

CITY COUNCIL MEETING

Tuesday, December 03, 2013 7:00 p.m.
Community Recreation Center
10640 N Clubhouse Drive, Cedar Hills, Utah

Present: Mayor Gary R. Gygi
Councilmembers: Trent Augustus, Scott Jackman, Jenney Rees, Daniel Zappala
Absent/Excused: Councilmember Martinez
David Bunker, City Manager
Chandler Goodwin, Assistant City Manager
Colleen Mulvey, City Recorder
Charl Louw, Finance Director
Greg Gordon, Recreation Director
Jeff Maag, Public Works Director
Others: Lt. Sam Liddiard, Eric Johnson, Rob Crawley, Mike Geddes, Mark Cram, Marshall Shore

COUNCIL MEETING

1. This meeting of the City Council of the City of Cedar Hills, having been properly noticed, was called to order at 7: 03 p.m. by Mayor Gygi.

Invocation given by C. Jackman

Pledge of Allegiance led by C. Augustus

2. Approval of Meeting’s Agenda

MOTION: C. Rees – To accept the agenda as presented. Seconded by C. Jackman.

3. Public Comment
No comments.

REPORTS/PRESENTATIONS/RECOGNITIONS

4. Review/Action on adopting a Resolution recognizing Cedar Hills Champion, Valerie Scott

Mayor Gygi recognized Valerie Scott, who was diagnosed with stage IV lung cancer in 2012 and has made it her goal to bring more awareness to lung cancer unrelated to smoking by reaching out to businesses and encouraging insurance companies to pay for early screenings. He read the resolution honoring Valerie Scott and proclaiming December 4, 2013 Valerie Scott Day in Cedar Hills.

MOTION: C. Rees—To approve Resolution 12-03-2013A, a resolution recognizing Valerie Scott as a Cedar Hills Champion for her outstanding commitment to

excellence and for her efforts in raising awareness for those who suffer with lung cancer. Seconded by C. Augustus.

Yes - C. Augustus
C. Jackman
C. Rees
C. Zappala Motion passes.

5. Report/Update - Siemens

Mark Cram of Siemens stated that since their last presentation, they have met with city staff and identified potential opportunities for the city to make improvements to the infrastructure in a budget neutral way. He then presented a summary/overview of each area which included citywide pressurized irrigation water metering, citywide street lighting, secondary water connection to all parks and pumping cost efficiency. He explained that as the city does improvements to its infrastructure, those improvements generate either savings or in some cases new revenue, and then those savings are used to finance those projects. He stated that Siemens provides a guarantee to the city for those savings through a contractual agreement with the city and if they do not produce the savings that they guarantee then they are on the hook to make that up and to make the project whole.

C. Zappala stated that the savings are going to finance the improvements, but savings are monies that we would not be spending. He asked where the money comes from that goes to pay Siemens for the infrastructure. Mr. Cram stated that typically what happens in the state of Utah is that a third party lending institution fronts the construction cost, so during the period of construction the city is not impacted in any way. Once construction is complete and you are realizing 100% of the savings, then those savings shift from an operation and maintenance budget to a budget that would pay the project back to the lending institution. C. Zappala commented that this is coming straight from the city to pay for the infrastructure as opposed to tacking on a fee to the customer's bill. Mr. Cram stated that that was correct.

C. Augustus asked what the timeframe was for the phasing of a project like this. Mr. Cram stated that typically there is a 3 – 4 month period of time to mobilize the project and then several months for the construction, it really depends on the scope of the project.

Mr. Cram then reviewed the performance contract cash flow during the construction period, the guarantee period, and after the guarantee/finance period. C. Zappala asked what the timeframe was when the project is paid back and all the savings are going to the city. Mr. Cram stated that it is typically ten to fifteen years; he then reviewed potential annual savings. C. Zappala stated to clarify that the estimates presented in this report are based on Siemens' past history in dealing with these types of systems, whereas the more detailed audit will go and look at our particular systems and

technology and provide a more specific number for us. Mr. Cram stated that that is correct.

Mr. Cram stated that the next step in the process would be a letter of intent to perform an investment grade audit. There would be a dollar amount affixed to that letter of intent based on the scope of work chosen, and the city would only be liable to pay that dollar amount if at the end of the investment grade audit you determine not to move forward with the construction. C. Zappala asked if he could quote a ballpark figure. Mr. Cram said that he could not at this time because he does not know what the scope of work is.

CONSENT AGENDA

6. Minutes from the November 14, 2013 Joint City Council and Planning Commission Work Session meeting, and the November 19, 2013 City Council meeting

MOTION: C. Augustus – To approve the minutes from the November 14, 2013 Joint City Council and Planning Commission Work Session meeting, and the November 19, 2013 City Council meeting. Seconded by C. Rees.

Yes - C. Augustus
C. Jackman
C. Rees
C. Zappala Motion passes.

7. Appointment of Members to the Beautification, Recreation, Parks and Trails Citizens Advisory Committee

Chandler Goodwin stated that the Beautification, Recreation, Parks and Trails Committee has been meeting every third Thursday of the month. One of their recent projects was the placement of the lighted Christmas tree in the roundabout near Walmart. He stated that the committee is looking for new members, and Lynn Corbett is being nominated to be an active member of the committee. Mr. Goodwin added that he and Chairperson Wilkins would like more suggestions from the council for additional members.

Mayor Gygi stated that this item is by appointment by the mayor and asked if the council had any thoughts for against Mr. Corbett being appointed to the committee. C. Rees stated that she is excited to have more volunteers. C. Jackman commented that he is all for getting people involved with the community and that he fully supports it.

CITY REPORTS AND BUSINESS

8. City Manager

David Bunker mentioned that the City Christmas party will be held next Tuesday, December 10th. The newly elected officials will be sworn in and take their Oath of Office at the first council meeting in January.

9. Mayor and Council

C. Zappala: North Utah County Animal Shelter met and reported that they have been meeting their budget. They have had difficulty filling part time positions and next year will be looking into combining some part time positions into full time. They will be expanding their use of social media including using Instagram to post photos. They are working on more involvement with community outreach and are looking to work with a shelter called Best Friend Sanctuary, a privately run shelter with a “no kill” environment.

C. Jackman: The Finance Committee met and reviewed the budget amendments that will be discussed later in this meeting.

Mayor Gygi: Read a report from C. Martinez: The Youth City Council met and discussed the Santa’s Workshop project which will be held December 17 – 19. Story time on December 4th is all about Christmas and December 11th is the fourth annual Polar Express reading. Signups for Ski bus and Jr. Jazz end this week. The Family Festival dates are set for June 24 – 29, 2014. The Vista Room has bookings for every day this month except for December 6th. The community event “Visit with Santa” will be on Monday, December 9th from 6:00 – 8:00 p.m., there will be pictures with Santa, hot chocolate and a craft donated by the Girl Scouts.

C. Rees: A press release was released regarding Cedar Hills Champion, Valerie Scott. The November City Connection video was completed and posted on the city’s Facebook page, YouTube and the city website, it was done by Chandler Goodwin and the subject was on snow removal, winter street parking and school zones. The Beautification, Recreation, Parks and Trails Committee are working on a “Light Up Cedar Hills” contest where one home in each of the 5 precincts will be chosen as a winner.

C. Augustus: The Planning Commission did not meet this month – no report.

SCHEDULED ITEMS

10. Review/Action on the 2013 Fiscal Year Audit

Finance Director, Charl Louw and Diana Cannell of Allred Jackson presented and reviewed the *Comprehensive Annual Financial Report* for the fiscal year ended June 30, 2013. Ms. Cannell pointed out a couple of changes in the government auditing standards which included changes in some of the terminology such as “net assets” now being referred to as “net position” and also what is termed deferred outflows of resources which refers to the deferred changes on the refunding of your bonds, and the deferred inflows of resources which is the amount of property taxes that in the past had been shown in the general fund as a liability as unearned or deferred revenue.

Ms. Cannell explained that the *Management’s Discussion and Analysis* section of the report walks you through and summarizes how the financial statements are run. The total revenues for every fund increased over five hundred thousand dollars this year, and the expenses decreased three hundred and ninety thousand dollars. Last year the city ran at a loss overall of about six hundred and eighty five thousand dollars and this

year there is a gain of two hundred and seventeen thousand dollars. She stated that of all of the areas tested they did not have one state compliance finding. She commended the finance department and finance committee for the good job they did.

C. Zappala asked to clarify why it shows that the outstanding long-term debt went up, he said that he was expecting it to go down because we paid off one of our bonds early and refinanced several others to get lower interest rates. Mr. Louw stated that when we did advanced refunding it was not callable for four years, originally this was a thirty year bond and this is still early in the bond process, most of the payments are interest not principal. He said that if you look at the year by year structure we are paying less debt service each year; because we had to put that interest amount in there you are going to see a higher ratio of principal payments each year and a very small interest payment. C. Zappala stated that because we are paying more in principal this will start to go down, so in future years we are going to see those savings be realized. Mr. Louw stated that that was correct.

C. Rees thanked Finance Director, Charl Louw for the work he has put into this report, and she stated that it is impressive. The entire council agreed.

MOTION: C. Jackman—To accept the 2013 annual financial audit report. Seconded by C. Rees. Vote taken by roll call.

Yes	-	C. Augustus	
		C. Jackman	
		C. Rees	
		C. Zappala	Motion passes.

11. Review/Action on the FY 2014 Budget Amendments

Charl Louw stated that he is proposing to update the way the city accounts for the Golf Fund as far as the type of fund it is. In the past we have used an Enterprise Fund to account for our golf course, the issue with that is when you are looking at the cash inflows and outflows it's tricky for a non-accountant because everything to take into account is not all on one statement. He stated that what he is proposing is to convert the Golf Fund operations into a special revenue fund, which would be more cash oriented and it would show the revenues of the operation. A Golf Debt Service Fund would also be created to show the property tax coming in to pay for the debt service, the principal and interest expense and the trustee fees. He stated that this will make things easier for people to understand how the golf course is doing. He added that he has reviewed this with the Budget Finance Committee and has their support on these changes.

C. Augustus said that this is making it more transparent and clear for our residents so that they can go to one place and know exactly what the amounts are. Mr. Louw said that that is correct when they are asking about the cash amounts. C. Rees commented

that this will be a very clear picture of the cash that is coming in and going out, and that anything that makes it easier for our residents to see and comprehend is fantastic.

Mr. Louw stated that to create a special revenue fund you have to have restricted or committed revenue for that fund, and the largest significant revenue is the green fees. We would need to amend the budget and commit the green fees as of July 1, 2013 to the special revenue fund.

C. Jackman left the meeting at 8:21 p.m.

Mr. Louw next reviewed the other amendments to the budget which included sidewalk repairs for bond forfeitures, replacing the damaged netting at the driving range, Mesquite Park restroom, and the Avanyu projects.

Mayor Gygi thanked Mr. Louw for his work on this and then asked for a motion.

MOTION: C. Rees—To approve Resolution No. 12-03-2013B, a resolution of the City Council of the City of Cedar Hills, Utah, creating the new Golf Special Revenue Fund 20, and committing green fee revenues to said fund. Seconded by C. Zappala.
Vote taken by roll call.

Yes - C. Augustus
- C. Rees
- C. Zappala Motion passes.

MOTION: C. Rees—To approve Resolution No. 12-03-2013C, a resolution of the City Council of the City of Cedar Hills, Utah, adopting the Amended 2013-2014 Fiscal Year Budget for the City of Cedar Hills, subject to coinciding with the option approved on the golf course fencing repair (agenda item #16). Seconded by C. Zappala. Vote taken by roll call.

Yes - C. Augustus
- C. Rees
- C. Zappala Motion passes.

12. Review/Action on North Pointe Solid Waste Interlocal Agreement

David Bunker stated that the North Pointe Solid Waste District is proposing to have each city who is a member of this special service district enter into this Interlocal Agreement. The agreement would bind the cities who participate into an initial term which would start immediately and go through December 31, 2019, and in addition to that twelve automatic renewing two-year terms. He explained that a couple key components in this agreement are that it would require a thirteen month notice to withdraw from the district, and upon withdrawal the cities would forfeit any interest that they have in the district, and also would pay additional fees to dispose of waste at

North Pointe Solid Waste facility. The agreement would also require that we commit our entire waste stream regardless of our contracted hauler.

C. Rees stated that she recommends that we do some research and look at an analysis of what it would cost for us to either use our current contracted hauling company or a different hauling company and bypass North Pointe before we determine that we want to sign this agreement, because it does lock us down so much.

Mayor Gygi stated that as C. Augustus, who is assigned as liaison to North Pointe, has pointed out, we are not unhappy North Pointe, and we just want to make sure that we are doing our due diligence in terms of making sure that we have researched this thoroughly.

MOTION: C. Augustus—To table this item to a future City Council meeting and direct staff to look at some of the options for direct hauling to other facilities.

Seconded by C. Zappala. Vote taken by roll call.

Yes	-	C. Augustus	
	-	C. Rees	
	-	C. Zappala	Motion passes.

13. Review/Action on an Ordinance setting the Time and Place of the regular City Council meetings for 2014

C. Zappala asked if the councilmembers would be willing to change the day of the meetings to either Wednesdays or Thursdays.

It was determined that this item should be tabled until the next meeting to give the new councilmembers an opportunity for their input.

MOTION: C. Zappala—To table this item to the first Council meeting in January that will be held on January 7, 2014. Seconded by C. Augustus.

Yes	-	C. Augustus	
	-	C. Rees	
	-	C. Zappala	Motion passes.

14. Review/Action on an Ordinance amending Title 10, Chapter 5, Relating to Portable Utility Sheds

Chandler Goodwin stated that the references to portable utility sheds in our code are for sheds that are less than 120 square feet, sheds over 200 square feet are considered accessory buildings. There is a gap in our current code that does not address sheds from 120 – 200 square feet. He said that what we would like to propose is to create new code for utility sheds that are greater than 120 square feet but under the 200

square foot threshold, sheds of this size are not considered portable. He said that they would also like to modify the language to state that the height requirement is from the floor grade to the main roof eaves, to allow for more flexibility in designing sheds. C. Rees asked if the Planning Commission has approved this. Mr. Goodwin said that they have and the amended ordinance is what they are recommending to the council.

C. Augustus stated that the Planning Commission put a lot of thought and discussion into this, he thanked them for their efforts.

MOTION: C. Rees—To approve Ordinance 12-03-2013A, an ordinance amending Title 10, Chapter 5 of the City Code of the City of Cedar Hills, Utah, relating to Portable Utility Sheds. Seconded by C. Zappala.

C. Augustus recused himself from voting on this item because he is currently building a shed and this directly impacts him.

MOTION: C. Rees—To table this item to the January 7, 2014 City Council meeting in order to have a quorum present to vote. Seconded by C. Zappala. Vote taken by roll call.

Yes	-	C. Augustus	
	-	C. Rees	
	-	C. Zappala	Motion passes.

15. Review/Action on an Ordinance amending Title 1, Chapter 6, Officers and Employees, by updating Job Title and changing the Text to provide for Appointment of Appointed Officers pursuant to State Code Provisions

David Bunker stated that it is being proposed to amend the city code regarding city offices that have been modified in job title. There are several positions within the city that have been adjusted in the past couple of years and this amendment updates the descriptions of those positions. In addition, in section 1-6-1 (B), it is being proposed that the mayor with the advice and consent of the city council shall appoint a qualified person to each of the offices of city recorder and treasurer. This section mirrors what is in the state code (UCA 10-3-916).

C. Rees asked to clarify that in the past the council had made all of those appointments, and now the council would only appoint the city recorder and treasurer and not any of the other executive staff. Mr. Bunker stated that according to state code the only ones that have to be appointed are the recorder and treasurer. C. Rees stated that the city manager's contract states that you work at the will of the city council so why wouldn't we appoint every other year. Mr. Bunker said that if there is a change to any of those offices, then we would re-appoint. C. Rees then stated that this is only for re-appointments and not for original appointments and asked if the wording should state for re-appointments.

Mayor Gygi asked if the city attorney had reviewed this. Mr. Bunker stated that it was sent to the city attorney and to date there were no comments. C. Rees added that in 2012 the city council did review some appointments and that she would hate to take that authority away from the city council.

Mayor Gygi suggested that this item be tabled until the city attorney reviews it.

MOTION: C. Zappala—To table this item to a future City Council meeting after we have feedback from the city attorney. Seconded by C. Augustus.

Yes	-	C. Augustus	
	-	C. Rees	
	-	C. Zappala	Motion passes.

MOTION: C. Augustus—To amend the agenda and move item #16 to the last item of business. Seconded by C. Rees.

Yes	-	C. Augustus	
	-	C. Rees	
	-	C. Zappala	Motion passes.

17. Review/Action on a Resolution Creating a Water Conservation Citizens Advisory Committee

David Bunker stated that we are proposing that a Water Conservation Advisory Committee be organized and formed. The purposes and duties of the committee would be to consider the water issues that the city is facing, to discuss, recommend, plan, increase awareness and educate residents in the matters of water conservation. The committee would consist of 5 – 7 regular members, city staff and council representation.

Mayor Gygi stated that the committees that have been really successful are committees that are resident driven, such as the Family Festival Committee and the Golf Course Finance Committee. He would like this committee and others to run the same way. He said that he has talked with Richard Noble who is an engineer with water rights experience, and he has said that he is happy to chair this committee.

MOTION: C. Zappala—To approve Resolution No. 12-03-2013D, a resolution creating a Water Conservation Citizens Advisory Committee of the City of Cedar Hills, Utah, as appointed by Mayor Gygi. Seconded by C. Rees.

Yes	-	C. Augustus	
	-	C. Rees	
	-	C. Zappala	Motion passes.

18. Discussion on a Decisions Survey

David Bunker stated that there are funds set aside in the budget to do a Decisions Survey. We would like to review and determine what questions we need to ask our residents, and what items we would like resident feedback on. He said that what he would like is to have the council go through the questions from last survey (Decisions Survey 2011) and determine which ones should be included in the next survey and which ones should not, and other questions that we feel should be asked.

C. Zappala stated that we would put all of the questions into a Google document so that the council could all collaboratively work on it.

16. Review/Action on the Golf Course Driving Range Fencing Repair

David Bunker explained that there are four sections of the driving range fence that is in disrepair and is starting to tear. The concern is that as it moves it continues to tear and pull and put strain and is going to continue to tear into even more sections. In our last discussion we talked about if we were going to just repair the netting or do something different. We were asked to solicit some additional options and have received some different options for your review. Option #1) replace 4 sections of the netting - \$12,900; Option #2) supply and install 5 new 95' wood poles and new netting - \$84,000; Option #3) supply and install 17 new 95' wood poles and new netting - \$160,000; Option #4) supply and install 17 steel poles and new netting - \$204,000; Option #5) take down existing netting and replace with new netting - \$17,800.

C. Zappala asked what the status of the current poles is. Mr. Bunker stated that of the 17 poles there are about half a dozen that are getting close to their service life which is projected at about 10 years. C. Rees stated that in our previous discussions Greg Gordon indicated that there was a high likelihood that our poles would make it through another season; she recommended that we fix the current netting and then have this discussion in the next budget year. C. Augustus asked if we replaced all of the netting now and then decided to install new poles later on would the new netting be able to transfer over to the new poles. Mr. Bunker said that there would be a way to transfer the netting to new poles; they would be able to tie/bind it together.

Mayor Gygi stated that we should think long term and what is the best use of taxpayer money and sometimes thinking long term means that you end up spending more money but over the life of some things it makes more sense. He said that he is in agreement with C. Rees in that we fix the netting and then work this through the budget session and have a more thorough discussion.

MOTION: C. Rees—To approve the funding for the driving range fence and netting going with Option #1 to replace the four sections of 30 x 50 netting.

C. Augustus stated that if you look at Option #1 it says replace four sections at \$12,900, and then Option #5 says seventeen sections at \$17,800. Cost wise if you look at per panel cost, it is far cheaper to do Option #5 than Option #1. C. Rees said that if we end up doing seventeen new steel poles maybe they will give us some kind of a price break because we are spending so much money. C. Augustus stated that we are wasting all that savings now by going with the other option, we are actually paying for mobilization, just to get the people here to do the work, and we are getting hit with that for four panels versus spreading that out over seventeen panels.

C. Rees asked to clarify that for Option #3 & #4 it could go down because we would be recycling the netting, and that we should be sure of that before we decide to go forward. Mr. Bunker said that we should make sure of that because if we could use the existing netting and get the better deal with all of the panels. C. Augustus commented that he has seen other golf courses where they have added on to the size of the netting, so he knows it can be done.

C. Zappala suggested to direct staff to figure that out and then decide at the next meeting. Mr. Bunker stated that these option prices are only good for 20 days, he suggested to have staff figure out if that netting could be reused if we do new poles, if it cannot then we will stay with the \$12,900 (Option #1).

MOTION: C. Rees—To approve the funding for the driving range fence and netting going with Option #5. Seconded by C. Zappala. Vote taken by roll call.

Yes	-	C. Augustus	
	-	C. Rees	
	-	C. Zappala	Motion passes.

ADJOURNMENT

19. This meeting was adjourned at 9:10 p.m. on a motion by C. Rees, seconded by C. Zappala and unanimously approved.

Approved by Council:
January 7, 2014

/s/ Colleen A. Mulvey
Colleen A. Mulvey, CMC
City Recorder