

SOUTH WEBER CITY CITY COUNCIL MEETING

DATE OF MEETING: 20 June 2017

TIME COMMENCED: 5:00 p.m.

PRESENT: MAYOR:

Tammy Long

COUNCILMEMBERS:

Scott Casas (arrived @ 5:20 p.m.)

Kent Hyer

Merv Taylor

Jo Sjoblom

Wayne Winsor

CITY RECORDER:

Elyse Greiner

CITY MANAGER:

Tom Smith

Transcriber: Minutes transcribed by Michelle Clark

VISITORS: Mark McRae, Brandon Jones, Derek Tolman, Chris Tremea, Michael Poff, Sanford Thompson, David Stanger, Roney Ketts, Marilyn Peterson, Merrile Gorringer, Keith Christensen, Bryce Wolfley, Loreen Wolfley, Tim Grubb, Tom Graydon, Blair Halverson, and John Grubb.

Council Member Hyer moved to amend the agenda to include an opening prayer and pledge. Council Member Taylor seconded the motion. Elyse called for the vote. Council Members Hyer, Taylor, Sjoblom, and Winsor voted yes. The motion carried.

Pledge: Council Member Sjoblom

Prayer: Council Member Winsor

Mayor Long called the meeting to order and welcomed those in attendance.

AGENDA: Council Member Sjoblom moved to approve the agenda as written. Council Member Taylor seconded the motion. Elyse called for the vote. Council Members Hyer, Taylor, Sjoblom, and Winsor voted yes. The motion carried.

CONFLICT OF INTEREST: None

Crossing Guard Certificates of Appreciation: Elyse Greiner, City Recorder, recognized Heidi Anderson (1 yr), Alexx Keetch (3 yrs), Karen Campbell (5 yrs), Mary Ferrin (6 yrs), Leslie Waters (6 yrs), Regina Griguhn (6 yrs), and Merilee Gorringer (10 yrs) for their service as crossing guards in South Weber City. Mayor Long thanked them as well.

QUARTERLY REPORT: Finance Director: Mark McRae, Finance Director, presented the quarterly report. He discussed the significant projects in the last three months which include:

Budget, Compensation Study, Active Finance Committee, and Hiring/Training new employees. He then gave an update on interest rate. He reviewed the Major Fund Cash Balances. He said they will be starting on the audit. They have been working on on-line pay stubs and W2. They will also be working on the Comprehensive Annual Financial Report (CAFR). He reported they are looking at going paperless in the field. Mark said he would like to develop and Investment Policy Certification. Council Member Sjoblom thanked Mark for all his hard work in getting the city up to date and working with the financial side.

Mayor Long announced that Council Member Casas will be late to this meeting. He is currently attending a meeting with UDOT concerning Highway 89.

QUARTERLY REPORT: Fire Chief: Chief Tolman presented the Fire Department quarterly report. He discussed the finalization of new engine specs, fast trailer training, three people finished fire academy, and state licensing for EMS has been submitted. He said they have been on many sever car accidents in the last three months. They have done multidepartment wildland drills. He said they have very intense trainings planned for the third quarter. He said changes will be coming County wide that will affect South Weber City. He said the Davis County Commissioners are reviewing the need for their Paramedic Program. If the paramedic program goes away, South Weber will need to figure out paramedic service.

Council Member Casas arrived at 5:20 p.m.

Chief Tolman reviewed the misinformation about the fire department. He said it will cost Sunset residents more money to go to the North Davis Fire District. It will cost South Weber citizens more money to get rid of the Fire Department not less. Council Member Winsor thanked Chief Tolman and the department for staying on top of the fire hydrants. Council Member Casas agreed. Chief Tolman said Captain Tremea organized that. Mayor Long asked about firework restrictions. Chief Tolman said a map is available and will be distributed throughout the city. Mayor Long suggested putting on the city sign that there are firework restrictions in the city. Council Member Sjoblom attended some training exercises and was impressed by the department.

ACTIVE AGENDA:

Adoption of a Transportation Utility Fund and Adoption of a Transportation Utility Fee: Brandon Jones, City Engineer, stated streets have a life span. He said it is more economical to preserve roads rather than delaying and reconstructing. He said as traffic increases, cost of delaying repair work increase significantly. He said repairing the worst roads first is a very expensive way to operate. He then discussed the RSL (Remaining Service Life) of the roads in the city.

Brandon discussed the current condition of the city's roads and stated at present, 45.8% of the city's streets are at a Remaining Service Life (RSL) of 6 years or less. 83.8% of the city's streets are at an RSL of 10 years or less. It would take \$6.1 million to move all of the city's streets to an RSL between 10-20 years. If no additional funding source is provided, the current average RSL of 7.99 years will drop to approximately 5 years over the next 10 years and the percent of streets with an RSL of 0 (failing) will be 52%. City streets have an average design life of 20 years.

Streets are a utility that provide a service and must be maintained to continue service. The city currently receives approx. \$212,000 in funding for roads that comes from Class "C" and Proposition 1 local options gas tax sales. These monies comprise 7% of the city's general budget. Preventative maintenance in the early stages of a roads service life decreases maintenance costs by 40- 60%. Essentially, spending a dollar today on prevention saves 6-10 dollars on the costs of future maintenance.

Funding Options:

Bonding

- Road maintenance is an ongoing cost, and bonds would only support the current needs for road maintenance;
- The deterioration rate of the city's roads does not allow the city to benefit from a bond because of the interest accumulation.

Transportation Utility Fee

- Equitable: Assessed fee is based on the estimated use of the streets;
- Transparent: Expenditure is restricted to roads, curb, gutter, and sidewalk
- Revenue is not subject to legislative funding (e.g. creation of city budget);
- Non-Profit Organizations (schools, churches etc.) pay

Property Tax

- Property Taxes increase;
- General Fund monies not necessarily obligated to street maintenance;
- Tax based on home value, not impact to roads;
- Non-Profit Organizations (schools, churches, etc.) do not pay

Brandon said any extra money for roads would need to come out of the city's General Fund. The city's General Fund monies are used to pay for services or debt required by state statute, such as law enforcement, fire, bond payments, etc. A cut from the General Fund would constitute a cut in service levels from services such as recreation, parks, the Justice Court, and/or Country Fair Days in order to compensate for the disparity.

Brandon reviewed what the Transportation Utility Fee would and would not pay for. He then reviewed the utility fee scenario summary.

Council Member Sjoblom asked Brandon what he feels is adequate RSL. He suggested getting to the average RSL of 10. He said he is concerned about the high number of roads that are in failure. Council Member Casas said based on the knowledge he has, by going with \$15 it would be the highest fee in the state. Council Member Sjoblom contacted Fruit Heights and their fee is \$15. She said Mapleton is around \$9. She said there are smaller cities that have higher fees. Brandon said you need to remember that every city is unique in their infrastructure. He said the city staff is recommending going with the \$15 fee.

Council Member Sjoblom moved to open the public hearing to consider adoption of a Transportation Utility fund and Adoption of a Transportation Utility Fee. Council Member Taylor seconded the motion. Elyse called for the vote. Council Members Casas, Hyer, Taylor, Sjoblom, and Winsor voted yes. The motion carried.

******* PUBLIC HEARING *******

Public Hearing: To Consider Adoption of a Transportation Utility Fund and Adoption of a Transportation Utility Fee: Mayor Long asked if there was any public comment.

Michael Poff, 939 E. South Weber Drive, asked why this is going to be done as a fee when there are other mechanisms in place. He is concerned because every time someone needs to fund a project, then the city will come up with a new fee. He said there is no stopping that.

Dave Stanger, 1026 E. South Weber Drive, said he is thinking of the people in his area that are paying \$90 a month for utilities. He is concerned about individuals who are on fixed incomes. He doesn't feel it is fair for all of us to pay the same fee couples verses those with three or four kids. He pays 10% of his retirement in property tax.

Tom Graydon, 2056 Cedar Bench Drive, asked how apartments are going to be treated or folks who are renting out their basements. He would like to know why this isn't being put into property taxes versus creating a fee. He would like to make sure everyone is treated fairly and equitably.

Sanford Thompson, 7777 S. 2300 E., is concerned about why money hasn't been set aside and planned for the future. He asked if the general fund revenue will be maintained as this account builds up. He said certain streets are travelled more heavily than others, and is concerned that there may be users that have heavier vehicles i.e. commercial users, etc.

Loreen Wolfley, 1253 E. South Weber Drive, asked why the city has decided to go with a fee versus adding it to the property tax.

Council Member Hyer moved to close the public hearing to consider adoption of a Transportation Utility fund and Adoption of a Transportation Utility Fee. Council Member Winsor seconded the motion. Elyse called for the vote. Council Members Casas, Hyer, Taylor, Sjoblom, and Winsor voted yes. The motion carried.

******* PUBLIC HEARING CLOSED *******

Council Member Winsor discussed the existing annual funding of \$212K. He said the fee is what is needed. He discussed ERU (Equivalent Residential Unit) and how that is calculated. He addressed a property tax value. He said a \$400,000 home will have to pay more than a \$200,000 home. Council Member Hyer said there is no correlation concerning the size of home and the number of vehicles. He discussed within the next six years, if nothing is done, the majority of the city's roads will be in failure. Council Member Taylor said if the money comes from property tax, the money can go anywhere (parks, recreation, etc.), but if it is a (TUF), then it has to go towards roads. Council Member Hyer asked the city staff to look at paying down the bond and what is being charged in water and sewer to help offset. Council Member Sjoblom reviewed the utility fee verses property tax table and said the utility fee is still less than what the property tax fee would be. She said in ten years she won't be on this Council and she doesn't want another Council to go thru this with fees being even higher. Council Member Winsor discussed

the advantage of transparency with the TUF. Brandon discussed how an apartment is addressed as an ERU. He said the basis for this is treating the roads as a utility. Discussion took place regarding how to charge a Home Owner's Association (HOA) or someone on a fixed income. Council Member Casas said he has wrestled with the right way to handle this. Mayor Long asked if it is possible with a property tax to specify how much, by resolution, is going towards roads. Tom discussed what level of service the residents want to see. He also discussed that this money is restricted money to be used for roads. He suggested implementing a fee and sticking to it. He said this fee allows the city to not defer the maintenance on existing roads. Mayor Long asked if the city is paying on any principle of the bond. Mark McRae said they are paying on both principle and interest.

RESOLUTION 17-26 Adopt Transportation Utility Fund

Council Member Hyer moved to adopt Resolution 17-26 Adopt Transportation Utility Fund. Council Member Taylor seconded the motion. Elyse called for the vote. Council Members Hyer, Taylor, Sjoblom, and Winsor voted yes. Council Member Casas voted no. The motion carried 4 to 1.

RESOLUTION 17-27 Adopt Transportation Utility Fee

Council Member Hyer recommended tabling the fee and look at options with the sewer or water fee.

Council Member Hyer moved to approve Resolution 17-27 Adopt Transportation Utility Fee at the rate of \$15 per month and suggested directing the city staff to look at options for offsetting the cost through the sewer and utility funds. This would be effective July 1, 2017 and reviewed in five years. Council Member Taylor seconded the motion.

Discussion on the motion. Council Member Winsor is concerned about how this will affect fixed income residents. Council Member Sjoblom is concerned about moving the problem around from utility to utility. She said we are already down from where we should be on water and sewer. Mark McRae said he will look at the pros and cons and put together a presentation.

Elyse called for the vote. Council Members Casas, Hyer, Taylor, Sjoblom, and Winsor voted no. The motion died.

Council Member Sjoblom moved to approve Resolution 17-27 with Scenario #7 with \$5 for first year, \$10 for next year, and \$15 for each subsequent year until 2027 with the review in five years. To be adopted and enacted on July 1, 2017. Council Member Winsor seconded the motion. Council Members Taylor, Hyer, Sjoblom, and Winsor voted yes. Council Member Casas voted no. The motion carried 4 to 1.

RESOLUTION 17-25 Adopt Davis County Certified Tax Rate for South Weber City

Council Member Winsor moved to approve Resolution 17-25 Adopt Davis County Certified Tax Rate of 0.000815 for Tax Year 2017 for South Weber City. Council Member

Hyer seconded the motion. Elyse called for the vote. Council Members Casas, Hyer, Taylor, Sjoblom, and Winsor voted yes. The motion carried.

RESOLUTION 17-24 Adopt Fiscal Year 2017-2018 Budget: Tom Smith, City Manager, reviewed the General Financial Status of the city. He said the principal of debt decreased by \$153,000. The General Revenue Fund is approximately \$3 million. He reviewed the expenditures for personnel, operations and capital projects, revenues (taxes & fees), budget modifications, He said this budget is a sound and balanced budget. Mark McRae said thanked all those involved with the budget. Council Member Hyer thanked Mark for allocating costs appropriately.

Council Member Winsor moved to approve Resolution 17-24 Adopt Fiscal Year 2017-2018 Budget with the caveat that the TUF Fund reflect Scenario #7. Council Member Casas seconded the motion. Elyse called for the vote. Council Members Casas, Hyer, Taylor, Sjoblom, and Winsor voted yes. The motion carried.

RESOLUTION 17-28 Amendments to the Verlo Petersen / Petersen Family Trust Donation Agreement (ex. Parcel #13-020-0054 and 13-018-0067): Tom explained that on December 14, 1999 the City accepted a donation of property from the Verlo Petersen Family (a portion of parcel 13-018-0040) and entered into a Donation Agreement for the property. On December 9, 2008 the City accepted a donation of property from the Petersen Family Trust (parcel 13-023-0162 and part of parcel 13-018-0048) with no restrictions for the use of the property. On May 14, 2013 the City accepted an amendment to the conditions of each of the property donations as requested by the Petersen family. The Petersen family has expressed a desire to amend the property agreement again to re-convey a portion of parcel 13-018-0067 and to amend conditions on the use of the remainder property.

In consideration of ten dollars (\$10.00) and other good and valuable consideration in hand paid, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

The Donation Agreement Amendment dated June 5, 2013 which the City approved by Resolution 13-09, the Donation Agreement accepted December 14, 1999 and the Donation Agreement accepted December 9, 2008, are hereby amended in the following particulars:

1. The Family does hereby release land parcels 13-020-0054 and 13-018-0067, which were donated to the City under Resolution 08-57, from any and all restrictions and uses, including but not limited to the sale or lease thereof to a third party for City financial purposes, thereby eliminating any Family restrictions that said parcels had been specifically donated to be developed by the City for the benefit of the community, and further releasing any reference that they are or were to be used as a City Park or Cemetery.

2. The City shall re-convey to Family a small portion of parcel 13-018-0067 previously donated to the City by the Family in Resolution 08-57, and more specifically described as Parcel A attached hereto as Exhibit D.

3. The Family does hereby release parcel 13-018-0049, being the “barn parcel,” previously donated to City and accepted by City by Resolution 99-042, from any restrictions regarding its use or lease to a third party during that period prior to public park or recreation facilities being developed thereon, subject to the terms of this Second Amendment. Any use or lease by the City, its assigns or lessees during this pre-park development period shall be in accordance with maintaining the property’s value in compliance with future park plans. Any uses allowing for the maintenance of animals shall not harm the prospective park land value and shall require tenant/lessee fencing specifically designed to contain the animals and protect the properties adjacent to this parcel. Use of the existing barn or sheds by any animals shall be strictly prohibited and animal fencing by the tenant/lessee shall be required to prevent tenant/lessee animals from entering or damaging the exterior or any part thereof. All ingress and egress to the “barn parcel” shall go through City property.

4. The following reservations shall continue through June 5, 2033 on the remaining properties donated to the City:

A. Development by the City of the remaining donated parcels shall be limited for the use of a Public Park or Cemetery;

B. The Family may use the donated parcels as “open-space” for density calculation when developing in residential zones on the remaining Petersen Farms and Grubb Meadow parcels.

5. Except as specifically identified herein, all other items of the 2013 Donation Agreement Amendment shall remain in full force and effect.

Tim Grubb, representing the Petersen family, discussed the barn parcel and the restrictions for the donated property and recreation use. He said the south parcel has limited restrictions to be to the benefit of the community and the family would like to also be part of community enjoyment or possible city cemetery. He said the Petersen’s have no issue with the south parcel being used for recreation, leased, or sold. He said concerning the barn parcel, the Petersen’s understand the City may receive financial gain. He said with the original agreement, they would like to extend the dates for the calculations for their density. Tim said the tax id numbers have changed since the original donation.

Council Member Casas moved to approve Resolution 17-28 amendments to the Verlo Petersen/Petersen Family Trust Donation Agreement (Parcel #13-020-0054 and 13-018-0067). Council Member Hyer seconded the motion. Elyse called for the vote. Council Members Casas, Hyer, Taylor, Sjoblom, and Winsor voted yes. The motion carried.

PUBLIC COMMENTS:

Michael Poff, 939 E. South Weber Drive, said he was offended by Council Member Taylor’s comments on limiting the three minutes of public comment during the public hearing. He reminded the council to charge fees based on facts. He encouraged them to get involved in the Utah League of Cities and Towns. He said the problem is that there are mechanisms in place to work with the Legislature. He said for the record, in 2013 21% of the budget was for roads, and now 7% is for roads. He said previous councils did not leave this council with this mess.

Tim Grubb, 6926 S. 475 E., thanked the council for making a tough decision today. He appreciates them looking at a specific item. He doesn't mind the rough roads because it slows people down.

COUNCIL ITEMS:

Council Member Taylor: He thanked code enforcement for removing construction trailers on the roads. He thanked Davis County Sheriff's Department for their calls for service and what they are doing for traffic.

Council Member Sjoblom: She thanked Keith Christensen for all his work on Central Park playground and the extra work he is putting into that park.

Council Member Casas: He attended the UDOT Highway 89 Open House. He would suggest discussing the changes on an agenda for end of July or early August.

MAYOR'S ITEMS: She reported that Central Weber Sewer approved their certified tax rate of .000709 and they are currently in the final stages of doing their bonds at a lower interest rate and save approximately \$1 million.

CITY MANAGER ITEMS: He stated the fireworks for Country Fair Days will be taking place at Central Park and not the Poll property. The sign easement agreement has been signed with Maverik. The 1250 East project water line is being installed with secondary water line being installed next week. Country Lane at South Weber Subdivision will be on the next agenda. He has received a couple of letters from two individuals under the age of 12 concerning a skate park in the city.

PLANNING COMMISSION: Tim Grubb, representing the Planning Commission, reported that the Planning Commission approved a fireworks booth by Maverik. He said they approved the preliminary plat for Ray Creek Estates Subdivision. They recommended the vacation of 7400 South. The Planning Commission has discussed the alignment of Old Fort Road and setting up a Transportation Committee for that. He said the conditional use permit was approved for Country Lane Assisted Living Center.

ADJOURNED: Council Member Hyer moved to adjourn the meeting at 7:51 p.m. Council Member Sjoblom seconded. Elyse called for the vote. Council Members Casas, Hyer, Winsor, Sjoblom, and Taylor voted yes. The motion carried.

APPROVED: _____ Date

Mayor: Tammy Long

Transcriber: Michelle Clark

Attest: _____
City Recorder: Elyse Greiner