

**Pleasant Grove City  
City Council Meeting Minutes  
Work Session  
April 13, 2021  
4:30 p.m.**

Council Members: Eric Jensen, Mayor Pro-Tempore  
Dianna Andersen  
Brent Bullock  
Cyd LeMone  
Todd Williams

Staff Present: Scott Darrington, City Administrator  
Deon Giles, Parks Director  
Tyler Wilkins, Recreation Director  
Marty Beaumont, Public Works Director  
Kyler Ludwig, HR Director  
Mike Roberts, Police Chief  
Drew Engemann, Fire Chief  
Sheri Britsch, Library Director  
Daniel Cardenas, Community Development Director  
Kathy Kresser, City Recorder  
Tina Petersen, City Attorney  
Denise Roy, Finance Director

Excused: Mayor Guy L. Fugal

The City Council and staff met in the Community Room, 108 South 100 East, Pleasant Grove, Utah.

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**4:30 P.M. WORK SESSION**

Mayor Pro-Tem, Eric Jensen, called the meeting to order and excused Mayor Fugal, who joined the meeting later.

**1) BUDGET DISCUSSION.**

Finance Director, Denise Roy reported on utility rates and stated that last year when preparing the budget, they decided not to increase utility rates due to COVID-19. They are now proposing a 6% increase in culinary water, 3% in secondary water, and 10% in storm drain. Many of the projects and some of the most significant needs are in the Storm Drain Fund. They are also proposing a 6% increase in garbage rates. They are looking at \$5.06 for an overall increase of 3.4%.

In the Culinary Fund, a 6% increase will generate \$283,000. The 3% in Secondary Water will generate about \$95,000. The increase in the Storm Drain Fund will generate \$230,000. There are

no proposed rate increases for sewer this year as there are few projects and a significant fund balance. The increase in garbage collection will generate approximately \$71,000.

Director Roy reported that they will discuss the proposed increases in greater detail when addressing the Pipe Plant. The same increases will be imposed next year to help service the debt.

Council Member Williams asked Director Roy to describe the average monthly figures in the utility rate tables. Director Roy explained that the average monthly charge indicates what the average customer will pay. She also added that the Utility Rate Table shows what was adopted and their projections.

Council Member Williams noted that it does not show what was spent and why the increases were recommended. Director Roy explained that when they are presenting the budget, needed ongoing funds are prioritized. In the past, they imposed 2.5% to 5% to pay for projects. A bond of \$4 million will be available and there will be additional increases to service the debt. City Administrator, Scott Darrington, reported that the projects to be completed this year include five-year capital plans. The five-year capital plan adopted last year shows how great the needs are.

Mayor Pro-Tem Jensen asked if those are the future discussions that will take place with regard to the Pipe Plant. Administrator Darrington stated that it would be a different discussion. He indicated that he will provide a specific list of available funds at the May 4 meeting.

Administrator Darrington distributed the revenue update showing the modified capital projects. He pointed out that no final decisions would be made today. The tentative budget was to be adopted on May 4. Once adopted, changes can be made until the final budget is adopted on Tuesday, June 4. The first public hearing on the budget will take place at the first meeting in June.

Administrator Darrington reported that the new monies available total \$844,000. He indicated that the full-time market correction was based on a study that was conducted 1½ years ago that showed where the City's employees are compared to other cities in Utah. When the budget was adopted last year, they increased pay rates by \$0.60 per hour for all employees. What was proposed today was the remaining amount needed to get that fully funded. It includes a 2% Cost of Living Allowance ("COLA") for every employee and then a minimum of \$2,000 per year per employee. The salaries of department heads will be reviewed separately during the Executive Session. In the past, the Council has always allocated 2% or 3% for all employees. Administrator Darrington reported that they had made changes to what certain department heads received. The full-time market correction cost was estimated at \$480,000.

The part-time market correction will include an increase of \$1 per hour. It was noted that part-time is unique because it competes with the private sector. The \$1 increase will help retain and attract part-time employees.

There was a 9.5% increase in medical insurance. The amount was initially \$157,000. Administrator Darrington stated that they would like to make minor changes to how the City does this and proposed three options consisting of a Health Savings Account ("HSA") and two traditional plans that have a lower deductible. Employees would pay a bit more for the traditional

plans as opposed to the HSA. The City will contribute \$100 per month into an employees' HSA account and it has a high deductible.

Of the two traditional plans, the Swing Plan was determined to be superior. It is intended for people who use their health insurance more frequently. Administrator Darrington recommended that the City specify a health insurance benefit at \$2,080 per month. If someone opts for the HSA option, it will include the full cost of the premium plus \$100 into the Health Savings Account. If an employee participates in the Swing Plan, the \$2,080 will cover the premium except for \$180, which will be a monthly out-of-pocket cost. Employees can choose the option they would like to be on. The higher out-of-pocket plan will save the City about \$30,000.

With regard to the election cost increase, Administrator Darrington reported that the Mayor attended a meeting with other mayors where Utah County Clerk/Auditor, Amelia Powers Gardner, made a presentation to break out the costs showing why the number increased from \$1.80 to \$2.25 per registered voter. In 2019, the County charged the City \$1.80 for the City's elections. After the elections, the actual cost was greater than the \$1.80 cap. This means that they subsidized the election in the amount of \$15,000. The County would henceforth not be subsidizing the costs and the City would be required to pay a maximum of \$2.25 per voter.

If the City chooses Rank Choice Voting it would eliminate the need for a primary and cut the cost in half. It would also eliminate \$30,000 from the budget. Stan Lockhart would be present at the May 4 meeting to present the details of Rank Choice Voting. The City Council will then make the final decision.

Administrator Darrington reported that \$12,568 remains unallocated that could ultimately be rolled into the Fund Balance.

Council Member LeMone asked if the study addressed the specifics of the \$1 per hour across the board increase. Administrator Darrington stated that an analysis was not conducted on part-time wages. The \$1 per hour was expected to cost the City about \$200,000.

Administrator Darrington reported that \$1.98 million is available for capital projects. The first \$600,000 was committed to finishing the pickleball courts. The Ribbon Cutting was scheduled for June 12. Park impact fees would be used to reimburse the City and then deposited into a savings account. Currently, the savings account has a balance of approximately \$2.4 million. The annual operating budget is \$15 million. The preference was to have approximately \$3 million in the savings account. The Council can then choose to allocate the \$600,000 as it is reimbursed. Administrator Darrington reported that there is \$400,000 available for the Battle Creek restrooms, \$91,500 for City Hall and the Library parking lot improvements, and \$33,500 for the pool parking lot improvements.

With regard to medians, the recommendation was to do only Pleasant Grove Boulevard this fiscal year. The project had a \$90,000 placeholder. The project went out to bid and a fixed number was to be provided on May 4. It was noted that some medians on North County Boulevard will need patchwork and weed mat pulling by staff. A full remodel would not be done. Pleasant Grove Boulevard will require a full remodel with more rock and fewer planting materials. Administrator

Darrington stated that the median's from the freeway exit to State Street it will be done by the Utah Department of Transportation ("UDOT") next year. The City will continue to maintain the area and it will run from Central Bank to Maceys.

Administrator Darrington reported that for lower maintenance on the medians, there should be fewer plants and bushes and more rocks. He reported that they plan to spend approximately \$90,000 to remodel the medians. The City Council expressed their support.

Administrator Darrington reported that the Grove Creek Trailhead lighting will cost \$25,500. The Old City Hall remodel was estimated to cost approximately \$370,000. The Volkswagen vehicle grant match will result in the City receiving a \$200,000 truck for \$100,000. \$50,000 will come out of the General Fund and \$50,000 from the Enterprise Fund. It was noted that this will be the last truck the City needs. The Jelly Fish lights for the Recreation Center were estimated to cost \$26,000 with \$7,500 for equipment for the Police Riot Squad.

Administrator Darrington reported that there are two different impacts to Anderson Park. There is development taking place that will lead to improvements that could cost the City \$65,000. Other park improvements were estimated at \$85,000. Council Member LeMone suggested that they speak to the family to see if they can change the landscaping. Administrator Darrington stated that that is the first step. They also need to talk about the Coronavirus Aid, Relief, and Economic Security ("CARES") tax money in the Retreat and determine how the money should be spent.

Administrator Darrington reported that the Discovery Park path improvements need about \$40,000 to be resurfaced and to fix cracks. He also reported that for the Discovery Park tennis and pickleball courts, the City is applying for a grant. It is a Federal grant administered by the State that will be awarded in August. The grant requires that the land must be used for recreation in perpetuity.

It was noted that the Council could approve \$650,000 with the knowledge that they could get a 50% grant then move forward with the project being fully funded. Assuming the City does not get the grant, the \$650,000 project would have to be funded and the design work underway. The bids would go out in the fall with construction to take place in the spring. If the City is awarded the grant, it would free up \$325,000 that would go back into the General Fund.

Public Works Director, Marty Beaumont, reported that the grant administrators indicated that the project would not move forward until the funding is approved. The funds were expected to be available in March. Administrator Darrington stated that a Grant Writer was hired who felt there was a good chance that the City will be awarded the grant.

If the Council allocates the \$600,000, all of the projects will be fully funded. Some projects are CARES tax eligible but that money will not be available until July 1, 2022. Projects that need to be done before July 1, 2023, will be funded with General Fund capital. Council Member Bullock suggested that the Discovery Park Project be removed from the list. He stated that the priority should be the Battle Creek restrooms. Administrator Darrington explained that the actual restroom will cost approximately \$200,000 to run the sewer line. A proposal was made to run the sewer line this year and construct the restrooms next fiscal year.

Council Member Andersen asked if some items on the list could reduce the cost. She suggested pushing back Phase 2 involving the Old City Hall restoration. Administrator Darrington stated that any of the projects that are delayed could cost more to complete next year.

Mayor Pro-Tem Jensen proposed using \$300,000 to complete some of the projects. Council Member LeMone suggested using the \$2.4 million available in savings and pointed out that \$600,000 was a lot to put in the fund when other projects need funding. She also suggested they ensure that they have safe spaces and clean bathrooms for use after hiking. The pickleball and tennis court projects need to be completed and include sound barriers. Council Member LeMone supported using the entire \$600,000.

Administrator Darrington pointed out that the balance in the savings account has been \$2.4 million since he started working for the City. Staff was suggesting it be raised to \$3 million because the City has had more capital funds in the last 18 months than in the past. Now is the best time to set aside monies. In response to a question raised, Administrator Darrington confirmed that using the \$600,000 would allow for the completion of everything on the list.

Council Member Williams was in favor of lowering the \$600,000 to \$300,000. He noted that taking \$300,000 off of the pickleball courts would balance the account. They could take \$300,000 off of the backstop for the pickleball project and \$300,000 from the Discovery Park tennis/pickleball project. Director Roy stated that they would know all the costs at the end of June. Council Member Williams suggested that they take \$325,000 from the Discovery Park tennis/pickleball courts and the rest from the additional fund balance. Administrator Darrington suggested that they allocate \$300,000 to the Discovery Park Project and wait to hear on the grant. Council Member Bullock emphasized that this is an opportunity to complete the projects. He suggested that they complete all of the projects.

Administrator Darrington stated that they will balance out the \$300,000 and present it to the Council on May 4. If they do not get the grant, they will determine where to get the needed \$325,000. Council Member LeMone asked about when work could commence on the tennis/pickleball courts. Administrator Darrington stated that it will be in March 2022. If they find out in August that the grant was not awarded they could go out to bid in the fall and start construction in the spring.

Council Member Bullock stated that while they wait, they could restripe the center court on Locust for pickleball. Council Member LeMone did not support projects continuing to be pushed back. Administrator Darrington pointed out that it is a funding priority. If they do not receive the grant, staff will come back and discuss getting them done in the spring. Mayor Pro-Tem Jensen stated the lights for the Recreation Center are not a priority. Council Member Williams felt that there were funds available to complete them this year. Administrator Darrington reiterated that on May 4 they will specify what will be funded. He noted that the funds will not be available until July 1. Director Roy stated that the funds could be moved out with a budget amendment and available by May 18. The City Council could make the final decision on May 4. The advertisement of the budget amendment could be made on May 18.

Director Beaumont addressed the \$100,000 Battle Creek grant. Administrator Darrington explained that it is a unique grant that is very competitive. He stated that the chance of success is slim.

2) **STAFF BUSINESS.**

There was no staff business.

**ACTION:** Council Member Williams moved to adjourn the Work Session at 5.29 p.m. Council Member Bullock seconded the motion. A roll call vote was taken with Council Members Anderson, Bullock, Jensen, LeMone, and Williams voting “Aye”. The motion carried unanimously.

The City Council minutes of April 13, 2021, were approved by the City Council on May 4, 2021.



Kathy T. Kresser, MMC  
City Recorder

*(Exhibits are in the City Council Minutes binders in the Recorder's office.)*

