

**MINUTES  
HIGHLAND CITY COUNCIL MEETING**

**Tuesday, January 20, 2015**

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

**PRESENT:** Mayor Mark S. Thompson, conducting  
Councilmember Brian Braithwaite  
Councilmember Dennis LeBaron  
Councilmember Tim Irwin  
Councilmember Jessie Schoenfeld  
Councilmember Rod Mann

**STAFF PRESENT:** Aaron Palmer, City Administrator  
Nathan Crane, Community Development Director  
Gary LeCheminant, Finance Director  
JoD'Ann Bates, City Recorder  
Justin Parduhn, Public Works O&M Director  
Brian Gwilliam, Chief of Police  
Tim Merrill, City Attorney

**OTHERS:** Shari Beck, Thomas Beck, Valerie Koeber, Ralph Koeber, Tom Martin, Edward Perez, Marc Modersitzki, Brett Palmer, Terry Melondez, Fernando Salazar, Steve Arnold, Cami Arnold, Jonathan Hall, Nathan Whiting, Matt Brinton, Jayden Brinton, Thor Patane, Weston Brockbank, James Pyper, Adam Schwartz, Nathan Llath, Steven Schwartz, Morgan Ashton, Josh Ries, David Hunter, Michelle DeKorver, Steven Rowley, Marilee Bassett, Doug Bassett, Christie Smith, Jennifer Christensen, Jennifer Platt, Kaley Quist, Amy VanWoerkom, Laura Gardanier, Steve Gardanier, Marci Modersitzki, Diana Wakefield, Blake Wakefield, Lori Murdock, Mindy Christensen, Kevin Busby, Summer Strickland, Nicole Hadlock, Natascha Perez, Edward Perez, Cindy Burton, Shaunna Godwin, Cindy Westwood, Jackie Whitlock and Tom Harward.

**6:00 P.M. WORK SESSION – IMPACT FEE STUDY**

The meeting was called to order by Mayor Mark S. Thompson as a work session at 6:07 p.m. The meeting agenda was posted on the *Utah State Public Meeting Website* at least 24 hours prior to the meeting.

Nathan Crane stated that due to changes in state law regarding impact fees, staff felt it necessary to bring the council up to speed and how those changes will impact the city. They will not be presenting any numbers at this time, the discussion will be hypothetical in order to give them a clear understanding of what is called the “gap theory”. Nathan turned the time over to Tenille Tingey of Zion’s Bank.

Tenille Tingey of Zions Bank presented a power point regarding the changes and effects it will have on the study. (power point attached) She stated a lot of the changes since May of 2011 has been a shift to a shorter planning horizon of 6-10 years and clearly defining the level of service. The level of service has to be justified, have documentation and those can be different with each utility.

Tenille gave an example of impact fees for varying utilities and how that will change the impact fees. The push came from developers feeling that impacts in certain areas of the city were not directly affecting where they were developing.

Brian Braithwaite stated he feels this is a good thing. He feels that cities get complaisant and don't review their fees. This forces them to review them more often to keep in line with what is truly and impact to the city not just a straight across amount for an undetermined timeframe.

Tenille Tingey continued to state that as before there are no operation and maintenance costs that can be included, only project level improvements. There are different policy issues and she would like to discuss specifically parks and the level of service in regards to impact fees. What they are looking for at this time is dollars invested in capita which gives some flexibility. Tenille discussed the different methodologies.

Tenille continued to explain the issue with "funding gaps" and how they are funded. She indicated that one option is through General Fund Transfers.

Gary LeCheminant commented currently he is estimating collecting approximately \$633 thousand dollars for park impact fees and the bond payment is \$527 thousand. If park impact fees are cut in half, they would only collect \$300 thousand dollars but they still have to make the \$527 thousand dollar bond payment.

Tim Irwin indicated that previous councils had purchased park property based on build out and his concern is now with the change of the shorter window that the impact fees are based off of.

Tenille Tingey stated as they look at the impact fees they do see changes and some are down and some are up. With the new laws and the need for strict documentation they are seeing cities run into cash flow issues. She just wanted to make sure they covered those issues so there are no surprises. If the impact fees were reduced the city would be able to recoup those costs but it would just be over a longer period of time.

Brian Braithwaite stated if they are considering lowering the impact fees he feels they need to look at the fact they have property that hasn't been developed yet, and they should look at a plan so they don't lower the cost and use those impact fees for development of those lands.

Tenille Tingey stated that is where parks are hard because it is not tied to the future plan base, it is tied to the level of service which is what is being provided to your existing residents. Tenille continued to explain how the level of service works in regards to the impact fee.

Rod Mann inquired what cities due when they find they have this "gap" with their impact fees.

Nathan Crane stated it generally comes out of the General Fund. This is one of the reasons they wanted to have this work session. They anticipate this study being done before they adopt the new budget. They will be taking a look at all the funds and see if there are any gaps that need to be covered, if so they can work that into the new budget.

Tenille Tingey commented they are expecting most of the information to them by the end of the month and they are proposing to have drafts by the end of February. They would have to go through the notice and public hearing process prior to adoption of the fees.

Nathan Crane suggested bringing in councilmember's a few at a time to discuss the numbers as they get them and then do a work session with everyone. Nathan commented that there are different levels of plans. 1) Capital Facilities Plan, which tells the ultimate build out of what they are going to do. 2) Impact Facility Plan, which takes the 6-10 year time frame out of the Capital Facilities Plan as to what they are going to build, and then you build your fee off of that.

Dennis LeBaron inquired what funds would be impacted with the study.

Nathan Crane stated they would be looking at parks, public safety, culinary, pressurized irrigation, storm sewer, sanitary sewer and roads. Each one of those carry a plan and documenting.

Work Session ended at 6:55 pm

### **7:00 P.M. REGULAR SESSION**

The meeting was called to order by Mayor Mark S. Thompson as a regular session at 7:01 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 Brian Braithwaite and those assembled were led in the Pledge of Allegiance by Dennis LeBaron.

Mayor Thompson suggested they move the presentation of the Youth Council to the first of the agenda.

### **PRESENTATIONS**

**Oath of Office:** Highland City Youth Council

Jody Bates, City Recorder stated every year they have a Youth City Council that takes an oath of office in order to serve the residents of Highland. This year there are 48 Youth Council members. She asked the Youth Council Advisors to come forward and present the Highland Youth Council for 2015. Youth Council Advisors being: Shannan Busby, Jodie Jamison, Jennifer Christensen, Lisa Shelton, Diana Wakefield, Marci Moderdrszki and Lisa Bullington.

Shannon Busby Advisor, presented the 2015 Highland Youth Council:

Curtis Bassett, Danielle Kemp, Paige Modersitzki, Brynne Shelton, Fernando Salazar, Quinton Strom, McKenzie Platt, Tara Bullinton, Emily Jensen, Dallin Whitlock, Richard Westwood, Jenny Westwood, Matthew Herron, Cynthia Beck, McKenna Martin, Kaitlin Strickland, Lyndsey Draper, Jaden Hall, Abby Wakefield, Mykel Godwin, Tanner Wakefield, Ben Koeber, Adrian Perez, Brittney Jones, Madison Murdock, Ashley VanWoerkom, Cami Christensen, Matt Jamison, Eric Jamison, Lindsay Gardanier, Taylor Siri, Kelsey Hadlock, Josh Burton, McKaiden Carruth, Alyssa Clark, Madeleine Arnold, Kelsey Busby, Jacob Busby, Malonie Withworth, David Quist, Nicole Smith, Abby Christensen and Mary Alice Jackson.

Jody Bates conducted the Oath of Office.

Tim Irwin stated he would like the parents to know the Youth Council had their opening social at his home and he commented they are terrific young men and young women and the parents can be very proud of them.

### **APPEARANCES:**

Mayor Thompson invited those that would like to address the council can do so at this time. He indicated that the item involving the West Park Road site for the park maintenance building has been removed from consideration due to a time restraint related to potential environmental review.

Terry Melendez resident, stated he met with some of the members of the council who presented the idea of the maintenance building being located on West Park Road and felt it was important for neighbor input. He was concerned with the way the permission was obtained. In talking with the State that day, they were surprised to say the least with the information he conveyed to them that was presented by the council members. His concern is if there is any liability for wrong use of the property, the tax payers would be held responsible. He feels things need to be transparent, they discuss to discuss things openly and then do what is best for the city.

Nathan Whiting resident, would like to comment on suggestions for road taxation. It had been mentioned the bond the city has for the water will end and the money collected for that will stop. He would like to propose to see if the residents would be willing to put those funds that were being collected for water continue and put that amount towards the roads. He also commented that those not on pressurized irrigation, has occurred a significant cost being on culinary that would possibly be open to pay the original fee for the pressurized irrigation, in turn adding that amount to the roads.

### **REPORTS:**

**Report:** Audit for the 2013-2014 fiscal year.

Steve Rowley of Keddington and Christensen stated he was there to present the 2013-2014 budget year financial audit. He indicated there had been a few changes since the audit report was

distributed last week and he had new copies for the Council. He commented this audit is prepared to give reasonable assurance that the Highland City financials are correct. This is the opinion of the auditors but it is ultimate responsibility of the Council to ensure there are policies and procedures in place to make sure the financials for the city are correct. As part of the audit they check for internal control to keep the checks and balances. They looked over the policies and procedures of the city and did not find any significant issues or risks. One issue based on the state compliance testing is that the council is not receiving financial reports on a monthly basis. Management has taken discussed this issue and has since steps to provide those statements to the council on a monthly basis. They look at all aspects of money coming in and going out and checks and balances in all financial aspects and found no findings and no fraud.

Brian Braithwaite inquired of page 6 of the report regarding expenditures. He felt those listed funds that came into the city had not been expended.

Steve Rowley responded this is a schedule which shows allocations from the state and that they were spent appropriately.

Gary LeCheminant indicated that page 17 and 19 would be important for the council to review as they start to discuss the new budget.

Discussion continued as to what they council would like to see regarding the monthly financial report Gary LeCheminant will be providing to the Council.

**CONSENT ITEMS:**

*MOTION: Approval of Minutes for the January 6, 2015 Regular City Council Meeting  
Pulled by Jessie Schoenfeld*

*MOTION: Approval of Minutes for the November 18, 2014 Regular City Council Meeting  
Pulled by Jessie Schoenfeld*

MOTION: Ratifications of the Re-Appointment of Planning Commissioner Christopher Kemp

**MOTION: Tim Irwin moved the City Council approve the remaining consent item on the agenda.**

**Dennis LeBaron seconded the motion.  
Unanimous vote, motion carried.**

**ACTION ITEMS:**

Jessie Schoenfeld stated even though there was discussion regarding changing the language of the November 18, 2014 minutes, she does not think it would be right to change what was said. She feels the comments made were pertinent and relevant to the discussion.

Jody Bates, Recorder indicated that the January 6, 2015 meeting minutes are not be affected by the changes made in the November minutes and could be approved as they have been presented.

*MOTION: Approval of Minutes for the January 6, 2015 Regular City Council Meeting  
Pulled by Jessie Schoenfeld*

**Tim Irwin moved the City Council approve the meeting minutes for January 6, 2015.**

**Dennis LeBaron seconded the motion.**

**Unanimous vote, motion carried. All**

*MOTION: Approval of Minutes for the November 18, 2014 Regular City Council Meeting  
Pulled by Jessie Schoenfeld*

Jessie Schoenfeld stated she would like the wording in the November 18, 2014 minutes to read as it did in the original draft.

Rod Mann feels statements were made in the heat of the discussion between the Mayor and Jessie and the way it was re-worded still provides clarity and reflects the intent.

Jessie Schoenfeld respectfully disagrees and would like it to remain as originally stated.

Mayor Thompson stated the communication he had with the state is clear. He feels if they get in to the detail as to who is misled following information should always be included. The original agreement was this was to be a state park. The agreement did not last, the park went into being operated by the county and the city then went from leasing the park to owning the park. He feels there were many misrepresentations from the state to the city during that process. Upon legal counsel they needed to clarify the fact that this facility would not only be used for the park but other areas throughout the city. They are up against a timeline and feels that they would not be able to work through some issues in that timeframe.

Jessie Scoenfeld feels they have a responsibility to be honest, forthright and not try to gain anything with misrepresentations and half-truths, that's why she would like it left in as originally stated.

**Jessie Schoenfeld moved the City Council approve the meeting minutes for November 18, 2014 as originally presented.**

**Brian Braithwaite seconded the motion.**

**Those voting Aye: Brian Braithwaite and Jessie Schoenfeld.**

**Those voting Nye: Dennis LeBaron, Tim Irwin and Rod Mann.**

**Motion failed.**

**Dennis LeBaron moved the City Council approve the meeting minutes for November 18, 2014 as amended.**

**Rod Mann seconded the motion.**

**Those voting Aye: Dennis LeBaron, Tim Irwin and Rod Mann.**

**Those voting Nye: Brian Braithwaite and Jessie Schoenfeld.**

**Motion carried.**

MOTION: Approval of a location for a Park Maintenance Location

Mayor Thompson indicated based on the previous comment they have removed the West Park Road location from consideration and will move forward on the other locations.

Tim Irwin inquired as to the specifics why the West Park Road location was taken off the list.

Tim Merrill Attorney, stated in their discussions with the state it was a possible the state may require and environmental impact study because this property is classified as 6-F property. The cost is extensive and it would take longer than the timeline to build a building would allow.

Tim Irwin indicated the city should have been aware of this requirement earlier. He stated this council and future council should not take federal money there are always strings attached. He feels the decision to have a maintenance facility in that area should be at the discretion of the city and not the federal government. He feels this park is a gem to the city and for the federal government to require us to spend the funds for a study to make an improvement is out of line.

Mayor Thompson stated they were asking the state from the beginning if this was a compatible use for the property. Putting up the building does not constitute a harm to the land or the water so it can be built. There are other options, and the concern he has is that they are up against a time line.

Rod Mann felt they could have found out this requirement earlier had they approached it differently. He inquired if the city had the park services contracted out again, would that change the need for a building.

Brian Braithwaite indicated they wouldn't want to sale the equipment, it would need to be stored somewhere. One other reason for the building would be to possibly house other supplies like mulch and fertilizer. They could possibly outsource everything then the need for the building and land would not be necessary.

Discussion continued regarding possible costs and the process of bidding out the maintenance of the parks. Comments were made regarding the need to also look at and re-assessing the open space areas.

Dennis LeBaron inquired if anyone had talked to Jordan Valley Water to see if they would be willing to sale the small parcel next to the Town Center proposed site.

Discussion continued regarding the property of the Town Center site, the ownership of the portion of the land next to the city, if Jordan Valley Water would be willing to sell that parcel, the amount they might require and the size difference with or without that parcel.

Brian Braithwaite inquired of the staff based on the time frame what location they felt would be the best.

Justin Parduhn Public Works, responded both properties have their own set of issues. The Community Center has zoning issues and the Town Center is the land ownership. He feels if they can own the Jordan Valley property they would prefer the Town Center property.

Nathan Crane indicated that both properties are zoned R-1-40 and would require a conditional use permit.

Mayor Thompson indicated the procedure needs to be the council choose a site and then go forward with public hearings.

Council and Staff discussed concerns with parking issues, the amount of parking needed, and traffic issues that would be a concern with both the Town Center and Community Center proposed areas.

Brian Braithwaite feels on either location there would need to be a block wall along some of the boundaries. He feels the Town Center property has a better feel and would fit better.

**MOTION: Jessie Schoenfeld moved the City Council move forward with the Town Center property being the first choice for a Park Maintenance Building and direct staff to put together some construction figures and contact Jordan Valley Water Conservancy District for the possible purchase of their property and bring that information back the City Council.**

**Tim Irwin seconded the motion.**

Tim Merrill stated that if the Mayor is going to commence with those discussions it should be placed on the next agenda for an executive session to discuss the purchase of that property.

Dennis LeBaron inquired the size difference between the two properties.

Nathan Crane responded the unused portion of the Community Center is approx.  $\frac{3}{4}$  of an acre where the Town Center parcel not including Jordan Valley's property is 1.2 acres. Although the Jordan Valley property is a triangle piece of property it would add an additional 1 acre.

**Unanimous vote, motion carried.**

## **MAYOR, CITY COUNCIL & STAFF COMMUNICATION ITEMS**

*(These items are for information purposes only and do not require action or discussion by the City Council)*

- Rod Mann suggested the council look at the fees, deposit and possible rate changes for the rental of the Community Center due to the recent improvements and would like to direct staff to look at those prices in comparison to other cities and bring that back before the council.

Tim Irwin agreed with Rod and would like that information to include the City Hall multi-purpose room and Council Room.

- Jessie Schoenfeld commented they previously had a discussion regarding bikers coming in and out of West Park Road onto SR74. She has seen numerous times where they come out of West Park Road heading east and turn south but stay on the east side of the road until they get to the Murdock canal trail which puts them going against traffic. This has become dangerous to both the bikers and traffic heading south on SR74 then needing to turn east, sometimes not seeing the bikers alongside the road. The bikers really should be traveling with traffic and if headed south should travel on the west side of the highway. The city asked for signage from the county, which they did get except it was placed facing the wrong way. She inquired if staff could go and replace the sign in the appropriate place.

Justin Parduhn of Public Works stated he would talk to the County or State to see if they will change it or give them the permission to place it in a different location.

Tim Merrill, attorney quoted state law that indicates the local entity cannot regulate traffic patterns on a state highway and suggested they contact the county to have them look at the issue.

## **EXECUTIVE SESSION**

**MOTION: Tim Irwin moved the City Council adjourn into Executive Session to discuss the sale of real property.**

**Dennis LeBaron seconded the motion  
Unanimous vote, motion carried.**

## **ADJOURNMENT**

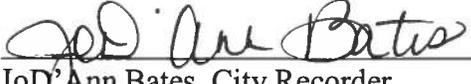
**MOTION: Jessie Shoenfeld moved to adjourn.**

**Rod Mann seconded the motion.  
Unanimous vote. Motion carried.**

**Meeting adjourned at 9:46 p.m.**



Date Approved: February 3, 2015

  
JoD'Ann Bates, City Recorder

# IMPACT FEES UPDATE 2015

## FUNDING DISCUSSIONS

HIGHLAND CITY  
JANUARY 21, 2015

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## IMPACT FEE METHODOLOGY

- Shift in methodology and resulting fees as of May 2011
- New focus on LOS – must be clearly defined and justified
- When impact fee calculation included a future capital component – limited to a six to ten year horizon
  - As done in the past, no repair and replacement projects included – only growth related projects or portions of projects are included.
- Requires a careful review of existing assets:
  - Historic costs included for buy-in capacity
    - As before, no project improvements considered
- Only City funded or exacted system improvements may be included

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## LEVEL OF SERVICE

There are different measures for level of service for each utility based on what is actually provided to the residents of Highland.

- Parks: Level of Investment or Acres per Thousand
- Wet utilities: Flow
- Public Safety: Calls for service – square footage provided per call

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## PARK OPTIONS FOR LOS

- **Level of Investment:** Based on documented historic dollars spent per capita – perpetuate dollars per capita into the future  
**Pros:** flexibility on what you are able to spend the funds, easy to defend, fair  
**Cons:** without good documentation or records, may decrease fee
- **Acres per Thousand:** Perpetuate a level of service of acres based on what is currently provided
- **Plan Based:** Fee calculated on a future plan with future costs  
**Pros:** Able to clearly define what plans will happen  
**Cons:** Anything above the current LOS has to be funded by other means than impact fees

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## FUNDING GAP

- Changes to the Impact Fees Act
- Clearly defining a LOS – as required by Act – directly affects fees
- Cities experiencing changes to fees and in some instances fees drop and create a funding gap

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## CHANGE IN METHODOLOGY AND POSSIBLE OUTCOMES: PARKS FEE EXAMPLE

- Single Family Home: EXAMPLE Current Fee \$2,000 per Unit
- Single Family Home: EXAMPLE Proposed Fee \$1,000 per Unit ↓
- EXAMPLE Decrease in Proposed Fee of 50%

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## FUNDING GAPS

- Using the parks example and consideration of funding out standing debt, changes in impact fees can create funding gaps.
- Example:

Bond Payment	Previous Impact Fee Collections	New Impact Fee Calculations
\$ 150,000	\$ 100,000	\$ 50,000
General Fund Transfer	\$ 50,000	\$ 100,000
General Fund Transfer Increase		\$ 50,000

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## MOVING FORWARD

- All IFFP drafts presented to Zions/staff at the end of January
- Draft IFA's ready near the end of February
- Noticing and adoption in March or April

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# INPUT & DISCUSSION

Tenille Tingey

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