

PUBLIC HEARING AND CITY COUNCIL MEETING
Tuesday, June 16, 2009 7:00 p.m.
Public Safety Building
3925 W Cedar Hills Drive, Cedar Hills, Utah

Present: Mayor Mike McGee, Presiding
Council Members: Eric Richardson, Ken Kirk, Jim Perry, Charelle Bowman, Marisa Wright
Konrad Hildebrandt, City Manager
Kim Holindrake, City Recorder
David Bunker, City Engineer
Rachel Brown, Finance Director
Greg Robinson, Assistant to the City Manager-Planning
Ashley Vogelsberg, Community Services Director
Courtney Hammond, City Meeting Transcriber
Others: Cliff Chandler, Holly Dahle, Scott Dansie (Comcast), Kris Olsen, Shawn Richins,
Diane Kirk, Deann Nielsen, Malcolm Lloyd, Linda Fotheringham, Ken Cromar, Paul
Sorensen, Lloyd Beal, Brooke Watson, Jean Peaslee, Gary Smith, Orson Herrmann, Rolland
Brown, Caleb Warnock, Jonia Lundberg, William Arnold, Judy Arnold, Mike Kirsch, Brett
Latimer, H.R. Brown, Tom Garner, Lionel Longson, Bob Ogden, Kathy Allen, Lance Allen,
Ray Hutchinson, MarLynn James, Jane James, Michael Jolley, Julie Knudsen, Ann Cox,
Larissa Powell, Brent Uibel, Zonda Perry, Rick Taylor, Keller Penrod, Craig Clement

COUNCIL MEETING

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

Invocation given by C. Perry

Pledge of Allegiance led by C. Kirk

- C. Bowman stated that she is happy to see a large turnout at the meeting. She is frustrated that it takes a poorly written article to get people here, because the audience tends to be angry and half informed by the poorly written article. There have been hours of discussion on this issue. She would like more active input from residents because it makes the Council more educated on what residents want.
- C. Richardson stated that he is looking forward to the public comments. It is important to not put property taxes at risk for anything golf-related. He is impressed with the number of people that have offered positive support for the recreation center. There is no need to rush into any decision.
- C. Kirk stated that it is unfortunate that it took a slanted view from one reporter to get so many people here tonight. He put the blame on all residents; the golf course clubhouse was first put on the agenda in September 2008 and has been on every agenda, but it took a newspaper article to get people here. If all the facts were put out there, many people would change their minds. More public involvement is better.
- C. Wright stated that she realizes that most people are here because of their reaction to how she was quoted in the meeting. She said that she would never insult the intelligence of the residents of Cedar Hills. She said that the Council had been talking about this decision for hours and months. Mayor McGee had just said that the Council was elected to make these types of decisions. She thought she was doing her job. Her mistake was in not understanding the deep frustrations of residents toward the golf course. She has listened to all the emails, and has personally responded to all of them. The

lease at the clubhouse is up. The Council needs to decide whether it wants to spend more lease dollars on an inadequate site. Cedar Hills has received budget awards for 6-7 years. The Council is financially conservative. She considers it a great privilege to be on the Council and serve Cedar Hills. She understands the nature of the economy and is interested in lowering property taxes.

- C. Perry stated that he appreciates the public comment and attendance. He agreed that the article was a misrepresentation of what happened. There is never a time when he thought members of the Council had bad motives. He is in favor of cutting taxes and building a recreation center. He can relate to people not showing up at every meeting until there was a controversy. He does not expect residents to come to every meeting. He will do his best to represent the interests of the public. His position is that the clubhouse requires the time and energy to make sure it is done right because the city can't do it over. He thanked city staff, council members, and former council members for fiscally conservative policies. Cedar Hills has always had a policy that one-time growth revenues are only spent on one-time only expenditures.
- Konrad Hildebrandt stated that there are cities and states throughout the U.S. with major budget issues because of fiscal decisions. Cedar Hills should be proud of its elected officials because of their budgetary processes. A few years ago there was negative press as the city got ready to refinance the balloon financing on the golf course. It was always intended to be refinanced. Not only is Cedar Hills fiscally responsible, but it has also been able to provide improvements such as parks, trails, decent roads, etc.
- Mayor McGee stated that every member of the Council has alluded to the inaccuracy of the newspaper article. There was one element that particularly irritated him. The journalist, Caleb Warnock, called him while he was with a client. Mayor McGee told him to call back in an hour, and it did not happen. Caleb Warnock was present at the meeting and denied the Mayor's claims. Mayor McGee stated that he did interview with the Deseret News, and they found it so unworthy of news that they did not do an article.

2. Public Comment (7:28 p.m.)

Brent Uibel: Mr. Uibel stated that it is humbling to see so many people. Poor journalism can lead to good things. He asked that residents listen to council members and to not prejudge.

Rob Fotheringham: Mr. Fotheringham stated that he feels that he understands the basic public services clause in the law on bonding. He asked the Council to respect the law that was passed. There seems to be a feeling to chastise residents for not attending. One of the principle reasons why Council members are elected is to save time. There are mechanisms to inform residents without forcing members to be present at meetings. He would like to see government stay out of business. Combining three recreation/clubhouse functions into one clouds the issue. If that is the direction, please bring it to vote, unless all speculative elements are removed. Otherwise, the Council is forcing residents to bear the risk.

Larissa Powell: Ms. Powell thanked the Council for the work it does. She thanked C. Wright for contacting every person that contacted her. If there was another golf course with a good clubhouse that is making a substantial profit, that would be a good example of how a clubhouse can benefit the City. But that is not the case in this economy. She does not want the recreation center issue clouded by speculative elements. Let residents know everything. If it is a good, fiscally responsible plan, residents will support it. She asked the Council to honor and respect the fact that they were elected to represent the people that created the bonding law, and they expect the Council to uphold it.

Russ Fotheringham: Mr. Fotheringham suggested getting information out via a newspaper article. The founding fathers agreed that the greatest threat to economic prosperity was interference of government in economic ventures. He believes that getting involved with a clubhouse would be doing just that. There are people who are already past their limit on their ability to pay taxes. To further increase taxes, especially for speculative ventures, puts them over the limit.

Orson Herrmann: Mr. Herman stated that he appreciates the work of Council members. Constitutionally, the republic is representative, and means that elected officials need to represent the public. He expects the Council to be fiscally responsible. The City is already in debt for the golf course. Before spending more monies on the golf course, retire the debt. He would like to see a feasibility study before entertaining spending \$2 million. He suggested meeting with the media to get lines straight. He was disheartened that a member of media was silenced with the threat of being ejected, and felt there was a measure of defensiveness from the Council.

Joel Wright: Mr. Wright stated that most families are tightening their belts. Many are upside down in mortgages. The City has benefitted from Walmart. Tonight, the Council will be looking at property tax rates. To keep the same revenue, the rate needs to go up 25%. He encouraged the Council to keep the current rate even though it costs money in revenue. Comcast made some dramatic promises about building out their network. They have failed on that issue. Many people have lost their over-the-air service; Comcast does provide basic service. He compared the golf course to the war in Iraq. However it started, it is here. Either continue, or pull out.

PUBLIC HEARINGS

3. Ordinance Amending City Bonding Requirements (Ordinance No. 1-24-2006A) (7:50 p.m.)

Before the public hearing, Mayor McGee gave the Council an opportunity to talk about the issue:

- C. Perry stated that Caleb Warnock did accurately portray the fact that C. Perry does believe the referendum vote requiring public vote for bonding is valid and standing. He stands behind it and believes the clubhouse issue—a discretionary item—requires a public vote.
- C. Wright stated that C. Perry brought up the ordinance during the last meeting. It was a surprise to her. The Council writes and changes ordinance every meeting. She did not understand the passion and reasons behind the ordinance. After listening to the will of the people, she has no intentions to change the ordinance, even though she thinks it is too binding.
- C. Kirk stated that he agrees with C. Wright's comments. He was unaware of the ordinance. The intent of ordinance is now perfectly clear. He has no intentions of voting to change it. It is a safeguard for the people. He does not think the newspaper article accurately portrayed that part of the meeting.
- C. Richardson stated that he was against changing it last week, and he is still against it.
- C. Bowman stated that she wants to hear from the public.

Public Hearing:

Christy Olson: I bought my home back in 1979. I moved away for awhile, and when I moved back, my finances weren't even where I could have internet or cell phone. My income has not changed. One thing did change for me: I paid off my home. But I think I am one of the few minorities in that boat. Most of you don't know that my neighbors and I were able to lease our building lots for \$1 plus and they gave me \$500 to put in grass. That's the street I live on. I wasn't here when they voted for the golf course, which I think doesn't really serve us. There are very few people in Cedar Hills who golf, but I realize that there is an obligation now. However, I don't approve of the bond issue. It is not something I can afford to have. My taxes go up, and it doesn't serve me in any way. Yet, I do think we need some public buildings: A library, a community center, and a place for activities. However, I think in hard economic times, it is best to sit on that money and let it mature a little so we can address that later when finances are better for most people. I see a lot of people losing their jobs that have mortgages. I have a lot of neighbors and don't want them to have to move. I do not approve of the bond.

Russ Fotheringham: These are things that I legitimately don't know the answers to: How much money is in the recreation fund?

Mayor McGee: Roughly \$3 million.

Russ Fotheringham: How long has it taken to collect that money?

Mayor McGee: Quite a few years. Since that impact fee was enacted. Just so you understand, you can't just let this money sit there. We are under duress of law, really, to either put it to use or give it back.

Russ Fotheringham: Is it against the law to use it toward restructuring the loan; to put \$3 million dollars towards paying off the golf course?

Mayor McGee: It's against my principles. It is against the law. It is for a recreational facility.

Russ Fotheringham: So that means that a clubhouse/reception center fits into that category?

C. Kirk: If you call it a clubhouse.

Mayor McGee: I think that is pretty deceptive. We are not going to do that when everybody has always understood that it's going to be a recreation center.

Russ Fotheringham: I'm asking the questions because we seem to be searching for a solution to the golf course, and there's \$3 million that would drastically change the debt service on the golf course.

Mayor McGee: And we have discussed that at nauseam, trust me.

C. Perry: And the short answer is that we could debate whether the golf course qualifies for that piece of recreation facility money, but that's a whole other debate.

Mayor McGee: And I don't even disagree that it couldn't be considered a recreation facility, but I think it would be a very, very disingenuous use of that money when people have understood throughout the community that it was for a recreation center.

Paul Sorenson: I have been a resident of the City here for about a year. We came from California. I must say this is the second time I've been to this meeting. The first time was when you had the discussion regarding the stop signs. I was offended at that meeting and I am offended here at the comments made by you, the Council Members, at myself. I feel it is a little condescending to us citizens as to why we are here to make public comments. We should not hear lectures from you about why we are not attending other meetings and whether or not we have knowledge about the situation. I wanted to put that on the table first. Going over the amended ordinance that you have here, you indicate that it appears things were intended or not intended by the ordinance when it was put forth. I'm not sure when the ordinance was put out. You need to clarify that.

C. Perry: 2003

Paul Sorenson: It is very clear and very short and it says any type of bond. So if you want to change that, then maybe go to a public vote to make that change so that it can, indeed, take care of certain requirements that you may have, like public safety. I can see the value of that. But I think it is very clear that the public needs to be informed to make a decision, or the ordinance needs to be amended with the public's approval. That's my opinion. I agree with everything else that was said. I just want to make sure that it is clear that there are more voices, and it appears that the Council Members are trying to reject this amendment.

Ken Cromar: Having served as Council Member myself, I understand some of the frustration. I've read many newspaper articles thinking "Were we at the same meeting?" I understand those feelings. Having said that, and your explanations as to your frustrations notwithstanding, I think there is no way of getting around the fact that we are having a public hearing about changing the ordinance. With your awareness of the citizens and the constant emails that came to you, drawing your attention to the fact that 70% of the citizens of this community voted for "no bonding" for any purpose, whatsoever, without a vote of the citizens, you had to change the discussion for this evening. I think that is a fact, undeniable. We are here talking about it. I wouldn't hide too much behind that article; it was a bad article. Number 2, I honestly intended to come in here with two barrels blazing and my finger set on a nuclear device ready to activate. I am furious about this issue. I have been intricately involved over the years in trying to make sure this sort of discussion doesn't even happen again. And, yet, I must tell you that I had a change in heart with regards to the nuclear option. Gary Duncan used to live in Cedar Hills, and he helped us very much on these issues. He recently passed away in the last couple of weeks of cancer. He was a very kind and gentle man. I am going to try to remember that as I say the things I'm going to try to say. When I heard earlier today, and it came to

my attention putting little pieces together, that there is actually discussion about building a new city building which would of course require more bonding, in addition to what is already being considered with regards to a clubhouse, I about lost it. When that ordinance was passed November 4, 2003 by 70% plus of the citizens, it said no bonding whatsoever. What happened in 2006, as Councilman Perry pointed out, was that the ordinance was changed to facilitate needs. Then it was decided that there was a needed public works building to protect our trucks and facilitate those issues. I went to gensteel.com and found out that a 200 foot x 60 foot steel building finished would cost \$107,000. One that is 100 feet x 60 feet would cost \$54,000. You add on even a trailer to that, and you have spent even less than 10% of the \$2.1 million that was bonded to build a building that for the most part, remains unused; definitely, all of the basement remains unused when we have unused space in this building. \$1.2 million is what this building costs to build.

Mayor McGee: You're over time.

Ken Cromar: I'm going to say something.

Mayor McGee: You're over time.

Ken Cromar: I'm going to say something.

Mayor McGee: You have 10 seconds.

Ken Cromar: No, you let Konrad go way on beyond the time and I have a couple of things I want to say. (*Several residents volunteered to give Mr. Cromar their time.*)

Ken Cromar: The idea of even combining all those buildings up there will preclude us from ever being able to split off the golf course. The golf course would be tied to the City building, tied to an aquatics center, a recreation center, whatever. It would be built on a sandy spot of ground. Not wise. The wise man did not build his house upon the sand. We do not need another City building. Absolutely not. The economy is heading in the wrong direction. The Fed is spending and printing money beyond. Do you realize houses are going up for sale, there have been foreclosures, people not able to meet their bills, people are losing their jobs, and you are talking about new spending. And getting this ordinance changed was the intent of this discussion tonight so that you can anticipate doing things in the future without the vote of the citizens. It is inappropriate to consider that. We have our city building now that cost \$2.1 million and you can just make the space if you feel a need for that.

C. Wright: What are you talking about?

Ken Cromar: There is a discussion about building a new City building.

C. Wright: Have you been to a Council meeting in the last year?

Ken Cromar: Have you not had any discussions about the possibility of building a new City building? I just heard it tonight from you guys. Have you not had any of those discussions, Mayor, yes or no?

Mayor McGee: The answer is yes. We've discussed many things that have never come to fruition. That's a ridiculous question, Ken.

Ken Cromar: Well, I rest my case. We are not talking about bonding for a golf course. We're talking about bonding for a golf course; we're talking about bonding for a city building. We're talking about all sorts of bonds. Here's my point: The citizens of this community made it abundantly clear after being deceived into voting for a golf course that it is not the proper role of government. Remember this, Mike: You passed this throughout the neighborhood – The Proper Role of Government.

Mayor McGee: I didn't pass that through the neighborhood. I gave it to certain individuals, but I didn't pass it through neighborhoods.

Ken Cromar: The proper role of government never included golf courses and serving the needs of the private sector. But we've done it. They say that when you've been digging a hole and keep digging yourself deeper into the hole, the first thing you need to do is stop. Council Members, stop it. The citizens have had it. No more. Joel Wright complimented the Council for having kept the budget in place and kept the taxes low. He misplaced his compliment. That went to the citizens because the first item that was voted on that 2003 vote was "no tax increases without a vote of the citizens." We tied your hands because we have learned that government seems to want to do more than it was set up to do. In conclusion . . .

Mayor McGee: You're done.

Ken Cromar: In conclusion . . .

Mayor McGee: No, you're done.

Ken Cromar: In conclusion . . .

Mayor McGee: You are done.

Ken Cromar: This Council is being requested.

Mayor McGee: Sergeant, will you remove him?

Ken Cromar: This Council is being requested to not change the item but to go back to what the citizens said with no bond whatsoever. Who will defend the citizens of this community on this Council? Go back to what the citizens already voted for. Thank you very much.

C. Perry: I would just like to appeal for everyone to be a little more cooperative. I don't think we need to be combative about issues and get into arguments and fights. This is a public hearing. We can let people talk, and we can have a civil discussion. Ken, I love you. I would, honestly, have never run if you hadn't knocked on my door one day. I appreciate that. On the other hand, I don't know where you're pulling this \$2.1 whatever million for a public works building. That's just inaccurate. It was 2003 that we had the vote. We just don't need to be combative. That's my opinion.

C. Bowman: One thing just to clarify. I don't know if I misunderstood you, but I just wanted to make sure everybody is on the same page. Jim did bring up at the last meeting this ordinance. And it was a surprise to a few Council Members. We then said that we want to have it on the next agenda, and then we all said we wanted a public hearing. I don't want anyone getting under the assumption that it was a hidden thing and the article is what made us have a public hearing because of the outcry. I'm saying exactly how it went down. I just want to make sure everyone understands that we as a Council said, "Whoa, if that's the ordinance, then let's review that. Kim, set it up as a public hearing." There was no oh citizens are freaking out so we made it a public hearing. It was decided like that from the get go. I just wanted to make sure everyone was clear on that, and I'm sure the Council would agree how this was planned.

C. Kirk: This discussion was scheduled two weeks ago at the last Council meeting because I was unaware of it. I didn't have it in front of me. It is against the open and public meetings law of Utah to discuss this with more than one other Council member because once we have three we have a quorum and we can't discuss things. So I wanted it on the table, and I seconded the motion to bring it to this forum so that we could discuss it, read it, and get public input to it. There was no deceit about let's hurry and change the law so we can build a clubhouse without the public knowing about it. We can't make a motion to change an ordinance without a public hearing. That's why we made it an agenda item, because we couldn't do anything with it and that was inappropriate.

C. Wright: I love Cedar Hills. There are a few people in this town that love to pit neighbor against neighbor. I'm sick of it. We all live together. We all, for the most part, get along. But some people just love to stir that pot, and it's to our detriment. You wrote an article in the Herald that I thought was incredibly unfair and inaccurate.

Ken Cromar: I wrote no article in the Herald.

C. Wright: Is your name Ken Cromar?

Ken Cromar: I was quoted in an open letter.

C. Wright: Clarification, your comments in the paper. It is mind boggling to me that we can't get past this reputation in Cedar Hills that we are fighters. I love living in this town. My neighbors and I all get along. But, when we come out on certain issues, it's like the claws come out. And the paper loves it and they get in here and they report as sensational of an article as they possibly can. I don't appreciate the contention that you brought in the meeting. And I don't appreciate the comments you made in the Herald. You acted as if you knew exactly what was going on. I've been on the Council for a year-and-a-half, and this is the first time I have ever seen your face. The first time. And you send me articles, ". . . and I was a Council member, so I know what's going on." You do not know what is going on in the current Council. I do not appreciate people who love to make contention. I think we are a peace-loving people. That's why I moved here. I've said my peace.

Mayor McGee: Just so you understand, I am not a bully. I never have been a bully. I'm all of a sudden said to be a bully merely because we set a time limit. Every other speaker very easily agreed to comply with that but one, and he has a reputation for that.

Jean Peaslee: Me thinkest thou speakest too loudly. You defend yourselves. You've got to put on your poker face and take it like we took it. You people were elected by the people, for the people and of the people. There have been town council members in the past who have acted of themselves, for themselves and by themselves. The reason that you are getting the heat on this ordinance is because we had also voted that there would be no tax raises above a certain percentage unless it was brought to the people to vote. A previous town council, that you're getting heat for, went ahead and made some little adjustments and raised our taxes 39% that year. There are many people; the City is getting older. We cannot afford any more increases. When you build a clubhouse and you want it for a wedding reception, you need a wedding planner and you need a cooking staff to prepare the refreshments. It is going to cost you a lot more money than just building a building. First, please pay off the golf course, then let's get the things we really need. We need a library. We need something for our youth to do for those families who cannot afford to take them to other communities. It is not fair to the youth of this city to have nothing to do. That is why we are getting the graffiti. That is why we are getting the vandalism. There is nothing for the kids to do. Please do not amend this ordinance and raise our taxes again. And let's pay off our debt.

Mike Kirsch: I think that you should actually take it as a compliment that people don't routinely show up to the meetings because that means that we trust you are making the right decisions. The thing that made us come this time is it appeared as though the Council was about to make a decision that was contrary to the will of the people as expressed in the 2003 vote. That is what got me to come to the meeting today is to express my concern that it appeared as though council was ready to overturn or change the law in order to build the clubhouse. I am pleased to hear that is not the case at this point, that the will of the people has been heard. I'd like to apologize to you, Marisa, that it seemed on the Cedar Hills website—the forum—it appeared that I considered you guys to be dishonest or liars. Jim kept the Council honest only in the sense that he brought to the attention that this is what people wanted. He kept you on the straight and narrow. So I don't want to say that I think you guys are dishonest or anything else like that. I think you are all honest and honorable people. I do appreciate that Jim had history, understands, and knowledge of what happened and was able to bring that to Council's attention. I just want to voice my opinion that I think we need to go to a vote of the people to bond.

Diane Kirk: I just wanted to thank the Council for all work that they do, and I would like to ditto what Brent Uibel said earlier. I think the Council does a fantastic job. I think they are all honest. I do come to quite a few meetings, like Brent does. Sometimes we get to sit together and talk a little bit. I like what Charelle said about the meeting where they just were discussing it, and what Ken said about having it on this agenda. That is exactly what happened. I think they are trying to do what the public wants them to do, and they will do what their constituents want them to do. This is great to have such a big turnout. It makes it a lot more exciting. It's not as boring as it usually is. I think it's neat that people are getting involved. They are honest, good people, and they do put hours and hours into this. I know they do because sometimes I don't see my husband until the wee hours of the night because of these meetings. They discuss everything thoroughly. Sometimes it is so thorough, I get mad because it takes so long. They cover every little aspect of everything and want to do what the people of this city want them to do. I think it is a great City Council. Thank you for what you do.

Larissa Powell: I want to thank you for listening. I would ask that you set aside prejudices because there are people who raise a warning voice, and people don't like a warning voice. Sometimes they can be very confusing. It doesn't change that we need people like that. I don't want to be one of them, just like I don't want to sit behind a Council seat. But I would ask that you listen to the words, not the emotions behind the words, so you hear what is being said. It is important to go back to what was intended. Yes, there was talk about creating a new building and including it with the clubhouse and the reception hall. There was talk about that. So I was surprised when I saw several of you say, "No, we didn't." There was some. It doesn't mean it was on the agenda. It doesn't mean you were

going to do it. It was talked about. That was all. It was something that was talked about. I would prefer we stay right here. Don't build a new building. Don't do anything else. Let's ride out the recession. Ride it out and be fiscally responsible. And let's separate the golf course from the rest of the City budget and recognize it is, in and of itself, costing us money. It is not making us money. When we do that—when we keep it as a separate entity—then you can look at being fiscally responsible for just that one thing. Thank you so much for listening to us, and recognize that you just have to take it. Just be there and smile. We love you guys, we do. We are only talking about one issue.

H.R. Brown: As most people have, I want to thank you guys. I know what you make a month. I don't know why or how you do it, but I'm glad you're the ones doing it. You do a good job. First off, I totally support the bonding ordinance as it stands. I think a decision of this magnitude should go to the people. I think it is too big, and let democracy speak. If it speaks one way, amen. If it speaks the other way, amen. Having said that, two quick issues. We are in the golf course business. We might not like it. We have 18 holes of golf course, like it or not. We have to decide if we are going to be in it or not. To be in the golf course business, you need a clubhouse. That's just the facts. I personally believe that we should not be in the golf course business. I don't think we should get rid of the course. I think we should lease it out to a professional company that knows what they are doing with a professional PGA club pro and let them run it like a business. Let the entrepreneurs take over. I agree with Rob. Can't believe I said that, but I did. Let's let the entrepreneurs run it. I'm an entrepreneur. I run my business better than the government could run my business. I'm not that great of an entrepreneur, by the way. But you bring people in that know how to run a business, that want to make money, and they'll run it that way. Cities don't know how to make money, especially running golf courses. Sleepy Ridge is a great example of a city that paid for its course, bringing in a company that knows what they're doing. They manage it. They have a huge clubhouse now that I think is almost darn near paid for because they brought people in who knew what they were doing and they did their job. That being said, is it feasible? I haven't been to the meetings. I have 10-month-old twin boys. I can't come to all the meetings. I can't believe we don't even have a feasibility study that tells us if it's a good thing or not a good thing, that we've gotten this far down the road without concrete ROI figures. Is this thing real or not? Lastly, combining the buildings I think makes a ton of sense. We've got \$3 million. I don't know what it costs to build a nice clubhouse or nice rec. center. I'm sure it's a lot more than \$3 million. It makes sense that you would have shared revenue coming in from both the rec. center and the golf course. It is one of the prettiest points in Utah Valley. I think this is an incredible business opportunity for somebody. Somebody has to come in and look at that and say "I'll lease it from you guys." Let's get out of the business. I don't mean sell the course. Turning that into a park will never work. It will cost us a bunch of money. We've talked at nauseam about every option. There has got to be a good way to make this thing work. We are in the business whether we like it or not. Let's find a way to make it work where we can make money, somebody else can make money, and we can use this property properly.

Brad Creer: I have to say I'm pleased. It's been awhile; to hear respectful and rational comments made by the City Council. Some of you were not here in 2003. Some of you were not aware of the will and wishes of the citizens. It was clearly stated that the majority of the people of Cedar Hills did not want any further spending without a vote of the people, especially for non-essential services. I'm grateful that you took time to educate yourselves, to look at the ordinance, to read it, and to hopefully understand a little bit of the history and the past. I urge you, if you want a clubhouse, to put it to a vote. If it's that important, than I will gladly open my tax bill and pay the bill, if that's the case. But I have to say, for my family, it is a burden I wish I didn't have to bear. I've said all along I moved to Cedar Hills to raise a family. I didn't move to Cedar Hills to play golf; never stepped on the course. My six children will never—well if they pick up golf I'd let them, but they have chosen not to. It serves such a small minority. I'm going to state this too, from a business man's perspective, if I were to own a store, and I would have owned it for five years, and it had never made a profit, and I had never made the mortgage or lease payment on it, how wise and prudent would it be to go and

say, “I think I’ll build some beautiful executive offices. I think I need to further this business that I’ve never been able to show a profit on. I’ve never made a lease payment. I’ve never made the rent on my store.” Please respect the will of the people. Put it to a vote. I’d be glad to support that and see what the will of the people is. Please, tonight, keep the ordinance in place. It was so passionately placed and very important to the citizens at that time, and I believe it still is today.

- Mayor McGee stated that the lease is up on three facilities that the golf course leases. The original discussion was to find out what could be built for the same amount currently paid for – the amount of the leases. At the last meeting, several council members wanted to have the discussion about what changing the ordinance would mean, rather than the intent to change the ordinance. The golf course is a separate line item on the tax bill. The Council is working towards paying off the golf course. The golf course is an inherited mess. But, it is now a city asset that needs to be protected. In order to protect it, it needs to be a functioning golf course. The course is nearly at break even on operation and maintenance. The golf course director believes that this coming year, it will completely break even.
 - C. Perry stated that he appreciate Mayor McGee’s comments, but feels it doesn’t represent the unified thoughts of the Council. He thinks the Council analysis needs to include what future leasing costs would be, not what the past leases cost.
4. Amendments to the Guidelines for the Design and Review of Planned Commercial Development (8:41 p.m.)

No comments.

CONSENT AGENDA

5. Minutes from the June 2, 2009, Public Hearing and Regular City Council Meeting (8:41 p.m.)

MOTION: C. Richardson - To continue the meeting minutes until the next meeting. Seconded by C. Perry.

Yes - C. Bowman
C. Kirk
C. Perry
C. Richardson
C. Wright Motion passes.

SCHEDULED ITEMS

6. Review/Action on Ordinance Amending City Bonding Requirements (Ordinance No. 1-24-2006A) (8:42 p.m.)

See handouts.

Staff Presentation:

Konrad Hildebrandt stated that in 2003, Cedar Hills’ voters passed a referendum that stated that no City official shall obligate the City with a bond of any type without a majority vote approval. It was later amended to make exceptions for necessary infrastructure and cases where a revenue source is identified that can be controlled and raised to meet the obligation.

Council Discussion:

- C. Perry stated that when he came to office, he thought the original referendum was great. After being in office, he realized that the reality is that for basic infrastructure items, if the City can’t bond

but we don't want all barber shops. This gives us guidelines to consider.

MOTION: C. Wright - To approve Resolution No. 6-16-2009A, a resolution establishing guidelines for the layout and design of planned commercial development projects within the SC-1 Shopping Center zone of the City of Cedar Hills. Seconded by C. Perry.

AMEND MOTION: C. Kirk - To include Cedar Hills Drive, since a lot of this is discretionary on the Council. It does give us additional latitude to see revenue-producing businesses along frontage that becomes important after the next four businesses move in. Accepted and seconded by C. Wright.

Further Discussion:

- C. Richardson stated that the Planning Commission talked about including Cedar Hills Drive. They decided not to include it. Some businesses may not generate sales tax, but produce patterns to increase the quality of the commercial district. Those businesses may shy away from even attempting to come to Cedar Hills if the Guidelines are too restrictive.
- Greg Robinson stated that there was a discussion to include every road in the commercial district. The Planning Commission realized that the Design Guidelines allow you to encourage sales-tax generating entities, but this puts the emphasis on the arterial roads.
- C. Kirk stated that when Mr. Smart sells that property, it will be to a developer who will put in whatever will make them money.

Vote taken by roll call.	Yes	-	C. Bowman	
			C. Kirk	
			C. Perry	
			C. Wright	
	No	-	C. Richardson	Motion passes.

8. Review/Action on Comcast Franchise Agreement (9:28 p.m.)

See handouts.

Staff Presentation:

Konrad Hildebrandt stated that Comcast Cable signed a 10-year franchise agreement in 2003. The agreement allows the City to review/amend the agreement on the 3rd and 6th anniversary. This is the 6th anniversary.

MOTION: C. Richardson - That we cooperate with Comcast regarding the existing franchise agreement between the City of Cedar Hills and Comcast of California/Ohio/Pennsylvania/Utah/Washington, etc. and as part of review as stated in section 2.5.1 of our franchise agreement that we declare this evening's item to be a review of the agreement and in compliance with section 7.1, that we indicate that we have an informal discussion of a notice of violation with Comcast, and we instruct City staff to issue a written notification in compliance with section 7.1 and that the City and Comcast work to cure the violation as detailed in 7.2, further instructing City staff to work through the process of the public hearing in 7.3 and creating a voluntary correction notice in 7.4. Seconded by C. Perry.

Further Discussion:

- C. Perry stated that this item was thoroughly discussed in Work Session. The frustration is with

- Comcast and getting city built out as per agreement.
- C. Kirk stated that the affected area is the Cedars West. The installation will be completed by October 15.

Yes - C. Bowman
 C. Kirk
 C. Perry
 C. Richardson
 C. Wright Motion passes.

MOTION: C. Perry - To move item 10 prior to item 9. No second. Motion dies.

- Review/Action on Resolution Adopting the 2009-2010 Real and Personal Property Tax Levy (9:36 p.m.)

See handouts.

Staff Presentation:

Rachel Brown stated that she believes the City should accept the certified tax rate because the City's expenditures are not tied to property values in the City. People still want the same services.

Council Discussion:

- C. Perry stated that the county assessor recommends a certified tax rate. If that rate is adopted, the City gets the same amount of dollars as the previous year, unless there is a truth in taxation process. He stated that lower property values are an indicator of the economic situation and taxes should follow. He wants to see the specifics of how the budget would be cut.
- Mayor McGee stated that although he has said in previous meetings that he wants a tax cut, in this case the City is not seeing a reduction in costs of running the City.
- C. Kirk stated that the options are not to just accept the county rate or the current rate. The council can choose any rate in between.
- C. Wright stated she favors using the current tax rate and making up the difference through sales tax revenue.

MOTION: C. Richardson - To adopt Resolution No. 6-16-2009B, a resolution setting the total property tax levy assessed upon real and personal property for general governmental purposes for the 2009-2010 tax year for the City of Cedar Hills, Utah at .00169 and the GO bond levy at .00178, for a total of .002768. Seconded by C. Perry.

AMEND MOTION: C. Richardson - To show that this is a tax cut for the residents of Cedar Hills for second year in a row. Seconded by C. Perry.

Vote taken by roll call. Yes - C. Kirk
 C. Perry
 C. Richardson
 C. Wright
 No- - C. Bowman Motion passes.

Further Discussion:

- C. Bowman stated that she voted against it because she knows of no areas that residents want a loss in level of service.

- Review/Action on Resolution Adopting the Fiscal Year 2010 Budget (July 1, 2009 to June 30, 2010) (9:57 p.m.)

See handouts.

Staff Presentation:

Rachel Brown stated that staff feels it would be imprudent to add any more money to the sales tax projections. Economic times are hard and all indicators are that sales tax revenues are going down.

Council Discussion:

- C. Wright stated that the City has received money from 13 business days from the commercial zone. She would like that money to cover the \$120,000 tax rate deficit. Any extra sales tax revenue could be funneled toward the golf course bond.
- C. Richardson stated that he thinks it would be better to cut the money from the budget now rather than if revenues come in; there can be later budget amendments and additions. He recommended the following budget cuts:
 - \$5,500 from 10-41-211 (Mayor/Council Education and Training)
 - \$10,000 from 10-40-600 (Contingencies)
 - \$5,000 from 10-55-700 (Other Public Safety)
 - \$16,000 from 10-55-300 (Fire Services)
 - \$1,000 from 10-60-211 (Building and Zoning Education & Training)
 - \$50,000 from 10-69-911 (Transfer to Motor Pool Fund)

Konrad Hildebrandt recommended the following budget cuts:

- \$5000 from 10-64-250 (Other Tree Services)
- \$5,000 from 10-55-700 (Other Public Safety)
- \$16,000 from 10-55-300 (Fire Services)
- \$7000 from 10-65-601 (Spring Clean up)
- \$10,000 from 10-40-600 (Contingencies)
- \$15,000 from 10-40-305 (Legal Services)
- \$14,000 from 10-65-500 (Library Expenses)
- \$15,000 from 10-65-600 (Family Festival Celebration)
- \$2000 from 10-65-605 (YCC)
- \$500 from 10-65-601 (Trail Day)
- \$500 10-65-450 (Cultural Arts)
- \$5000 10-65-240 (Park Maintenance)
- \$4000 10-44-215 (Administrative Contract Labor)
- \$11,000 from 10-44-120 (Part Time Wages)
- \$1000 from 10-40-250 (Repairs and Maintenance)
- \$1000 from 10-40-211 (Administrative training)
- \$2500 from 10-40-315 (Auditing)
- \$5500 from 10-41-211(Mayor/Council Education and Training)

MOTION: C. Perry - To extend the meeting to 11:36 and 20 seconds. Seconded by C. Richardson.

Yes - C. Bowman
C. Kirk
C. Perry
C. Richardson
C. Wright Motion passes.

Break was taken at 11:13 p.m.
Reconvened meeting at 11:22 p.m.

The Council agreed to the following budget amendments to take care of the \$120,000 budget

Approved by City Council:
August 4, 2009

Kim E. Holindrake, City Recorder