

1 **MINUTES OF THE COTTONWOOD HEIGHTS CITY COUNCIL BUSINESS MEETING**
2 **HELD TUESDAY, AUGUST 14, 2018 AT 7:00 P.M. IN THE COTTONWOOD HEIGHTS**
3 **CITY COUNCIL CONFERENCE ROOM LOCATED AT 2277 EAST BENGAL**
4 **BOULEVARD, COTTONWOOD HEIGHTS, UTAH**
5

6 **Members Present:** Mayor Mike Peterson, Council Member Mike Shelton, Council Member Scott
7 Bracken, Council Member Tali C. Bruce, Council Member Christine Mikell
8

9 **Present:** City Manager John Park, Assistant City Manager Bryce Haderlie, City
10 Attorney W. Shane Topham, City Recorder Paula Melgar, Police Chief Robby
11 Russo, Public Works Director Matt Shipp, Community and Economic
12 Development Director Michael Johnson, Assistant Fire Chief Mike Watson,
13 Public Relations Specialist Dan Metcalf
14

15 **1.0 WELCOME**
16

17 1.1 Mayor Mike Peterson called the meeting to order at 7:00 p.m.
18

19 1.2 The Pledge of Allegiance was led by Council Member Shelton.
20

21 **2.0 CITIZEN COMMENTS**
22

23 2.1 Nancy Hardy suggested a lighted sign be placed in front of City Hall announcing when
24 meetings are being held and events taking place throughout the City. She believed an
25 interactive map would be advantageous to those waiting for meetings to start.
26

27 2.2 Mary Young identified herself as a member of the Granite Community Council (GCC) and
28 stated that she spent 12 years working with the public officials in Salt Lake County, Sandy
29 City, and Cottonwood Heights. Prior to her time at the GCC, she worked for the Federal
30 Aviation Administration. Ms. Young expressed concern with the bike lane problem and
31 considered public safety to be of utmost importance. Prior to the Giverny work being
32 completed, there was a bike lane and now that it has been completed, it has been removed. She
33 was informed that the center lane is wider than necessary and will not be widened with the bike
34 lane until Wasatch Boulevard is widened. She requested that the bike lane be replaced with
35 what existed prior to Giverny at a minimum.
36

37 2.3 Eric Kraan agreed with the bicycle lane concern and had an issue with the new configuration
38 of 2300 East and the bike lane there. He noted that on July 17 City Manager, John Park,
39 remarked that he was bothered by having to repeat the PDD process. Mr. Kraan asked what
40 could be done to make the public more aware of these types of issues. He asked that the Council
41 take the time to explain complicated issues. He also expected the Council to act in the best
42 interest of the citizens. He suggested that Open Houses be held to make issues known to the
43 public. Mr. Kraan expressed his opposition to the proposed property tax increase.
44

45 2.4 Jin Fredericksen commented that she drove past Giverny and noticed a football field sized
46 grassy area that she felt was out of place. Because of the current climate and fire dangers, she
47 questioned the use of water and the appearance of the field.
48

1 2.5 Pam Bunderson commented that tonight's meeting was well advertised but stated that the time
2 was not listed on the City calendar.

3
4 **3.0 PUBLIC HEARING**

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6 **3.1 Proposed Property Tax Increase – Truth in Taxation.**

7
8 3.1.1 Assistant City Manager, Bryce Haderlie, presented the staff report and thanked the citizens
9 present. He displayed the proposed tax book, which was prepared in June 2018 to make
10 citizens aware of what is being proposed with the current and proposed tax revenue. He
11 explained that this is a public process and an opportunity for citizens to participate and
12 comment on the services they are receiving. He explained that the City of Cottonwood Heights
13 has not gone through the Truth in Taxation process since its incorporation 13 years ago. He
14 noted that the citizens have trusted the City's elected and appointed officials who are ready to
15 respond when needed. They are paying for those services for their anticipated needs and also
16 for parks, and public works services. He believed the City was providing citizens with the best
17 information to demonstrate how City funds are to be used.

18
19 3.1.2 Mr. Haderlie reported that the City employs people to provide services for the City and the
20 inflationary factor is always present. Each year other agencies are reviewed to determine what
21 it costs to retain employees. If they lose a police officer to another City, it is very expensive to
22 replace and retrain a new officer. This is an area where the Council is always trying to balance
23 compensating employees competitively to retain them while providing a high level of service
24 to the citizens.

25
26 3.1.3 Mr. Haderlie emphasized that road maintenance needs to be improved and accordingly, the
27 budget has been increased to \$875,000. A road study was conducted that showed that the City
28 should be spending close to \$1.5 million to keep the roads properly maintained. The Council
29 asked staff to budget \$10,000 for part-time employees to operate snow plows during the winter.
30 Mr. Haderlie confirmed that the City will not cut events and arts programs within the such as
31 Butlerville Days, plays, and other cultural activities.

32
33 3.1.4 With regard to the proposed tax increase, a visual presentation depicted a \$432,000 average
34 home value. It was Mr. Haderlie's opinion that the increased tax rate is worth what residents
35 will receive in return.

36
37 3.1.5 Mayor Peterson opened the public hearing.

38
39 3.1.6 Brent Bazar asked if the City had considered implementing a utility tax on water to encourage
40 conservation. He also suggested the City consider a beer garden at Butlerville Days as a
41 fundraiser.

42
43 3.1.7 Frank Overfelt asked Mr. Haderlie to describe the budgeting process and the how the budgets
44 are established. Mr. Haderlie responded that the public hearing is for citizens to make
45 comments and not to engage in dialogue. Typically, the Council can answer questions at the
46 end of the presentation.

- 1 3.1.8 Bob Jacobs stated that he has lived in Cottonwood Heights for over 40 years and appreciated
2 Mr. Haderlie's presentation. He was in favor of the tax increase and stated that Cottonwood
3 Heights' allotment is a small portion of the tax bill. The new increase equates to \$5 per week
4 per household for all of the services provided to residents. He was happy to pay the extra to
5 make improvements in the City.
6
- 7 3.1.9 Jeff Larsen expressed concern with some aspects going forward and suggested the City go to
8 a zero-based budget. He explained that if they want a 21.8% tax increase, the citizens should
9 have the opportunity to vote. He did not believe anyone should have to pay such a drastic
10 increase in a single year. He remarked that the City Council should do better long-term
11 planning and roll back capital expenditures when a project is complete. He stated that there
12 should not be continual increases in revenue unless the citizens are receiving additional
13 services.
14
- 15 3.1.10 Kay Tanner reported that when she purchased her home in 2001, it was valued at \$296,000. In
16 2014, her home value was \$362,000 and property taxes were \$3,169. Since then her taxes have
17 continued to rise. In 2016, her home value was \$432,000 and her taxes were \$3,300. She
18 believed it was unethical and immoral for the City Council to add an additional tax to utility
19 bills because they cannot shop around for electricity. Although of retirement age, Ms. Tanner
20 stated that she continues to work three full-time jobs and lives off of social security. Any type
21 of tax increase hurts senior citizens because unless they are well off, most do not have a way
22 to increase their income. She was dismayed when she learned of the cost of the New City Hall
23 and asked the Council Members to consider how a tax increase will impact those who are on
24 fixed incomes. She feared she will be priced out of her home and forced to relocate.
25
- 26 3.1.11 Mark Manning appreciated the public services the City provides and reported that he served
27 previously as a State Senator and State House Member. Mr. Manning stated that when he first
28 learned of the increase, he was extremely upset and although he understood what the Council
29 was doing, he asked that they consider senior citizens living on social security. Mr. Manning
30 had a difficult time believing that the average home value is actually \$431,000. He expressed
31 opposition to the City imposing a tax increase in the form of a utility tax. He recommended
32 the Council appoint an Advisory Committee consisting of citizens who can make suggestions
33 to the Council.
34
- 35 3.1.12 Kurt Sullivan stated that between 2013 and 2018, the City had \$6,908 in projected revenue.
36 He asked why there was such a significant increase. Mayor Peterson clarified that the number
37 Mr. Sullivan referred to is \$6.9 million. The primary reason for the increase was a rise in wages
38 and other items.
39
- 40 3.1.13 Lynne Krauss reported when the City incorporated over 13 years ago, the citizens were sold
41 on the idea that they would be a lean and frugal bedroom community. Instead they have had
42 13 years of unchecked spending. She commented that in 2007, the total budget was
43 approximately \$10 million. The current proposed budget is nearly \$20 million. She remarked
44 that every item on the wish list that was discussed in the work sessions remained in the budget.
45 She identified several items that could be eliminated but none of her suggestions were seriously
46 considered. Ms. Krauss claimed that the Council listened to those who spoke the loudest about
47 their favorite department or activity and ignored those who were interested in budget
48 reductions. When anyone questions the status quo or City expenditures, they are criticized by

1 certain members of the public or City employees and she believed that some did not speak up
2 for fear of harassment. She encouraged the Council to question where taxpayer dollars are
3 being spent and reduce budgets rather than increase taxes. She requested that staffing counts
4 and positions by department at the time of the budget presentation and the Class C Road funds
5 reflect a zero amount.
6

7 3.1.14 David Hopper commented that he has rarely been in favor of a tax increase and believed there
8 are always good ways to spend money and provide quality services. He questioned the largest
9 expense, which was identified as a \$4 million deficit in road maintenance. Mr. Hopper
10 questioned why the roads were not properly maintained. His understanding was that there was
11 a \$2 million surplus in last year's budget. He expressed frustration with the proposed tax
12 increase.
13

14 3.1.15 Tim Hallbeck told several jokes to the Council.
15

16 3.1.16 Dennis Wright suggested that City implement a program that would reimburse those living on
17 fixed incomes. He has resided in Cottonwood Heights for 48 years and his wife has been
18 involved in various community efforts over the years. He felt that the proposed budget
19 discussion should have taken place over a year ago when the Council decided to implement an
20 Energy Use Tax. He commented that half of the new money was used to fund the New City
21 Hall Building. The proposed tax increase will amount to \$1.34 per day. Mr. Wright displayed
22 a list of his top 20 expenditures.
23

24 3.1.17 Jin Fredericksen stated that the City should be fiscally responsible. It was her opinion that the
25 most important issue is being involved and providing a sense of community. She
26 recommended that senior citizens be given a break or reversal so that they can remain in their
27 homes. Paying the increase would be easier for citizens to accept if they were receiving great
28 services in return. She remarked that snow plowing has been bad and she has seen trees cut
29 down due to lack of care. She believed it was most important for the Council to listen to the
30 citizens and find a way to keep them involved.
31

32 3.1.18 Eric Kraan read a comment from Chief Russo dated March 27, 2018 which was a response
33 given when a City Council Member requested a pricing estimate from the Unified Police
34 Department. His opinion was that Chief Russo operates an effective, efficient, and highly
35 trained department. Because public safety is the largest expense in the City it must receive
36 special attention and consideration when budgets are considered. He emphasized the
37 importance of the City Council doing its job with the same efficiency and dedication as the
38 Police Department and believed that providing services in-house far outweighs the savings of
39 hiring an outside agency.
40

41 3.1.19 Steve Soryee thanked the Council for their hard work and recognized that it is not easy for
42 young families starting out as property values have increased rapidly. With respect to the
43 proposed increase, he assumed that land acquisition and trail completion will be a part of it.
44 Mr. Soryee reported that he takes his children to parks in Draper and Sandy because they are
45 much better. He commented that Cottonwood Heights has fallen behind neighboring cities.
46

- 1 3.1.20 Max Jackson considered raising taxes to be a horrible idea and resented having to pay for
2 Butlerville Days and the Arts, which his family does not participate in. He commented that the
3 roundabout is a disaster and expressed his opposition to the proposed increase.
4
- 5 3.1.21 Sue Ryser thanked the Council for their hard work and asked if the numbers used to represent
6 the increase were based on a home valuation of \$400,000. Her research shows that the average
7 listing price in Cottonwood Heights is \$569,000. Realtor.com shows the median price as
8 \$456,000 while the City reported the average as \$437,000. She asked that when these types of
9 issues are reported, that more realistic figures be used. As important as a tax increase is to the
10 City, she requested an additional Open House be held for those who were unable to attend
11 tonight's hearing. Mayor Peterson reported that with regard to property values, the City is
12 required to use the numbers provided by the County.
13
- 14 3.1.22 Ellen Muir, a Kings Hill Place resident, asked why pipes are laid and roads are dug up only to
15 be redone again. In Europe, the roads are constructed of huge slabs of concrete that are picked
16 up and put back down to avoid tearing up the road when changes are made. She asked how
17 much money has been wasted on these type of repairs.
18
- 19 3.1.23 Nancy Hardy asked if there was a way for citizens to set aside money in an account to go
20 toward open space. She also asked if developers pay impact fees to cover potential road
21 damage.
22
- 23 3.1.24 Dan Moss stated they live in an environment where the assessed value of their homes are
24 continually increasing. Based on the assessed value increasing, their taxes will increase by
25 \$500. He believed that cuts could be made rather than increasing taxes.
26
- 27 3.1.25 Mayor Peterson explained that the increases does not generate more revenue for the City. By
28 law, the City is required to go through the Truth in Taxation process so that that cannot happen.
29 They are not allowed to get a windfall, therefore, if the property value goes up, the levy the
30 City charges goes down so that it is equalized.
31
- 32 3.1.26 Council Member Shelton noted that if a home deviates in value from the average, that tax rate
33 could increase. Likewise, others may decrease.
34
- 35 3.1.27 David Matson thanked the Mayor and Council for their service and acknowledged that it can
36 be a thankless job. He understands the budget process and what it takes to maintain a City.
37 He did not, however, appreciate a 22% increase.
38
- 39 3.1.28 Fred Schmauch stated that his wife saw the property tax bill and asked him to find out how
40 much it will be and determine whether they need to move. He asked that when the Council
41 reviews figures and charts that they put a human face on it. He also expressed frustration with
42 getting an answering machine when placing a call to the City. He urged the Council to keep
43 their promises.
44
- 45 3.1.29 There were no further comments. The public hearing was closed.
46
- 47 3.1.30 Council Member Bruce stated that as a New Council Member, it has been eye opening to go
48 through the budget process. As a citizen, she felt that historically, the City has spent liberally

1 and as a new City they could have been more fiscally responsible. She learned that it is difficult
2 to scale back and empathized with the process of making budget cuts. While reviewing revenue
3 options, she agreed with pursuing the Truth and Taxation process as she felt it was the most
4 transparent. She commented that she is an advocate for zero-based accounting and expressed
5 appreciation for the public comments received.
6

7 3.1.31 Council Member Bracken commented on a previous remark and stated that a beer garden is
8 illegal in a park in the State of Utah. He confirmed that they have also addressed the issue of
9 printing the newsletter on glossy paper. In the long term, the New City Hall will result in a net
10 cost savings. He reported that a number of items were considered with the new building
11 including repurposing it, none of which were feasible. He expressed appreciation to those who
12 have participated and asked questions.
13

14 3.1.32 Council Member Shelton was also grateful for the citizen participation. He stated that as a
15 Council they have worked hard on the proposed budget. He wished there was a better forum
16 to address the misconceptions. He wanted the citizens understand the process and level of
17 detail the Council has gone through to get to this point. He commented that a 22% tax increase
18 is significant to everyone. He understood that the services the City provides are important and
19 the Council has worked hard to find a way to reduce costs without negatively impacting the
20 citizens. He clarified that they are not proposing a 22% increase in spending. The increase
21 represents the accumulation of years of keeping the City functioning and they now have a
22 choice to cut services further than proposed, spend their savings, or increase taxes. The
23 proposed budget goes from \$19.6 million in expenditures \$19.8 million. Council Member
24 Shelton reported that they will consider the feedback, set a rate, and move forward as
25 designated by the process specified by the State.
26

27 3.1.33 Mayor Peterson reported that the Truth in Taxation process is intended to allow for citizen
28 input. The Council does not have the authority to legally increase taxes. Notes were taken on
29 the comments received and some individuals may receive calls from staff for clarification. He
30 appreciated the comments received and confirmed that conceptually, the budget process will
31 be changing going forward. The Council was committed to working even harder going
32 forward. He explained that \$1.5 million represents a 22% increase in the assessed valuation of
33 the average home and approximately 5% of the City's budget. A portion goes toward ongoing
34 expenses and anything left over is added to the fund balance. He confirmed that open space is
35 an issue and they will be appointing a Parks, Trails and Open Space Committee comprised of
36 City residents. He explained that no decision has been made and the Council will meet over
37 the next few days to make a final determination.
38

39 3.1.34 Council Member Shelton recommended concluding the Business Meeting and returning to the
40 Open House in order to answer additional questions.
41

42 **4.0 CONSENT CALENDAR**

43
44 **4.1 Approval of the City Council Business Meeting Minutes for June 26 and July 10, 2018.**
45 **And the City Council Work Session Minutes for July 31 and August 7, 2018.**
46

47 **4.2 MOTION:** Council Member Bruce moved to approve the City Council Business Meeting
48 Minutes for June 26 and July 10, 2018 and the City Council Work Session Minutes for July 31

1 and August 7, 2018. Council Member Bracken seconded the motion. The motion passed with
2 the unanimous consent of the Council.

3
4 **5.0 ADJOURN BUSINESS MEETING AND RECONVENE WORK SESSION.**

5
6 **5.1 MOTION:** Council Member Bracken moved to adjourn the Business Meeting. Council
7 Member Bracken seconded the motion. The motion passed unanimously.

8
9 5.2 The meeting adjourned at 8:51 p.m.

1 *I hereby certify that the foregoing represents a true, accurate and complete record of the Cottonwood*
2 *Heights City Council Business Meeting held Tuesday, August 14, 2018.*

3
4

5 Teri Forbes

6

7 Teri Forbes

8 T Forbes Group

9 Minutes Secretary

10

11 Minutes approved: October 9, 2018