

CITY COUNCIL WORK SESSION
Tuesday, October 17, 2017 6:00 p.m.
Community Recreation Center
10640 N Clubhouse Drive, Cedar Hills, Utah

Present: Mayor Gygi, Presiding
Councilmembers: Denise Andersen, Ben Bailey, Mike Geddes, Jenney Rees,
Daniel Zappala (6:02 p.m.)
Chandler Goodwin, City Manager
Greg Gordon, Recreation Director
Jeff Maag, Public Works Director
David Shaw, City Attorney
Colleen Mulvey, City Recorder
Others: Lt. Gregg Ludlow

This work session of the City Council of the City of Cedar Hills, having been properly noticed, was called to order at 6:01 p.m. by Mayor Gygi.

Mayor Gygi indicated that he had invited City Manager Chandler Goodwin to lead a general discussion of the City's roads.

Mr. Goodwin began by enumerating the City Council's goals. He indicated that he and other City staff had engaged in various conversations about asset management. The City was required to account for the monetary value of its roads. In fact, the City was required to account each year for everything that it owned and determine whether the items were replaced, rebuilt, or rehabilitated. With regard to the roads, Mr. Goodwin stated that a report had been prepared called the Pavement Management Report. The preparation of the work had been contracted out to a firm called iWorQ. The report included a visual analysis of the City's roads.

Mr. Goodwin next provided an overview of asset management. The process involved an inventory of all items owned by the City and the condition of those items, including their valuation. Maintenance plans were also an integral part of the process, along with resource allocation. A plan was then developed to identify and prioritize the needs.

Mr. Goodwin said that some communities were running into the problem of not having allocated sufficient financial resources to maintain roads properly. Short-term needs must be met, but with a long-term vision.

The condition and funding of the City's roads was Mr. Goodwin's next topic of discussion. The City's roads were currently in fairly good condition, for the most part. In the past cities had used road bonds; however, that had proved not to be a very effective way to address road maintenance because of the complicated and stringent requirements for paying back bonds. An approach cities were now taking was to assess a utility and transportation fee, which was built into the utility bill. That approach gave cities more leeway for allocating funds for road construction and maintenance. He then explained how that approach was used in Provo.

Mayor Gygi interjected that Provo was unique because of the two LDS temples, a university, and numerous church buildings that were in that City. Those were non-profit entities, so they were not paying property taxes. Thus, Provo City implemented a road utility fee that even non-profit entities had to pay. Mayor Gygi stated that each city was different in its approach to this matter because of its inability to pass bonds to address this need. Mayor Gygi noted that Cedar Hills had just a few non-profit entities, adding that the road utility fee could be implemented in Cedar Hills at some point in time.

Mr. Goodwin next referenced and reviewed page 5 of the iWorQ report, which identified the conditions of the City's roads.

In response to C. Zappala's question regarding the amount the City paid iWorQ to prepare this report, Public Works Director Jeff Maag stated the amount as \$5,200. He noted that the overall report included more than what was reflected in the meeting packet. C. Zappala asked if this review should take place every three years, to which Mr. Goodwin replied in the affirmative. Mr. Goodwin explained that they took the 376 road sections and plotted them out. He then explained the gradation of road needs was indicated by color in the chart. Discussion then ensued on the condition and maintenance of several different roads in the City. It was noted that there were several roads that would need attention in the next few years. Mr. Goodwin explained that the chart that had been prepared would help the City Council methodically anticipate and allocate for the needs as they arose. He noted that different treatments involved different costs and durability.

Mr. Goodwin indicated that the GASB (Government Accounting Standards Board) required that the City show the depreciation of its assets. He noted that the GASB had a straightforward formula for calculating depreciation. Unfortunately, roads did not degrade in a linear fashion and did not necessarily comply with the formula prescribed by the GASB. He then explained the realities of road depreciation and emphasized the need for proactive maintenance of roads to prolong their usable life.

Mr. Goodwin next addressed maintenance planning. He said that sometimes one city department will upgrade a road, only to have another city department tear up the road to put in a water or sewer line. Better communication and planning needed to take place to avert such things from occurring.

Mr. Goodwin complimented the Public Works Department for the excellent way they take care of the City's roads. That said, careful planning was imperative.

In response to C. Rees's question as to whether or not iWorQ was going to be the company that drafted up a more comprehensive report for the City, Mr. Goodwin said that he had not talked to them yet about that. Mr. Maag indicated that the City was currently working on the storm water infrastructure and had started on sidewalks.

With regard to parks, Mayor Gygi stated that the City Council would be having a similar discussion on pipes and wells, and how they integrate.

Mayor Gygi outlined the revenue sources for maintenance needs, adding that he didn't think a road utility fee would generate a significant amount of money. C. Rees noted that Highland City charges \$18.50 per month.

Mayor Gygi next provided some input regarding the Transportation Committee, of which he was a member. He indicated that the committee was looking at a pilot program for what was called a Road User Fee. It would potentially be in place of the gas tax. There was a growing number of electric or hybrid vehicles, and bicyclists, that didn't use gasoline. As a result, the owners of those vehicles were not paying their fair share for maintaining roads. Mayor Gygi noted that he had no answers on how that idea would play out.

In response to C. Zappala's question regarding next steps, Mr. Goodwin stated that the City would need to take the data that had been provided by iWorQ and then make some recommendations. In response to C. Zappala's question regarding the anticipated time frame, Mr. Goodwin stated that he would need more information.

Mr. Maag clarified that the study was completed one and a half years ago. The information needed to be graphed out and analyzed. He indicated that analysis was ongoing on road conditions and repair needs. In response to C. Zappala's question as to whether or not this could be done within the existing budget, Mr. Maag stated that it would be another \$100,000 above what the City was currently doing. Small road sections would need to be done. When C. Geddes noted that one of the roads potentially included a sewer line, Mr. Maag confirmed his statement, adding that the surface was in good shape, but what was below the surface was not.

Mr. Maag noted that there were two cul-de-sacs that had the same problem. He added that the City had been doing crack sealing for just a few years and it was one of the key items. He stated that the fall and spring were the ideal times to do crack sealing. C. Geddes complimented Mr. Maag and his department for the good job they did with crack sealing.

C. Zappala urged that the road plan include an analysis of the pipes, as well. Mr. Goodwin stated that he was going to ask Brenda Shuman, Public Works Assistant, to look at all water leaks since they had been tracked to determine where they were predominantly occurring.

C. Rees requested an Executive Session because she had a question about the letter that was being sent to the County regarding county roads. When Mayor Gygi said that the letter would be shared as soon as it was prepared, C. Rees stated that she would like some feedback on where the City was going on the matter.

In response to City Attorney Shaw's question as to whether or not the matter involved potential litigation, Mayor Gygi replied in the affirmative.

MOTION: C. Rees—To go into closed session pursuant to State Code 52-4-204 and 52-4-205(1)(c)(d) and (e) to discuss pending or reasonably imminent litigation, closed session held in the Community Recreation Center. Seconded by C. Zappala. Vote taken by roll call. (6:35 p.m.)

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

MOTION: C. Zappala—To exit closed session and reconvene work session. Seconded by C. Rees. (6:42 p.m.)

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

This meeting was adjourned at 6:43 p.m. by Mayor Gygi.

Approved by Council:
November 21, 2017

/s/ Colleen A. Mulvey, MMC
City Recorder