

Approved

MINUTES OF THE REGULAR MEETING OF THE GRANTSVILLE CITY COUNCIL HELD ON MAY 20, 2009 AT THE GRANTSVILLE CITY HALL, 429 EAST MAIN STREET, GRANTSVILLE, UTAH. THE MEETING BEGAN AT 6:00 P.M.

Roll Call - Council Members: Mayor C. Byron Anderson; Council Members Brent Marshall, Paul Rupp, Todd Castagno, Tom Tripp and Mike Johnson were present.

Appointed Officers and Employees Present: Susan Gustin, Danny Johnson, Richard Broadbent, Mike Haycock, Ron Griffin, Robin Hensley, Fred Howard, Jolene Sturzenegger, Brenda Loveless, Steve Barrett, Jeremy Walker, Ron Elton and Rachel Wright.

Citizens and Guests Present: Missy Thompson

AGENDA:

1. Summary Action Items

- a. Approval of Minutes of the May 6, 2009 City Council Meeting.
- b. Approval of Business License for Diamond Jane's Assisted Living.
- c. Approval of Bills dated May 20, 2009 in the sum of \$99,861.18.
- d. Personnel Matters (none).

Motion: Councilman Marshall made a motion to approve the summary action items with the issuance of the business license for Diamond Jane's Assisted Living contingent on receiving the Tooele County Health and certificate of occupancy. Councilman Castagno seconded the motion. All voted in favor and the motion carried.

2. Review of 2009-2010 tentative City budget.

The review of the tentative budget was considered as a part of the amendments to that budget as a part of agenda item 3 below.

Motion:

3. Consideration of amendments to the 2009-2010 tentative City budget.

During the last special City Council meeting the Council reviewed the proposed budget and recommended that the following budget changes be made:

1. Property Taxes decreased \$47,750.00
2. Sales Tax decreased \$368.00
3. General Government Salaries and Wages decreased \$73,937.00
4. General Government Employees Benefits decreased \$11,785.00
5. General Government Health Insurance decreased \$4,740.00
6. Judicial Salaries and Wages decreased \$1,210.00
7. Judicial Employee Benefits decreased \$116.00
8. Planning and Zoning Salaries and Wages decreased \$5,016.00
9. Planning and Zoning Employee Benefits \$1,064.00
10. Fire Department Office Supplies decreased \$1,000.00
11. Fire Department Postage increased \$1,000.00
12. Fire Department Computer Software increased \$1,200.00
13. Fire Department Equipment increased \$40,700.00
14. Fire Department Professional Services increased \$6,000.00
15. Fire Department Insurance increased \$2,500.00

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16. Fire Department Power increased \$3,000.00
17. Fire Department Natural Gas increased \$1000.00
18. Fire Department Office Phones increased \$400.00
19. Fire Department Gifts and Awards increased \$1,500.00
20. Fire Department Dues and Fees increased \$1,850.00
21. Fire Department Conferences, Training & Travel decreased \$3,300.00
22. Metered Water Sales increased \$47,823.00
23. Water Salaries and Wages increased \$39,164.00
24. Water Employees Benefits increased \$6,289.00
25. Water Health Insurance increased \$2,370.00
26. Sewer Salaries and Wages increased \$3,9164.00
27. Sewer Employees Benefits increased \$6,289.00
28. Sewer Health Insurance increased \$2,370.00
29. Garbage Collection Charges increased \$2,223.00
30. Garbage Salaries and Wages \$1,834.00
31. Garbage Employee Benefits \$389.00

Motion: Councilman Marshall made a motion to adopt the recommended changes as listed. Councilman Rupp seconded the motion. Council Members Marshall, Rupp, Castagno and Johnson voted in favor of the motion Councilman Tripp voted against the motion. The motion carried.

Councilman Marshall stated the Fire Department has a \$49,759.00 increase to the budget. He stated they went over the budget with a fine tooth comb and took out as much as possible to operate. He stated the Fire Department and Police Departments have been beaten to death. He stated General Government needs to be looked at. He stated a lot of money is being spent on computer support. He questioned whether the City is getting its' monies worth. Finance Director Walker stated Tooele County is good to work with and they know the Caselle computer program which the City utilizes. Councilman Castagno stated that since the City is paying a service fee for Caselle he questioned whether the City would needed IT support to know Caselle since the City pays for service. Finance Director Walker stated the Tooele County IT is very knowledgeable. He stated that during a conference he attended he found the State of Utah offers municipalities computer support at \$80.00 an hour. He stated the Tooele County IT Department is competent and he worries that someone else wouldn't be as competent or responsive. He stated he worries that if the City decides to place an RFP for IT support the City will lose the contract with the County and not get someone as competent to provide support.

Mayor Anderson stated that they moved some additional wages from the general fund to the water and sewer enterprise funds as overhead support. He stated that many jobs work with the sewer and water departments and the allocation would give the general fund \$97,000.00.

Finance Director Walker stated there is a one time offer for the easement for the cell phone tower of \$79,000.00. Councilman Johnson stated that it may be wise to take the lump sum because technology is always changing. Councilman Marshall stated he would like to look into the agreement because he too agreed that technology is always changing and the City may not receive any money later.

Motion: Councilman Marshall made a motion to place the lump sum for the easement of the cell phone tower for \$79,000.00 as an agenda item for discussion at the next City Council

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meeting. Councilman Johnson seconded the motion. All voted in favor and the motion carried.

Councilman Marshall stated he would like to look at general government expenditures more in depth. Councilman Marshall asked about the computer software. Finance Director Walker stated it was for a business license software program as well as any other software that may be needed through the year. Councilman Castagno stated the City has been in need of a business license software program. Recorder Wright stated that she talked with Tooele County and they use a program that cost around \$500.00, she stated that in the budget is for a Caselle program. She stated she will look into the cheaper program. She stated it would be more productive to have a program that stores all the business license information.

Motion: Councilman Castagno made a motion to decrease the software budget from \$5000.00 to \$2500.00. Councilman Tripp seconded the motion. All voted in favor and the motion carried.

Councilman Marshall suggested changing the amount on the Purchase Orders from \$15,000.00 to \$500.00. He stated this will allow more level of control. Councilman Tripp suggested continuing directing the departments to only purchase the essentials. Mayor Anderson stated the departments have done well with directing them to only spend when necessary.

Councilman Marshall stated that it may be an advantage to have the utility bills come back in house instead of being contracted out. Utility Clerk Kristy Clark stated she has looked into the purchase of a folding machine and postage meter. She stated she will gather information on cost and savings and have it prepared for the next city council meeting.

Council Marshall suggesting selling some of the City's property. Attorney Elton suggested having the Public Works Director look into the property that is needed and property that is not and preparing a list. Councilman Castagno stated he felt it would be a good idea to review. Public Works Director Kertamus stated he would look at the property the City owns and develop a list of potential property to sell.

Councilman Marshall stated that in the newspaper there have been many articles about cities in similar budget situations. He stated many have frozen steps, zeroed out 401K contributions and not given cost of living increases. He stated that it isn't that the employees are not worth it but that it is a difficult year. He stated that hopefully in a year the City will be in a better financial situation. He stated there are very few options at the time and they include cutting payroll, cut services, or a property tax increase. Councilman Rupp stated that many private industries are having to do layoffs. Mayor Anderson stated that private industry is very different from the City. He stated that as the economy goes down need for supplies also goes down and so people can be laid off. He stated that the City is a service industry and if you cut one area you cut that service. Councilman Rupp asked about building permits. Mayor Anderson stated that the building inspector is working on other areas as well. He stated he is also the nuisance officer and is a back up for planning and zoning. Attorney Elton stated that building permit fees can be adjusted to cover the cost of the building departments.

Councilman Tripp stated that the City needs an ongoing source of revenue. He stated there are two choices to reduce services or increase revenues. Councilman Castagno commented that he worries that property tax assessments may go down from the previous year and the City may actually receive less property taxes than the current year.

Police Chief Danny Johnson stated he would cut an additional \$43,000.00 from his budget. He stated the employees are a valuable asset and he will try a bare bones budget in order to keep all his employees.

Councilman Castagno stated that every year he makes the same statement that the City spends approximately \$74,000.00 a year to take care of other peoples' animals. He stated that he feels the Animal Control officer does a great job but that it is problematic that the City has to maintain other peoples' animals. Police Chief Johnson stated that the first ordinance passed in Grantsville City was an ordinance on stray dogs.

Councilman Marshall inquired about conferences, training and travel. He suggested cutting the janitorial services for City Hall, the City shops, and the Fire Department. It was suggested that the employee appreciation be cut to \$3,000.00. Planning and Zoning Administrator Kertamus stated that \$800.00 could be cut from the Planning and Zoning budget.

Motion: Councilman Marshall made a motion to cut the following items from the tentative budget; janitorial services for City Hall, the City shop and the Fire Department, the budget for donations by \$1,500.00, Employee Appreciation \$5,000.00; Planning and Zoning Dues and Fees \$300.00, Conferences, Training and Travel \$500.00; Police Department Parts and Supplies \$500.00, Gifts and Awards \$1,000.00, Employee Appreciation \$1,500.00, Donations \$500.00, Capital Equipment \$20,000.00, Special Program \$6,400.00; Animal Control Parts and Supplies \$3,158.00 and vehicle maintenance \$1,200.00; Streets Parts and Supplies \$10,000.00; and Parks and Recreation Parts and Supplies \$5,000.00. Councilman Johnson seconded the motion. All voted in favor and the motion carried.

Judge Butcher stated that he knows the City Council has some hard decisions to make. He stated he once was a City Council member and has now seen both sides of the budget process. He stated that raising taxes is never popular and therefore the taxes have not been raised in 17 years. He stated the Department Heads have scrubbed the budget and still the City has a deficit. He stated he knows that raising taxes is not popular and is a very hard call to make. He stated that if people are laid off then services are cut and still the City will be in trouble because there still will be inadequate revenues. Councilman Castagno stated that they will need the support of the media to get accurate information to the public. He stated that when some of the most important decisions are needed to be made the public does not show up to the meetings.

Councilman Marshall stated that it is a difficult time and difficult decisions do have to be made. He stated that the City has been substaining on growth and a steady stream of revenue is needed. He stated that short term and long term solutions need to be looked at. He stated that he does not see any other way out of the City's financial problems without a property tax increase. He stated that even with the distaste of an increase he does not see any other alternative. He stated his major concern is timing. He stated that people are struggling with the downturn of the economy and now they will be placed an additional burden. He stated he would also like to convey his appreciation for the City employees. He stated they often take the brunt of the public as well as the council members at times. He stated he feels extremely bad for the cuts they have received and feels extremely bad that the City has had to borrow to keep the City afloat. He stated he does feel this can be an educational process for the City as well as the public. He stated he would still like to look into selling some of the City property.

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Councilman Castagno stated that residential taxation cannot run a city that Grantsville needs to promote commercial growth. He stated that cities that have a good commercial base do not have to rely on the residents to pay the way.

Motion: Councilman Rupp made a motion to hold a public hearing for the proposed telecommunications utility tax. Councilman Castagno seconded the motion. All voted in favor and the motion carried.

Motion: Councilman Tripp made a motion to hold a special budget meeting on May 27, 2009 at 6:00 p.m. Councilman Rupp seconded the motion. All voted in favor and the motion carried.

4. Set public hearing date for consideration of a tax rate that exceeds the certified tax rate and for the proposed 2009-2010 City budget.

Motion: Councilman Marshall made a motion to hold a public hearing for the consideration of a tax rate that exceeds the certified tax rate on Wednesday, August 12, 2009 at 7:00 p.m. Councilman Rupp seconded the motion. All voted in favor and the motion carried.

5. Consideration of termination of Fire Department janitorial contract.

Attorney Elton stated that the current contract requires a thirty day notice and could be terminated as of June 30, 2009. Councilman Marshall stated that the intent of terminating the contract is to place the funds in the fire department budget and be used for fire service needs.

Motion: Councilman Marshall made a motion to terminate the janitorial contract for the Fire Department effective June 30, 2009. Councilman Castagno seconded the motion. All voted in favor and the motion carried.

6. Adjourn.

Motion: Councilman Marshall made a motion to adjourn. Councilman Johnson seconded the motion. All voted in favor and the meeting officially adjourned at 8:38 p.m.