

**MINUTES OF THE CITY OF HOLLADAY
CITY COUNCIL MEETING**

Thursday, December 2, 2021

5:30 p.m.

City Council Chambers

ATTENDANCE:

Mayor Rob Dahle
Paul Fotheringham
Daniel Gibbons
Sabrina Petersen
Drew Quinn
Matt Durham

City Staff:

Gina Chamness, City Manager
Holly Smith, Assistant City Manager
Stephanie Carlson, City Recorder
Jared Bunch, Public Services Director
LaNiece Davenport, Community &
Economic Development Dir

I. Welcome – Mayor Dahle.

Mayor Dahle called the meeting to order at approximately 5:30 p.m. He reported that the meeting was scheduled to begin slightly earlier to allow time to celebrate the service of Council Member Petersen.

II. Pledge of Allegiance.

Council Member Petersen led the Pledge of Allegiance.

III. Public Comments.

Mayor Dahle opened the public comment period.

Trudy Jorgensen-Price shared updates related to the Library. She reported that there was an Art Show by David Johnson throughout the month of December. There were also books available as part of the Book Club. Ms. Jorgensen-Price noted that there would be a Red Cross Blood Drive on December 6, 2021. All of the spots were taken but there would be opportunities to donate blood in February or March as well. She reported that outside storytime would continue as long as residents are willing to attend. Additionally, Ms. Jorgensen-Price stated that the Library will close at 2:00 p.m. on Christmas Eve and will be closed on Christmas Day. It will be open until 6:00 p.m. on New Year's Eve but closed on New Year's Day.

IV. Audit Report 2021 – Rob Wood, HBME.

Mayor Dahle explained that the audit report was included in the. Mr. Wood reported that the Audit was complete, and the final version would be shared within the next few days. However, the Council had the draft version of the Audit Report 2021 to review. The report had already been discussed in detail with City Staff and Mayor Dahle.

Mr. Wood explained that the Audit Report 2021 included an unmodified opinion, which was the best opinion an Independent Auditor can give and he did not feel there were any material misstatements. Additionally, the financial statements and supplemental schedules were in accordance with Generally Accepted Accounting. Mr. Wood noted that the Management's

Discussion and Analysis was written by City Management and included side-by-side comparisons from one year to the next

Mr. Wood reported that in 2021, the City paid off two debts including one of the capital leases and a tax increment revenue bond. The total liabilities shifted from \$10.5 million to \$8.8 million. He stated that the liability last year for the pension obligation was \$400,000 decreased to \$50,000 in 2021, which was a \$350,000 reduction.

Mr. Wood overviewed the Governmental Funds on Page 15 of the Audit Report 2021. He noted that in the Fund Balance, there was \$6 million in the General Fund and \$5.3 million of that was unassigned. That means that the funds were available to be used for projects or operational costs. The Capital Projects Fund included \$10.8 million with \$7.1 million assigned to Capital Projects that would be completed throughout the City. One item to note was that in the Redevelopment Agency ("RDA") there was a \$3.7 million loan with the Capital Projects Fund. That loan forced a deficit Fund Balance of \$812,000. In a previous year, that number was \$1.6 million, so there had been an \$860,000 reduction over the past year. Mr. Wood explained that a lot of that came from the sale of The Cotton Bottom. He added that the Debt Service had a positive Fund Balance of \$729,000.

On Page 17 of the Audit Report 2021, there was the Statement of Revenues, Expenditures, and Changes in Fund Balances. Mr. Wood stated that the General Fund had an increase of \$2,478,642. Sales tax revenue, Transient Room Taxes, and monies from Coronavirus Aid, Relief, and Economic Security ("CARES") Act had not decreased. Last year, the expectation was that sales tax would drop by approximately 10%. However, sales taxes increased by about 10%. This allowed the City to fund different projects. Mr. Wood reported that in the past, the unassigned, committed, and assigned Fund Balance in the General Fund could be 25% of overall revenues. The State Legislature raised that to 35% in the past year so that cities could cover various needs. The City of Holladay was currently at 28.2%. That indicated that the City has a healthy Fund Balance and there were reserves to draw on.

The budget for the General Fund was overviewed on Page 19 of the Audit Report 2021. Mr. Wood noted that there was a net savings of \$2,538,451 in the Total Expenditures. He explained that some of the savings were related to the difficulty of filling certain positions. Pages 33 and 34 were discussed. Mr. Wood reported that the Long-Term Debt consisted of \$6,095,111. He made note of the Long-Term Debt summary, which compared the numbers from 2020 to 2021. There was \$8.4 million in total debt at the beginning of 2020, but the City paid down \$2.4 million of that in 2021.

Compliance Reports were not included in the packet but would be part of the final version of the Audit Report 2021. The only compliance item listed was the deficit Fund Balance that had been discussed previously. Mr. Wood noted that the Fraud Risk Assessment was looked at as well and minor recommendations were shared with City Staff related to best practices.

Council Member Fotheringham pointed out that there were significant differences between the initial budget and the final budget. This was partly due to the CARES Act funds, which involved a budget adjustment but was also due to the sales tax revenues. At the beginning of the COVID-19 pandemic, the Council assumed that sales tax revenues would decrease. The revenues actually increased, and the budget reflected the efforts made by the City to be conservative. Council

Member Fotheringham felt the City was well-positioned to tackle some of the future budget-related challenges, such as roads and infrastructure needs, labor costs, and public safety costs. Mayor Dahle asked about the Basic Financial Statements on Page 33. He wondered if the \$462,865 listed was a remnant of the sales tax bond. Mr. Wood explained that there may be a portion of the original bond that was not callable, which the City was still responsible for. The payments would expire in 2023, but he offered to double-check and report back.

V. *Consideration of Ordinance 2021-29 Amending the Budget for the Fiscal Year Beginning July 1, 2021, and Ending June 30, 2022.*

Mayor Dahle noted that the City Council discussed the Bailiff Services portion of the budget during the last several meetings. City Manager, Gina Chamness looked into some of the options further. There was also information included in the packet from the Unified Police Department's ("UPD") Chief Justin Hoyal, which clarified the additional UPD needs.

Chief Hoyal looked into the need for a joint Detective/Bailiff and provided information related to the demand for mental health services. Ms. Chamness reported that the need for mental health services at a Detective level had increased dramatically since 2019. The number of mental health cases increased from 11% to 25% of UPD total cases. Ms. Chamness noted that the increased need for those services was anticipated as part of the American Rescue Plan Act ("ARPA") funds. The City could use ARPA funds to address the increase in mental health services caused by the COVID-19 pandemic. As a result, the budget amendment proposed that the Fund Balance paid for the addition of a UPD Detective/Bailiff, but ARPA funds were put towards an existing Detective who focused on mental health response.

Council Member Durham asked how a case would become classified as a mental health case. Chief Hoyal explained that when an officer responds to a call related to mental health, information was added to the report, which was then submitted to a Detective for follow-up. Chief Hoyal reported that UPD has a Mental Health Unit with a Sergeant and a Detective. Those were paid for by Salt Lake County and provided County-wide regional services. There was also a licensed Clinical Social Worker assigned to that unit. Each precinct had a Detective who followed up on mental health cases as a secondary assignment. Initially, each precinct Detective followed up on cases once a month. However, the increase in cases meant that the precinct Detective was now spending approximately 50% of the time following up on mental health cases.

Ms. Chamness hoped the need for increased mental health services would be reduced by 2024 or 2025 and this would not necessarily be an ongoing cost. However, the City would have to wait and see what happens over time. Mayor Dahle liked the suggestion shared by the UPD and City Staff because it allowed the City of Holladay to maintain control of the Bailiff Services. It also made it possible to assist with mental health services within the community. He believed that by the time the ARPA funds ran out, there would be enough impact fees to cover any of the additional costs.

Council Member Petersen moved to adopt Ordinance 2021-29. Council Member Quinn seconded the motion. Vote on motion: Council Member Fotheringham-Aye; Council Member Durham-Aye; Council Member Gibbons-Aye; Council Member Quinn-Aye; Council Member Petersen-Aye; Mayor Dahle-Aye. Ordinance 2021-29 was adopted unanimously.

VI. *Consideration of Ordinance 2021-30 Amending Portions of the City's Adopted Fire Code (Chapter 9, Chapter 14, and Appendix D).*

Mayor Dahle explained that this was something that had been reviewed during the last two City Council Meetings.

Council Member Durham moved to adopt Ordinance 2021-30. Council Member Petersen seconded the motion. Vote on motion: Council Member Fotheringham-Aye; Council Member Durham-Aye; Council Member Gibbons-Aye; Council Member Quinn-Aye; Council Member Petersen-Aye; Mayor Dahle-Aye. Ordinance 2021-30 was adopted unanimously.

VII. *Consideration of Resolution 2021-37 Adopting the 2022 Meeting Schedule.*

Mayor Dahle reported that the above item related to the 2022 Meeting Schedule. He explained that the schedule was included in the packet for review.

Council Member Fotheringham moved to approve Resolution 2021-37 Council Member Quinn seconded the motion. The motion passed with the unanimous consent of the Council.

VIII. *City Manager Report – Gina Chamness.*

Ms. Chamness shared updates with the City Council and reported that information was received from the Utah League of Cities and Towns (“ULCT”) related to the opioid settlement. The City of Holladay would likely need to arrange a virtual meeting to adopt a Resolution within the desired timeframe.

Community and Economic Development Director, LaNiece Davenport discussed the Holla Dollars program. The City launched the program at the end of September 2021 with Federal stimulus funding. Postcards were sent to all 12,000 households in the City. Ms. Davenport explained that 8% of residents signed up and 72 businesses signed up for the Holla Dollars program. There were also 20 businesses still in the process of signing up. Residents had until December 17, 2021, to register for the program and until December 30, 2021, to use the Holla Dollars vouchers. Ms. Davenport noted that each household received a code for \$40 in \$10 increments to spend at participating local businesses.

Council Member Fotheringham asked about the reimbursement process. Ms. Davenport explained that a contractor was hired to run the program. At the end of each month, the participating business would send their report to the contractor. The contractor would pay the business directly and send a bill to the City. Ms. Davenport stated that 400 residents used their vouchers and nearly 1,000 residents signed up.

Public Services Director, Jared Bunch shared an update on the Skate Park. The construction completion date was extended to December 15, 2021. That extension would allow for necessary concrete pours as well as the installation of fencing and artificial turf. Construction crews were working diligently on the project, and he hoped the park would be open to the public shortly.

IX. *District Issues and Board Reports.*

Council Member Petersen reported that her district had been fairly quiet. Council Member Fotheringham noted that some of the lines had been repainted on Highland Drive in anticipation of the left turn.

Council Member Durham reported that the 3900 South Ribbon Cutting Event went well. Residents in District 2 were happy to have 3900 South open. Additionally, the Tree Lighting Ceremony on November 29, 2021, was a positive community event.

Council Member Quinn thanked Mr. Bunch for his work on the 3900 South Project. She added that there had been Community Council Meetings for Churchill Junior High and Morningside Elementary and discussions had taken place related to funding. Churchill Junior High would add extra classes for some of the teachers, which would reduce class sizes. Morningside Elementary was still trying to figure out the traffic situation. Council Member Quinn thanked Chief Hoyal for his support related to traffic.

Council Member Gibbons reported that he had received positive feedback from one of his constituents about an interaction with a UPD Officer. He expressed his appreciation for the UPD.

Mayor Dahle noted that there was an incident the night before, but the UPD Officer was stable and had been released. He was appreciative of everything the Officers did to keep the City safe. Mayor Dahle stated that planning was underway for Officer Appreciation Week in January 2022. There would be a meeting on December 15, 2021, to finalize the details. He also reported that the Interfaith Service had taken place on November 21, 2021. There had been challenges related to the venue and the technology, but it had been a great event overall and approximately 250 residents attended. The Tree Lighting event also went well. Mayor Dahle thanked everyone for their work. He felt the events had been a wonderful start to the holiday season.

X. *Presentation and Recognition of Outgoing Council Member Sabrina Petersen.*

Mayor Dahle reported that Council Member Petersen has dedicated 12 years of service to the citizens of District 1 and the citizens of the City of Holladay. It was important to honor her service and several members of the community were present at the meeting to do so.

Mayor Dahle read a message from Patricia Pignanelli. Ms. Pignanelli thanked Council Member Petersen for her efforts. She noted that the citizens of Holladay have greatly benefited from her service.

Pam Roberts from Wasatch Front Waste & Recycling District shared comments. She appreciated all of the support that Council Member Petersen had offered throughout the years. Ms. Roberts made note of the passion that Council Member Petersen has. She always stood her ground but did so in a professional and respectful way. She thanked Council Member Petersen for her mentorship.

Randy Fitts stated that he'd had a lot of interesting times with Council Member Petersen. He explained that she was incredibly dedicated to her constituents and always went out of her way to make sure they were protected. She had a great sense of loyalty to her district. It had been a pleasure to work with her. Mr. Fitts believed that Holladay was a better place because of her work.

Lynn Pace noted that he served for many years on the Holladay City Council. For nine of those years, Council Member Petersen was present. He agreed with the comments shared by Mr. Fitts and stated that the City of Holladay is a better place because of her contributions. Mr. Pace was grateful for everything that she had contributed. She handled all situations with professionalism and composure. It had been a delight to work with Council Member Petersen over the years. It was noted that Council Member Petersen helped foster a deeper sense of community. Whenever

there was an issue, it was always possible to receive an honest and clear response from Council Member Petersen. Gratitude was expressed for her remarkable contributions to the City.

Mark Stewart appreciated that he had been able to serve with Council Member Petersen. He praised her leadership skills and her ability to represent District 1. It was noted that her opinions were always intelligent, and she took her responsibility seriously. Mr. Stewart praised her dedication and attention to detail. He was proud to honor her during the current City Council Meeting.

Ron Hilton noted that while he did not always agree with Council Member Petersen, she always made him feel heard and she always made sure things turned out well. The Holladay Village, Cottonwood Mall, and the Holladay Cottages benefited from Council Member Petersen's thoughtful consideration. He thanked her for her service to the City.

Paul Allred commented that each time Council Member Petersen came to the Planning Department, it was a positive experience. Whenever she visited, it was because there was an issue that was extremely important to her. She always had the spirit of cooperation and was not afraid to ask for Staff opinions. Mr. Allred noted that it had been valuable to have a Council Member who cared about the department as well as the constituents. He also stated that Council Member Petersen had a remarkable eye for detail. She had a lot of talent, and he praised her work ethic and attitude.

Riverton Police Chief, Don Huston stated that much of what he learned about policing at the municipal level occurred in the City of Holladay. He noted that Council Member Petersen was always passionate about making sure the right Officers were in the schools because that was a crucial connection to the community. He appreciated her passion and her support for public safety in Holladay.

UFA Captain Dan Brown read a letter on behalf of Fire Chief Dan Petersen thanking Council Member Petersen for her support for the UFA. Her perseverance during the building of Station 104 added value to the community. She was able to strike a balance between functionality and the creation of an iconic cornerstone of the community. Additionally, she remained within the confines of funding. Her talents, unique abilities, and ideas helped to create the best possible facility. The UFA expressed appreciation for her role in that project.

Chief Hoyal stated that it had been an honor to work with Council Member Petersen. He presented her with a plaque on behalf of UPD. The plaque recognized her community service and partnership. Chief Hoyal explained that Council Member Petersen was extremely dedicated to Holladay. He thanked her for all that she had done and for supporting UPD Officers.

Ms. Chamness noted that she first met Council Member Petersen when their children were young. She remembered her friendliness, enthusiasm, and passion. Council Member Petersen brought those same traits to the City Council. She never hesitated to advocate for her constituents or her priorities. Council Member Petersen was passionate about moving the City of Holladay forward as a community while recognizing the charm and value of the past. Ms. Chamness was grateful for that perspective.

Council Member Fotheringham believed that Council Member Petersen was an excellent role model for anyone who may consider running for elected office. She had wonderful qualities and was a fierce and effective advocate for her district. She left behind a legacy that included the Holladay Village, City Hall Park, the Skate Park, Knudson Park, Cottonwood Mall, and the Fire Station.

Council Member Durham explained that when he decided to run for City Council, one of the first people he ran into was Council Member Petersen. She was very welcoming and made him feel comfortable. He had enjoyed working with her. Council Member Durham felt that Council Member Petersen was a wonderful example of a City Council Member because she was always prepared, informed, knew her position, and advocated effectively. It had been a good learning experience to serve with her on the City Council. He praised the vision she had for the City.

Council Member Gibbons noted that he had been involved in the City for 22 years and had worked closely with all four Mayors, both City Managers, and at least 16 members of the City Council. He noted that Council Member Petersen stood out due to her leadership abilities, passion, focus, and attention to detail. It had been a privilege to work with her.

Mayor Dahle liked being around people who are willing to put in the work and be part of the solution. Every single person in the room fit that description. It was not always easy to do that type of work and try to make the City a better place. However, it was important. He was grateful for the sacrifices Council Member Petersen had made to benefit the City. Mayor Dahle noted that the goal was to leave the City better than it was. He believed Council Member Petersen had been able to do that and made note of the many improvements within the City of Holladay. Council Member Petersen could leave her role with a tremendous sense of pride and accomplishment. Mayor Dahle presented gifts to Council Member Petersen on behalf of the City Council and Staff.

Council Member Petersen stated that she had worked with a lot of great people. She expressed her appreciation for all of the kind words shared during the City Council Meeting. Council Member Petersen explained that she initially ran for City Council because she believed the City of Holladay deserved more. During her time on the Council, she had received a lot of help and support. District 1 was not always an easy district to represent but residents of the district were passionate and care deeply about the City. Council Member Petersen noted that she had served with phenomenal Council Members. She also thanked Staff for all of their hard work and dedication.

XI. Adjourn.

Mayor Dahle moved to adjourn. There was no second. The motion passed with the unanimous consent of the Council.

The City Council Meeting adjourned at approximately 7:30 p.m.

I hereby certify that the foregoing represents a true, accurate, and complete record of the Holladay City Council Meeting held Thursday, December 2, 2021.

Stephanie N. Carlson, MMC
Holladay City Recorder

Robert Dahle, Mayor

Minutes approved: **Janaury 6, 2022**