

AMERICAN FORK CITY COUNCIL
MAY 3, 2022
SPECIAL SESSION AND WORK SESSION AGENDA

Members Present:

Bradley J. Frost	Mayor
Kevin Barnes	Council Member
Staci Carroll*	Council Member
Ryan Hunter	Council Member
Rob Shelton	Council Member
Clark Taylor	Council Member

Staff Present:

David Bunker	City Administrator
Camden Bird	Community Services Director
Stephanie Finau	Deputy Recorder
Cherylyn Egner	Legal Counsel
Cameron Paul	Police Chief
Aaron Brems	Fire Chief
George Schade	IT
Scott Sensanbaugher	Public Works Director
Patrick O'Brian	Development Services Director
Anna Montoya	Finance Director

Also Present: John Woffinden, Spencer Stevens (Harrington), Reese DeMille (Public Services), Brian Thompson (Chairman of PARC), Laurel Shelley (PARC Committee), and Nan Ruhn (PARC Committee).

Notice is hereby given that the American Fork City Council met in a special session and work session on Tuesday, May 3, 2022, in the American Fork City Hall, located at 31 North Church Street, commencing at 4:05 p.m.

SPECIAL SESSION

1. Review and action on acceptance of bid for Art Dye Parking Lot Project and authorization to sign contract documents.

Mayor Frost opened the special session. He expressed how he wanted this to accelerate as soon as possible so that the area can be done before Steel Days. He turned the meeting over to Scott Sensanbaugher the Public Works Director to discuss bids that have been received for the project.

Mr. Sensanbaugher stated that the designs are completed, and they have been working quickly to get this project moving forward. He mentioned that northern and western side of park will be paved including the curb and gutter on the outside and also the curb/gutter on the inside. It will come close to doubling the amount of parking spaces. There will be some drainage infrastructure involved in that. They had a normal bidding process and Staker Parson was the low bid. They had opened the bid this morning and had reviewed it and recommended approval with Staker Parson.

Council Member Shelton questioned if there will be any impact in the park with the project happening. Mr. Sensanbaugher stated that they didn't anticipate that there will not be any disruption and no cancellation to anything planned. He did state that where the gravel is now, people do park there but with the project it will be blocked off and off limits and that there will be accommodations made to see what alternatives can be given for residents to park.

Mayor Frost did state that the area will be fenced off for liability purposes, but did mention that all the asphalt area, they would make sure that moving dirt will not be happening during Steel Days. Mr. Sensanbaugher added that the project should be done by June 24 and if they are ahead of schedule everything will work out. Council Member Carroll asked if we have the land purchased to which Mr. Sensanbaugher replied that it was. She also asked if there were any stipulations in the contract if the project is not completed on time. Mr. Sensanbaugher replied that there always is, and the City is protected within the contract language. Council Member Shelton asked if they could add in the contract to make sure that there will not be any construction equipment in use during the Steel Days festival. Mr. Sensanbaugher Scott replied he can talk to the contractor if that would be an issue and if they can accommodate us and if Council Member Shelton preferred to have that in the contract, it can be added. Council Member Shelton felt that they could move the construction completion date by a couple of dates to accommodate Steel Days.

The Council discussed other events happening in the park that are not City events and making sure that they get accommodated during the construction.

Council Member Taylor motioned to approve that the City accept the bid by Staker Parson in the amount of \$1,045,151.25 for the Art Dye Parking Lot Project and authorize the City to sign the contract and all other related documents. Council Member Clark seconded the motion. Voting was unanimous.

2. Adjourn to a work session.

Council Member Barnes moved to adjourn the special session AT 4:11 p.m. Council Member Clark seconded the motion. All were in favor.

WORK SESSION

1. Presentation by PARC Tax Advisory Board on recommended allocations of the 2021-2022 PARC Tax funds.

Brian Thompson presented the PARC committee and programs requesting funds. He stated that this year the demand for money always exceeds the supply. He anticipated the revenues are less this year than last year, they had to make some cuts in some areas. Also, some of the recipients from years past, have some creative ideas and solutions to programming elements that they proposed. The board recognizes and rewards good stewardship, if they prove that they are becoming more self-reliant and have other funding sources and not depended on PARC funds, we reward them because of that. He stated some of the news “asks” for this year for funds.

- AF Library \$19,700 for the
 - Learning center
 - In the Zone – safe place for youth to go after school
- Friends of American Fork Library \$30,002
 - Teen Zone - Supplies
 - Book Fairy Project – pass books out to elementary kids
 - Writing class – Local authors teaching and mentoring
 - SPARK Reading Club – Need to help with reading
- Harrington Center for the Arts \$147,500
 - Winter Festival @ Robinson Park (seasonal event in winter)
 - Women in the Arts program receive tutoring and mentoring
 - Timpanogos Chorale
 - Explore New Works
 - Fork Fest
 - Chalk It Up
 - Concerts in the Park
 - Sculpture Exhibition
- Timpanogos Art Foundation \$284,8000
 - Visual Arts
 - Visual Arts History Project (new ask)
 - History and Heritage Pageant
 - Youth Choir
 - Instrumental Program
 - Theater Program
 - Administration
- Wasatch Music Alliance \$50,000
- AF Parks and Recreation \$740,206
 - Art Dye Park Bond Art Dye (10 yr. bond) is a commitment they have until 2025 \$350,000/year

- Pickleball courts
- Shade structures
- Hunter Park Playground

One of the requests we did not fund was Alpine Community Theatre. They signed a long-term agreement with Liahona Academy which is across the street from the American Fork border (outside of the city). He listed other amenities that were not being funded as in:

- Basketball court in Rotary Park
- Wasatch Dance: Film Debut to be shown at the Cinemark
- Pavilions and Amenities to city parks

Council Member Shelton commended the PARC Tax committee for the recommendation and stated appreciation of those who were considered for the PARC tax funds. He expressed concern about the Library Learning center and felt that money to that program was not necessary. With the location of where the center is in the basement in the library it is not a good design. He expressed that learning and writing falls under the Alpine School District and for the City to partner with them and send them money to help fund that program.

Mayor Frost stated his in-laws were called to serve in the Learning Center and felt that there is value in thinking the school district should participate and could help. He felt it was worth exploring to sit down with the district and create a plan and see what the next step would be and that it was a great need for the city. He mentioned the Church of Jesus Christ of Latter-Day Saints assigns missionaries to the Learning Center.

Mr. Bird added the question of where the Learning Center will be and who will run and manage it, will be the bigger discussion amongst the council. He did feel that it might take longer if we do execute it. The Learning Center in the basement was an experiment. It was an idea where we committed some of the funds. A lot of the fund is toward a matching grant, so there is value in leveraging that. It will help to improve the furniture, shelves, cohesive units, and some facility improvements: painting, patching, and fixing a door that won't close. If we did move the Learning Center, there will be dollars today that will be recommended to go to furnishing a different location. He did recommend supporting the Learning Center.

Council Member Hunter mentioned that Cassandra at the Library would be a great recommendation on the Learning Center. They've seen great success in the library board, and they should be the one to come to the council with recommendations with what the Learning Center needs.

Council Member Shelton stated that looking at 10 years of discussions and experience that he would rather have dollars go to a future vision that the City is investing in than limping along. He felt that the \$19,000 could solidified a long-term relationship with the school district.

Council Member Hunter added that he felt it didn't have to necessarily be with the school district but any school or agency and to also have Cassandra from the library come up with suggestions on how to best improve the Learning Center. Council Member Shelton felt that Council Member Hunter stated a good idea and would rather see the money go towards that. He'd rather have a long-term plan to get the right space to have a bigger impact on the city and not repeat the cycle of using the wrong space.

Mayor Frost stated that it strategically located in that general area of town. A lot of Latinos use the center and is important to them and they can walk to it as well. Council Member Hunter asked he could discuss this with the library board at their next meeting. Council Member Carroll felt that the same way with Council Member Hunter about not having an in-depth conversation regarding the library without any input from the Library Board.

Mayor Frost mentioned Winterfest and how Chamber had done something similar to that, but covid happened and it changed the event to outdoors. He stated that the Chamber brings corporate tenants that could help with that event, since they were the one to plant the seed. Mayor Frost reported he will ask Josh Walker (Co-President of the Chamber of Commerce) what they had in mind to keep that going.

Mr. Bird stated in discussion with the Harrington, the intent for the Winterfest was to supplement the Chambers event. Harrington would add activities to the event and offer more art or performances. Intent was to look towards a partnership with the Chamber of Commerce. Spencer Stevens (Harrington) stated that their focus would be on small businesses that creates arts and crafts as far as the market side. He added that they had submitted to the PARC committee three years ago and it did not get funding. He stated that they were bringing in high school cheerleading competition and a live nativity. Their hope is that around Christmas time they could help local artists sell their arts and crafts as gifts.

Council Member Shelton stated his view on having the Chamber and Harrington work together because it will only benefit the community.

Council Member Barnes asked about the YTD tax income in the PARC Tax? Mrs. Montoya replied stating that last year they had more due to covid, so it shows a combination of two years.

Council Member Shelton inquired about the Timpanogos Art Foundation administration cost and wanted better understanding on that. Mr. Thompson stated that they gave more clarity this year. This is year is the first year they didn't have us cover their shortfalls and stated \$89k is not covering their whole ask, but that they will also look into getting grants.

Council Member Shelton added that there is a lot of work going into this organization that is already paying for a director. Compared to the other organizations that are not asking for the administrative cost. Council Member Carroll stated that the other organizations are not asking

for administrative costs and that it's probably already built into their proposal. Council Member Shelton wanted to have that verified and more clarity. He didn't see the reason to give \$89k to go to administration costs but that it can go to other programming based on submissions. He stated that what was missing from the PARC tax was the operational budget for the City park program. Replies from Council was that there was not an application submitted for that. He stated that he had mentioned this before in prior meeting about park space and using funds for that.

Mayor Frost remembered the discussion and reminded him that it was a discussion that came from only Council Member Shelton. It was not discussed amongst the council, and it must be discussed as a concern with the council. Council Member Shelton stated that it was something that has not been done before with the city and thought that as a Council they had discussed this. Council Member Carroll stated that she remembered the Council had concerns with the idea of funding operations from a source that isn't permanent, and that the conversation was left undone. She mentioned that it was discussed but there wasn't a consensus that it should be an action item. Council Member Shelton felt that it should be discussed maybe in a work session. Council Member Taylor reiterated that he did not remember that discussion or he would have brought it before the PARC Tax Committee.

Mayor Frost stated that if the council needs to discuss anything in a work session to just come directly to him. He commended the PARC Tax committee for the time, effort, and commitment to renew the PARC Tax. Praises from the Council were given to the PARC committee for all that they do and how well they handle the applications and the program.

2. Discussion regarding municipal solid waste services.

Reese DeMille (Public Services) discussed recyclable waste challenges and how it is growing in the city.

- Recycling: 883 tons and up to 13,000 tons of MSW in 2021

He explained what goes into a recycle bin and what can be recycled. He also stated that glass is recyclable, but it is not being accepted in the recycle bin. He did mention that there are locations around surrounding cities that have glass recyclables. He went on to explain the process of what happens in recycle centers and how it is recycled.

- MSW (goes to Northpoint-rates went up a \$1 and went into effect May 2) \$13,000/year

Council Member Shelton stated that MDI rate went up on April 1 and that it got passed May 2. He stated he had asked if the City could use the fund balance to cover until July 1 but there wasn't enough consensus on the committee to do that. He went on to state that if MDI decides

not to renew, he wasn't sure what the City will do because they are the sole provider. Mr. Bunker stated that TSSD might have some suggestions.

Mr. DeMille continued the discussion about the annual escalator that will hit July 1 and to request a little more. He stated the annual escalator on the contract is 2%. The all-item CPI is over 8%. The garbage and trash index in Bureau of Labor and Statistics is 4.8 to 5% and he was hoping he could get the council to agree to 1.5% over the 2. He informed the council that the contract expires next year. He added he is working on a proposal with Mr. Bunker within the next few months to get the extension proposals to the council in advance. He went on to discuss the recycling commodity. The baseline is at \$75 but the rates are better, the average for last year was \$66 (right now it's \$45). After the 2% increase and the 1.5 it goes back down to 9 cents this year.

Council Member Shelton asked about renewing and how much of it goes to landfill percentage wise? Mr. DeMille replied about 25%. He went on to state that they no longer offer rebates for recycling. Council Member Shelton if any cities are dropping recycling and if it is worth it to drop recycling. Mr. DeMille replied once you drop it it's hard to get back on. Mayor Frost asked about the percentage of recycling bins in American Fork. Mr. DeMille replied about 55-60%.

Mr. DeMille stated concerns towards the planning commission signing off on new developments where they pick up waste. He added that in the DOD area the enclosures and roads are so small their trucks cannot fit down the street and pick up the garbage. Mr. Bunker stated that they have modified standards for access to for fire trucks so the garbage trucks should fit and noted that Mr. Sensanbaugher is present and will take note of that. Council Member Shelton felt it is an enforcement issue, wasn't sure if it was the city or HOA enforcement. Mr. DeMille stated he will send a map to show the tough areas that they have concerns with.

Council Member Shelton talked about sending out a video about the recyclable process to the citizens, it would be helpful. Mr. Bird stated that the City does it periodically. Conversation ensued about recycling. Mr. DeMille commended that it is a pleasure to work with the City staff of American Fork

3. Discussion on the FY2023 General Fund tax revenue and expenses.

Ms. Montoya went over what was discussed at the budget workshop in April and at the last work session. She presented the Certified Tax Rate (expect that in mid-June) and the need for additional General Fund Revenues:

Certified Tax Rate (see packet page 92)

- Certified tax rate is a rate calculated by the County Auditor that provides the same amount of revenue as the prior year plus growth
 - Assessed valuation increases = decrease tax rate
 - Assessed valuation decreases = higher rate tax
- “Truth and Taxation” go through public hearings.
- Last time this was done was back in 2008 for a .00041 increase – generated an additional \$500,000 to the revenue base which is dedicated to our roads.

The need for additional General Fund Revenues (see packet page 93)

- Public safety personnel costs \$730,000 approved December 2021
- Road Improvement – Community survey went out and the results were that they were willing to have an additional tax increase to fix the roads throughout the city.
 - Current allocation of \$2.5 million
 - Additional \$2 million to improve the remaining service of life of roads (RSL)
- Inflationary operational cost

Tax Rate Consideration (see packet page 95)

- Certified Rate
- Pegged Rate
- Incremental Increase

When a resident or business gets a bill or tax bill there are many agencies on there and American Fork is one of them. American Fork City – General: Tax Rate .001448 = Annual Tax: \$438. The bill is larger than what the city collects, but only discussing this portion.

Ms. Montoya gave a comparison on where American Fork is compared to surrounding cities in Utah County (see packet page 96). She explained Taxes Paid = rate “x” value of home (data based on 2021 home values). Some cities have a lower tax rate, but property value is higher. Some cities have a high tax rate, but home values are lower. She stated residents pays more than just property taxes, they also pay utilities as well. American Fork is just a little above the median (see packet page 97).

She gave the timeline for Truth in Taxation. (See packet page 98) and showed different scenarios for tax rate scenarios (see packet page 99).

- May 10 Tentative budget/Budget Open house
- July 1 Adopt final budget
- July 22 County sends out tax notices
- August 9 1st notice of public hearing

- August 16 2nd notice of public hearing
- August 23rd Hold public hearing to adopt tax rate

Mr. Bunker stated to Council Member Barnes about the .000200 Mill Rate increase would generate about \$761,000 so close to the \$7300,000 cost comes in.

Ms. Montoya showed what other cities are doing by incorporating it into the property tax. (see packet page 100)

- Raising fees
 - o Road fee (City H. \$18.50/month=46% increase). Mr. Bunker added that it was the percentage of that city. He explained in detail the breakdown of the monthly fee is for the road fee and would have been a 46% increase in that city taxes had they incorporated that in.
 - o Public safety fee (City H. \$11.50/month=28% increase). Mr. Bunker also explained in detail how it works. Between the two fees that the American Fork absorbs in the general fund, we don't have a separate fee for those two funds, we pay for it out of the general fund. It would have been a 74% increase in taxes for that city had they done it as a tax fee instead. He explained other cities have different fees as Ms. Montoya stated. (Listed below).
 - o Street light fee
 - o Utility franchise fee (water, sewer, power etc.)
- Utility fund transfers to General Fund
 - o "Dividend" for city investment in enterprise fund
- Deferring capital needs/reducing services
- Going through truth and taxation yearly – keeping same rate or doing inflationary increases to avoid large adjustment increases. (Pegging the tax rate)
- Many Utah cities are pursuing truth in taxation this year seeking to increase certified tax rate

Mr. Bunker stated that they were not looking for a vote since it is a work session. He added that they will take the perceived direction from the Council and come back with a tentative budget next Tuesday for the Council to consider. Council Member Carroll reiterated if the budget they are looking at is the .000500 Mill Rate, to which Mr. Bunker acknowledged. Ms. Montoya added if that was reduced then they would have to reduce some of the road improvement.

Council Member Shelton had questions from the last work session about the tentative budget and if they will be able to review the final budget before it goes out. Mr. Bunker went over on how they allocated the budget. On FTD, each department as they reviewed their demand in the work force (depending on department and how we are allocating the resources) they have asked for additional people. Council Member Shelton felt the presentation about allocating funds individually on how it's laid out and if any council members had any questions about it Council

Member Barnes stated what was presented last time on budget, he felt comfortable about that due to growth. He did feel that somethings were open for debate, but the final budget there should be time for that final discussion. Council Member Taylor asked about Forester if that could be contracted out. He asked the council how they felt about that and having the Parks dept supporting that. He felt that a contractor could be hired for that.

Mr. Bunker stated there are a tremendous amount of work that a Forester can do for the City and add value. Extremely on sidewalks, we have an issue with trees in the public rights-of-way that are lifting our sidewalks in the city but needed to address the root cause and discuss which ones stayed or be removed. Those trees need to be inventoried or we don't correct our problem with the public right-of-way on the sidewalk. He felt that in the fall or winter when the Parks Department stops cutting grass, closing bathrooms at parks, then they will transition to a program where they can work with the Forester and focus on the trees that need to be removed or trimmed until the Parks is up again. At that time the Forester will proactively go through all the neighborhoods that are newly constructed and educate homeowners on approved trees that can be planted or replace trees with the approved ones. He went on to discuss waterless landscaping plan and how to educate the residents on that, and how a Forester can help the City with that. He felt there needs to be emphasis on the sidewalk program, there is a liability there if the City doesn't keep up with it.

Council Member Shelton asked what do the Parks Department do during the winter? Mr. Bunker replied they help with snowplow, shovel walks, maintenance activity for garbage cans and trailers. The ideas are we keep them fully staffed during the winter. So, they can take on the tree issues. Council Member Shelton asked if the City would need more seasonal employees? Mr. Bunker added that it would keep seasonal employees longer.

Mayor Frost suggested that there are other departments that have a period of downtime where they have the workforce to help in other departments. Council Member Shelton wanted to see a business plan laid out what is going to happened and where the money is going. He still felt that the budget of \$250,000 for Forestry was a lot for that department.

Council Member Carrol mentioned about how it was discussed about outsourcing the Forester but also discussed about how many old trees that need to be removed and how costly that is. She stated that this cannot be laid to the side it needs to be done and stated her concern for the liability issues. Mr. Bunker reiterated that tree removal and upkeep will go in-house during the winter months. Discussions continued amongst the council and staff about the tree issue, liability and code enforcement ensued.

Council Member Taylor stated concern for the \$10 flat rate per resident. He felt that "pegging it" would be the way to go. Council Member Barnes expressed concern about the 5%, it allows us to address those concerns that were discussed and how he is behind the code the enforcement. Council Member Carroll looked at the funds and suggests keeping it below 25%. She felt it was

reasonable to do a .000300 Mill Rate increase. Council Member Clark felt it was too much to put on residents and reality of inflation and rising costs and how it will affect them if the Mill Rate increases. Council Member Barnes stated that the costs are also increasing with the City and it has to be covered or we will be behind again.

Council Member Shelton mentioned the water fund rates, if there was an analysis of not doing a water fund increase. Mr. Bunker stated that the proposal they would not institute the water rate increase as proposed, it would be on pause. Evaluate it in the future. Council Member Shelton suggested to have presentation updated so he can visually see it. He agreed with Council Member Carroll about sending out a mailer to show residents how, when, and why the rate increases will do for the city.

Mayor Frost asked where the council individually felt where they would like the Mill Rate increase.

Council Member Shelton - .000343 \$10.00/month and peg the rate

Council Member Carroll – stay below .000343

Council Member Hunter – .000343 and get done what we need done for now

Council Member Barnes - .000343 \$10.00/month

Council Member Taylor stated that if the City doesn't get the money for roads and the City don't cause a \$20 tax increase, American Fork is as in good of shape as in any city in Utah County. He added that he has to take care of the public safety employees. He went on to discuss that he was looking at the pocketbook of residents and how this will affect them with inflation. Residents will get dinged everywhere. He felt that the council individual feelings about the Mill Rate increase they are not wrong to feel that way.

Council continued to express their personal feelings in regard to the Mill Rate increase and how it will affect the City and what would be the best thing to do all around and how pegging the rate will be the best thing to do.

**Council Member Carroll excused to leave at 6:00 pm*

Mayor Frost felt that the consensus was 3 council members to agree on the same rate increase and move forward. Mr. Bunker stated the process of pegging rate and how it will affect the certified tax rate and using Truth and Taxation and added that they will revise the budget and bring the final budget to the council for approval.

4. Discussion on Public Improvement Districts (PIDs).

Mr. Bunker discussed the modified PID's ordinance. It will not limit commercial/residential. Project by project will be looked at, not everyone will get approved for a PID. The city council sets up the PID and approves the PID. There will be a board that sets up the PID.

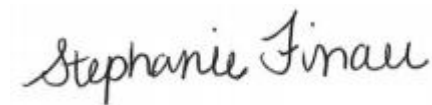
Council Member Shelton wanted confirmation that the council has full authority to approve the PID applications. Mr. Bunker confirmed in agreement.

Council Member Barnes wanted to know if it can be undone. Mr. Bunker said there isn't a way that it can happen.

Council Member Taylor appreciated that the council could approve and make developers responsible for their developments.

5. Adjourn.

Meeting adjourned at 6:17 pm

A handwritten signature in dark ink that reads "Stephanie Finau". The signature is written in a cursive, flowing style.

Stephanie Finau
Deputy Recorder