

City of Taylorsville
Work Session
Minutes

Wednesday, June 13, 2012
Council Chambers
2600 West Taylorsville Blvd., Room No. 140
Taylorsville, Utah 84129

Attendance:

Mayor Russ Wall

Council Members:

Chairman Jerry Rechtenbach
Vice-Chairman Dama Barbour
Council Member Ernest Burgess
Council Member Larry Johnson
Council Member Kristie Overson

City Staff:

John Inch Morgan, City Administrator
John Brems, City Attorney
Cheryl Peacock Cottle, City Recorder
Jessica Springer, Council Coordinator
Del Craig, Chief of Police
Mark McGrath, Community Development Director
John Taylor, City Engineer
Scott Harrington, Chief of Finance
Donald Adams, Economic Development Director
Robin Bronson, Human Resource Manager
Marsha Thomas, Judge
Jean Ashby, Administrative Assistant
Aimee Newton, Communications Director
Patrick Tomasino, Building Official
Cory Snodgrass, Police Sergeant
Lisa Schwartz, Emergency Response Coordinator

Others: UFA Chief Michael Jensen, UFA Deputy Chief Gaylord Scott, Charles Christopher, Lynn Handy, Pam Manson, Jay Ziolkowski, Jon Fidler, Judy Moore, John Gidney, Ryan Perry, Royce Haakenson, Steve Prokopis

18:07:17 Chairman Jerry Rechtenbach called the Work Session to order at 6:07 p.m. and welcomed those in attendance. City Recorder Cheryl Peacock Cottle conducted a Roll Call, wherein all Council Members were present.

1. Discuss Resolution No. 12-24: An Interlocal Agreement between Salt Lake County and the City of Taylorsville for Aerial Photography from the Salt Lake County Surveyor's Office – *John Inch Morgan*

18:08:06 City Administrator John Inch Morgan noted that the subject interlocal agreement for aerial photography comes up periodically. He relayed the importance of using aerial City maps for road maintenance, planning, etc. Mr. Morgan confirmed that the cost is \$810 for the aerial photography.

18:09:17 Council Member Kristie Overson observed that the agreement terminates at the end of the year. Mr. Morgan explained that the City is buying access to the aerial photography and the contract needs to be completed by the end of the year; however, future use of the maps is available to the City on a continual basis.

18:10:11 Council Chairman Rechtenbach noted that the price for this contract is very reasonable. He observed that aerial maps are very useful, but must be updated periodically. Mr. Morgan commented that the last aerial map update was four or five years ago at a cost of about \$2500.

Direction was given to bring this resolution back to next week's meeting for adoption.

2. 2012-2013 Fiscal Year Budget Discussion – *John Inch Morgan*

18:11:30 City Administrator John Inch Morgan called for discussion on the special funds list within the budget. Morgan stated that the special funds are small and self-contained, which means that they are enterprise funds; revenues and expenditures are targeted for specific funding and cannot be used for other funds.

2.1 CDBG: Mr. Morgan noted that the CDBG budget was already approved in March, 2012 and reflects revenue and expenditures listed for this fiscal year. Mr. Morgan noted for the record that the CDBG budget contains \$390,378 in revenue, with the same amount for expenses. He relayed cited two needs hearings that were held prior to the official adoption of the CDBG budget on March 21, 2012.

2.2 Cemetery Fund:

John Inch Morgan stated that the Cemetery Fund is a small budget with revenues coming from the sale of vaults and plots; expenditures all result from the cemetery itself. He cited an

additional request in the Add Package for \$30,000 to build a cemetery shed. He relayed that it has now been decided that the shed can be purchased for around \$10,000.

Council Member Larry Johnson questioned the difference in cost. Mr. Morgan explained that Lee Bennion has presented a bid for \$10,000. Council Member Johnson relayed Mr. Bennion's intent to gather some donations for the work that will make up the difference. Council Member Burgess recommended that assurance be obtained from Mr. Bennion that the work can truly be done for \$10,000. Mr. Morgan confirmed that at least three bids are needed. He stated that the cemetery shed is currently in the Add Packages, but \$10,000 will now be transferred from the General Fund to the Cemetery fund for the shed. Chairman Rechtenbach stated that he would like to see the actual bids. He suggested putting \$10,000 in as a placeholder under Cemetery Capital. Chief Financial Officer Scott Harrington confirmed that the budget line will increase from \$2,000 to \$12,000 and that he will put a placeholder under transfers in the General Fund for \$10,000 to the cemetery fund.

Economic Development Fund:

18:19:07 Mr. Morgan cited \$4,440,000 in revenues for the Economic Development Fund, with the same amount in expenditures. He noted that \$4 million of this amount is for anticipated bond proceeds. He reminded the Council that in 2011 there was a transfer of funds from the General Fund balance which has been utilized for operating expenses. He relayed that very little has been drawn from the bond that was approved and the balance is on hold for major projects. Mr. Morgan noted that there are no anticipated transfers from the General Fund into the Economic Development Fund. He stated that proceeds and expenditures will come from the bonds and upcoming projects will be brought before the Council for discussion before major expenditures occur. Council Chairman Rechtenbach asked if the \$3.25 million under economic projects was being allocated to a specific project. Mr. Morgan clarified that it will be disbursed as projects arise. He said it is believed that some of the projects will take place during the year and the amount reflected is adequate to get projects started.

18:21:07 Economic Development Director Donald Adams described consultant needs and cited an immediate need for the formation of economic development project areas at the UDOT site. He noted that the study needs to be prepared and adopted prior to its sale in order to capture the full tax increment. He advised that the second need is for the expansion of Sorensen Research Park to the north. Mr. Adams relayed that Sorensen has 26 acres they are looking to expand; there is also a need for bridge construction across the Jordan River to meet traffic demands before expansion can occur. Chairman Rechtenbach asked about RDA studies software support. Mr. Adams advised that the Business Analyst/Leasing Software provides contact information for retailers. Mr. Adams clarified that the program is web-based and there is an annual subscription.

18:22:52 Council Member Kristie Overson stated her understanding that the Business Analyst Software was in Community Development. John Inch Morgan clarified that the ESRI software is in Community Development. He noted that it was moved from Economic Development operations to Community Development. Mr. Adams stated that he will follow up on this expenditure for placement verification.

2.3 Capital Fund

18:24:19 John Inch Morgan described aspects of the Capital fund. He noted that it is divided into three categories, with separate revenue and expenditures for each. He explained that the capital fund for property is for property such as parks; real property is for buildings; and the infrastructure section is used for roads, bridges etc. He reminded the Council that \$200,000 is being transferred from the General Fund to the Capital Fund.

18:25:53 Council Member Dama Barbour asked for clarification on Impact Fees for the Parks section. Mr. Morgan explained that when the City receives requests for building permits, a portion of the fee is given to parks, storm drain, and fire stations. These funds are added to the budget for various projects. Mr. Morgan stated that, as other projects are added throughout the year, the Council will be notified and fees will be transferred.

18:27:48 Chairman Rechtenbach inquired about impact fees for the Fire Station. Mr. Morgan gave explanation on negotiations that will happen if the City decides to join the Fire District. Additional discussion was held on the purpose of impact fees.

18:29:15 City Engineer John Taylor referenced the Infrastructure budget, specifically for access to Prairie View Drive. He relayed that residents have asked for the creation of a road through the area and these funds are to create that roadway. Council Member Barbour agreed that the roadway is necessary.

18:31:20 Council Chairman Rechtenbach initiated discussion of Redwood Road. John Taylor noted that the Redwood Road Project is in the Add Packages. He stated that the City is still pushing for funding and has been approved by Wasatch Front for the section between 4400 South and 4700 South; the City will need to come up with funding to match the \$2.5 million that has been approved through federal funding. Mr. Rechtenbach questioned why the \$2.5 million was not placed in the budget rather than being marked as an Add Package. Mr. Morgan explained that it will be treated the same way as a grant in that when funds are received, the item will be placed on an Agenda for recognition by the Council. Mayor Russ Wall clarified that the funds will not be given during this next fiscal year. Council Member Ernest Burgess asked if the \$300,000 designated is specific to this project. Chairman Rechtenbach explained that the funds are placed in the capital fund and can, therefore, be used for any project. Mayor Wall stated that

the funds could be used for other items, but will not be moved without the advice of Council Members.

18:33:36 Council Member Dama Barbour asked if the funding match needed for the Redwood Road project could be used for the beautification walls. Mayor Wall indicated that is already a part of the project. Chairman Rechtenbach clarified that the decision was made to remove bonding for walls in the budget. City Engineer John Taylor noted that the Redwood Road Project will cost \$30 million and the price will increase over time.

18:34:36 Council Member Larry Johnson commented on the length of time the construction on Redwood Road has taken. He suggested that UDOT starts projects and does not finish them.

18:35:07 Mayor Wall explained that the Redwood Road project is at the top of the list, but is a \$30 million project. He noted that the City is counting on Federal and State money to complete the project because there is no desire to raise taxes to cover construction costs for a State road. He explained that the delay is due to waiting for funding from Wasatch Front Regional Council. The Mayor noted that they are careful not to put money aside for projects until the City is ready to match funding. He advised that patience is needed in order to pay a very minimal amount for the project. He relayed that the Federal match is 95% to the City's 5%.

18:36:54 Council Member Johnson commented that the issues at Prairie View have existed for a while and asked why it has not been brought up before. John Taylor clarified that the problems there have been previously considered, but residents have not been as vocal about it in recent years. He stated that traffic has now worsened and safety concerns have been brought forward. Mayor Wall commended the efforts of Wayne Harper in this endeavor and stated that prospects for this project are good.

18:38:31 Council Member Kristie Overson asked for an update regarding walls for the Redwood Road Project. She asked whether, if the City were to construct walls on Redwood Road, the State would recognize the City's contribution to the project. Mr. Mayor gave clarification on the funds match with UDOT and noted that it is a political decision. Additional discussion was held regarding this potential project.

2.4 Storm Drain Fund:

18:41:09 City Engineer John Taylor called for questions regarding the Storm Drain Fund. John Inch Morgan stated that this is a self-contained fund; revenues are dedicated specifically for storm drain purposes. Mr. Morgan stated that the Storm Drain fund balance has been reduced with the completion of several storm drain projects. Mr. Harrington clarified that this fund is now a self-supporting fund.

18:42:24 Council Chairman Rechtenbach asked for an update on the Wall Project on 4100 South with regards to the curb/gutter and slope grooming. Mr. Taylor relayed that \$500,000 is needed for the wall and \$250,000 for curb and gutter. Mr. Rechtenbach called for clarification on linear feet of wall calculated for this project. Mr. Taylor agreed to research the information and provide the number at a later date. He cited some issues with grading and retention. Mr. Taylor also advised that the work on the sidewalk does not qualify for Storm Drain funds; however, the curb and gutter would qualify. Chairman Rechtenbach referenced a need to be creative, as this is a worthy project. Mr. Taylor agreed to work closely with Council Member Burgess.

18:45:09 Chairman Rechtenbach inquired about water quality management. Mr. Taylor relayed that it is keeping within EPA standards. Mr. Harrington confirmed that all of the bond proceeds have been used and noted that the last payment will be in 2026.

18:45:40 Council Member Larry Johnson commented on the street sweeper. Mayor Wall stated that the City owns the sweeper and also charges Holladay a percentage of the payment each month for using it. John Inch Morgan noted that the City's costs are half what they were when there was previously a contract and the City is now able to sweep twice as often.

18:46:33 Council Member Dama Barbour discussed Misty Hills. John Taylor relayed that was last year's project and much has now been completed.

18:46:50 Chairman Rechtenbach referenced the 1300 West Project and inquired whether it was a drainage or capital issue. Mr. Taylor confirmed that it was a capital issue. He agreed to discuss this project with Mr. Rechtenbach at a later date.

18:47:10 Council Member Ernest Burgess asked for confirmation that the Storm Drain Fund will keep up with maintenance. Mr. Taylor stated that it will, unless something catastrophic happens. Chairman Rechtenbach noted that the old drainage system problems have been addressed to the best of the City's knowledge. Mr. Morgan commented that there is adequate funding to continue upgrades and maintenance. Mr. Taylor observed that the drainage system is now in very good condition.

2.5 Fire Service Alternatives

18:49:15 Chief Michael Jensen introduced Unified Fire Authority (UFA) District Clerk Ryan Perry, UFA Deputy Chief Gaylord Scott, UFA Assistant Chief Royce Haakenson, and City liaisons UFA Battalion Chief Jay Ziolkowski and UFA Battalion Chief Steve Prokopis.

18:49:38 Chief Jensen referenced the update to the Fire District Proposal with Option C. He rendered a power point presentation to answer some questions and gave a general overview of the Fire District Proposal.

18:50:28 Chief Jensen gave clarification on road projects through the Wasatch Front Regional Council (WFRC). He cited funding cycles and noted that the Transportation Improvement Plan (TIP) is a five-year plan. He noted that Mayor Wall sits on the WFRC Board and is a good advocate for Taylorsville. Chief Jensen said that the District typically has two-year funding cycles authorized through the federal system and then funds are appropriated. He stated that there is a bipartisan movement in Congress to fund the TIP and the expectation is that going forward it will be funded either at the same level or with a slight increase. He advised that there should be money coming from the WFRC TIP program to help prioritize projects.

Chief Jensen described the UFA District Board and the roles of members. He reminded the Council that Salt Lake County has three members due to its three large population centers in unincorporated areas. He noted that if those areas should eventually be incorporated, they would receive individual seats on the Board in place of the County seats. He also noted that if Taylorsville were to join the District, Chairman Rechtenbach would serve in two roles; the first being that of a UFA Board Member and then also that of a District Board Member.

18:53:00 Chief Jensen reviewed the UFA Organizational Chart. He commented that the Board is the entity that sets all policy, budget, and direction and is ultimately in charge of the UFA. Chief Jensen noted that he reports directly to the UFA Board. He relayed that the organization is set up by Area Directors who have authority to make decisions for their assigned areas. He cited demographics of the UFA and stated that about 400,000 residents are served through 26 stations.

18:59:35 UFA Specialty Programs were discussed. Chief Jensen cited the example of Midvale City due to their recent decision to join the District. He noted that Midvale mirrors Taylorsville's needs and expectations. He relayed that one of the benefits of UFA is that cities can assign programs and personnel to special programs. He suggested that smaller departments do not have the flexibility to achieve this level of excellence or expertise. Chief Jensen cited intent to not place undue financial burden on any one fire station. He said that the District is constantly reviewing call volume data and then placing specialty programs in appropriate areas. Chief Jensen pointed out that the specialty training received by the District is unsurpassed around the world and benefits the entire valley.

19:02:49 Chief Jensen listed benefits to Taylorsville joining the Fire District and cited the need to reconstruct Station 117. He stated that there would be no need for the City to bond because funds are already available through the Fire District. Chairman Rechtenbach referenced the possibility of rebuilding Station 117 and making it a larger station with dual purpose. Chief Jensen stated that this is possible, but there are certain qualifications that would need to be met. He noted that a station's needs are based on call volume and area density.

19:05:53 Council Member Dama Barbour called for clarification on response time out of Station 118 for the southwest end of the City. Chief Jensen stated that the southwest end of the city is currently being serviced by Station 109 in Kearns.

19:07:09 Chief Jensen reviewed the history of UFA and the Fire District. He stated that there has only been one tax increase in 2008-2009 in order to build two stations. He commented that the District has a AA+ Bond Rating assigned by rating agencies. Those rating agencies requested building the bond payment into the tax rate; however, bond payments were made during the three years of construction thereby allowing the District to place the equivalent of the bond payments into the bank as fund balance. He indicated that this will allow the Fire District to now pay cash for two stations.

19:10:02 Council Member Kristie Overson commented on the reference to bump Taylorsville up on the priority list and asked if it is the Board that makes that decision. Mr. Jensen stated that he will make a recommendation to the District Board and they will then decide. Council Member Overson asked what would happen if another city wants to become a member of the District next year and whether that would re-prioritize Taylorsville on the list. Chief Jensen stated that the first priority is the Olympus Cove Station, based on a 2007 seismic study. Chief Jensen stated that, currently, the second priority is the rebuilding of the Herriman station; however, Herriman has a brand new station as part of the bond. Chief Jensen said he feels confident that the Board will agree to shift top priority to Taylorsville and Herriman's second station will be moved further down the list.

19:13:03 Mr. Jensen said he feels certain that the money would be expended as soon as the City joins the Fire District. He advised that there are two times during the year to join the District, either July 1st or December 1st. He noted that the July 1st deadline cannot be met for this year. He advised that there have been no other cities showing interest in joining the district at this time. He stated that the District would expend money before anyone else could join by January 1, 2013.

19:15:49 Chairman Rechtenbach commented that, should the City decide not to join the District, the fire station would still need to be rebuilt, but funding would need to be received from bonding which would result in interest expense for taxpayers.

19:16:23 Chief Jensen reiterated that the District currently has the ability to fund two new stations with cash. He commented that for the first time in five years the cost per firefighter has increased.

19:17:29 Chief Jensen cited the 2009 Truth in Taxation Notice and described staffing levels during construction. He noted that there would be additional staffing options available.

19:18:41 Chairman Rechtenbach called for the definition of ALS and BLS. Chief Jensen explained that ALS is Advanced Life Support (paramedics) and BLS is Basic Life Support (basic emergency medical technician). He reviewed the different types of calls received.

19:20:02 Chief Jensen reviewed "Tax Rate Option C" and cited an average increase of \$11.76 per month on a home. He reminded the Council that the cost is based on the District's calendar year.

19:22:12 John Inch Morgan described adjustments that would potentially be made to the budget through joining the Fire District. He stated that the upcoming year would be contracted for half a year, thereby reducing the contract amount by \$1.9 million. He noted that the tax increase could be brought down to the same tax yield as last year (\$4.2 million) and a surplus would be available of \$400,000. He also cited another \$100,000 to re-allocate due to the wall project being removed from the budget. Chairman Rechtenbach asked if the numbers given reflected Option B. Scott Harrington clarified that the amount referenced reflects the option the Council requested for joining the District during this fiscal year and taking away the tax increase.

19:24:15 Mr. Morgan described additional impacts of Taylorsville joining the District and setting the tax rate for collection of taxes in November 2012; by officially joining the District in January, the District will set their tax rate for the entire calendar year for collection in November, 2013. He noted that the Council will determine where to set the tax rate for the following year during next year's budget process. Mr. Morgan clarified that the City would not be required to make any reduction to the tax rate in this year's budget, but it would need to be made in next year's budget.

19:26:09 Chief Jensen outlined the proposed timeline for joining the District, citing announcements/notices, public hearings, a protest period, and then finally a District Board meeting held for acceptance; the final decision would ultimately be taken to the Lieutenant Governor for certification. He relayed that the full processing period would take a minimum of 40 days, but is typically around 50 days. Chief Jensen stated that if, at any time during this process the City changes its mind and decides not to join, the District Board will honor that decision and proceedings will be stopped.

19:27:43 Chief Jensen illustrated maps showing various Station Response Times. Council Member Burgess asked where the new station would be built. Chief Jensen stated that one option would be on 6200 South in the southeast quadrant, and the other option would be on 6200 South and 2700 West. He stated that the 2700 West location is the optimal location for filling in the City, but cited a challenge in finding available land.

19:30:51 Council Member Larry Johnson observed that the station on 6200 South would be very close to West Jordan's border. Chief Jensen confirmed this and noted that the City Council's input will be requested on the specific location.

19:32:04 Council Member Burgess referenced the mill levee. Chief Jensen advised that the cost is uniform across the District. He gave additional clarification on the assessments for fire protection. Council Member Larry Johnson asked how long it would take to save up the money to pay cash for a new fire station. Chief Jensen stated it would likely take four to five years to save and still meet the requirements from the State regarding minimum reserves.

19:34:50 Chairman Rechtenbach clarified that he asked Chief Jensen to put numbers together. He commented that this option does not mean that there is not going to be a tax increase to citizens, but it allows the UFA to tax directly for its services. He noted that if the City were to maintain its station there would be an increase in fees assessed from the Fire District this year. He suggested that the City is in need of at least one, possibly two, fire stations at a cost of about \$3 million to \$5 million each. He observed that bonds come with a cost. He relayed that a week ago the Council asked that the City's tax increase be removed from the budget in favor of joining the Fire District.

Council Member Larry Johnson asked for clarification regarding the District combined taxes and Scott Harrington gave additional explanation.

19:38:08 Further discussion ensued regarding the fire service protection contract, bonding options and associated costs, and different options available through the Fire District.

19:42:38 Council Member Dama Barbour stated her desire for the City to move forward. She suggested that the Council must make the decision either to bond or to pay as it goes, but observed that staying status quo is not beneficial for the City.

19:43:28 Council Member Johnson suggested that the budget has not been cut enough. He agreed that he would like to move the City forward, but does not feel it can be done all at once. Chairman Rechtenbach agreed and reminded the Council that they must pass the budget next week. He said going line by line through the budget is spinning wheels and he is not comfortable with that. He called for additional budget proposals from the Council.

19:44:58 Mr. Johnson cited varying public opinions on proposed tax increases and suggested that the Council is biting off too much at one time. Chairman Rechtenbach asked Mr. Johnson to bring another proposal forward for discussion and reiterated that he is willing to hear other options.

19:45:55 Council Member Barbour commended Chairman Rechtenbach for his efforts to move the City forward and stated that she does not have a better idea than that what has already been proposed. She noted that if other Council Members have better ideas, she would like to hear them because a budget must be adopted soon.

19:47:49 Chairman Rechtenbach relayed that he has forwarded his budget proposal to Budget Committee Chair Lynn Handy for review. Chairman Rechtenbach invited Budget Committee Member John Gidney to comment on the proposal. Mr. Gidney declined to comment. Chairman Rechtenbach observed that the City is on the verge of becoming something great, but there have been some missed opportunities in regard to economic development. He suggested that some tough decisions need to be made because there is a limit to the amount of services that can be cut from the budget before the City starts to suffer. He observed that in order to move the City forward, changes must be made.

19:49:20 Mayor Russ Wall cited a lot of input and research performed by citizen committees in regard to the budget. He noted that nobody likes to recommend tax increases, but said that the Administration feels that their proposed budget does a good job of moving the City forward. Mayor Wall commended Chairman Rechtenbach for his work to prepare an alternative budget. He cited two critical issues in both proposals: (1) the decision to join the Fire District; and (2) the decision to join the Unified Police Department. He encouraged the Council to give some final direction this evening so that a budget may be adopted at next week's meeting.

19:51:41 Council Member Kristie Overson stated two concerns before the Council on whether to have the City pay as it goes or whether to put bonding in place. She noted that deciding on the bonding route would include improving infrastructure by implementing Add Packages that promote economic development. She suggested that if the decision is for Taylorsville to pay as it goes, then shifting to the experts for UPD and UFA would be a good idea. She also stated that she doesn't think the City can move forward without a tax increase. She observed that, personally, she believes going to the Fire District makes sense.

19:53:43 Council Member Barbour proposed going to the Fire District at 50% and also joining fully with the Unified Police Department (UPD) in order to move City forward.

19:54:16 Council Member Larry Johnson commented that it is all right for him to disagree.

19:54:25 Council Member Ernest Burgess expressed concern regarding the 50% option with the Fire District and stated that he would like to see a 20% option. He asked to see numbers on what that type of impact would entail. John Inch Morgan advised that the option would be easy to calculate.

19:55:03 Council Member Overson commented that it is also important to realize that if the decision is to go with the Fire District, whatever rate is decided, there must be clear direction for how money will be used. Chairman Rechtenbach asked if Council Member Overson had a recommendation for her preference. She stated that 50% sounds reasonable, but inquired whether Mr. Harrington might also show what both 40% and 60% numbers would be.

19:56:50 Chairman Rechtenbach advised that with the 50% option, it would essentially offset the proposed tax increase. He noted that this option would essentially supplant the tax increase and then the major projects would be funded, with the exception of the wall project.

19:57:57 Mayor Wall requested the 40% option because the City would then be close to retaining about \$2 million per year for capital project expenditures. He stated that the 50% rate would only cover ongoing expenses and capital money would not be available for next year. He advised that at 40% there would be \$700,000 each year for new capital expenses. He suggested that the Council consider the 40% option to cover economic development bonds. He observed that if the Council chooses the "pay as you go option," there must be money put aside to cover projects.

19:59:55 City Attorney John Brems called for clarification regarding the tax rate being for next year or this year. He noted that next year's tax decision is not meant to be a decision for this Council body. Chairman Rechtenbach observed that it is a concern for the present Council because the decision will start the ball rolling. He also noted that there would not be any new Council Members for the next budget year. Mr. Brems advised that the decision could be made next year. Mayor Wall explained that there are two issues currently at hand; one is the tax increase that the City is proposing and the other is the tax shifting to the District and how much of that tax the City should retain. He noted that the decision will ultimately be made in November, but must be budgeted for now. Mr. Brems asked Scott Harrington to clarify.

20:02:59 Mr. Harrington summarized as follows: joining the Fire District affects the City this year and next year. This would not affect the tax rate unless the tax rate is increased to fund ongoing expenses. He stated that giving up the 20% minimum affects next year because the City will join the District January 1, 2013. Once the City becomes a member, the tax rate will be given up. The tax rate being set for this year goes into effect November, 2012. He commented that the Council is setting up the framework for saving \$1 million toward capital improvements next year. He noted that, technically, it could bind a future City Council if one of the current members were to decide to resign. Chairman Rechtenbach observed that essentially the current Council binds future Councils with many decisions that are made; however the future Council members can change the decisions made.

20:05:00 Council Member Burgess expressed concern over what the impact will be on citizens when next year's taxes are assessed. Mr. Harrington clarified that the decision required for the

current budget is whether to put more money away to capital projects, include the current Add Packages or have a tax increase this year to accelerate savings for capital projects. Discussion was held on the percentage needed in order to make future funding available for capital projects. Mr. Harrington calculated that if the Council decides on 40% toward the Fire District, it would make \$2.6 million available to put toward capital projects.

20:09:04 Council Member Dama Barbour asked for clarification regarding when the fire contract payment is made. Mr. Morgan stated that it is paid quarterly throughout the year. He noted that the City would make two quarterly payments for the first half of the year before joining the Fire District. Ms. Barbour asked how much would be remaining.

20:10:29 John Inch Morgan gave explanation and stated that the question that needs to be answered is if the Council wants to join the Fire District; if the answer is yes, then determination must be made on what tax percentage the Council desires to set. He noted that every percent that the tax is raised, increases the tax yield by roughly \$42,000.

20:11:44 Council Member Barbour inquired as to the Fund Balance. Scott Harrington stated that it is currently at 14% to 15 %; however, if the Council elects to join the Fire District, the Fund Balance would be at 16%.

20:12:36 Council Member Burgess asked what the combined tax increase would be if the City were to join the UFA at 40%. Mr. Harrington stated that the combined tax increase would be 73%.

20:14:33 Mayor Wall reminded the Council that joining the Fire District would give the City a new fire station, a rebuilt fire station and additional fire personnel. He commented that the residents in the unincorporated area and the surrounding areas are subsidizing Taylorsville's fire services. He advised that the City will eventually be hit with increased insurance costs, etc. He pointed out that the City's number one charge is public safety and Taylorsville has not yet fully funded the police department or fire department. He questioned whether the Council is now willing to do so and whether there will still be some money to fund economic development and other projects. He stated that this is a philosophical decision and determination must be made on whether the City wants to move forward or stay status quo.

20:15:20 Council Member Burgess questioned what the tax burden will be next year if the City does not join the Fire District or the UPD and stays with the current police force and fire services. Mayor Wall suggested that Taylorsville is now suffering the effects of being a frugal city for the past 16 years, but eventually the cost must be paid. Mr. Burgess asked what condition the City would be in if these decisions are not made. Mayor Wall responded that it would return the City to the revenue stream seen in 2007. He also relayed that it would mean the City would be funded in 2012 at the same rate as the year 2007. He cited the loss in sales tax

revenue since 2007. He noted that issues with inadequate public safety and fire services have been brought to light before the Council and determination must now be made on how to best provide for the future safety and welfare of residents.

20:18:20 Council Member Dama Barbour stated that the Council's first responsibility is to public safety. She reiterated that the City must move forward.

20:18:57 Mayor Wall stated that the Council must provide direction for the City and the most critical decision is over UPD. He noted that everything to put UPD in place must be done by July 1, 2012 and, therefore, there is a sense of urgency. He also noted that a decision on whether to join the Fire District must be made by next week

20:20:04 Council Member Dama Barbour questioned whether the Council wants to face these issues again next year or wants to take care of them now. She commented that it is never going to be an easy decision. Chairman Rechtenbach agreed and stated that there are two choices before the Council: one is the Mayor's original budget and the other is the alternative budget with the proposed revisions. He suggested that the Mayor's original budget is deficient, as there would be no moving forward in the area of economic development. He observed that a 40% tax increase is not realistic to move the City forward.

20:22:02 Council Member Kristie Overson stated that she has witnessed this debate every year and feels tough decisions need to be made now. She said she believes that becoming a member of the Fire District and being a full member of UPD is appropriate.

20:23:04 Mr. Brems summarized that there are currently three decisions before the Council: joining UPD, joining UFA, and what to do with the tax rate this year.

20:23:19 John Inch Morgan explained that the reason for emphasizing the need for direction at this time is to complete the resolutions needed for passing the budget next week. He noted that if direction is given tonight, the final versions of budget resolutions will be available for citizens review of what is being considered.

20:24:52 Mr. Burgess observed that the City cannot continue in the same direction without improving economic development, as the situation is sure to worsen. He asked for the dollar amount that would be required per month, per resident, with the 73% combined increase.

20:26:24 Mr. Harrington relayed that the approximate amount would be \$28.00 total per month and the additional amount being considered is approximately \$11.82 per month per household. Mayor Wall confirmed that this would be an additional \$4.00 per month above his originally proposed budget. He noted that about half of that amount goes to fire and police services

anyway and most of the other half would be used to make up shortfalls and fund economic development.

20:28:38 Chairman Rechtenbach clarified that some of the smaller projects being done can be earmarked as "pay as you go," which would cost the citizens less because they would not be encumbered by bonding fees for 10-15 years down the road on projects that will be complete in four years. He advised that if the City pays now and sets money aside, it will have funds available for emergencies that come in the future.

20:28:48 Chairman Rechtenbach invited Budget Committee Chair Lynn Handy to address the budget concepts proposed. Mr. Handy noted that he just recently received the proposed budget changes and has not had a chance to discuss the proposal with the rest of the Budget Committee, so he can only offer his personal view at this time. He observed that there are three decisions placed before the Council: police services, fire services, and tax increases. He noted the need to make a commitment to the City and said the City must be willing to pay for those things it values. He said he personally recommends that the City participate in full membership with the UPD and also recommends joining the Fire District. Mr. Handy encouraged the Council to consider increasing the tax rate a little bit every year in order to be progressive. He noted that citizens wanted to incorporate and now the City must be fully funded. Mr. Handy asked the Council to make tough decisions on behalf of citizens in order to support the City as is necessary. Mr. Handy agreed to more fully review the recently provided figures and to forward the information on to the Budget Committee.

20:32:04 Council Member Ernest Burgess reviewed history for when the City began contracting with UFA and observed that there have been areas that have since been refined. He suggested that previous issues with UPD and the Fire District have now been worked through.

20:33:40 The Citizen Comment Period was opened at this time (see Agenda Item 3).

2.6 Other Issues

20:42:40 Chairman Rechtenbach called for review of the Add Packages to the Budget.

20:43:37 Chairman Rechtenbach asked Community Development Director Mark McGrath about the Electronic Plan Submittal Software and questioned whether this software could be deferred. Mr. McGrath stated that the software is not mandatory, but would be beneficial in increasing the department's efficiency and improving customer service. Discussion was held regarding the potential cost for annual maintenance of the software. Mr. McGrath estimated that the maintenance cost would be about \$5,000.

20:45:13 Chairman Rechtenbach suggested that purchase of this software be postponed. Mr. McGrath stated that the department can limp through for another year without the software. He noted that if the software had been purchased two years ago it would have placed Taylorsville at the forefront. He stated that he believes the City is approaching a point where customer service is hindered and implementation of the software would be a big step forward. Council Member Burgess asked if other departments would also use the software. Mr. McGrath stated that the software would benefit economic development in the City and would make it possible to store drawings electronically in order to cut down on paper storage. Mr. McGrath showed an example of a typical set of drawings used for construction projects and cited costs associated with maintaining and shipping bulky paper documents. He explained that through use of Electronic Plan Review, plans can be submitted over the internet instantaneously and printing and shipping costs would be reduced. He cited the streamlining benefits in obtaining the software.

20:49:07 Dama Barbour stated that she is optimistic about economic development and believes this software will be beneficial. Mr. McGrath commented that Taylorsville has the reputation for efficiency in dealing with the development process. He noted that the City is known for having a quick turnaround response time, being efficient, and cost effective; and obtaining this software would keep Taylorsville in the forefront.

20:50:30 Council Member Ernest Burgess questioned whether the software will save the City money. Mr. McGrath acknowledged that the biggest savings would be to customers. He described potential improvements to efficiency throughout the City. Mr. McGrath explained that the software is able to make a comparison to previous drawings. He noted that plan review can take place much quicker because the computer does a lot of the work.

20:52:42 Council Member Johnson asked if there are new building developments projects in the City at this time. Mr. McGrath stated that there are approximately seven projects being developed at this time, and he predicts seeing quite a bit of new development in upcoming years.

20:53:23 Council Member Kristie Overson inquired about the need for monitors associated with the new software. Mr. McGrath acknowledged that bigger monitors would be needed for six employees in his department who do plan review on a regular basis. Council Member Burgess asked if there would be a loss of business if this software is postponed for another year. Mr. McGrath stated that he does not think businesses would base their decision to build in Taylorsville on whether the City has electronic plan review capabilities, but reiterated that it would keep Taylorsville in the forefront.

20:54:40 Council Member Johnson recommended that this item be removed from the budget. Chairman Rechtenbach polled the Council with the following results: Burgess - take it out; Barbour - leave it in; Overson - leave it in, Rechtenbach - take it out. The majority vote was to remove the proposed software from the budget.

20:55:57 City Engineer John Taylor addressed Add Packages with regard to capital projects. The Little Confluence cost share was reviewed by John Inch Morgan. He cited 25% participation from Salt Lake County for this project at 4800 South and the Jordan River. He noted that a number of residents in the area have asked for improvements in the area to improve the presentation of their homes. Chairman Rechtenbach asked whether the \$25,000 would be a match to County funds. Mr. Morgan confirmed that it would be a one-time match.

20:57:35 The neighborhood curb, gutter, and sidewalk replacement program for \$1 million was discussed. Mr. Taylor cited replacements planned throughout the City, i.e. Smiley Drive, etc. Chairman Rechtenbach asked if the \$1 million would complete all the areas needed. Mr. Taylor stated it would not and clarified that this is an annual allocation that will need to be placed back into the budget.

20:58:50 Council Member Larry Johnson asked if this project included repaving the canal road. Mr. Taylor stated that it did not. Mr. Morgan clarified that the areas are defined as the 40-50 year old neighborhoods that have the "California Roll-type" of construction that is now crumbling. Council Chairman Rechtenbach stated that he is not willing to increase the budget or increase the burden to residents any more than is necessary. He cited a desire to review projects that can be a one-time expenditure from fund balance money without raising tax dollars to accomplish them.

20:59:38 Chairman Rechtenbach referenced the bike trails. Mr. Taylor relayed that construction has started on 2700 West. He cited other areas that need improvements to continue the bike routes through the City, i.e. 1300 West and 4700 South. Chairman Rechtenbach suggested that this is a tremendous program that is worthy of attention. He noted that this is not a one-time construction, but is ongoing. Mr. Taylor agreed and explained that it would be \$100,000 per year for 2 to 4 years.

21:00:23 Mr. Taylor noted that construction on Redwood Road was previously discussed. Mr. Rechtenbach stated that \$1 million would be placed in the Capital Fund.

Mr. Taylor cited a \$6 million cost for the UDOT property project that includes the new signal, a pedestrian overpass for Westbrook Elementary, and some roadway infrastructure. Chairman Rechtenbach asked for clarification on the type of infrastructure needed. Mr. Taylor stated that the project would include a new signal, a pedestrian bridge, and realignment of the road, but does not include the road's internal water, sewer, etc. Mr. Rechtenbach asked where the new signal would be placed. Mr. Taylor stated that it would be at the UDOT property entrance east of the elementary school and include the road that connects Prairie View with the new road; the project also includes buying out a house and building another access to the neighborhood.

21:01:54 Chairman Rechtenbach raised the question of added congestion to 6200 South. Mr. Taylor listed reasons that the project would help with that issue. Council Member Johnson observed that UDOT construction has not yet started. Mr. Taylor clarified that the light is not just for UDOT, but is also to enhance safety for Westbrook Elementary children and help with traffic congestion. He confirmed that the light would be in between 3200 West and Bangerter Highway.

21:03:11 Council Member Burgess asked what safety precautions are being taken now for the children at the elementary school. Mr. Taylor stated that the children currently cross 6200 South at Gold Medal Drive, but it is an area that is congested and in need of attention pertaining to safety.

21:03:40 Council Member Kristie Overson asked whether there is a possibility of grant money or UDOT funds for the UDOT property road projects. Mayor Russ Wall relayed the City's position that the increased flow of traffic on 6200 South is not a Taylorsville issue but, rather, a regional issue. He noted that because 6200 South is a City road, it is difficult to get grant funding. He relayed that the City received funds to build the two pedestrian overpasses already in place. He stated that the City is pushing for money for the project and will most likely run some legislation through a new Senator representing the area in order to convince UDOT that it is their problem. Mayor Wall gave his recommendation that this is not a project to put funding aside for because it needs to be done all at one time. He recommended taking it off the table altogether for now.

21:05:28 Council Chairman Rechtenbach noted that the area will be placed in an EDA or a CDA and questioned whether this project could be rolled into such. Mr. Taylor agreed that there are options that can be considered.

21:06:15 Chairman Rechtenbach referenced the construction project at Redwood Road and 4700 South. Mr. Taylor noted a need to take planning steps for this project. Chairman Rechtenbach recommended reserving this project until BRT plans are made.

21:08:33 Mr. Taylor discussed the project at I-215 and 4700 South that may be recommended based on a study of traffic congestion issues. He noted that this project would not take place this year. Chairman Rechtenbach recommended removing this project from consideration. Council Member Burgess stated that he feels the project should be considered because it is an entrance to the City, needs beautification, and is a vision hazard. Mr. Rechtenbach said he feels these issues can be handled with what is approved mid-year for maintenance projects. Mr. Taylor clarified that the congestion study is being done at present and recommendations to mitigate congestion at 4700 South and I-215 will be forthcoming. Mr. Taylor stated that the \$100,000 is a placeholder for this upcoming project, depending on the study results. Chairman Rechtenbach recommended removing this item.

21:09:24 Chairman Rechtenbach referenced the Community Garden Fencing. Mayor Russ Wall explained that a Community Garden has been created on City Center Property. He suggested that if there is no fence to protect the area, it will be ransacked. He requested \$15,000 for the fence. Mayor Wall advised that the garden plots are sold for \$20 per spot, which covers the cost for water and maintenance. He relayed that the fencing would be vinyl coated chain link. Council Member Kristie Overson commented that it would be a disservice not to be able to see the Community Garden. She said she is supportive of a fence and would like it to look nice. She agreed that the vinyl coated chain link sounds appropriate.

Council Chairman Rechtenbach brought up to multipurpose center cost of \$200,000. Mayor Wall acknowledged that this project was part of his State of the City address wherein he recommended putting money aside for an arts center. Chairman Rechtenbach asked if there are other things that might supersede this project. Mayor Wall agreed that this project could wait a year.

21:13:05 The potential construction of restroom facilities at Jones Dairy was discussed. Mayor Wall and Council Member Dama Barbour both agreed that this project is necessary. The Mayor relayed that there are school children bussed to this facility, but there are not enough restroom facilities and are no handicapped facilities. John Inch Morgan advised that one bid has been received and two more will be obtained. Mayor Wall confirmed that there would be two restrooms with multiple stalls and handicap access; the restrooms would be accessible from the inside and outside. Mr. Morgan acknowledged that consideration is given to bids received by local businesses.

Chairman Rechtenbach observed that the task at hand is to determine which of the items will be kept in the budget and which should be removed. He relayed that he would like the following items kept in the budget: \$25,000 toward the Little Cottonwood Confluence; fencing of the Community Garden area; and restrooms for the Jones Dairy, for a total of \$70,000. He recommended a one-time transfer from the fund balance to cover these costs. He stated that he would also like to have a portion set aside for the Redwood Road business district.

21:15:20 Council Member Larry Johnson asked about the minimum amount cited for Redwood Road. Mr. Taylor stated that it is a \$30 million project and the City's match would be roughly \$150,000 on the approved portion. He noted that if the whole project were funded it would call for \$2.5 million in match money. Chairman Rechtenbach pointed out that the project could be accelerated if the City has matching funds on hand in the future. Mayor Wall agreed that if opportunity arises for the project to be accelerated, a request can be made to take the money from the fund balance at that time.

Mr. Rechtenbach advised that he would like to see a commitment for funding bike trails. Council Member Ernest Burgess suggested \$50,000; Chairman Rechtenbach stated that he would

support \$100,000. Mr. Taylor acknowledged that \$100,000 would be a good start for trails on 4800 South or 1300 West. Council Member Dama Barbour asked what the funding amount would be to complete one of those two areas. Mr. Taylor relayed that it would be more than \$100,000. Discussion ensued and the final consensus was to allocate \$100,000 for bike trails.

Chairman Rechtenbach summarized the final decisions for Add Packages, as follows: \$25,000 to Little Confluence; \$100,000 allocated for bike trails; \$15,000 for the community garden fencing; and \$30,000 to the Jones Dairy restrooms. Consensus was that a total of \$170,000 be transferred out of the Fund Balance for these items. Discussion was held regarding the area of Redwood Road and 6200 South and the decision was to search for federal or other sources of funding for this project.

21:20:47 Council Chairman Rechtenbach noted that all tabs in the budget have been discussed and said he is ready to make a proposal for finalizing the proposed budget for review next week. He stated that he would like to see the Salt Lake Valley Fire District promoted at a 50% commitment for the property tax rate; inclusion of the Add Packages as previously specified; and the changes suggested at last week's meeting. Mr. Harrington noted that the Council also requested an additional \$10,000 for construction of the cemetery shed. Mr. Rechtenbach confirmed this.

City Administrator John Inch Morgan stated that the amended budget will be published on Friday, June 15, 2012.

21:22:52 Scott Harrington reminded the Council that the current budget has \$454,496 going to Fund Balance, with \$180,000 deducted from that amount, per the Council's direction. Council Member Dama Barbour questioned whether \$300,000 could be used toward construction of the wall project. This was confirmed by Chairman Rechtenbach.

21:23:51 Mr. Morgan relayed that if there is consensus of the Council, money would be transferred to the capital fund and designated for the wall project this evening. Council Member Larry Johnson stated that he would like the funds designated to the 4100 South Wall Project.

21:26:09 A straw poll was taken regarding Chairman Rechtenbach's proposal, as follows: UPD full membership; joining the Fire District; and \$170,000 in Add Packages, with the balance allocated to the capital fund for the 4100 South wall project. The vote was as follows: Barbour-yes; Johnson-no; Overson-yes; Burgess-yes; and Rechtenbach-yes. John Inch Morgan stated that the budget will be ready for review by Friday, June 15, 2012. He noted that he will also forward resolutions for the 2011-2012 year-end budget and the 2012-2013 fiscal year budget, including the tax yields and all other needed information.

21:27:17 Chairman Rechtenbach questioned whether the 2012–2013 Budget is to be approved by resolution or by ordinance. Mayor Wall stated that the last direction given by the Council was to adopt by resolution, although City Attorney John Brems and the Administration prefer it to be adopted by ordinance. Chairman Rechtenbach called for recommendation from the Council as to whether to adopt the budget as an ordinance or by resolution. The consensus of the Council was to adopt the budget by ordinance.

3. Citizen Comments

20:33:47 Chairman Jerry Rechtenbach read the citizen comments procedures and called for any citizen comments.

20:34:51 Jon Fidler apologized publicly for his previous comments of last week, as he did not ask permission to use a certain citizen's name. He referenced the Mayor's rebuke and said his comments about the Mayor were based on an assumption that has since been corrected. He apologized for his misunderstanding and stated that he has accepted the Mayor's apology. Mr. Fidler went on to say that liberty is a gift from God, second only to life itself. He stated that the opposite of liberty is bondage and commented that debt and bonds are a form of bondage. He suggested that the Council wait a few years for projects and pay cash.

20:37:46 Judy Moore stated that she has recently discovered that the economic development budget she thought was geared toward specific projects is more of a nebulous, flexible budget. She questioned what the outcome would be if deals fall through and inquired about oversight of the economic development budget. She asked whether there will be a tax rebate if property taxes are raised and deals are not completed. She also stated that she can not believe the Council is arguing over whether to fund shopping centers or a fire department.

20:38:46 Charles Christopher commented on economic development. He relayed his interpretation that economic develop focuses on the increase in tax revenue by the City. He said his view of economic development is local trade. He commented that he would like to have economic development discussed more often.

20:39:28 Lisa Schwartz responded to a previous comment made by another citizen. She stated that we have great freedoms in our country and part of that freedom is to feel the way we want to feel. She reiterated that she feels investment in the City is very important and her freedom to be in favor of doing what needs to be done is just as important as another's freedom to not want to do so. She stated that part of the reasoning behind some of the decisions made is the need to be fair and honest with those with whom the City contracts. She commented that the City can't keep trying to get something for nothing. She suggested that some people do not want to invest in the City, but everyone wants to benefit from the opportunities that come from investing. She

stated that economic development is important and the City does need to invest. She admonished that forward thinking is needed.

20:41:10 There were no additional citizen comments and Chairman Rechtenbach declared the citizen comment period closed.

20:41:27 Mayor Wall took a personal privilege and commended Mr. Fidler on his passion for the City. He extended his personal apology for his response to Mr. Fidler's comments last week.

20:41:40 The Council moved to Agenda Item 2.6 (Other Issues) at this time.

4. Other Matters

21:29:43 Council Member Larry Johnson asked for a report on the recent International Council Shopping Centers Conference. Economic Development Director Donald Adams agreed to brief the Council after budgets are finalized.

5. Adjournment

21:30:25 Council Member Dama Barbour **MOVED** to adjourn the City Council Work Session. Council Member Larry Johnson **SECONDED** the motion. Chairman Rechtenbach called for discussion. There being none, he called for a vote. The vote was as follows: Barbour-yes, Burgess-yes, Overson-yes, Johnson-yes, and Rechtenbach-yes. **All City Council members voted in favor and the motion passed unanimously.** The meeting was adjourned at 9:30 p.m.



Cheryl Peacock Cottle, City Recorder

Minutes approved: CC 07-11-12

Minutes Prepared by: Cheryl Peacock Cottle, City Recorder, and Kristy Heineman, Deputy Recorder