

**WOODS CROSS CITY COUNCIL MEETING
DECEMBER 1, 2009**

The minutes of the Woods Cross City Council Meeting held December 1, 2009 at 6:30 P.M. in the Woods Cross City Hall located at 1555 South 800 West, Woods Cross, Utah.

CONDCUTING:

Mayor Kent Parry

COUNCIL MEMBERS PRESENT:

Kent Parry, Mayor
Tamra Dayley
Rick Earnshaw

Jill Evans
Jon Hadlow
David C. Hill

STAFF PRESENT:

Gary Uresk, City Administrator
Alan Low, City Recorder

VISITORS:

Ryan Westergard
LeGrande Blackley
Gordon Curl
Al Jewell
Charles Payne

Jose Chu-Jon
Mark Peterson
Don Schrader
Wayne Hinckley

Pat Blackley
Janet Curl
Lois Schrader
Vicki Hinckley

INVOCATION:

Rick Earnshaw

PLEDGE OF ALLEGIANCE:

Gary Uresk

The Mayor welcomed those in attendance and stated this is a regularly scheduled meeting that notice of time, place and agenda was sent to local newspapers and provided to each of the City Council Members prior to the meeting.

APPROVAL OF MINUTES

The Council reviewed the minutes of the City Council Meetings held November 10th and November 17th, 2009. After the review, Council Member Earnshaw motioned the minutes be approved as written with Council Member Hadlow seconding the motion and all voted for the motion through a roll call vote.

APPROVAL OF CASH DISBURSEMENTS

The floor was given to the City Recorder who reviewed the Cash Disbursements listing for tonight's meeting with the City Council. After the Council's review, Council Member Earnshaw made a motion to approve the Cash Disbursements listing as presented with Council Member Evans seconding the motion and all voted for the motion through a roll call vote.

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OPEN SESSION (BRIEF ITEMS)

The Mayor then opened the meeting to items from those present that were brief in nature. This would be items that would take less than two or three minutes.

There were no items from the public present and the floor was given to Council Member Dayley who noted in her area of Ivory Homes a street sweeper was sweeping the streets at 6:00 A.M. in the morning. It was determined the street sweeper belonged to the construction company of Ivory Homes who was cleaning their construction debris from the streets.

The Staff said they would contact Ivory Homes and ask them to do this work at a more reasonable hour.

There were no other items for the brief open session.

REPORT FROM THE WOODS CROSS CITY COMMUNITY OF PROMISE

The Chairman of the Community of Promise Committee was not present at tonight's meeting so there was no report given.

REPORT FROM THE SOUTH DAVIS SEWER DISTRICT

The floor was given to Mr. Charles L. Payne who represents the City on the Board of Directors of the South Davis Sewer District. He reported the following to the Council:

“The proposed budget for 2010 is \$12,030,000. The budget for 2009 was \$10,149,000 and the revised budget was \$6,752,000. There is a new budget figure for a study called the Water Quality Research. The budget comes from other sewer districts. This is for a study of the Great Salt Lake to compare it against the environmental people. The budgeted amount for this study is \$439,000.

“We had people visit the district, one City Council person from Centerville and the City Administrator from West Bountiful. If you would like a copy of what was discussed I can provide you with one.”

Following the report by Mr. Payne, the Council expressed appreciation to him for his service to the community.

REPORT FROM THE WOODS CROSS YOUTH CITY COUNCIL

The Mayor gave the floor to Ms. Vicki Hinckley who is advisor to the Youth City Council. She reported to the City Council on the activities of the Youth City Council as follows:

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1. "Our Thanksgiving scavenger hunt was successful with donations. We collected money for turkeys and had enough to complete ten dinner boxes. The boxes were given to the Bountiful Community Food Pantry.
2. "We were able to decorate a table for the Woods Cross High homeless dinner. We enjoyed serving those in need.
3. "Our float is ready for the Clipper Christmas Light Parade this Friday at 6:00 P.M. All the Council is invited to join us on the float. We appreciate the City workers for their help with the float.
4. "On Saturday we will meet at Woods Cross Elementary at 3:00 P.M. to decorate the gym for Santa's visit and help with the children.
5. "On Monday the 7th we will have a short meeting and go shopping for gifts to go into the Family Fun Kits for the Angel Tree families after which we will enjoy a Christmas party.
6. "Our WXYCC Youth Conference is on January 16th beginning at 9:00 A.M. We hope you will join us."

Following her report, the Council expressed appreciation to her and the Youth City Council for the hours of service that they give to the citizens of Woods Cross City.

UPDATE ON SILVER EAGLE REFINERY INCIDENT

The Mayor gave the floor to the City Administrator who reported the following information to the City Council concerning the Silver Eagle Refinery incident:

"The refinery is still shut down and we have not been told as of yet when it will be starting up again. The Mayor and I met with Utah OSHA director, Louis Silva and Commissioner Hayashi from the Labor Commission last Wednesday. They were not able to tell us a whole lot about the incident since it is still under investigation. We did have a discussion on process safety management and will be having further discussions with them as the investigation continues.

"I also sent a letter to Silver Eagle asking to meet with them some time next week to discuss the actions they will be taking to ensure that any further incidents on the site do not affect the surrounding property. As of yet, I have not heard back from them.

"The Chemical Safety Board is still investigating the accident and it will be some time before they get their findings and report out."

Following the report by the City Administrator the City Council thanked him for his report and encouraged the Staff to stay in touch with Silver Eagle Refinery if they do not respond to the City Administrator's letter and they follow up with them to see that future meetings are held.

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**CONSIDERATION TO APPROVE A WATER SERVICE AGREEMENT WITH
THE WEBER BASIN WATER CONSERVANCY DISTRICT**

The City Administrator continued with the floor and explained the following to the City Council concerning a contract with Weber Basin Water Conservancy District for 100 acre feet of water:

“Given to the Council is an agreement with Weber Basin which allows us to withdraw our 100 acre feet of contracted water we have with Weber Basin from their well that is non-fluoridated which is located in close proximity to our new reservoir. This will give us the ability to use the water which we have not been able to use for a number of years because of the fluoride issue. The agreement addresses responsibility for the improvements and how the City and Weber Basin will work together to make sure the water is provided to the City through the connection. I recommend approval of the agreement as drafted.”

Following the explanation by the City Administrator the floor was given to Council Member Dayley who asked if the City residents determined that they would like the City water fluoridated would this have an impact on this decision.

The Staff reassured her that it would not and the water could be fluoridated in the future.

With that the floor was given to Council Member Earnshaw who motioned the City Council approve the water service agreement as presented with Weber Water Conservancy District. Council Member Dayley seconded the motion and all voted for the motion through a roll call vote.

**DISCUSSION OF CAPITAL IMPROVEMENT PROJECTS AND FY 2010 CITY
BUDGET**

The floor was given to the City’s Budget Officer, who is the City Administrator, who outlined the following information with the City Council concerning the FY 2010 City budget and its revenues:

“The FY 2010 General Fund Budget was \$3,513,000 which is \$383,000 less than the Fiscal Year 2009 budget which is a 10% reduction. Expenditures on capital improvements dropped considerably in Fiscal Year 2010 to \$165,000. Capital expenditures had been in the \$400,000 to \$500,000 range from FY 2007 to FY 2009. This is a reflection in the cut back in sales tax revenues, as well as Class C revenues. The sales tax trend since Fiscal Year 2007 has been downward. The drop in FY 2008 was due to the move of Menlove, but the FY 2009 and FY 2010 drop in sales tax receipts is mainly due to the economic slow down. Since Woods Cross City derives 54% of its general fund revenue from sales tax, a reduction in sales tax has a considerable impact upon the City’s revenues. It is important the City broaden its revenue base so we are not

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so dependent on the sales tax which we have found can drop very quickly due to a slow down in the economy or the loss of a major business in the City. In this year's budget, a reduction of \$220,000 will need to be made due to sales tax being less than anticipated, plus we did not get the Cops Grant of \$70,000.

“The options we have to cover the shortfall are: 1) Cut expenditures, 2) Utilize the fund balance, or 3) Increase revenues. We have the ability to make a few more cuts in expenditures which may include some salary cuts for the employees. We also have sufficient fund balance to cover the \$220,000 shortfall but that will leave our fund balance in a very precarious position which I would not recommend. We can also look at increasing our revenues to help offset the decrease in sales tax revenue.

“In the capital improvement fund we have a balance of \$1,000,000; \$500,000 of that is already committed to the UDOT 500 South Storm Drain project. We are also working on an extension of Redwood Road north toward the Smith property that is estimated to be \$150,000, however, I am working with the Auto Auction to get them to pay for the major portion of this extension and our contribution hopefully will be much less. We have discussed adding on to the City Hall at an estimated cost of \$200,000; however, because of the situation with the economy, I would recommend postponing that project until we get a better feel for our revenue picture for the future. We have also discussed building the new shops for which we have already bought property. I estimate the cost of the shops will be around \$3,000,000. As we have discussed, we do not have the funds in the Capital Improvements fund to complete this project.

“The options before us are:

1. “No revenue increase. This would require a further cut in expenditures. Services may possibly be affected by the further cut in expenditures. We would need to spend down our fund balance and would not be able to build the shop building.
2. Revenue increase. This would ensure our services remain unaffected. The fund balance would not be reduced and we could build the shop building. Building the shop building now would allow us to take advantage of the low construction prices.

“If the Council chooses to go with the revenue increase option, I would recommend implementing a 6% municipality energy sales and use tax. All of our neighboring cities impose this tax and it will raise approximately \$400,000 per year which will cover the debt service on a bond to build the shops. This tax needs a 90-day implementation period, so if it is passed in December it will not be imposed until April 1. If it is not implemented until after the first of the year, the soonest it can be imposed will be June 1.

“We can discuss the options before us and the Council can direct Staff on what course you would like to pursue.”

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Following the information presented by the City's Budget Officer, the Council had considerable discussion on the proposed increases to the revenue streams to the General Fund of the City, discussing property taxes and the energy use tax.

It was determined the Council needed to further discuss this matter and give it some thought as well as educate and inform the public as to the matters before the Council and the potential of increasing the property tax as well as implementing an energy use tax.

OPEN SESSION

The Mayor then opened the meeting to items from those present that they would like to bring before the City Council.

The floor was given to Mr. Charles L. Payne who noted in the budget discussion previously had by the Council that there was a discussion about the addition to the City Hall for the senior citizens use and he noted the person who objected to this room addition had come to his home and discussed the matter with him.

It was noted by Council Member Earnshaw it was not just for senior citizens but where larger meetings could be held by the City Council as well as other committees that function within the City.

The floor was then given to Council Member Hill who suggested to the Council it had been many years since the Council had had a strategic planning session. He reviewed the success of the last strategic planning session which was held. He suggested to the Council and the Staff that perhaps this could be placed on the agenda for the next City Council meeting and a time and a place and a facilitator be discussed to hold a strategic planning session with the City Council and the Staff.

There were no other items for the open session.

MAYOR'S REPORT

The Mayor asked the Staff what had been done in planning for watering the City parks in a more timely and conservative manner that had been discussed in previous meetings.

The Staff said they would put some information together and report back to the City Council.

CITY ADMINISTRATOR'S REPORT

The City Administrator reported to the Council on the following:

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1. “Just a reminder that we have Bag the Candy Night scheduled for Thursday, December 3rd at 5:30 pm. We will be bagging the candy at 5:30 and we will order pizza to eat afterward.”

CLOSED SESSION-PERSONNEL MATTERS

At 8:20 P.M. Council Member Earnshaw motioned the City Council go into closed session to discuss personnel matters. Council Member Evans seconded the motion and all voted for the motion through a roll call vote.

ADJOURNMENT

There were no other items for the City Council and at 8:35 P.M. Council Member Earnshaw motioned the Council come out of closed session and adjourn the City Council Meeting. Council Member Evans seconded the motion and all voted for the motion through a roll call vote.

Kent Parry, Mayor

Alan T. Low, City Recorder