

# Minutes of The Special Price City Council Meeting

City Hall: Price, Utah

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September 2, 1998, 3:30 p.m.

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Present:

**Mayor** Lou Colosimo

**Councilmembers:** Roy A. Nikas, Betty P. Wheeler, Joe L. Piccolo, Steve Bringhurst, Stephen L. Denison

**Staff:** Vern Jones (Adminis. Ass't.), Joanne Lessar (City Recorder), Pat Larsen (Finance Director), Gary Sonntag (PWC Dir./City Engineer),

Others Present:

Bob Potts, Keith Wight, Kevin Ashby

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1. PROPERTY TAX REFUND FOR U.S. WEST, D&RGWRR, MOUNTAIN FUEL, Q WEST COMM, QUESTAR PIPELINE, CARBON RSA, MCI TELE COMM, AT&T - Paid From General Fund

The Council discussed whether to set a judgement levy to pay a property tax refund to U.S. West, D&RGWRR, Mountain Fuel, Q West Comm, Questar Pipeline, Carbon RSA, MCI Tele Comm, and AT&T, or to pay it out of the General Fund.

**MOTION.** Councilmember Nikas moved that Price City not add the judgement levy to the property tax for this fiscal year and that the property tax refund be paid out of the General fund. Motion seconded by Councilmember Piccolo and carried.

2. BUDGET SESSION - FY1998/99

At the Public Hearing held August 24, 1998, it was the consensus of the public not to impose a property tax increase. They preferred a sales tax increase of 1/4%. As the budget is still out of balance, the Council reviewed other ways to reduce the budget. Pat Larsen stated that with the above motion, the budget is now out of balance \$312,000. However, she is going to increase the sales tax estimate by \$50,000, so we actually need to look for \$250,000. Pat reviewed the amount of money needed to make payments on the lease/purchase of police cars, street sweeper, pick up trucks, and the sewer truck that is proposed to be purchased this budget year, which amounts to \$77,000. If this equipment is not purchased this year, it will eventually have to be purchased in future years. The Council discussed not purchasing a new City Hall Substation. Vern Jones stated that UP&L has stated it is critical to replace this substation.

Councilmember Nikas stated that he can come up with \$150,000 that he would support being deducted, such as \$51,500 in the Streets Dept. that is used for gravel, cold mix, hot mix, etc., which are street construction type products. He feels comfortable in taking this amount out of the Streets Budget and putting it in Class "C" Road funds. This would reduce the Class "C" road projects to approximately \$90,000. The proposed projects that are budgeted would still be able to be completed with those remaining funds. Another thing that is not vital is the \$30,000 for the roller skating rink. He also feels that there needs to be a task force to investigate where the City can cut its electrical usage, whether its lights off, air conditioners, etc. If the City can reduce its expenses to UP&L, it will help the electric fund balance. He also feels that the Library needs to be given the direction to search for additional funding, such as the school district and the County. There is currently a \$50,000 expenditure for the purchase of books in the library. Fifteen thousand of that has already been spent. He suggested reducing that budget by \$30,000. He also suggested reducing the wave pool expenditures by \$30,000. The above cuts add up to \$141,500. Councilmember Denison stated that he didn't think the wave pool would be able to handle the reduction without cutting services and employees.

Councilmember Piccolo questioned if there was a possibility to get the school district and the college to help fund the pool. Councilmember Nikas stated that the school district is one of the biggest supporters of having both the wave pool and the indoor pool open during the winter so

their students can participate in their events. Councilmember Nikas also stated that he was involved when Carbon County set up the Recreation Special Service District and later combined it with the road district. The program was established to provide recreational activities throughout the County. The cities opted not to be involved with this special service district because they felt there would be bonding, etc., which could be taxed. However, this has never happened. Perhaps the City could look at reapplying to join that district and somewhere down the line ask for \$200,000 to purchase a new bubble. This special service district gets a lot of mineral lease money. They provide funds for the fair grounds, softball fields, golf course, stock car track, the airport, etc.

The Council discussed what items could be placed on hold and frozen and came up with the following list:

- \$51,500 - Class "C" Road Funds (transferred from Street Dept.)
- \$30,000 - Roller skating rink
- \$20,000 - Roller
- \$ 9,000 - Dome A carpet
- \$ 1,500 - Chairs
- \$ 9,000 - Cemetery truck
- \$ 5,000 - T Square program
- \$ 2,500 - Aerator
- \$ 5,000 - Reroof BTAC
- \$11,000 - Police car and related equipment
- \$30,000 - Library books
- \$ 1,000 - Ballpark bleachers

The above list totaled \$175,500. Pat stated that if the above items are frozen, and if she increases the sales tax estimate by \$50,000, all that is remaining to balance the budget is \$87,000 and she can take that out of fund balance. **MOTION.** Councilmember Nikas moved that the above recommended changes be approved to balance the budget. Motion seconded by Councilmember Denison and carried.

**MOTION.** Councilmember Piccolo moved that an Energy Conservation Committee consisting of Councilmembers Nikas and Denison, Bob Potts, Vern Jones, Paul Wheeler, Jim Lantz, Gary Sonntag, and Pat Larsen, be formed to study city energy use and conservation, and that Bob Potts be appointed as chairman. Motion seconded by Councilmember Nikas and carried.

The Council scheduled a public hearing for September 23rd to adopt the budget for the fiscal year 1998/99.

Gary Sonntag requested direction from the Council regarding the Street Sweeper. At the last meeting, he was directed to hold up awarding the contract to purchase the sweeper. In addition, there were other items that he requested permission to purchase that were also placed on hold. One of those being the loader, which he really needs. **MOTION.** Councilmember Nikas moved that Mr. Sonntag be authorized to award the contract to purchase the street sweeper, and that the salvaging sale of the two street sweepers be authorized. Motion seconded by Councilmember Piccolo. The motion did not pass per the following vote:

- Councilmember Nikas - Aye
- Councilmember Piccolo - Aye
- Councilmember Wheeler - Naye
- Councilmember Bringhurst - Naye
- Councilmember Denison - Naye

**MOTION.** Councilmember Nikas moved that the purchase of the loader be frozen. The motion died for the lack of a second.

**MOTION.** Councilmember Denison moved that the loader be purchased. Motion seconded by Councilmember Bringhurst and carried. The motion passed per the following vote:

- Councilmember Nikas - Naye

Councilmember Piccolo - Naye  
Councilmember Wheeler - Aye  
Councilmember Bringhurst - Aye  
Councilmember Denison - Aye

### 3. ORDINANCE FOR INCREASE IN SALES TAX - Direction To Prepare

The Council discussed placing the 1/4% increase in sales tax on the November ballot. **MOTION.** Councilmember Nikas moved that staff be directed to prepare an ordinance for adoption at the next meeting to indicate the City's plans to place the sales tax increase on the ballot. Motion seconded by Councilmember Denison and carried.

The Council discussed hiring a financial advisor to help promote the increase in sales tax. Pat stated that a meeting had been held with Kimball Young. Mr. Young will charge \$125/hour, not to exceed \$5,000. He will do all the PR work, plus the legal work to make sure it is done correct. He also suggested putting together committees, having neighborhood meetings, pamphlets, signs, etc., to push the issue. The Council felt that it was not necessary to hire someone to do this, that the City could handle this inhouse. **MOTION.** Councilmember Bringhurst moved that a committee consisting of Councilmembers Piccolo and Bringhurst, Vern Jones, and Nick Sampinos, and anybody who wants to be on it, be appointed to pursue this issue. Motion seconded by Councilmember Piccolo and carried. Councilmember Piccolo stated that he would spearhead this committee.

Councilmember Bringhurst reported that he has had reports from the public regarding the operation of departments within the City. He recommended that Councilmembers and supervisors look over their departments and recommend suggestions to become more efficient.

Meeting adjourned at 5:45 p.m.