

Minutes of the Work Session meeting of the Syracuse City Council held on May 26, 2009, at 5:30 p.m., in the Council Work Session Room, 1979 West 1900 South, Syracuse City, Davis County, Utah.

Present: Councilmembers: Alan Clark
Doug Hammond
Lurlen A. Knight
Douglas Peterson
Larry D. Shingleton

Mayor Fred Panucci
City Administrator Rodger Worthen
City Recorder Cassie Z. Brown

City Employees Present:

Finance Director LaMar Holt
Building Official Jason VanAusdal
Information Technologies (IT) Director TJ Peace
Community Development Director GJ LaBonty
Fire Chief Craig Cottrell
Human Resources Director Cherissa Alldredge
Recreation Director Kresta Robinson

The purpose of the Work Session was for the Governing Body to review the agenda for the Regular Council Meeting to begin at 7:00 p.m., review the City Council Calendar, review the City Claim Statement, receive diversity training from the City Human Resources Director, and discuss Council Business.

Agenda review

Mayor Panucci stated agenda item six on tonight's agenda is the continued appeal hearing regarding a Planning Commission decision to grant a conditional use permit for an accessory structure. He stated that the current status of the appeal is that the applicant, who already began constructing the accessory building, has decreased the size of the building to less than 200 square feet. He asked if that allows him to 'fly under the City's radar?' Councilmember Clark answered yes and stated that is according to current City Code. Councilmember Knight stated that he was told that if the applicant adds a loft, or some other area that could be habitable, to the building he would be required to obtain a conditional use permit. Building Official VanAusdal stated that is correct and he added that a bedroom or a work area would be considered habitable. Mayor Panucci stated that Mr. VanAusdal and Community Development Director LaBonty are working on the issue; the City has ordinances to protect other citizens from people that are inconsiderate. He stated that if everyone were considerate and law-abiding, there would be no need for any laws. Mr. LaBonty stated that the section of Title 10 dealing with this issue has been amended and building heights now mean the full height of the building rather than the top plate of the wall. Mayor Panucci stated that unfortunately it becomes necessary to 'plug holes' after problems occur. He then asked if there are new provisions in Title 10 that could be applied to the applicant's building even though it is less than 200 square feet. Mr. LaBonty stated that height is restricted for all accessory structures and the overall building height can not be any taller than the wall height plus half of the wall height. Mayor Panucci stated that is good and he explained that the building in question is more than twice as tall as the wall height. Councilmember Knight asked if an agricultural building could be constructed at a taller height, to which City Administrator Worthen answered yes. Councilmember Clark asked if appellants are required to pay a fee in order to file their appeal, to which City Recorder Brown answered no. Mr. LaBonty stated that responding to the appeal took a significant amount of staff time. Ms. Brown agreed and stated that in many cases appellants are required to pay a filing fee to start the appeal process. Councilmember Knight stated that he would not be in favor of charging a fee to file an appeal.

Mayor Panucci then stated that item seven on the agenda is an annexation petition and he asked Mr. Worthen to explain to the Council where the property to be annexed is located, which Mr. Worthen did. Councilmember Clark stated that the proposal is to build a Church of Jesus Christ of Latter Day Saints (LDS) stake center on the property and he asked if the property must be annexed in order for that construction to occur. Mr. Worthen stated that the property must be annexed into the City in order for the LDS church to connect to the City's water system. Councilmember Clark reminded Mr. Worthen that the Council approved an agreement for John Diamond to access the City's water system as a non-resident. Mr. Worthen stated that the LDS church wants to annex into the City.

Mayor Panucci stated that item eight on the agenda is proposed amendments to the General Plan. He stated he was interested to read that the moderate income threshold in Syracuse City is \$60,000. He stated that there are clearly more than enough homes in Syracuse City that are over that threshold. Councilmember Clark stated he would be interested to know if those numbers have changed due to the current economy.

Calendar

Councilmember Hammond asked when the candidate filing period will be for the upcoming Municipal Election. Ms. Brown reported that the filing period will begin July 1 and run through July 15 at 5:00 p.m. Councilmember Hammond asked if the City will be wholly responsible for the election, to which Ms. Brown answered yes. Councilmember Hammond asked if all voting will take place at the Community Center, to which Ms. Brown answered yes.

Claim Statement

Mayor Panucci reported that he was informed that the Contract Postal Unit (CPU) is generating approximately \$1,000 per day in revenues. Mr. LaBonty stated that is correct. Councilmember Hammond asked if there have been any complaints about the hours of operation at the CPU. Mayor Panucci stated that he thought that staff was planning to experiment and open the CPU at an early hour. Mr. LaBonty stated that the earliest the hour the CPU would open would be 8:00 a.m. to mimic the hours of operation of City Hall.

Councilmember Shingleton stated that page two of the report includes item 10-49-51, an engraved plate for Jensen Nature Park and he asked what that was. Mr. Worthen stated it was actually a plaque that was engraved to educate people regarding the tree planting grant that just took place at the park.

Councilmember Hammond stated that page one of the report includes item 10-22-34, road cut bonds, and he asked when those bonds are typically paid out. Mr. Worthen explained that a contractor is required to submit a bond when they are doing work that requires them to cut the road and if the City is satisfied with the repair to the road after the work is completed the bond is released; if the City is not happy the bond money is used to make appropriate repairs.

Diversity Training

Ms. Alldredge provided the Governing Body with handouts for the Diversity Training. She asked the members to read through the handout and ask any questions that they may have. She added that if any member of the Governing Body wishes to receive additional diversity training there is a video that they can obtain from her office to watch. She stated that Mayor Panucci asked her to limit the amount of time to be spent on the training this evening in order to discuss the City's proposed Fiscal Year (FY) 2009-2010 budget, which is why she planned to simply provide the handout for the training. Councilmember Clark inquired as to what other types of training the Council is required to submit to. Ms. Alldredge stated there are no other pending training topics for the Council.

Council Business

Citation issued by Building Department: Mayor Panucci reported that the Building Department has been dealing with the issue of providing an occupancy permit for the development near Sparetime Family Fun Center where the Bajio Grill will be located. He stated the City has been delaying providing that permit because the developer has not complied with the landscaping requirements. He stated there is an issue with water running off the property onto the properties located behind the development and that issue needs to be addressed. He reported that Mr. VanAusdal issued a citation to the developer on Thursday, who later called him (the Mayor) about the citation. Mayor Panucci stated the bottom line is that Mr. LaBonty and Mr. VanAusdal have worked very well with the developer to assist them in completing the outstanding work in a timely manner and the situation reached a point where it was time that a citation be issued. He stated the City got the developer's attention and work is now underway. He stated that Mr. VanAusdal will visit the development on Wednesday and use his discretion to see if enough work is being done to bring the property into compliance and it will be up to Mr. VanAusdal to determine whether an additional citation should be issued. He stated the City needs to make sure things are done properly; there have been no issues at the Shadow Point development or at the Town Center, but, for some reason, there have been problems at this development. Councilmember Knight added that he felt the City had been very kind to the developer and that writing the citation was the right thing to do. Mayor Panucci stated that the developer was quite furious with the City and expected him to do something about the citation. Councilmember Hammond inquired as to the fee associated with the citation. Mr. VanAusdal stated the citation is a Class B Misdemeanor. Mayor Panucci added that the base fee is \$300 and that amount can be charged for every day the violation exists. He stated that the City can 'swing a heavy stick' but that is not the goal; the City wants to work with people while making sure that things get done properly. Councilmember Hammond asked if the occupancy of any other businesses besides Bajio Grill is begin held up. Mr. LaBonty

explained there are two other spaces available, but no tenants waiting to occupy those spaces. Mayor Panucci added that the developer is one of the main owners of the Bajio Grill, so this citation and the denial of the occupancy permit is painful to him in more than one way. Councilmember Knight stated that he would like for Bajio Grill to open as soon as possible, but he also did not want to allow the developer to negatively impact the neighbors of the development. Mayor Panucci stated he was in full agreement; he simply wanted to inform the Council of the status of the development.

Tentative Fiscal Year (FY) 2009-2010 Budget: Mayor Panucci reported that Mr. Worthen and Mr. Holt have been working on budget scenarios and he asked Mr. Worthen to inform the Council of the progress they have made. Mr. Worthen stated that he did not want to get into many details since the entire Council has not been provided with hard copies of detailed information and also due to the fact that this item was not advertised appropriately on an agenda. He stated that he and Mr. Holt have been reviewing the budget following a request to do so from the Mayor. He stated they have reviewed all but four department budgets and they have found approximately \$24,000 more that could be cut, mainly in training and office supplies line items. He added that the tentative budget is already dramatically cut, but the Council could have the option of cutting the afore mentioned \$24,000 from the budget. Councilmember Clark stated that concerns him due to the fact that Mr. Worthen has already told the Council that the tentative budget is not a sustainable budget. Mr. Worthen stated that is correct and he explained that the tentative budget accepted by the Council was already a 'Draconian' budget. He stated that he has 'toyed' around with some ideas regarding other cuts that could be made, namely in the Recreation and Fire Departments and he will be prepared to present some of that information to the Council following the final budget cottage meeting to be held this Thursday. He stated it would not be wise to discuss the potential \$24,000 in cuts at this Thursday's cottage meeting because that information was not shared at the previous three cottage meetings and people may wonder why.

Councilmember Knight asked if the needed tax increase over the next two or three years would be higher if the Council chose not to raise taxes this year, to which Mr. Worthen answered yes. Councilmember Knight likened the situation to paying only part of an interest payment on a credit card bill. He stated that the bill amount continues to get bigger and bigger. He stated that he did not feel like continuing to cut was the answer and that doing so only put off the inevitable for another year or two. He asked when the revenues will be increased enough to re-implement programs or services that have been cut. He added that the Council had evolved into a long-term planning way of thinking, but while going through this budget process the Council has reverted back to a short-term planning mindset. He stated that the consequences of additional cuts need to be explained to everyone. He added that citizens have asked him to not consider a tax increase next year as well and he has tried to explain to them that the budget that will be adopted this year will not be a sustainable budget.

Mr. Worthen stated that he will present some additional options to the Council and those options will include information regarding the consequences of potential cuts as well as what it would mean if no tax increase were approved. He stated that the highest cost to the City is employees; therefore, the easiest way to reduce expenses would be to eliminate employees. Councilmember Clark stated that he was concerned that people will not understand the implications of those types of options and he is concerned about presenting that kind of information because it is not realistic. He stated that if he came in off the street and had not been involved in any part of the budget process to this point and he heard that one of the options was to continue to cut in order to not increase taxes, that would be the option that he would support. Mayor Panucci stated that is the exact reason that all information and consequences need to be presented. He stated that people will need to know how they will be impacted if property taxes are not raised in order to increase revenues. Councilmember Clark stated the City needs to explain what services will be affected if taxes are not raised.

Councilmember Shingleton stated that one of the reasons the Council decided to hold cottage meetings was to gather information and give people the opportunity to voice their opinions. He stated he is concerned that staff does not want to give the citizens all the information.

Councilmember Clark stated that he has talked to citizens after the cottage meetings and he has asked them what items they felt should be cut from the budget in order to balance the budget and people have not been able to answer that question. Mayor Panucci stated that is why the Council needs to explain how citizens will be affected if taxes are not raised. Councilmember Clark stated that he keeps hearing that the City has \$3.5 million to do road projects, but he has not heard that discussed in a cottage meeting. He asked how the Council should explain that if the budget is cut there will be no road work done and how that fact will impact them.

Councilmember Shingleton stated that the Council needs to listen to options B and C from staff and wait to make a decision until all information is presented. Mayor Panucci agreed and stated that staff should present all options to the citizens and tell them what the options mean. He stated that if taxes are not increased citizens will see a tremendous reduction in service and they need to understand what that means.

Councilmember Knight stated that one item that has not been discussed is the fact that the City's bond rating is in jeopardy due to the fact that the City's reserves are very low. Mayor Panucci stated he did not see that as an issue because

the City will not be able to do any bonding for a long time and the City will not be rated until application for another bond is made. Councilmember Knight disagreed and stated that the City's bond rating is one way to determine the health of the City.

Councilmember Shingleton stated that he would like to have information about all budget options in his hand prior to the next cottage meeting. Councilmember Knight stated that Mr. Worthen has offered to meet individually with each Councilmember to review the budget in more depth. Mayor Panucci suggested beginning the work session scheduled for June 9 at 5:00 p.m. and that the entire work session be devoted to the budget. Councilmember Knight stated there is a Utah Department of Transportation (UDOT) meeting regarding the 2000 West construction project scheduled for that afternoon and he would prefer that the work session start at 6:00. Ms. Brown added that the Council could schedule another work session to be held at the conclusion of the regular meeting.

Miscellaneous Business: Mayor Panucci thanked the Councilmembers for their assistance and attendance at the Memorial Day event held at the cemetery. He stated that he wished that a podium would have been available, but other than that the event was great.

Mayor Panucci asked Mr. Worthen for an update on the discussion held during the last work session regarding the land drain cross connections in the Parkwood Subdivision. Mr. Worthen stated that he has not been able to send a letter to Kapp Construction, but he will craft that letter and send it to the City Attorney for his review tomorrow. He stated that the City has been asked to amend its ordinance regarding downspouts specifically for that development. He stated that he does not think that should be done because doing so weakens the ordinance. Mayor Panucci asked Mr. Worthen to call Kapp Construction to expedite the process. Mr. Worthen added that the Health Department wants the problem fixed in order to remove sewage from the storm drain system. Mayor Panucci stated that the sewage has been in the storm drain system for 10 years now.

Mr. Worthen reported that staff is in the process of obtaining bids from different wireless carriers to determine if the City could be saving money for that service. Mayor Panucci stated he felt that was a good idea, but that the City should definitely use one of the 'big three' carriers.

Mr. Worthen reported that he attended a meeting recently regarding the Utah Retirement System (URS), which is in some financial trouble due to some investments they have made. He stated that in order to maintain a defined benefit program there is some consideration being given to increasing the amounts paid by local government entities to make up their losses. He stated that could mean a significant increase to local entities. He stated that the Utah City Managers Association (UCMA) is discussing the issue and he will keep the Council apprised of any developments. Councilmember Clark asked what a one percent increase to the retirement contributions would mean to the City. Mr. Holt stated that would increase the City's expense by \$60,000. Mayor Panucci asked if the City has any options, such as setting up an independent retirement system. Mr. Worthen stated that is not an option according to Utah Code. Ms. Alldredge stated the City could set up a secondary retirement plan, but once an entity is a participating employer in URS they can not opt out according to legislation passed in the 1980's.

Councilmember Knight reported that he met with State Representative Paul Ray and he asked him to sponsor some type of legislation that would combine park purchase and park development impact fees. He stated that if revenues from a combined fee were available in the same 'pot' the City could use the money to either buy or develop ground, which could be determined by what need is more pressing. He stated that Representative Ray will work on some draft legislation and then meet with the Council to review it. He stated that if the Council is comfortable with the legislation it could potentially be considered during the next Legislative Session. He stated in his mind it is better to buy all park land before the City is built-out; it may still be necessary to bond, but the City will have money to use to purchase land to be developed. He stated that waiting until the last subdivision in the City is built in order to have sufficient impact fee revenues to purchase all necessary land is a problem. Mayor Panucci asked if the legislation will dictate what portions of the revenues can be used for land purchase and land development. Councilmember Knight stated the City would need to have a plan in place to deal with those types of issues. Mayor Panucci stated the benefit of combining the two fees would be that the City could purchase land earlier. Councilmember Knight stated that is correct. Mr. Worthen interjected that the City has been approached by the Brigg's family who has communicated that they are ready to sell some of their land for park development.

Councilmember Clark asked Recreation Director Robinson to review the schedule for the Heritage Days celebration this year. Ms. Robinson stated that Heritage Days will be held from June 22 to June 27, but that the Miss Syracuse Pageant will be held Saturday, June 13. She then reviewed the schedule for the other events to take place during Heritage Days and explained that the schedule will be published in the June newsletter. Councilmember Peterson stated that the City used to host an 'old-timer's' softball game and he asked why that event is no longer held. Ms. Robinson stated there is no longer enough interested from the senior citizens in the community. Councilmember Peterson suggested holding a kickball game with the staff and elected officials involved. Councilmember Knight asked if the City was able to garner any donations to pay for the City's fireworks. Ms. Robinson stated that she sent out several letters requesting donations, but they did not

City Council Work Session
May 26, 2009

receive a response from any of the recipients of those letters. Mayor Panucci inquired as to the total cost for the Heritage Days celebration. Ms. Robinson explained that the fireworks cost \$10,000 and all other events cost approximately \$6,000 total. She added that she receives many donations throughout the week and they sell concessions during the event, which provides some revenue.

The meeting adjourned at 6:55 p.m.

Fred Panucci
Mayor

Cassie Z. Brown, CMC
City Recorder

Date approved: June 23, 2009

Governing Body/Administration Assignment List

- Mayor Panucci and members of City Administration will attend a County Commission meeting to discuss sharing Senior Citizen Program resources. (01-08-08)
- City Administrator Worthen and Finance Director Holt will work on developing a proposal regarding a Fleet Replacement Program. (01-08-08)
- Administration will advertise the creation of an audit committee and solicit community involvement. Once a member of the community has been selected, a resolution will be drafted to create the committee and appoint the members. (02-26-08)
- Councilmember Clark suggested the creation of a distribution list that people could add their name to in order to receive electronic copies of agenda, newsletters, etc. City Administrator Worthen will work with staff on that issue. (02-26-08)
- Human Resources Director Alldredge will research the options for including a “commitment clause” in the City’s tuition reimbursement policy. (05-27-08)
- City Recorder Brown will research the rates that other cities are charging to allow businesses to advertise in their newsletter. (06-10-08) (10-28-08)
- Administration will research the contract between the LDS Church and the City regarding the donation of the Founders Park land. (06-10-08)
- Council will revisit the proposal to create the positions of HR Generalist and Treasurer after the implementation of the electronic time keeping system. (10-14-08)
- Mr. Worthen will research EPA guidelines to determine when the City will be required to install a de-silting station. (10-28-08)
- Councilmember Clark will gather information from the WIWMD regarding participation in pilot recycling programs and report back to the Council. (01-13-09)