

**CITY COUNCIL MEETING**

Tuesday, June 3, 2014 7:00 p.m.

Community Recreation Center

10640 N Clubhouse Drive, Cedar Hills, Utah

Present: Mayor Gary Gygi, Presiding  
Council Members: Trent Augustus, Rob Crawley, Jenney Rees, Daniel Zappala  
Absent/Excused: Mike Geddes  
David Bunker, City Manager  
Chandler Goodwin, Assistant City Manager  
Greg Gordon, Recreation Director  
Jeff Maag, Public Works Director  
Charl Louw, Finance Director  
Gretchen Gordon, Executive Assistant/HR  
Others: Spencer Edward, Lt. Liddiard, Richard Noble, Marshall Shore, Betty Joe McKinley, Anne Perkins, Jared Perkins, Ken Cromar, Daily Herald reporter

**COUNCIL MEETING**

1. This meeting of the City Council of the City of Cedar Hills, having been properly noticed, was called to order at 7:01 p.m. by Mayor Gygi

Invocation given by C. Rees  
Pledge of Allegiance led by C. Crawley

2. Approval of Meeting’s Agenda

**MOTION: C. Zappala—To accept the agenda as is.** Seconded by C. Rees.

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

3. Public Comment

Anne Perkins – She is aware of plans and ideas for a proposed LED sign on Canyon Road. She feels that this is a terrible idea. First, we moved out of Lehi for this very atmosphere and we didn’t like the idea that we drove out of our neighborhood where there was LED and commercial signage everywhere. The canyon and mountains were part of the reason that they moved to Cedar Hills. She stated that she understands that we have a brand that we are trying to create and she loves that idea. The brand is canyon, golf course, family, and an LED doesn’t fit. Lastly, Ms. Perkins stated that she has spoken with a number of people who also do not want this.

Jared Perkins – He wanted to echo his wife’s comments and stated that he doesn’t want the LED sign either. He would like to add that he doesn’t feel it was necessary for announcements and

especially doesn't want it to be seen for advertisements. He feels that this looks like a sign you would see in a commercial zone and thinks that maybe we could do something better. He wants to keep Cedar Hills the way it looks right now.

Ken Cromar – He wanted to thank the council for the good things that they do. He was looking at his e-mail and something from the Utah Tax Payers Associations stood out to him about UTOPIA. Although Cedar Hills isn't a pledging part of UTOPIA, it has cost money so much money and has not delivered what it was promised to be. He stated this reminds him of our golf course. He feels that the citizens have not been fully informed about the losses of the golf course. He wanted to be on record, as he was holding up the "State of the City" document, that he can't find anything that shows the year by year losses and subsidies of the golf course. He also did not see anything relating to the Recreation Center, that was supposed to be a recreation and swimming pool that became a clubhouse and reception center. He felt that adding this building just increases the burden to the people that he knows and to himself. He stated that on many occasions he has stood before the council and has discussed the article from The Daily Herald and the campaign that put Mayor Gygi, Jenney Rees, and Trent Augustus into office stating that the golf course was "cash flow positive." This was misleading and was never corrected on the front page of the newsletter to the citizens. He continued that there is talk about a \$300,000 shed expenditure. He asked if any of the council had seen the feasibility study for the City's cemetery. There was an estimate that \$19 million would be seen in the first seven years of operations. He felt that would be a better use of the golf course land and to seriously consider the expenses that the city is only 10 years into with 20 more to go.

4. Review/Action on Adopting a Resolution Recognizing Cedar Hills Champions, Lois Moessinger and RaLynn Hansen

Mayor Gygi stated that as a father of children that go to Cedar Ridge Elementary school, he wanted to state his appreciation the safe way that RaLynn and Lois allow the children to safely cross the street to school. He would also like to recognize their dedication.

C. Crawley stated that his children go to Deerfield Elementary and have seen them there year after year. His wife has seen RaLynn put herself in harm's way to protect the children of the community.

C. Zappala stated that he really appreciates dedication, regardless of the weather. He tries to slow down for the crossing guards and hopes others do also.

C. Rees stated that she appreciates the time and effort they both put into it. The safety of our kids is of utmost importance.

C. Augustus stated that his children go to Cedar Ridge Elementary and wanted to thank them both for their service. Lois has been serving for ten years and RaLynn for eight years.

Mayor Gygi wanted to conclude by saying that the city appreciates how they keep the children of our community safe each day. Mayor Gygi then read the resolution.

**MOTION: C. Zappala – To approve Resolution 06-03-2014A, a resolution recognizing Lois Moessinger and RaLynn Hansen as Cedar Hills Champions for their outstanding commitment to excellence and for their dedication.** Seconded by C. Rees.

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

#### CONSENT AGENDA

5. Minutes from the May 20, 2014 City Council Meeting

**MOTION: C. Zappala – To approve the minutes from Tuesday, May 20, 2014 meeting.**  
Seconded by C. Augustus.

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

#### CITY REPORTS AND BUSINESS

6. City Manager Report

- Just finished a great month in the Vista Room, over \$19,000 in revenues
- First year of tot soccer has concluded and the information and final numbers of the program will be sent to the council.
- Had a great month at the golf course. Despite weather limitations, revenues exceeded the revenues from last year.
- T-Ball season starts tonight.
- Lacrosse begins in two weeks.
- The Family Festival is quickly approaching. The Family Festival Committee met with Public Works and other departments and is prepared for that event. The committee is doing a fantastic job.

7. Mayor and Council Reports

C. Zappala stated that there was a meeting of the Lone Peak Public Safety District (LPPSD) board and they adopted the budget for FY 2014-15. There were some small increases to budget which mean a small increase to our city. The increase is based on adding an extra officer and K-9 duties. The current cost is roughly estimated at \$250/resident/year for fire and EMS services. He had a pressurized irrigation (PI) meter installed at his house and hopefully should be able to start gathering feedback.

C. Rees said that the city issued two press releases; one for Cedar Hills Champions and one for the Family Festival. The committee is working very hard but the chair is concerned that revenues may be down due to church camps. Youth City Council interviews are underway.

Mayor Gygi had a meeting with UDOT and Pleasant Grove City regarding SR-146/Canyon Road. We have requested money from Mountainland Association of Governments Transportation Committee and this project was being considered with about 52 other projects. The SR-146 project ranked in the top 10. The cities are working toward pushing this to be a county road, not a city road. This topic will continue to be discussed. Mayor Gygi also met with the Utah State Developmental Center and has started discussions about the proposed development south of Lone Peak High School. Cedar Hills has approached Highland City about a boundary adjustment of the property where our golf maintenance shed and four golf holes exist. They indicated that they will need a couple of months to review this.

C. Crawley has met with the Beautification, Recreation, Parks and Trails Committee and they are proposing a city breakfast in August. He has been working on an analysis of our PI system to review prior to making any significant decisions. He has sent his preliminary information to the council and David Bunker. His conclusion points toward a great benefit from reduction through possible restrictions. C. Crawley asked what the best way to respond to citizen concerns that are presented during the meeting. Mayor Gygi stated that it is best to schedule a time to meet with a councilmember, mayor or staff to discuss their concerns in detail. C. Crawley wanted to make sure that residents knew that he takes their concerns very seriously and wants to respond appropriately. He continued by saying that he will review and analyze some of the different options that were presented by Mr. Cromar about a cemetery, etc.

C. Augustus said that there hasn't been a North Point Solid Waste meeting and the Finance Committee has not met for a while.

#### 8. Review/Action on Pressurized Irrigation System Study Proposal

The council had a discussion in the work session about the city's water system. There has also been further discussion with David Bunker, Richard Noble with Hansen, Allen, and Luce as well as the Water Conservation Committee.

David Bunker stated that the components of the water system were discussed during the work session, including the pumps, pipes, etc. to deliver PI throughout the city. As part of that discussion, we have talked about doing an evaluation on the system. Our concern is that we maintain our system adequately and that the system is reliable to meet our needs from now into the future. We have requested that Hansen, Allen, and Luce prepare a proposal to determine capacities and model the system to see what the production capability of the city is; also to review scenarios (pump loss, failure of key components, etc.) We feel that they are very capable of doing this because they are water experts in the field of engineering. We want to make sure we are utilizing our system effectively and talk about possible improvements. The city attorney

has not looked at the contract with Hansen, Allen and Luce yet. This would require an adjustment/amendment to the capital improvements plans (CIP) of the budget. C. Zappala asked if this would come out of the water/sewer instead? Charl Louw clarified that a lot of our larger expenditures are shown in our CIP, but the monies would come from the Water/Sewer Fund.

C. Augustus asked about where the ten meters would be installed. Jeff Maag stated that C. Augustus' home was on the list and it would require lots of modifications to the landscaping. This will be an issue that will have to be addressed if city-wide metering is implemented. These are strictly to gather information without modified behavior. C. Crawley said that he would like to fully analyze this before we spend such a large amount of money on city-wide meters, although his analysis won't be to the degree of Hansen, Allen, and Luce.

C. Crawley wants to know about restrictions this summer and if the restrictions could avoid the overall expenditure. C. Zappala said that we do have a data point from our own city that showed restrictions actually increased usage. He wants to see a baseline throughout the city and visually see that on a weekly basis. David Bunker said that we can discuss that during another work session. The city did do restrictions in 2008 and as soon as we announced the restrictions, our system drained nightly and it was very difficult to recover from that. Restrictions are complicated, every other day watering can be a little problematic. Alpine City has implemented restrictions and showed a reduction of 13%, Highland about 5%. We need to discuss how we enforce restrictions, asking for voluntary compliance, and efforts to monitor. A number of cities are working on a very punitive scale for violations.

C. Rees said that there is a cost associated with monitoring. If we are trying to implement the state watering guidelines, every other day would be more than this requirement of every third day. We are considering a separate mailer to discuss the various options which are being reviewed. She is going to finalize her communication piece and send it out to the council. The state's recommendation is more restrictive and hopefully we can get the reduction that we need. Newsletters, the Parlant system, etc. will be utilized to educate the residents. The Water Conservation Committee's recommendation was to have signs, a letter to each household, a dedicated website for conservation and Cedar Hills' information, the Parlant system, social media, website, etc. When residents take the time to do that kind of research, we should put a lot of weight and value on that. Our committee wants a 50% reduction; right now we are still 150% of what the state recommends. C. Zappala said that he had Slow the Flow out to analyze his lawn which was very informative. Mayor Gygi encouraged the city council to gather information from the experts that are available. David Bunker will be writing a weekly piece to help residents and council make an educated decision. It could cost the residents up to \$2 million if we don't conserve.

Richard Noble stated that the study would provide a tool to evaluate the PI system and doing some "trouble shooting." We will develop a computer model and input data from last year to calibrate their model and then evaluate various scenarios. It may help to determine things like:

1) What would it look like if the city was using the state's recommendation, 2) What would the operation look like at build-out with recommendations, and 3) Assist in determining weak links. Due to the fact that almost all of the water that goes into PI is pumped, this overview will also evaluate the operation of the system to reduce pumping costs.

C. Zappala asked about the how strong the confidence levels are due to the fact that this modeling is very complex. Mr. Noble said that they do the calibration and compare the model to what is actually observed. C. Zappala also raised the question of the exact output on the model and study. Every scenario may not be explicit in the contracts but we will work with Hansen, Allen, and Luce to provide the scenarios that will be most critical.

Mr. Noble said that one of the deliverables would be to provide the model so that the city could manipulate the model in the future. They have done models for lots of cities, such as Highland, Spanish Fork, Springville, Saratoga Springs and others throughout the state. This is within the realm of what their firm has done; they have done smaller and larger. C. Augustus asked about what are the most types of savings that these cities have seen. Mr. Noble said that our city has multiple zones and the water is pumped and then sent through PRVs. By finding the best overall settings for these PRVs, for example, many cities see their biggest savings through energy reduction. Currently, Cedar Hills spends thousands of dollars each year on energy costs for pumping.

Mayor Gygi wanted to provide full disclosure that he has a business relationship with Mr. Noble's firm. For that reason, he did not participate in the selection of the firm and will not provide a recommendation on the council's action.

**MOTION: C. Zappala – To approve the pressurized irrigation system study as proposed through the professional service contract with Hansen Allen and Luce.** Seconded by C. Rees

**AMEND MOTION: C. Rees – The approval of the contract is based on final review by City Attorney, Eric Johnson.** Accepted and Seconded by C. Zappala. Vote taken by roll call.

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

9. Discussion on Fiscal Year 2015 Budget

Charl Louw indicated that this is only a discussion item, no action tonight. It will need to be approved by the next council meeting. They were hoping to get the Certified Tax Rate this week, but there were some additional calculations that had not been updated. (Review of PowerPoint detailing each item to be reviewed)

- Enterprise Fund Transfers – Guidance from new state auditor
- Tentative Revenue & Expenditure Updates

- Property Tax Rates & History
- Sales Tax Trend
- General Fund Revenue Budget Changes
- Golf Fund & Debt Service
- Water/Sewer Fund Revenues
- 2015 General Fund Revenues
- Golf Revenue Trends & Fund Reviews
- Wages & Benefits
- Potential Capital Outlays – Harvey Blvd
- Reduced/Eliminated Expenditures
- 2015 General Fund Expenditure
- Budgeted Golf Fund Expenditures
- Water/Sewer Fund Expenditures
- CIP for Water/Sewer Fund
- Motor Pool 2014 & Disposal Update
- Outstanding Bonds/Debt Service
- Restricted/Unrestricted Fund Balances

Following Mr. Louw’s review, he called for final questions from the mayor and council. C. Zappala had some questions about the golf debt service fund. In previous years, it looks like generally the revenue side has matched the principal interest payment. It looks like now it is being pulled from the Motor Vehicle Tax. Mr. Louw stated that this is just a correction to how it was accounted for in the past. The property tax will actually go down; this will impact the General Fund but we will need to absorb this. C. Crawley asked about the pumping costs and utility costs associated with the golf course, the utility budget going down and then back up again. Mr. Louw said that this was an estimated savings that we anticipated with lower costs for charging the new carts and mitigation in some of the ponds. C. Crawley had a final question about an increase to employee benefits. Charl Louw indicated that this accounts for some unemployment costs that we have.

10. Discussion on SR-146/Canyon Road

Mayor Gygi said that everything has stayed the same except Cedar Hills is pushing hard for the county to the road. They have the same concerns about the money needed to properly maintain this road. There was discussion about the county owning it but Cedar Hills and Pleasant Grove assisting with maintenance, snow removal, etc. If the state continues to own it, the estimated \$10 million goes away because there has to be a jurisdictional transfer. If the county takes ownership, it may not be at the level of a city, but it would be better than the state. The cities cannot do it on their own.

11. Discussion on the Commercial Zone, Proposed Highland Development

Mayor Gygi said that he attended a meeting with the director of the State Developmental Center and later with Alpine School District. This proposal is in the early stages of discussion. The two most important items are the road locations and how this development relates to our commercial development. Everyone seems to like the idea of the road going straight to Harvey Boulevard because that will alleviate some of the school traffic load. It could create some parking concerns for the high school because of those who typically park on the south side of the road that extends west from Cedar Hills Drive. There is mostly single family with some high density units proposed, as well as a small commercial zone. We did make a point that the Cedar Hills' commercial zone is not big enough to attract many large tenants so adding this may make the commercial zone large enough to accommodate the eventual build-out.

C. Zappala asked if consideration has been given to how the residential component will affect the schools in the area. Mayor Gygi has met with Rob Smith of Alpine School District specifically about this issue. They are planning five years ahead and they believe that Cedar Ridge and Deerfield elementary schools have both peaked for the next five years. The numbers are trending down. He indicated that if the demand was greater than anticipated, the school district owns land off of 4000 West; they could potentially build a junior high and elementary school there. The district is extremely aware of how these rooftops will affect their schools.

C. Augustus asked why the district believes that the population of the schools is trending down. Mayor Gygi said that as a district, they are about 99% accurate on trends and estimates. They track birth rates, etc. and have created a pretty accurate number.

12. Discussion on Regulating Open Fires and Fireworks

Chief Spencer Edwards of LPPSD is on assignment from Chief Freeman. He is here tonight to discuss regulations on fireworks and potential restrictions on open fires/fire pits. The district would recommend that all fireworks be permitted west of Canyon Road. They would like to restrict aerial fireworks east of Canyon Road with ground fireworks permitted. They would like to have district personnel available at Mesquite Park on July 4<sup>th</sup> and July 24<sup>th</sup> to accommodate those who would like to set off aeriels. The recommendation on fire pits would be to allow open fire pits, less than 36" diameter fire pit, to be used west of Canyon Road. Those east of Canyon Road would need to be covered.

Mayor Gygi indicated that last year we put a ban on all fireworks. C. Augustus stated that he appreciates that the district has been proactive in addressing this concern.

13. This meeting was adjourned at 8:41pm on a motion by C. Zappala, seconded by C. Rees and unanimously approved.

Approved by Council:  
July 15, 2014

/s/ Colleen A. Mulvey, CMC  
City Recorder