SOUTH WEBER CITY CITY COUNCIL MEETING

DATE OF MEETING: 13 August 2019 TIME COMMENCED: 6:07 p.m.

LOCATION: South Weber City Office at 1600 East South Weber Drive, South Weber, UT

PRESENT: MAYOR: Jo Sjoblom

COUNCIL MEMBERS: Blair Halverson

Kent Hyer Angie Petty Merv Taylor Wayne Winsor

CITY RECORDER: Lisa Smith

CITY MANAGER: David Larson

FINANCE DIRECTOR: Mark McRae

Transcriber: Minutes transcribed by Michelle Clark

ATTENDEES: Landy Ukena, Kathy Devino, Julianne Higgs, Don Higgs, Joan & Bill Turner, Ivan Ray, Michael Poff, Lyle Jorgensen, Judy Orton, Lynett Ledbetter, Chris Pope, Paul Sturm, Ann Bitton, Haley Albert, Quin Soderquist, Sherry Wooten, Tony Mackintosh, Cory Mackintosh, Elizabeth Olden, Jay McDougal, Dusty Petty, John & Tracy Hart, Debbie Hansen, Steven Hansen, Jessica Maryano, Michael Grant, Lynn Poll, Craig Ecton, Louise Heppe, Lacee Westbroek Loveless, Cole Fessler, Marilyn Runoflson, Ember Davis, Mike Sampson, Aaron Adams, Linc & Chris Adams, Blaine & Leah Land, Tammy Long, Elizabeth Rice, John R. Grubb, Ross McKinson, Greg Robinson, Ted lander, Doris Rice, Stephen Ormond, Myrna Fernandez, Laura Chabries, Corinne Johnson, Elaine Tesch, Rob Tesch, Jean Jenkins, Linda Marvel, Mike Record, Barbara Shupe, Chad Schilleman, Jonathan Englad, Karee Yates, Stephen Tucker, Joel & Becky Dills, Julie Smith, and a few names which were not printed legibly.

Mayor Sjoblom called the meeting to order and welcomed those in attendance. She reminded the audience that this meeting was solely to speak on property tax increase. She invited those who wish to comment on other items to attend the next City Council Meeting on 20 August 2019.

PLEDGE OF ALLEGIANCE: Mayor Sjoblom

PRAYER: Councilwoman Petty

CONFLICT OF INTEREST: None

Councilman Hyer moved to open the public hearing. Councilman Halverson seconded the motion. Mayor Sjoblom called for the vote. Council Members Halverson, Hyer, Petty, Taylor and Winsor voted aye. The motion carried.

Proposed Tax Increase: Mayor Sjoblom requested those who wish to make public comment to come to the podium, state his/her name and address for the record, keep public comments to three minutes or less per person, address the entire City Council, and understand the City Council will not respond during the public comment period.

Mayor Sjoblom invited those who wish to make public comment to sign up with Lisa Smith, City Recorder.

Landy Ukena, 7918 S. 2175 E., thanked the City Council and Mayor Sjoblom for their service on behalf of the City. He then related that the citizens of South Weber City are concerned, confused, and desperately seeking engagement from City Leadership regarding the growth, development, and fiscal state of this city. He acknowledged Councilman Hyer's recent post on Facebook concerning the property tax increase and felt people in this city are looking for that type of engagement. He attended the property tax open house at the City Office held on 16 July 2019. At that time, he spoke to City Staff and City Council Members and tried to see their perspective of the City's fiscal challenges. He also read the 2019-2020 Tentative Budget. He expressed a 100% property tax increase is unwarranted. He revealed the Tentative Budget was put together anticipating a 100% property tax increase. He opined other anticipated revenue sources (sales tax, Class C road funds) are too conservative and noted one recent building permit that he reviewed would account for 13% of the budgeted revenue in building permits alone. He expressed a fiscally responsible budget can be achieved without a property tax increase. He referred to the June 2019 city newsletter and the city website stating the money from the increased tax will be used for three main things: (1) progress on unfinished parks and trails (2) construction of new roads and (3) recent increased cost in law enforcement and emergency medical services. He acknowledged the City's desire to shift more of the sales tax revenue to the capital projects budget but proclaimed the sales tax portion of the capital projects in the tentative budget only totals 14% of the 2.5 million of the budgeted capital project revenues. He questioned why South Weber City must spend \$800,000 on land for a new public works facility. He related developers are anticipated to pay \$827,000 of the 1.3 million in costs for South Bench Drive; yet the tentative budget is showing only \$571,000 leaving the balance to be paid by the City. He implored the City to help the public understand how the City has gone from a capital projects budget of \$476,000 in 2016 to \$501,000 in 2017 to \$2.5 million in 2020. He referred to the Canyon Meadows Park phase 2 completion and suggested it be removed from the budget for two reasons: First, the City should evaluate expenses. Second, the Army Corp of Engineers is requiring the City to restore the wetlands at Canyon Meadows Park and restoration costs are currently unknown. He stated most of the increase to the budget came from an increase in contracted services from Utah Highway Patrol. He was proud of the South Weber Fire Department, but in the last few years there has been a 1000% increase in the wages budgeted for the Fire Department Staff. He conveyed if revenue from EMS Services can't support the infrastructure than adjustments should be made. He concluded that a small property tax increase

may be necessary to help pay for the increased cost in safety services or to adjust the ratio of sales tax revenue to property tax revenue, but it is imperative that expenses be lowered.

Kathy Devino, 2480 E. 8300 S., asked if the pits are paying taxes. She queried if the machinery that they are using is being taxed. She contacted Riverdale City and was told the machinery should be taxed. She noted she is in attendance to learn.

Michael Poff, 154 E. Harper Way, suggested amending the rules to allow longer public comment. He felt the time limit is intimidating and thought more time would allow individuals to fully express their views. He wanted public comment submissions for this hearing continued through 20 August 2019 to accommodate those who were unable to attend. He expressed the City shouldn't hold the Fire Department and public safety hostage to the property tax increase as it is a disservice to them and the role they play in the community. He posed the question to the City Council, "What will the City get in three years for the tax increase?" and received inconsistent answers from Council, city staff, and candidates. He pointed out when new Council Members were elected in 2016, they decided they would not be spending the money as allotted. He surmised upcoming elected officials may act the same way. He inquired how much the City has spent on engineering for a road that isn't in the General Plan. He referred to the Transportation Utility Fund (TUF) increase. He believed Cottonwood Drive was slated to be repaired with that money and he noted instead of replacing Cottonwood Drive it was patched. He petitioned Council to review previous budgets 2010-2014 which disprove comments implying previous Councils did not address the City's financial issues. He recalled the previous City Council set aside funds for a new fire truck and established by resolution a vehicle replacement fund. He was concerned the increase in fees and taxes limit those who can afford to live in South Weber.

Ivan Ray, 7268 S. 1600 E., disclosed his property taxes have gone up 35% since 2015. He divulged Social Security doesn't increase proportionately which makes increases difficult for someone who is retired and on a fixed income. He commented there are 83 new homes being built off 475 East. Mr. Ray mentioned last month he paid \$150 in City utilities, and the average over the last year has been \$120 a month. He calculated revenue in utilities for those units would be between \$119,520 and \$149,400. He hoped the City Council will consider needs of older residents on a fixed income. He queried why the increase must be so much. He related there are some states that freeze taxes for those on a fixed income who have lived in an area for a certain number of years. He voiced South Weber has more parks per capita than any place in Utah.

Jessica Maryano, 1852 E. 7775 S., accounted South Weber City has made the news for the wrong reason: The proposed property tax increase of 100%. She understood there hasn't been a property tax increase since 1971 but opposed the amount of increase. She reported the Standard Examiner stated the city with the next highest increase is Layton City at 24%. She agreed with need for safety but addressed park completion. She reported the completion of Canyon Meadows Park was estimated to cost \$3.1 million in 2013. She wondered what the current construction cost would be. She then questioned the construction of new roads and she noted TUF should cover that cost. She declared her utility bill has increased dramatically. She expressed her opposition to purchasing new accounting software. She puzzled how retired citizens will pay for a 100% property tax increase and feared that younger families would bear that burden. She proposed staggering the increase.

Haley Alberts, 7560 S. 1740 E., questioned why the sales tax revenue fluctuates dramatically. She inquired where the new public works facility will be. She recommended the City Council receive resident response on a proposed splash pad at Canyon Meadows Park. She announced building costs have increased so the cost for park completion will be much higher. She suggested waiting until the General Plan is adopted before increasing the property tax rate.

Michael Grant, 2622 Deer Run Drive, called for tabling the tax increase until the General Plan is completed. He believed the City's vision has changed or will be expressed better. He urged the City to canvas citizens by submitting questions on the water bills in clear layman's terms relating costs to services for each household. He complained that he cannot find information on the website. He requested a meeting with the City Manager to discuss city expenses.

Kenneth Hick, 2580 E. 8300 S., thanked the Mayor and City Council for their work. He pronounced opposition to the property tax increase as excessive. He conveyed South Weber is not a big city and should make reductions in spending. He favored public safety as necessary. He thought some projects may need to be put on hold or bonded. He proposed salaries be cut back. He hoped Council listens to the people and does not pass this increase. He petitioned reduction in expenses and a moderate property tax increase to account for inflation.

Lynn Poll, 826 E. South Weber Drive, expressed how much he loves South Weber City. He complimented all those who have given public comment. He discussed his property tax increase. He suggested the city parks can be paid for by government grants. He challenged the city has a spending problem and not an income problem. He vocalized the city has put a lot of money into constructing the water tank road and road down by the posse grounds.

Barbara Shupe, 933 E. South Weber Drive, appreciated all that had been said. She was against the 100% property tax hike.

Marilyn Runolfson, 2568 Deer Run Drive, accepted there hasn't been an increase since 1971. She would like to know why it wasn't done incrementally. She requested more openness concerning the decision-making process. She questioned if the city has used the data from the questionnaire that was sent out a couple of years ago. She would also like to know how to access that information. She would have liked the time or place of this meeting changed to alleviate problems with access due to construction.

Councilwoman Petty, read Brent Poll's letter, 7605 S. 1375 E., in its entirety:

"An informative recent article, in the local Standard Examiner, directly related to the subject hearing. It stressed that the City of South Weber was currently proposing the largest property tax increase in the State of Utah. This wasn't a close call. It cited an almost 100% increase for us with the next largest increase being in the 46% range. A strong inference followed in the article that the increase was needed largely to help finance over thirty new/proposed city projects.

Such notoriety is not a complement to our city or its residents. Such tax-and-spend liberalism is common now at the National level as championed by Elizabeth Warren and Bernie Sanders, but I seriously doubt whether anything close to a simple majority of voters in our city would ever vote for their agendas or to increase our property taxes by 100%.

Three of our city council members' terms expire in 2020. The proposed tax increase is so significant that it deserves to be a major factor in the selection processes for those vacancies (representing a majority voting-block). In fact, it seems unethical to proceed to a tax-related vote now before voters can consider the taxing rational of the potential candidates for those vacancies. Speaking as one resident with over 50 years' experience voting in our own/city-wide elections, promises NOT to unduly raise taxes have always been an essential part of a winning formula here.

Moreover, the viability of the 30-plus-suggested city projects is far from settled. The future of some of those proposals is clearly outside the city's jurisdiction (the canal trail, for example), so such issues warrant resolution BEFORE the city starts taxing its residents to fund those uncertainties.

Please add this letter to the input for this evening's public hearing. Let me know if you have any questions concerning the conclusions and observations provided".

Tammy Long, 2728 E. Deer Run Drive, announced she has many reasons why there shouldn't be a property tax increase. She referenced documents showing revenue of \$5,810,383 and now it has gone up to this year being \$13,118,000 which is an increase of double what is was five years ago. She questioned why all this money is being spent. She recalled a property tax proposal in 2016 starting at 66% and amended to 20% but did not pass. She cautioned you can't collect money for one purpose and then spend it for another. While reviewing past check registers she noticed there are a lot of fees being charged to taxpayers for upsizing the sewer lines for one development. She believed those fees should be paid through impact fees. She warned the City should watch ERU's for the sewer line. She expressed concern about the water shares for culinary water. She felt the money being spent in Public Works Department is appalling and feared a new public works facility won't be maintained. She thought \$33,000 for a used mower was excessive. She questioned why public works bought a used truck rather than buy out a lease of an equipped truck. She is against the City building new roads. She is not in favor of the 100% property tax increase.

Elizabeth Rice, 7875 S. 2310 E., voiced we all try to live within our means. She inquired what gravel pit pays. She expressed a 100% property tax increase is way too much. She claimed the parks don't need upgrade. She agreed with what had been said.

Joel Dill, 7749 S. 2100 E., was concerned about the numbers. As a small business owner, the tax increase may necessitate closing his business. Many people live from paycheck to paycheck. He articulated the City Council has an incredible amount of power and cautioned them to consider the effect their decisions have on others.

Corrinne Johnson, 8020 S. 2800 E., challenged the time allotted to review all the comments and concerns from the citizens and then be ready to vote. She requested the City Council take more time to allow more public input.

Cole Fessler, 7233 S. 1700 E., spoke about a proposed tax increase years ago. He believed the City needs to look at the big picture. He was concerned about pet projects. He asked the Council to consider what the city really needs to survive. He revealed the increase is no more than a

couple of lunches out each month. He expressed citizens are all on fixed incomes. He urged the tax should go to needs and not upgrades. He encouraged the Council to use the money responsibly.

Councilman Taylor moved to close the public hearing. Councilwoman Petty seconded the motion. Mayor Sjoblom called for the vote. Council Members Halverson, Hyer, Taylor and Winsor voted aye. The motion carried.

Councilman Hyer expressed we all love the small town feel of South Weber City. He explained project evaluation criteria the Council uses to assess priorities. They are (1) Public Safety and Health (2) Basic Services (3) Cost/Efficiency (4) Growth Oriented and (5) Time Sensitive. He articulated there are some comments tonight that have been true and some that have not been quite so true. He pronounced the Council has looked responsibly at projects and what will impact the City in the next fifteen years. He wished the taxes and TUF would cover all the city's needs. He assured the Council is trying to make the best use of city money. He declared Davis County School District receives the biggest amount of property tax. He hoped future Councils will keep pace with inflation so that the city is not facing this challenge again. He explained equipment must be bought because of State or Federal mandates. One example is the Public Works Facility which was fined because the salt wasn't stored properly. He referenced the questionnaire which hasn't been addressed because of the conditions of the city's streets. He noted spending money to keep roads up is a fraction of the cost to replace the same roads later. He recalled five years ago wondering why the City does what it does which prompted him to run for office. He reiterated that he has the City's best interests in mind. He revealed this is a Council of unity and is trying to do the right things for the city and each citizen. The Council has spent a great deal of time and effort trying to cut expenses. The lives saved with the increased public safety services are worth the increased cost. He voiced a tax increase has been studied for many years.

Councilman Winsor disclosed there have been a lot of items discussed tonight, but he is not taking time to correct misinformation. He addressed the shock of the percent of increase and explained that percentages don't translate to dollars. He believed residents want to know money is spent appropriately. As an example of the decisions that face the Council, he discussed the streetlights and what it will take to replace all the streetlights to LED versus continuing with lights that cost more to operate. Capital expenditures upfront can translate to cost savings long term. He explained the process of property tax distribution. He reported either you plan now for the future or you pay more in the future. He empathized with the effect the increase will have on citizens. He articulated the power that the Council has does not go unnoticed. He communicated he will give deep thought to those comments expressed before voting.

Councilman Halverson recalled when he became a Council Member he sat down with Mark McRae, Finance Director, to understand city finance. He reiterated the city has not received an increased amount although taxes have increased over the years. As an experienced business owner, he was surprised the city hadn't increased taxes since 1971 since he understands the costs associated with construction. He expressed the city does not pay for developers to develop. He reported the Parsons gravel pit pays the point of sale and is the largest contributor to the City.

He voiced he cares, and he will take this matter seriously. The increase affects each Council Member as fellow citizens of South Weber. He thanked everyone for coming.

Councilwoman Petty appreciated the attendance tonight and wished people would come to each meeting. Her eyes had been opened to what goes into running a city since her election to the Council. She expressed the emotional turmoil the decisions cause her. She discussed the budget process and the committees involved with every line item. She attested there has been no misappropriation or illegal movement of funds. She related the city has passed all audits. She emphasized the importance of passing this tax increase for the future of the city. She discussed the Public Works Department and reported the current building is lacking. She invited everyone to tour the shop to see for themselves. She disclosed she reviews the hundreds of pages including the check registers each week and she feels the responsibility entrusted to her.

Councilman Taylor gave thanks to all those in attendance. He revealed the Council does have the citizen's best interests at heart. He reviewed the process of choosing a law enforcement contractor. He stated the roads must be maintained. He communicated that developers pay for the costs to hook into the city infrastructure when they apply for building permits. He reiterated the audits evaluate appropriate spending. He explained his process of weighing matters. He hoped the Council can leave this city better than when they found it.

Mayor Sjoblom recalled her journey to run for office after being in their role. Her perspective had changed. She quit her job so that she can dedicate more time to serving. She expressed the responses affect her entire family. She articulated she has done everything in her power to help this city. She declared she loves the people that live here. She assured everyone that committees made up of Council and staff scrutinize every part of the budget. She hoped everyone understands that Council's interest is in serving this community.

ADJOURNED: Councilman Hyer moved to adjourn the Council Meeting at 7:33 p.m. Councilman Taylor seconded the motion. Council Members Halverson, Hyer, Taylor and Winsor voted aye. The motion carried.

APPROVED

Date 09-17-2019

Mayor Pro Tempore: Wayne Winsor

Transcriber: Michelle Clark

Attest: City Recorder: Lisa Smith

Poll Enterprises LLC

Members: Glen Poll Lynn Poll Brent Poll Margie P. Mayfield



Managing Members: Lynn Poll Brent Poll

City of South Weber 1600 East South Weber Drive South Weber, Utah 84495

Subject: Proposed Property Tax Increase Public Hearing – 8/13/19

Dear Council and Planning Commission,

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Managing Member