

Minutes of the Regular meeting of the Syracuse City Council held on November 19, 2014, at 7:08 p.m., in the Council Chambers, 1979 West 1900 South, Syracuse City, Davis County, Utah.

Present: Councilmembers: Brian Duncan
Mike Gailey
Craig A. Johnson
Karianne Lisonbee
Douglas Peterson

Mayor Terry Palmer
City Manager Brody Bovero
City Recorder Cassie Z. Brown

City Employees Present:

Finance Director Steve Marshall
Public Works Director Robert Whiteley
Fire Chief Eric Froerer
Police Chief Garret Atkin
Parks and Recreation Director Kresta Robinson
Community Development Director Sherrie Christensen

7:08:11 PM

1. Meeting Called to Order/Adopt Agenda

Mayor Palmer called the meeting to order at 7:07 p.m. as a regularly scheduled meeting, with notice of time, place, and agenda provided 24 hours in advance to the newspaper and each Councilmember. Councilmember Duncan provided an invocation. A local Boy Scout then led all present in the Pledge of Allegiance.

7:10:20 PM

COUNCILMEMBER GAILEY MOVED TO ADOPT THE AGENDA. COUNCILMEMBER LISONBEE SECONDED THE MOTION; ALL VOTED IN FAVOR.

7:10:41 PM

2. Presentation of the Syracuse City and Wendy's "Award for Excellence" To Carissa Carbine and Kennyan Bronson.

The City wishes to recognize citizens who strive for excellence in athletics, academics, arts and/or community service. To that end, in an effort to recognize students and individuals residing in the City, the Community and Economic Development, in conjunction with Jeff Gibson, present the recipients for the "Syracuse City & Wendy's Award for Excellence". This monthly award recognizes the outstanding performance of a male and female who excel in athletics, academics, arts, and/or community service. The monthly award recipients will each receive a certificate and be recognized at a City Council meeting; have their photograph placed at City Hall and the Community Center; be written about in the City Newsletter, City's Facebook and Twitter Feed, and City's website; be featured on the Wendy's product television; and receive a \$10 gift certificate to Wendy's.

Mayor Palmer noted both teens receiving the award for November 2014 were nominated by Clearfield High School staff.

Carissa Carbine

Carissa is a student at Clearfield High School. Carissa is one of the best students in her Psychology class. She turns her work in on time, and it is of the highest quality. She helps other students understand psychological concepts and how things are to be done. She displays great attention to detail in her work. She is noted to be 'Super organized, thoughtful and responsible, Great Kid' in her American History Class. She is very versatile, athletic and scholar. Her English Teacher says that Carissa reaches out to her classmates and finds ways to sincerely speak with them. She works hard and either already knows the answer to questions, or works until she does. It is quoted from staff that Carissa is a teacher's dream student.

Kennyan Bronson

Kennyan is not afraid to work hard. He is very determined to succeed and knows what it takes to reach his goals. He is always helping out without being asked and can be trusted to follow through on any task or assignment given to his charge. He is polite and friendly and a very conscientious student, who is appreciated by teachers in their classes.

Kennyan is a well-rounded young man, and takes challenging classes and gets good grades. He has a warm smile and a quiet, kind, friendly personality that makes Clearfield High School a better place! He is very bright and unassuming, intelligent. It is said that he is one of the smartest students in his class and teachers wish all students were like him.

[7:16:44 PM](#)

3. Approval of Minutes:

The following minutes were reviewed by the City Council: Work Session of October 14, 2014, Regular Meeting of October 14, 2014, and Work Session of October 28, 2014. Councilmember Lisonbee noted she provided the City Recorder with a minor recommended change to the October 14, 2014 work session minutes.

[7:17:01 PM](#)

COUNCILMEMBER LISONBEE MADE A MOTION TO APPROVE THE MINUTES LISTED ON THE AGENDA, AS AMENDED. COUNCILMEMBER GAILEY SECONDED THE MOTION; ALL VOTED IN FAVOR.

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4. Public Comments

There were no public comments.

[7:18:15 PM](#)

5. Final Plat Approval, Trailside Park Subdivision Phase Eight, located at approximately 1900 W. 3000 S., applicant Ovation Homes, LLC.

A memo from the Community and Economic Development Director explained the Planning Commission held a public meeting on October 21, 2014 for Final Plan approval of Trailside Park Subdivision, Phase 8. All items noted in staff report have been addressed by the Planning Commission. All requirements of sketch, preliminary and final have been met.

Phase 8

Area	7.37 acres
20% infrastructure allowance	1.47 acres
Net developable area	5.90 acres
Minimum open space requirement 25%	5.9*25%=1.48 acres
Proposed open space	2.12 acres
Density allowance	28 units
Proposed Units	28 units

Total Trailside Park Development

Area	36.96 acres
20% infrastructure allowance	7.39 acres
Net developable area	29.57 acres
Minimum open space requirement	7.39 acres
Density allowance	140 units

The Planning Commission hereby recommends that the City Council approve the final plat for the Trailside Park Subdivision, Phase 8, located at approximately 1900 W 3000 South subject to meeting all requirements of the City's Municipal Codes and City staff reviews.

[7:18:34 PM](#)

Ms. Christensen reviewed her staff memo.

[7:19:53 PM](#)

COUNCILMEMBER PETERSON MADE A MOTION TO GRANT FINAL PLAT APPROVAL FOR TRAILSIDE PARK SUBDIVISION PHASE EIGHT, LOCATED AT APPROXIMATELY 1900 W. 3000 S., APPLICANT OVATION HOMES, LLC. COUNCILMEMBER JOHNSON SECONDED THE MOTION; ALL VOTED IN FAVOR.

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6. Public Hearing: Proposed Resolution R14-38 adjusting the Syracuse City budget for the Fiscal Year ending June 30, 2015.

A staff memo from the Finance Director explained he has closed the books for FY2014 and is currently waiting for the financial auditors to complete their audit. The City's unrestricted fund balance in the general fund at June 30, 2014 increased to \$2,372,821 or approximately 24.63% of FY2014 final revenues of \$9,632,159.62. State Code requires that our fund balance be between 5-25%. With the adoption of our fund balance policy, our target rainy day reserve should be 16.7%. There is potential to use up to 7.93% (24.63% - 16.7%) of fund balance on one-time expenses in the City. This translates into a maximum of \$763,830.26 that is available for one-time expenses. Please refer to the Power Point presentation for further review and analysis. Mr. Marshall also recommends several items in this budget opening for your consideration. These include:

- Recognition and proper accounting of RDA tax increment.
- Sales tax continues to increase at a rate of 6.1%. I have only increased it by 1.6% or \$50,000 to cover increased expenses.
- Changing how overtime reimbursement is tracked. Previously it was credited to an expense account in the police department (10-53-09). It is now going to be credited to federal, state, or miscellaneous revenues.
- We had 6 different trust accounts for Youth Council, Youth Court, Arts Council, Senior Programs, Heritage Days, and Special Events that we tracked revenues and expenses together. I am breaking these out into separate revenue and expense accounts. The net change is 0.
- Car accident reimbursement (police vehicle hit a deer) in the amount of \$4,740.00
- Records management software and Iworqs software are recommended at a cost of \$17,000 and \$6,775 respectively.
- Minor changes to benefits for parks & recreation and storm fund for employee elections.
- Changes to park impact fee expenses related to adding a Centennial Park bathroom and removing Bluff Ridge park playground and bowery. Street Light participation for both revenues and expenses are increased. Net change is 0.
- Depreciation expense in all the impact funds was moved to the corresponding utility operating fund. Net overall change is zero.
- Bond Refinance proceeds and expenses are included. Net change is zero.
- Sewer Fund has added depreciation expense due to auditor's recommending to the City to add \$6,500,000 in sewer assets.
- Capital Projects Fund expenses were changed to include an ambulance and removing breathing apparatus equipment.

The memo concluded staff recommends adopting proposed resolution R14-38 adjusting the Syracuse City budget for the fiscal year ending June 30, 2015.

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Mr. Marshall reviewed his staff memo.

[7:26:24 PM](#)

Mayor Palmer inquired as to the fund that will be used to complete the water infrastructure projects in the budget opening document. Mr. Marshall stated that two funds will be used to complete the projects: the culinary and secondary water funds. He indicated no impact fees will be used and there will be no impact on the general fund. Mayor Palmer inquired as to the cost difference for the ambulance due to the fact that the City was not awarded a grant for breathing apparatus. Mr. Marshall stated the net change is an increase of approximately \$75,000 for the breathing apparatus.

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Mayor Palmer opened the public hearing; there were no persons appearing to be heard and the public hearing was closed.

[7:30:00 PM](#)

COUNCILMEMBER DUNCAN MADE A MOTION TO ADOPT PROPOSED RESOLUTION R14-38 ADJUSTING THE SYRACUSE CITY BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2015 WITH THE ADDITION OF THE TWO PUBLIC WORKS PROJECTS NOT INCLUDED IN THE ORIGINAL EXHIBIT OF THE RESOLUTION. COUNCILMEMBER LISONBEE SECONDED THE MOTION.

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Councilmember Peterson stated that he is comfortable with all the recommendations. Mr. Marshall suggested that the Council include in their motion to adopt approval of the inclusion of the two additional projects – 3000 West and Smedley Acres – that were not included in the original exhibit to the resolution.

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COUNCILMEMBER DUNCAN MADE A MOTION TO AMEND RESOLUTION R14-38 TO INCLUDE AUTHORIZATION OF FUNDING FOR THE 3000 WEST AND SMEDLEY ACRES PROJECTS. COUNCILMEMBER LISONBEE SECONDED THE MOTION.

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Mayor Palmer called for a motion on the motion to amend the resolution; ALL VOTED IN FAVOR.

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Mayor Palmer then noted there has been a motion and second to adopt the resolution and he called for a vote; ALL VOTED IN FAVOR.

[7:33:08 PM](#)

7. Public Hearing: Proposed Resolution R14-39 adopting City policy to allow for consideration of financial hardship relative to ambulance billing and amending the Syracuse City Consolidated Fee Schedule accordingly.

A staff memo from the Finance Director explained the City Council previously discussed the option to adopt a formal policy for hardship waivers in relation to ambulance billing services. It was decided that a formal resolution should be passed to adopt a policy. This policy is attached as exhibit A of the resolution. Administration also recommends that the consolidated fee schedule be amended to show the hardship waiver and reference to the adopted policy. We have also added one additional minor change to the fee schedule for warranty inspections. The current fee schedule shows a charge of \$0.00. We recommend that this amend be changed to \$50.00. Staff recommends the Council adopt Resolution to approve the hardship waiver policy for ambulance billing and also amend the consolidated fee schedule to approve the changes as recommended.

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Mr. Marshall reviewed his staff memo.

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Mayor Palmer asked if other cities charge a minimum fee for inspections. Public Works Director Whiteley noted he is unsure of what other cities charge, but indicated the minimum fee is important because it allows for the City to cover costs associated with actual time at the property as well as time spent away from the property. The Council discussed and debated the concept of charging a minimum fee, with a focus on best practice for billing for services; Councilmember Peterson suggested the language in the fee schedule be amended to read "one hour minimum to include mobilization". The Council indicated they were comfortable with that suggestion.

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Mayor Palmer opened the public hearing; there were no persons appearing to be heard and the public hearing was closed.

[7:40:09 PM](#)

COUNCILMEMBER GAILEY MADE A MOTION TO ADOPT PROPOSED RESOLUTION R14-39 ADOPTING CITY POLICY TO ALLOW FOR CONSIDERATION OF FINANCIAL HARSHIP RELATIVE TO AMBULANCE BILLING AND AMENDING THE SYRACUSE CITY CONSOLIDATED FEE SCHEDULED ACCORDINGLY, WITH A MINOR CHANGE TO THE WORDING REGARDING A MINIMUM CHARGE FOR PUBLIC WORKS INSPECTIONS TO READ "ONE HOUR MINIMUM TO INCLUDE MOBILIZATION". COUNCILMEMBER PETERSON SECONDED THE MOTION.

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Councilmember Duncan stated he is uncomfortable with the concept of offering waivers for ambulance service charges. He feels the City is creating a welfare system and someone else will be forced to pay for those that cannot pay for ambulance services. Councilmember Lisonbee stated she agrees, but her understanding is that the ambulance service costs will only be decreased to an amount that will still cover the City's costs. Fire Chief Froerer noted that over the past calendar year he has received six requests for a waiver and only one of those requests would have met the qualifications of the policy before the Council this evening. Councilmember Johnson added that this is a practice the City has been using in the past and the policy is only being recommended to formalize the City's practice. Chief Froerer stated that is correct and he will provide information to the Council regarding the number of waiver requests he receives in a year. Councilmember Lisonbee asked if the minimum charged after a waiver has been granted will cover the City's costs for providing the service. Chief

Froerer answered no and indicated the City does not make a profit on its ambulance service. Councilmember Duncan concluded he feels people should be generous and take care of their neighbors and he feels the community would be strengthened if money for ambulance services came from neighbors helping one another rather than through a fee waiver from the City. He stated he is fundamentally opposed to the concept.

[7:48:39 PM](#)

Mayor Palmer stated there has been a motion and a second regarding the proposed resolution and he called for a vote; ALL VOTED IN FAVOR, WITH THE EXCEPTION OF COUNCILMEMBER DUNCAN, WHO VOTED IN OPPOSITION AND COUNCILMEMBER LISONBEE WHO ABSTAINED FROM VOTING.

[7:49:00 PM](#)

8. Proposed resolution R14-40 authorizing the issuance and sale by the Municipal Building Authority of Syracuse City, Utah, of its Lease Revenue Refunding Bonds, Series 2014, in the aggregate principal amount of not to exceed \$6,800,000; and related matters.

A staff memo from the Finance Director explained the Municipal Building Authority is a separate legal entity from Syracuse City Corporation. It was established in August 2006 to allow the City to streamline the funding and construction of city facilities. The MBA borrows funding, constructs facilities, and leases them to the City. The lease payments made by the City provide the revenue for the MBA to make the debt payments. Eventually the debt will be paid off and the properties will be deeded to the City. The executive board of the MBA is comprised of the Mayor and Councilmen of Syracuse City. The Municipal Building Authority issued bonds in 2006 to construct City Hall, renovate the police station, and build an addition to the public works building. Those bonds are eligible for refinancing. Administration put out a public bid to refinance the 2006 bonds. We had three bidders; Bank of Utah, Zion's Bank, and Western Alliance Bank. The bid summary sheet is attached. The Zion's Bank bid had a more favorable rate structure but it also included variable rates in the bid. Based on advice from Johnathan Ward, our financial advisor, the rates would most likely adjust upwards making the Zion's Bank bid less attractive. I agree with his advice and would recommend that we go with Bank of Utah since they have the lowest fixed rate out of the three bids with no variable rates built in. If the City Council elects to go with Bank of Utah, the estimated annual savings would be approximately \$23,489 with total savings over the life of the bond of \$277,807. There is no restriction on call options which means that we could call the bonds at any time and refinance them again if rates drop lower than today's levels. This is a great feature to have and give the City the power to control interest rates and savings over the long-term. The bid option above discusses direct purchase of our bonds. For full disclosure, the City could attempt to sell the bonds on the open market. This would cost the City more in closing costs but could attract better rates than the direct bids above. However, rates are on the upward trend and have increased 15 basis points in the last 3 weeks. If we went with this option, we would not be able to sell the bonds until first of January. The risk is that rates would increase between now and then and erode any potential savings we would realize. Based on that fact, I would recommend going with the direct purchase option and awarding the bid to Bank of Utah. Since the MBA and Syracuse City are two separate legal entities, we have two separate resolutions – one for Syracuse City and the other for the MBA. We will hold a special meeting of the MBA to approve the second resolution separately. The memo concluded staff recommends the City award the direct purchase bid to Bank of Utah; this is the least risky option and will save the City \$277,807 over the life of the bond.

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Mr. Marshall reviewed his staff memo.

[7:50:58 PM](#)

Councilmember Peterson asked why the City Council is required to take action on a Municipal Building Authority issue. Mr. Marshall stated the MBA is the holder of the debt and has responsibility for debt service on the bonds, but the City pays the MBA the lease payments that are used to service the debt; that is why the City Council needs to take an action.

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COUNCILMEMBER LISONBEE MADE A MOTION TO ADOPT RESOLUTION R14-40 AUTHORIZING THE ISSUANCE AND SALE BY THE MUNICIPAL BUILDING AUTHORITY OF SYRACUSE CITY, UTAH, OF ITS LEASE REVENUE REFUNDING BONDS, SERIES 2014, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$6,800,000; AND RELATED MATTERS. COUNCILMEMBER DUNCAN SECONDED THE MOTION; ALL VOTED IN FAVOR.

[7:52:43 PM](#)

9. Authorize Mayor Palmer to execute Lease Purchase Agreement with

Zion's Bank.

A staff memo from the Finance Director explained the City Council approved the purchase of 11 new police vehicles in the FY2015 budget at a total cost of \$400,500. These vehicles have been ordered and the expected arrival is within the next month. They will then have all the equipment installed and will be delivered to the City shortly thereafter. Administration put out a public bid to banks for the lease portion of the transaction and the bid closed on November 12. We had two bidders, Zion's Bank and Santander Bank. Zion's Bank had the lowest rate at a 1.62% fixed rate over the life of the lease. Santander's rate was a fixed 2.14%. The lease would be for a four year period with payments due annually each November. The lease would commence in November 2014 with the first payment due in November 2015 and the final payment due in November 2018. Interest costs for the life of the loan at 1.62% would be \$16,350.57. Total repayment would be \$416,850.57. This lease agreement authorizes the City to borrow money from Zion's Bank so that we can pay the vendor who built the cars. The memo concluded staff recommends that the City Council authorize Mayor Palmer to execute the lease purchase agreement with Zion's Bank.

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Mr. Marshall reviewed his staff memo.

[7:53:48 PM](#)

Councilmember Lisonbee asked if the City will have the opportunity to purchase the police vehicles at a discounted rate once the lease expires, to which Mr. Marshall answered yes.

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Councilmember Johnson disclosed he is employed by Zion's Bank Corporation and will recuse himself from voting on this item. Councilmember Duncan clarified that Councilmember Johnson does not have pecuniary interest in this issue and is not legally required to recuse himself from voting. Councilmember Johnson agreed and noted he is recusing himself based upon a Zion's Bank company policy.

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COUNCILMEMBER PETERSON MADE A MOTION TO AUTHORIZE MAYOR PALMER TO EXECUTE LEASE PURCHASE AGREEMENT WITH ZION'S BANK. COUNCILMEMBER DUNCAN SECONDED THE MOTION; ALL VOTED IN FAVOR, WITH THE EXCEPTION OF COUNCILMEMBER JOHNSON WHO RECUSED HIMSELF FROM VOTING.

[7:55:22 PM](#)

10. Councilmember reports.

At each meeting the Councilmembers provide reports regarding the meetings and events they have participated in since the last City Council meeting. Councilmember Lisonbee's report began at [7:55:28 PM](#). She was followed by Councilmembers Gailey and Peterson. Councilmembers Duncan and Johnson indicated they had nothing to report.

[8:02:35 PM](#)

11. Mayor's Report.

At each meeting the Mayor provides a report regarding the meetings and events he has participated in since the last City Council meeting. Mayor Palmer's report began at [8:02:42 PM](#). He asked City Attorney Drake for comments regarding his departure from the City. Mr. Drake noted he has been offered and accepted the position of City Attorney for Roy City; the decision to leave was not one that was easy for him to make. He thanked the Mayor and Council for the opportunity to work for Syracuse City and noted that the City has an amazing staff and many great things on the horizon.

[8:05:32 PM](#)

12. City Manager report

City Manager Bovero's report began at [8:05:39 PM](#).

At [8:09:13 PM](#) COUNCILMEMBER DUNCAN MADE A MOTION TO ADJOURN. COUNCILMEMBER LISONBEE SECONDED THE MOTION; ALL VOTED IN FAVOR.

City Council Regular Meeting
November 19, 2014

Terry Palmer
Mayor

Cassie Z. Brown, CMC
City Recorder

Date approved: December 9, 2014