

MINUTES
HIGHLAND CITY COUNCIL MEETING

Tuesday, June 17, 2014

Highland City Council Chambers, 5400 West Civic Center Drive, Highland, Utah 84003

PRESENT: Mayor Mark Thompson, Conducting
Councilmember Brian Braithwaite
Councilmember Rod Mann
Councilmember Tim Irwin
Councilmember Dennis LeBaron
Councilmember Jessie Schoenfeld

STAFF PRESENT: Aaron Palmer, City Administrator
JoD'Ann Bates, Executive Secretary/ Recorder
Nathan Crane, Community Development Director
Gary LeCheminant, Finance Director
Kasey Wright, City Attorney
Shannon Garlick, Secretary

OTHERS: Elissa Gricius, Kelsey Gricius, Dorthy Gricius, Bryan Gricius, Laura Gricius, Barbara Stevens, Janeen Ashcraft, Bethany Oporto, Jennifer Wilson, Tate Wilson, Melissa Brooks, Hannah Brooks, Cindy Barton, Jared Barton, Devin Ririe, Michelle Ririe, Laurie Robins, Scott Robins, Marci Whitworth, Jan Dowling, Tayton Godwin, Ed Dennis, Scott Smith, Wolfgang Muelleck, Julie Muelleck, Tim Heyrend, Laura Oscarson, Steve Oscarson, Blythe Shupe, Deborah Olsen, Tiffany Whiting, Nathan Whiting, Cindy Jonsson, Marlene Brooks, Michelle DeKover, Robert DeKorver, Kevin Fuller, Andrea Fuller, Catherine Peacock, Mandee Grant, Susie Schnell, Paula Forbes, Mark Forbes, Alison West, Steven West, Nancy Morrill, Chloe Morrill, Greg Morrill, Ethan Morrill, Jan Sterzer, Johnn Sterzer, Malinda Christensen, Sandra Howell, Kelly Sabotka, Andrea Sabotka, Carolyn Leifer, Norman Leifer, Wren Woodland, Kent Slade, Layne Jensen, Allyson Reynolds, William Reynolds, Sean Matern, Julie Matern, Bryon Tabet, Anna Thacker, Will Thacker, Stephanie Thacker, Jacob Thacker, Lois Christensen, Wendy Bishop, Rick Nydegger, Denise Nydegger, Laird Sessions, Patricia Curtin, Heather Groom.

The meeting was called to order by Mayor Mark Thompson as a regular session at 7:04 p.m. The meeting agenda was posted on the *Utah State Public Meeting Website* at least 24 hours prior to the meeting. The prayer was offered by Dennis LeBaron and those assembled were led in the Pledge of Allegiance by Shaun Matern, a scout.

APPEARANCES:

Blythe Shupe, Chair of the Library Board, stated the Board unanimously supports the dedicated library tax. She stated it has been said that the dedicated tax is not right on principal, but it was put in place to give the library support. She stated the library budget process is very rigorous and is submitted to the Council for approval; so cuts could be made and have been made to the budget. She stated they have built a small reserve, which is wise to have for future needs. She explained they plan to grow the library through grants and fundraising, without asking for more funding from the City. She stated at a recent council meeting 7 residents supported it and 1 did not and at the open house 40 expressed their support and 7 did not on the comment cards. She stated there are 700 card holders and it would appear the community is in favor of the dedicated funding.

Scott Smith, representative of the Library Board, stated he looked through several library budgets and the revenue from the City is listed on page one, the revenue from fees/grants on page three, and expenditures on page eight. He stated it would be helpful to have a line summary of the library budget. He stated there was a \$43,000 transfer to the Highland Foundation for library reserves which was actually private donations. He stated the reserves are for updating the computers, etc. and they would need to come to the Council for that, so there are not any hidden surpluses. He stated there has to be a dedicated tax to preserve the library. He stated the library is well used and the people support the library, so they need to keep the dedicated tax.

Sandy Howle, resident of Highland, stated she believes the City needs to keep the dedicated tax for the library. She stated if the money is taken away, it will be easy to use it for other things. She stated one of the reasons she chose to live in Highland rather than Alpine, is because they have the library.

Melissa Brooks, resident of Highland, stated she is a mother of four kids and their weekly visit to the library is one of the best parts of the week. She stated the library represents a vision of an educated people and community. She explained the library needs to grow within the community, removing the dedicated library stops that growth. She stated the citizens of Highland look forward to what the library can become and a big portion of that is the dedicated tax.

Julie Muelleck, resident of Highland, stated she got involved with the library eight years ago when she moved into Highland. She stated she continues to volunteer there today because she understands the value of the library. She stated during the summer the children need to continue to read and urged the Council to continue the library tax so it can continue to grow.

Jan Dowling, resident of Highland, stated she believes in the principal of the dedicated tax and it's a way to safeguard things that are important to the community, provide transparency of what is going on with the taxes, and helps maintain support for the library. She stated the library needs to be protected, and the dedicated tax does just that.

Steve Oscarson, resident of Highland, stated they should not only keep the dedicated tax, but should increase it. He stated it raises their property values and is a wonderful asset to the community.

Stephanie Thacker, resident of Highland, stated nine years ago she drove around looking for a library and there was not one. She stated she discussed it with the Mayor and expressed she would be willing to do anything to get a library and the Mayor appointed her and a couple others to find library options; she stated they met with small and larger libraries throughout the community and they realized the best thing for the City would be to move forward with a Highland Library. She explained she was the Chairman of the Board and the Mountain Ridge Library which did not succeed, and it was so sad to see thousands of volumes of books that were not being used because they did not have the support, dedicated staff, or dedicated tax to run the library. She stated it was basically a full time job to be the Chairman and she never got paid, but the benefit of having the library now made it worth it. She stated herself and the kids love the library and so much time and money has gone into it, and it would be in vain if the dedicated tax does not continue. She explained libraries all start out small, but with the right support, it can continue to grow. She stated she shops locally because it is close to the library when running errands, so it helps increase the tax base. She urged the Council to support the dedicated tax.

Laura Oskerson, resident of Highland, stated Utah is known for having an educated population and a family-friendly community. She stated the library supports both of those things and if the Council would like the City to be known for those things they need to support the library. She stated they would continue to fund the library in the general fund, but it could be cut as soon as something else comes up. She explained being someone who has a salary, she knows the importance of having a specific amount of funding to work with and to budget, and the dedicated tax does that.

Nancy Morrill, resident of Highland, stated she has lived in Highland for ten years and her daughter reads books from the library every two days. She stated she wishes the library was bigger so she wouldn't have to buy books. She explained they need to keep the funding so it can continue to grow and expand. She stated she is a Kindergartener Teacher and understands the importance of reading. Kids in her class that are reading increase their reading level, if they take away the ability of the children to be able to read throughout the summer and in their homes they will lose the educational impact which will make a difference in not only their future but ours as well.

Rick Nydegger, resident of Highland, stated they all believe reading and education is important and the discussion is dancing around the elephant in the room. He stated they have a limited amount of revenue and stated he is not certain of what the money would be used for if it's not used for the library. He stated if keeping library funding means cutting emergency services, then he may not be in favor of keeping the library funding. He stated he does not understand what the funding would be used for and asked for other options.

Laird Sessions, resident of Highland, stated he teaches fifth grade at Mountain Ridge, his father was a librarian, and he was a librarian. He stated dollars that do not have names do not make it to where they need to be. He expressed his concern that if they do not keep the dedicated tax the money will be used for other things. He stated that they have to go to other cities for a lot of other resources, like parks and recreation, but the City takes pride in having its own library. He stated many students have to do book reports, and the library helps reduce the burden on parents. He feels the library matches the values of the community.

Norman Leifer, resident of Highland, stated he went to the library all the time as a child, when he did not have funds to buy books himself. He stated when they take away the library, they take away opportunities for the children. He stated he supports the library tax and what the library does for the community.

Bethany Oporto, resident of Highland, stated they come to the library all the time and it is a service that is separate from other utilities. She stated that it is education for the community and they need to have the dedicated funding.

Heather Groom, resident of Highland, stated she is a member of the State Board of Education and she is a representative of this area. She stated they look at the cost to educate the children and stated there is illiteracy everywhere, it costs \$1,400 to incarnate someone and a big portion of that is based on a third grade education. She stated the money is well spent to make sure that children are reading. She explained the library demonstrates the city supports education. She explained the tax is in addition and earmarked for the library, and expressed her concern that if the funding is added to the general fund it would be easy to remove when things come up. She stated this is not just about fiscal policy, but about the welfare and future of the community.

Dennis LeBaron stated he will be voting to not keep the dedicated tax based on three principals. One: his campaign promise. He stated he did not run to keep the library, but to control spending and in order to do so they need to have control of the funding without having their hands tied, and not following through with that promise would be a disservice to those who elected him. Two: the library is not an essential service, so there should be no special funding for that service. Three: the Council needs to be able to decide where the funding goes. He stated he supports the library and does not believe it will close by removing the dedicated funding. He explained he could see the same passion for roads and stated they need to fund the roads; and he is not asking to remove all of the funding for the library, but they could take a couple dollars here or there to fund the roads.

Tim Irwin stated the comments and emails he receives have been very good and stated they can agree and disagree on certain issues. He stated this is an important decision and they need to not move forward to hastily. He explained he does not want to be responsible for unintended consequences. He stated they have a trust issue and often times they do not trust their politicians to do what they have promised to do. He stated the general fund supports and subsidizes the library in addition to the dedicated tax. He stated everyone in this room supports the library and stated Dennis LeBaron supports removing the library tax but he also suggested increasing the library funding amount and does support the library. Based on some recent conversations Tim asked the council to delay the decision.

Mayor Thompson stated that due to the input and comments made regarding this issues he would at this time accept and entertain a motion on number 5 of the agenda, "A Resolution Eliminating the Dedicated Library Tax Levy".

MOTION: Tim Irwin moved to continue the Resolution to a later date and include a request for a work session with the Library Board and Administrator to discuss the goals

of the library, the future of libraries, how to coordinate with school libraries, the usage and programs of the library, an expansion and possible partnerships with surrounding cities, funding mechanisms and fiscal responsibilities.

Rod Mann seconded the motion.

Rod Mann stated the question is not whether or not people use the library, but how it is funded. He stated the dedicated tax eliminates the discussion they are having right now. He stated the library has been very frugal, but the council does not have a discussion regarding the extra money, because it is automatically dedicated to the library. He stated moving the library funding to the General Fund would give the residents an opportunity to come discuss the library and forces that discussion. He stated he understands if people are afraid of politicians, but now they will be more active and involved. He stated the library has not raised as much money as they have in the past and stated the library tax is supposed to be a fixed percentage of the property tax. He stated many residents don't even know there is a dedicated library tax. He stated if the property tax goes up, the dedicated tax should go up equally as well, but that's not always the case. He stated at the end of last year they should have had \$149,000 in the library fund, but there was \$38,000. He stated it would be beneficial to the library to have it rectified. He stated he supports the motion to continue because there are accounting questions and if the City owes library money, they should give the library that funding. He stated he researched the issue because it came up in the campaign and would not have researched it otherwise. He stated children usage has gone down and other usage remains the same.

Brian Braithwaite stated this is a community value and trust issue. He stated the residents do not spend much time looking at the City budget, but elect people to look at the budget. He stated they want to trust those they elect, but do not always do so. He stated having the dedicated tax forces the issue to be discussed. He stated if there was not a dedicated tax the residents would not be here. He stated the funding would be easy to push aside, and the councilmembers could reduce the amount. He asked why they would need to remove the dedicated funding if they are not planning to do something different with the funding. He stated if there comes a time that something becomes more valuable than the library, then they have the ability to have the dialog to remove the dedicated funding at that time. He explained it is a very small portion of the property tax and the library staff has done a wonderful job being frugal. He stated if they remove the funding then the momentum they have to support the library would go away. He explained if they slowly cut it each year, they lose the dedicated staff and volunteers and it will never grow and expand. He stated if the residents have this passion, they need to help raise the funds, set goals, and take the library to the next level. He stated \$300,000 was donated by the community to get the library started and now the residents need to show their support for an expansion. He stated the Council has control of all the funding, they have this dedicated tax, but they could remove the funding at any time as long as they follow the right process.

Jessie Schoenfeld stated there is not that much surplus set aside that will make a huge difference in other areas like the roads, but it does make a huge difference to the library. She explained prior Council set aside the dedicated funding and did it for a reason, and the City needs to trust that decision. She stated the Council needs to be careful about changing something that doesn't need to be changed.

Dennis LeBaron stated they are increasing a lot of revenue and the budget has come up in a lot of different categories. He stated if they had a tough year, they need to have the flexibility to trim back in every area of the budget, including the library. He questioned why they need to postpone the decision of the funding issue and it would just be kicking the can down the road.

Jessie Schoenfeld stated they have reserves so that way when there is a lean year they are able to use those without cutting every other area.

Tim Irwin stated his motion leaves the dedicated funding for this year and allows them to have a discussion with the Library Board and see the goals and find ways to support the library even more. He stated funding is in the discussion, but there are a lot of other things that would be included in the discussion and would help support the library. He stated they need to have a discussion with the people they have appointed over the library.

Those Voting Aye: Brian Braithwaite, Tim Irwin, Jessie Schoenfeld, Rod Mann

Those Voting Nye: Dennis LeBaron

Motion carried.

CONSENT:

MOTION: Approval of Meeting Minutes for City Council Regular Session – May 20, 2014.

MOTION: Ratifying the Mayor's Appointment to the Highland City Economic Development Committee – Jeffrey Clyde, Rob Clauson, John Allen, Robert Vukich, and Marshall Meier.

Pulled by Brian Braithwaite for further discussion

RESOLUTION: Approval of the Final Budget – Highland City 2014-15 Fiscal Year.

Pulled by Brian Braithwaite for further discussion

MOTION: Tim Irwin moved the City Council to approve the consent items on the agenda.

Rod Mann seconded the motion.

Unanimous vote, motion carried.

MOTION: Ratifying the Mayor's Appointment to the Highland City Economic Development Committee – Jeffrey Clyde, Rob Clauson, John Allen, Robert Vukich, and Marshall Meier.

Pulled by Brian Braithwaite for further discussion

Brian Braithwaite questioned why Marshall Meier was being appointed to the Economic Development Committee without being a resident of Highland.

Jessie Schoenfeld replied he owns property in Highland, Meier's Meats and Fine Foods and felt he could contribute in a positive way.

Brian Braithwaite stated if that is the case and he is a property owner, he is okay having him on it.

Mayor Thompson stated he would be okay with having anyone on the Committee that could help better Highland and help them move forward.

Rod Mann questioned if that was all the applicants.

Mayor Thompson stated they are reviewing a couple others that they will add at a later date.

MOTION: Jessie Schoenfeld moved the City Council ratify the Mayor's Appointment of Jeffrey Clyde, Rob Clauson, John Allen, Robert Vukich, and Marshall Meier to the Highland City Economic Development Committee.

**Tim Irwin seconded the motion.
Unanimous vote, motion carried.**

RESOLUTION: Approval of the Final Budget – Highland City 2014-15 Fiscal Year.
Pulled by Brian Braithwaite for further discussion

Brian Braithwaite stated he wanted to make sure all of the Enterprise Funds were in the positive and look at increasing some of the fees. He stated he believed it would be a discussion they would have tonight.

Tim Irwin stated that is something they would need to talk about, but they need to have the appropriate information from staff to be able to appropriately discuss the funds. He stated there is a number of ways to go and would like to discuss it, but would like the right information.

Brian Braithwaite clarified the Council can approve the budget tonight and then in the month of July or August, they bring the issue back and have the dialog and have the fees adjusted. He stated he does not believe they need to completely raise the fees this year, but a \$1-2 raise would be a move in the right direction.

Tim Irwin stated the Council needs to do some education with the residents along with the discussion, because if they see an increase they will be upset if they don't understand the reason behind it.

Gary LeCheminant stated he did a rough estimate, but would not want the council to do a judgment on it until he was able have a firmer estimate.

MOTION: Brian Braithwaite moved the City Council approve the Final Budget for the 2014-15 Fiscal Year as received and directed staff to provide preliminary numbers for a suggested pressurized irrigation fund rate by the first meeting in August.

Rod Mann seconded the motion.

Rod Mann inquired if the sale of the homes goes into the road fund and if there were more than \$200,000 it would go into the fund as an additional amount.

Gary LeCheminant stated they have \$514,000 right now and any additional would be able to be used for the roads.

Discussion ensued.

AMENDED MOTION: Dennis LeBaron moved the City Council amend the motion to include directing staff to also bring information back to the Council regarding the surplus of the other Enterprise Funds and their correlation.

**Rod Mann seconded the amendment motion.
Unanimous vote, amended carried.**

**Original Motion:
Unanimous vote, motion carried.**

ACTION ITEMS:

Aaron Palmer, City Administrator clarified that due to the continuation of the Resolution to eliminate the Dedicated Library Tax, Adopting the Certified Tax Rate subject to a Truth and Taxation Hearing is now not applicable. The Council will only need to approve the Certified Tax Rate.

RESOLUTION: Adopting the Certified Tax Rate

MOTION: Rod Mann moved the City Council adopt the Certificated Tax Rate as reflected in the Resolution for Fiscal Year 2014-15.

Brian Braithwaite seconded the motion.

Brian Braithwaite stated previously every year the value of the property went up or down, the City received more or less. He stated now the City gets the same amount every year, so now they have to vote for a certified tax rate each year to make sure the city gets the same amount.

Nathan Whiting, resident of Highland, questioned if since the certified tax rate has been set, have they had to increase the City tax at all.

Brian Braithwaite replied when the prior council approved the library and the dedicated tax, they did increase the tax rate that time but have not since.

Tim Irwin replied that about 4 years ago the Council lowered the tax rate. Which resulted in a small decrease in the taxes for residents.

Discussion ensued regarding the process of the Certified Tax Rate.

Unanimous vote, motion carried.

MOTION: Boundary Adjustment with American Fork – Request from Stephanie Anderson located at 5901 West 9600 North.

Pulled by the Applicant

**** Mayor Thompson called for a recess at 8:59 p.m. The meeting reconvened at 9:12 p.m. ****

MAYOR/CITY COUNCIL & STAFF COMMUNICATION ITEMS:

Nathan Crane stated he wanted to verify council received three emails he had sent,
1) information regarding the real estate homes, 2) road plan 3) the impact fee status report.

Nathan Crane clarified Zion’s Bank has a service that would be willing to do all of the certified impact fees, or they could contract each one out separately, regardless they would need an RFP. He stated the risk if they don’t do it would mean they could face liability issues in the future.

Brian Braithwaite stated it is well worth having someone do a study. In working with the TSSD Board, he has seen there are some well to do contractors/developers that are doing the right stuff and then are some contractors/developers that are trying to beat the system. He stated Lehi has been sued along with TSSD, and stated they need to do this process so they show they have done their due diligence. He stated it is well worth it to get the impact fees done right. He stated they are stating culinary water does not have an impact fee, and stated he does not understand why exactly.

Nathan Crane stated the way the impact fee law reads it is because the water system was acquired from the Water Company.

Mayor Thompson stated in the process of surrendering everything to the city, they did a Master Plan Update and most of all the categories met the requirements for build out. What everyone is paying now is their share of that improved system. What you can’t do is receive something without cost.

Discussion ensued regarding history of the culinary water system.

Mayor Thompson stated in regards to the Pressurized Irrigation he has a statement. The city had purchased the saved water shares relevant to Provo Reservoir Water Users Company Stock and the storage right of the Highland Conservation District in Deer Creek Reservoir. He explained the reason for that purchase was due to the first right of refusal was to go to the people that own

the stock and ask if they wanted to participate in closing the canal. The city under the statute can't relinquish water that we have even thought this is a new water right. Provo Reservoir generated a new class of stock and said if you want it you can buy it at a specific rate or you can put it up for sale. The city took on approximately \$355 thousand dollars in the PI budget for assessments that is totally inaccurate based on the date he has collected. This water is an additional water right and could have been sold off to someone else. We should declare that as something that could be purchased by general fund money and made available for development to buy. We should just remove that, throw it in the General Fund Budget, as we pay it off we make it available for sale to developing properties and we get the revenue from that source rather than taxing. The Water Board is looking at that issue and will come back with a recommendation to the Council.

Brian Braithwaite stated the bottom line is they can either charge it as a rate or pay it as taxes, but either way residents are paying for it. We should be applying to utilities what the true cost is and any excess should go through the General Fund.

Discussion ensued.

Mayor Thompson stated more information will be coming to the Council from the Water Board.

Brian Braithwaite stated the Fling is coming up and it has been discussed many time how they can increase participation in recycling; so Republic Services has requested to have a booth at the Fling. He explained it would be an Information Booth, a Sign up Area, as well as an incentives for signing up at that time. He stated he would prefer to do that, rather than doing an opt-out.

Rod Mann questioned if Republic Services would do two months or one month off as an incentive.

Brian Braithwaite stated he has not asked them about it, but even if not it would not cost the city anything to have them with a booth.

Rod Mann suggested having a prize and each person who enters gets a chance to be in the drawing.

JoD'Ann Bates requested Republic Services work with staff to make sure they are getting the appropriate information when they sign up residents for their services.

Mayor Thompson stated he is okay to move forward, once they figure out what the City and Republic Services are willing to do the Council can act on that.

ADJOURNMENT

MOTION: Tim Irwin moved to adjourn.

Brian Braithwaite seconded the motion.

Unanimous vote, motion carried.

Meeting adjourned at 9:45 p.m.


JoD'Ann Bates, City Recorder

Date Approved: August 5, 2014



