



HIGHLAND CITY

HIGHLAND CITY COUNCIL BUDGET RETREAT MINUTES

Thursday, January 18, 2024

Approved February 6, 2024

Meet at Highland City Council Chambers, 5400 West Civic Center Drive, Highland Utah
84003

Travel to Alta Bank 33 E Main St, American Fork, UT 84003

9:00 AM CITY COUNCIL RETREAT

Call to Order – Mayor Kurt Ostler

The meeting was called to order by City Administrator Erin Wells as a work session at 9:27 am. The meeting agenda was posted on the *Utah State Public Meeting Website* at least 24 hours prior to the meeting.

PRESIDING: Mayor Kurt Ostler

COUNCIL MEMBERS: Brittney P. Bills – Present
Ron Campbell – Present
Doug Cortney – Present
Kim Rodela – Present
Scott L. Smith – Present (left meeting at 4:00 pm)

CITY STAFF PRESENT: City Administrator Erin Wells, Assistant City Administrator/Community Development Director Jay Baughman, City Recorder Stephannie Cottle, Finance Director David Mortensen, City Engineer/Public Works Director Andy Spencer, Assistant Public Works Director Jeff Murdoch, Library Director Donna Cardon, City Attorney Rob Patterson (arrived at 12:00 pm)

OTHERS PRESENT: None

1. TEAM BUILDING ACTIVITIES

The City Council will participate in various team building and leadership skills activities.

Erin Wells, City Administrator, showed a portion of a keynote speech given at the Utah League of Cities and Towns (ULCT) convention by Tim Shriver regarding the Dignity Index. The City Council and staff had a high-level discussion about how the concepts in the Dignity Index can be applied to our relationships within the Council as well as with staff and residents.

The City Council and staff participated in a team building exercise prior to moving on to the discussion regarding the FY2025 budget.

2. FISCAL YEAR 2025 BUDGET

The City Council will discuss the budget priorities for fiscal year 2025. No formal action will be taken.

Erin Wells, City Administrator presented to the Council a list of Areas of Focus/Priorities which had been submitted by Mayor, Council Members, and Staff. The areas of focus were listed by department. The Council discussed each item to ensure understanding. The list of areas of focus/priorities was presented as follows:

- **Public Works & Engineering**
 - Traffic calming
 - Adjustments to the existing traffic calming priority ratings that would emphasize placing lower-costs projects (maybe under \$2,000) higher on the list simply so we can impact many more communities with the same amount of funds.
 - Consistency in speed limits throughout the City
 - Safety improvements at SR-92 and 4800 W
 - Investigate need/feasibility of a four-way stop at 5600 W and 10400 N
 - Finishing Mountain Ridge Park
 - Donations, parks impact fee
 - Parks and trails maintenance, updated maintenance plan, and adequate funding
 - Study long-term anticipated cost of sewer & culinary water line (etc.) replacement / major maintenance.
 - Park Maintenance Building
 - Updated road maintenance plan
 - Alpine Highway Fence
- **Recorder's Office**
 - Restart cemetery veteran's bricks program
 - Add Memorial Day event
 - Update Cemetery Perpetual Care Fund Study
- **Finance Department**
 - Overall budget health – Taxes and fees correct rate? Collecting money the best way (Public Safety Fee and Road Fee)
 - Study possibilities of automation/streamlining for manual processes (e.g. billing)
- **Community Development**
 - City events
 - General Plan update including RFP review, community involvement, economic update, PC & CC joint meeting
 - Continue open space assessment of neighborhoods
 - Encroachment enforcement: staff time and legal route
- **Public Safety and General City Projects**
 - Create a level-of-service document for residents (especially for parks and trails)
 - Build unity/identity amongst staff, council, and residents

The City Council was asked to prioritize these items in order of importance.

The meeting recessed for lunch at 12:10 pm. Reconvened at 1:00 pm

City Administrator Wells presented the results of the ranking.

Public Works Projects:

- 1 Traffic calming
- 1 Finishing Mountain Ridge Park
- 1 Parks & trails maintenance, updated maintenance plan, and adequate funding
- 2 Safety improvements at SR92 and 4800 West
- 3 Updated road maintenance plan
- 4 Parks Maintenance Building
- 5 Study long-term cost of sewer & culinary water line replacement / major maintenance
- 6 Investigate need for a four-way stop at 5600 W and 10400 N
- 7 Adjustments to traffic calming methodology
- 8 Consistency in speed limits throughout the City

City Recorder/Cemetery Projects

- 1 Study to update Cemetery Perpetual Care Fund
- 2 Resume cemetery Veteran's bricks program
- 3 Add a Memorial Day event

Finance Projects

- 1 Overall budget health – Are taxes and fees correct rate? Collecting money the best way?
- 2 Study possibilities of automation/streamlining for manual processes (e.g. billing)

Community Development Projects

- 1 General Plan update
- 2 Encroachment enforcement: staff time and legal route
- 3 City events
- 4 Continue open space assessment of neighborhoods

General City Projects

- 1 Build unity amongst staff, council, and residents
- 2 Alpine Highway Fence
- 3 Create a level-of-service document for residents (especially for parks & trails)

Erin Wells, City Administrator, led a discussion regarding the use of Open Space Fund balance, which is approximately \$300,000. This balance is created from previous property sales. Ms. Wells proposed the following areas where that fund balance could be used, and the Council discussed each area:

- **Open Space Fund Balance uses:**
 - Traffic calming measures to Park Drive in Viewpoint
 - Purchase of Property/location for a future dog park
 - Fund the gap of the construction of the Parks Maintenance Building
 - Alpine Highway fence repair
 - Parks Maintenance Plan improvements (General Fund)
 - Additional trail maintenance or improvement projects
 - Mountain Ridge Park

The Council was asked to rank their choices on which areas the open space fund balance should be spent. The results were compiled and presented as follows:

- 1 Parks maintenance building - fill gap in funding
- 1 Park Maintenance Plan improvements (General Fund)
- 2 Alpine Highway fence repair
- 3 Mountain Ridge Park
- 4 Additional trail maintenance or improvement projects
- 5 Traffic calming measures to Park Drive in Viewpoint
- 5 Purchase of property/location for dog park

As there was a tie for the Parks Maintenance Building and the Park Maintenance Plan improvement (General Fund), Council chose to spend the money on the Parks Maintenance Building.

City Recorder Stephanie Cottle gave a brief presentation on how to navigate the new agenda using bookmarks.

Erin Wells, City Administrator, reviewed the budget calendar and reminded the City Council about upcoming meetings. The mayor will be meeting with staff the first week in March. The Council will see the budget on March 19th. Council members will have a couple of weeks to meet with staff and ask questions. She also discussed the Lone Peak Public Safety District budget which will need to be adopted as well. The tentative budget will be presented in May. An open house is planned during the first part of May. The final budget will be adopted in June. David Mortensen, Finance Director, explained there will be a new format for the budget reports, as well as a citizen's budget which will be available in August.

The City Council discussed and chose a date for a budget work session, Wednesday, April 24th.

Ms. Wells gave an update on the public safety fee and road fee. ULCT has been working on a bill to clarify how cities can charge a road fee. This new bill will require us to update our study, possibly including an ERU component. The bill also has a stipulation that a Public Safety Fee cannot be charged unless you are contracting with another organization. Highland City is contracting with Lone Peak Public Safety District, so our fee should be able to continue. There was a discussion about the transparency of the fees which are charged. Mr. Mortensen recommended making some clarifications regarding these fees in the citizen's budget. The Council discussed the status of Lone Peak Public Safety District as an interlocal agreement, rather than a special service district with the ability to be an independent taxing authority.

Ms. Wells reviewed Ongoing Projects, Future Projects, and Budget Priorities as follows. The ongoing projects have already been funded as indicated. The future project list is carried over from last year.

Ongoing Projects

- Utility rate study projects
- Mountain Ridge Park Phase II (\$2 million Council previously gave authorization on)

Future Projects

- Library expansion
- Cemetery extra land purchase
- Long term cemetery maintenance building

There was a discussion about each of the following budget priority items. Ms. Wells explained that the Council would be asked to rank 1-4 from essential to unneeded.

Budget Priorities

- City Hall displays: Historical society, Wreaths Across America, etc.

- Columbarium added to the cemetery (for stacking of cremains). Could also serve as a sound barrier if placed on the north end by the highway.



- The library hopes to purchase new upholstered furniture in FY 2025. The current furniture has served the library for 15 years and is badly stained. The library plans to purchase four couches and six chairs that will match the new carpet. The estimated cost of the new furniture will be about \$25,000 but the Library has enough money in unallocated funds from previous year carryover to cover the expense.
- Repair the driveway at the Fire Department.
 - The driveway at the fire department is badly damaged and cracked. Staff believe it is due to a combination of inadequate original construction, the heavy nature of the fire equipment, and the tight turn radius at that building. The cracked concrete is currently causing tires to wear out much more quickly than is typical (every 8 months instead of every 16 months for \$2,550) and staff is concerned for the long-term stability of the approach. To be fixed properly, the grass and garden box area east of the station would need to be removed to allow for a less sharp turn for the fire apparatus. The garden boxes could be relocated to the tree sale lot.



- Alpine Highway Fence Repair
- Mitchell Hollow Trail Engineering and Right-of-Way Purchase:

- MAG has funded the extension of the Mitchell Hollow Trail from the Hidden Pond area to the Equestrian Center. The construction monies will be available in late 2024 or early 2025. If the City would like to be in a position to build the trail as soon as the construction monies are available, then the engineering and right-of-way will need to be completed in advance. The City will be reimbursed for these services, but not until the funding is available. It is anticipated that the engineering will cost up to \$100,000 and the right-of-way will be dependent on the appraisals.
- Fund phase II of Mountain Ridge park (above and beyond \$2 million amount previously authorized)
- Dog park at Town Center
- Finish Beacon Hills Park
- Setting aside funds to update/replace existing infrastructure including park equipment as they exceed their designed life expectancy.
- Cameras in Parks and other City Facilities:
 - The City often experiences vandalism in the parks and at various other City facilities. The addition of cameras, and associated public notification of the cameras, will deter vandalism and aid in locating and prosecuting the offenders when vandalism does occur.
- Additional “yard of the month” banner for Beautification (for xeriscaping)
- Traffic Control Measures – Budget Implementation:
 - With the adoption of the traffic calming manual and associated application program, it is anticipated that there will be request for implementation of various traffic control items throughout the City. As such, it is recommended that a budget line item be established to dedicate funding for the traffic calming program. Anticipated annual expenditures are between \$50,000 and \$100,000.
- Updated Roads Maintenance Plan:
 - It is anticipated that the State legislation associated with Transportation Utility Fees will pass this session. The legislation will require the City to update the studies and plan associated with the roads fee. As inflation has outpaced the road fee and the ability to fund projects, it is anticipated the roads fee will need to extend beyond 2027. The new legislation will require the updated studies be completed and approved by 2026 to continue the road fee in the City.
- Software
- Additional funds if needed for General Plan update
- Community programs: adopt a trail program, the graffiti clean up program, community tree replacement, etc. Events that bring the community together and improve the events we already have.
- Public safety appreciation dinner with the Alpine Youth City Council
- Cemetery Memorial Day event
- Budget adjustment for low fire wages
- Emergency Manager/Storm Drain Utility Superintendent Position (New FTE):
 - A State mandate was recently imposed that requires Cities to have an Emergency Manager. It is recommended that the Emergency Manager live in or very near the City. Given the City’s funding limitations, it is not anticipated that this position could be funded entirely by General Fund revenues. The storm-drain system maintenance and natural-channel maintenance efforts in the City often fall secondary to other priorities. The City is mandated by the EPA and State to comply with regulations associated with operating a storm water system. It is anticipated that the needs of both emergency management and storm drain operations could be addressed in a combined staff position. This combination of revenue sources will allow for the position to be funded.
- Full-Time Parks Staff Increases (New FTE):
 - With the addition of Mountain Ridge Park, along with other recent park additions such as Spring Creek Park, the Parks Department is stretched ever further. Additional parks staffing will help meet needs that are currently going unaddressed or are anticipated to be difficult to address with the addition of Mountain Ridge Park.

- Make Communications position full-time (PTE to FTE)
 - Brooklyn’s work has proved to be extremely valuable and useful to the City. Due to her talent and fit with the staff, she has also begun working for the fire department. There are a number of additional projects that we would like to give to her if she had more hours available. Some additional project include: website redesign, more thorough website updating and editing, grant writing, additional social media work including reinstating council previews, communications work on road fee and parks tax, more positive coverage of the myriad of city projects/ government 101, and adding bookmarks to our city council videos tied to the agenda items. This would also allow her time for professional development and training which she doesn’t get much of now. She is interested and willing to become a full-time employee.
- Part-Time Building Maintenance (New PTE):
 - The City’s current facilities and mechanical staff are struggling to keep up with the demands of the building maintenance for City Hall, the Community Center, the Police and Courts Building, and the Fire Station. A part-time maintenance position could aid in getting to the myriad of little things that go unaddressed, thereby allowing the full-time staff to concentrate on the larger issues in these facilities.
 - Some to-do’s at City hall that have not been addressed in a long time due to time constraints include: paint splitting in the women’s bathroom and a hole in the ceiling, paint nicks throughout the building, nicks in the wood paneling throughout the building, broken sink in the janitors closet, leaky sink in the kitchen, etc.

The Council requested a few days to complete the ranking of the budget priorities list. The results were tabulated after the meeting and are included as an attachment to the meeting minutes.

Ms. Wells discussed the issue of staff salaries. She spoke of 3 ways that can be considered: inflationary adjustment which is the same for everyone, market adjustment which includes a market study, or merit-based approach. Ms. Wells gave a background on how salaries have been handled in the past. There was discussion among Council and staff regarding the different types of salary increases and how to administer and communicate those to employees, especially if the increase is merit-based. Ms. Wells spoke about the desire to pay employees enough that they will stay with the organization and discussed the new program to award employees for longevity. The Council asked to separate market and merit adjustments. Merit can be flexible if we have a high market year. Ms. Wells restated the Council direction which would include a market study to be done, and then the numbers brought back to the Council for their approval, along with a number for the merit increases.

The meeting was adjourned at 4:45 pm.

I, Stephannie Cottle, City Recorder of Highland City, hereby certify that the foregoing minutes represent a true, accurate and complete record of the meeting held on January 18, 2024. This document constitutes the official minutes for the Highland City Council Meeting.

Stephannie Cottle, CMC
City Recorder