

1 Minutes of the regular meeting of the City Council held June
2 21, 1989 at 8:20 p.m. in the Council Chambers of the City Hall,
3 Bountiful, Utah.
4

5 Present: Mayor: Dean S. Stahle
6 Council Members: C. Harold Shafter, J. Dean
7 Hill, Bob Gramoll, and H. Keith
8 Barton
9 City Manager: Tom Hardy
10 City Attorney: Layne B. Forbes
11 City Recorder: Arden F. Jenson
12 City Treasurer: Ira H. Todd
13 Rec. Secretary: Ellen H. Call
14
15 Absent: Council Member: Barbara Holt
16 City Engineer: Jack P. Balling
17 Planning Director: Jon Reed Boothe
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19 Mayor Stahle called the meeting to order by stating that the
20 pledge of allegiance to the flag and the invocation had been given
21 at the Redevelopment meeting which was held prior to the City
22 Council meeting.
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24 Official Notice of this meeting had been given by posting a
25 written notice of same and an Agenda at the City Hall and providing
26 copies to the following newspapers of general circulation: Deseret
27 News, Davis County Clipper, and Salt Lake Tribune.
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29 Minutes of the regular meeting of the City Council held June
30 14, 1989 were presented and unanimously approved as corrected on a
31 motion made by Councilman Gramoll and seconded by Councilman Barton.
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33 **EXPENDITURE AND EXPENSE REPORT**
34 **APPROVED FOR PERIOD JUNE 1-15, 1989**

35 Mr. Jenson presented the Expenditure and Expense Report for the
36 period June 1-15, 1989 in the amount of \$77,587.83. Following a
37 brief discussion, these expenditures were unanimously approved on a
38 motion made by Councilman Shafter and seconded by Councilman
39 Gramoll.
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41 **COUNCIL RENEWS COOPERATIVE FIRE**
42 **PROTECTION AGREEMENT**

43 Mr. Hardy reported that it is time to review and sign the
44 Mutual Aid Agreement which we currently participate in (Resolution
45 89-9) along with other agencies in Davis County. This agreement
46 provides emergency back-up assistance and increases the capacity for
47 a participating agency to handle any catastrophic fire or disaster
48 that might occur which would be beyond the ability for the agency to
49 handle alone in terms of both personnel and equipment. Under the
50 terms of the agreement, each participating agency is responsible for
51 its own equipment, personnel and any damage thereto as if they were
52 functioning within their own jurisdiction.
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54 On the recommendation of Mr. Hardy, Councilman Barton made a
55 motion for the City to re-issue this agreement as currently written
56 for another five-year period on a yearly renewal basis. Councilman
57 Shafter seconded the motion and the voting was unanimous.
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LIABILITY INSURANCE PROGRAM FOR CITY

Mr. Hardy briefly reviewed the trend of increasing insurance premium rates and decreasing coverage and the problems which have arisen during the past few years, causing some municipalities to go to a self-insured program. Bountiful City is self-insured except for the following, which are covered by private insurance:

1. Property (buildings and large structures and contents)
2. Data processing equipment
3. Difference in condition (earthquake, flood, etc.)
4. Boiler insurance
5. General liability at Echo Hydro plant (\$3 million)
6. Public officials' errors and omissions
7. Law enforcement
8. Workers compensation (from \$200,000 to \$3 million)
9. Public employees blanket fidelity bond

Mr. Hardy introduced Mr. B. Darrell Child, a representative of Olympus Insurance Agency, to present a supplemental insurance program being proposed for Bountiful City. Mr. Child reviewed the three options which are available, as outlined on a proposal handout given to the Council members, but noted that Option A would give the City the most economical benefit for the premium dollar.

Mr. Hardy pointed out that most of our claims are small, but the potential of a large claim is always a possibility. The City currently has an insurance reserve of almost \$2 million.

Mr. Hardy recommended the \$500,000 self-insured retention, which would take \$57,550 from the reserve fund, but would provide \$1 million coverage for excess, general and auto liability, and for public officials errors and omissions. Also, the city could obtain an additional \$1 million excess law enforcement policy for \$10,816. The City is currently paying \$81,124 premium, and this added insurance would increase the premium by \$68,366. The additional premium has not been budgeted, but the self-insured fund is an intra-governmental service fund which can be drawn from. The total going into the self-insured fund per year is about \$250,000, part of which comes from premiums collected and part from generated interest.

Councilman Gramoll questioned whether this insurance should be put out for bid rather than just accepting what Olympus is offering. Mr. Hardy explained that by putting the insurance out for bid there must be an appointed agent of record rather than open agent. Councilman Gramoll suggested obtaining an insurance broker to investigate this program by getting quotations from five or six competitive companies for comparison purposes. It was noted that Provo City has accepted Option A offered by Olympus and it has proven the most competitive so far.

Councilman Barton made a motion that the City accept the premium rates for this year as follows, with the recommendation that possible quotations from as high as four different companies be explored for next year. Councilman Shafter seconded the motion and the voting was unanimous. (See next page)

1	Premium now being paid	\$81,124
2	Excess Liability	57,550
3	Excess Law	10,816

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5 **COUNCIL APPROVES APPOINTMENTS**
6 **TO PLANNING COMMISSION**

7 Planning Commission member Robert Goodman will be moving from
8 Bountiful, and Mayor Stahle recommended that Kathi H. Izatt (who was
9 in attendance) be appointed to fill the vacancy and serve a five-
10 year term as Planning Commission member. He also proposed that
11 Robert McKenzie continue to serve as chairman of that commission for
12 one more year. A motion was made by Councilman Hill to approve
13 these appointments, seconded by Councilman Shafter. The voting was
14 unanimous.

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16 **ICPA**

17 Mr. Hardy referred to a letter from the Intermountain Consumer
18 Power Association, dealing with economic development. ICPA would
19 like to develop a pilot business retention and expansion program in
20 one of the ICPA utility service territories. Bountiful is a member
21 and can participate. It is aimed at stimulating local growth.

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23 The program involves recruiting local volunteers to visit
24 businesses to gather information about business development
25 problems, economic concerns, and opinions about the community as a
26 place to do business. The survey results will form the basis of an
27 action plan designed to resolve problems and improve the local
28 business climate.

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30 Time has been scheduled on July 5th for the USU study to be
31 discussed. That survey was sent out to the citizenry; this program
32 would be talking to businesses and understanding what businesses are
33 looking for and seeing what we could do to help them. Once ICPA
34 develops a pilot program, they will allow other member utilities to
35 use it.

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37 All that is required at this time is a letter of interest and
38 someone designated to work with USU and find out if we are the
39 successful applicant. Participation will require a firm commitment.
40 USU will spearhead the program by helping to train the people, the
41 City needs to supply the community volunteers to conduct the
42 interviews, and assist with other information and post-survey
43 follow-up. It is a self-help economic development effort.
44 Financial commitment would be minimal.

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46 Following a brief discussion, Councilman Barton made a motion
47 that Bountiful City show an interest in the program. Councilman
48 Hill seconded the motion and the voting was three in favor and one
49 against. Councilman Gramoll was opposed until further information
50 is available. It was understood that there would be no cash outlay
51 unless Bountiful City is chosen. Information on responses from
52 other cities will be developed, and discussion will be postponed.

1 On a motion by Councilman Gramoll, seconded by Councilman
2 Shafter, meeting was adjourned at 9:32 p.m.
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7 MAYOR

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11 CITY RECORDER
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