



**HIGHLAND CITY**

**HIGHLAND CITY COUNCIL MINUTES**

**Tuesday, January 19, 2021**

**Approved February 16, 2021**

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

**VIRTUAL PARTICIPATION**



YouTube Live: <http://bit.ly/HC-youtube>



Zoom: Call 1-346-248-7799 Meeting ID: 840 1710 0635



Email comments prior to meeting: [council@highlandcity.org](mailto:council@highlandcity.org)

**6:30 PM REGULAR SESSION**

Call to Order – Mayor Rod Mann

**1. CLOSED SESSION**

The Highland City Council may temporarily recess the City Council meeting to convene in a closed session to discuss the sale of real property, as provided by Utah Code Annotated §52-4-205.

*At 6:34 pm Council Member Kurt Ostler MOVED that the City Council recess to convene in a closed session to discuss the sale of real property, as provided by Utah Code Annotated § 52-4-205. Council Member Kim Rodela SECONDED the motion.*

*The vote was recorded as follows:*

- Council Member Timothy A. Ball Yes*
- Council Member Brittney P. Bills Yes*
- Council Member Kurt Ostler Yes*
- Council Member Kim Rodela Yes*
- Council Member Scott L. Smith Yes*

*The motion passed unanimously.*

*Council Member Scott L. Smith MOVED to adjourn the CLOSED SESSION and Council Member Timothy A. Ball SECONDED the motion. All voted in favor and the motion passed unanimously. All voted in favor and the motion passed unanimously.*

*The CLOSED SESSION adjourned at 6:59 pm*

**7:00 PM MEETING OPEN TO PUBLIC**

Invocation – Council Member Timothy A. Ball  
Pledge of Allegiance – Council Member Scott L. Smith

The meeting was called to order by Mayor Rod Mann as a regular session at 7:02 pm. The meeting agenda was posted on the *Utah State Public Meeting Website* at least 24 hours prior to the meeting. The prayer was offered by Council Member Timothy A. Ball and those in attendance were led in the Pledge of Allegiance by Council Member Scott L. Smith.

**PRESIDING:** Mayor Rod Mann

**COUNCIL MEMBERS**

**PRESENT:** Timothy A. Ball, Brittney P. Bills, Kurt Ostler, Kim Rodela, Scott L. Smith

**CITY STAFF PRESENT:** City Administrator/Community Development Director Nathan Crane, Assistant City Administrator Erin Wells, City Engineer Todd Trane, Planner & GIS Analyst Kellie Bronson, City Attorney Rob Patterson, City Recorder Stephannie Cottle, Finance Director Tyler Bahr, Police Chief Brian Gwilliam, (electronically), Fire Chief Reed Thompson (electronically)

**OTHERS PRESENT:** Scott Hart, Tavis Timothy, Steve Rowley, Allyson Cook, Joel Hyde, Fred Philpot, Candice Miller, Clayton Schmidt

**2. UNSCHEDULED PUBLIC APPEARANCES**

Please limit comments to three minutes per person. Please state your name.

Mayor Rod Mann opened the meeting for unscheduled public appearances. He stated that he agreed to waive the three-minute rule for Candice Miller.

Candice Miller and Clayton Schmidt introduced themselves. Clayton Schmidt thanked everyone for the ability to speak. He explained that he represented Cal Miller and Candice Miller on a piece of land that they owned. He stated that they were on 1.3 acres just off of 6000 West, and that the land was currently a field with a few horses and parked cars. He explained that they wanted to take .40 acres and make it a buildable lot, which would leave them .90 acres for the existing home. He said that there were a few lots in the area that were significantly smaller, which included a .34 acre at 5738 West and 9970 North and a .39 acre at 5757 West and 9970 North. He noted that there were some other lots that measured the same or smaller in size.

Clayton Schmidt expressed that they had a current buyer for the lot that wanted to build a single-family residential dwelling on the lot. Clayton Schmidt said that it would go from a field to a nicely landscaped yard with a new home and noted that it would increase property values in the area. He mentioned that it would also generate a new stream of revenue from property taxes for the City. He said that what they had run into was a variance issue and explained that they wanted to receive a variance in order to make the lot buildable.

Clayton Schmidt said that there were not any easements on the lot and noted that the setbacks were good, and it would not impede on traffic or create hazards. He also said that the Millers would not have considered sale of the lot if it were not for the decline of Cal Miller’s health. Clayton Schmidt explained that the money from the sale was critical for the Millers because they needed the money in order to get Cal Miller on the organ transplant list.

City Attorney Rob Patterson outlined the process to receive a variance. He stated that the City Council was interested in what they had to say but was not the body that granted the variance. Instead, it was the Appeal Authority who reviewed and determined if a variance was warranted or not. City Attorney Rob Patterson explained that there was an application to be filled out that showed the request for the variance and its reasons. There would then be a hearing with the Appeal Authority, who would then make the decision.

City Attorney Rob Patterson stated that the City code and State code had to be followed, and the City Council could not grant a variance without the request having gone through the appeal authority process. Mayor Rod Mann explained that to divide the land in other ways, it required a rezone to R-1-20 which further required a minimum of a half-acre lot size. Mayor Rod Mann stated that there was a specific process that could not be short-cutted, and that it did put costs on them such as curbs, gutters, and sidewalks. He told them that if they wanted to seek the variance, they were welcome to go that route.

Candice Miller expressed that she wanted to sell the lot because she wanted to save her husband's life. She said that to change too many things, such as the curb and gutter being put in, the creation of a subdivision, and adjustments to the front of their property was not going to help her husband. She explained that there were side effects when someone went into kidney failure such as confusion and mimicked dementia and expressed that it would not benefit him at all if they changed everything. She said she understood there were laws but pleaded that they were all humans. She asked them to take into consideration if this were their family, friends, or neighbors. She recognized that there were processes and acknowledged that there was a certain amount of money they needed.

Candice Miller expressed that her husband had served the City as a police officer for 25 years. She asserted that she was not there just to sell her property but was there to ask for help to find a solution that worked for everyone. She wanted to find a way to save her husband's life, for the City to still get revenue, and to stop complaints from people about an old barn in a pasture. She reiterated that she knew there were processes to follow but implored that there were things that the City Council members could do as part of the legislature. She repeated that she was there to ask for help to find a way that everyone would benefit.

Clayton Schmidt said that it seemed that all that had happened was that they got passed on from one person to the next. He expressed that they were told they could come to the meeting and speak but felt that they were now being told to go talk to someone else. He reiterated that they had a buyer for the lot. He said that they wanted to know what they needed to do and who they needed to talk to in order to get it done and have Cal Miller get on the transplant list.

Mayor Rod Mann responded that the first option was a variance and noted that they had already been given the variance form. Candice Miller replied that it was a \$500 fee. Clayton Schmidt asked if there was a guarantee that they would receive that variance. Mayor Rod Mann said no. Clayton Schmidt responded that it was a \$500 gamble for people who did not have the money to gamble with in the first place. He stated that what they were looking for was for someone to step up with a guaranteed process and price in order to get it done. That way they would know exactly what needed to happen.

Mayor Rod Mann said that for the options that had been brought up, they could go for the variance. He noted that the criteria were listed in the application, and that if they felt that they met that criteria, then they might have a strong case. He expressed the opinion that he did not think they met the criteria but said that was a personal judgement and he was not an attorney. He then stated that the other route was to subdivide the property, but it would take time. He explained that it was a slower process. Mayor Rod Mann further stated that if someone was willing to buy it as a non-buildable lot, that was also a possibility.

Clayton Schmidt responded that they had a signed real estate purchase contract where time was of the essence on it. He stated that they had a buyer, and that the buyer only needed reassurance in writing that they could build a

house on the lot if they bought it. Mayor Rod Mann replied that to get that kind of assurance from the City, he does not know of anything they could do other than what was described.

Candice Miller asked if there was something that could be written for the new owner that outlined that the lot had potential if they went through the necessary process and followed regulations for a variance. She suggested something that expressed that there was a potential opportunity to build. Mayor Rod Mann replied that there was nothing that he could say that would give the buyer assurance to build on the lot because it did not conform to the rules they had today. Mayor Rod Mann reiterated they could go through the process that had been outlined. Candice Miller asked how they needed to contact the authority appeal. Mayor Rod Mann replied that they needed to fill out the form and give it to the City, and they would facilitate the meeting.

Council Member Kurt Ostler addressed Candice Miller and stated that he was sensitive to the problem she faced. He mentioned that he had met Cal Miller before, and expressed appreciation for his service to the City. Council Member Kurt Ostler expressed that his heart hurt with the knowledge that he needed a transplant. He said he understood that real estate was an option but hoped that they were looking at other options as well. He suggested that they possibly look into some insurance options and encouraged that they continue to seek help so Cal Miller could receive the necessary help.

Candice Miller responded that she had insurance, but that they needed to have ten percent available in a separate account before they would do a transplant. Council Member Scott L. Smith clarified that the attempted sale of the property was in order to meet that ten percent. He then asked City Administrator/Community Development Director Nathan Crane how fast the variance process was because it seemed like a time sensitive issue. City Administrator/Community Development Director Nathan Crane responded that the variance hearing could be scheduled in as short as one to two weeks, with a decision within another week or so. Council Member Scott L. Smith recapped that it would take at least a month. He expressed that the option to rezone would take significantly longer and be much more expensive.

Council Member Kurt Ostler asked City Administrator/Community Development Director Nathan Crane whether they would have to put in gutters, curbs, and sidewalks if the variance was granted. City Administrator/Community Development Director Nathan Crane replied that if the variance were granted, they would still have to go through the subdivision development process. Council Member Kurt Ostler clarified that did not mean they needed to come back to the City Council, but that they would need to follow the development regulations to meet the necessary codes. Council Member Kurt Ostler asked Candice Miller if she was able to get some information and guidance from the meeting that night. Candice Miller responded that she did receive some information and guidance and appreciated that she was able to speak.

Mayor Rod Mann asked what ten percent was. Candice Miller replied that it was \$50,000 for the surgery, and \$600 per month for medications for the rest of his life. She said that she was not asking for special treatment, but that there came a time when people just needed to be humans. She said it was hard for her to stand in front of people and talk about the issue. Clayton Schmidt stated that one of their main concerns was that because their house was grandfathered in, if they went the route of a new subdivision, they were worried about requirements to comply with new ordinances for subdivisions. He further stated that he had received an estimate for curb, gutter, and sidewalk for the 441 feet of frontage, and that it was anywhere between \$20,000 and \$30,000. He reiterated that one of the main concerns was that their home would not conform to the new rules and that they would not meet the new subdivision guidelines.

Mayor Rod Mann expressed that his heart was heavy, and he acknowledged that it was a difficult situation to be in. He recommended that they proceed with the options they had discussed and mentioned that there were other potential options that may come up.

Mayor Rod Mann asked if there was any other public comment.

Allyson Cook introduced herself as a Highland City resident and the safety commissioner for the PTA for Ridgeline Elementary. She informed them that the Tuesday prior, a child was hit by a car in the intersection near 11800 north. She stated that there was some poor visibility because of a retaining wall and a three-foot fence that became a six-foot fence. She expressed that there were concerns from parents for a while because of the low visibility for children headed west on the sidewalk. She said that the child was thankfully okay, but that they wanted to make it a safer place for children to cross.

Allyson Cook explained that the school's student council had done public service announcements to teach children how to be safe, as well as sent messages out to parents to discuss safety measures with their children. She noted that some of the neighbors had reached out to the facilities manager of the church, who said that they were willing to replace the three-foot section of the fence with a slatted fence. She noted that she did not necessarily see how that would solve the problem. She communicated that from her understanding there was a clear view area for intersections of 40 feet, and it did not seem as if it complied. Allyson Cook outlined her requests for the City. She asked if there was a way for them to check and see if those guidelines were met. She also asked if they could add blinking lights or signage to indicate that it was a dangerous area. She mentioned that there were not any painted crosswalk lines as well for children.

Mayor Rod Mann responded that there were things the City could do to help the issue, and that staff had already begun to look into it. He said he did not know where they were at in the process. City Administrator/Community Development Director Nathan Crane replied that they did not have an update yet, but they were in communication with the police chief and engineer to look into the intersection further. Allyson Cook said she had spoken with police about crossing guard availability, but they had not been able to staff the additional location. Mayor Rod Mann thanked her for having brought it to their attention. Allyson Cook asked if there was a way she could follow up in the future.

City Engineer Todd Trane gave a brief update. He said that they had looked at the sight distance. He explained that the 40-foot distance that was mentioned was intended for oncoming traffic, and unfortunately not for the sidewalk. He noted that ultimately the children were supposed to stop before they crossed. He further explained that they looked at the curb and measured 40 feet back to make sure there were no obstructions within that range. He informed them that the intersection met that code requirement for oncoming traffic but does not address the concern for the children.

City Engineer Todd Trane stated that when the subdivision was developed, they had asked the developer to work with the church to completely remove the retaining wall. The church did not want a part of that, and instead wanted them to put up the wall and the fence. City Engineer Todd Trane said that they could not require the church to remove the wall and noted that the church had now said that they would replace part of the fence with a slatted fence. He communicated that the City could put a stop bar in a little bit before the sidewalk rather than a crosswalk. The children would just need to understand that they needed to stop before they crossed. He mentioned that the church had also requested via email that they put in a flashing stop sign as well.

City Engineer Todd Trane expressed that the stop bar should fix the problem. He reiterated that they had looked at the location and it did meet the sight distance code. He stated that the slatted fence would be an improvement for the sidewalk, but that ultimately, they could not fix every problem. He asserted that the City would do what they could to make it safer for children, and so that motorists knew to stop before the sidewalk and not just the road. He communicated that the stop bar would be located right before the sidewalk on the south side. He noted that they did not normally put stop bars on residential roads, however felt it would be good in this situation.

There was a brief discussion whether there was a slight uphill or downhill slope. It was determined that it was downhill going to the north. Council Member Kurt Ostler asked for clarification of what a stop bar was. City Engineer Todd Trane explained that it was a large white bar that indicated where to stop at an intersection and

was typically located before a crosswalk. He said that they would put one across the northbound lane. There was a brief discussion about the circumstances of the accident. Allyson Cook's statement was inaudible on the recording.

City Engineer Todd Trane restated that they would continue to look into it and see what would make it safer. He summarized that the church had committed to fix the section of the fence, and that the City would put in a stop bar. Allyson Cook requested that they also consider additional signage such as the lighted stop sign, as had been mentioned. She thanked them for their time.

### **3. PRESENTATIONS**

#### **a. FY2019-2020 Audit Report – Steve Rowley, Keddington & Christensen**

Mayor Rod Mann introduced the next topic as the report from the 2019-2020 fiscal year.

Steve Rowley introduced himself as the engagement partner over the City's financial statement audit for the June 30, 2020 year end audit. He briefly reviewed that the auditor worked for and reported directly to the City Council and Mayor Rod Mann. He stated that if they had any questions throughout the year, they were welcome to reach out directly to them. He explained that as part of their report to the Council, he liked to point out the auditor's opinion statement located at the bottom of the first page. He read that report opinion as follows:

“The financial statements referred to above present fairly in all material respects the respective financial position of the governmental activities, the business-type activities, the general fund budgetary preparedness schedule, and the aggregate remaining fund information of Highland City, Utah as of June 30, 2020, and the respective changes in financial position, and where applicable cash flows thereof for the year then ended in accordance with accounting principles, generally accepted in the United States of America.”

Steve Rowley explained that the statement meant that the financial statements presented were correct as of June 30, 2020. He further explained that the management's discussion and analysis began on page three. He expressed that it was particularly good information for the Council to review, as well as for the general public to have a laymen's terms view of what happened in the City in comparison to 2019. He stated that it showed the financial highlights, and the reasons for the changes from 2019 to 2020. He then explained that the detailed financial statements began on page twelve. He mentioned that he was more than happy to discuss the numbers in more detail throughout the year if they ever had questions.

Steve Rowley communicated that there was one major change that year because they had received the CARES funds. They would have an additional report to look at because the City had to go under an individual audit that provided additional testing over how the City spent and used the federal grant money through June 30, 2020. He then explained that the report on page 33 was required by the government auditing standards and looked at the internal controls over the financial reporting process. He noted that they looked at those processes to determine how much testing was required, and not to make opinions on the internal controls. Steve Rowley communicated that they had identified some weaknesses when they looked at internal controls, and that they looked at that in the findings labeled 2020-001. He explained that it was related to the financial close and reporting process. He said that due to the gap of time that occurred with the change in the finance director position, there were things that had not gotten reconciled in a timely manner or prepared properly. They did not anticipate that as an issue for the future.

Council Member Kurt Ostler expressed concern about checks and balances. He asked for some clarification about what issues had occurred. Steve Rowley replied that there were not any issues with the controls over payments or incoming cash. Rather, the preparation of year end reconciliations for the audit had been lost in translation during the transition. Steve Rowley reiterated that there were no concerns over approvals of payments of

financials. He said that the transition issues had been solved, and therefore the same problems should not occur again.

Council Member Kurt Ostler asked if they had checked during the audit to make sure that no one person had entire access to the finances. Steve Rowley said yes, they had looked at it, and briefly explained what that entailed. He stated that they did not identify any weaknesses with that segregation of duties and reiterated that the only weakness they had found was with the financial close and reporting process. Council Member Scott L. Smith expressed appreciation for the work that had been put into the report. He stated that there were a few things he had not understood in his first readthrough and asked if he could inquire on those.

Council Member Scott L. Smith mentioned the financial highlights on page three and pointed out where it said “Highland City’s total net position increased by \$4,073,301. A majority of the increase was a result of...[developers’] increased charges for services.” He then noted that on page five, where it discussed total assets and deferred outflows, they had governmental activities 2019-2020. He said that there was an increased difference of about \$350,000. He then jumped to page ten where it talked about the total capital assets and noted that it depicted that it had dropped by almost \$4,000,000. Council Member Scott L. Smith expressed confusion with how that all fit together.

Steve Rowley explained that when a developer completed a subdivision, they paid the costs for the construction of curbs, gutters, and sewer lines. He said that when the subdivision was accepted into the City, and the City claimed ownership and responsibility for it, that asset was recorded on the books, but they also received revenue because it was similar to a donation to the City. He said that the change in that position was the revenue portion that the City received. He discussed a summarized income statement for 2020 located on page six. He explained that when they looked at the entire 2020 column, under ‘program revenues’ \$3,500,000 of the capital grants and contributions was from property received. He noted that it was assets as well as revenue. Steve Rowley further explained that with the assets there was depreciation. He stated that the fixed assets decreased because they had sold land for Spring Creek Park. There was also a depreciation of approximately \$4,000,000.

Steve Rowley explained that all of that contributed to reduce the total assets, but the net position itself increased because they had contributed assets which created an additional revenue, as well as the charges for services. He discussed the change between 2019 and 2020. The ‘charges for services’ were about \$10,000,498 compared to the \$9,000,819 from the prior year. There was a \$600,000 increase in charges for services which helped. He stated that they also had \$3,500,000 of those assets contributed. He said that for ‘operating grants and contributions,’ about \$840,000 was from the COVID Relief Fund. Council Member Scott L. Smith expressed that he would like to sit down with Steve Rowley and Finance Director Tyler Bahr later on to receive more clarification. Steve Rowley expressed that he was happy to answer any questions and go more in depth.

Steve Rowley then moved to page 53. He explained that the second half of the government audit report looked at compliance with laws, rules, and grant regulations that could have a material effect on the financials. He said that they did not identify any issues related to that. He then discussed the new report on the next page that was required for the single audit with regards to the CARES funds. He explained that the first thing they had looked at was the internal controls over compliance with the federal grant guidelines, as well as how they spent it. He informed them that Highland City complied with all necessary guidelines. He then expressed that the second thing they had looked at was internal controls over grant requirements. There were no identified weaknesses or deficiencies related to those controls. He communicated that there were no issues identified in their tests related to the COVID Relief Funds.

Steve Rowley said that there was a summary on page 57 that outlined everything that happened, what opinion was given, what tests were done, and the thresholds for the determination of what needed to be tested. He further said that the bottom of the page included the finding in relation to the financial close and reporting weakness during the transition between finance directors.

Steve Rowley explained that page 59 was the schedule of expenditure of federal rewards, which was a summary of what federal funds were expended throughout the year. He noted that \$823,000 of COVID Relief Funds were spent, and that they passed through the majority of those to Lone Peak to use for public safety. He reiterated that this was just as of June 30, 2020. He stated that the remainder of the funds would be revenues and expenditures for the 2021 fiscal year.

Council Member Kurt Ostler asked about the \$802,000 in grant money listed on page 59. Steve Rowley responded that the majority of that was the B&C Road money, as well as the liquor law funds and other grants. He explained that the schedule outlined how they got to the total grant revenues that showed up on the financial statements.

Steve Rowley stated that the City's corrective action plan was listed on page 61. It basically stated that everything would be in order next year as the transition was completed. He then discussed the State compliance audit report on page 62. He explained that it was another two-part test that looked at the internal controls over the State compliance requirements, as well as specific instances of compliance. He referred to an indented part on the report that outlined the areas that required testing. Steve Rowley stated that there were no identified weaknesses in the internal controls, however there were some instances of noncompliance. He said that they had to qualify the opinion related to the budgetary compliance as there were six funds over budget. He specified all of the other instances did not have material impact on the financial statement themselves.

Steve Rowley explained that page 64 outlined findings in relation to the State compliance. He stated that there were some instances of minutes not being uploaded in a timely manner. He said that he had talked with City staff, and they informed him that they were aware of the requirements and that there was some change in those responsibilities throughout the year. He said he was confident it would not be a continued issue for the next year. He then discussed the next item was cash management in relation to the deposit and investment report, which was not filed until the middle of August, when it should have been filed within 30 days of the fiscal year end. He noted that all the numbers had matched up correctly.

Steve Rowley stated that the last finding was the budgetary compliance that had been mentioned. The funds listed were over budget. He said that he already talked to City Administrator/Community Development Director Nathan Crane and Finance Director Tyler Bahr and communicated that they were both aware of the necessary requirements to make sure the budget got properly amended. Steve Rowley did not anticipate it being an issue as they moved forward. He reiterated that none of them had a material effect on the financial statements and were reliable to use.

Steve Rowley summarized that the audit had, overall, went smoothly despite COVID. He said that the majority of the time they were able to come out. He expressed that staff was great and was able to provide everything asked for when needed.

Council Member Scott L. Smith noted that there was a discussion about the bonds that began on page 37. He said that it looked like most of the bonds they owed were about \$7,135,000. He said that even though they had refinanced the bonds, he was under the impression that the bonds would be paid off by 2028. He noted that page 40 said it talked about bond payments up through 2035 with an interest of \$30,000, and he asked for clarification on that. Steve Rowley explained that those were the notes payable for the pressurized irrigation funds to Highland Conservancy Water District and to the Provo River Water Users Association. He further clarified that the bonds ended in 2028, but the notes were until 2035. He explained that the Highland Conservancy note was the City's portion of the canal enclosure project that had happened about eight years prior.

Mayor Rod Mann thanked Steve Rowley and the rest of the financial team for all their hard work.

#### 4. **CONSENT ITEMS** (5 minutes)

Items on the consent agenda are of a routine nature or have been previously studied by the City Council. They are intended to be acted upon in one motion. Council members may pull items from consent if they would like them considered separately.

**a. Planning Commission Appointments** *Administrative*

The Council will consider the Mayor's request to ratify the appointment of Audrey Moore, Chris Howden, and Mino Morgese to the Planning Commission, with Tyler Standifird as an alternate commissioner. The Council will take appropriate action.

**b. Construction Contract: Culinary Well #2 and Well #3 Improvements**

*Administrative*

The City Council will consider a request to approve a contract with Rhino Pumps to replace the pumps in Culinary Well #2 and Well #3. The Council will take appropriate action.

**c. Construction Contract: Pressure Irrigation Pond Improvements** *Administrative*

The City Council will consider a request to approve a contract with JLR Contractors to complete improvements at both the upper and lower irrigation ponds and authorize the City Administrator and City Recorder to execute the necessary contract documents. The Council will take appropriate action.

**d. Construction Contract: Electrical modification at pressure irrigation pump stations** *Administrative*

The City Council will consider a request to approve a bid with ID Electric to make electric modifications at two pressure irrigation pump stations and authorize the City Administrator and City Recorder to execute the necessary contract documents. The Council will take appropriate action.

**e. Construction Contract: 11800 North Split-Case Pump** *Administrative*

The City Council will consider a request to approve a contract with Rhino Pumps to replace two small pumps with a larger split-case pump to the pressure irrigation pump station at 11800 North. The Council will take appropriate action.

City Engineer Todd Trane asked Mayor Rod Mann to pull consent item 4b for further discussion.

*Council Member Scott L. Smith MOVED that the Highland City Council approve item a, c, d, and e on the consent agenda. Council Member Brittney P. Bills SECONDED the motion.*

*The vote was recorded as follows:*

<i>Council Member Timothy A. Ball</i>	<i>Yes</i>
<i>Council Member Brittney P. Bills</i>	<i>Yes</i>
<i>Council Member Kurt Ostler</i>	<i>Yes</i>
<i>Council Member Kim Rodela</i>	<i>Yes</i>
<i>Council Member Scott L. Smith</i>	<i>Yes</i>

*The motion passed 5:0.*

Mayor Rod Mann thanked Tyler Standifird for his willingness to serve on the Planning Commission, as well as to Chris Kemp for his work on the Planning Commission.

Council Member Scott L. Smith asked about when someone pulled an item off of the consent calendar. He said that in the past he had always seen it done by a Council Member. He asked if staff could also pull items from the agenda. Mayor Rod Mann clarified that he pulled the item at the staff's request.

City Engineer Todd Trane explained that the reason they wanted to pull item b was because it was a moving target. He said that they were able to meet with the pump contractor. City Engineer Todd Trane briefly reviewed the issues with the culinary wells that he had discussed in the prior meeting. He said that they wanted to pull the item because the cost had changed since he had written the report. He explained that they determined that the issue with Culinary Well #3 was not what they had previously thought, despite strong confidence that it would be. City Engineer Todd Trane explained that the actual issue was not the pump, but instead there was a hole on the casing that went down the well. He further explained that when they put the pipe down the well, they were fitted with couplings and joints. What had happened was water began to make its way through one of those threaded connections, and the pressure of the water overtime began to wear a hole into the casing. He expressed it was a rare problem, and that they had never seen that before.

City Engineer Todd Trane informed them that he had met with the contractor to review options to get them through, and that they now had to replace the column pipe instead of the pump. This would provide cost savings on the pump but would be more money for the column. He communicated that the initial cost was anticipated at \$36,880 and was now anticipated \$49,793.16. He said that the total for the two wells was now \$110,865.06. He explained that the reason he had pulled the item was to make sure Council was okay with the slight increase to get the wells fixed. He asked that they keep in mind that they had already asked them to move forward because of the urgency of the issue but said that they needed the ratification to award a contract to Rhinehart pumps.

Council Member Kurt Ostler asked if there was a risk that the wells could dry if they did not have a good water year. City Engineer Todd Trane replied no because the aquifer did not interact that fast. He said that yes, it changed, and that overtime their water had dropped. He further said that well #2 and well #3 should be deep enough for the next ten years. He noted that they had plans to put well #4 deeper, but that they simply did not have the time to consider it for well #2 and well #3.

Council Member Scott L. Smith asked if it made sense to make plans for well #4. City Engineer Todd Trane said that they were, and that they hoped to bring back a well design to drill a new well at site #4 within the next couple of years. He reiterated that they were in an emergency state with well #2 and well #3.

*Council Member Kim Rodela MOVED that the Highland City Council approve and authorize the City Administrator to sign a contract with Rhino Pumps for \$110,864.06 to replace the pumps in well #2 and well #3. Council Member Scott L. Smith SECONDED the motion.*

*The vote was recorded as follows:*

<i>Council Member Timothy A. Ball</i>	<i>Yes</i>
<i>Council Member Brittney P. Bills</i>	<i>Yes</i>
<i>Council Member Kurt Ostler</i>	<i>Yes</i>
<i>Council Member Kim Rodela</i>	<i>Yes</i>
<i>Council Member Scott L. Smith</i>	<i>Yes</i>

*The motion passed 5:0.*

## **5. PUBLIC HEARING & ORDINANCE: ADOPTION OF NEW IMPACT FEES**

*Legislative (30 minutes)*

City Council will consider adoption of new impact fees. The Council will take appropriate action.

Mayor Rod Mann read an email that they had received from the Builders Association.

Mayor Mann, Highland City Council Members and City Staff,

On behalf of the Utah Valley Home Builders Association (UVHBA) and our 600 members representing the residential building industry, I would like to thank you for your conscientious work for the citizens of Highland City. The city staff shared with me early the drafts of the Impact Fee Facility Plans and Impact Fee Analysis'. I was pleased to see that some capital facility plans had been completed and that some new proposed fees for new growth would be decreased thus helping affordability for housing.

The members and staff of UVHBA thank you again for your insightful and proactive approach as you plan with residents for growth. I would also like to thank city staff for sharing the reports early with me so they could be reviewed, and input given back before this meeting.

Deann Huish

Utah Valley Home Builders Association Government Affairs Director

Fred Philpot began a presentation that summarized the impact fees, the process, and where they landed on single residential. He informed them that the impact fee documents were available to the public.

Fred Philpot summarized that there were two elements to the process, and Impact Fee Facilities Plan (IFFP) and Impact Fee Analysis (IFA). He explained that the IFFP identified capital costs, system improvements, and level of service variable, and that the IFA went through the proportionate share analysis that allocated the cost to the demand variable. He stated that the process was defined in statute in the IFA, and there were certain elements that they had to include in both the IFFP and IFA. He communicated that they were at the tail end of the process, which was the public hearing and the adoption of impact fees. He told the Council that, as a legislative body, they could accept something lower than the proposed maximum, and there was no requirement that they assess the impact fees at all. However, he explained that the statute indicated that if they reduce or remove impact fees, they had to identify alternative funding mechanisms to maintain the level of service. He stated that the last element was a 90 day wait period for any increase to impact fees.

Fred Philpot explained that there was an overall decrease for the total fees of s single family residential property. He noted that some fees went up and some went down, which created some challenges where they may have some fees that they needed to wait to assess the maximum allowable impact fee. He then reviewed a slide that summarized the significant changes and why they occurred. He stated that the transportation costs had decreased, the culinary water demand had decreased, the demand variable for public safety fees had shifted over time, the pressurized irrigation impact fee had increased, the wastewater costs had decreased, and the parks and recreation buy-in eligible costs had increased.

Fred Philpot explained that when that was summarized for a single-family residential property, they showed an 11% decrease when all of the fees were summed for the southeast service area, and an 11% decrease for the central service area, although they did not assess the culinary water impact fee for that area. He outlined that individually, parks increased, police decreased, and fire decreased. He said that transportation was a big decrease, which was driven by the capital projects that were included in that list. He further reviewed that water went down, wastewater had a slight decrease, and pressurized irrigation had a large increase. He noted that they had to ensure

they included all of the costs from an impact fee standpoint, and that it was proportionate relative to the demand that was evaluated. He said that this fluctuation was typical across the state of Utah.

Council Member Scott L. Smith noted that the culinary water fees had decreased but stated that in the last month they needed to come up with \$110,000 for the wells. He asked if the analysis took all of that into account and inquired why they would lower the fees with all of the extra expenses.

Fred Philpot replied that for transportation and culinary water, they had done an amendment based on the revised capital projects. He stated that in the culinary water capital improvement plan, the Knight Avenue Transmission Line was the only impact fee eligible project, as well as the capital costs that were associated with the IFFP and IFA. He said that they would have to do an update if there were additional projects but said that they had to keep in mind that there was a difference between repairs and replacement of infrastructure and impact fee eligible. He stated that the replacement of the system was not impact fee eligible.

Council Member Scott L. Smith commented that all the new developments would come in and benefit from those and expressed that he was not sure why they would lower costs.

City Engineer Todd Trane explained that the current projects that were proposed were all based on the current level of service. He said it was not growth related, it was a failing system to provide that water source. He confirmed that the only project related to growth was the culinary line down Knight Avenue, and that all of the other projects needed to be paid for with utility fees.

Council Member Kurt Ostler addressed Ridgeview and inquired about which wells would take care of that.

City Engineer Todd Trane responded that they should have capacity, and that it was an issue of the water table dropping and not of growth that created them. Council Member Kurt Ostler replied that more users would bring that water table. City Engineer Todd Trane said that was correct. He also said that the growing cities in the surrounding area had drilled deeper and bigger, and that was the cause of the problem. He recapped that the current five wells should supply water to their entire City without any problem, even with the growth.

Mayor Rod Mann said that one of the things that had changed on the Ridgeview property was that when the State first came in with the 2016 plan, they had looked at between 1100-1200 homes. He explained that the impact fee was based on that number, but it had gone down slightly. He said that having gone down to 699 and commercial was a drop in expectation. Council Member Kurt Ostler summarized the discussion that there had been a decrease in expectation.

Council Member Scott L. Smith mentioned that transportation had been affected as well by the Canal Boulevard project. Mayor Rod Mann explained that the transportation was because the project was being completed, and the need would go away. Council Member Kurt Ostler summarized that the Canal Boulevard from 4800 to Alpine Highway was paid by the County, and that was why it was pulled out. Fred Philpot explained that transportation was slightly different because the funding sources shifted, which influenced the calculation. He stated that impact fees could only reimburse them for their actual cost, and so those changes in funding and actual cost resulted in the decrease of the transportation fee.

Council Member Kurt Ostler expressed confusion with regards to sewer. He mentioned that he had heard that TSSD raised the rates, yet the current report showed the impact fee for sewer was supposed to decrease.

City Administrator/Community Development Director Nathan Crane explained that the TSSD system was different than theirs and stated that it was also related to density. He further explained that when the density in Ridgeview was lowered, the infrastructure demand was also lowered. He stated that they also had actual costs now which were reflected in the updates versus projections.

Council Member Scott L. Smith asked for clarification if wastewater was synonymous with sewer. It was confirmed that it was.

Council Member Brittney P. Bills asked if it was generally true that, although the density of Ridgeview decreased, it took the same amount of money to build a road or connect a sewer. She said that based on that assumption, there would be fewer homes required to pay the same amount of money. Fred Philpot explained that the proportionality should stay the same. He explained that it was slightly different with infrastructure because at some point it met a threshold, which bumped it up to another cost component. He said that required more infrastructure per unit based on those demand variables and noted that was outside of his realm. He stated that the IFFP and engineers looked at the demand variables to determine the new list of infrastructures, and whether or not it had changed. He said that the answer was yes in this case, and that they did not need as much as they thought, and the sizing and type of infrastructure was reduced.

Fred Philpot said that was one variable and said that the other variable was projected versus actual cost and funding source. For the roadways, the proportionality was the same, but the City would receive money from somewhere else. He summarized that impact fees could not be used to pay for it twice.

Council Member Brittney P. Bills asked if they made assumptions on construction costs. Fred Philpot replied that some were actual costs where an amendment was made to the culinary and transportation based on actuals. He communicated that for the others, the engineering staff had to look at those assumptions alongside cost and inflation so they could pull in the future costs. At that point, they may need to make amendments or changes.

Council Member Kurt Ostler expressed concern with the public safety, as it looked like services were replaced but not added. He asked for clarification that this was to assess impact fees if they were to add services to public safety and was not current service. Fred Philpot explained that public safety was purely a buy-in that looked at the existing infrastructure, which showed there was debt associated with the new public safety facility that had already been constructed. He stated that they pulled that in as the capital costs for the analysis. He explained that what had fluctuated was better data with regards to calls for service, and non-residential land use types. He further explained that the better data allowed them to allocate those call ratios within public safety.

Council Member Kurt Ostler questioned that with new homes being built, they would lower their public safety fee. City Administrator/Community Development Director Nathan Crane clarified that public safety only paid for physical facilities and did not pay for officers or vehicles. Fred Philpot noted that was a challenge with public safety faced by most communities. He explained that the real cost with regards to officers and equipment was not impact fee eligible, and that the only equipment that could be included was a fire apparatus in excess of \$500,000.

Fred Philpot explained that finalization was a legislative body that had the option to adopt, modify, or reject. He reiterated that the details with regards to the fee schedule was detailed in the IFFP and IFA documents, as well as in their ordinances. He stated that it could be modified lower than the proposed fees but could not be modified higher. He also mentioned the 90 day wait period required in order to assess the increased fees.

Council Member Kurt Ostler asked if they could also wait on the fees that went down until the 90-day period ended. Fred Philpot said that the IFA stated that if there was a change to the fee, there was a 90 day wait period. He said that he would let their legal counsel determine what that meant but said that his team typically recommended that any reduction be effective immediately because a developer could present the study as justification for a reduced fee. Council Member Kurt Ostler expressed concern that 90 days was a huge window for developers that could hinder the City's ability to receive enough money from the fees.

Fred Philpot recognized the disparity in that piece of the legislation, but said it was out of his hands. Council expressed appreciation for Fred Philpot's report, and said that it was laid out well and easy to understand.

*Mayor Rod Mann opened the public hearing at 8:34 pm.*

It was stated that the only online participants were staff members.

City Attorney Rob Patterson gave clarification that it was noticed as a public hearing, and that it was not listed as such on the agenda.

Council Member Kurt Ostler asked City Attorney Rob Patterson if they could say that everything was effective in 90 days, or if they had to have it offset.

City Attorney Rob Patterson replied that the State law said that any impact fee enactment or ordinance could only go into effect after 90 days. He said that they could wait on everything, however he would not be surprised if a developer came in and asked for the new rates. Council Member Kurt Ostler expressed confusion.

Council Member Scott L. Smith clarified Council Member Kurt Ostler's question about when they became effective.

City Attorney Rob Patterson explained that, by the law, whatever they decided would go into effect that night would only do so within 90 days. It was stated that it was in State code and the ordinance. Council Member Kurt Ostler asked if it needed to be specified in their motion. City Attorney Rob Patterson said that they did not because it was part of the State law and the ordinances presented to Council. Council Member Kurt Ostler said that if a developer came in, they could tell them to wait the 90 days, or otherwise pay the current fees until then.

Mayor Rod Mann said that he hated to disagree but explained that the practical matter was that the State code allowed the developer to assert that the impact fees were wrong and demand that they be charged less. He explained that they could use the IFA presented at the current meeting as justification for that, and then the City would have to comply with that. He reiterated that the lower fees became effective immediately, and the increased fees became effective in 90 days.

Council Member Kurt Ostler stated that legal counsel said that they could make it effective in 90 days, and he asked if they had legal basis to enforce the fees only to be decreased in 90 days.

City Attorney Rob Patterson said that they could say that the new IFA did not go into effect until the exact 90 days was up, and that until then they still operated on the old fee statute. He explained that the issue was that a developer could still come in and use the IFA as justification even though it was not in effect yet. He said that they could try and fight them on it, but the question was whether they wanted to do that. He recommended that they adopt the fee that said 90 days, and they address the issue if a developer came in and requested an accommodation, to which they were required to give if they had justification.

Council Member Scott L. Smith clarified Council Member Kurt Ostler's concern with the fees being lowered. Council Member Scott L. Smith explained that Mayor said that if a developer contested it, they would get the lower fees. Council Member Scott L. Smith inquired that it would affect all of the other lowered fees as well, and the developers would get everything cheaper. City Attorney Rob Patterson explained that was correct, but that each fee was separate. He explained that the law stated that the justification had to be specific to the fee that was contested. He confirmed that it would be a boon to the developer because that was the way the State law worked.

Council Member Kurt Ostler restated that what he understood was that the State code said all fees went into effect in 90 days. He recognized that a developer could come in and request the lower fees but asked if they had a legal basis to charge what they charged. City Attorney Rob Patterson said that they would, but that they would not have legal basis to continue to charge the higher fees if the developer presented the necessary justification and data. Council Member Kurt Ostler implied that the developers could pick and choose which fees they wanted to pay because they would not take the higher fees before it was required but would take the lower fees if they were available. Council Member Kim Rodela stated that the developers would not contest the higher fees. Council Member Kurt Ostler mentioned Ridgeview.

Fred Philpot said that there were a couple ways to look at the situation. He said that entities would look at a single developer and enter developer agreements to address the issue, which would say that they needed to pay the fees in the schedule and not try to gain the system. He said that other entities would make the decrease effective immediately by practice. It would not be based on legal precedence, but rather the justification presented in the studies presented at that meeting. He said that what they needed to decide was whether they wanted to allow that to happen from the developer's perspective, or if they wanted to follow other Cities' practice and just provide it. He stated that it was up to the developer to present to the Council for the fee adjustment.

Mayor Rod Mann asked if he understood correctly that a developer could come in after the fact and request money be returned back because they paid too high. Fred Philpot pointed out that the developers had up to a year after the impact fee to contest it.

Council Member Kurt Ostler asked if they had a liability on their transportation fee, which he noted was a \$2,300 reduction. He stated that the road was not done, so everything had not been paid, and recognized that the impact was in the process of change. He asked if the developer could come back and ask for the \$2,300 transportation fee.

City Attorney Rob Patterson explained that impact fees were determined at the time they were paid.

Council Member Scott L. Smith asked for clarification that they could not mess with the 90 days because of State code. City Attorney Rob Patterson confirmed, and said that they should adopt the ordinance as written.

*Mayor Rod Mann closed the public hearing at 8:46 pm.*

*Council Member Scott MOVED that the Highland City Council approve the ordinance adopting the Impact Fee Facilities Plan and Impact Fee Analysis dated 12/22/2020 and imposing adjusted impact fees for transportation culinary water, pressurized irrigation, parks and recreation, wastewater, and public safety. Council Member Kim Rodela SECONDED the motion.*

*The vote was recorded as follows:*

<i>Council Member Timothy A. Ball</i>	<i>Yes</i>
<i>Council Member Brittney P. Bills</i>	<i>Yes</i>
<i>Council Member Kurt Ostler</i>	<i>Yes</i>
<i>Council Member Kim Rodela</i>	<i>Yes</i>
<i>Council Member Scott L. Smith</i>	<i>Yes</i>

*The motion passed 5:0.*

## **6. PUBLIC HEARING & RESOLUTION: FISCAL YEAR 2020-2021 MID-YEAR BUDGET ADJUSTMENTS** *Legislative (30 minutes)*

The City Council will consider the Fiscal Year 2020-2021 Mid-Year Budget Adjustments. The Council will take appropriate action.

Finance Director Tyler Bahr provided an overview of the budget and purchasing process. He assured compliance with the requirements and processes, such as budget limits and the intent set forth by the Council for allocation of funds. He explained that in that process any expenditures over \$25,000 would be brought to the Council, as well as any time there was adjustment of intent on the allocation of funds. He gave recent examples of the discussion on Christmas lights and the related adjustments. He stated that those purchasing processes were internal with staff but following the direction of Council.

Finance Director Tyler Bahr presented the budget timeline. He stated that the FY 2021 budget was adopted June 16, 2020, and that the purpose of the present meeting was to consider adjustments for that budget, which would be adopted on January 19, 2021. He explained that they would then begin development of the FY 2022 budget, with adoption of the scheduled for June of 2021. He noted that the schedule was subject to change, but that the goal was to engage in public discussion and to understand the Council's priorities. He stated that a similar calendar had been developed for the Lone Peak Public Safety District that coincided with the timelines that he had just presented.

Finance Director Tyler Bahr then discussed general fund tax revenue. He presented preliminary figures that they had pulled that compared projections and actual from the prior year to the upcoming one. He stated that they were generally on target with the previously identified projections with regards to tax revenue, with the exception of sales tax. He explained that projections were estimated conservatively as COVID was new on the scene. He communicated that they were on track to exceed projected revenue by approximately \$500,000, which would require some adjustments.

Mayor Rod Mann noted that the \$500,000 projection fell under the presumption that the economy would continue as it currently was. He expressed that any change in the economy could revert that to a lower number. He suggested that as they looked at the adjustments, they decided on the adjustments needed now and wait until later in the year to plan for money that they may not have.

Council Member Scott L. Smith clarified that the \$500,000 was what had come in that year, and that the projection was \$226,000 each year.

Finance Director Tyler Bahr confirmed Council Member Scott L. Smith's assumption about the \$226,000. Finance Director Tyler Bahr continued that the \$226,000 of the \$500,000 was anticipated to happen every year, based on the last ten years. He explained that they had seen an average increase of seven percent each year. He further explained that was the basis they had used when they considered the anticipated \$500,000 for the fiscal year.

Mayor Rod Mann communicated that the \$500,000 was still to be determined, and that it could be \$400,000 or \$350,000, or something else if the economy changed.

Council Member Scott L. Smith stated that he thought the \$500,000 had already happened. Finance Director Tyler Bahr and Mayor Rod Mann both clarified that the \$500,000 was a projection. Finance Director Tyler Bahr stated that they had realized four months of the fiscal year, and therefore had four months of actual data, and that the projection was based on that data.

Mayor Rod Mann said that based on the current track, that was where it seemed like they were headed. He reiterated that the \$500,000 was a forecast and was not a sure thing. He recommended that when they talked about budget adjustments, they make necessary adjustments, but hold off on spending increases until that money was actually there. He thought that some of it would be sustained because of a decision which put a tax on all

internet purchases. He thought that they would have an increase regardless of COVID but reiterated that they did not know the amount for sure. He stated that they knew better each month. He repeated his recommendation that they focused on things brought up by staff and not on how they would spend the extra money.

Council Member Scott L. Smith asked how much of the surplus they had seen, as they were six months into the fiscal year.

Finance Director Tyler Bahr stated that with regards to sales tax, they were able to count, for the fiscal year, tax that came into the City from September through August of the following year. Council Member Scott L. Smith clarified that their budget started on July 1st. Finance Director Tyler Bahr confirmed. He said that there was a two-month lag in the sales tax. He explained that if they went back and looked at six months of data trend from July 1st, they received roughly \$1,500,000. He further explained that if they went back four months, they had received \$1,000,000. He expressed that it gave him comfort that it was not just one sample, rather that it was a trend that was demonstrated through multiple methodologies.

Finance Director Tyler Bahr said that of the \$500,000, their conservative estimate was \$226,000 each year. He further said that given the current economy and trends, they recommended consideration of the \$274,000 that remained as one-time funds. He stated that it could change in future years, but that they recommended it at that point in time. He summarized that the approved budget for the general fund considered roughly \$10,000,000 in revenue and expenses, and that they proposed projections of revenue at \$10,500,000 and expenses at \$10,400,000. He noted that these were conservative estimates and said that it was not their intent to spend every dollar at that point.

Council Member Kurt Ostler recapped that they had four months' worth of data and stated that the expenses being looked at that night were \$367,000 more than what was budgeted in June eight months prior. He asked for clarification that they would add \$364,000 and that they hoped that they had the increase of \$500,000 off of four months of data. Finance Director Tyler Bahr replied that it was not just off of the four months, but back six months and the trend that went back into the last fiscal year. Mayor Rod Mann stated that the roughly \$360,000 was a reasonable number.

Finance Director Tyler Bahr stated that they looked at the significant impacts, which included sales tax and the CARES funds. He transitioned to expenditures and provided an overview of what staff had proposed within the general fund. He explained that they would incur a recurring cost each year. The first item was an additional one percent salary increase for staff at a cost of approximately \$42,000. He noted that was in addition to the two percent that had been previously approved by Council. The second item was additional expenses for seasonal salaries in parks at \$15,000 in the general fund combined with the \$20,000 in the open space fund for a total of \$35,000. Third item was an expense of \$650 for web hosting and domain renewal. He communicated that those items totaled approximately \$58,000 in recurring expenses.

Council Member Kurt Ostler referred to the public seasonal expenses as well as the information that City Engineer Todd Trane sent previously that night and summarized the expenses for his own clarification. He stated that they had approved \$20,000, and that they sought another \$15,000. He said they had received a lot of comments from residents about park maintenance and inquired if that additional money had increased maintenance tasks such as mowing. He briefly discussed the hours worked by seasonal park staff over the last two years.

City Engineer Todd Trane mentioned that Council Member Kurt Ostler had sent an email with questions about park maintenance and expressed that he had not sent out an email with his answers because he planned to address it at the meeting. City Engineer Todd Trane stated that maintenance had changed. He explained that they had struggled to be fully staffed in a few years past they had struggled to be fully staffed. He said that the last two years they had been fully staffed, and the level of service had significantly improved. He revealed that they had been able to mow on a seven-day schedule over the last year, when in the past it only happened every 14 days. He

also noted that they had increased wages to retain staff. He further noted that seasonal employee wages continually rose, and if the minimum wage increased, they would face issues because they did not currently pay their employees that wage.

City Engineer Todd Trane said that they had also increased the amount of mowing in various locations over the last couple years. He also answered a question about the mowing of native spaces. He explained that a few years prior they had not mowed it at all because they were unable to remain fully staffed, but that they had been able to mow most of the native open space two or three times this last year.

Council Member Kurt Ostler had asked in his email how parks management had handled extra employees and whether they had raised seasonal pay, as well as how many additional seasonal employees they had hired. City Engineer Todd Trane confirmed that they had raised seasonal pay. He also answered that at one point in 2019 they only had 15 seasonal employees, and that had increased to up to 23 seasonal employees in the last year. He hoped the Council liked what they heard about how the money was spent.

Mayor Rod Mann said it seemed like they heard less bad. Council Member Kurt Ostler complimented City Engineer Todd Trane. Council Member Kurt Ostler mentioned a work session where they had discussed some of the maintenance they had hoped to see and expressed that they had now started to see improvements. He felt that they could keep the gas on and keep improvements up.

City Engineer Todd Trane stated that this last year had been a good year for them with regards to the money being spent because of COVID. He said that they were fully staffed early on and were able to keep employees after the summer. He stated that it was an unusual year for them, and he hoped that they could continue that trend with the extra funding. He said it was money well needed to do what they needed to do.

Council Member Kurt Ostler briefly discussed the change in hours from the year prior to COVID to the current year, and how it had almost doubled as of October. City Engineer Todd Trane agreed, and mentioned that they had had some big jobs the previous fall, such as equipment being moved and the preparation of bathroom sites. He said that was mostly the reason that they kept seasonal staff on. Council Member Kurt Ostler asked if COVID funds could go towards those items, but said it was a moot point because it was resolved. It was stated that it was all one pot.

Finance Director Tyler Bahr transitioned into a discussion on onetime expenses with regard to the general fund. He explained that they had proposed some adjustments that had already been discussed by Council and had a net zero impact. He said that this included adjustments for Christmas lights and events. He mentioned other onetime expenses such as the front-end loader approved for public works, retirement payouts and onboarding replacements, and traffic counters.

Mayor Rod Mann stated that he had passed out some documents that provided an overview of two separate issues. He communicated that the first issue was that the current traffic counters that they used took two staff members to set up. He explained that those staff members nailed it into the asphalt, it ran for two weeks, and then it was moved to another location. He expressed that there were challenges with this because they could not be used in winter because of potential danger from snowplows. He explained that he had talked to some vendors, and one of the alternatives was little 6x4x5 boxes that were mounted on a pole. He further explained that it took one person and five minutes to mount it, the battery lasted two weeks, they could take it down and extract the data. He expressed that it was unobtrusive, worked all the time, and could capture traffic in both directions. He noted that it would not work for both directions on wider roads, however.

Mayor Rod Mann said that the cost was approximately \$2,800 per box, and that it was a one-time fee. He mentioned that there was a cloud solution they could subscribe to, but it was not needed. He recommended a switch because it saved manpower and could be used year-round. He expressed that he especially wanted to track

traffic in the spring and late winger around the roads that were affected by Canal Boulevard. He said that he wanted a good measurement of before and after.

Council Member Scott L. Smith asked how many boxes they needed to purchase. Mayor Rod Mann responded with two, and a total expense of roughly \$6,000. Council Member Scott L. Smith inquired if the boxes would be situated in different parts of the City for different reasons. Mayor Rod Mann confirmed. He said that the first spots were Canal Boulevard, 9600, and 6800. He stated that it was helpful to have that data, so that way they could use it to explain and understand traffic patterns when people complained about bad traffic.

Council Member Scott L. Smith asked what the maintenance was on the boxes. Mayor Rod Mann responded that it was minimal maintenance and stated that they had a two-week battery life and a warranty period. He expressed that the tubes were less expensive but noted that they went through them periodically. He also noted that people knew that the tubes were there, and it possibly affected traffic behavior. Mayor Rod Mann gave an example of a driver that had sped over the tubes to skew traffic data in an area with a large number of complaints about speeding.

Council Member Timothy A. Ball asked what the degree of accuracy was and asked if it picked up all cars. Mayor Rod Mann replied that it had a 97 percent accuracy on traffic count. Council Member Timothy A. Ball asked about the cloud-based solution. Mayor Rod Mann replied that they could buy an add-on called the traffic cloud and explained that it offered real-time data. Council Member Timothy A. Ball asked how the information was downloaded. Mayor Rod Mann answered that it was stored in the box, and that they could connect via Bluetooth or USB. It was stated that the \$16,000 on the documents was a placeholder, and that the two boxes would cost approximately \$6,000.

Mayor Rod Mann mentioned that they did have another company that expressed that they would soon have a service where they did ten different streets for \$1,500 a year. Mayor Rod Mann explained that for that \$1,500, it was just a 24-hour traffic count. He did not feel as if that gave enough data compared to a two-week count. The company had said that a two-week traffic study would be \$1,500 per street. Mayor Rod Mann communicated that if they wanted to do ten streets for a year it would be \$15,000. He said that if they bought them on their own, it was a one-time cost of \$6,000.

Council Member Timothy A. Ball asked how much the cloud-based service was. Mayor Rod Mann answered that it was \$1,500 a year but reiterated that his proposal was for just the boxes and not the cloud-based service. Council Member Scott L. Smith felt that it made sense. He expressed that traffic control signs also showed speeds, and that he liked those because they really modulated behavior. He said that he wanted to see one on Canal Boulevard.

Mayor Rod Mann agreed, and communicated that there was a data sheet for those signs. He explained that one of the sheets was with a solar charging panel and one was without. He said that the company had an agreement with the State, so they would be priced by the State of Utah. He revealed that was why there was a \$440 discount on them. He explained that the advantage of the signs was that they were easy to put up and easy to move. He noted that one of the problems was that there were instances where some kids sped past it to get pictures of how fast they went.

Mayor Rod Mann said that it was subject to a later discussion but said that they had the ability to take pictures and then send letters to the owners of vehicles who were speeding. He explained that they could not cite, but they could send letters. He expressed that would be a bigger cost than just the equipment because of the manpower correlated with it. He stated that he did not want to have a detailed discussion on it because he wanted to gather more data but wanted to at least plant the seed. He reiterated that the signs could be moved around and were camera capable. He also reiterated that he wanted to allocate the \$6,000 to buy two boxes.

Council Member Scott L. Smith felt like the radar shield signs were a good idea. He expressed that Canal Boulevard had a lot of curbs and access to the high school, and he thought it would be nice to track that since there were new danger spots on the road.

Mayor Rod Mann stated that the feedback tracked it, and it also had the option for the camera. He reiterated that he wanted to allocate the \$6,000 to buy two boxes. He said that it was easier to talk to people when they had the data.

Council Member Brittney P. Bills asked for clarification that the Mayor Rod Mann wanted to collect information and stated that there was not much they could do with the information at that point in time. She mentioned that it seemed as if there were minimal things they could do with regards to discussions about speeding and speed limits.

Mayor Rod Mann said that when they tracked traffic reports, he did an analysis and sent the data to Police Chief Brian Gwilliam, who could look at it to effectively determine speeds and placement of officers.

*Council Member Timothy A. Ball left meeting at 9:25 pm*

Council Member Brittney P. Bills referred to a conversation she had had with Finance Director Tyler Bahr the previous week. Council Member Brittney P. Bills recounted that he had said that everything was about priorities, and that for everything they wanted to do they needed to be able to determine its priorities. Council Member Brittney P. Bills expressed that it was not a bad idea but asked if there was another priority for the \$6,000. Mayor Rod Mann replied that it was a relatively small ask. Council Member Scott L. Smith said that it was a safety issue and expressed that it helped residents to be safe, as well as it helped the City to track and educate the patterns.

Finance Director Tyler Bahr discussed the storage for park equipment. He denoted \$7,000 for the temporary rental of a storage unit until the new building was completed. He then reviewed the following one-time general fund requests: additional transcription, sidewalk maintenance at approximately \$19,000, and support for meeting recording systems at \$1,000. He explained that the overall onetime expense adjustments not related to COVID were at \$398,000.

*Council Member Timothy A. Ball returned to the meeting.*

Finance Director Tyler Bahr explained that they were allocated approximately \$1,400,00. From that allocation, the City would recognize approximately \$900,000 in savings for the current fiscal year and \$430,000 in savings for the next fiscal year. Council Member Kurt Ostler asked what 'in savings' meant. Finance Director Tyler Bahr said that it was because they had learned at the end of the COVID spending time window that it could be used for public safety. He communicated that the savings would come in the form of assessments to Lone Peak, and the City would not have to pay for the remainder of that year.

Mayor Rod Mann asked if the CARES money were being used to pay for that, but also separately they would expend it on other items. He clarified that it would be a net zero.

Finance Director Tyler Bahr said that with regard to the expenditures, the following items had been discussed previously with Council and had totaled roughly \$1,000,000: park restrooms, public works trucks, PPE, Lone Peak direct expenses, front counter improvements, building disinfection system, windows, contributions to local schools, and library shelving. He reiterated that there was approximately \$900,00 in savings, but that they anticipated roughly \$1,000,000 for the fiscal year in expenses directly related to COVID.

Finance Director Tyler Bahr discussed the library fund. He stated that Council was being asked for a prior year balance carry-over of \$37,000 for funds that were surplused by library funds and missed in the approved

budget. He reviewed that some of the proposed expenses were a book drop, public access computers, shelving, eBooks, software, printing expenses, winter programming, COVID grants, continued education, and phones. He outlined that the expense adjustments were \$29,000.

Council Member Scott L. Smith asked Donna for clarification on the eBook program and how it would work.

Donna explained that each month they looked at what books the people in Highland had put on hold through the Overdrive, and then they purchased additional copies of those books that the library's patrons received first. She stated that the cost of eBooks varied between \$9 and \$90 and noted that popular books were usually limited use. She gave the example that \$90 could be read about roughly 24 times. She stated that a hard copy would cost \$25 to \$30, which could be used significantly longer. The eBooks would not take up shelf space. She explained that eBooks were more expensive, but that they were what people wanted.

Finance Director Tyler Bahr explained that there were balances available to cover other enterprise funds. He outlined the following enterprise funds: material cost increases in the storm sewer, the reconstruction at Broadleaf Hollow, well repairs for culinary water, the completion of Spring Creek for parks capital improvements, additional engineering costs for sewer, and software subscriptions for IT.

Mayor Rod Mann asked City Engineer Todd Trane if any of the budget adjustments covered the work in Council Member Kurt Ostler's cul-de-sac area, or if it was already included in the budget. City Engineer Todd Trane answered that it was budgeted in sewer capital. Mayor Rod Mann asked if there were any bids. City Engineer Todd Trane replied that their current focus was on easements, and that they would adjust the budget come June.

Council Member Kurt Ostler noted that he was only .017% of the sewer that went in there. Council Member Scott L. Smith asked Finance Director Tyler Bahr if the figures were rounded. He mentioned that earlier that night the Council had approved \$110,846 and noted that Finance Director Tyler Bahr's estimate was only \$110,000. Council Member Scott L. Smith asked if that was just a close estimate. Finance Director Tyler Bahr confirmed that there were some specific numbers in the detail, but that it was a best made estimate.

*Mayor Rod Mann opened the public hearing at 9:38 pm.*

There were no public comments.

*Mayor Rod Mann closed the public hearing at 9:39 pm.*

Council Member Brittney P. Bills said that she was in favor of the traffic counters as they would help to direct police to the appropriate locations. She expressed that she was a firm proponent for prioritized needs. She acknowledged that it was only \$6,000 but stated that it was a lot of money in her eyes. Mayor Rod Mann asked what she prioritized it against in her view. Council Member Brittney P. Bills replied that she felt every time anything was bought, they needed to prioritize. She noted that she did vote for Christmas lights, and acknowledged the discrepancy. She stated that philosophically she liked to prioritize needs.

Mayor Rod Mann asked her what she wanted to do with it instead. Council Member Brittney P. Bills said she did not know. Mayor Rod Mann asked if it applied to all of the other budget items as well. Council Member Brittney P. Bills replied that she hoped it would apply to everything they did. Mayor Rod Mann asked what they were prioritized against. Council Member Brittney P. Bills implied that there was not a specific thing she felt needed to be prioritized over the traffic counters. She stated that they either spent the \$6,000 on it now or they saved it for later to spend on something else.

Mayor Rod Mann felt that it was a good use of money. He expressed that it would save time, save wear and tear in the roads, and it would be able to work year-round. He stated that it was added functionality to a service they

currently did but needed to do more of. He explained that some of the factors that reduced how often they did it was the time the tubes took to install and uninstall, and that they wore out more quickly and they had to buy replacement parts. He said that they became a nuisance for public works staff. He expressed the opinion that the new traffic counters would cost a little bit more, but they would save more time and do the task more often. Council Member Brittney P. Bills thought that was a compelling argument.

Council Member Scott L. Smith recognized that they should prioritize everything. He communicated that he lived in an area of the City where a whole new traffic corridor was being opened. He felt that firm data would help the citizens adjust to that. He said he could see how it would be beneficial and thought it would be money well spent. He expressed the opinion that the money for Christmas lights was also well spent, as well as the money spent on flooding in Viewpoint. He agreed with Council Member Brittney P. Bills that they needed to prioritize because they had a tight budget but expressed support for the traffic counters.

Council Member Kurt Ostler asked how many traffic counters the City owned. Mayor Rod Mann replied that they had two sets. Council Member Kurt Ostler asked about the functionality of the currently owned counters in the wintertime.

City Engineer Todd Trane said that there were pros and cons to both. He stated that the ones they had now were problematic. He said that they only used them when there was an issue, and that they had used them a lot in the last three years. He mentioned that the tubes constantly needed to be replaced, and they also had to be nailed down. He expressed that if they planned to keep up with internal traffic studies, they should invest in the new traffic counters. He noted that if they only planned to do traffic studies on occasion, they could potentially hire outside firms instead. He expressed that the only downfall was that they had to be put in a location where they could be mounted versus the tubes were able to be put anywhere. He liked the idea of the new ones because they gave different options.

Council Member Kurt Ostler mentioned that they would see heavier density by the high school, as well as 6800 and Highland Boulevard. He remembered that he had heard concerns from residents about the speed and traffic in that area. He expressed that he was in favor of the traffic counters because that the data would be important with all the new roads that were under work. Council Member Brittney P. Bills thanked Council Member Kurt Ostler for his input and said that it had convinced her. Council Member Kurt Ostler also said that they had to be careful on the Christmas lights. He said that they had a lot of homes in Highland that were decorated heavily. He noted that it was important that year to brighten spirits because of COVID. He discussed how the purchase of the lights was an asset that they could use again in the future. He talked about whether things were needs or not. He mentioned that Spring Creek came in at \$510,000, and he thought that was a ridiculous cost for two acres. He appreciated that Council Member Brittney P. Bills brought the question up.

*Council Member Brittney P. Bills MOVED that the Highland City Council adopt the proposed resolution approving the Fiscal Year 2020-2021 Mid-Year Budget Adjustments, with the adjustment of \$6,000 for traffic counters. Council Member Kurt Ostler SECONDED the motion.*

*The vote was recorded as follows:*

<i>Council Member Timothy A. Ball</i>	<i>Yes</i>
<i>Council Member Brittney P. Bills</i>	<i>Yes</i>
<i>Council Member Kurt Ostler</i>	<i>Yes</i>
<i>Council Member Kim Rodela</i>	<i>Yes</i>
<i>Council Member Scott L. Smith</i>	<i>Yes</i>

*The motion passed 5:0.*

## **7. MAYOR/COUNCIL AND STAFF COMMUNICATION ITEMS**

### **a. Future Meetings**

- January 26, Planning Commission Meeting, 7:00 pm, City Hall
- February 2, City Council Meeting, 7:00 pm, City Hall
- February 16, City Council Meeting, 7:00 pm, City Hall
- February 23, Planning Commission Meeting, 7:00 pm, City Hall

Council Member Scott L. Smith asked City Engineer Todd Trane about the East West Corridor. He requested clarification on what sort of barrier would be between the road and the trail. City Engineer Todd Trane responded that there would be a curb and gutter, as well as four feet of rock mulch. Council Member Scott L. Smith asked if there was a guardrail up over the slope. He expressed concern that people would go over the road and end up on the trail. City Engineer Todd Trane said that there would not be a guardrail around the slope. Council Member Scott L. Smith asked if there had been any concerns about it. City Engineer Todd Trane said that there were always concerns with regards to trails along the collector roads. He mentioned that they had trails on Beacon Hills Boulevard and Highland Boulevard. He informed them that they had not had a pedestrian accident. Council Member Scott L. Smith stated that there was a slope and expressed further concern about the risk of the curve and slope.

City Engineer Todd Trane replied that if the westbound traffic were to slide, they would slide to the south. He also mentioned that there was a super elevation on the road that kept that from happening. He explained that the slopes on Canal Boulevard were similar to those on Beacon Hills Boulevard and Highland Boulevard. He stated that they tried to keep it at eight percent or less and informed him that the slopes in question were at six percent. He stated that it was always a concern but explained that the current design fell within the design criteria limits.

Council Member Scott L. Smith said that he understood the design but did not understand why there would not be a guard rail. City Engineer Todd Trane replied that it was partially because of cost, but also because they felt it was not necessary based on design and the trail's distance from the road. He also explained that it was flat or inclined down where the trail was actually next to the road. Council Member Scott L. Smith mentioned that there was the sewer lift station on the south side and asked if there was any concern about runoff. City Engineer Todd Trane said that there was not, and that the lift station was down off of the slope. He noted that to have utilities and trails was similar to any other collector road they had. He reiterated that there was always a concern when pedestrians were near a road but stated that was why it had been pushed as far south of the road as possible.

Council Member Kurt Ostler asked if it was to be paved and inquired when residents were able to drive on it. City Engineer Todd Trane responded that it would be paved as soon as the asphalt plants opened in April, and that they hoped to have the ribbon cutting ceremony in May.

Council Member Kurt Ostler provided some updates on Dry Creek. He explained Lehi had approved the concession stand at the bottom, and that they planned to put in concessions with an actual building. He mentioned that they may only do gravel parking at first because of budget concerns, and then come back later and pave. He stated that Dry Creek was anticipated to be open in April. He mentioned that the trail was mistakenly put on the east side of the lake, but they had tried to correct it. He expressed that residents were concerned about parking. He also mentioned that the North Utah County Water Conservancy District had worked out most of the property line easement issues, and that fences were supposed to be put up. He noted that they worked with public safety from the fire department, and some people had mentioned the sprinklers being put on top of the fence. They were concerned about a fire from that area. Lehi was still deciding whether or not they would charge a user fee. Council Member Kurt Ostler said that it should be noted in the agreement that it said that Highland residents would be treated the same as a Lehi resident. He mentioned that they had talked about potential money from the

tourism board, however if they did that it would have to be open to everyone in Utah County and they could not charge a fee.

## **ADJOURNMENT**

*Council Member Kurt Ostler MOVED to adjourn the regular meeting and Council Member Scott L. Smith SECONDED the motion. All voted in favor and the motion passed unanimously.*

*The meeting adjourned at 9:59 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 19, 2021. This document constitutes the official minutes for the Highland City Council Meeting.

A handwritten signature in blue ink, appearing to read 'Stephannie Cottle', written in a cursive style.

Stephannie Cottle  
City Recorder

Welcome to the Highland  
City Council Meeting

January 19, 2021



**6:30 PM REGULAR SESSION**  
Call to Order – Mayor Rod Mann

**CLOSED SESSION**



The Highland City Council has recessed the regular City Council meeting to convene in a closed session to discuss the sale of real property, as provided by Utah Code Annotated §52-4-205.

The regular City Council meeting will re-convene immediately following the ending of the closed session.



**7:00 PM MEETING OPEN TO PUBLIC**  
Invocation – Council Member Timothy A. Ball  
Pledge of Allegiance – Council Member Scott L. Smith



**UNSCHEDULED PUBLIC APPEARANCES**

Time set aside for the public to express their ideas and comments on non-agenda items. Please state your name and limit your comments to three (3) minutes.



**PRESENTATIONS**  
3a. FY2019-2020 Audit Report – *Steve Rowley, Keddington & Christensen*

## CONSENT ITEMS *(5 minutes)*

- Item 4a. – Planning Commission Appointments *Administrative*
- Item 4b. – Construction Contract: Culinary Well #2 and Well #3 Improvements *Administrative*
- Item 4c. – Construction Contract: Pressure Irrigation Pond Improvements *Administrative*
- Item 4d. – Construction Contract: Electrical Modification at Pressure Irrigation Pump Stations *Administrative*
- Item 4e. – Construction Contract: 11800 North Split-Case Pump *Administrative*



## ADOPTION OF NEW IMPACT FEES *LEGISLATIVE (30 MINUTES)*

Item 5 – Public Hearing & Ordinance  
Presented by – Tyler Bahr, CSM, DLSSBB  
Finance Director

### IMPACT FEE ANALYSIS: PARKS, PUBLIC SAFETY, TRANSPORTATION, WATER, PRESSURIZED IRRIGATION, AND WASTEWATER

JANUARY 2021

## INTRODUCTION TO IMPACT FEES

2

- Before imposing an impact fee, each local political subdivision or private entity shall prepare:



**IMPACT FEE FACILITIES PLAN (IFFP)**  
Identifies the demands placed upon the City's existing facilities by future development and evaluates how these demands will be met by the City. Outlines the improvements which are intended to be funded by impact fees.

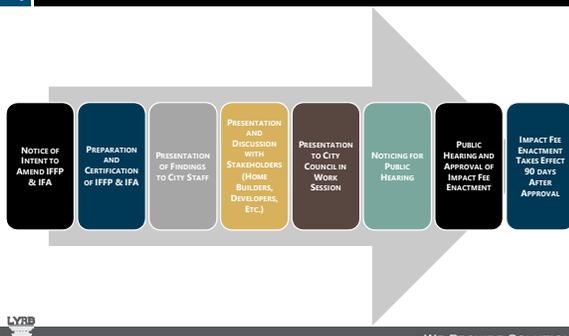


**IMPACT FEE ANALYSIS (IFA)**  
Proportionately allocates the cost of the new facilities and any excess capacity to new development, while ensuring that all methods of financing are considered.

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## IMPACT FEE PROCESS

3



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    graph LR
      A[NOTICE OF INTENT TO AMEND IFFP & IFA] --> B[PREPARATION AND CERTIFICATION OF IFFP & IFA]
      B --> C[PRESENTATION OF FINDINGS TO CITY STAFF]
      C --> D[PRESENTATION AND DISCUSSION WITH STAKEHOLDERS (HOME BUILDERS, DEVELOPERS, ETC.)]
      D --> E[PRESENTATION TO CITY COUNCIL IN WORK SESSION]
      E --> F[NOTICING FOR PUBLIC HEARING]
      F --> G[PUBLIC HEARING AND APPROVAL OF IMPACT FEE ENACTMENT]
      G --> H[IMPACT FEE ENACTMENT TAKES EFFECT 90 DAYS AFTER APPROVAL]
    
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## FEE ADJUSTMENTS

4

- **Significant Changes in Analysis from 2016:**
  - Impact fee eligible transportation costs decreased
  - Culinary water demand and impact fee eligible costs decreased
  - Demand adjustments for public safety fee
  - Pressurized irrigation impact fee eligible costs increased
  - Wastewater impact fee eligible costs decreased
  - Parks and recreation buy-in eligible costs updated

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## FISCAL YEAR 2020-2021 MID-YEAR BUDGET ADJUSTMENTS

*LEGISLATIVE (30 MINUTES)*

Item 5 - Public Hearing & Resolution  
Presented by - Tyler Bahr, CSM, DLSSBB  
Finance Director

## Budget & Purchasing

Budget:

- Establishes overall financial strategy for the fiscal year
- Requires public hearing & Council approval

Purchasing:

- Ensures compliance with procurement requirements, budget limits, and intent of budget allocations
- Council approval for expenditures over \$25K

## Budget Timeline

- FY2021 Budget Adopted - June 16, 2020
- 
- FY2021 Midyear Adjustments Adoption - January 19
- 
- FY2021 Working Draft Distributed & Individual Briefings - End of March
- 
- Council Work Session - April 13
- 
- Tentative Budget Adoption - May 4
- 
- Public Open House - Beginning of May
- 
- FY2021 Final Amendments & FY2022 Budget Adoption - June 15

*\*Schedule is subject to change*

## General Fund Tax Revenue

	FY2020 Actual	FY2021 Budget	FY2020 YTD (Dec)	FY2021 YTD (Dec)
<b>Property</b>	1,737,916	1,789,358	1,509,498	1,599,333
<b>Delinquent Property</b>	146,314	115,000	10,868	13,796
<b>Sales</b>	2,742,113	2,438,000	865,205	1,005,134
<b>Motor Vehicle</b>	169,184	165,000	73,461	64,188
<b>Utility Franchise</b>	843,896	905,000	354,687	469,561
<b>Phone</b>	77,898	85,000	32,149	37,811
<b>TOTAL</b>	<b>\$5,717,321</b>	<b>\$5,497,358</b>	<b>\$2,845,868</b>	<b>\$3,189,823</b>

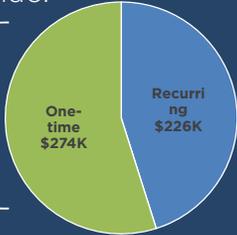
## General Fund Summary

Additional sales tax revenue:

**\$2.938M**  
Revised Forecast

↑  
**\$500K**

**\$2.438M**  
Budgeted



## General Fund Summary

	Approved	Proposed
Revenue	\$10,002,554	\$10,466,054
Expense	\$10,001,816	\$10,364,631

Significant Revenue Impacts:

- Sales tax
- CARES funding

## General Fund

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Recurring:

- 1% salary increase - \$42,000 (in addition to 2% previously approved)
- Parks seasonal expenses - \$15,000 (total of \$35,000 including \$20,000 in Open Space)
- Web hosting & domain renewal - \$650

**Total Recurring General Fund Expense Adjustments = \$58K**

## General Fund

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One-time:

- Christmas lights & smaller events/Highland Fling (net \$0 - previously approved)
- Front-end loader, backhoe (\$137,750 - previously approved)
- Retirement payouts, training (\$60,289)
- Traffic counters (\$16,000)
- Parks equipment storage (\$7,000)

## General Fund

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One-time (continued):

- Additional transcription (\$3,000)
- Sidewalk maintenance (\$19,000)
- Meeting recording system support (\$1,000)

**Total One-time General Fund Expenses Adjustments (non-COVID) = \$398K**

## General Fund: CARES Funding

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- Council authorized use of CARES funds (\$1,367,336) to pay for public safety
- City will recognize ~\$900K in savings this fiscal year, ~\$430K next fiscal year

## General Fund: CARES Funding

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FY2021 COVID-related expenses (all previously approved) include:

○ Parks restrooms (\$675K)	○ Building disinfection system (\$22K)
○ Public Works trucks (\$110K)	○ Windows (\$21K)
○ PPE (\$73K)	○ Schools (\$15K)
○ Lone Peak expenses (\$55K)	○ Library shelving (\$4K)
○ Front counter improvements (\$25K)	

**Total One-time COVID-related General Fund Expenses = \$1MM**

## Library Fund

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Prior Year Fund Balance Carryover - \$37K

Expenses:

○ Book drop, public computers, shelving (\$15K)	○ Public computers - replacement cycle (\$2.5K)
○ eBooks - COVID (\$5K)	○ COVID grants (\$2K)
○ Software for public computers (\$2K)	○ Phones - COVID (\$2K)
○ Printing expense (\$1K)	○ Continuing education (-\$2K)
○ Winter programming - COVID (\$2K)	

**Total Library Fund Expense Adjustments = \$29K**

## Other Enterprise Funds

Fund balances are available for these expenses:

- **Storm sewer** – materials cost increases, Broadleaf Hollow reconstruction (\$162K)
- **Culinary water** – urgent well repairs (\$125K)
- **Parks capital improvements** – Spring Creek (\$65K)
- **Sewer** – additional engineering costs (\$10K)
- **IT** – software subscriptions (\$2K)

## Recommendation & Proposed Motion

Staff recommends that the Council adopt the resolution approving the FY2021 midyear budget adjustments.

Proposed Motion:

“I move that the City Council ADOPT ORDINANCE NO 2021-\*\* approving the FY2021 midyear budget adjustments.”



### MAYOR/COUNCIL AND STAFF COMMUNICATION ITEMS

Item 7a. – Future Meetings

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