

CITY COUNCIL WORK SESSION
Tuesday, May 18, 2010 6:00 p.m.
Public Safety Building
3925 West Cedar Hills Drive, Cedar Hills, Utah

Present: Ken Kirk, Mayor Pro Tempore, Presiding
Council Members: Ken Kirk, Scott Jackman, Stephanie Martinez, Jim Perry (6:12 p.m.),
Marisa Wright (6:18 p.m.)
Absent: Eric Richardson, Mayor
Rebecca Tehero, Finance Director
Greg Robinson, Assistant City Manager
Courtney Hammond, City Meeting Transcriber
Others: Shawn Richins, Cliff Chandler

This work session of the City Council of the City of Cedar Hills, Utah, having been properly noticed, was called to order at 6:09 p.m. by C. Kirk.

- Noticed Agenda Items for the Regular Council Meeting (6:09 p.m.)

Amendments to the Fiscal Year 2010 Budget

- Rebecca Tehero reviewed the proposed amendments:

The Cedars, Plat J-3 Expense (manhole covers on Tamarack) will not be able to be recovered. The expense was never budgeted, but the money has been spent. The B&C Road Fund Reserve can be used.

Bad Debt. The City has reevaluated all the receivables. Three developers filed bankruptcy, and the City is involved in a lawsuit with another. Staff believes many of these accounts will not be collected. Staff is requesting that the budget for bad debt be increased to \$18,500. The debt is not being written off (except in the case of bankruptcy). The collection process is continuing, but this budget amendment reflects that the City doesn't realistically expect to receive payment. Staff is looking at the processes to avoid these types of debts in the future.

Other Events - Spring Clean Up. This is being covered by excess property taxes.

The Education and Training expense was to send the Mayor and City Council to the Utah League of Cities and Towns conference at \$3,500.

Professional/Technical - Website Improvements. This is a request for \$10,000 based on a bid by Civic Plus. C. Perry feels that the website is nice and could use some updates, but the \$10,000 can be better used elsewhere. He asked for website stats to be emailed to the Council or be included in the management report.

Auditing Services. The total cost of the audit exceeded the budget by \$3,500.

Capital Project Fund. Transfer of up to \$500,000 to the Capital Project Fund to prevent the Unreserved Fund Balance from exceeding 18 percent of General Fund revenues.

Capital Project Fund. \$22,500 for the Orchard Spite Strip, which has already been spent.

Water and Sewer - Bad Debt. This increases the allowance for doubtful accounts by \$16,000.

Water Construction Projects and Repairs. This expense fixed unexpected leaks and was already incurred.

Water Shares. These were purchased with developer contributions.

Golf Fund. This is some hardware necessary to meet new standards by the Payment Card Industry.

- The Council asked staff to look at the section of the City Code that allows for either developer cash escrow bonds or surety bonds and come back with a recommendation to improve bad debt issues.

Award the Bid for the 9900 North (1800 North, American Fork) Pressurized Irrigation Line

- David Bunker stated that five entities bid on the project. TNT came in as the low bid at \$71,168.80. The next low bid was Skip Dunn.
- Motion to go into Executive Session, Pursuant to Utah State Code 52-4-205
- Motion to Adjourn Executive Session and Reconvene Work Session

This meeting was adjourned at 6:58 p.m. by C. Kirk.

/s/ Kim E. Holindrake
Kim E. Holindrake, City Recorder