

NOTICE

Notice is hereby given that the Mayor and City Council will hold a Work Session on February 6, 2013 in the Council Chambers, 45 West 100 South, beginning at 6:00 pm.

DISCUSSION ITEMS

1. Agenda Items
2. Budget Discussion
3. General Discussion

If you are planning to attend this Public Meeting and, due to a disability, need assistance in understanding or participating in the meeting, please notify the City Office ten or more hours in advance and we will, within reason, provide what assistance may be required.

CERTIFICATE OF MAILING

The undersigned duly appointed City Recorder for the municipality of Santaquin City hereby certifies that a copy of the foregoing Notice and Agenda was e-mailed to the Payson Chronicle, Payson, UT, 84651.



By: Susan B. Farnsworth, City Recorder

Posted:

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**MINUTES OF A COUNCIL WORK SESSION
HELD IN THE COUNCIL CHAMBERS
FEBRUARY 6, 2013**

The meeting was called to order by Mayor James E. DeGraffenried at 6:10 pm. Council Members attending: Keith Broadhead, Matthew Carr, Kirk Hunsaker, and James Linford.

Others attending: City Manager Ben Reeves, Public Safety Director Dennis Howard, Community Development Director Dennis Marker, Brent Nichols, Chante Hammond and other unidentified individuals.

Mayor DeGraffenried said he would like to appoint Chante Hammond and Jolynn Forman as the Orchard Days Co-chairs. Ms. Hammond introduced herself to the council.

DISCUSSION ITEMS

Agenda Items

Mayor DeGraffenried confirmed that the Council had no issues with the consent agenda.

Budget Discussion

Ben Reeves said the Council had shared their budget concerns and priorities in the retreat, and the City was starting the budget process earlier than normal. State law requires that budgets be adopted by June 19 if there is no increase in property tax, but can be adopted earlier. One public hearing must be held, currently scheduled for June 5.

If a property tax increase is proposed, the adoption deadline is the second meeting in August. An additional public hearing and two publications in a local newspaper are required for a tax increase. At this time the Mayor and Council do not wish to increase taxes.

Mr. Reeves said normally the Mayor would propose a budget, and the City Council would refine the goals and directives, and a draft budget created. He said the Council recognizes that the City has a lot of needs from a capital building perspective, including the desire for a pool and a recreation facility; as well as the concerns for the old city building which is deteriorating, not ADA accessible, and does not meet code. There is also a need to talk about a recreation building, the museum, the seniors, the library's increasing need for space, and the expansion of the fire and police departments.

Mr. Reeves said he sat down with Jonathan Ward from Zion's bank, and talked about the goal set last year to have a recreation center on the ballot in 2013. He has some concerns about the City's overall debt load. The City has two sources of borrowing: Revenue bonds, such as those used for the sewer project and PI project, which have a revenue source that is used as collateral; and general obligation bonds, which are chosen by voters, whereby a new tax is added to the tax rolls. Generally, GO Bonds that are approved by voters are those that they feel they get an immediate benefit from, such as recreation centers and public safety items.

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Mr. Reeves said he wanted the City to have the capacity to take care of financial emergencies. The City needs a tangible plan that is flexible. In six months the City could have a change in leadership, so continuity is also needed in the plan. Mr. Reeves said all the City needs could be rolled together into one bond, but the likelihood of failure was very high. He presented an alternate plan that uses a GO Bond for a recreation center and different funding for a city center.

In this plan, a new public safety building is built, after which the old public safety building and the Kroeber property are sold. The revenues from these sales and from the new grocery store are used to build a City Hall, which would include a library and senior citizen center. The museum would move to the library.

For the recreation center, the City would partner with the school board, neighboring cities and the community to generate funding and enthusiasm for a General Obligation bond. If the project is over \$10 million, a program called Design Build could be used. When the recreation center and the new City Hall are built, the building at 45 West 100 South could be removed.

The Council Members discussed the Plan. Council Member Broadhead said he had no argument with stepping back. He said the City needed to get through the next budget year and find out what the actual sewer building costs were going to be.

Council Member Linford said the City did need to wait on the recreation center, as it would never pass on this year's ballot. He cautioned that the City would not receive millions of dollars for the property being sold.

Mayor DeGraffenried said the City needed to have a plan to be successful. The City is growing out of its current buildings, and will have issues if this is not solved. He said he did not want to increase taxes, and had no problems holding back. He suggested letting the Community Center Committee continue to move forward.

Council Member Carr said he is in agreement. He is hesitant about the recreation center and does not think it would pass this year. Mr. Carr said he would like to see what the actual cost of a public works building would be.

Council Member Hunsaker said he liked the plan, and would like to be shown how the City can achieve those goals. Mr. Reeves said it would take a lot of time, and it was prudent to wait until the City knows where the economy is. Mr. Reeves agreed to email the presentation to the City Council members.

Council Member Linford said the City will change in two to three years, and the same things may not be wanted. Mr. Reeves said currently a pool is the most desired, but dealing with the 45 West 100 South building was the most needed.

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Council Member Broadhead said a road project would be needed sooner rather than later. Mr. Reeves said the City had paid off the road bond last year, and used the money for road maintenance. He said those funds need to be dedicated to roads, whether maintenance or road projects. Council Member Broadhead said governments everywhere were facing the same problem as people were driving more fuel efficient cars and electric cars.

General Discussion

No time was available for a general discussion.

The meeting adjourned at 6:55 p.m.

Approved on February 20, 2013.


James E. DeGraffenried, Mayor


Linda Midgley, Deputy Recorder