

Minutes of the regular meeting of the City Council held August 22, 1990 at 7:00 p.m. in the Council Chambers of the City Hall, Bountiful, Utah.

Present:	Mayor:	Bob Linnell
	Council Members:	C. Harold Shafter, ReNee Coon, Bob Gramoll, Barbara Holt, and Leslie Foy
	City Manager:	Tom Hardy
	City Attorney:	Layne B. Forbes
	City Engineer:	Jack P. Balling
	City Recorder:	Arden F. Jenson
	City Treasurer:	Ira H. Todd
	Planning Director:	Jon Reed Boothe
	Dept. Heads:	Larry Higgins, Police David Wilding, Water & Sewer
	Rec. Secretary:	Nancy T. Lawrence

Official Notice of this meeting had been given by posting a written notice of same and an Agenda at the City Hall and providing copies to the following newspapers of general circulation: Davis County Clipper, Deseret News, and Salt Lake Tribune.

Mayor Linnell called the meeting to order, following which Councilwoman Coon led the pledge of allegiance to the flag. The invocation was given by Mr. Balling.

Minutes of the regular meeting of the City Council held August 15, 1990 were presented and unanimously approved as written on a motion made by Councilman Shafter and seconded by Councilwoman Holt.

Minutes of the special meeting of the City Council held August 17, 1990 were then presented and approved as corrected on a motion made by Councilman Foy and seconded by Councilwoman Holt. Voting was unanimous.

#### SUMMARY OF EXPENDITURES AND EXPENSES FOR MONTH OF JULY, 1990 APPROVED

Mr. Jenson presented the Summary of July, 1990 Expenditures and Expenses which totaled \$1,636,789.19. Councilman Gramoll made a motion to approve these expenditures; however, he expressed concern that some insurance claims and payments to the City Council persons had been made late and asked for an explanation of the situation. Mr. Jenson indicated that a new payroll program was implemented in July which had some problems and it was necessary to completely dismantle the payroll for July prior to closing the July books and making August payments. He said that a software consultant from Denver has been here to help with the problem and he expressed appreciation for other staff members who have assisted with the problem, noting that he feels the problem is about 100 percent corrected. He also assured the Council that any payments which needed to be made in order to safeguard the credit rating of the City were made through handchecks. Councilwoman Coon seconded the motion for approval of the expenditures and the motion carried by unanimous vote.

## MARION WILLEY FORD AND AG TRUCK EQUIPMENT CO AWARDED BIDS FOR TWO PICKUP TRUCKS AND SERVICE BODY

Mr. Wilding informed the Council that bids were opened on August 17, 1990 for two new pickup trucks and one utility service body for one of those trucks, with eight bidders responding. It is staff recommendation that bids be awarded as follows:

- (1) 3/4-ton truck be awarded to low bidder, Marion Willey Ford, in the amount of \$13,339.00.
- (2) 1/2-ton 4x4, subject to Council approval for local dealer 5% preference, to Marion Willey Ford, in the amount of \$14,644.00.
- (3) Utility service body for the 3/4 ton chassis cab be awarded to low bidder, AG Truck Equipment Company.

He noted that the bids were higher than budget by a total of \$1,734.00 and recommended that the difference be made up from Reserve Funds for Operating. Councilman Gramoll expressed concern that the bids were over budget, as they have been previously, and requested that more care be taken in preparing the budget. He then made a motion for approval of the bids as recommended. Councilman Foy seconded the motion and voting was unanimous.

## AMERICAN K. L. BUSINESS PRODUCTS, INC. AWARDED BID FOR NEW COPY MACHINE FOR POLICE DEPT.

Chief Higgins reported that bids were requested for a dry process copy machine with sorter for the Police Department and three vendors responded. It is the staff recommendation that the bid be awarded to American K. L. Business Products, Inc., the effective low bidder, in the amount of \$12,200.00. This was the lowest bid which met all specifications. Budget for this item was \$15,000.00. Councilman Gramoll made a motion for approval of purchase of the Toshiba copy machine from American K. L. as recommended. Councilman Shafter seconded the motion and voting was unanimous.

## DISCLOSURE STATEMENT FROM COUNCILMAN GRAMOLL RECOGNIZED BY COUNCIL

Councilman Gramoll stated that his company (Gramoll Construction Company) intends to bid on the new maintenance building which the City will be constructing and he presented a Disclosure Statement which is included as an official part of these minutes (see last page).

## DISCUSSION OF DOWNTOWN PROJECT

Councilman Gramoll reviewed that last week Mr. Hardy presented a comprehensive review statement of the activities of the Redevelopment Agency, noting the projects which have been done. However, it seems that the City is fighting a losing battle economically because the tax increment which should be returning to the City is not there. Theoretically, the projects

assisted by RDA should generate a surplus to be used for future projects; however, this is not happening. Mr. Hardy stated that the Gateway and Shipley projects will eventually provide a tax benefit to the City (8 to 12 years) ; however, the downtown "Block 2911 project has a negative return, with money being invested in this project and no tax increment coming back in return.

Councilwoman Holt read a prepared statement which summarized that the redevelopment Agency has actually served as a major factor in deepening the blight of the downtown area and causing an unfair shift of tax dollars from property tax payers to the RDA. She concluded with a recommendation which she put in the form of a motion:

- (1) All properties belonging to the Redevelopment Agency between the areas of 400 North and 500 South and Main Street and 100 West be sold, and that business in this area be allowed to operate freely in the market place without further agency involvement or manipulation;
- (2) That the proceeds from these sales and all assets owned by the agency be used to pay the bonded indebtedness of the RDA, that any remaining debt, obligations or contracts be transferred to the City of Bountiful and assumed as a temporary budget item until all debts transferred are paid in full, thereby retaining the favorable credit rating the City now enjoys;
- (3) Inasmuch as the law provided that "all functioning redevelopment agencies in Utah are created by the legislative body of the community," and that the City Council serving as that legislative body in Bountiful created the Redevelopment Agency, it is recommended that as a City Council we hereby dissolve the Redevelopment Agency in Bountiful by formal council action, this night of August 22, 1990.

Councilman Gramoll seconded this motion.

Discussion on Councilwoman Holt's motion followed, with concern being raised by Mr. Forbes, Mr. Hardy and the Mayor, that if the action is taken this night, there might be some legal problems relating to selling of the property (a legal entity being required to buy and sell property), flow of the tax increment, legality of City assuming obligations of the RDA and a pending lawsuit. Councilman Shafter spoke in support of the RDA and the projects which have been accomplished and defended the integrity of the individuals who have served on the RDA board of directors, noting that their intent was in the best interest of the City. He said also that it would not be fair to ask property tax payers to pick up the bond now obligated to the RDA.

Following a lengthy discussion, Councilman Gramoll recognized the advice of counsel and staff and suggested that the motion on the table be amended to make the action effective September 6, 1990, making it possible for staff to research the legal implications, and make a presentation to the Council (on September 5th), prior to the effective date. Then, if the Council  
-4- (C.C. minutes August 22, 1990)

decided to take a different approach, the motion could be rescinded at that meeting. He placed

this in the form of a motion and Councilman Foy seconded it. The motion on the amendment carried by a majority with Councilman Shafter voting nay.

The Mayor then called for a vote on the original motion made by Councilwoman Holt and seconded by Councilman Gramoll (as amended) . This motion carried by a majority with Councilmen Shafter and Foy voting nay.

#### PRESENTATION AND REVIEW, FINANCIAL REPORT 1989-90 FISCAL YEAR

Mr. Hardy reported that the Finance Committee has not yet had an opportunity to meet and discuss this item and he requested that it be tabled. A meeting of the Finance Committee was then set for Tuesday, August 28th, at 4 p.m.

#### MISCELLANEOUS

Jack Billings, a citizen in attendance, suggested that when the RDA issue is discussed at the September 5, 1990 meeting, that a public hearing be a part of that proceeding.

#### DISCUSSION OF CITY NEWSLETTER

Councilman Foy referred to several positive calls which he has had regarding the city newsletter. Councilman Gramoll asked if the Council had opportunity to preview the newsletter before it went out to the residents of the City. (He noted that he was out of town and was not able to give input). He mentioned that he would favor a smaller size (8 1/2 x 11) paper that could go out monthly.

Mr. Hardy stated that the cost for the 11x17 paper being used is the same as 8 1/2 x 11 and he clarified that the newsletter was distributed to the council for their input by Wednesday, prior to its distribution on Friday. No input was received from the council.

Councilwoman Coon clarified that she felt elected officials should not have space in the newsletter as it creates a political advantage. The Mayor stated that if he were running a campaign, he would not include a message to the citizens. However, as the chief administrative officer of the City, he feels he has a responsibility to report to the citizens. Councilman Gramoll also stated that he felt it was inappropriate for elected officials to use the newsletter. There was no further discussion.

#### COMMENTS FROM COUNCILMAN GRAMOLL

Councilman Gramoll asked what had become of the Carriage Horse Livery proposal which was previously considered by the Council and Mr. Boothe stated that they never did come back to the City for a permit.

Councilman Gramoll then requested that the following excerpt from statistics of the Bureau of Labor Statistics be reflected in the minutes:

-5- (C.C. minutes August 22, 1990)

"The Wasatch Front area inflation index was 103.1% compared to 111.8% calculated nationally from the same base month (base month being March, 1988, equalling 100%) .

The total percentage change reflects a weighted average of the individual categories, the weights being determined by spending patterns of the average family budget as calculated by the Bureau of Labor Statistics."

That means that in the past 2 1/2 years we have gone up 3.1%; nationally they have gone up 11.8% The categories used for this comparison were: housing, transportation, health care, food at home, clothing, food away, utilities, and "other".

He requested that this be discussed by the Council at some time in the future.

#### MR. DAVID PIGGOTT QUESTIONS INVOLVEMENT OF COUNCILMAN GRAMOLL WITH MAINTENANCE FACILITY

Mr. David Piggott referred to the proposed square footage construction costs of the City maintenance facility and ShopKo and questioned the propriety of Councilman Gramoll being involved in this matter. Mayor Linnell reviewed that Councilman Gramoll has filed a disclosure statement as required by law and will not participate in discussion regarding this matter.

Mr. Hardy also pointed out that the bids for these projects will be advertised in the same publication ("Intermountain Contractor") and the cost of construction will be based on competitive bidding of general contractors.

At 8:45 p.m. Councilwoman Coon made the motion that the meeting adjourn. Councilwoman Holt seconded the motion and voting was unanimous.