

MINUTES OF THE COTTONWOOD HEIGHTS CITY COUNCIL MEETING HELD
TUESDAY, JUNE 16, 2015, AT 7:00 P.M. IN THE COTTONWOOD HEIGHTS CITY
COUNCIL CHAMBERS

Members Present: Mayor Kelvyn Cullimore, Councilman Scott Bracken, Councilman Mike Shelton, Councilman Tee Tyler, Councilman Mike Peterson (participated electronically)

Staff Present: City Manager John Park, Deputy City Manager Linda Dunlavy, Public Works Director Mike Allen, Public Relations Specialist Dan Metcalf, City Attorney Shane Topham, Police Chief Robby Russo, Finance Director Steve Fawcett

Excused: Community and Economic Development Director Brian Berndt, Assistant Fire Chief Mike Watson

Others Present: Unified Fire Authority Battalion Chief Brad Lynn

1.0 WELCOME/PLEDGE/ACKNOWLEDGEMENTS

1.1 Mayor Cullimore called the meeting to order at 7:00 p.m. and welcomed those attending. He indicated that tonight's business meeting is unusual since the Council doesn't typically have a business meeting on the third Tuesday of the month, with the month of June being the exception. He noted that State statute requires budgets be approved by June 22.

1.2 The Pledge of Allegiance was led by Mayor Cullimore.

2.0 CITIZEN COMMENTS

2.1 There were no citizen comments.

3.0 ACTION ITEMS

3.1 Consideration of Ordinance Number 244 Adopting an Amended Final Budget for the Period of 1 July 2014 Through 30 June 2015; Adopting a Final Budget for the Period of 1 July 2015 Through 30 June 2016; Making Appropriations for the Support of the City of Cottonwood Heights for Such Periods; and Determining the Rate of Tax and Levying Taxes Upon All Real and Personal Property Within the City of Cottonwood Heights

3.1.1 Mayor Cullimore stated that the above ordinance involves approval of the final budget amendment for the fiscal year ending June 30, 2015, and adoption of the final budget for the next fiscal year ending June 30, 2016. A tentative budget was adopted in May followed by a public hearing. The tentative budget was made available for public review. He recognized Finance Director, Steve Fawcett, and his staff for their diligent work. The

Mayor reported that this will be Mr. Fawcett's last budget as he will be retiring in September. The City is grateful for Mr. Fawcett's work and service rendered to the citizens of Cottonwood Heights.

- 3.1.2 Mr. Fawcett presented the final budget amendments and stated that it was necessary to add several items. The first included housekeeping items and the second referred to the Public Works budget appropriating approximately \$96,000 more to cover capital projects. That amount includes a \$14,000 oversight from work done in 2013 by an entity that was not billed at that time. The \$96,000 was being taken from the current fund balance leaving over \$700,000, which would be appropriated toward next year's budget. Public Works projects totaled \$81,000 and included items such as crack seals, slurry seals, and chip seals. Work also included the reconstruction of two cul-de-sacs in Old Mill. The ledger for the upcoming year includes a \$35,000 adjustment to hire an Economic Development Coordinator.
- 3.1.3 Mayor Cullimore stated that the main issues associated with next year's budget pertain to the implementation of a Municipal Energy Sales and Use Tax. The budget relies on it as a revenue source. The revenue will total approximately \$1.6 million for the next fiscal year and \$2.3 million for each year thereafter.
- 3.1.4 Councilman Peterson thanked Mr. Fawcett and his staff for their hard work.
- 3.1.4 **MOTION:** Councilman Tyler moved to approve Ordinance Number 244. The motion was seconded by Councilman Shelton. Vote on motion: Councilman Shelton-Aye, Councilman Bracken-Aye, Councilman Peterson-Aye, Councilman Tyler-Aye, Mayor Cullimore-Aye. The motion passed unanimously.
- 3.2 **Consideration of Ordinance Number 245 Adopting a Municipal Energy Sales and Use Tax**
 - 3.2.1 Mayor Cullimore stated that now that they have approved the budget, it relies on a new revenue source, which is the Energy Use Tax. A sales and use tax is being proposed for adoption and will be implemented in October 2015. It represents a 6% sales tax on energy use, electrical and natural gas, and then falls directly to the City. It is a more equitable tax in the sense that it reaches those who sometimes are not contributing. This type of tax helps subsidize City operations and services that may be received by all residents. Mr. Fawcett confirmed that it comes directly from the energy companies and does not go through the Tax Commission.
 - 3.2.2 **MOTION:** Councilman Shelton moved to approve Ordinance Number 245. The motion was seconded by Councilman Tyler. Vote on motion: Councilman Shelton-Aye, Councilman Bracken-Aye, Councilman Peterson-Aye, Councilman Tyler-Aye, Mayor Cullimore-Aye. The motion passed unanimously.

3.3 **Consideration of Resolution Number 2015-39 A Resolution to encourage the Salt Lake County Council to place an item on the November ballot to consider a sales tax increase dedicated to transportation funding**

3.3.1 Mayor Cullimore stated that during the legislative session that ended in March, House Bill 362 was passed, which allows counties to impose, upon voter approval, a 0.25% local option general sales tax dedicated to local transportation. The proposed resolution formally communicates the City's support in encouraging the Salt Lake County Council to place it on the November ballot. It is broadly defined as not just roads, but transit, bike paths, trails, etc. It requires a vote of the citizens to implement and is not a tax that can be imposed by elected officials. It can only be placed on the ballot for citizen decision. Of the money generated, 1/10 of 1% will go to the cities, 1/10 of 1% will go to transit for UTA, and 5/100 of \$.01 will go to the County for similar types of projects. It was noted that the last time there was an increase to the gasoline tax was in 1997. Mayor Cullimore explained that it will equate to approximately \$100,000 to \$125,000 per year in additional revenue for Cottonwood Heights. The proposed resolution not only declares the City Council's support of the County submitting it to the voters but encourages voters to support the proposal. The revenue going to UTA will be used to expand existing routes and make them more effective but it will not be enough to generate additional coverage.

3.3.2 City Manager, John Park, confirmed that it will generate \$100,000 the first year and an estimated \$200,000 subsequent years. He remarked that this is a good year for Salt Lake County to vote because most of the unincorporated area will be voting based on Senate Bill 199.

3.3.3 **MOTION:** Councilman Bracken moved to approve Resolution Number 2015-39. The motion was seconded by Councilman Tyler. Vote on motion: Councilman Shelton-Aye, Councilman Bracken-Aye, Councilman Peterson-Aye, Councilman Tyler-Aye, Mayor Cullimore-Aye. The motion passed unanimously.

3.4 **Consideration of Resolution Number 2015-40 Approving Amendment Number 3 to an Agreement for Public Works-Related Materials and Services between Salt Lake County and Cottonwood Heights**

3.4.1 Mayor Cullimore stated that the proposed resolution approves a contract with Salt Lake County for public works-related materials and services. It is an amendment to the City's standing interlocal agreement for certain services through June 30, 2016.

3.4.2 Public Works Director, Mike Allen, confirmed that there are two separate contracts with the County. One covers signals and streetlights. This particular contract covers signs, school flashers, and radar driver feedback signs.

3.4.3 **MOTION:** Councilman Shelton moved to approve Resolution Number 2015-40. The motion was seconded by Councilman Bracken. Vote on motion: Councilman Shelton-Aye, Councilman Bracken-Aye, Councilman Peterson-Aye, Councilman Tyler-Aye, Mayor Cullimore-Aye. The motion passed unanimously.

4.0 **ADJOURN BUSINESS MEETING AND RECONVENE WORK SESSION IN ROOM 250**

4.1 **MOTION:** Councilman Tyler moved to adjourn the business meeting and reconvene the work session. The motion passed unanimously on a voice vote.

4.2 The Business Meeting adjourned at 7:35 p.m.

Minutes approved: 07/14/2015