



HIGHLAND CITY

HIGHLAND CITY COUNCIL MINUTES


Tuesday, June 20, 2023

Approved August 15, 2023

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

VIRTUAL PARTICIPATION

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

 Email comments prior to meeting: council@highlandcity.org

6:00 PM WORK SESSION – ACTIVE TRANSPORTATION PLAN

The meeting was called to order by Mayor Kurt Ostler as a work session at 6:21 pm. The meeting agenda was posted on the *Utah State Public Meeting Website* at least 24 hours prior to the meeting.

PRESIDING: Mayor Kurt Ostler

COUNCIL MEMBERS

PRESENT: Timothy A. Ball (arrived at 6:36 pm), Brittney P. Bills (absent), Sarah D. Petersen (absent), Kim Rodela, Scott L. Smith

CITY STAFF PRESENT: City Administrator Erin Wells, City Attorney Rob Patterson, City Recorder Stephannie Cottle, City Engineer/Public Works Director Andy Spencer, Police Chief Brian Gwilliam, Fire Chief Brian Patten

OTHERS PRESENT: Jon Hart, Alexis Verson, Matt Seipold

Alexis Verson of Horrocks Engineering used the aid of a PowerPoint presentation to provide the overview of the work done by Alpine and Highland cities to apply jointly for a grant from Mountainland Association of Governments (MAG) for the development of an Active Transportation Plan (ATP). Horrocks Engineering was hired to work on the Plan and provide planning services. She noted active transportation is defined as human-powered transportation including walking, biking, e-scootering, bike-sharing, rolling in a wheelchair, jogging, and horseback riding. A plan is needed to develop a blueprint with a phasing plan to use as a tool for the cities as roadways are built, rebuilt, and as new development comes. A defensible plan allows the cities to be strategic, seek construction funds, and partner with developers to implement facilities. Enhancing active transportation is crucial as the population grows; adding new facilities and improving existing ones has measurable benefits related to the:

- Quality of life for residents
- Health of our communities
- Safety of nonmotorized travelers
- Connections to amenities and access to opportunities

She discussed the importance of enhancing active transportation when considering health and reducing accidents; these issues were at the forefront of the planning process employed by Horrocks to engage the public and stakeholders in the process of developing recommendations for a final plan. She summarized the vision for the plan, along with the following guiding principles:

1. Walking and biking facilities are a critical component of a functional transportation network.
2. Alpine and Highland have created an important opportunity to expand walking and biking facilities, but it will take a collaborative effort by both communities.
3. Creating comfortable and connected walking and biking facilities will prompt more people to choose active modes of travel.
4. Active transportation connections are important to Alpine and Highland Cities and reflect the values of these active, healthy, and connected communities.

The four following goals were included in the plan.

1. Create an inclusive multimodal network that provides comfortable and safe passage to destinations in Alpine and Highland, and connections to recreational access.
2. Integrate walking and biking with land use to support transportation goals and advance the local vision for vibrant communities.
3. Elevate alternative transportation choices by proactively incorporating options for walking, biking, and equestrian use from the start of the planning process.
4. Develop a network that is useful, context sensitive, and feasible.

She then reviewed the objectives for accomplishing each goal, after which she reported on the importance of qualitative and quantitative data collection pertaining to existing sidewalks and bike lanes, planned sidewalks and bike lanes, safe routes to school, recreational trips, crashes involving pedestrians and cyclists, and zoning and land use that influences transportation. She reported various ways to communicate with the public and key stakeholders, solicit feedback, and invite residents to participate in the survey through collateral, social media, and email were developed:

- Online survey (737 responses)
- In-person open house
- Online comment map
- Website
- A booth at each City's Halloween event
- In-depth-interviews with key stakeholders
- Four Steering Committee working groups.

Responses to the survey helped to inform decisions regarding the importance of creating inclusive connections between Alpine and Highland, the reasons that most people walk or bike, preferred biking facilities, and the frequency of use of active transportation facilities. She presented a map of a backbone network that would create comprehensive active transportation coverage; it includes on and off-street facilities and everyone has access to a connected facility within one-half mile of their home. Backbone facilities are more robust infrastructure, and offer a higher level of comfort to accommodate all ages and abilities. An additional map highlighted local support facilities, which include low volume, low speed roads generally in residential areas providing access to backbone facilities. These roads need little to no new infrastructure because they are already calm and comfortable. Recommendations may include signage or minor paint/infrastructure updates.

Matt Siepold of Horrocks Engineering continued the presentation by discussing priority projects that have been identified in each community based on regional connectivity, need, and community input. Planning level costs were developed to aid the cities in applying for funding to further design and construct them in segments. Planning documents are only useful if they aid in progress. Additional planning tools were developed to assist in implementation, including:

- Decision toolbox for implementation
- Cross section updates for Alpine & Highland
- Compilation of national best practices for active transportation design
- Traffic calming toolbox with assumed costs for implementation
- Complete Street policy examples
- Evaluation metrics once facilities are constructed.
- Grant funding sources, timing, and eligibility

He presented an example of a decision toolbox that can be used to determine appropriate facility types throughout the community. There was brief discussion among the Mayor, Council, and Mr. Siepold regarding the need to consider each project on a case-by-case basis in order to understand unique characteristics of a certain area that could influence a final decision regarding facility improvements.

Mr. Siepold then presented examples of both a grant funding matrix and evaluation metrics; the grant funding matrix can be used to identify specific grant programs that would be accessible by both Highland and Alpine Cities for various types of active transportation projects. He concluded the next steps for the Council to consider include formally adopting an ATP, identifying internal funding sources, partnering to identify grants and local match dollars, and applying for grants to design and/or construct facilities.

Ongoing discussion among the Governing Body and the project consultants centered on matters such as providing dedicated equestrian trails in the City; feedback that has been provided by Alpine City; connections between an ATP and each City’s General Plan and Regional Transportation Plans (RTPs); optional facilities that can aid a pedestrian or biker in navigating grade separated areas that can be unsafe to cross; opportunities for converting 6000 West into a backbone road.

The Mayor and Council thanked Ms. Verson and Mr. Seipold for their work and the information provided tonight.

The Work Session adjourned at 6:55 p.m.

7:00 PM REGULAR SESSION

- Call to Order – Mayor Kurt Ostler
- Invocation – Council Member Kim Rodela
- Pledge of Allegiance – Mayor Kurt Ostler

The meeting was called to order by Mayor Kurt Ostler as a regular session at 7:06 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 Kim Rodela and those in attendance were led in the Pledge of Allegiance by Mayor Kurt Ostler

PRESIDING: Mayor Kurt Ostler

COUNCIL MEMBERS

PRESENT: Timothy A. Ball, Brittney P. Bills (arrived at 7:28 pm), Sarah D. Petersen, Kim Rodela, Scott L. Smith

CITY STAFF PRESENT: City Administrator Erin Wells, Assistant City Administrator/Community Development Director Jay Baughman, City Attorney Rob Patterson, City Recorder Stephannie Cottle, Finance Director Tyler Bahr, City Engineer/Public Works Director Andy Spencer, Police Chief Brian Gwilliam, Fire Chief Brian Patten

OTHERS PRESENT: Jon Hart, Mike Hawkins, Michelle Lines, Ed Dennis, Mark Hafen, Lynn Ritchie, Doug Cortney, Rich Farr

1. UNSCHEDULED PUBLIC APPEARANCES

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

Michelle Lines stated she is the Vice President of the new American Fork Chamber of Commerce and the Lone Peak Business Alliance; she understands there has been some discussion about whether to continue funding the Chamber and she is present tonight to answer any questions and address any concerns the Council has.

Doug Cortney stated that during the recent community budget hearing, a resident expressed concerns about the state of maintenance of roads in his neighborhood. The residents were told there is a plan for maintenance, but costs are higher than expected and certain projects will be delayed. He stated that the residents are essentially being told to 'make do' for a little while longer because the City does not have enough money. There have also been discussions about the theme wall along Alpine Highway and he expects that the City would be pleased to replace that wall if there was sufficient money; the residents living along that road have also been told that they must 'make do' for a little while longer. He stated that he is concerned that the Council is considering an action this evening that will remove the open space fee, which will reduce the General Fund by \$300,000. It seems unseemly to give what amounts to a tax cut to a quarter of the City's residents, while telling the rest of the City to 'make do' because the City does not have enough money. If the City truly did not need the money, the decision would be fine, but it would be more appropriate to spread that \$300,000 tax break across the entire City, which would equate to about \$60 per household. However, he is bothered that just a quarter of the City will benefit from the reduced fees, and he hopes the Council is bothered by that as well.

Lynn Ritchie stated that he has sent the Mayor and Council letters and he asked that those be made part of the public record. He is also opposed to the removal of the open space fee; the City needs money to maintain trails and open space and he wondered why the City would give up a source of revenue. It is wrong to require the rest of the residents to pay more to cover the revenue lost by the elimination of the fee. There are many unintended consequences of eliminating the fee; those that have been paying the fee have been afforded certain protections of the properties they live near that are serviced with the fee. The City will be required to manage the rental and usage of these facilities, which will cost funding in terms of employee compensation. He stated that the issue is just not that complicated to address, and he suggested that other options be considered besides simply eliminating the fee. Since this impacts all residents, it should be put to a vote of the people; many people are not informed about this issue and putting the matter to a vote would allow them to express their will.

Letters from former Mayor Lynn Ritchie. Mayor Ritchie requested that these letters be public record.

To: Highland Mayor and City Council
From: Lynn Ritchie
Subject: Budget elimination of Open Space Fee
Date: May 18, 2023

I appreciated the invitation to review the budget on May 17th. I agree with most of the projects and budget that was presented. However, **the removal of the open space fee** is an item I totally disagree with the council taking this action and putting it in the budget. I appreciate the opportunity to respond.

Here are several reasons for the disagreement:

Open space residents knew there was a fee when they purchased their home. They enjoy open space acre density with open space, park, trail and in several cases a playground. These are used most exclusively by the residents.

1. The fee has existed since the open space subdivision was constructed and has assisted the city to pay for the maintenance of the park, trail, playground and open spaces.
2. The city subsidizes the open space subdivisions for half of the maintenance and has done since the beginning of the subdivision at a cost to **all residents in the city**.
3. Some residents have complained about the fee for years. They have been reminded that the fee is to cover costs of their open space. Highland has had acre density and the open space was a way to allow this to happen in open space subdivisions.
4. Removing the fee places an **unfair burden on residents who do not live in open space subdivisions** and do not have a trail, park, playground and open space in their back yard.
5. Council members living in open space subdivisions should recuse themselves in voting. Also, any council member using this to garner votes as a campaign platform should be ashamed.

At the meeting I heard several reasons for eliminating the fee. **The reasons, in my opinion are weak.**

1. **"The fee has run its course"**. Wow, what does this mean? Is the maintenance suddenly going to be less? Are we not going to incur costs in the future? "Run its course" is a nice slogan, but what is the real meaning?
2. **"Residents are complaining as unfair"**. So, it is fair to charge all residents who do not live in open space subdivisions for the amenities that open space residents enjoy? The fee is fair.
3. **"The parks in open space are city parks"**. This is a real stretch of the definition of city parks. The majority, and a large majority, of residents never use or will not use the parks in open space due to proximity and use. The parks were designed for the open space residents and to try to categorize otherwise is just plain wrong. Highland Heritage Park and the new Mountain Ridge are **"city parks"** with baseball diamonds, pavilions, and gathering places for the **"whole city"** to enjoy not just residents who live near them.
4. **"Others come and use the park for soccer"**. That is right and the reason the city pays half of the cost to maintain and contributes to the open space.
5. **"The city does not maintain the trails and weeds"** Shame on the city. This is a separate issue. Now the city is giving up \$200k revenue which could be used to do better maintenance. This does not make sense.
6. **"Residents are encroaching in the open spaces"**. Separate issue. This is an enforcement issue for the city. Have them stop encroachment. It costs of do enforcement so lets not give up revenue.

To: Highland City Mayor and Council

From: Lynn Ritchie

Date: May 30, 2023

Subject: Budget elimination of Open Space Fee/Suggest compromise solution

You all have received my letter dated May 18, 2023 regarding this issue. Since that time, I have discovered new information that I did not have at the review meeting on May 17th. Presented here are some items I hope

you will consider as you consider the budget for next year. I hope you would reconsider not eliminating the open space fee altogether.

- Total cost of open space maintenance is \$602k. Open space residents contribute \$295k towards the total cost. Non-open space residents already contribute \$307k to open space. It is not fair to burden these residents further by cost shifting.
- There are 4 members of the City Council who live in open space subdivisions voting to eliminate a fee that they will benefit directly to their personal budgets. I understand the city attorney said this is legal. It may be legal but it is a moral conflict of interest. A famous religious leader once said “just because it is legal it does not make it right.” True words were said and I believe it applies to this case.
- This is not a one-time shifting of a fee but goes into the future. Where does the money come from for the \$307 fee cost shift if there is not an increase in taxes and truth in taxation. We now have a public safety fee. Why not eliminate that fee for all residents and apply the \$307 to that fee which benefits all residents in Highland?
- What about a compromise solution? Council could not eliminate the open space fee, but instead look at each subdivision separately. Those who do not have a pavilion, park, trail and other amenities that they use mostly exclusively, consider adjusting the fee. Those who have these amenities used most exclusively keep the fee. This appears to be a win-win and a solution for the open space issue. This is more logical and fairer for all residents, open space and non-open space alike.

To: Highland City Mayor and Council
From: Lynn Ritchie
Date: June 14, 2023
Subject: Removal of Open Space Fee

I appreciate you taking my telephone call and allowing me to voice my thoughts. Scott replied to my last letter I sent to the council with a 12-point response stating that he thought I was not willing to listen to other viewpoints. I have read his response several times trying to understand his position. After careful “listening”, I must admit I believe the points raised are flawed logic for removing the open space fee. I believe there is a better alternative that is fairer to ALL Highland residents.

Alternative: Keep the fee for now. Amend the budget to keep the fee. Evaluate each open space subdivision. Set up a charge schedule based on amenities within the subdivision. Send a letter to all open space residents tell them the city is restructuring a charge for open space. Develop a ‘charge for open space’ for each subdivision. Some will pay more some will pay less. In this manner they are contributing to the cost of maintenance as agreed when they purchased their home. Use the charges plus the city contribution to do the additional needed maintenance within each subdivision.

Scotts points and my response:

1. “Revenue generated now small portion of total city revenue unlike when you were mayor.” Can eliminate the fee with no new taxes.”
When I was mayor open space subdivisions paid half and city paid half with a smaller city budget just like it is now. Where does the money come from? Better option to keep the revenue and do more maintenance-get more done. This option works in good years and the bad years in future which will come.
2. “Fee never fair, too complex to do a fee for each, simpler to just eliminate it.”
True there are differences in the subdivisions. It is not a complex task to delineate the differences and charge accordingly. Just because it looks simple does not mean it is the best solution to make it fair for all citizens.
3. “Open space fee is a source of complaints.”

True, has been since day one. Councils job is to explain to residents the why and that it is the resident's responsibility to contribute. City has not had resources to do needed maintenance. Why give up revenue when there is an opportunity to do more?

4. "Some pay as much property tax as one-acre lots."

One-acre lots do not have a park, pavilion, playground, trail next door maintained by the city. This is a separate issue not relevant to the fee.

5. "Open space fee creates a sense of ownership; others use the open space who do not pay the fee."

The residents knew they did not own it. The city pays \$307k(half) so others can use it.

6. "Fee set expectations of better maintenance, residents' encroachment."

Then why in the world would we give up revenue that allows city to do 'better maintenance'?

Encroachment is an enforcement issue.

7. "You have argued you do not use open space. I have observed you using trail at mouth of the canyon.

All parks available with a short drive."

About 7 years ago I used the trail at the mouth of the canyon. I have contributed to the \$307k city taxes to do so. Now I choose to support Anytime Fitness which benefits the city. A short drive is not the same as having a trail or park in your back yard.

8. "Referendum against surplus (2:1) of trails in ordinance signed by you as mayor."

The ordinance I signed was to surplus trails that were never to be built or trails that did not make sense.

Never was it intended for 2 council members to try to surplus a trail to benefit one of the council members. The intent was to benefit all. Thank goodness the referendum stopped this nonsense.

9. "Highland Glen Park and Mountain Ridge Park surrounded by neighborhoods that use more than other residents but do not pay the fee."

Yes, these are true 'city parks' built by the city not a developer as part of a contract with the residents.

These parks are not in open space neighborhoods where residents were allowed a smaller lot with amenities out back yard. This is an apples and oranges argument.

10. "Some of the parks used by everyone who don't pay a fee."

Again, city residents pay \$307k towards the park maintenance.

11. "Telling elected officials that live in OS to recuse is not based on good reasoning. Not much different than American Revolution."

Just because it is legal, does not make it right. Not sure I see the tie to the American Revolution. It is just a moral conflict and does not look good. Seems like good reasoning.

12. "I just feel in my heart it is right to eliminate the fee."

One cannot argue with that. A person should always do that along with sound logic and good evidence.

I just feel the same, but I do not believe the logic and evidence supports removing the fee.

Ed Dennis thanked former Mayor Ritchie for his comments and input; he noted that Mr. Ritchie was instrumental in creating the open space committee with the intent of resolving many of the issues present regarding the maintenance of open space. Elimination of open space fee is the culmination of problems that the Open Space Committee has faced in Highland. The open space is not exclusively used and reserved by open space residents; rather, it is public property and available to anyone who lives in Highland. In terms of fairness, it would be fairer for the entire community to pay for the maintenance of these facilities. The recent referendum regarding the Wimbledon Subdivision is a good example of this issue; over two-thirds of the community voted that the trails should be maintained publicly for the entire community. This is as close to a public vote that can be considered regarding the open space fee. Just like every fee that is paid by a resident, each resident may not receive a benefit, but the community as a whole is receiving the benefit. He noted that Council Member Smith has identified several other reasons for eliminating the open space fee and he feels that it is the right decision for the City Council to make to represent the entire community paying the costs of maintaining the trails. He stated that in many open space subdivisions, open spaces are already being used and reserved by residents from other areas of the City and it is fair for the entire community to pay for them.

2. CONSENT ITEMS

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. **Approval of Meeting Minutes** *General City Management - Stephannie Cottle, City Recorder*
City Council Work Session – April 24, 2023 and City Council Work Session & Regular Meeting – May 2, 2023

- b. **ACTION: Final Plat - Hawks Landing** *Land Use (Administrative) - Kellie Smith, Planner & GIS Analyst*
The City Council will consider a request by Mike Hawkins for final plat approval of a 7-lot subdivision located at approximately 11210 N Alpine Hwy. The City Council will take appropriate action.

Council Member Scott L. Smith MOVED that the City Council approve consent item 2a, the approval of meeting minutes from April 24, 2023 and May 2, 2023 and item 2b, Final Plat – Hawks Landing.

Council Member Sarah D. Petersen 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>Absent</i>
<i>Council Member Sarah D. Petersen</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 4:0.

3. PUBLIC HEARING & RESOLUTION: FY2023 FINAL BUDGET AMENDMENTS

General City Management - Tyler Bahr, Finance Director

The City Council will consider final amendments to the FY 2022-2023 budget. The Council will take appropriate action.

Finance Director Bahr explained the City is required to keep expenditures within budget. As forecasting all revenue, expenditures, and needs of the community is difficult, budget amendments are generally necessary to comply with State requirements. The recommended budget adjustments include the following items, most of which have been approved and discussed by the Council in prior meetings:

Revenue:

- Donations and transfers for Mountain Ridge Park – \$1.6MM
- Culinary water grant revenue – \$1MM
- Pressurized irrigation grant revenue – \$1.9MM

Expenditures:

- Transfers to Mountain Ridge Park – \$960,000
- Culinary well #4 – \$500,000
- 6800 West - \$400K (reimbursement in FY24)
- Building bond payment (impact fee shortfall) – \$173,000

- NW Annexation – transfer remaining balances to utility enterprise funds (\$120,000)
- Flood mitigation – \$100,000
- Snow removal – \$65,500
- Pressurized Irrigation (PI) water share assessments – \$58,000
- PI meters – \$55,000
- Finance consulting and payroll processing – \$40,000
- Traffic calming manual – \$17,000
- Pheasant Hollow lift station – \$15,000
- Street sweeping contract – \$15,000
- Street signs – \$10,000
- Building inspection contract – \$10,000
- Public Works temporary staffing – \$10,000
- PI seasonal – \$8,500
- Culinary meter backflow valves – \$8,000
- Repairs to Court AV – \$7,000
- Culinary well #3 motor – \$7,000
- Reservation software – \$6,500
- Fire station exhaust system – \$6,500
- Credit card convenience charges – \$6,000
- Bond trust fees – \$2,000
- Transfer General Fund balance in excess of 35% of annual revenue to capital funds.

Mr. Bahr summarized the proposed amendments by fund, after which he concluded staff recommends that the City Council hold a public hearing and approve the resolution adopting the proposed amendments to the City's FY 2022-2023 Budget

Council Member Smith inquired as to what percentage of the total budget the City's General Fund Reserve will be after these budget amendments are completed. The City's fund balance was at 25 percent for several years and the State recently increased the maximum amount to 35 percent. Mr. Bahr stated that the new balance will be around 27 or 28 percent. He noted the minimum fund balance the City can have is five percent and while staff feels that 27 percent is very reasonable, that is ultimately a Council decision.

Mayor Ostler asked if the City would have a net revenue balance at the end of the FY, or if expenditures will exceed revenues. Mr. Bahr stated that for the General Fund, there will be a net revenue balance due to sales tax revenues. In many cases, actual revenues have exceeded estimates. Mayor Ostler added that building permit fee revenues have been allocated for in a separate account. Mr. Bahr stated that is correct and that change is due to a requirement from the State Auditor; the City must show that all building-related revenue is used for building-related expenses.

Council Member Britney P. Bills arrived at 7:28 p.m.

Council Member Smith stated that he wants the residents to understand that many accounts in the City have very high balances because the City has been saving money to complete large projects. He prefers to save money rather than go into debt for a project and the City is almost debt free. Mr. Bahr stated that is correct, the City should be able to pay off outstanding bonds in 2026 and 2027.

Mayor Kurt Ostler opened the public hearing at 7:29 p.m.

Ed Dennis asked how much money will need to be transferred to keep the City's fund balance at 35 percent. Mr. Bahr reiterated that he does not anticipate that the City's fund balance will be at 35 percent because of the \$750,000 transfer to the Mountain Ridge Park project. Mr. Dennis inquired as to the total amount that has been transferred to the Mountain Ridge Park project. Mr. Bahr stated that in addition to the \$750,000 transfer, the City Council has also authorized a \$800,000 transfer. Mr. Dennis referenced revenues that are in excess of budgeted estimates, and he asked if that means that the City will not need to increase taxes or fees, even though the open

space fee is being eliminated. Mayor Ostler stated that the City Council is not contemplating a tax increase this year and there is enough funding to cover the lost \$300,000 in revenue typically generated by the open space fee. However, the State Auditor has required the City to account for its building permit revenues differently than in the past. In the past, building revenues provided approximately \$1 million to fund the annual budget, but if building slows in the near future, the City may need to consider other opportunities for generating revenue.

Mayor Kurt Ostler closed the public hearing at 7:32 p.m.

Council Member Kim Rodela MOVED that City Council approve the resolution adopting the final adjustments to the FY2022-2023 budget.

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 Sarah D. Petersen</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.

Council Member Scott L. Smith MOVED that the City Council recess the Highland City Council Meeting and convene as the Governing Board of the Highland City Open Space Special Service District.

Council Member Timothy A. Ball SECONDED the motion. All voted in favor and the motion passed unanimously.

4. RESOLUTION: REPEAL OF OPEN SPACE FEE *General City Management (Legislative) - Rob Patterson, City Attorney*

The Highland City Council, in their capacity as the governing board of the Highland City Open Space Special Service District, will consider the repeal of the open space fee. The Board will discuss and take appropriate action.

City Attorney Patterson explained Highland City created the Highland City Open Space Special Service District in 2000 to facilitate the development of “open space” subdivisions, which received density bonuses in exchange for the dedication to the City of open space land. The District’s boundaries only included those areas within City-approved open space subdivisions. When the District was created, the City Council/Board adopted a \$20 per month fee to help fund the maintenance of the open space land, with remaining costs supplemented by the City’s general fund and one-time revenues (sales of open space areas). The City Council has discussed the open space fee for several years and has specifically discussed the removal of the open space fee on several occasions over the past year. On January 5, 2023, during a budget work session for the FY2024 budget, the City Council gave specific direction to staff to prepare a budget without the open space fee and to prepare materials to repeal the open space fee. He discussed the fiscal impact of repealing the open space fee; the fee generates approximately \$300,000 annually, but it does not cover all maintenance costs for open space areas within open space subdivisions. Remaining costs have been covered by the City’s general fund and one-time revenue sources such as sales of open space property. The proposed budget for the Open Space Special Service District and Highland City have each been prepared without the open space fee and its revenues. Staff recommends the Board review and adopt the proposed resolution repealing the open space fee if the resolution accomplishes the Board’s desired policy. He added the next item on the agenda is the adoption of the budget for the Highland Open Space District

and a public hearing is required for that item; a public hearing is not required before the Board repeals the open space fee.

Mayor Ostler stated that discussions regarding this matter started over a year ago and he asked that the Council give time to notify the residents and be very transparent about the implications of this decision. He thanked the Council for taking time to do that and for allowing him to discuss the issue in several publications of the City's newsletter. He stated that while he feels differently about whether the fee should be repealed, he appreciates the Council's patience and the manner with which they have handled this matter. He then noted that Council Members Bills and Rodela live in an open space subdivision, and they have signed statements declaring a conflict of interest pertaining to this issue. Council Member Petersen added that she also lives in an open space subdivision, and she has also sent a letter disclosing that fact to City Recorder Cottle and Mr. Patterson. Mayor Ostler read statements from the letters provided by Council Member Bills and Rodela wherein they communicate they do not feel it is a conflict of interest or a misuse of their public office to vote on this issue. Council Member Ball stated he does not believe that voting on this issue by Council Members who live in an open space subdivision is a conflict of interest.

Council Member Smith stated that he does not live in an open space subdivision, but he has listened to the concerns of many of those that live in open space neighborhoods; the concept of creating the Open Space Special Service District was very well intentioned, but the problem has been the design of the 18 open space neighborhoods with varying amounts of open space and amenities. He participated as a member of the Open Space Committee and he heard suggestions from residents about things that could be done to remedy some of the problems that were arising; three ordinances were passed dealing with maintenance agreements of open space, surplussing open properties, and a process by which residents could work together to surplus a trail in their neighborhood. He noted that in 2010 the open space zone was also repealed in an attempt to prevent similar problems from occurring in new developments of the City. The biggest problem with the open space fee is that it created an expectation that there was enough money to pay for proper maintenance of the open spaces throughout these subdivisions; the fee did not provide enough money to pay enough employees or hire contractors to properly maintain areas along trails and this caused a great deal of strife. He feels the open space fee has essentially created the encroachment situation in the City and it has been very difficult to resolve those problems as well. He acknowledged that eliminating the fee will reduce the City's budget by \$300,000, but there are some misconceptions about how that money can be used. He addressed Mr. Cortney's comments during the public comment period and noted that the money cannot be used for road repairs or replacing the theme wall on the Alpine Highway. There may be other opportunities to establish fees that are changed City-wide to generate revenue to properly fund the maintenance of all open and public spaces throughout the City. He stated it is obvious to him that the open space fee has run its course and it is a very small part of the budget. He emphasized that parks are public, and everyone should pay for them; residents in open space neighborhoods should not be the only people paying for those spaces when they are accessible to everyone. He noted that no one complains about the road fee or the public safety fee, but the City gets many complaints about the open space fee. He feels that eliminating the fee will help to eliminate that contention.

Council Member Petersen stated she agrees with Council Member Smith's comments; she is the newest member of the Highland City Council, and she feels the open space fee was a gross misappropriation of taxation in the first place. To allow one-quarter of the residents to pay for maintenance of spaces that were open to everyone is not right. The residents who live in the open space neighborhoods do not have exclusive rights to use the space or to reserve an amenity. She feels that maintenance of these spaces must be handled appropriately through equal taxation or fee assessment.

Council Member Bills stated she also agrees with Council Members Smith and Petersen; she had a good conversation with Mr. Ritchie, and she understands his position, but she still believes that repealing the fee is the right thing to do. She wants to be clear that it is her position that proceeds from the sale of open space properties will go back into the City's General Fund. She feels it is unfortunate that she needs to make a statement on the

record, but she declared that she did not run for City Council with an agenda of eliminating an open space fee. It is very insulting that such a claim has been lodged against her and others on the Council.

Council Members Rodela and Ball agreed with all that has been said by the Council Members who spoke before them.

Mayor Ostler reiterated that he sees things differently than the Council; he understands the reasoning behind repealing the fee, but he is worried that doing so will create new injustices on the other side of the issue. There are some open space subdivisions that did not function the way they were intended, but there are others that have a great deal of open space that will not be accessible to all of the public. He stated he and many others do not have a park in their neighborhood and they may feel that they are now paying for open spaces in other neighborhoods. He again thanked the Council for taking a slow approach to this matter and for listening to his thoughts. Council Member Smith thanked the Mayor for sharing his thoughts; this may be a matter that the Mayor and Council disagree on, but there is a mutual respect among all elected officials. He then stated that there have been many changes in the 20 years since the open space fee was first created and he feels eliminating the fee will help to resolve the contention surrounding it.

Board Member Sarah D. Petersen MOVED that the Governing Board of the Highland City Open Space Special Service District adopt the resolution repealing the open space fee.

Board Member Scott L. Smith SECONDED the motion.

The vote was recorded as follows:

<i>Board Member Timothy A. Ball</i>	<i>Yes</i>
<i>Board Member Brittney P. Bills</i>	<i>Yes</i>
<i>Board Member Sarah D. Petersen</i>	<i>Yes</i>
<i>Board Member Kim Rodela</i>	<i>Yes</i>
<i>Board Member Scott L. Smith</i>	<i>Yes</i>

The motion passed 5:0.

5. PUBLIC HEARING & RESOLUTION: FY2023-2024 OPEN SPACE BUDGET

General City Management - Tyler Bahr, Finance Director

The City Council will consider the FY2024 budget for the Highland Open Space Special Service District. The Council, acting as Highland Open Space Special Service District Board, will take appropriate action.

Finance Director Bahr reported that the Highland Open Space Special Service District was created in September 2000, establishing the City Council as the governing board of the District. The City Council, acting as the Board, must consider the budget for the Open Space Special Service District separately from the rest of the City's budget. The Open Space budget is included in the full City budget for reference and the following highlights are worth noting:

- The Board has directed that the open space fee, which previously generated approximately \$300,000 per year, be discontinued.
- Revenue totaling \$760,000 is generated from three sources:
 - Transfer from the General Fund at \$740,000.
 - Property sales and interest revenue each at \$10,000.
- Expenses:
 - Salary increases are budgeted at 4 percent.

- Seasonal wages are budgeted at \$220,000.
- Benefit costs include a 4 percent renewal rate increase for medical.

He noted that now that the Board has finalized the elimination of the Open Space fee, staff will prepare the dissolution of the District, pending Board approval, as well as absorbing the Open Space budget into the City budget.

Board Member Smith stated that the Board has now eliminated the fee and the City Council has eliminated the open space zoning designation; he asked if the Special Service District is still needed. City Attorney Patterson stated the plan is to begin the process of dissolving the district. There is no need for the District and staff does not want to prepare a zero-dollar budget year after year.

Chair Ostler asked when the fee will be removed from City utility bills, to which Mr. Bahr answered on the next billing cycle.

Chair Kurt Ostler opened the public hearing at 8:01 p.m.

Ed Dennis thanked the Council for eliminating the open space fee and noted that he is also supportive of eliminating the Open Space Special Service District in an effort to unify the community.

Chair Kurt Ostler closed the public hearing at 8:02 p.m.

Board Member Scott L. Smith MOVED that the Governing Board adopt the resolution approving the FY2023-2024 budget for the Highland Open Space Special Service District.

Board Member Kim Rodela SECONDED the motion.

The vote was recorded as follows:

<i>Board Member Timothy A. Ball</i>	<i>Yes</i>
<i>Board Member Brittney P. Bills</i>	<i>Yes</i>
<i>Board Member Sarah D. Petersen</i>	<i>Yes</i>
<i>Board Member Kim Rodela</i>	<i>Yes</i>
<i>Board Member Scott L. Smith</i>	<i>Yes</i>

The motion passed 5:0.

Board Member Kim Rodela MOVED to adjourn the Highland City Open Space Special Service District Meeting and reconvene the Highland City Council Meeting.

Board Member Scott L. Smith SECONDED the motion. All voted in favor and the motion passed unanimously.

6. PUBLIC HEARING & RESOLUTION: ADOPTING FY2024 FEE SCHEDULE *General City Management - Candice Linford, City Treasurer & Tyler Bahr, Finance Director*

The City Council will hold a public hearing and consider adopting the FY2024 Consolidated Fee Schedule. The Council will take appropriate action.

City Treasurer Linford reported that throughout development of the FY2024 budget, Council has provided direction regarding various fees assessed by the City. Staff has reviewed fees and recommended changes based on current costs. Key changes include:

- Park Impact Fee – increase from \$5,854 to \$6,301 (single family residence)
- Culinary water meter fees – includes rates for larger meters to cover current cost
- PI water meter fees – includes rates for larger meters and reduced cost of ¾ inch meter
- Cemetery – increase of 3% per funding plan
- Portable toilet maintenance (field rentals) – divides equally between the city and renting organization based on vendor cost
- Interlibrary loan – increasing from \$3 to \$5
- Campaign financial disclosure late fee – (new fee) \$50
- Lot/parcel combination – (new fee) \$200
- Maintenance agreement application (new fee) \$25
- Open space fee – removal
- Garbage & recycling – no change

Council Member Rodela referenced the portable toilet maintenance fee and asked how much that service is costing the City. Ms. Linford stated that the City typically pays \$145 per unit and portable toilets typically stay in place for a three-month period. Mayor Ostler asked why the person or group who needs the toilet is not bearing the full cost. Ms. Linford stated that was a decision made at the time the field use policy was created; the toilet is not just used by the organization that is renting the field because it is left unlocked and open to the public. City Administrator Wells stated that this fee adjustment will actually increase the revenue the City will receive. Council Member Rodela asked which fields require a portable toilet, to which Ms. Linford answered Lone Peak unless or until a permanent restroom facility is build there; portable toilets are also used at other facilities during winter months when the permanent facilities are winterized.

Ms. Linford noted the fiscal impact of these proposed changes is dependent on the demand for particular items. Staff does not anticipate a large impact to the City’s budget with any of these changes and recommends the Council hold a public hearing and adopt the resolution approving the revised consolidated fee schedule.

Council Member Smith stated that the revenues of the park impact fee have always been used to pay off bonds, but now, due to increased revenues, the decision has been made to use some of the revenue to make allowed improvements and that is very exciting to him.

Mayor Kurt Ostler opened the public hearing at 8:11 p.m.

There were no public comments.

Mayor Kurt Ostler closed the public hearing at 8:11 p.m.

Council Member Kim Rodela MOVED that City Council approve the resolution adopting the revised consolidated fee schedule.

Council Member Timothy A. Ball 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 Sarah D. Petersen</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. PUBLIC HEARING & RESOLUTION: INTERFUND TRANSFER FROM THE PRESSURIZED IRRIGATION FUND TO THE GENERAL FUND *General City Management – Tyler Bahr, Finance Director*

The City Council will hold a public hearing to consider the adoption of a resolution allowing a transfer of \$108,000 from the Pressurized Irrigation Fund to the General Fund for Fiscal Year 2023-2024. The Council will take appropriate action.

Finance Director Bahr explained the State Auditor allows the General Fund to charge the Enterprise Funds for an overhead charge for services provided to manage the Funds. At the same time, Enterprise Funds are allowed to charge the General Fund for services provided to it. The State Auditor also allows for subsidy transfers from an Enterprise Fund to the General Fund. The Office of the State Auditor’s State Compliance Audit Guide outlines the procedures for doing an Interfund Transfer from an Enterprise Fund to the General Fund in what is called a subsidy transfer. The City Council must hold an Enterprise Fund hearing, explaining the intention of transferring the money to another fund, the amount of money transferred, and the percentage of the total Enterprise Fund expenditures represented by the transfer. Currently the General Fund pays the Pressurized Irrigation Fund \$108,000 a year to water the estimated 179 acres of park, open space, and park strip land owned by the City. This resolution would allow the Pressurized Irrigation Fund to transfer the \$108,000 back into the General Fund. The \$108,000 transfer represents approximately 1.3% of the Pressurized Irrigation expenses. The transfer back to the General Fund means that each customer is subsidizing the General Fund approximately \$2.00 per month to water the City’s parks, open space and park strips. This transfer leaves additional money to pay for general government services out of the General Fund. Staff recommends the Council hold a public hearing and approve the resolution authorizing the proposed transfer.

Mayor Kurt Ostler opened the public hearing at 8:13 p.m.

There were no public comments.

Mayor Kurt Ostler closed the public hearing at 8:13 p.m.

Council Member Scott L. Smith MOVED that the City Council adopt the Resolution authorizing the transfer of \$108,000 from the Pressurized Irrigation Fund to the General Fund for the fiscal year 2023-2024 budget.

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 Sarah D. Petersen</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.

8. RESOLUTION: ADOPTING THE FISCAL YEAR 2023-2024 CERTIFIED TAX RATE *General City Management – Tyler Bahr, Finance Director*

The City Council will adopt the Certified Tax Rate for the FY 2023-2024 budget. The proposed rate does not include a tax increase. The Council will take appropriate action.

Finance Director Bahr reported the Certified Tax Rate is the rate calculated by Utah County for Highland to receive the same amount of property tax revenue as last year with growth added. According to State Code, local governments should receive their Certified Tax Rate by June 8. State Law requires cities to adopt the certified tax rate by June 22 and the final budget on June 30. Last year, the certified tax rate for Highland City was set to .000817 with total estimated revenue of \$2,251,223. The rate assigned was as follows:

- 0.000710 for Highland City General Operations with anticipated collections of \$1,956,387
- 0.000107 for the Highland City Library with anticipated collections of \$294,836.

The FY2024 proposed certified tax rate for the City is .000794 with total estimated revenue of \$2,322,373. The rate is assigned as follows:

- 0.000690 for Highland City General Operations with anticipated collections of \$2,018,183
- 0.000107 for the Highland City Library with anticipated collections of \$304,190.

The Certified Tax Rate is consistent with property tax projections included in the FY2024 budget. Prior to receiving the tax rate from the County, staff had previously estimated the property tax revenue slightly higher in the FY2024 tentative budget. Staff recommends using the more conservative County estimate which when incorporated still means a small net revenue for the General Fund. Staff recommends that the Council approve the resolution adopting the Certified Tax Rate consistent with the rate proposed by Utah County.

Council Member Smith discussed the State law governing the development of a city's certified tax rate; a city's tax rate is intended to provide for the same amount of revenue year after year, so if property values increase or there is growth in a community, a certified tax rate should be adjusted downward to give the City the same amount of revenue. The only way to capture the revenue associated with growth is to maintain the current rate or increase the rate. Mr. Bahr stated that is correct. Mayor Ostler stated that the intent behind these policies is to allow residents to understand that the taxes they pay to the City will be the same each year unless the property tax rate is increased. Their property tax bills may be impacted by an increase in their property value, but not necessarily by a tax increase. Council Member Smith added that other taxing entities may increase their taxes, but that does not mean that the City has increased its tax rate.

Mayor Ostler stated that the City's tax rate is likely one of the lowest in the County, but Highland charges some fees that other cities do not and if the total amount paid by residents to the City were calculated, Highland would likely be at the top of the list in the County. Council Member Smith added that Pleasant Grove recently won a court case in which their road fee was challenged; since winning that case, they have announced they plan to increase the monthly road fee.

Council Member Bills asked if it would ever make sense to change the public safety fee so that it is covering all costs for public safety rather than subsidizing public safety through the General Fund. Mr. Bahr stated that would certainly make sense and would be more transparent. Council Member Bills stated she would like to look at that issue next year in order to keep pace with the need for public safety services and preserving the General Fund. This led to brief discussion about the relationship between the City and the Lone Peak Public Safety District and the potential for decreasing property taxes to offset an increase in the public safety fee that would be sufficient to cover public safety service.

Council Member Kim Rodela MOVED that the City Council approve the resolution adopting the Certified Tax Rate for Highland City as .000794.

Council Member Sarah D. Petersen 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 Sarah D. Petersen</i>	<i>Yes</i>

Council Member Kim Rodela Yes
Council Member Scott L. Smith Yes

The motion passed 5:0.

9. PUBLIC HEARING: FY2023-2024 (FY2024) BUDGET ADOPTION *General City Management - Tyler Bahr, Finance Director*

The City Council will consider the FY2024 budget for adoption. The Council will take appropriate action.

Finance Director Bahr explained the City is required by State law to adopt its budget no later than June 30. The Council has discussed preliminary budget proposals in various meetings and work sessions since the beginning of January, including adoption of the tentative budget on May 2. The following changes have been made since the tentative budget was approved:

- Property tax revenue in the general fund projected at \$2,018,0183, a reduction of approximately \$48,000, based on certified tax calculation received from Utah County.
- Sales tax revenue in the general fund projected at \$3.9MM instead of \$4.0MM as discussed in the June 6 Council meeting.
- Reduced benefits costs as medical plan renewal came in at 4 percent instead of the 10 percent previously estimated.
- Reduced projected garbage hauling contract expenses from \$900,000 to \$850,000.
- Included an additional \$75,000 for lobbyist contract in culinary water.

Mayor Ostler stated Administration has spoken with the City’s lobbyist about a grant opportunity that would aid the City in funding culinary water projects; he has recommended including \$75,000 in the budget to pay for his services, but a separate action to execute a contract with the lobbyist in August of this year. The Council expressed support for continuing the relationship with the lobbyist as the City has received a great return on the investment of hiring a lobbyist.

Mr. Bahr then presented a chart providing a summary of the total expenditures and revenues in each fund in the City.

Mayor Ostler then noted that Mr. Bahr has created a ‘Citizen’s Budget’ document, which is greatly appreciated. Mr. Bahr distributed copies of the document and reviewed the contents, including a profile of the City, revenue overview, summary of the budget, major initiatives, and acknowledgements.

Council Member Smith stated that over the years there have been comments about the revenue for the library and this document puts that matter into perspective by identifying it as one percent of the total City budget. Mr. Bahr stated that is correct. Council Member Smith stated he is very pleased by the Citizen’s Budget document, and he thanked Administration for developing it; the document is much easier for residents to read and understand the budget. He asked that, in the future, the document include a snapshot of savings accounts held by the City. Mr. Bahr stated he can include that information in the future.

Council Member Bills thanked Administration for facilitating a smooth budget process this year and for working to increase transparency.

Mayor Ostler then noted that the City did not fund the American Fork Chamber of Commerce this year due to some concerns with the entity. He stated that there is a representative of the Chamber present this evening and he noted that the Council can consider a budget amendment later in the year to provide funding to the Chamber if some of the concerns are addressed or resolved.

Mayor Kurt Ostler opened the public hearing at 8:49 p.m.

Michelle Lines, Vice President for the American Fork Chamber and the liaison to the Lone Peak Business Alliance; she referenced emails she has sent communicating the value provided by the Lone Peak Business Alliance. She presented a document that includes a summary of membership benefits. The annual membership rate is \$3,500 per year for Highland, and many other cities contribute much more than that each year. The benefits of the Lone Peak Business Alliance are great; the Mayor would be given the opportunity to include a message from the City to all residents and businesses about what is happening in Highland City. She would hate to see funding eliminated because that could impact the ability of the City to form relationships with their businesses. She has spent time getting to know the businesses in this area and would love to see increased economic growth in the community through the development of a strategic plan.

Mayor Kurt Ostler closed the public hearing at 8:53 p.m.

Council Member Petersen stated that she initially supported removing the funding for the Chamber for the budget, but she has had a change of heart and is willing to provide funding based upon the commitment from Ms. Lines to pay a bit more attention to Highland City. She is open to discussion of that matter. Mayor Ostler stated that last year he learned that most businesses in Highland City were not approached or supported by the Chamber; any grand opening event or business open houses were supported by the City, and he did not believe the City was getting any benefit from the Chamber. He noted that the Chamber supported other cities with special events, but Highland did not receive the same support. He stated that he knows there is some value in being part a Chamber of Commerce, but if the Chamber is not fostering business in this community the \$3,500 contribution can be better used elsewhere. This led to discussion among the Council regarding whether to continue to be a member of the Chamber; Council Member Rodela stated she can support a membership for one more year, communicating the City's expectations to the Chamber and if those expectations are not met, the City will remove the funding next year. Council Member Ball supported that idea. Council Member Smith stated that he feels it would be more appropriate to amend the budget in a future meeting to include the membership funding rather than approving it tonight. Council Member Ball stated he feels the tentative budget document can be amended to include the Chamber funding, and also adopted tonight.

Council Member Timothy A. Ball MOVED to amend the budget to include \$3500 for the membership in the American Fork Chamber/Lone Peak Business Alliance.

Council Member Sarah D. Petersen SECONDED the motion.

<i>Council Member Timothy A. Ball</i>	<i>Yes</i>
<i>Council Member Brittney P. Bills</i>	<i>No</i>
<i>Council Member Sarah D. Petersen</i>	<i>Yes</i>
<i>Council Member Kim Rodela</i>	<i>Yes</i>
<i>Council Member Scott L. Smith</i>	<i>No</i>

The motion passed 3:2

Council Member Scott L. Smith MOVED that the City Council approve the resolution adopting the amended FY2023-2024 budget.

Council Member Timothy A. Ball 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 Sarah D. Petersen</i>	<i>Yes</i>
<i>Council Member Kim Rodela</i>	<i>Yes</i>

Council Member Scott L. Smith Yes

The motion passed 5:0.

10. ACTION/DISCUSSION: LONE PEAK FIELDS AGREEMENTS *General City Management - Jay Baughman, Assistant City Administrator*

The Council will hold a public meeting to consider the proposal by Utah Surf Soccer Club for priority access to Lone Peak Fields and take appropriate action based on the information provided and the discussion thereof.

This item was moved to the July 18, 2023 City Council Meeting.

11. CONTRACT: CONTRACT WITH ECKLES PAVING FOR 10400 N PULVERIZE AND REPAVING *General City Management - Andy Spencer, City Engineer/Public Works Director*

The City Council will consider the award of a contract to Eckles Paving for roadway paving on 10400 N. from approximately 6500 W. to 6800 W. The Council will take appropriate action.

City Engineer/Public Works Director Spencer explained that with the previous improvements on 10400 N. through the Mitchell Hollow Park section of 10400 N., this portion of 10400 N. has been identified for the need to repair due to the poor condition of this segment of roadway. This segment did not perform well in the recent winter conditions and substantial deterioration occurred over the winter. It is recommended that the asphalt be replaced for approximately 1,750-feet east of 6800 W. to Mitchell Hollow Park. Bids were solicited and three bids were received in which Eckles Paving was the lowest bid at \$246,950.64. Eckles Paving will be pulverizing and repaving the specified area. The bid also includes new striping to match the existing layout. The cost of this project is \$271,645.70 which includes a 10 percent contingency. Funding for this expense is included in GL 41-40-71, Major Roads Maintenance and GL 56-40-70, Road Fee Projects in the FY24 tentative budget. Staff recommends approval of the contract with Eckles Paving for 10400 N. asphalt replacement.

Council Member Brittney P. Bills MOVED that City Council APPROVE the contract with Eckles Paving for paving on 10400 North in an amount up to \$271,645.70 and AUTHORIZE the City Administrator to sign the contract documents.

Council Member Sarah D. Petersen 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 Sarah D. Petersen</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.

12. CONTRACT: PURCHASE AUTHORIZATION FOR A NATIVE-AREA TRACTOR/MOWER *General City Management - Andy Spencer, City Engineer/Public Works Director*

The City Council will consider approval for the purchase of a new native-grass area tractor and mowing assembly. The Council will take appropriate action.

City Engineer/Public Works Director Spencer explained that in 2022, a Highland City employee sustained injury when a mower that was being used to mow native-grass areas overheated and sprayed hot liquid resulting in a burn injury. The staff member was using that mower because the native area mowing tractor was broken. Recently, a different staff member was injured on this machine while mowing native grass areas under trees due to the fact that this machine has no protective cover for the operator. Based on these incidents, staff is recommending the City purchase a new native-grass area mowing tractor and mower. The new tractor will include a covered cab that will protect the operator from injury and minimize the dust and debris that is inhaled by the employee. The tractor is available for purchase and delivery before the end of FY23. The cost of the tractor purchase is \$36,718.26. The cost of the mowing implement is approximately \$6,000. Funding for this expense is available in the remaining parks and open space budgets for FY23 and staff recommends approval of the purchase.

Council Member Smith inquired as to the protection that the enclosed cab on the tractor will provide for employees. Mr. Spencer stated that if the tractor is driven into a tree or other obstruction, the glass should shatter like glass on an automobile, but the cab will absorb impact. However, when mowing around trees, limbs will touch the exterior of the cab rather than the employee.

Council Member Rodela asked if the old tractor can be retired to Heritage Park to be used for mowing the open space there. Mr. Spencer stated he is open to that option if the equipment will function in that capacity. Mayor Ostler stated there are still some outstanding safety issues that need to be addressed to ensure this is the right type of equipment for that purpose. Mr. Spencer stated that if the equipment is found to not be suitable for that purpose, he would recommend that it be surplus.

Council Member Kim Rodela MOVED that the City Council APPROVE the purchase contract with Bonneville Equipment Company in an amount up to \$43,000 and AUTHORIZE the City Administrator to sign the purchase documents.

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 Sarah D. Petersen</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.

13. ACTION: APPROVE THE PURCHASE OF THREE 2023 CHEVROLET SILVERADO PICKUP TRUCKS *General City Management - Andy Spencer, City Engineer/Public Works Director*

The City Council will consider a request to approve the purchase of (3) 2023 Chevy Silverado 2500HD 4WD crew-cab, diesel pickup trucks for the Public Works Department as approved in the Tentative FY24 City Budget.

City Engineer/Public Works Director Spencer explained it is part of the City’s fleet management objectives to keep the fleet in good condition with updated trucks. Three older trucks will be sold as surplus once the new trucks are in the fleet. The City has the opportunity to purchase three Chevy Silverado 2500HD 4WD crew-cab, diesel trucks at a discounted rate. These trucks are currently available due to an order cancellation by another party. The cost for the diesel engine is \$1,300 more than comparable gasoline models. This pricing represents a great value to the City as diesel engines are usually \$5,000~\$6,000 more than a gasoline engine. In addition, due to the weight of the trailers loaded with mowing equipment and materials that Public Works frequently hauls, these diesel trucks are better suited to keep up with our regular daily activities. Mr. Spencer noted the total cost of this purchase is \$169,170; each vehicle’s purchase price is \$56,390. He also reviewed the funding sources for the purchase and concluded staff recommend the purchase of three Chevrolet pickup trucks for the Public Works’ fleet thereby replacing current aging vehicles.

Council Member Smith inquired as to expected life of the vehicles. Mr. Spencer stated that if the vehicles are properly maintained and there are no unforeseen issues, they could be used in the City’s fleet for 15 years or more.

Council Member Timothy A. Ball MOVED that the City Council APPROVE the purchase of three Chevrolet pickup trucks in Fiscal Year 2024 in the amount of \$169,170 and AUTHORIZE the City Administrator to sign the associated contracts.

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 Sarah D. Petersen</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.

14. ACTION: CONSIDERATION REGARDING A UDOT MASTER LANDSCAPE MAINTENANCE AGREEMENT *General City Management - Andy Spencer, City Engineer/Public Works Director*

The City Council will consider approval of a Master Landscape Maintenance Agreement with the Utah Department of Transportation (UDOT). The Council will take appropriate action.

City Engineer/Public Works Director Spencer explained David Weekley Homes has begun preparation for installation of the theme wall and landscape improvements required by the City as a part of the Ridgeview, Plat G development. David Weekley representatives were contacted by the UDOT, Region 3 permits officials requiring them to obtain a UDOT permit for the landscape that will be within the UDOT right-of-way. Approximately 8~12 feet of the frontage landscape is within the UDOT right-of-way. Before UDOT issues a permit, they are requiring the City to sign a Master Landscape Maintenance Agreement with the Department. The agreement indicates several key points:

- The City agrees to make new landscape installations obtain UDOT permits.
- The City agrees to maintain or require to be maintained by third parties all landscape along the UDOT road corridors. These parties also agree that none of the landscape will interfere or impede traffic functions.

- The City and or its third parties agree that UDOT can remove landscape without compensation to the property owner.
- The parties agree that if maintenance is deficient, UDOT can require a party to provide a bond to ensure maintenance is completed.
- Parties agree that crews working on landscape maintenance or installation will follow UDOT safety and safety apparel standards.

The agreement will have the practical effect of requiring the City to enter into agreements with developments that will be maintaining their own frontages to ensure that the developments or HOA’s comply with the agreements. There is no direct fiscal impact from the agreement as the City already budgets and maintains portions of UDOT rights-of-way; however, the agreement does bind the City to long-term maintenance obligations. Staff recommends approval of the agreement.

Council Member Smith stated that he has met with Mr. Spencer, and he is concerned that UDOT has ‘deeper pockets’ than Highland. The agreement stipulates that when landscaping is removed, Highland City will be required to reinstall the landscaping. Mr. Spencer agreed that is correct and UDOT is not willing to change that provision in the agreement. He clarified that UDOT will repair landscaping they damage, but if a road is widened and landscaping is removed, they will not participate in replacement of that landscaping or compensate the City for removed landscaping. Council Member Smith stated that UDOT widened State Road (SR) 92 and they planted a lot of trees along the road, but they are not doing well. Some of the trees have been hit by vehicles or their health has been impacted by road salt. He asked who is responsible to replace or repair the trees, to which Mr. Spencer answered the City.

Council Member Scott L. Smith MOVED that City Council APPROVE the UDOT Master Landscape Maintenance Agreement and AUTHORIZE the Mayor to sign the agreement.

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 Sarah D. Petersen</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.

15. MAYOR/COUNCIL AND STAFF COMMUNICATION ITEMS

The City Council may discuss and receive updates on City events, projects, and issues from the Mayor, City Council members, and city staff. Topics discussed will be informational only. No final action will be taken on communication items.

Mayor Ostler reported that a pamphlet has been mailed to all residents regarding metering of pressurized irrigation throughout the City; the pamphlet provides a schedule for the project and information that can be used to answer many of the questions the City has received. There will also be information about the project in the July newsletter.

- a. Property disposal - Parcel A Dry Creek Highlands - Andy Spencer, City Engineer/Public Works Director**

City Engineer/Public Works Director Spencer presented a map to reference a parcel of property that has been identified as surplus. Staff will be coming to the Council in a future meeting to recommend disposal of the property. The City has been approached by the adjacent parcel owner who would like to purchase the property and maintain it as part of their landscaping. Staff will recommend preservation of the utility easements on the property upon the sale. The Council offered support for surplussing the property in a future meeting.

b. Code Amendment: Trailers as a Dwelling Unit – *Rob Patterson, City Attorney*

City Attorney Patterson stated there have been ongoing discussions in the City regarding the legality of using recreational vehicles (RVs)/camper trailers as dwelling units. The City currently does not have rules prohibiting the practice and staff needs to discuss the matter with the Council in an effort to develop an ordinance or policy to govern the matter. There was brief discussion among the Council regarding the use of a trailer or storage container as a dwelling unit; the practice is concerning and should be addressed. The entire Council expressed a willingness to work with Administration to develop an ordinance to address this type of issue in the community.

c. Mountain Ridge Park Playground Fencing – *Andy Spencer, City Engineer/Public Works Director*

City Engineer/Public Works Director Spencer provided a map to orient the Council to the areas of Mountain Ridge Park where fencing will be installed; the fence will not fully enclose the playground, but it will provide appropriate barriers in certain areas. If the Council is supportive, staff will proceed with obtaining bids for the work. Council Members Smith and Bills stated they think fencing is a good idea and it is a good preventative measure. The Council and staff then engaged in discussion about the timing of certain aspects of the project and ongoing fundraising efforts.

d. Highland Glen Water Management Plan – *Andy Spencer, City Engineer/Public Works Director*

City Engineer/Public Works Director Spencer reported the water quality tests were failed this spring and it was difficult for staff to identify the source of the organic matter that caused the test failure. Citizens are frustrated with water quality in Highland Glen Pond and staff has identified different possible courses of action:

- Continue as per existing approach to pond.
- Install a drinking water source to pond (possible water rights problems with this option).
- Install additional bubblers/water quality devices.
- Contract a pond management plan from a biologist/water-chemistry expert.
- Remove swimming from pond.
- Remove ducks and/or fish from pond.

The Council discussed the need to control the duck population at the pond and they supported the idea of adding more bubblers at the pond. If those solutions do not achieve desired results, the City can consider contracting for a pond management plan.

e. New Water Superintendent – *Andy Spencer, City Engineer/Public Works Director*

This item will be discussed at a future City Council meeting.

f. Flooding Update – *Andy Spencer, City Engineer/Public Works Director*

City Engineer/Public Works Director Spencer reported that flooding risk has largely subsided, and the irrigation company is preparing to remove the track hoe that has been stationed at the mouth of the canyon. A debris basin still needs to be cleaned and repaired because it collected a large amount of wood and debris during the flooding. The wood can be ground up for mulch in the fall.

Mayor Ostler noted that he would like to find a way to thank the Public Works staff, possibly by holding an appreciation lunch for the crews. They were instrumental in making sure the City got through the severe flooding threats. Mr. Spencer thanked the Mayor for that acknowledgement and noted that Cedar Hills and American Fork employees were also very helpful. He emphasized that Ernie John was also instrumental in protecting Highland City, he basically lived at the mouth of the canyon for five or six weeks. Council Member Smith agreed and stated he would like to publicly recognize the City's Public Works staff and Mr. Johns.

g. Fraud Risk Assessment – *Tyler Bahr, Finance Director*

Finance Director Bahr reported that the annual fraud risk assessment includes 21 questions the City must answer, and points are awarded for each criteria met, with the goal of achieving a high score. The primary focus of the fraud risk assessment is basic separation of duties in the day-to-day management of the City's finances. The City's score this year is 305, which places the City in the 'moderate' fraud risk category. There is no change from the prior year's assessment. Additional points are available if the City can do the following:

- Create audit committee by Dec 2023 (20 points)
- Council complete fraud training by Mar 2024 (20 points)
- Implement quarterly audit plan by Mar 2024 (20 points)
- Policy revisions (10 points)
- Licensing & certification (20 points)

Mr. Bahr stated he will work with the Council to achieve some of these additional things in order to increase the City's fraud risk score.

Council Member Scott L. Smith MOVED to extend the City Council Meeting until 10:10 p.m.

Council Member Kim Rodela SECONDED the motion. All voted in favor and the motion passed unanimously.

h. Finance Report: April – *Tyler Bahr, Finance Director*

Finance Director Bahr provided the Finance Report for the month of April; he provided the following observations:

General Fund

- Tax revenue at 85% of annual projection
 - Four (4) more months of sales tax to go
- Licenses and permits revenue is at 96.8%
 - \$87K of building permit revenue in April
- Snow removal accounts exceeding budget due to heavy winter – budget adjustments recommended

Open Space

- Property sales revenue YTD = \$146K (no change from March)

Road Capital

- Includes 6800 West project to be reimbursed this year & early FY2024

Storm Sewer

- Flood mitigation – budget adjustment recommended

Impact Fees (Capital and Enterprise Funds)

- Shifts in development activity – staff monitoring

Sales Tax

- FY2023 Budget = \$3.6MM
- April = \$285,695 / YTD = \$2,540,632

- Eight (8) months count towards FY2023
- Last April = \$280,741 (increase of 1.8%)
- Was \$2,344,069 YTD thru April last year (up 8.4%)
- Rolling 12-month (thru March) = \$3,859,024

He concluded by presenting a graph illustrating the historical sales tax fluctuation in the City.

i. Alpine Food Storage - *Kurt Ostler, Mayor*

Mayor Ostler stated he visited the new Alpine Food Storage store in American Fork and found the Wadsworths have many items on the shelves. Their last day to operate in Highland will be June 30 and they plan to open for business on July 5. He noted they do still have a great deal of work to complete.

j. November City Council Meeting: November 7, 2023 - *Stephannie Cottle, City Recorder*

City Recorder Cottle reported on the recent action by the Utah Governor to change the election dates for 2023; originally, the Council was scheduled to meet on November 14 in observance of Election Day being November 7; however, the General Election has been changed to November 21 and she recommended adjusting the schedule back to November 7.

k. Future Meetings

- June 27, Planning Commission Meeting, 7:00 pm, City Hall
- July 12, Lone Peak Public Safety District Board Meeting, 7:30 am, City Hall
- July 18, City Council Meeting, 7:00 pm, City Hall
- July 25, Planning Commission Meeting, 7:00 pm, City Hall

16. CLOSED SESSION

The City Council may recess to convene in a closed session to discuss items, as provided by Utah Code Annotated §52-4-205.

There was no closed session.

ADJOURNMENT

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

The meeting adjourned at 10:08 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 June 20, 2023. This document constitutes the official minutes for the Highland City Council Meeting.


 Stephannie Cottle, CMC
 City Recorder