

1 **PROVIDENCE CITY COUNCIL MINUTES**

2 **February 17, 2009**

3 **Providence City Office Building**

4 **15 South Main Providence, UT**

5

6	Call to order:	Mayor Simmons
7	Roll Call of City Council Members:	Mayor Simmons
8	Attendance:	D Astle, K Baker, J Russell, D Low, R Liechty
9	Excused:	
10	Pledge of Allegiance:	D Astle

11

12 **BUSINESS ITEMS:**

13 **Item No. 1. Resolution 09-005: The Providence City Council will consider for adoption a resolution setting the fees for**
14 **use of the City’s Water Shares.**

15 Motion to approve: R Liechty, J Russell second.

16 S Bankhead said that R Eck has been working with Spring Creek Water Company. There are some laterals that people have
17 been asking to use. A few years ago the City decided to double the water fees. The City has 212 shares. A significant amount
18 is available for the public to use. There are a little over 100 that have been significantly used. R Eck wants to just ask for the
19 assessment plus \$5.00 for the bookwork.

20 D Astle asked what the assessment is for Spring Creek.

21 K Baker said \$22.00

22 R Simmons said the total would be \$27.00

23 Jim Williams asked if there is something that the City requires you to sign that holds you responsible for any damage from
24 flooding, etc.

25 R Eck said it will be in this new contract.

26 S Bankhead said this year they will sign a contract that says they will not ask for anymore water than they can use.

27 D Astle asked how the money is collected.

28 S Bankhead said the fee is paid upfront.

29 R Eck said this is a one year lease.

30 R Simmons said the water company meets in December for the upcoming year.

31 J Williams asked if you have a grace period for the lessee for the following year.

32 R Eck said yes.

33 K Baker asked how the amount of water coming out of Providence Canyon affects the amount of water that you are allowed.

34 Darcy McEvoy asked if you bought land that had water rights but you didn’t have any would you be allowed to use the water.

35 S Bankhead said that is when we work with the water company to determine how much water is being used.

36 R Simmons said the City needs to formalize the uses with the water companies.

37 D Astle said he would like the \$5.00 be added to the resolution.

38 J Williams asked before you finalize the agreement correlate it with the Water Master from Spring Creek.

39 R Simmons said the City will do that.

40 Vote: Yea: D Astle, K Baker, D Low, R Liechty, J Russell

41 Nay: None

42 Abstained: None

43 Excused: None

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45 **Item No. 2. Resolution: The Providence City Council will consider for adoption a resolution approving an agreement**
46 **with UDOT for property acquisition services in connection with the CMPO 100 East Project (Gateway Drive).**

47 Motion to continue to the next meeting: J Russell, D Low second

48 Vote: Yea: K Baker, D Astle, D Low, J Russell, R Liechty

49 Nay: None

50 Abstained: None

51 Excused: None

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1 **Item No. 3. Discussion: The Providence City Council will begin preliminary discussions of the 2010 budgets for all**
2 **funds.**

3 Motion to open discussion: R Liechty, D Low second

4 S Bankhead said the Council has the methodology that has been used in the past to formulate the budget. In 2006 the Council
5 met and developed a strategic vision plan. She went over the documents that were handed out to the Council. R Eck will
6 approach this budget from a use side. S Bankhead needs to hear from the Council what their thought processes are for the
7 kind of City they want. She talked about the different ways the budget has been divided up. There is community involvement,
8 communication, the water system, planning, and infrastructure. That is some of the things that have been worked on in 2007-
9 2008. The next part is governmental budgeting. She showed where the revenue comes from. Sales and use tax has been fairly
10 constant for the year. She talked about home business licenses. Some of them provide sales tax. She showed how the general
11 fund budget is broken down. She showed the long term debt that has been or will be retired this year. It was a revenue bond.
12 The City has no long term debt after May, 2009. There is the Capital Project fund. This is like a savings account. There is the
13 enterprise fund and water fund. R Eck said Public Works has some projects that they would like to do in the Capital Project
14 fund from water. The sewer fund is debt free. She acknowledged the people who built the sewer system and the people who
15 have maintained it over the years.

16 D Astle asked about the sewer capacity.

17 R Eck said 100 South needs to get in the ground. We have too much flow on 100 North. The 100 South sewer line is the
18 number 1 priority. We are having easement issues.

19 S Bankhead said some of the possible projects are: Extend the 300 south, west under State Road 165 sewer line for
20 commercial property. There is also the possibility of increasing the capacity at the Maverick corner. She talked about the
21 storm water fund. This is required by the EPA. The City entered into an agreement with Logan, River Heights and North
22 Logan. Most residents pay \$4.00 a month.

23 R Simmons asked if the City could reduce the sewer fund by \$5.00 and add \$5.00 to the storm water fund.

24 S Bankhead said yes we could do that.

25 R Eck talked about some possible projects for storm water. Regional basins are one of the things he would like the Council to
26 look at.

27 D Astle asked about doing one of those down on Spring Creek Parkway.

28 R Eck said the City could do a wonderful one on Lloyd Baer's property. It is so much better to do one big pond than a bunch
29 of little ones.

30 D Astle asked what the timeline is for storm water compliance.

31 R Eck said we are already there.

32 S Bankhead said we have been one of the first cities to enforce storm water with the developers. We try to do as much
33 through impact fees as possible. We have to look at service fees also.

34 S Bankhead talked about expenditures through January 31, 2009. Most of the departments are fairly close to being on track.
35 She would like the Council to talk about the methodology more than number crunching tonight. She talked about the spread
36 sheet she handed out to the Council. She went over the different amounts and the percentages for the 2009 year end. She
37 talked about the sales tax projections for the year.

38 D Astle said he felt that the City needed to look at the new Wal-Mart coming and if it would affect our sales tax.

39 S Bankhead said those figures will be what we look at for the 2010 budget.

40 S Bankhead introduced the staff that is in the meeting. R Stapley – water, T Bankhead – utilities, B Munson – treasurer, S
41 Ward – recreation.

42 D Low said the purpose of government is to ensure health, safety and welfare. Sewer and water should be the top priority.

43 S Bankhead told the Council that the Planning Commission is looking at zoning requirements that will contain levels. This
44 would be residential, professional and retail. She asked the Council to be open minded about this and let the Commission run
45 with it.

46 S Bankhead talked about getting a traffic signal at 300 South and Hwy. 165. The City will have to subsidize the State in order
47 to get the light a lot quicker. This is an expensive corner. There needs to be property acquisition and road improvement.
48 There is nothing in the budget to do this. The Council needs to decide how aggressive they want to be with this.

49 D Low said he would like to see Providence continue with great roads, sewer and water. He believes that good roads are a
50 must. He would like to see a sidewalk on Canyon Road.

51 R Eck said he believes there is a lot of infrastructure that needs to be done before they finish Canyon Road.

52 D Low said he also would like to see economic development. He thinks the City needs to look at the Fire Station. He would
53 also like to see a splash pad in one of the Parks for the kids.

54 R Simmons said the citizens of Providence are spending 1.8 cents for services. The City is really lean.

55 D Low asked about contracting out more services. Will this save money? Is there anything else we can look at in this area?

56 R Eck said he does not like contracting services. He feels like the City has a good grip on what they can and can't do. We
57 contracted out the cemetery last year and felt like it worked. Snow removal is hard to contract out. You can't predict the
58 storms.

1 R Simmons said one of the problems is we aren't big enough to privatize our projects.
2 S Bankhead said we contract out our engineering and attorney. Utility bills have not been a good choice to contract out. We
3 are contracting out the snack stand this year. We contract out our sheriff and animal control services.
4 R Simmons said Idaho Falls contracts out half of their services. They still have a small Public Works department to take care
5 of the small stuff.
6 R Eck said there is ownership in our services. You lose that when you contract it out.
7 S Bankhead said we contract out the sewer treatment. Depending on Logan City and the cost of that Providence may have to
8 look at a different sewer treatment system.
9 D Astle said that some other cities in the valley were looking into creating another sewer treatment system and the State told
10 them no. They were already hooked up with Logan.
11 D Low asked what our road ratings were compared to other municipalities.
12 R Eck said we aren't very good. The new roads are in great shape but if we don't come up with the money to keep them that
13 way they will be just like the old ones. There are some roads that need to be completely redone.
14 D Low said he just wants to make Providence the best town in the world.
15 R Eck said we have a commercial district that most people that use it don't have to drive on our roads. We spent more on
16 chip seal budget just on 100 North to the Maverick.
17 S Bankhead said you have to look at the amount of traffic driving on 100 North.
18 D Low asked if 10's are perfect roads where are we right now.
19 R Eck said we are at a 3. Roads built prior to 2005 will take over \$260,000 just to chip seal them.
20 D Low asked how we get the money to fix the roads.
21 R Eck said we could bond.
22 D Astle said we need higher taxes but our citizens have to buy into this. Citizens don't want higher taxes.
23 R Eck said we can require the developer to put the road down first. The next year you could put a seal coat down. If you had
24 the developer take care of this the City wouldn't have to do anything to it for three years.
25 D Low asked if this is done in other cities.
26 R Eck said a lot of cities require that.
27 R Simmons talked about the goals that were set three years ago. The world has changed in three years. Maybe the goals need
28 to be changed. It would be great if we could catch up on our roads. It would take significant bonding.
29 D Astle said you could spend \$2,000,000 and not fix all the roads.
30 S Bankhead said when we go out to bond you have to be careful where you get the money from. You have to sell the citizens
31 on this. If they can't see the need to fix the roads they won't vote for it. If you involve State money you run into restrictions.
32 K Baker said she would like to see the roads fixed. Put the Library and Fire Station on the back burner.
33 R Eck asked if they would take care of the new roads and then fix the old ones.
34 S Bankhead said before you set priorities you need to look at things like public safety also.
35 J Russell said we have to make sure the residents are happy. The way to do that is support commercial business or raise taxes.
36 D Low said he agreed that should also be a top priority.
37 R Simmons said we have cut City employees by 4 already. It would be hard to cut that anymore.
38 J Russell said take care of the new stuff first and then move on. What are you willing to sacrifice?
39 D Low said he wants it all done...
40 J Russell said he is worried about the sewer system. We don't know what is happening with Logan City.
41 D Astle said if the sewer and water don't work, people won't care about the roads.
42 R Simmons said he doesn't want people to notice the City. If they aren't noticing then we are doing a great job.
43 D Astle said drive around the same time everyday and you can bet our City is the best compared to the other communities.
44 D Low asked what R Eck hears in complaints.
45 R Eck said roads are uneven. Manholes are way down or way up.
46 D Low asked if there are any water or sewer complaints.
47 R Eck said we have very few of either.
48 J Russell said water and sewer will be a big problem when they happen.
49 S Bankhead said property taxes are about \$387,000.
50 R Simmons said that is for the entire City.
51 R Simmons said the sports programs are self funded. That won't save us any money getting rid of them.
52 S Bankhead said the first thing people look for are parks, schools and community involvement.
53 D Low said there are several building pads around Maceys. What kind of revenue will that bring if they fill them up?
54 S Bankhead said it depends on what businesses go in there. Medical and financial institutions are eating us alive. Amsource
55 told her if you want retail developments there you need a light on 300 South, finish 100 south, slower speed limits and better
56 access.
57 D Low said in order to improve our roads we need to raise taxes or improve our commercial development.

1 R Simmons said the other issue is the national economy is not good at all. We need to figure out how to supply core services
2 with what we have.
3 R Eck said with Wal-Mart coming that might help attract businesses.
4 R Simmons said North Logan brings in \$820,000 in sales tax. They are the same size City as we are.
5 R Simmons asked the Council what they would like for a draft budget.
6 D Astle said the operation side is as lean as it gets. We need to look at Capital improvements.
7 S Bankhead said we project a decrease in sales tax and building permits. Also devaluation in property taxes. We can't cut a
8 service out. The only thing left to cut is employees.
9 D Astle said we need to evaluate the efficiency of what we have. You may have to cut services to the citizens. Employees
10 may not get a raise this year.
11 S Bankhead said we have to cut about \$100,000 from the budget next year. If we cut anymore people we will have to cut
12 services.
13 R Eck said he talked to the public works employees and told them that we can cut an employee or we can cut hours when
14 necessary.
15 K Baker asked if we were at an either/or.
16 S Bankhead said we have to cut \$100,000. Do we cut employees? We could cut sidewalks.
17 R Simmons said we look at options and then the Council makes the decision.
18 S Bankhead said we can look at the water, sewer and storm water service fees. You need to keep that in the back of your
19 minds.
20 D Astle asked if they would look at the cemetery. Can you look at special improvement districts?
21 S Bankhead said we are looking at increasing the fees in the cemetery. To create a special improvement district takes a lot of
22 money.
23 D Low mentioned that at the last budget meeting there were about 50 people here at the meeting but there were 6,000 who
24 weren't here.
25 J Russell said he would like some outlines brought to the Council next meeting.
26 D Astle suggested doing some surveys throughout the City to see what the citizens would like.
27 S Bankhead said we have done surveys asking about the City Celebration. We don't get a lot of them back.
28 R Eck asked if they would like to rate the streets, sewer and water systems. The Council decides what they want to be rated.
29 S Eames said it is so hard to educate people.

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31 Motion to adjourn: R Liechty, D Astle second
32 Vote: Yea: K Baker, D Astle, J Russell, D Low, R Liechty
33 Nay: None
34 Abstained: None
35 Excused: None

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37 Meeting adjourned at 8:30 p.m.
38 Minutes taken and prepared by Terri Lewis
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Randy Simmons, Mayor

Skarlet Bankhead, City Recorder