

**MINUTES OF THE COTTONWOOD HEIGHTS CITY COUNCIL BUSINESS MEETING
HELD TUESDAY, JUNE 18, 2019 AT 7:02 P.M. IN THE COTTONWOOD HEIGHTS CITY
COUNCIL CHAMBERS LOCATED AT 2277 EAST BENGAL BOULEVARD,
COTTONWOOD HEIGHTS, UTAH**

Members Present: Mayor Mike Peterson, Councilmember Scott Bracken, Councilmember Christine W. Mikell, Councilmember Tali Bruce, Councilmember Mike Shelton.

Staff Present: City Manager Tim Tingey, City Attorney W. Shane Topham, Police Chief Robby Russo, Assistant Fire Chief Mike Watson, Records Culture and Human Resources Director Paula Melgar, Community and Economic Development Director Michael Johnson, Public Works Director Matt Shipp, Finance and Administrative Services Director S. Scott Jurges, Communications Manager Tim Beery.

BUSINESS MEETING

1.0 WELCOME/PLEDGE

Mayor Peterson called the meeting to order at 7:02 p.m. and welcomed those present.

Council Member Christine Mikell led the Pledge.

2.0 CITIZEN COMMENTS

Lynn Kraus was disappointed to have heard that at the June 4 meeting, the Council approved the General Land Use Map Amendment and zone change for three properties on Little Cottonwood Canyon Road. She stated that there is a big problem on Wasatch Boulevard and continual upzones are contributing to that problem. She asked that the next time the Council is faced with a request that they think about that problem and how previous approvals have contributed to it.

Tim Hallbeck thanked City Manager, Tim Tingey for providing a map of the cell phone towers. He explained that there are fundamental differences between 3G, 4G, and 5G. 5G has the ability to locate a device and creates energy from the tower to that one device. In addition, there is a 50-millisecond delay in 3G and 4G. With 5G it is 1 millisecond, which means it is 50 times as intense. He commented that his research showed that sub-infrared radiation is not harmful.

Nancy Hardy asked that when the City's website is updated that they include an easy to get to link that contains a list of projects that are underway and the status. She commented that the premise behind the Fort Union Corridor Study, which was done in January 2016, was to move traffic to I-215 and make Fort Union more walkable. Now that the transportation is proposed on the south side of the gravel pit, traffic can increase on Fort Union Boulevard to get to the transportation hub. Ms. Hardy asked if staff keeps track of ideas and comments made at meetings. Mayor Peterson reminded Ms. Hardy that every comment is tracked and if a response is needed, a member of staff will be in contact. He noted that many of the projects referenced are progressing.

Mary Ann Thompson identified herself as the State Leader of the Utah Chapter of Moms Demand Action. She introduced the team present that was with her. Their purpose was to express appreciation publicly to the Council. The proclamation passed by the City was appreciated and helpful in giving them credibility. They were also elated by Chief Russo's decision. She was aware of no other police force in the country that has publicly stepped forward to support their cause. That is meaningful because men and women in uniform are more significantly impacted by gun violence than any other segment of society other than victims. She hoped that some of the changes they have suggested will be made such as universal background checks and red flag laws. Their most recent event was one of the biggest they have had and the City's support contributed to that.

There were no further public comments.

3.0 PUBLIC HEARING

3.1 The City Council will Receive Input on the City's Proposed Amended Budget for its 2018-2019 Fiscal Year.

3.2 The City Council will Receive Input on the City's Budget Tentatively Adopted for its 2019-2020- Fiscal Year.

Mr. Tingey described the process of preparing the budget. He explained that it was a collaborative process and they spent several months addressing issues. He credited the department heads for their efforts as well. With respect to compensation, the budget includes a 5.6% Cost of Living Allowance (COLA) and merit increases. He stressed the importance of this as staff is a very important asset in the services the City provides. He noted that the capital investments they have undertaken in proposing the budget are very important and they will address numerous issues both internally and pertaining to infrastructure in the community relative to roads and IT elements.

Finance Director, Scott Juges presented the adjustments to the current year's budget. He described the City's current practice but explained that it is better to book the total expense and then put the total revenue in a revenue line item. That way it is more transparent in terms of overall expenditures. The School Resource Officer revenue was first addressed. It was described as revenue that comes from the Canyons School District as an offset to the officers at a cost of \$30,000 each. The second is overtime reimbursement revenue in the amount of \$36,455. The third item was Police Operations Reimbursement revenue at a cost of \$9,715, which included items such as training reimbursement or the sale of an asset to replace it with another. Item number four was specific to Butlerville Days and the Parade. The amount from both entities was \$40,360. The grand total was \$146,530 which was increased to revenue to make that change. There was no net change in terms of fund balance impact.

In the CDRA Fund, \$25,000 was budgeted to cover professional services and consulting. Through May they had incurred \$70,532 and received a \$5,000 charge for services in May that were paid in June. They were over by a total of \$75,000. They were asking for \$75,000 more to not exceed the budget. That would have an impact on the CDRA Fund of approximately \$75,000. That money

will eventually come back to the City but it will not be immediate because it is when the tax increment starts to flow. It will happen over a multi-year period.

The 2019-2020 budget was next addressed. Mr. Jurges explained that the one area where a difference is shown is in revenues under Property Taxes. Until the Certified Tax Rate is received from the County Auditor, they do not know what new growth will be. When the new property tax growth came in, it was \$60,446 and they had estimated \$55,000 in the Tentative Budget. In addition, they added \$25,357 between delinquent collections and interest to round it out. Mr. Jurges explained that there is a \$29,995 increase over what they had included in the Tentative Budget. The net increase in property taxes was 1.08%. No other changes were recommended through the budget.

Mr. Jurges pointed out that with respect to expenditures, they are recommending the COLA at 1.9%. All employees will be eligible for that increase. A merit increase was proposed at 3.7% or three steps. All employees who are not topped out will be eligible for that. In the election, they initially asked for \$60,000 because they were prepared for the referendum, however, it failed and the initiative will likely not take place this year. This line item could be reduced to about \$40,000 but would be at the discretion of the Council. The net adjustment to the revenues of \$29,995 will flow through to the General Fund ending fund balance.

Mr. Jurges calculated areas where the entity, event, or people would have direct interaction with the public. That would be a direct function of the City. It was based on overall expenditures. The direct base is just over \$16 million and doing an overhead allocation strictly based on dollars provides an idea of how overhead can be allocated. The total direct is over \$16 million while the total overhead is \$4 million, or 25% of the direct base. Mr. Jurges clarified that it only addresses the General Fund and assumes that all overhead will be assessed only to the General Fund. They would, however, likely need to be expanded.

Mr. Tingey had been involved in evaluating every aspect of the budget pertaining to overhead. Through the coming year they will work with the Budget Committee and the Council and involve both in the process. It was noted that next year during the budget process, they will prepare a comparative analysis of each department with five of their closest neighboring cities.

Mayor Peterson explained that no tax increase is proposed in the budget. They also added dollars to the General Fund balance over the past cycle. From a budget perspective, there is a reduction in the General Fund of \$134,000 budgeted, however, they will likely come in with a contribution of \$200,000 to \$300,000.

Mr. Jurges explained that the Certified Tax Rate is to .002002. The average home value in the City is \$457,100, which results in a taxable value of \$241,405. The Certified Tax Rate will generate property taxes of about \$503 on the average home. The overall rate decreased by 4.7% and home values increased by the same amount.

Mayor Peterson opened the public hearing.

Lynn Kraus, a District 2 resident, indicated that there were two tentative columns and asked for clarification. In her opinion, the lower number should be selected. She suggested the City make

cuts where needed. She applauded the Council for their efforts and recommended that there be a line item showing the amount in reserves. She liked the overhead allocation and the additional transparency.

George Lukas asked if the Rec Center is included in the budget. Mayor Peterson stated that it is an independent entity and is part of a special taxing district. Mr. Lukas asked about fines and forfeitures and observed that a flat \$420,000 was budgeted. He asked where that comes from, who estimates it, the impact of a recent large fentanyl drug bust, and what drug enforcement efforts are under way. He observed that 40% of the budget is police, law enforcement, and ordinance enforcement. He asked how many officers are in Cottonwood Heights and how that relates to population. Mr. Lukas recommended that crime rates be included in the comparison with neighboring municipalities. Mayor Peterson offered to meet with Mr. Lukas individually to answer his questions. Mr. Lukas commended the City for their fiscal responsibility in the budget and for outlawing fireworks in a greater part of Cottonwood Heights. He was interested in speaking with someone from the City at some point about debt management.

Ed Schwartz commented on the overall police budget. He conducted cursory research and asked what the total projected budget is including salaries and expenses for the 2019-2020 budget with regard to the Police Department. He noted that the City of Holladay has a population of 30,709 while the population of Cottonwood Heights 33,996. More is being spent for Unified Police in Holladay at an expense of about \$4.8 million. Cottonwood Heights utilizes prime real estate to house the Police Department at about 16,000 square feet compared to the Unified Police of around 4,000 square feet. Mr. Schwartz noted that last year property taxes were raised considerably and there must be an accountability. He asked about crime rates in the City but wondered if they were overly prepared. He stated that the City spends too much on law enforcement and has a considerable percentage of elderly people. He stated that they owe it to senior residents to reconsider the police budget and potentially downsize it.

Ann Marie McNaber was not present but submitted her comments via email relative to the budget review. Her comments were read and made part of the record. She was concerned that the City has long spent money without regard to transparency or the future and the Council agrees to projects without exercising fiscally responsible decision making. Ms. McNaber stated that the citizens still do not know the true cost of the Police Department or how much was spent on the City Building. She wanted to see more reasonable spending on the Police Department since they spend nearly twice what Holladay. She pointed out that the City does not have the financial liberty to overspend.

Tim Hallbeck asked if the Council approved the cost overrun. He commented that with regard to overhead allocations, there should be 12 to 15 percent. He commented that crime being low and under control is a great thing and he supported the City being prepared. He commended the Council and staff for having a balanced budget.

Council Member Bracken commented that the City's Police and Fire personnel do an excellent job and have been very conscious of expenses. The only increases the police have asked for are salaries and benefits. In today's environment, it is difficult to get and retain good police officers, which is an achievement. He did not believe they could cut the services in half and get adequate service.

Mayor Peterson commented that since last year two committees have been formed. One addressed benefits and compensation consisting of two Council Members meeting with staff to review and compare other cities and jurisdictions. They then made a recommendation to the Council. There was also a Budget Committee that met on issues related to capital improvements and operational costs. They made great progress and involved the department heads, staff, and the Council. The ultimate goal was to be efficient with taxpayer money. They have streamlined the budget and this year will look at it in even greater detail.

There were no further comments. The public hearing was closed.

4.0 ACTION ITEMS

4.1 Consideration of Ordinance 326 Approving an Amendment to the 2018-19 Budget.

MOTION: Council Member Shelton moved to approve Ordinance 326. Council Member Bracken seconded the motion. Vote on motion: Council Member Mikell-Aye, Council Member Bruce-Aye, Council Member Bracken-Aye, Council Member Shelton-Aye, Mayor Mike Peterson-Aye. The motion passed unanimously.

4.2 Consideration of Ordinance 327 Adopting a Final Budget for the Period of 1 July 2019 through 30 June 2020; Making Appropriations for the Support of the City of Cottonwood Heights for such Period; and Determining the Rate of Tax and Levying Taxes Upon all Real and Personal Property within the City of Cottonwood Heights.

MOTION: Council Member Bracken moved to approve Ordinance 327. Council Member Bruce seconded the motion. Vote on motion: Council Member Mikell-Aye, Council Member Bruce-Aye, Council Member Bracken-Aye, Council Member Shelton-Aye, Mayor Mike Peterson-Aye. The motion passed unanimously.

4.3 Consideration of Resolution 2019-30 Approving Entry into an Agreement with Unified Police Department of Greater Salt Lake for Provision of Software Licenses for Certain Police-Related Services.

Chief Russo introduced the resolution and explained that they are joining with the Unified Police Department in terms of the way they dispatch calls and keep records. They are one platform now and will continue dispatching and have their same primary answering point but will be using the Versaterm system, which gives them access to all of the records from throughout the Valley.

MOTION: Council Member Shelton moved to approve Resolution 2019-30. Council Member Bracken seconded the motion. Vote on motion: Council Member Mikell-Aye, Council Member Bruce-Aye, Council Member Bracken-Aye, Council Member Shelton-Aye, Mayor Mike Peterson-Aye. The motion passed unanimously.

4.4 Consideration of Resolution 2019-31 Approving Entry into an “Event Proposal” Agreement with Custom Events, Inc. for 2019 Butlerville Days.

Mayor Peterson reported that the above resolution approves entry into an Event Proposal Agreement with Custom Events who provides carnival rides, climbing walls, and games for Butlerville Days. It was noted that the City’s Events Coordinator works continuously on contracts throughout the year and is very thorough and actively negotiates.

MOTION: Council Member Bracken moved to approve Resolution 2019-31. Council Member Bruce seconded the motion. Vote on motion: Council Member Mikell-Aye, Council Member Bruce-Aye, Council Member Bracken-Aye, Council Member Shelton-Aye, Mayor Mike Peterson-Aye. The motion passed unanimously.

4.5 Consideration of Resolution 2019-32 Approving Entry into Performance Contracts with Peter Breinholt, Nebo Road, and The Current Sound for Musical Entertainment at 2019 Butlerville Days.

Mayor Peterson indicated that the above resolution also pertains to musical performing groups for Butlerville Days.

MOTION: Council Member Bruce moved to pass Resolution 2019-32. Council Member Bracken seconded the motion. Vote on motion: Council Member Mikell-Aye, Council Member Bruce-Aye, Council Member Bracken-Aye, Council Member Shelton-Aye, Mayor Mike Peterson-Aye. The motion passed unanimously.

5.0 CONSENT CALENDAR

5.1 Approval of the City Council Work Session and Business Meeting Minutes of April 16, 2019.

MOTION: Council Member Bruce moved to approve the minutes of the Work Session and Business Meeting of April 16, 2019. Council Member Shelton seconded the motion. The motion passed with the unanimous consent of the Council.

6.0 ADJOURN CITY COUNCIL BUSINESS MEETING

MOTION: Council Member Bruce moved to adjourn. The motion was seconded by Council Member Mikell. The motion passed with the unanimous consent of the Council.

The meeting adjourned at 8:04 p.m.

I hereby certify that the foregoing represents a true, accurate and complete record of the Cottonwood Heights City Council Business Meeting held Tuesday, June 18, 2019.

Teri Forbes

Teri Forbes
T Forbes Group
Minutes Secretary

Minutes Approved: July 16, 2019