

MINUTES OF A REGULAR MEETING
OF THE SANTAQUIN CITY COUNCIL
HELD MARCH 4, 1986

Mayor Herb Lloyd called the meeting to order at 7:00 o'clock p.m. The following Councilmen were also present: Sherman Jones, Clara Goudy, Raymond Rowley, Art Adcock and Lamar Openshaw. The Mayor stated that the meeting was a regularly called meeting and that notice of the time, place and agenda of the meeting had been provided the Payson Chronicle, the Daily Herald and the Deseret News and to each member of the governing body by mailing copies of the Notice and Agenda at least two days before to each of them.

Councilman Rowley offered the invocation and Councilman Openshaw led the pledge of allegiance.

Reading & approval of minutes of previous meeting. Councilman Goudy moved that the minutes of February 18, 1986, be accepted as written and Councilman Rowley seconded. The motion passed unanimously.

Petitions, remonstrances and communications.

Add description of property to minutes.
a) Jenny Ford - annexation. Mrs. Ford presented the Council their mylar annexation map, which had just been completed. Councilman Jones moved that the property be annexed with the idea that it will be zoned T-5 during the zoning hearing to be held the next Council meeting. Councilman Adcock seconded the motion and it passed unanimously.

b) Santaquin School Students - wheel chair ramp. The students explained that they have placed posters and cans around town to collect money for the ramp at the Library. They also explained that they will be raffling a quilt and having a cake auction for this purpose.

Councilman Jones stated that he had a bid from a licensed contractor for \$1,200.00. The students stated that they could raise about \$300 to \$400 of this amount. They said that their fund drive will be completed on the 21st of March and they would like to come back to the Council after this time.

c) Bryce McEuen - City municipal insurance pool. Mr. McEuen stated that he represents the Utah Municipal Risk Management Association. He explained that the pool was set up to reduce the cost of liability coverage for cities by controlling the risk. He said that the Association was set up according to the inter-local cooperation act, which allows cities to band together for a common goal. Mr. McEuen said that each city has representation on the Board of Directors, according to their participation in the pool.

Mr. McEuen said that the agreement between the pool and the city replaces the insurance contract, which has been very difficult to understand. He said the agreement stipulates in plain language the exact coverages the city will have.

Mr. McEuen said that their objective in setting up the premiums is to have the covergae needed when a claim arises and not to out guessing

as to whether there was adequate coverage for any claim which might occur. He said that the funding is heavily weighted at first, with the idea to reduce the premiums as the reserve grows. He said that there will be no refunds.

Mr. McEuen also said that, by putting the premiums high at first, the cities would be more involved in the area of risk management and would do a good job in helping to reduce their premiums in the future. He also explained that this helps in getting the re-insurance {umbrella} coverages for any claim in excess of the \$1,000,000.00 limit, with a \$1,000.00 deductible.

Mr. McEuen explained that the pool has been doing well on their investments and they have been able to carry all of the costs thus far out of their interest. He also said that he is going to be going to San Francisco this week to obtain another \$10,000,000.00 umbrella for the cities in the pool.

Councilman Adcock asked about the renewability of the pool and what kind of a long range commitment the city could expect. Mr. McEuen said that each city will be renewed as long as they pay their premiums and cooperate with the Association in the area of risk management. He said that the by-laws allow for members to be expelled from the group, but only if they refuse to cooperate in the area of risk management.

Mr. McEuen said that the pool is not cheap, but felt it would be less expensive in the long run after it is fully capitalized.

Councilman Goudy asked about the investments and Mr. McEuen said that they follow the Utah Money Management Act, which only allows investment in very secure investments. He said that the West Valley City Treasurer is their acting treasurer and basically places the pool's money with the city's money.

Councilman Goudy said that she has heard that Utah County is also having problems in this area and Mr. McEuen said that Utah County and some other counties have approached him about setting a County Pool up, as the municipal pool is strictly for cities.

Mr. McEuen said that the cost to the city for the Association would be \$11,882.59 per year at present.

d) Utah Local Gov'ts Trust - municipal insurance pool. Mr. Peter Anderson was present for the Trust. He explained that the Trust could basically echo everything stated by Mr. McEuen. He said that the Trust, at present represents cities, counties and special improvements districts. He explained that the cost for the city in the Trust would be \$7,952.00 which will include a \$5,000,000.00 umbrella, with \$500,000.00 of basic liability coverage.

Mr. Anderson said that the Trust is set up with a Board of Directors elected by the members of the Trust.

Mr. Sellers asked if an occurrence happened in a current period but the claim was not filed until a subsequent period, would the city be covered. Mr. Anderson stated that they would if the city still

carried the insurance which they had under the occurrence.

Councilman Goudy asked how the Trust would handle risk management. Mr. Anderson said that the Trust does not know the people or the situations and would come in and train the personnel to look for risk areas and get these covered.

Mr. Anderson said that their insurance only has a \$250.00 deductible.

Councilman Goudy asked how the Trust would benefit the city more than the Association. Mr. Anderson said that the Trust would stand on its past history and reputation. He said that they have been in existence for nine (9) years in Utah.

Councilman Goudy also asked Mr. McEuen what the Association could offer over the Trust. He said that the city ought to look at this like they were going to go into business and they had to look at who their partners were going to be. He asked the Council to look at who is in the Association and how much money they are putting into this thing to make it work and ask them if these are the types of people they would like to be in business with. He said that the major cities which are in the Association are going to protect themselves and cut their costs. He also said that the Association is run by cities who know the problems of cities and are making decisions to make things better for the city liability risks, which have inherently been smaller.

Councilman Rowley asked Mr. McEuen why the larger cities did not enter in with the smaller cities in the Trust, rather than setting up their own pool. Mr. McEuen said that there are a multitude of different entities within the Trust and the cities felt that cities should look at the problems of cities. He said that the cities felt that, if they are going to invest a couple of million dollars per year, they had better have total control over their investment. He said that they felt uncomfortable having people from counties and mosquito abatement districts taking care of the cities' money. He stated that the cities could not afford not having someone on the Board looking out for their money.

Introduction and adoption of resolutions and ordinances.

a) Resolution selecting municipal insurance coverage for liability. Mayor Lloyd asked the City Council and Mr. Sellers how they felt on this subject.

Mr. Sellers said that he has looked into both programs and felt good about either. He said that he felt the city would have more of a direct influence with the Board of Directors of the Association than with the Trust.

Councilman Goudy asked if this would make the Board too cumbersome, with all the communities having influence on the Board. Mr. McEuen said that the Association felt that it was important for each member to be able to voice their opinion and to have an influence in how their money is used.

Mr. Anderson said that the members of the Trust can come to the Board meetings and be heard, but that only the ten (10) members of the Board make the decisions.

Councilman Rowley said that he felt the Association would be the best because of who they have with them, it has been designed for cities and run by cities.

Councilman Openshaw said that he felt the Trust would be the best because of their experience.

Councilman Goudy said that the city already has insurance through the Trust, ie, employees health and workmen's compensation, and felt the city would have everything together. She said that she felt the city ought to go with the Trust.

Councilman Adcock said that the Trust's premium is about one-third of the Association, their deductible is lower and insurance is higher. He said that he felt an obligation to buy as much insurance as the city can get for the least amount and felt the Trust has this.

Councilman Jones said that he felt that the Association would cheaper in the long run. He said that he felt now that the city ought to go with the Trust.

Councilman Adcock moved that the city accept liability insurance through the Utah Local Government's Trust and pay the premium of \$7,952.00 and have the insurance retroactive to February 16, 1986, and Councilman Openshaw seconded. Those voting in favor of the motion were Councilmen Adcock, Openshaw, Jones and Goudy. Councilman Rowley voted against the motion. The motion passed.

Unfinished business.

a) Jim Peterson - American Legion Building. Mr. Peterson explained that the city and the American Legion failed to culminate an agreement made in 1968 and the 200 feet by 200 feet piece of property is now under the new school grounds. He said that the Legion would like to have this agreement taken care of and asked the Council how they felt on this. The Council explained that they did not want to take any more buildings into the city than they have now and wanted to wait and see what is going to happen with the old school before they make any further decisions concerning the Legion building.

New business.

a) Patti Foster - Girl Scouts. Mrs. Foster explained that the city sponsors the Neighborhood Leadership Meetings in the Library. She said that the Girl Scouts appreciate this and has sent a box of Girl Scout cookies to show their appreciation. She also said that the Girl Scouts is going to be celebrating its 74th birthday on the 12th of March, 1986, and asked if the Mayor would proclaim this as Girl Scout day. Mayor Lloyd said that he would do so.

Miscellaneous.

a) George Finch. Mr. Finch explained that he has again been asked to come before the Council concerning his business. Councilman Goudy explained that the main concern of the city's are the cars parked on the city street property and if these are moved back onto Mr. Finch's property she does not see a problem with issuing the license. Mr. Finch said that he would move these cars back onto his property, but he complained about the other cars parked on the city streets as well. Mayor Lloyd explained that these are being taken care of and Mr. Finch said that he doubted they would be taken care of because there are cars on Center Street still. Councilman Goudy moved to allow Mr. Finch his license if he would move the cars and his business back onto his own property and off the city's street. Councilman Openshaw seconded the motion and it passed unanimously.

b) Bike trials. Councilman Adcock said that the mid-June bike trials are being planned for the canyon again this year and asked if there were any concerns on this. The Council said that they have not heard any concerns with this and felt the city could allow it again.

c) Easter egg hunt. Councilman Rowley said that a group of interested mother might be agreeable to taking care of this. Mr. Sellers said that the JC organization in town is also interested in assisting in this.

d) Cable TV. Mr. Sellers explained that the Cable TV business in town has failed to pay their franchise taxes for the past two years. Mayor Lloyd said that he would discuss this with Val Ogden.

e) Business licenses. The Council reviewed the following licenses:

Diana & Nina Child "Child's" \$30.00 Transient license from January 1, 1986 through March 31, 1986.

Dale Bascom "D.J. Electronics" \$15.00 Home Occupation.

Robert Harman "20th Century Lites" \$10.00 Transient license from February 21, 1986 through March 21, 1986.

Holly Broadhead and Betty Quinn "Santaqueen Drive Inn" \$50.00 commercial license.

Holly Broadhead and Betty Quinn "Santaqueen Drive Inn" \$100.00 Two (2) amusement device licenses.

The Council asked about the last two licenses. Mr. Sellers said that he had sent a letter to the owners of the Santaqueen explaining that the license fees should be doubled as they had not been paid by January 31, 1986, but that only the regular fees had been sent. He was asked to send the owners another letter requesting the extra fee before the licenses will be approved for renewal.

Councilman Goudy moved that the licenses for Childs, Bascom and Harman be approved and Councilman Rowley seconded. The motion passed unanimously.

f) Current bills. The following bills were reviewed by the Council:

AT&T Information Systems.....	\$ 11.50
Chris Radio & Communications.....	52.60
Don Eyre, Sr. Oil.....	1,324.00

Doug's Auto Supply.....	54.55
Kim-Ko.....	350.52
Mendenhall's Market.....	24.80
Mountainlands.....	34.47
Pro-Arms, Inc.....	262.01
Tischner Ford.....	72.20
Macey's Sack & Save.....	16.38
UVIDA.....	65.00
Richard Johnson.....	300.00
PDM Corporation.....	42.57
Coast to Coast.....	39.85
Smith's.....	166.68
Stringham's Hardware.....	282.34
Pexton Wholesale.....	130.69
Four-Phase Systems.....	1,048.29
Utah Local Gov'ts Trust.....	7,952.00
Wheeler Machinery Co.....	305.48
US Postal Service.....	241.80
Utah Library Association.....	53.50
L&J Waste.....	3,257.25
Tel America, Inc.....	12.81
B. Dalton.....	51.45
Guy Wall.....	350.00
Save A Dollar Auto.....	6.00
Interwest Safety Supply.....	48.00
Donald Machan.....	74.01
Walker, Lee & Halander.....	1,367.50
Prospector Square Hotel.....	79.00
Totals.....	\$18,269.75

The bill for Guy Wall also included \$192.50 for 3 1/2 hours to push a road in the landfill. Councilman Openshaw moved that all the bills except for the \$192.50 be approved for payment and Councilman Adcock seconded. The motion passed unanimously.

g) Mayor Lloyd. Mayor Lloyd said that someone had approached him about the possibility of sending the landfill cards out with the water bills. Mr. Sellers said that the water bills are presealed and the cards could not be placed in them. He also said that the Post Office would not allow the city to staple the cards to the bills.

Mayor Lloyd said that there are some all terrain vehicles accidents in the subdivision and asked about these vehicles. Acting Chief Doug Schmidt said that these vehicles, unless they are licensed, are not allowed on the streets. If they are licensed, only registered drivers should be driving them on the city streets. He also mentioned that their policy is not to persue these when they run from the officers because of the bad injuries which could result in an accident.

h) Clean-up week. The Council set April 21 through April 28 for clean-up week. They also asked that the National Guard be asked to assist in the larger material. They said that the crew will be going out on Friday and Monday during the clean-up.

i) Councilman Adcock. Councilman Adcock explained that the city had to extend the time for taking applications for Chief of Police to

March 14, 1986.

Councilman Adcock said that the Police Department would like to use the old school for search & rescue and narcotics search on the 20th or 21st of March. The Council explained that this would be OK.

Councilman Adcock stated that there have been complaints from citizens about not being able to obtain fire permits to burn trash in town. The Council stated that this is a Fire Department function and they should solve this problem.

Councilman Adcock read a letter from the Fire Department requesting the city to reimburse them for some meals they purchased for their members and retired members. The Council felt that these kinds of things should be presented to the Council prior to their being done. Councilman Jones said that their budget is getting real thin as well. He said that they have spent most of their money already.

j) Councilman Rowley. Councilman Rowley said that one of the city employees, Earl Taylor, is really having a difficult time making ends meet and might have to quit and look for a higher paying job. Mr. Eddie Neff stated that it would take a long time to re-train someone to replace Mr. Taylor. Councilman Rowley said that he would raise the employee's wages to \$5.00 per hour, extend insurance benefits, retirement, etc., to become effective March 1, 1986, and made a motion to this effect. Councilman Jones seconded the motion and it passed unanimously.

Councilman Rowley said that Joe Davis has worked with the city as long as Mike Cruz, yet is making less money. Councilman Rowley moved that Mr. Davis' wages be raised 55¢ to \$6.56 per hour, to be effective March 1, 1986, and Councilman Openshaw seconded. The motion passed unanimously.

Councilman Rowley suggested planning for the next irrigation season, as opposed to this season, in using the city's water shares in a sprinkler system for use in watering the parks. He said that the city has rented some of their shares and the balance would not water the parks. He also said that there still needs to be some negotiation with Summitt Creek and some engineering work performed. Councilman Jones told Mr. Sellers to have Mrs. Rosenlund rent the balance of the water shares.

k) Councilman Goudy. Councilman Goudy said that there have been some young men going around town asking people to let them clean their septic tanks. She said that the young men have been taking money and not performing the duty.

Councilman Goudy said that the Senior Citizens want to place some siding on the side of their building which will cost about \$2,200.00. The Council explained that they will need to have three (3) firm bids from licensed contractors and a building permit will need to be obtained for the project by a licensed contractor. Councilman Jones moved that this be approved under these criteria and Councilman Goudy seconded. The motion passed unanimously.

Councilman Goudy said that Gerry Cook has accepted the position of volunteer to the Utah County Arts & Humanities for the city.

Councilman Goudy said that there is someone wanting to place a sign on the property just east of the Wasatch Bank. She said that she didn't think there should be a sign in the downtown area and moved that a moratorium be placed on sign permits until the next Council meeting when this could be discussed in an open hearing. Councilman Jones seconded the motion and it passed unanimously.

1) Councilman Jones. Councilman Jones explained that letters have been sent out to people around town, who are already on the city's water supply, asking them to annex T-5. He said that there are three (3) people coming in to request annexation based on this zone.

Councilman Jones said the Morris Ercanbrack has told the city that the taxes would be \$3,000.00 more in the city than in the County, but that he would be annexed if the city would put the waterline in for him. Councilman Jones said that the line will cost about \$5,000.00 to put in. Mr. Sellers said that the waterline will need to be paid out of the General Fund, which is going to be \$23,000.00 short. He also said that, in order to budget this waterline out of the General Fund, the current property taxes will have to be adjusted to do so.

Councilman Jones said that he has met with the State Engineer's office concerning the city's obtaining additional water so the city would not have to require water for annexation. He said that he basically got the run around from the office, but was told that the city should acquire the water rights of Summitt Creek and the wells around town for these annexations. The Engineer's Office also explained that the shares are not supposed to expand any additional area for irrigation, so if the city annexes it will annex the property for those shares. Councilman Jones said that he told them the farmers have expanded by about 200%, as to the original use of the shares. Councilman Jones said that the Engineer's Office showed him a graph where, in a drought situation, all the water along the Wasatch Front is allocated, yet there are plans to pump the Great Salt Lake into the west desert. He said that, basically, the city was told they would receive no additional water, but must acquire the water already allocated to Summitt Creek and private wells.

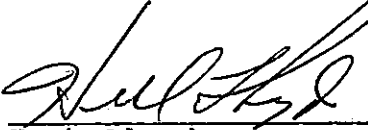
m) Mr. Sellers explained that Archie Alexander had approached him about using the city's tax exempt number for a checking account for the theatrical group in the city. The Council felt that he should approach the Utah County Council of Arts & Humanities first. Mrs. Gerry Cook is the city's new volunteer to this group.

n) Councilman Adcock. Councilman Adcock explained that the city's two police officers have been working 24 hours on and 24 hours off since the Chief was not re-appointed. He also said that, for the last three or four days, Officer Kelly has been working alone because Officer Schmidt has had a disabling swelling in his neck which has been causing dizziness. Councilman Adcock moved that the city pay the officers a one time incremental increase in salary equivalent to \$150.00 per month for two months for the extra time they have been putting in. Councilman Goudy seconded the motion and it passed

unanimously.

Councilman Rowley moved that the meeting be adjourned and Councilman Openshaw seconded. The motion passed unanimously at 10:45 o'clock p.m.

Approved this 18th day of March, 1986.



Herb Lloyd
Mayor

ATTEST:


Sam Sellers
City Recorder/Clerk

Handwritten signature or scribble.