

1 **PROVIDENCE CITY COUNCIL Budget Workshop MINUTES**
2 **February 04, 2019 6:00 PM**
3 **Providence City Office Building, 164 North Gateway Drive, Providence UT**

4
5 **Opening Ceremony:**

- 6 Call to Order: Mayor Drew
7 Roll Call of City Council Members: Mayor Drew, B Fresz, K Allen, R Sneddon, D Giles, K Eck
8 Excused:
9 Pledge of Allegiance: None
10 Opening Remarks – Prayer: None

11
12 **Public Comment:**

13 None

14
15 **Discussion:**

- 16 • The City Council discussed what they felt are the top priorities of the 2020 budget.
17 • Mayor Drew stated that he would like to hold multiple workshops to discuss challenges and priorities for
18 the 2020 fiscal year budget.

19 **Priorities:**

- 20 • Storm Water
21 • Clean Water
22 • Fire/EMS
23 • Sewage Waste
24 • Safe Roads
25 • Police/Law Enforcement
26 • Adequate Revenues
27 • Projections for future years
28 • Workshops for general fund discussions

29 **The next workshop will be Monday, February 25, 2019 from 6:00 pm – 9:00 pm.**

30
31 **Discussion:**

- 32 • The city council discussed a 2005 agreement with the highlands developers and the money needed to
33 purchase any un-used water rights as of January 2020.
34 • K Allen asked if there are written documents. Mayor Drew explained that there is a contract and it was
35 emailed to the council.
36 • S Bankhead explained that the developer provided 457 shares. The City worked with the developer to gain
37 approval from the State Engineer’s office for transfer of the shares and to change the class of the shares
38 to municipal use. The City agreed to purchase 100 shares up front. The remainder of the shares are in
39 Providence City’s name, but the City agreed to pay the developer for any shares that were not used
40 toward the development by January 2020. At the time of the agreement, the previous city council felt
41 that acquiring water shares would allow the city to prepare for future needs.
42 • R Sneddon felt that there were no alternatives to paying the developer. He explained that he felt that it is
43 not up to the council what the developer chooses to do after the year 2020. S Bankhead explained that
44 this is a piece of property that is difficult to develop, and she recommended that the attorney look over
45 the contract and bring it back to the council to discuss.

46
47 **Discussion:**

- 48 • K Allen expressed concern for citizens on a fixed income if there is a service fee to pay for the fire/EMS
49 contract. Mayor Drew explained that it is a 5 year contract and that the service fee would be roughly
50 \$17.00 per household per month. Once the contract is in a full year, the service cost would increase an
51 additional 3% each year.

- 52 • B Frez explained that he felt that pass through charges should be grouped and labeled on monthly bills.
- 53 He asked for clarification about what items are shown on monthly bills. S Bankhead explained that
- 54 sanitation, recycling and other/911 are pass through charges shown on monthly bills.
- 55 • B Frez suggested the following changes to line items on the monthly utility bills:
- 56 ○ ~~Other/911~~
- 57 ○ Fire/ems
- 58 ○ Law Enforcement/Animal Control
- 59 ○ Green Waste
- 60 • K Allen suggested calling these items “contracted services” rather than pass through charges.
- 61 • Mayor Drew recommended that bonding be discussed in future workshops.
- 62 • S Bankhead explained the RAPZ money for the Uptown Park Softball Diamond Rebuild. She stated that in
- 63 2017 we applied for \$276,000 and received \$130,000. In 2018, we applied for \$138,464 and received
- 64 \$30,000. To date, \$83,418.66 has been spent for the diamond rebuild and \$98,000 has been committed.
- 65 She explained that the city would like to apply for \$83,000 for the installation of lights and \$20,000 for
- 66 “crow’s nest” improvements.
- 67 • S Bankhead spoke about the AHL Pickleball Courts. In 2018, the cost was estimated at \$130,000. We
- 68 applied for \$115,000 but did not receive an award. We would like to apply for \$115,000.
- 69 • K Allen would like to see appropriate fees for organized sports on the city’s fields. S Bankhead explained
- 70 that this is looked at each year.
- 71 • B Frez asked for clarification on line item codes 4165 and 4065. S Bankhead explained that 4165 is not
- 72 normally a number used in enterprise funds and is more than likely a typo. B Frez recommended the
- 73 following:
- 74 ○ ~~4165~~
- 75 ○ Depreciation expense 4065
- 76 • B Frez asked if the depreciation costs are accurate. Mayor Drew explained that the numbers are
- 77 historically based.

78

79 **Water Fund –**

- 80 • 4031 & 4035 - B Frez asked for clarification. S Bankhead explained that professional services usually
- 81 include lab samples, impact fees and analysis.
- 82 • 4049 – B Frez asked for clarification – S Bankhead explained that this is a one-time fee. R Stapley
- 83 explained that there are roughly 60 remaining meters that need to be changed out. Secondary water
- 84 meters will also need to be incorporated, and there is a monthly quantity of meter radios that need to be
- 85 replaced.
- 86 • 4040 – This line item is for the lines not the meters.
- 87 • 4069-4077 – Reservoirs and wells general maintenance. Chlorine has its own line item.
- 88 • 4079 – B Frez asked S Bankhead to verify if this line item has been coded correctly.
- 89 • 4091-4092 – S Bankhead explained that the storage and construction amounts are for property
- 90 acquisition, reservoir sites and initial engineering sites.
- 91 • B Frez felt that the series 4091-4092 will be discretionary going forward.

92

93 **Sewer Fund –**

- 94 • 4090 - S Bankhead explained that this is for projects where there is discretion.
- 95 • 4048 – S Bankhead explained that this is for general maintenance.
- 96 • 4061 – R Stapley explained that these funds are for man hole collar repair.
- 97 • 4090 – S Bankhead explained that this allocation of funds is for development on the west side of Highway
- 98 165. A sewer lift station along with line options will need to be discussed and brought to the council. S
- 99 Bankhead stated that the money will need to be reallocated.

100

101 **Storm Water Fund –**

- 102 • 4031- B Frez asked for clarification on this line item. R Stapley explained that it is engineering for the
- 103 storm water master plan.

- 104 • 4027 – B Fresz asked for clarification. R Stapley explained that this is for pumps and metered water for
105 retention ponds that have grass.
106 • 4074 – B Fresz asked for clarification. R Stapley explained that a portion of this is for purchase of a vehicle
107 and construction on the 500 N main line extension.
108 • 4090 – B Fresz asked if these are floating funds for construction projects. R Stapley explained that an
109 example of the expenditures in this fund would be the 5th north and Chugg property projects.
110 • B Fresz felt that line 4031 would be a discretionary item going forward.
111

112 **Staff Reports:**

- 113 • R Stapley explained the cost options for purchasing a new vehicle. He explained that these prices are for a
114 base truck: \$47,000 Ford, \$55,000 Chevy, \$47,000 Dodge and \$56,000 International. He explained that
115 he would like to do more research on pricing and timelines before purchasing.
116

117 **Next workshop will be on February 25, 6:00 pm – 9:00 pm**

118 **The 2020 budget needs to be approved by June 22, 2019.**

119
120 **Motion to adjourn –B Fresz, second – R Sneddon**

121 **Vote:**

122 **Yea: B Fresz, D Giles, R Sneddon, K Allen, K Eck**

123 **Nay: None**

124 **Abstained: None**

125 **Excused:**

126 Meeting adjourned approximately 8:45 PM

127 Minutes prepared by Mindi Petersen
128
129
130

131 John Drew, Mayor

Skarlet Bankhead, City Recorder

132
133
134
135