

CITY COUNCIL MEETING

Tuesday, May 2, 2017 7:00 p.m.
Community Recreation Center
10640 N Clubhouse Drive, Cedar Hills, Utah

Present: Mayor Gygi, Presiding
Councilmembers: Ben Bailey, Rob Crawley, Mike Geddes, Jenney Rees, Daniel Zappala
Chandler Goodwin, City Manager
Charl Louw, Finance Director
Jeff Maag, Public Works Director
Greg Gordon, Recreation Director
David Shaw, City Attorney
Colleen Mulvey, City Recorder
Others: Lt. Gregg Ludlow, Kevin Okleberry, David Driggs

This meeting of the City Council of the City of Cedar Hills, having been properly noticed, was called to order at 7:00 p.m. by Mayor Gygi.

COUNCIL MEETING

- 1. Call to order, Pledge led by Mayor Gygi and invocation given by C. Rees.
- 2. Approval of Meeting’s Agenda.

MOTION: C. Bailey—To move item number 18 and place it before item number 8.

Seconded by C. Zappala.

Yes - C. Bailey
C. Crawley
C. Geddes
C. Rees
C. Zappala Motion passes.

3. Public Comment

No comments.

PUBLIC HEARING

- 4. Amendments to the Fiscal Year 2017 Budget (July 1, 2016 to June 30, 2017)

No comments.

CONSENT AGENDA

- 5. Minutes from the March 21, 2017 Work Session & City Council Meeting

MOTION: C. Zappala—To approve the consent agenda. Seconded by C. Rees.

Yes - C. Bailey
C. Crawley
C. Geddes

C. Rees
C. Zappala Motion passes.

CITY REPORTS AND BUSINESS

6. City Manager

Chandler Goodwin reported on the following:

- The Recreation Department will be opening registration for the following classes and programs: youth computer coding, baseball and tee ball, bowling league, Lego summer camp, junior golf clinics, and women's golf clinic.
- The Recreation Department will be holding a 3-on-3 soccer and pickle ball tournament as part of the Family Festival this year.
- Mr. Goodwin thanked those who helped with Days of Service.
- The Recreation Department had been working with Boyd Wilkins, the Beautification Committee and the Recreation Parks & Trails Committee to find new places for recreation banners. There had been some discussion about the roundabout improvements eliminating space to host recreation banners.
- The Bayhill Park project is nearing completion. Staff would soon begin the process of selecting playground equipment. The Beautification, Recreation, Parks and Trails Committee would review the matter and provide recommendations to the Council.
- Golf Course Maintenance building was in the process of being framed. Mr. Goodwin thanked the golf employees for their patience on this matter.

7. Mayor and Council

C. Rees announced that the Family Festival was this month from May 30th to June 3. They were currently looking for a lot of volunteers.

Mayor Gygi reported that the Lone Peak Public Safety District met last week, and they spent the majority of their time in closed session.

C. Zappala stated that the Days of Service was very successful. He was pleased to see so much participation.

C. Crawley reported that the Planning Commission met to recommend a code amendment which would not require bed and breakfasts to be held in residential homes that were historic structures. The City didn't have any structures that were historic so they removed that provision. The matter would come before the Council at a later date.

SCHEDULED ITEMS

8. Discussion on the American Fork Canyon Water and Soil Testing

Mayor Gygi said that the results of the City's water, soil and sediment tests were posted on the City's website. They would also be shared on the City's Facebook page as well. The results could be viewed in their entirety by following this web link:

<http://www.cedarhills.org/sites/default/files/chemtech-ford-labs-water-samples-results-2017-03-30.pdf>

Kevin Okleberry, Environmental Scientist with the Department of Environmental Quality (DEQ) explained that some of the samples that were done were of soil and water. Last fall there was a large release of sediment from the Tibble Fork Reservoir in American Fork Canyon. It caused a lot of damage and killed off most of the fish in a two mile stretch of river. It released a lot of sediment which, based on a 2010 survey of the Lake, contained elevated amounts of heavy metals. The DEQ had been monitoring the situation and working to address the Utah Water Quality Act. The public comment period for the settlement agreement with the District was finalized yesterday. It would be brought up to review before the State Water Quality Board for final approval before it could take effect. In regards to results for Cedar Hills, there were various soil, sediment and water samples that were taken from locations on the Cedar Hills Golf Course, Mesquite Park and Heritage Park. Mr. Goodwin briefly identified where Pond 12 was located.

Mr. Okleberry said that in looking at these samples there was nothing that was found to be elevated above the screening levels or standards that were used. He explained that there were three standards DEQ had been using since the start of the event: (1) water as it related to safety and recreational use, (2) value for aquatic wildlife and (3) value for irrigation and livestock watering. For sediment samples, they screened using similar standards. In summary, the results of the samples taken in Cedar Hills were below the screening levels. The total metals included everything in the water as well as sediment that had been suspended, colloidal sediment, dissolved metals, etc. The irrigation and livestock water screening values were dissolved metal standards, and he explained the process by which those samples were obtained. He further explained the results of the tests, which could be reviewed at length by following the web link posted above.

C. Geddes asked if the standard value was a residential screening level (RSL) of 400, to which Mr. Okleberry answered affirmatively. The only caveat to his presentation was that he was not the official expert at DEQ for reviewing the numbers indicated in the report. He said that based on this data, it appeared that these samples collected in Cedar Hills were within the standards of natural variation or background levels; if they were elevated, they were still well below what was considered to be excessive for recreational use.

Mayor Gygi asked if the sample taken from the reservoir in August 2010 was the last year from which the DEQ had solid data. Mr. Okleberry said he did not believe there was any other data from the reservoir bed prior to the discharge. He said the 2010 data was collected for a natural resources conservation service in preparation for the Tibble Fork project.

C. Rees said there was a group called Protect and Preserve American Fork Canyon (PPAFC), and they indicated on numerous occasions that they had also collected samples. According to their samples, they were saying they exceeded the safety standards for recreational use. There had been some discussion regarding the validity of said samples, and she asked Mr. Okleberry what his opinion was regarding the matter. Mr. Okleberry said DEQ reviewed the data from those samples extensively, and they did not believe those samples were representative of the actual impact on the American Fork Canyon ecosystem. If the PPAFC samples were valid then they only represented a temporary, transient condition of the river that existed only at the time those samples were taken. No other entity had been able to replicate said samples.

Mayor Gygi asked how the samples were collected if the data from PPAFC was statistically improbable. Mr. Okleberry said there were five discrepancies that DEQ had noted with the PPAFC studies. First, the samples were collected in a different manner than the samples collected by other entities. Furthermore, their results fell outside of what a statistical regression line would predict, given the amount of sediment in the water. Third, it was almost ten times higher than what was known to be in the reservoir beforehand. Fourth, no other entity had been able to replicate those samples. Mayor Gygi asked Mr. Okleberry if he could recall the differences between how DEQ collected samples versus PPAFC. Mr. Okleberry said it was his understanding that the PPAFC samples were taken as water samples. The DEQ would consider that a total metals water sample and they would have it analyzed as a water sample; instead, PPAFC had their samples analyzed as sediment samples. The DEQ's sediment samples were collected from the bottom of the river.

C. Crawley asked what the method was by which the DEQ collected a sediment sample. He asked if they went down a certain number of inches or skimmed off the top. Mr. Okleberry said that in general, for sediment samples they took three inches off the top of recently deposited sediment. The general practice was to take samples from three different locations within the same sampling area and then mix them together in a bowl. The sample was then taken to the lab. The sample container was roughly four ounces. C. Crawley said that it would take a long time for three inches to accumulate, whereas there might be a higher concentration in a sample collected within a 24-hour period. Mr. Okleberry said that was possible, and the DEQ did consider that as well. However, in their sampling process they wanted to review what was already in the reservoir before the large release of sediment that occurred last fall. The core samples represented the best data in that they represented both shallow and deep samples; the range was two to 18 inches. The DEQ tried to get a variation so they could determine an average column sediment.

C. Geddes said that all of the fish and wildlife were killed, and he asked if the sediment was what killed them. Mr. Okleberry said that according to the DEQ, the wildlife basically suffocated to death. There were fish that survived down in the lower portion of the river, but everything from the confluence up to the dam was killed. The DEQ estimated 52,050 fish of species and size that perished. He said the amount of metals in the sediment were not high enough to have been toxic.

C. Zappala asked for a brief overview of the remediation plan for this event. Mr. Okleberry explained that the North Utah County Water Conservancy District was the responsible party. The DEQ had been in negotiations with them and they signed a settlement agreement last month. He noted that the public comment period ended on May 1st. The matter would then go through the Water Quality Board for finalization. Part of the notice of violation was for the District to perform a remediation and to remove sedimentation. This spring, they took the sediments they had collected in the irrigation reservoir at the mouth of the canyon and disposed of them. In October or November of last year, their environmental engineer took sediment samples from all the irrigation ponds and learned from those samples that the amount of sediments was very similar to the amount of sediments that was known to exist beforehand. They would test again next year to determine the amounts of metal concentration and once again have them removed. This process would be repeated on a yearly basis.

C. Zappala asked about sediments at the bottom of the riverbed. Mr. Okleberry said the simplest and most environmentally-friendly way was to let the water wash them down stream. He said there would be exceptional runoff this season due to significant snowpack. Part of the monitoring plan was that in late July/August, they would be taking samples from the river itself to see what the metals levels were after the runoff. This would be monitored until they were brought down to background levels. C. Zappala asked at what point the public would be notified that they were safe to go in the river again. Mr. Okleberry noted that the sampling results from last year showed that there wasn't an excessive risk initially, but the Utah County Health Department put up signs at the river to take extra precautionary measures anyway. They kept the signs posted because they didn't have anything to say otherwise. Once new samples were collected, the Utah County Health Department would make a decision on what to communicate to the public.

C. Zappala asked when the fish would get repopulated. Mr. Okleberry said that part of the settlement agreement indicated that the irrigation district was working with the DEQ to evaluate when the fish population had recovered. Part of that would include sampling the fish for metals content. He didn't know what the intended schedule looked like, and whether it included planting fish in the river or allowing natural reproduction to take effect.

Mayor Gygi thanked Mr. Okleberry for his presentation. He said the City would be working with the Pleasant Grove Irrigation Company to put out a press release containing all of the results. He again noted that they would also be posted on the City's website.

9. Review/Action on a Resolution Adopting Fiscal Year 2017 Budget Amendments

Finance Director, Charl Louw, presented the staff report and explained that there were some building fees and related costs for which they were adjusting. There were also increased costs and revenues for passports and recreation programs. The City had a continual commitment to the Youth City Council and Community Arts activities. Mr. Louw explained that due to slower than anticipated legal activity, the City proposed that the Council reverse a \$200,000 transfer in from the Capital Projects fund and transfer out to the General Fund for the current fiscal year. The City also proposed a transfer of up to \$400,000 to the Capital Projects, as well as a \$50,000 to the golf debt service fund. Mr. Louw stated that so far only a partial amount for the Bayhill Park project had been approved, and it would require additional funding in the amount of \$175,000 in order to complete the project. The golf maintenance building needed an additional \$50,000 for building and drainage improvements. Lastly, for the Cottonwood Hills Estates Lots there was an adjustment of \$120,000 based on sales activity through April.

In response to a question from C. Zappala, Mr. Louw explained that in terms of accounting debits were an expense, which was positive, whereas credits were negative, which was revenue. C. Zappala asked for further clarification on the \$200,000 and \$400,000 transfers. Mr. Louw explained that they transferred \$200,000 in January from Capital Projects to the General Fund to cover anticipated legal expenses. However, the litigation they were anticipating hadn't materialized yet. Therefore, staff was recommending that that transfer be reversed. The

\$400,000 was a transfer that took place every year as extra revenue that could be used as backup funds, if needed.

Mr. Zappala asked about the \$50,000 budgeted for golf maintenance. Mr. Louw explained that they had been living off of the fund balance for the last couple of years. They were close to going into the negative, which would affect compliance issues. Therefore, they could either opt to not transfer in the money or raise the levy rate, or they could keep the levy rate flat and transfer in the \$50,000 which would keep them tided over for a few more years. Mr. Zappala asked Mr. Louw what staff's recommendation was on the matter. Mr. Louw opined that the latter option would be best. In response to a question from C. Crawley, he guesstimated that the money would last four years.

Mr. Louw explained that anytime the City did any kind of property tax levy, whether it was the school district or any other governmental entity, the County allocated motor vehicle fees based on the City's property tax levy. Since part of the City's property tax was related to debt levy, they allocated proportionally to what was levied to the golf debt fund.

C. Zappala asked if the rest of the debt service for the golf course was paid partially by motor vehicle fees and partially by this fund balance that was transferred in from the General Fund. Mr. Louw answered affirmatively.

MOTION: C. Rees—To approve Resolution No. 05-02-2017A, a resolution adopting the amended 2016-2017 Fiscal Year Budget for the City of Cedar Hills, Utah. Seconded by C. Geddes. Vote taken by roll call.

Yes - C. Bailey
C. Crawley
C. Geddes
C. Rees
C. Zappala Motion passes.

10. Review/Action to Adopt the Tentative Fiscal Year 2018 Budget (July 1, 2017 to June 30, 2018)

Mr. Louw presented the golf debt service funds, and provided a list of Utah County's prices. He outlined some of the deals that other golf courses offer, including the following:

- Twilight rates after 2:30 pm (\$14.00 off at Hobble Creek)
- Super twilight rates after 4:30 pm (\$35.00 off at Thanksgiving Point)
- Military rates (\$15.00 to \$35.00 off at Thanksgiving Point)
- Senior rates (\$2.00 to \$4.00 off at Spanish Oaks and Hobble Creek)
- Junior rates (\$2.00 to \$10.00 off at Spanish Oaks and Hobble Creek)
- Off season rates (\$13.00 off nine holes at Thanksgiving Point)
- Temperature specials – previous day low temperature for 18 holes
- Advertising on social media – Facebook, Twitter, etc.
- Promotions on radio, KSL deals, Groupons, Valpak, GolfNow.com

Mr. Louw reviewed the budgets and anticipated costs of the following golf courses: Fox Hollow, Spanish Fork, Hobble Creek and Gladstan. He showed how the budgets for each of these golf

courses compared with Cedar Hills's golf course. He said the Fox Hollow Golf Course in American Fork struggled the most and was subsidized by three different cities.

Mr. Louw then presented Cedar Hills's golf course revenues. He explained that green fees were approximately \$10,000 less than the prior year through March due to lower revenue in August and September, and wet weather could have been hurting the spring numbers. However, from a historical perspective they were still doing well. If they hit their average within the next few months, they should still be able to meet the budget. The golf pass trades for the past several years were then presented as follows: 2014 (\$40,200), 2015 (\$33,436), 2015 (\$33,436), 2016 (\$15,000) and 2017 (\$30,000).

In response to a question from C. Crawley, Mr. Louw explained that part of the budget included transfers in. He said that they based the budget on a three-year average, and they tried to take into consideration the investments needed for new equipment as well. C. Crawley asked if they would exceed target revenues this year, and Mr. Louw opined that it would be close, especially if they had good weather in May and June. C. Crawley noted a significant decrease in revenues from 2016, and he asked why this was the case. Mr. Louw said part of it was there was more competition in nearby areas. Furthermore, he opined that weather contributed to the decline in numbers. He said the Pro Shop and season passes were doing better, but mostly the decline was in green fees.

C. Geddes said that in the 2016 to 2017 season, even though the numbers showed up as season passes they were really trades. Mr. Louw said season passes were tricky; he explained that in looking at this year before trades, their revenues were slightly up. Next, he presented a graph that represented the revenues for the 2015 to 2016 fiscal year. The graph showed that green fees comprised 76.6% of the golf course's revenue. The practice range, pro shop, snack shack, season passes and interest income made up the remaining percentage of revenue. The total amount of revenue for 2016 was \$756,447.

There was subsequent review and discussion of the following information:

- Cedar Hills year-to-year comparison golf revenues through the month of March
- Major golf revenue trends between the years of 2012 and 2016
- Fiscal Year 2015 to 2016 expenditures:
 - Payroll – 56.3%
 - Pro Shop, utilities, supplies – 12.8%
 - Course and equipment maintenance, motor pool charges – 19.2%
 - Golf cart rentals – 9.6%
 - Advertising – 2.1%
 - Total expenditures was \$850,734
- Highlights of the golf budget:
 - Overall operational budgeted support from other funds was \$142,000
 - 165 acres of open space or \$860 of operating support required per acre
 - 54 acres of irrigation lines or \$2,630 per acre of irrigation
 - Other City parks 33 acres – budgeted cost per acre was \$6,616
 - Capital outlay – two rough mowers which cost \$110,000
 - Golf cart agreement would expire in February 2018
 - Green fees increased \$5,000

- Pro Shop revenue increased \$14,000 and corresponding expenses were \$12,000
- Overall wages and benefits decreased \$600
- Supplies increase \$2,500 for range balls
- Utilities increased \$4,000 for electrical costs
- Repairs and maintenance course decreased \$5,000
- Highlights of golf debt service budget:
 - Partially refunded 2005 general obligation bond, which was paid off on February 1st, 2016
 - 2012 general obligation had principal and interest payment scheduled until February 1st, 2035
 - The principal and interest payments averaged approximately \$384,000 annually
 - The property tax debt levy remained flat at \$309,970
 - Fund balance of \$10,000 to \$15,000 would need to make up the difference

Mr. Louw presented the Water & Sewer Fund Highlights, which totaled \$3 million in expenditures for the fiscal year ending June 30th, 2016.

- \$877,255 wages and benefits, or 29.2% of expenses
- \$518,187 Timpanogos Special Service District (TSSD) (sewer charges)
- \$396,802 principal payments on debt service
 - Extra principal payment of \$21,000 on 2009 utility revenue bonds
- \$198,324 interest and trustee payments on debt service
- \$295,885 Rocky Mountain Power electrical costs
- \$139,990 water purchases – Central Utah Water Conservancy District, Pleasant Grove Irrigation Company, American Fork
- \$76,532 excise tax bonds debt service allocation (Public Works building)
- \$67,782 motor pool charges
- \$41,688 meter installation and maintenance
- \$38,794 water construction projects
- \$37,442 storm drain maintenance

The 2014 to 2015 monthly sewer expenses for TSSD invoices were presented, as was a graph representing the 2016 to 2017 City water usage versus sewer charges.

The water and sewer fund revenue and expense highlights were then reviewed as follows:

- Bowen Collins adjustments were necessary for the following reasons:
 - Pay-as-you go for necessary capital maintenance and improvements
 - Offset very low impact fees
 - Cover debt service
- 51-37-110 Water fee 6.4% rate plan increase
- 51-37-113,114 PI usage and base rate 0.0% rate increase
- 51-35-110 storm drain 6.5% rate plan increase
- 51-38-110 sewer 5.5% rate plan increase, proposed lower rate of 3.0% as placeholder due to SEACAP study and TSSD uncertainty
- \$(24,116) 51-XX-110, 111 wages and 51-XX-150 benefits due to turnover
- Eliminating transfers out by moving excise debt service into fund

- Debt service coverage ratio was budgeted at approximately 1.34, and the City's bond covenants required a minimum ratio of 1.25

Mr. Louw presented the water, sewer and storm impact fees in other cities, including Herriman, Eagle Mountain, Lehi, American Fork, Spanish Fork, Saratoga Springs, Draper, Lindon, Pleasant Grove, Alpine, Highland and Cedar Hills. The water and sewer impact fee trends were then reviewed.

Pending projects included:

- Storm drain/site work for Deerfield Park
- Old Town storm drain retention (\$400,000)
- Canyon Road sewer (\$400,000)
- Meter installation and maintenance (\$47,000)
- Harvey well chlorination station (FYE 2020, \$80,000)
- Cottonwood well chlorination station (FYE 2020, \$60,000)
- New jet/vacuum truck for FYE 2018 (\$300,000 to \$400,000)
- Irrigation pumps at Pond 10 and 12 will be adjusted if necessary
- Harvey well replacement (FYE 2025)

Vacuum truck purchase, contract and rental options:

- The City currently owned a Ditch Witch vacuum trailer with three-inch hose which needed to be replaced
- Public Works was still working on getting demonstrations for various sizes and brands
- Enviro-care 24-hour emergency response (\$200/hour daytime and \$300 per hour after hours to contract)
- Renting combo vacuum truck, if available:
 - \$1,200+ per day
 - \$12,000+ per month
- Single axle or double axle chassis for vacuum trucks (\$85,000 to \$130,000 usually purchased separately)
- Ditch Witch Kenworth single axle truck/FXT50 \$244,000 utilizes four-inch hose
 - Other local government entities didn't use this configuration, thereby making it difficult to get a demo
- Neverest Vacall with double axle configuration without truck (\$230,000 to \$276,000)
 - Larger vacuum hose, tank, options
- Legacy-Vactor 2100 Plus with double axle configuration without truck (\$230,000 to \$300,000)
 - Larger vacuum hose, tank, options
 - Appears to be brand purchased by most other local entities
 - American Fork recently purchased a vacuum truck for almost \$490,000 including truck chassis

Recent water activities and trends:

- Culinary and secondary water's high demand on current wells and pumps continued to cause the system to wear down prematurely

- Hansen, Allen, Luce Inc. PI capacity study performed
- Water Conservation Committee recommendations presented at town hall meeting
- Education of residents on Water Conservation Committee findings throughout Facebook, emails, newsletters, City's website and signs
- Watering day restrictions with fines
- Harvey well rehabilitation required April 2015 through February 2016
- Cottonwood well motor replacement, February 2016
- Bowen, Collins & Associates utility rate update proposed two metering alternatives, in addition to the status quo
- American Fork booster repair, summer 2016
- Central Utah Project Water landslide, 2017

Mr. Louw presented a table representing the monthly water usage for a typical resident, per the study conducted by Bowen, Collins & Associates (BCA). He explained that they did not have the capacity after moving excise tax bonds into the water and sewer fund. The only way they could add meters would be some kind of financial incentives from the State, or with grants. Alternatively, the City would have to save up for this expense. Mr. Louw noted that the City could not bond for meters at this time, because they did not have the capacity to meet debt service coverage. The City could go through the process of moving the excise tax bonds back to governmental funds to create additional debt capacity; however, staff recommended they only do so in the event of an emergency.

C. Zappala stated that according to the study conducted by BCA, the City was aware that they had excess wear and tear on their pressurized irrigation system because of how much they were pumping through the system. The alternative was saving up funds and hoping that the system didn't have a critical failure in the meantime; which essentially meant they were gambling as a City. He said that he might consider this circumstance to be an emergency. C. Zappala said he wanted to have data that showed what the odds would be of a system failure.

Mr. Louw stated that Public Works wanted meters right away. However, the City also had to balance the wants of the residents as well. C. Zappala further stated that if they put in meters, then the City would also have to have enough incentive for people to cut back on their water usage, so that they actually did reduce wear and tear on the system. C. Zappala said that the Council needed to have a serious discussion on this matter sometime in the next few months. The utility cost advantages between Alpine and Cedar Hills was then briefly reviewed.

Mayor Gygi thanked Mr. Louw for his in-depth presentation.

C. Geddes inquired as to why Highland and Alpine did not have a paramedic fee. Mr. Louw stated that Alpine had a one dollar paramedic fee. The Highland City Council decided upon a different funding mechanism for their paramedics.

C. Zappala asked if there were two other Councilmembers who were willing to have a discussion about meters within the next couple of months. C. Zappala received an affirmative response from some of the Councilmembers, and Mayor Gygi stated they would have this discussion soon.

C. Zappala asked if the proposed budget was included with the staff report. It was noted that it was included. C. Zappala asked if any changes had been made to the Tentative Budget from the last time it was reviewed, and Mr. Louw answered affirmatively. He noted that they hired a new City Manager; any other changes were previously covered in his presentation.

MOTION: C. Geddes—To approve the tentative 2017-2018 Fiscal Year Budget for the City of Cedar Hills, Utah. Seconded by C. Rees. Vote taken by roll call.

Yes - C. Bailey
C. Crawley
C. Geddes
C. Rees
C. Zappala Motion passes.

11. Review/Action on an Ordinance Amending Title 3 of the City Code Relating to Business Licenses

Chandler Goodwin stated that the proposed ordinance amendment was also presented to the Council two weeks ago, in light of Senate Bill (SB) 81, which limited the City’s ability to require a license fee for certain types of home occupation businesses. He stated that the impact this would have on the City was a \$25,000 reduction in business license revenues. Mr. Goodwin said that the City’s business licensing department had called a number of cities, and there were a number of them that had not determined a way to adopt this new law. Staff recommended that they err on the side of the resident. Mr. Goodwin read through the proposed amendments, as well as the associated changes to the fee schedule.

C. Zappala asked Mr. Goodwin to clarify what had changed since the last time this item was reviewed. Mr. Goodwin said the only change was under the definition of “home based business”. A sentence was added to this definition requiring home businesses to have a business license; however, most (namely, home based offices) would not be required to pay a fee.

C. Geddes asked if an annual renewal would still be required. Mr. Goodwin said there would be no setup fee, and if an inspection was conducted previously then another one would not be needed. If a business owner wanted a copy of their license the fee was \$5.00.

In response to a question from C. Zappala, Mr. Goodwin indicated that a license was not required if a business was only operated occasionally. It was also noted that the age limit was previously set at 16 years old, and the amendments modified the minimum age to 18 years old.

MOTION: C. Rees—To approve Ordinance No. 05-02-2017A, an ordinance approving changes to the Cedar Hills City Code Title 3 of the City Code Relating to Business Licenses.

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

Yes - C. Bailey
C. Crawley
C. Geddes
C. Rees
C. Zappala Motion passes.

C. Geddes asked if the changes would take immediate effect. Mr. Goodwin said the City was treating the amended Code as taking effect the same day the Governor signed the bill into State Law. The changes could not be applied retroactively.

12. Review/Action on a Resolution Dissolving the General Plan Citizens Advisory Committee, the Golf Course Citizens Advisory Committee, the Town Hall Citizens Advisory Committee the Water Conservation Citizens Advisory Committee

Mr. Goodwin said the City wanted to get in the habit of dissolving committees as they were no longer needed, and reconstituting them when necessary by resolution of the City Council. He explained that the Golf Course Finance Committee met to discuss the financial state of the golf course; they presented their findings to the community in a town hall meeting. The Water Advisory Committee met to discuss the water needs of Cedar Hills; they also presented their findings to the community in a town hall setting. Other committees such as the General Plan Committee met to help guide a discussion on the community. The purpose of the proposed resolution was to establish protocol for these types of committees.

C. Zappala requested that the Golf Course Finance Committee post the presentations that they had created to date. Currently, it was very difficult to locate said presentations on the website. Mr. Goodwin said he would arrange to have the information listed on the website in an easier spot to locate.

MOTION: C. Zappala—To approve Resolution No. 05-02-2017B, a resolution dissolving the General Plan Citizens Advisory Committee, the Golf Course Citizens Advisory Committee, the Town Hall Citizens Advisory Committee, and the Water Conservation Citizens Advisory Committee of the City of Cedar Hills, Utah. Seconded by C. Crawley.
Vote taken by roll call.

Yes	-	C. Bailey	
		C. Crawley	
		C. Geddes	
		C. Rees	
		C. Zappala	Motion passes.

13. Review/Action on an Ordinance Amending Title 1, Chapter 7A of the City Code Relating to Campaign Finance Disclosure

Mr. Goodwin said the purpose of the proposed ordinance amendment was to be in compliance with State Code. According to recent changes in State Code, any anonymous donations made to a candidate's campaign needed to be either donated to a non-profit or to the City; candidates could no longer accept anonymous donations.

C. Rees noted that these changes only applied to donations that were \$50 or more. If a candidate received an anonymous donation in a lesser amount, they could keep the money. Ms. Mulvey said that was correct.

MOTION: C. Zappala—To approve Ordinance No. 05-02-2017B, an Ordinance amending Title1, Chapter 7A of the City Code of the City of Cedar Hills, Utah, relating to Campaign

Finance Disclosure requirements and definitions. Seconded by C. Rees. Vote taken by roll call.

Yes - C. Bailey
C. Crawley
C. Geddes
C. Rees
C. Zappala Motion passes.

14. Review/Action on a Resolution Authoring the City to Enter into an Interlocal Cooperation Agreement with Utah County for the Administration of the 2017 Municipal Elections

Mr. Goodwin explained that Cedar Hills was one of the first cities in Utah County to do an all vote by mail election, and other cities wanted to do this as well. This year's election was being proposed to be administered by Utah County. The County would be in charge of administering the entirety of vote by mail elections, including the processing, mailing and counting of the ballots. The cost of the election would be shared between the County and individual cities, as long as there were interlocal cooperation agreements. Mr. Goodwin noted that the County would get the bulk mailing rate, whereas the City would have to pay the standard mailing rate.

C. Rees said she had asked Ms. Mulvey if residents would still have the option to drop off their ballots at a ballot box, and Ms. Mulvey had indicated to her that yes, that would still be the case.

C. Crawley said he had an issue with vote by mail due to voter fraud that happened around elections. He had heard of situations in the City where people received more than one ballot and others who had not received one at all. Furthermore, there were cases in which people had moved. He indicated that there were a lot of unanswered questions with the vote by mail method. He said there were a number of conservative groups who were also concerned by this issue. Some of the questions that had been asked included:

- How do you know that the votes cast by mail are cast by citizens who are registered to vote in your city?
- How do you know that the person whose signature appears on the ballot is the person who actually cast the vote?
- How do you know that someone didn't sign for their spouse?
- How do you know that a vote cast by mail is actually delivered to be counted by an election judge?

C. Crawley said he did not think there was proof that vote by mail lowered election costs. Mr. Goodwin said there were lower costs involved in having the County administer the election versus the City administering their own election. C. Crawley stated that he was against the proposed interlocal agreement as stated in the above resolution.

Mr. Goodwin asked Ms. Mulvey to address concerns associated with signature verification. Ms. Mulvey explained that the County possessed the database of registered voters; that database contains each registered voter's signature. Once ballots were received, they would verify every single signature based on said database. If the County was going to reject the ballot for any reason, they contacted the voter directly to let them know that the signatures didn't match. In

that case, the voter was required to sign an affidavit, and if the signature on the affidavit matched the signature stored in the County's database, then the vote would be counted. A new law that was passed this year required the County to contact the voter within a certain amount of days. Ms. Mulvey said she had participated in this process before. She noted that ballots do not get forwarded if someone had moved; it was against the law. In this instance, all returned ballots would go directly back to Utah County. The only ballots that would be at the City offices would be those that were brought in by residents and dropped in the ballot box. On Election Day, if a citizen indicated that they did not receive a ballot in the mail, they had the option of going into City offices on Election Day to fill out a provisional ballot. The ballot would then be sent directly to Utah County.

Mayor Gygi asked if there was a way to track whether or not any voter fraud had taken place within the City. Ms. Mulvey stated that the Lieutenant Governor's Office would have that information. However, if there had been any problems with fraud the City would have heard about it already.

C. Zappala listed some statistics from the State of Oregon which implied that voter fraud was a minimal occurrence. There was further deliberation on the matter.

MOTION: C. Crawley—to continue this item to next meeting. The motion died for lack of a motion.

MOTION: C. Zappala—To approve Resolution No. 05-02-2017C, a resolution authorizing the execution of an Interlocal Cooperation Agreement between Utah County and the City of Cedar Hills, Utah, regarding the administration of the 2017 Municipal Elections.

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

Yes	-	C. Bailey	
		C. Geddes	
		C. Rees	
		C. Zappala	
No	-	C. Crawley	Motion passes.

15. Review/Action on a Resolution Notifying the Utah County Commission of the City's Intent to Submit to the Voters an Opinion Question Regarding a Possible Imposition of a PARC Tax

Mr. Goodwin presented the staff report and explained that in 2008, the City of Cedar Hills considered and approved via general ballot opinion question, a local sales and use tax of 0.1% of particular transactions to fund cultural facilities and organizations, recreational facilities and programs, zoological facilities and organizations or botanical organizations. Per Utah State Code Title 59, Chapter 12, Part 14, the tax may be reauthorized at the end of the eight-year period in accordance with said code, by submitting an opinion question to the residents of the City regarding the possible imposition of a City-wide PARC Tax. The City's intent was to include this opinion question on the 2017 municipal general election ballot for the residents of the City to consider. The proposed resolution was the first step in the process to advance the proposed opinion question to the ballot. The tax revenue was estimated to be \$40,000 annually.

C. Crawley asked Mr. Goodwin why staff was not proposing the CARE Tax. Mr. Goodwin said the CARE Tax and the PARC Tax were synonymous terms. C. Crawley asked why they could not simply call it the CARE Tax. Mr. Goodwin said staff felt the term PARC Tax more clearly defined what purpose it served.

C. Rees said the City had always used the term CARE Tax for items such as the basketball courts at Heritage Park. They had never used CARE Tax funds for recreational programs. By using the term PARC Tax they were trying to better clarify to the residents that the funds would go towards facilities or parks.

MOTION: C. Geddes—To approve Resolution No. 05-02-2017D, a resolution notifying the Utah County Commission of the City of Cedar Hills’ intent to submit an opinion question to Cedar Hills residents regarding the possible imposition of a citywide tax to fund, cultural, recreational, botanical and zoological organizations or facilities in the City of Cedar Hills, Utah. Seconded by C. Rees. Vote taken by roll call.

Yes - C. Bailey
C. Crawley
C. Geddes
C. Rees
C. Zappala Motion passes.

16. Review/Action on a Resolution to Discontinue Membership with the Utah League of Cities and Towns (ULCT)

Mr. Goodwin stated that this resolution was proposed by C. Crawley. He then presented the staff report and explained that Cedar Hills was scheduled to pay the ULCT \$5,118.71 in membership fees for fiscal year 2018. These fees were based on assessed property values, population estimates and sales tax revenues. ULCT served as a lobbying group that worked to preserve local authority at the State level. Representatives from ULCT also offered multiple trainings to elected officials, planning commissions, land use authorities, staff and others on the process in local government and best practices.

C. Geddes asked how this year’s fees compared to those from last year. Mr. Goodwin said they were about the same.

C. Crawley said the trainings were helpful, and that one could pay to attend them without paying the membership fee. He said it was nice to get together with other elected officials from around the State. However, he said they could probably get the same legal answers from the City Attorney. He said the main problem he had with ULCT was that they were almost like a government appendage, because so many other cities were funding the organization. He said that while ULCT was a powerful lobbying group, he did not think their efforts were always in the best interest of the residents. He said that for him the biggest trigger was the gas tax, where so many funds went to UTA. Residents generally wanted lower taxes and roads to be funded locally. If the roads were going to be funded through the gas tax, then they wanted that money to go to roads and not a company like UTA.

C. Rees said she understood C. Crawley’s remarks in relation to the gas tax, and that there were a number of concerns with UTA’s business practices. She said she would like ULCT to meet with the City and address how they were resolving those issues. C. Rees said that in addition to advocating for revenue for cities, they had also done quite a few things that had benefited Cedar Hills, namely in relation to GRAMA and zoning laws. She said the City had access to ULCT’s trainings, legal and policy experts. C. Rees said ULCT got their marching orders from the Legislative Policy Committee (LPC), which was made up of elected officials from throughout the State. The only representative who had ever served on the LPC was Mayor Gygi; however, there wasn’t a limit to the number of staff who could serve on the LPC. The only exception was that there could not be more than two Councilmembers serving on the committee at one time. She said that if the City was concerned with ULCT’s direction, it made sense to have elected officials step up to serve on the LPC. She stated that ULCT was going to be a powerful lobbying organization regardless of whether or not Cedar Hills was a member.

C. Crawley said he didn’t need a lobbyist; rather, he just would call his representative to voice his opinions. He said that as elected officials they could not serve on every single board. He said he was in favor of smaller government, and government tended to get bigger through these types of organizations.

Mayor Gygi said he understood C. Crawley’s remarks, and that he was also concerned about small government. He stated that for the two years he sat on ULCT’s Board, he never saw any real or any perceived conversations where they were lobbying for anything other than what their City members wanted them to lobby for on their behalf. He agreed with C. Rees’s comments. There was brief discussion about an incident in which a ULCT employee’s actions were legally called into question.

C. Zappala commented that it was laughable that ULCT would be labeled as liberal when it was populated by elected officials from very conservative cities all across the State of Utah.

MOTION: C. Zappala—To not approve the proposed resolution to discontinue membership in the Utah League of Cities and Towns, effective for fiscal year 2018.

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

Yes	-	C. Bailey	
		C. Geddes	
		C. Rees	
		C. Zappala	
No	-	C. Crawley	Motion passes.

17. Review/Action on Resolutions Related to Resident, City Staff and Elected Officials Use of the Golf Course

Mr. Goodwin said there were two resolutions as part of this memo, and suggested they break the discussion up into two parts. The first proposed resolution was outlined as follows:

“Whereas elected officials have a responsibility to vote in an unbiased manner regarding the spending on the golf course; whereas the golf course represents an asset that has significant costs to residents that benefit in varying degrees from the golf course; whereas free golf awarded to elected officials can give bias in fact and/or bias in appearance to elected officials:

“Therefore, the City Council resolves that from this time forward, neither current elected officials, nor previously elected officials, shall be given preferential treatment over residents in regards to usage of golf course facilities including green fees, driving range usage, golf carts usage, product purchases, etc.”

MOTION: C. Crawley—To approve Resolution No. 05-02-2017E, a resolution of the City of Cedar Hills, Utah, regulating Elected Officials golf course usage. Seconded by C. Rees.
Vote taken by roll call.

Yes	-	C. Crawley	
No	-	C. Bailey	
		C. Geddes	
		C. Rees	
		C. Zappala	Motion does not pass.

C. Geddes said he was bias on this issue because he loved to golf. However, he said he did not run for City Council in order to get free golf. He said that he had been a season pass holder since the golf course first opened. He said that while he wasn't offended by C. Crawley's proposal, he did point out that he and Mayor Gygi were the only elected officials who golfed. C. Geddes said he loved and knew the golf course, and he brought a number of his friends to golf there as well. While he did not know what revenue he had added to the golf course, he said it was significant. He said he was going to buy a season pass the year he was elected, but was informed by the City Manager at the time that elected officials did not have to pay for golf. C. Geddes said he thought this was a great benefit for elected officials and employees. He wished that more elected officials and employees utilized the course, especially since the City spent a fair amount of money on it. He concluded by stating that this was not a fiscal issue; there was no loss of revenue because the golf course had fixed costs. He recommended that they continue with the current policy, and he encouraged other elected officials and employees to get their friends and neighbors out on the golf course.

Mayor Gygi explained that there was already a recommended policy in place, which C. Crawley wanted to formalize by way of a resolution. He said that the policy was that elected officials would only get free golf if they brought paying golfers with them. He said that there wasn't a significant problem right now because no one was really golfing very much. He agreed with C. Geddes that he wished other elected officials and employees would get their friends and neighbors out on the golf course more often.

Mayor Gygi explained that C. Crawley's second proposed resolution stated that "...the City Council resolves that all residents, employees and elected officials are allowed a free golf game when bringing with them a minimum of two additional customers paying full price for green fees". Mayor Gygi suggested that the minimum be raised to three additional paying customers, and that the language specify a cap on the number of times a person could take advantage of this benefit within a given time frame. However, the Council could decide on what they felt was best.

Mr. Goodwin said that golfers tended to go out in groups of four, and staff also suggested that the minimum be raised to three additional paying customers. He also wanted to clarify that the

18. Review/Action on an Ordinance Amending Title 9 of the City Code Relating to Performance Guarantees

Mr. Goodwin presented the staff report, and explained that in 2015, legislation was passed that changed the duration and ability of durability bonds that contractors and developers posted as part of making public infrastructure improvements. Currently, Cedar Hills required a 20% durability bond to be held for two years. Recent changes to State law restricted that limit to 10% for a term of one year.

C. Geddes noted that he needed to recuse himself from voting on this item because he had two durability bonds in place.

MOTION: C. Rees—To approve Ordinance No. 05-02-2017C, an ordinance approving changes to the Cedar Hills City Code Title 9 of the City Code Relating to Performance Guarantees. Seconded by C. Crawley. Vote taken by roll call.

Yes - C. Bailey
C. Crawley
C. Geddes
C. Rees
C. Zappala Motion passes.

C. Crawley said he was planning on moving before the end of the year, probably in mid-June. Mayor Gygi said that C. Crawley would need to resign from his position on the Council, after which time a special election would be held. C. Crawley asked if a special election could begin while he was still on the Council, and Mayor Gygi said no; a special election could not take place until after he had officially resigned. Mayor Gygi asked C. Crawley if he would be willing to tender his resignation tonight, and C. Crawley said no; he wanted to continue serving on the Council for as long as possible.

Mayor Gygi said it would be best if the City Council did not have a time period where there wasn't a fifth voting Councilmember. Special elections take time, and if C. Crawley was moving in June that would not give them much time to fill his seat. He recommended that C. Crawley submit his notice of resignation within the next week, so they could begin the special election process.

C. Zappala said C. Crawley's term was up this year and therefore a special election was not needed. Mr. Goodwin said the special election would appoint someone to C. Crawley's seat for the remainder of his term, which would be until the end of this year. C. Zappala stated that in that case it would be appointment. Mayor Gygi said it was an appointment, but the process was called a special election.

Mr. Shaw said according to State law there should be an appointment for someone to fill C. Crawley's seat. That person would have the chance to run for election at the soonest opportunity, which in this case would be at the end of the year.

C. Crawley said that City Code was unclear of what would happen if he tendered his resignation after the filing period had ended. He again stated that he preferred that the special election take

place while he was still on the Council. Mr. Shaw explained that a special election could not take place until C. Crawley had officially resigned. He said he would review the matter as it pertained to the approaching election deadlines. Normally a special election would occur during a non-election year.

C. Zappala said he would rather the vacant seat be filled via an election rather than an appointment.

C. Bailey made a comment that something C. Crawley had pushed for in the past was that if one did not have a vested interest on an item then they shouldn't vote; he encouraged C. Crawley to make this same consideration when reflecting on when it would be appropriate to officially tender his resignation.

C. Crawley said that some residents had indicated to him that they would like his conservative voice on the Council for as long as possible.

Mr. Shaw further clarified residency as defined by the State Code.

Mayor Gygi said that C. Crawley had a little bit of time to figure things out, but he asked that he not take too much time on the matter.

ADJOURNMENT

This meeting was adjourned at 9:40 p.m. on a motion by C. Zappala, seconded by C. Geddes, and unanimously approved.

Approved by Council:
June 20, 2017

/s/ Colleen A. Mulvey, MMC
City Recorder