dealing with a personnel issue is part of the outsourcing mode. He stated that it may be necessary to give up the luxury of being able to walk down the hall to meet with the HR Director.

Councilmember Peterson stated there are times when there is an item on the City Council agenda that deals with HR and the Council has asked the City's HR Director to those meetings. He asked Mr. Spencer if the City would incur an additional cost by asking him to attend a City Council meeting that is held after normal business hours. Mr. Spencer stated there would be no additional charge for his attendance at a meeting, unless he is required to attend after hours meetings more than a couple of times a month and in that case he would charge 'somewhere in the neighborhood of \$150 per visit'. He then asked how often he would be asked to attend after hours meetings. Mayor Panucci stated that the Council only meets twice each month. Councilmember Peterson stated that is correct and the City's HR Director has not been at every Council meeting, but she has attended many meetings. Mr. Spencer stated he has the flexibility to respond to the City's needs.

Councilmember Shingleton asked if the term of a contract with HR Service would be one year, to which Mr. Spencer answered yes.

Councilmember Knight asked Mr. Spencer how he determined the monthly charge of \$2,000. Mr. Spencer stated he reviewed the functions of the HR Department as well as the number of employees working for the City.

Mayor Panucci then stated there is a quote in Mr. Spencer's presentation from Morgan County and he read the quote for the record as follows:

"In early 2009, Morgan County successfully replaced their HR Director position moving their professional-level HR support to HR Service, Inc. This change has resulted in significant cost savings and increased the quality of our HR practices and solutions. We have been very happy with the HR support received from HR Service, Inc. and strongly recommend their service."

Mayor Panucci stated that is a glowing recommendation and it looks like Morgan County was making a transition from having an in house HR Director to using HR Service, Inc. and he asked what HR Service, Inc. has done to make Morgan County this happy. Mr. Spencer stated that Ms. Siddoway has been instrumental in attaining that glowing report. He stated that his company has updated their employee handbook, which had not previously been updated for five years. He stated they are in the process of implementing a new compensation plan, which had not been updated or compared to market data for some time. Mayor Panucci asked if there were attorney fees associated with updating Morgan County's policy manual. Mr. Spencer stated there were no fees associated with that update. He stated he has had one occasion where it has

been necessary for him to charge attorney's fees to Morgan County and that cost was \$250. He stated his staff is experts in compliance and they are able to accomplish necessary HR requirements. Mayor Panucci asked if Morgan County has a Police Department, a Fire Department, and a Public Works Department, to which Mr. Spencer answered yes. Councilmember Clark asked how many employees Morgan County employs. Ms. Siddoway stated they currently employ 47 people. Mayor Panucci asked if those employees are all full-time employees, to which Ms. Siddoway answered yes. Mr. Spencer added that Morgan County has had some reductions in force; they previously had approximately 55 employees.

Councilmember Knight stated it sounds like Morgan County had some troubles in their HR Department, which is evidenced by the fact that it was necessary for HR Service to update their policy manual and compensation plan. He asked if Morgan County has an HR administrator onsite currently. Mr. Spencer stated they have someone onsite that performs payroll functions and serves in the administrator role. Councilmember Knight stated that a payroll clerk is not an HR administrator. Mayor Panucci stated that is the way that Syracuse City functioned for a number of years; up until 2006 the City's payroll clerk handled all the administrative HR duties, such as handling new hires, handling benefits issues, etc. Councilmember Knight stated that the reason the City Council decided an HR Director was needed was that there were a lot of HR problems and the Council wanted to fix those problems.

Mr. Spencer stated that his company has helped Morgan County by conducting an employee opinion survey, which helps them to keep in touch with employees and understand the problems that are occurring at the County. He added that initially his company held meetings with employees and leaders so they could understand how best to work together. He stated that it was a transition for Morgan County in that they needed to get comfortable with calling someone compared to walking down the hall to talk to an HR Director. He asked Ms. Siddoway to add her comments regarding the transition period with Morgan County. Ms. Siddoway stated that when HR Service, Inc. initially began working with Morgan County it was an uncomfortable environment. She stated that the HR Director that had been working for Morgan County had been there for many, many years and there were some disgruntled employees as a result of that person's termination. She stated there were policies in place, but no one knew what they were. She added that it was necessary to rebuild some of the policies and practices. She stated that the situation was simply uncomfortable for some time. She stated that she makes it a point when she goes on site to try to drop in every office to make sure that employees know that she is there for them and that they can feel comfortable calling on her. She stated that one thing that she became aware of was that employees had previously spent way too much time 'plopped down in front of' the HR Director complaining as opposed to trying to create solutions. She stated that the HR Director's office had become a place to vent and gossip. She stated that is not a bad thing necessarily, but it is not productive.

Councilmember Knight asked if all Morgan County employees are housed in one building. Ms. Siddoway stated no, they are actually located in five different buildings that are spread apart from each other. She stated she tries to make a point of getting onsite every couple of months and holding employee meetings, one in the morning and one in the afternoon so that all can attend. She stated these meetings give the employees an opportunity to become more familiar with her and vent their issues to her.

Councilmember Shingleton asked if Morgan County is the only government entity that HR Service, Inc. is currently working for, to which Ms. Siddoway answered yes. Ms. Siddoway then added that she has a background in working with unions and unions are operated in a very similar manner to a municipal or other government entity. Mr. Spencer added that he also has experience in working for Hill Air Force Base (HAFB).

Councilmember Knight asked if Morgan County is HR Service, Inc.'s largest client. Mr. Spencer stated that he has some clients that employ 600 plus employees. He then named Rumbi Island Grill and Siegfried and Jensen as his clients and stated he would provide a total client list to the Council as well as some recommendation statements from some of his clients. He added that Siegfried and Jensen is one of the clients that went away from having an in house HR Director to employing a HR administrator and using HR Service, Inc. as their HR Director. He stated that HR administrators handle several duties that are very time consuming and important, but it is not necessary to use a professional-level employee to handle those duties. He stated that the professional-level duties actually take much less time than one may think.

Councilmember Clark stated several of the client recommendations come directly from people with the title of HR Director. He asked if HR Service, Inc. is simply serving as a consultant to those clients. Mr. Spencer stated that he has a number of situations where he is either acting as the HR Director or they are assisting existing HR teams. He stated that may even be the solution for Syracuse City; the City could keep its existing HR team in tact and HR Service, Inc. could serve in an assisting role.

Councilmember Knight asked Mr. Spencer what he considered to be professional-level functions. He stated that the City may ask the HR administrator to research the best benefits options for the City and the City would certainly want someone that has a background in doing those types of duties. Mr. Spencer stated that is correct. He stated it is difficult to use words like 'professional-level' without offending people. He stated that certainly everyone has duties that are professional in nature, but what he is referring to when he says 'professional-level' is someone with a bachelor's or master's

degree level of education and training to be able to provide assistance in compliance or staffing functions. Councilmember Knight asked Mr. Spencer if he performs risk management, to which Mr. Spencer answered yes and explained that he served in a position for over 18 years where he was a safety director and he has the ability to provide assistance in reviewing risks of the City. He stated he has a number of clients that have asked him to perform risk assessments and review or prevent OSHA violations. He added that he would be able to provide the City with a safety handbook. Mayor Panucci added that much of the City's risk management is provided by its insurance company; they conduct risk assessments on a regular basis. Councilmember Knight stated that the HR Director is also doing some risk management analysis in house. He asked if those services would be covered by the \$2,000 monthly payment, to which Mr. Spencer answered yes. He then added that it will not be possible to do everything in one month and he did not believe the City would want him to do everything in one month. He stated his company would perform what the City asks of them, but each month they will likely choose one large task to work on.

Mayor Panucci stated there may be a situation where a City Police Officer did something in appropriate and it is necessary for Ms. Siddoway to come to the City to deal with the situation and she ends up being on site for three or four days. He asked what kind of cost the City would incur in that situation. Mr. Spencer stated that most of those situations would be covered by the fee paid by the City. He stated that if there is a scenario where the City needs a lot of extra time, it may be necessary for HR Service, Inc. to charge them on an hourly basis for approximately \$100 per hour. He stated that would be in the case that HR Service, Inc. is performing duties outside of the defined duties, which will be included in any contract executed with the City. Mayor Panucci stated that if Ms. Siddoway were on site for an additional 20 hours the City would incur an increased cost of \$2,000. Mr. Spencer stated he has handled a lot of personnel matters and he did not believe it would take that much time to resolve an issue. He stated that if there is a harassment situation he could meet with and interview with anyone involved in that within a day or less.

Councilmember Peterson stated that Mr. Spencer talked about how much his company would use the HR administrator employed by the City and he asked how much that employee's workload would be increased. Mr. Spencer stated that if leaders in the City are used to doing a lot of their own HR work he did not believe the HR administrator's workload would increase dramatically. He stated supervisors may come to the HR administrator more often until they get used to calling HR Service, Inc. He stated that the HR administrator is likely interfacing with the HR Director on a daily basis and it will simply be necessary for them to begin interfacing with HR Service, Inc. instead, even if that interfacing takes place over the phone. He stated he did not anticipate the HR administrator's workload increasing too much.

Councilmember Hammond stated that one of the things the Council has been concerned about was legal fees and whether the legal fees incurred by HR Service, Inc. would be covered by the monthly cost to be paid by the City. Mr. Spencer stated that he has attorneys that he uses and if a situation arises where it is necessary to use those attorneys the cost for that service would be additional, but that would be rare. He then asked if the City has an attorney that they use. Mayor Panucci stated the City does not have an in house attorney.

Councilmember Knight stated that the handout provided by Mr. Spencer lists some of the companies that HR Service, Inc. has worked for and he asked if that is past tense. He asked if Mr. Spencer simply 'set those companies up' and now he no longer works for them. Mr. Spencer stated that there have been situations where a company has an existing HR Department and they plan to keep that in tact. He stated that companies like that usually hire him to evaluate the HR processes being used and make sure that they are compliant with applicable laws. He stated that he has had instances where he has guided and coached HR Directors until they get to a point where they no longer need his services. Mayor Panucci referred to that situation as a 'tune up'. Mr. Spencer stated that would be an appropriate description.

Councilmember Hammond stated that it may be necessary for HR Service, Inc. to write certain policies and procedures for the City and he asked if the City would incur additional expenses if it were necessary to obtain a legal opinion regarding those policies. Mr. Spencer answered no and stated that his company will make sure that the City has every necessary policy and procedure in place. He stated that if, after HR Service, Inc. rewrites the policy manual, the City wants to have it reviewed by an attorney, the City would incur the cost for that service.

Councilmember Hammond asked Mr. Spencer if he would need to seek legal advice to deal with a probationary employee. Mr. Spencer asked for clarification on the definition of a probationary employee. Councilmember Hammond stated a probationary employee is usually one that has worked less than a defined period of time. Mr. Spencer stated that he has the ability to guide and coach on all employment laws and scenarios that the City may run into and there are very few situations that will arise that will require him to seek advice from an attorney.

Councilmember Hammond stated that this is actually the second time he has heard this presentation. He stated that is why he has not asked very many questions. He stated that he and Councilmember Peterson have heard the presentation before and that is why they asked for this to be brought forward. He stated that the Council has really been trying to look at all ways of saving money; they are looking at 'various corners and facets of it'. He stated they have not looked just at HR,

but they have looked at cutting costs in the Information Technologies (IT) and Public Works Departments, as well as other areas. He stated he would like to make a motion.

COUNCILMEMBER HAMMOND MADE A MOTION TO DIRECT STAFF TO CONSIDER A CONTRACT WITH HR SERVICE, INC.

Councilmember Clark stated he was confused and that he has a couple of questions to ask before the Council entertains a motion. He asked what the benefit is to Syracuse City using HR Service, Inc. versus the existing HR Director, other than possible dollar savings. Mr. Spencer stated that he does not know the City's existing HR Director and he only met her briefly before tonight's meeting. Councilmember Clark stated he is not talking about the person; rather he was talking about the position in general. Mr. Spencer stated that the City would have access to a full resource team that is available at all times. He stated that the City would have access to him and two other experts; the City will receive state of the art compliance and practices, high level HR solutions, and the City will be very pleased with everything that HR Service, Inc. does. He stated that he anticipated that after six months of working for the City, the City would be willing to give the same type of statement regarding HR Service, Inc. that was provided by Morgan County. He stated that Councilmember Clark's question is a hard one to answer, but he is willing to stand behind what his company does.

Mayor Panucci stated that one of the things that the Council has discussed periodically is possibly hiring an in house attorney or an in house engineer and each time that option has been discussed the Council has realized that the City is saving money by continuing the current practice and at the same time the City has access to a staff of engineers or attorneys to call on. He stated that type of situation has been beneficial to the City. Councilmember Knight stated that the engineering firm that has contracted with the City has provided an engineer that spends a lot of time at City hall; so much that he has his own office. Mayor Panucci stated that is a different job than the job of HR Director. Councilmember Knight stated that he did not see that the City would realize much of a cost savings unless the suggestion is that the City hire an HR administrator that does not have much experience in HR. He stated that he feels that the City receives good service from the HR Department as it is currently organized. Mr. Spencer stated it is a challenge to keep up on compliance issues and best practices and the City would still want to have someone that could provide an appropriate level of service. He stated that the HR administrator needs to be someone that has good attention to detail skills and that person could be trained by HR Service, Inc.

City Recorder Brown asked Councilmember Hammond to clarify his motion. Councilmember Hammond stated that his motion was that staff consider a contract with Mr. Spencer's contract. Ms. Brown asked what that means. Councilmember Hammond stated that he wants staff to negotiate with HR Service, Inc. Ms. Brown stated that the City would probably need to start by first obtaining bids. Councilmember Hammond stated that is fine with him.

Councilmember Clark stated that he would like to do a little more research into this option. He added that a lot of Mr. Spencer's clients are also clients of the company that he works for and he wanted to check some of Mr. Spencer's references. He stated that he wants to better understand, before the City goes to bid, what the impact is to the City. He stated he would like to understand the full cost implication and if this option really saves the City money. He asked who would be serving in the HR administrator role and what the pay scale would be for that person.

Councilmember Knight stated that this item was listed as a presentation on tonight's agenda and he did not know that the Council would be accepting a motion. He stated this is the first time he has seen the information that has been put before the Council tonight and for a Councilmember to ask him to accept and approve a motion on something that he has had 20 minutes to review seems a little premature.

Councilmember Peterson stated that Councilmember Hammond brought this to him and he told Councilmember Hammond that he thought it was worth discussing, but he did not feel sufficient discussion had taken place. He stated he has questions that he wants to ask to the Council and staff in order to determine if this is the direction the City should go in.

COUNCILMEMBER HAMMOND'S MOTION DIED FOR LACK OF A SECOND.

Mr. Spencer stated that if the Council plans to contact some of his clients he would ask that he be given an opportunity to provide contact information for the appropriate people to contact. He stated that he had performed different functions for several different clients and a reference from some clients may not be applicable to Syracuse City. Councilmember Clark stated that one of the people he would contact is Sid Creager from Morgan County. Mr. Spencer stated that Mr. Creager had mentioned that he would be happy to talk to the City about his experience with HR Service, Inc.

Mr. Worthen stated that he had a few questions. He stated that Mr. Spencer mentioned that Morgan County is the only public entity that he deals with. He asked if he has seen differences between training or handling public employees compared to private employees. He asked if that has been a concern. Mr. Spencer stated there have been a few things that they have had to come up to speed on. He stated one example would be compensatory time off for public employees. He stated that practice is not permitted in the public sector for non-exempt employees. He asked Ms. Siddoway if she has noticed some big differences. Ms. Siddoway stated that in reviewing their existing handbook and policies she has not found many things that she was unfamiliar with because she has a union background.

Mr. Worthen then asked Mr. Spencer if he accepts calls at any time of the day. Mr. Spencer stated that Ms. Siddoway is in the office from 7:00 a.m. to 5:00 p.m. He added that he will provide the City with his cell phone number and he would be available after hours, but he does not keep an office 24 hours a day.

Mr. Worthen stated he wanted to recognize our HR Director. He stated that Mr. Spencer and Ms. Siddoway mentioned some of the things that had been going in Morgan County and he stated that those types of things are not happening in Syracuse City. He stated he did not want there to be any implication that there are problems in Syracuse City's HR Department. Mr. Spencer stated that he understands the awkwardness of this discussion and he means no disrespect to her and what she has done.

Councilmember Shingleton stated that he felt the Council should pursue looking at other companies that do the same thing so the Council can look at what is out there and make an educated decision about the direction the City should go. Mr. Spencer stated they are pretty different than other HR outsourcing companies. He stated that his company performs professional-level service.

Mayor Panucci stated that he thought that the City did not need to obtain bids for professional services. Ms. Brown stated that if the Council can determine that a contract can meet the sole source guidelines it is not necessary to obtain bids. Mayor Panucci asked if the City obtained bids for legal services, to which Ms. Brown answered yes.

8. Request to be on the agenda – Wasatch Front Regional Council “Wasatch Choices 2040” presentation.

Val Halford of the Wasatch Front Regional Council (WFRC) requested time on the Council agenda to provide the Council with a presentation entitled “Wasatch Choices 2040”.

Sam Klemm of the WFRC approached the Council and explained the WFRC is charged with looking 20 to 30 years into the future to determine where growth will occur and what new infrastructure, such as roads, will be needed. He began reviewing his presentation and explained that according to the 2000 census Utah was the fourth fastest growing state in the nation with the population increasing by 29.6 percent from 1990 to 2000. He stated that last year, from July 2007 to July 2008, Utah was the fastest growing state in the country. He stated that Utah's population growth derives from two sources; one is a natural increase – Utah has the nations highest annual birthrate, which accounts for 62 percent of the State's growth; the second is net immigration – there is an annual increase of 13.1 people for every 1,000 Utahns, which accounts for 38 percent of the State's growth. He stated these numbers vary based on the economy and right now, even during this tough economical time, the State's numbers are not changing too much. He stated that in 2008 there were 2.7 million residents and in 2040 the population is projected to be at 5.2 million. He stated that in Davis, Weber, and Salt Lake County area that the WFRC serves the population is projected to be at 2.7 million in 2040 compared to today's population of 1.6 million. He stated that would be like everyone currently living in the State moving to Davis, Weber, and Salt Lake counties. He asked the Council to picture how things would be if that happened in terms of infrastructure and transportation.

Councilmember Knight asked where the State anticipates that growth will take place outside of the three counties named by Mr. Klemm. Mr. Klemm stated that Utah County's population will double; Washington, Cache, and Box Elder counties will increase to a lesser extent; and the State is starting to see growth on the Wasatch back. He stated the limiting factor in some areas of the State is access to water. He stated that issue will definitely slow growth in Tooele. He stated the WFRC commissioned a Dan Jones poll to find out what types of things concerned people relative to growth. He stated the results of that survey are included on page five of his presentation.

Mr. Klemm then stated that the Wasatch Choices 2040 process has been a joint venture by the WFRC and the Mountainland Association of Governments (MAG). He stated they evaluated four development scenarios using community workshops, open houses, committee deliberations, surveys, and polling. He stated they adopted nine growth principles to guide regional transportation plan development and assist municipalities and government agencies with planning and development objectives. He stated that growth principles provide framework for developing performance criteria dealing with economic growth, land use, infrastructure, housing, and mobility, and environmental quality. He added that growth principles provide public infrastructure that is efficient and adequately maintained; they provide regional mobility through a variety of interconnected transportation choices; they integrate local land use with regional transportation systems; they provide housing for people in all life stages and incomes; they ensure public health and safety, they enhance the regional economy, they promote regional collaboration, they strengthen sense of community, and they protect and enhance the environment.

Mr. Klemm then stated that Gabe Epperson from Envision Utah is present to review the 'vision' portion of the presentation. He stated that the vision different in comparison to the baseline scenario, which is defined as the outcome that would occur if existing general plans were carried out. He stated that the vision is compared to all existing municipal general plans and they tried to determine how things would be different if things like walk-able centers were introduced into communities. He stated the vision promotes walk-able centers, which absorb future growth, are transit oriented, have

moderately priced housing, and create community gathering places. He stated preferred community attributes include a mix of moderate single family homes and town homes, neighbors who are a mix of ages and family stages, public transportation options, a village type of community, homes with a variety of yard sizes, open space, and custom units with unique architecture and design. Councilmember Knight asked if the information regarding the preferred community attributes was gathered through the Dan Jones survey, to which Mr. Epperson answered yes. Councilmember Knight stated he was surprised that people said that public transportation options were important to them because he uses the public transportation system and he does not see many people using it.

Mr. Epperson then reviewed a graph included on page 15 of the presentation that highlighted out important it is for people to be able to access amenities and how far away they want to be from those amenities. He then reviewed photos of some developments that are considered walk-able centers. Mayor Panucci stated that these are some of the same concepts that Governor Leavitt had and he asked if any of those concepts are getting closer to fruition. Mr. Epperson stated that Syracuse City is shifting somewhat from the old farm town identity and because of the rapid urbanization of the area cities like Syracuse may start to lose some community identity. He stated a lot of the strategies included in the vision are ways to manage and maintain quality of life as cities grow and mature as urban areas. He stated that the vision protects critical lands through a comprehensive system of green corridors connecting communities with trails and providing green buffers next to rivers and creeks. He stated it also provides for increased opportunities for walking, biking, wildlife viewing, and relaxing. He added that the vision also emphasized value of Utah's nature and water. He then reviewed some photographs of examples of green corridors. He stated that the vision also balances a variety of transportation forms; it recognizes the importance of automobile travel and transit while promoting walking and bicycling in fulfilling some needed daily trips. He then reviewed implementation strategies as follows: develop a land reuse strategy; provide incentives for contiguous growth and infill; preserve future transportation and utility corridors; create walk-able commercial and missed-use districts; plan for transit oriented development; plan and build neighborhood friendly schools; plan for workforce housing; interconnect roadways and pedestrian paths; plan job centers and economic development; and minimize development and maximize critical land conservation. Mr. Epperson then reviewed the concept of montage illustrations, which is a single pictorial composition made by juxtaposing or superimposing many designs. He reviewed a couple of montages illustrating how the growth principles and strategies can be implemented to transport common street, transit stations, and suburban developments into viable mixed-use neighborhoods and transit centers.

Mr. Klemm then concluded that the long-term future is fundamentally uncertain; no single long-range scenario should be considered "highly likely"; there are a million paths this region can take; and the vision presented tonight represents a plausible future. He reiterated that the WFRC can not say that any one scenario is highly likely, but what he is asking the Council to do is to look at growth principles and see how they would work in Syracuse City. He stated that every city is different, but it would be great for every city to consider strategies that can be included in their master plan. He stated local governments are the key to success because they hold the keys and they plan the land use and development of their communities. He stated the WFRC would invite all municipalities to revise their land use plans to include zoning that allows for four to 13 percent of their total incorporated area to be developed as walk-able mixed-use developments and/or transit oriented developments. He stated that everyone lives in individual neighborhoods and homes, but everyone is part of something bigger.

Mayor Panucci stated that when he thinks of walk-able mixed-use developments he thinks of the east coast because of the density that exists there. He stated that development in the west is more spread out and he did not believe that the density would exist, even by 2040, to dictate or promote walk-able development in Syracuse City. Mr. Klemm stated that everything will take time; the North Legacy highway could travel through Syracuse City in three years and the road will be similar to Bangerter Highway with intersections that will provide prime locations for commercial development. He stated that development could include an upper story to be used for residential purposes as well as a level of higher density housing in the background. He stated the people living in that housing would be able to walk to the shops located at the developments and use the transit options that will also follow. Mayor Panucci stated he understands the concept, but he is simply wondering how far into the future it will be possible. Mr. Klemm stated that all the WFRC is asking each city to do is to plan for this type of development. He stated there will come a time when developers will show up on a city's doorstep and ask to do these types of development and each city should be ready for that. Councilmember Knight added that he can agree with Mr. Klemm that there may come a time when this type of development occurs, but he does not see that happening until some time in the distant future. Mr. Klemm stated that the WFRC is looking into the future 15, 20, or 30 years and they see a day when this type of development will take place. He stated that as cities create or amend their master plans and zoning maps it would be nice if they could make accommodations for this type of development to prevent any future surprises. He then reiterated that every city is different and each city must do what is good for them. He stated that he would like for it to be possible for development to take place on a regional scale and he asked cities to think beyond their own borders in some cases. He stated he hoped each city would remember this presentation when considering amending their master plans.

Mayor Panucci stated he is always impressed with the WFRC's ability to envision into the future and he has seen some of the past visions of the WFRC come to fruition. He thanked Mr. Klemm and Mr. Epperson for their time tonight and for their effort in planning the State of Utah.

9. Proposed Proclamation declaring August as Syracuse City Firefighter Appreciation Month.

Mayor Panucci was contacted by the Muscular Dystrophy Association (MDA) requesting that Syracuse City adopt a proclamation declaring August as Syracuse City Firefighter Appreciation Month. Mayor Panucci asked that this item be added to an agenda. The correspondence to Mayor Panucci from the MDA has been provided to each Councilmember for their review.

Mayor Panucci stated that Fire Departments across the state do a lot of work for the MDA and this is the MDA's way of saying thank you. Councilmember Knight added that the timing of this proclamation is good considering the number of recent fires.

COUNCILMEMBER KNIGHT MADE A MOTION TO ADOPT A PROPOSED PROCLAMATION DECLARING AUGUST AS SYRACUSE CITY FIREFIGHTER APPRECIATION MONTH. COUNCILMEMBER HAMMOND SECONDED THE MOTION; ALL VOTED IN FAVOR.

10. City Administrator Report.

Mayor Panucci asked Mr. Worthen to include in his report some information about the pedestrian safety sidewalk grant.

Mr. Worthen reported that this fire season has been a very busy one, not just for the Syracuse City Fire Department, but for Fire Departments across the Wasatch Front. Mayor Panucci interjected that he was not aware that the City's Fire Department was selling fireworks at a local fireworks stand; it would have been nice for the Council to know that so they could respond appropriately to citizens asking questions about it. Mr. Worthen stated that the situation was brought to his attention at the last minute and the Fire Department association was responsible for the stand. Mayor Panucci reiterated that it would be good for the Council to be informed of any situation that has the City's name attached to it.

Mr. Worthen then reported that the Utah Department of transportation has two safety sidewalk grant programs for sidewalk improvements; funding from one program can only be used on state roads while funding from the other program can be used on any road in the community. He explained the City applied for a grant similar to the grant that was awarded to the City for a sidewalk project near the new Buffalo Point Elementary School. He stated the new grant, if awarded, would fund a sidewalk on the south side of Antelope Drive running from the Ranchettes subdivision heading west to the new Miller Springs subdivision. He stated that the project is small enough that the City can do the engineering work in house. He stated that if the grant is awarded the City will be required to pay 25 percent of the project cost while UDOT will cover the remaining 75 percent. He stated he would estimate the cost to the City would be approximately \$9,500 and he added the sidewalk would greatly improve access for kids traveling from the Ranchettes subdivision to Buffalo Point Elementary. Mr. Worthen then reported that during the last Council work session the Council discussed organizing a 'service day' in the City. He stated that staff has discussed this idea and would recommend having two 'service days', one the week after turning off secondary water in the fall and one the week before it is turned back on in the spring. He stated that volunteers would be asked to perform some service at a City park. He stated a list will be created naming all the jobs that volunteers can do and there will be a way for volunteers or volunteer groups to sign up for the event, which will be held on a Saturday. He then reported that during the last meeting someone asked him when the Heritage Days movie night, which was cancelled due to inclement weather, would be rescheduled. He reported that it has been rescheduled for August 21 and has been advertised in the August newsletter.

Mayor Panucci then stated that he would like the Administration to research if there are other companies that could provide services similar to the service that could be provided by HR Service, Inc. as presented this evening and report back to the Council.

At 9:08 p.m. COUNCILMEMBER CLARK MADE A MOTION TO ADJOURN. COUNCILMEMBER PETERSON SECONDED THE MOTION; ALL VOTED IN FAVOR.

City Council Meeting
July 28, 2009

Fred Panucci
Mayor

Cassie Z. Brown, CMC
City Recorder

Date approved: August 11, 2009