



HIGHLAND CITY

HIGHLAND CITY COUNCIL AND HIGHLAND CITY OPEN SPACE SPECIAL SERVICES DISTRICT MINUTES

Tuesday, June 21, 2022

Approved August 16, 2022

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

7:00 PM REGULAR SESSION

Call to Order – Mayor Kurt Ostler

Invocation – Council Member Scott L. Smith

Pledge of Allegiance – Council Member Sarah D. Petersen

The meeting was called to order by Mayor Kurt Ostler as a regular session at 7:02 pm. The meeting agenda was posted on the *Utah State Public Meeting Website* at least 24 hours prior to the meeting. The prayer was offered by Council Member Kim Rodela and those in attendance were led in the Pledge of Allegiance by Council Member Brittney P. Bills

PRESIDING: Mayor Kurt Ostler

COUNCIL MEMBERS

PRESENT: Timothy A. Ball (via phone), Brittney P. Bills, Sarah D. Petersen, Kim Rodela, Scott L. Smith

CITY STAFF PRESENT: City Administrator/Community Development Director Nathan Crane, Assistant City Administrator Erin Wells, City Attorney Rob Patterson, City Recorder Stephannie Cottle, Finance Director Tyler Bahr, Library Director Donna Cardon, Planner/GIS Analyst Kellie Smith, Police Chief Brian Gwilliam, Fire Chief Brian Patten, Deputy Chief Jake Beck

OTHERS PRESENT: Jon Hart, BJ Ryan, Karma Campozano, Dan Milliron, Kelly Smith, Jorge S. Campozano, Joe Silverzweig, Linda Littlefield, Doug Holladay, Mark Hafen, Keri Bushman, Cynthia Pedersen, Trent Pedersen, Brian Braithwaite, Mike Jarema, Helene Pockrus, Melanie Dodge, Robyn Garvin, Wesley Warren

1. UNSCHEDULED PUBLIC APPEARANCES

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

Council Member Bills indicated there are several Viewpoint residents concerned about the potential road connection through Alpine and she requested a discussion item on the next agenda regarding that matter. Council Member Smith echoed the request.

Linda Littlefield discussed the Highland Fling Art Show; she provided a flier including information regarding the event, which will be held at the Community Center. There will be art available for purchase as well as just for viewing.

Karma Campozano stated that when she moved into the Viewpoint project there were only 10 houses. She noted that she feels it would be unsafe to connect Park Drive to Alpine City. This will allow people living on the ridge to come through her neighborhood and this will create safety issues for those living there.

Jorge Campozano stated he has lived in Viewpoint for 16 years and he believes the road will cause harm to the area due to increased traffic flow and accidents. He is concerned about the safety of children who live in the project and increased pollution associated with all-terrain vehicles (ATVs) travelling into the canyon. The new road is planned to be 50 feet wide, but the existing road is only 33 feet wide; it will create an access point for people outside the community and will bring crime and theft to the area. He noted that real estate desirability in the area will be diminished and the only solution he sees is to stop the road; additionally, he would like a locked access gate at the end of Park Drive. He knows there has been discussion about installing speed bumps and stop signs, but he does not believe that will solve the problem.

Dan Milliron stated he is also concerned about road to Alpine; the Viewpoint neighborhood currently enjoys seclusion as to other neighborhoods in the area. The existing streets are narrow and winding and the only reason this road connection project is being considered is to satisfy developers.

Keri Bushman stated she performed an analysis of the City's open spaces to determine the cost per square foot some residents paid to buy their lot in a subdivision that had designated open space. She emphasized residents have paid a premium to live in these areas and the City charges these residents \$20 per month for open space maintenance. She noted that Park City has bonded for parks and trails and residents are paying a fee to provide \$209,000 per year for open space maintenance; the rest of the money needed to fund maintenance comes from that city's general fund. She stated the City's general fund is made from taxes paid by residents, so the City is essentially 'double-dipping' and charging some residents double for open space maintenance. She stated that every citizen uses trails and open spaces, and she suggested reconsideration of the City's current method to ensure equality among residents. She asked that the Council consider a resolution intended to create equality regarding this matter.

2. PRESENTATIONS

a. **Comcast** - *Joe Silverzweig, Government Affairs*

Joe Silverzweig will give a presentation to Council on Comcast internet services.

Joe Silverzweig, Comcast Government Affairs, used the aid of a PowerPoint presentation to discuss residential internet connectivity and speeds in Highland City. His presentation focused on Comcast's technology and capabilities, community impact, Comcast's commitment to Highland City, and internet projects that have been completed in the community.

Council Member Smith relayed his own personal experience with Comcast customer service, which was lacking. Mr. Silverzweig indicated that Comcast has made efforts to improve customer service and hire more representatives, which has resulted in significant changes. He asked Council Member Smith to contact him directly if he has problems in the future.

Mayor Ostler indicated that many cities are moving towards fiber infrastructure for internet service; he asked if Comcast would pursue fiber or if the addition of new options will create competition and lower Comcast prices. Mr. Silverzweig indicated the private market should address competition and pay for fiber infrastructure; some providers are completing the projects on their own without seeking participation from cities. Comcast will continue to invest in their infrastructure to improve capacity and speeds and he would like to partner with the City to close that gap.

3. CONSENT ITEMS (5 minutes)

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

- a. Approval of Meeting Minutes** *Administrative – Stephanie Cottle, City Recorder*
Regular City Council Meeting – May 3, 2022
- b. Final Plat: Ridgeview Plat F** *Administrative – Kellie Smith, Planner & GIS Analyst*
The City Council will consider a request by Lennar Homes of Utah Inc. for final plat approval for 9.66 acres for a 99-lot subdivision of townhomes and cottage lots located at approximately Willow Bank Drive and Featherstone Drive. The Council will take appropriate action.
- c. Final Plat: Ridgeview Plat G** *Administrative – Kellie Smith, Planner & GIS Analyst*
The City Council will consider a request by CND – Ridgeview North LLC for final plat approval for 8.15 acres for a 57-lot subdivision of carriage lots located at approximately 10100 N and North County Blvd. The Council will take appropriate action.

Council Member Smith requested to pull items b and c.

Council Member Brittney P. Bills MOVED to approve consent item 3a.

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.

Regarding item 3b and c:

Council Member Smith declared a conflict of interest; he has been appointed by the Governor to the Utah State Development Center (USDC) Governing Board and the properties upon which the developments will be built are

on former State land that was managed by the USDC. As a whole, he has been supportive of the project because when the property was sold to The Boyer Company, the revenue was placed in a fund to benefit disabled. There was a lot of interest in annexing the property into American Fork as the density could have been 37 to 40 percent higher. He added that those who are moving into the neighborhood will be in his religious ward. He then stated that when considering the project from his position as a City Council Member, he is concerned about the roads on the plat; the roads that service the number of homes in the project areas seem to be very narrow and there are many little stub roads that do not connect to anything. The Council has had many discussions about cul-de-sacs and the ability for the Fire Department to respond to public safety needs. He asked if the Fire Department has reviewed these plans. Planner and GIS Analyst Smith answered yes; Fire Chief Patten and the City's Engineering Division has reviewed the plats; the narrow streets are private rights of way, and they are 28 feet wide, which is narrower than the City's standard right of way. However, these rights of way were established upon adoption of the Planned Development (PD) zone. The road widths are sufficient, and the stub roads provide the ability to backup and turnaround a fire truck. Chief Patten added that any road that is 20 to 26 feet in width must be marked for 'no on-street parking' on both sides of the road. The roads in this project are 28 feet wide, so on-street parking will be allowed on one-side and it will be necessary to address this issue and install proper signage. He stated that he has reviewed the plat and has determined the project will be accessible and he will be able to get fire apparatus in and out of the project.

Spencer Moffat, representative of the developer, indicated that the private roads in the project will be owned by the Homeowners Association (HOA) and parking enforcement will be handled by the HOA. He stated that there is generally not a problem with on-street parking due to this strict enforcement mechanism. This led to high level discussion of on-street parking issues in other areas of the City, after which Mr. Moffat noted that all units in the project have a two-car garage and sufficient parking for two vehicles in their driveway. There are also several off-street community parking spaces for visitor parking. He then discussed the share of homes that will be constructed by The Boyer Company and Lennar Homes; he also indicated that each unit will be a for-sale unit and rental will be discouraged. In closing, there was brief discussion about street names and configuration in the project.

Council Member Scott L. Smith MOVED that the City Council approve consent item 3b the final plat for Ridgeview Plat F and consent item 3c the final plat for Ridgeview Plat G.

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.

4. ACTION: ADOPTION OF THE DESIGNATION OF DISPOSABLE PROPERTIES: WIMBLETON *Legislative - Kellie Smith, Planner & GIS Analyst*

The City Council will consider the adoption of a resolution designating specific parcels of real public property as orphan parcels that may be disposed of in the Wimbleton Subdivision. The Council will take appropriate action.

Planner and GIS Analyst Smith explained over the last year the City Council has been discussing the disposal of orphan property. On April 19th, 2022, the City Council discussed potential open space disposal in the Wimbleton subdivision. During the discussion, the City Council agreed and offered support for considering the Wimbleton subdivision in advance of all other encroachment issues in the City. As this appears to be similar to orphan parcels that the Council has disposed of in the past, Staff recommends the process outlined in Resolution No: 2021-15 be followed regarding property criteria and determining valuation. Under the direction of the City Council, staff has prepared an attachment that shows the potential disposal of property along the borders of the Wimbleton subdivision. The total square footage of sellable open space is approximately 45,806 square feet. The area designated as sellable in the exhibit maintains a minimum of a 20' trail corridor, consistent with the Council's policy and past open space sales next to trails. The map also shows areas for potential maintenance agreements. Staff does not recommend these areas be designated as orphan parcels. The parcels on the southernmost corners are designed for retention. The northwest corner contains a City sewer line. If the City Council decides to sell any property on the east side of Wimbleton, both the Wimbleton and The Hollow residents will not be able to have a 6' solid fence. The top two feet will need to be 55 percent open to comply with the Development Code as the trail corridor will become less than 40 feet wide. The south and west sides of the neighborhood will also be required to have fences with the top two feet 55 percent open. Staff recommends the Council review the policy and determine whether or not to sell certain open space in the Wimbleton Subdivision as appropriate. If the City Council decides to sell, Staff recommends the following stipulations:

1. The sales be all or nothing by section to prevent checkerboarding.
2. The property be sold in a straight line to guarantee straight fence lines along the trail.

Council Member Smith asked if the assumption is that people who buy orphan properties will fence those properties; he asked what will happen if they do not want to install a fence. Ms. Smith stated there is no requirement to install a fence, but she has had residents ask about fencing. Council Member Smith then noted the trail was resurfaced a few years ago but needs to be entirely rebuilt in a few locations. He asked if it may be possible to straighten the trail rather than adjust property lines and sell orphan properties to residents. He then stated that if the properties are sold, he would recommend the proceeds be used to improve the trail corridor to reduce the burden of maintenance on the City or adjacent residents. When residents pay an open space fee, they expect the trail and open space to be maintained. He then noted that the existing ditch near the trail is creating problems and he asked if it will be possible to remove it in the future. Mayor Ostler stated that the City is actively negotiating for the removal of that ditch; it is owned by Lehi Irrigation Company and if they will agree, the ditch can be abandoned. Council Member Smith then referenced corner parcels that will not be purchased by an adjacent property owner, and he asked who will maintain those parcels. Ms. Smith stated that currently the City has maintenance agreements with the two adjacent property owners to maintain the detention basins. Council Member Bills stated that the City is in the process of re-working the existing maintenance agreement and she advised that the City not enter into a maintenance agreement until that process is completed. Mayor Ostler agreed but noted that the existing maintenance agreement should remain effective until a new agreement is executed. Council Member Bills then noted that she can support Council Member Smith's recommendation to rebuild and realign the trail in existing areas, but she would be interested to know the cost of those adjustments before considering formal action.

Discussion among the Mayor, Council, and staff centered in the maintenance expectations for the five-foot gap between residential property and the trail corridor and the manner in which those expectations will be documented and communicated to current and future property owners. The Council also expressed concern about 'checkerboarding' that would result from some property owners purchasing the orphan parcel and others not purchasing; Mayor Ostler recommended that the City pursue a maintenance agreement for those who do not purchase the property but have planted grass or installed other improvements that must be maintained. The Council indicated they are comfortable with that concept, but they would like to wait until a new maintenance agreement is completed and agreed upon by the Council.

Council Member Smith stated there are residents who are interested in purchasing an orphan parcel; he would like to take action on those properties now with the knowledge that the maintenance agreement for unpurchased properties will be finalized and an encroachment policy will also be finalized. Council Member Bills agreed, after which she noted that she would recommend that the proceeds of the land sales be split 50/50 between Wimbledon and other areas of the City.

Mayor Ostler invited public input at 8:35 p.m.

Mark Hafen inquired as to the basis for the five-foot setback from the trail. Mayor Ostler stated that decision was made with the intent to preserve a 20-foot trail corridor. Mr. Hafen stated that behind his property there is 40 to 45 feet of open space with the trail in the middle and the property is consumed by weeds; if a five-foot strip is preserved, it will still be consumed by weeds. He stated that he has called the City in the past and they have cleaned it up, but the area is never proactively maintained. He would like to be allowed to get as close to the trail as possible to address this issue. He is concerned about entering into a maintenance agreement due to past difficulties and essentially the City has not been a good neighbor. He does not trust the City to uphold the commitments communicated in former maintenance agreements; he is hesitant to install thousands of dollars' worth of improvements and continue to maintain it if the City will have the option to reclaim the property and require him to remove his improvements.

Keri Bushman stated that it appears to her that the residents actually paid for the land that is being discussed tonight and the developer then donated the land to the City; the City received \$1.55 million in excess revenue from the extra lots in the subdivision. She stated that it seems wrong for the City to be reselling the property to the residents who have already paid for it. This is essentially creating a new problem. She added she loves the idea of installing a fence because it provides greater privacy and protection on the north side of her home. She stated that she does want to find a solution, but if the City received the property via donation and then decides to try to resell it to private property owners, this seems to be a violation of the constitutional rights of those property owners. She asked the Council to consider if this action is truly the right thing. She concluded by cautioning the City against planting grass or placing sod on the property during severe drought conditions.

Brian Braithwaite stated there are no water rights associated with the property in question; if the property is sold, he wondered where the water will come from to maintain it. Residents should not be able to legally use water on the property; if they install grass, it will need water. Weeds grow on the land because residents are watering the grass on their adjoining property. The City needs to figure out how to properly maintain the property and decide how to be a good neighbor to residents.

Mayor Ostler closed the public comment period at 8:44 p.m.

Council Member Smith stated he feels this is a complex issue and there are flaws in the concept of using an open space policy and fee. He added there are always issues with water and these are matters that must be addressed in the future.

Council Member Scott L. Smith that the City Council APPROVE the Resolution to designate parcels of public real property as orphan parcels in the Wimbledon Subdivision, as shown in Exhibit A, subject to the following stipulations recommended by Staff.

- 1. The property be sold in a straight line to guarantee straight fence lines along the trail.*
- 2. At least 50% of proceeds of these sales be used to improve the trail in Wimbledon.*
- 3. Residents can purchase property individually.*
- 4. The cost will stay at 3.14/sq ft. until June 21, 2023.*

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.

Council Member Bills stated that when this issue is discussed again in the future, she would like continued discussion of the allocation of land scale proceeds. Mayor Ostler agreed and stated he feels that each neighborhood should be considered separately and the manner in which revenues should be allocated can vary depending upon needs.

5. PUBLIC HEARING & RESOLUTION: FY2022 FINAL BUDGET AMENDMENTS *Legislative – Tyler Bahr, Finance Director*

The City Council will consider final amendments to the FY 2021-2022 Budget. The Council will take appropriate action.

Finance Director Bahr explained that the City is required to keep expenditures within budget. As the Council is aware, accurately forecasting all revenue, expenditures and needs of the community is difficult; therefore, budget amendments are generally necessary to comply with State requirements. The FY2021-2022 budget was adopted in June 2021 and Council approved mid-year adjustments in January, early this year. Staff has identified the following adjustments for Council approval that will be necessary to close out the fiscal year:

Multiple funds:

- Microsoft Licensing – increase in assessments to various funds to pay for Microsoft licensing, which has increased due to changes in the way Microsoft is charging for its software products – \$10,985

General Fund:

- Road access agreement with Rocky Mountain Power; unplanned Council projects including radar speed trailer, resident fence, and consulting analysis – \$48,800
- State-mandated update to Court AV equipment – \$7,500
- Building inspector vehicle – \$41,000
- Additional cost on 10200 North project as per Millhaven agreement – \$3,431
- Transfer to Building Capital of unused Council Appropriations to be used for Community Center improvements – \$6,000

Parks Capital Fund:

- Spring Creek retainage (5%) paid at the end of warranty period and replacement of dead trees – \$19,587
- Highland Glen Playground - \$149,634

Road Capital Fund:

- Reimbursement to County for East/West Corridor, offset by \$527K received in MAG grant – \$503,000
- Millhaven reimbursement for Hollows – \$1,406,059

Town Center Exaction:

- Reimbursement to developers for prior financial participation in infrastructure improvements – \$62,141.

In addition, staff recommends that any amount in the General Fund Balance in excess of thirty-five percent (35%) of the estimated revenues be transferred to the Highland City Capital Roads Fund, Capital Park Fund or Capital Building Fund as specified in Utah Code Annotated section 10-6-116. Staff recommends that Council approve the resolution adopting the final adjustments to the FY2021-2022 budget.

Council Member Petersen asked if all budget amendments are debits rather than credits, to which Mr. Bahr answered yes.

Council Member Smith stated the Spring Creek Park project was completed two to three years ago and he asked if there is some reason that the City is unable to keep the trees in that park alive. Public Works Director Spencer stated trees are harmed by road salt that is plowed into the grass area; additionally, there have been issues with the sprinklers. He has spoken with the contractor for that project, and he has already replaced several trees, but the warranty period has expired, and the City is now responsible to replace trees.

Council Member Smith then discussed the State's action to increase the limits on a city's general fund reserve fund to 35 percent of total budget; he stated the Council discussed this change in the past, but he does not recall acting on a matter to increase Highland's general fund reserve to 35 percent; he recalls deciding upon a cap of 25 to 28 percent. City Administrator/Community Development Director Crane stated that the Council never took formal action on that matter. Mayor Ostler stated that the reserve fund was at 35 percent last year. Mr. Bahr added that the Council has the authority to determine their reserve fund amount so long as it is greater than five percent of the total budget.

Mayor Ostler opened the public hearing at 8:59 p.m. There were no persons appearing to be heard and the public hearing was closed at 8:59 p.m.

Council Member Smith asked if the proposed resolution would finalize the City's general fund reserve at 35 percent of total budget. Mayor Ostler stated the resolution contemplates a \$4.2 million general fund reserve balance, but that amount can be adjusted by the Council throughout the year as they see fit. This will provide for the transfer of up to \$700,000 to other areas of the budget.

Council Member Petersen stated she is concerned that the budget year is nearing an end on June 30, yet the final budget adjustment is still too vague and broad; she would like to get to a point where there is not such a large gap in the final budget transfer this close to the end of the budget year. Mayor Ostler and Council Member Smith agreed. Council Member Smith added that the Council had a spirited debate a few weeks ago about the implications of eliminating the open space fee, yet there is \$300,000 to \$700,000 available in excess revenue that could have been used to cover the lost revenue associated with eliminating that fee. He looks forward to discussing that issue further. Mayor Ostler stated that will be discussed in the fall of the coming FY.

Council Member Kim Rodela MOVED that City Council approve the resolution adopting the final adjustments to the FY2021-2022 budget.

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>

Council Member Scott L. Smith

Yes

The motion passed 5:0.

Mayor Ostler called for a recess at 9:05 p.m.; the meeting reconvened at 9:16 p.m.

Mayor Ostler stated staff brought an issue to his attention during the break regarding agenda item four, the Wimbledon open space action; the area between lots 21 and 23, which is used for storm water retention, is not available to purchase and it is necessary to make a motion to adjust the action taken and clarify that property is not up for sale.

Council Member Scott L. Smith MOVED that lot 22 cannot be purchased as it is part of the storm detention basin.

Council Member Brittney P. Bills SECONDED the motion.

The vote was recorded as follows:

<i>Council Member Timothy A. Ball</i>	<i>Absent</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 4:0.

Mayor Ostler moved to item #13 at this point in the meeting.

13. PUBLIC HEARING & RESOLUTION: FY2022-2023 (FY2023) BUDGET ADOPTION *Legislative – Tyler Bahr, Finance Director*

The City Council will consider the FY2023 budget for adoption. The Council will take appropriate action.

Mayor Ostler used the aid of a PowerPoint presentation as an introduction to the discussion of the Fiscal Year (FY) 2022-2023 final budget; he started with a review of the General Fund reserve balance of \$4.8 million. There has been a great deal of discussion about anticipated revenues for the coming FY, including revenues associated with building permits; considering a building revenue of \$578,000 and expenses of \$362,000, there should be \$216,000 available in the General Fund. The City has received an audit alert from the State Auditor's Office, so this money should be left alone until that matter is resolved. He stated that the building permit forecast in the tentative budget was \$900,000, but after discussing actual building projects with developers, the forecast has been reduced to \$578,000. He then discussed cemetery lot sales; Administration is projecting lot sales revenue of \$400,000. There is a carryover of \$122,954 from FY 2021-2022 so the total revenue for FY 2022-2023 is \$523,454. Considering expenses associated with the cemetery, the total funding available is \$252,044 and this money will be transferred back to the General Fund to pay back for land purchase. The land purchase will be repaid in two to three years and the transfer will no longer be necessary at that time. He briefly discussed sales tax projections; the sales tax revenue in the 2021-2022 budget was \$3,325,000 and the projection in 2022-2023 is \$3.6 million, which is an 8.3 percent increase. He then discussed the budget surplus; there is \$891,000 available; this number can be adjusted by removing budget increases associated with sales tax revenue projections, cemetery sales, Mountain Ridge Park labor, and public safety; this would leave a budget surplus of \$135,000. If extra building permit revenue from planning, zoning, and engineering is allocated, the surplus would be \$225,381.

Council Member Smith asked Mayor Ostler if he is advocating for not increasing the public safety fee. Mayor Ostler stated that he feels that this information can be used to explain the reason for the public safety fee; the City will be impacted by inflation just as regular residents are impacted. He stated he feels transparency is important and most cities pay for their public safety costs from their general fund.

Council Member Rodela stated that it is true that most cities pay for public safety in their general fund, but those cities are considering property tax increases this year to cover increased costs; many Highland residents have indicated that they prefer a fee over a tax increase to ensure transparency.

Council Member Petersen stated that the City has heard feedback from residents regarding the state of the cemetery. Additionally, the City has promised that it will address the condition of many sections of trails in the City. It is true that several residents have indicated they would like for the public safety fee to be separate from the rest of the budget to provide transparency. She stated it makes sense this year to consider the fee increase, but it may be that it becomes necessary to raise property tax rates next year to cover other needs, such as the cemetery and trails. Finance Director Bahr added that the City has experienced a \$665,000 increase in public safety fees that must be addressing in the coming budget year.

The Council discussed the impact that inflation is having on most households in the community; Council Member Smith stated he is not sure he can support a public safety fee increase given that the City has over \$800,000 available in excess revenue. Mayor Ostler stated that revenue amount should be adjusted downward to consider transfers of building permit and cemetery sales revenue. Council Member Petersen stated there are many needs in the City that have been deferred for several years; she suggested increasing the public safety fee to cover actual public safety costs and utilizing excess revenues to cover those other needs.

Council Member Bills expressed frustration that the budget proposal has changed from meeting to meeting; the Council has participated in several budget meetings, at the conclusion of which certain decisions have been made. Yet, those decisions are altered at the next meeting, and it is difficult to keep pace with those changes. She stated she feels that impacts transparency for the Council and the residents. Mayor Ostler stated that the \$891,000 revenue dollar amount was presented two months ago. Council Member Bills stated she has seen that number, but she is frustrated that the Council reached consensus about the public safety fee increase amount at that last meeting and now the matter is being discussed again. Mr. Bahr clarified that the \$891,000 dollar amount actually was not included in the tentative budget; it is a result of the Council's direction to consider an increase of the public safety fee to \$17. He agreed there has been a great deal of movement in the budget and it has been hard to keep track of. Council Members Rodela and Petersen echoed Council Member Bills' frustration and noted they have made budget cuts based upon information that has been provided over the course of several budget meetings. Mayor Ostler apologized. Council Member Smith thanked Finance Director Bahr for his efforts and indicated that the Council's comments should not be interpreted as criticism of his efforts.

Mayor Ostler then moved to agenda item six. Item #13 is continued later in the meeting.

6. RESOLUTION: ADOPTING THE FISCAL YEAR 2022-2023 CERTIFIED TAX RATE *Legislative – Tyler Bahr, Finance Director*

The City Council will adopt the Certified Tax Rate for the FY 2022-2023 budget. The proposed rate does not include a tax increase. The Council will take appropriate action.

Finance Director Bahr explained 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 0.001122 with total estimated revenue of \$2,127,161. The rate assigned was as follows:

- 0.000975 for Highland City General Operations with anticipated collections of \$1,848,469
- 0.000147 for the Highland City Library with anticipated collections of \$278,692.

The FY2023 proposed certified tax rate for the City is .000817 with total estimated revenue of \$2,251,223. The rate is assigned 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.

Mr. Bahr noted that if the Council were to hold the current certified tax rate, the City would receive approximately \$800,000 in additional revenue for a total of \$2.7 million in collections.

Council Member Smith stated that it is important to stress to residents that the certified tax rate does not capture growth in property values. Mr. Bahr stated that is correct; the City has grown and will receive additional revenue based upon actual population growth – approximately \$106,000, but it is not possible to capture inflated property values without advertising a property tax rate increase. He concluded staff recommends that the Council approve the resolution adopting the Certified Tax Rate consistent with the rate proposed by Utah County.

Council Member Scott L. Smith MOVED that the City Council approve the resolution adopting the 2023 Certified Tax Rate for Highland City as .000817.

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.

7. PUBLIC HEARING & RESOLUTION: INTERFUND TRANSFER FROM THE PRESSURIZED IRRIGATION FUND TO THE GENERAL FUND *Legislative – 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 2022-2023. The Council will take appropriate action.

Finance Director Bahr reported that accounting principles and the State Auditor allow 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 181 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 two percent 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.

Council Member Smith stated it is important to communicate that the City has already paid for these costs and the pressurized irrigation (PI) fund is simply repaying the General Fund. He noted that most people are paying into the PI fund to cover the water they receive, and it seems that the General Fund should pay for water used in parks instead of adding another fee to pay for parks and open space. He stated that the funds should be distinct, and the City should pay their share for things like this. He stated that residents are essentially subsidizing the General Fund through actions such as this.

Mayor Kurt Ostler opened the public hearing at 10:04 p.m.

There were no persons appearing to be heard and the public hearing was closed at 10:04 p.m.

Council Member Kim Rodela 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 2022-2023 budget.

Council Member Brittney P. Bills SECONDED the motion.

The vote was recorded as follows:

<i>Council Member Timothy A. Ball</i>	<i>Yes</i>
<i>Council Member Brittney P. Bills</i>	<i>Yes</i>
<i>Council Member 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 4:1.

8. RESOLUTION: ADOPTION OF NEW UTILITY RATES *Legislative – Tyler Bahr, Finance Director*

The City Council will consider a request to increase utility rates. The Council will take appropriate action.

Finance Director Bahr explained the City's utility rates were reviewed by Lewis, Young, Robertson, and Burningham, Inc. (LYRB) and culinary water rates were adjusted in 2021. In response to rising construction costs, the Council authorized a contract with LYRB to again review the utility rates. LYRB included the following in their analysis:

- Cost of service – future operating and maintenance costs, contracts, repair and replacement, capital expenditures, funding for current system deficiencies and bond service coverage ratios
- Revenue growth and sufficiency – ability of each utility to pay its own way
- Cash reserves – goal to maintain a minimum of 365 days of cash on hand

The primary focus of this review was to capture capital project costs that have increased since the 2021 study was completed. Preliminary findings and recommendations were presented to the Council in a work session on May 17, 2022. Staff has discussed with LYRB the possibility of a one-time transfer of \$500K from the General Fund

to the Culinary Water Fund for the purpose of replenishing funds depleted to pay for urgent work on two wells in 2021 and allow capital improvement projects to move forward. The source of these funds is FY2023 projected net revenue in the General Fund, or existing fund balance if necessary. Making this transfer would allow the City to increase the culinary water rates 20% instead of the 45% previously identified. For example, the base rate for residential connections would increase from \$15.91 to \$19.09 per month, instead of the \$23.07 previously identified (a savings of \$3.98 per month). Commercial base and consumption rate adjustments would also see a similar proportional savings. The other results and recommendations now presented for Council consideration remain unchanged from the information presented in the previous work session. The proposed changes will improve the fiscal health of the utility funds, increase the number of days of cash on hand, and allow critical capital projects to move forward. Without these rate adjustments, critical projects would be delayed, putting at risk the City's ability to maintain utility services. Staff recommends that the City Council discuss and determine if a \$500,000 transfer should be made from the General Fund to the Culinary Water Fund; and hold a public hearing and adopt the recommended increases to the utility rates.

Council Member Petersen asked if the proposal is for a one-time or annual transfer. Mr. Bahr stated this is a one-time proposal. Mayor Ostler added that this action is essentially a 'buy-down' of water rates. Council Member Petersen wondered if it is necessary to consider an appropriate rate increase rather than considering one-time fixes from year to year. Public Works Director Spencer stated that the City's costs continue to rise; the idea of a one-time transfer was interesting to him and will allow the City to reduce the impact on residents this year, while still allowing the City to proceed with needed capital projects. It may be necessary to consider ongoing fee increases next year. Enterprise funds are dedicated to the respective enterprise that this type of transfer is legal. The City can spend tax revenue on any need in the City, which is why the transfer from the General Fund to an enterprise fund is allowed. If the transfer were from the enterprise fund to the General Fund, there would be problems or a requirement to repay that transfer with interest.

High level discussion centered on the need for clarity in all budget matters rather than separate discussions of multiple budget issues. Mr. Bahr added that without the transfer of utility rate changes, the culinary water fund balance will drop below zero; this means that it will be necessary to push off needed projects for several years. The proposed transfer will make it possible for the fund to have a positive balance and provide for the completion of needed projects.

Council Member Scott L. Smith MOVED that the City Council approve the resolution adopting the recommended utility rate increases \$15.91 to a \$19.09 instead of \$23.00 consistent with a transfer of \$500,000 from the General Fund to the Culinary Water Fund.

There was no SECOND. The motion failed.

Council Member Rodela indicated the culinary water fund is intended to be an independent fund and she is concerned about the transfer; the transfer from the general fund will 'muddy' the accounting and she would rather consider decreasing the public safety fee and augmenting that fund with general fund monies. Council Member Petersen agreed.

Council Member Brittney P. Bills MOVED that the City Council approve the resolution adopting the recommended utility rate increases as presented in May.

Council Member Kim Rodela SECONDED the motion.

Council Member Smith stated that if the transfer is not made, the Council will be increasing the culinary water rate by \$48. He stated he is uncomfortable with that increase. Council Member Petersen agreed it is uncomfortable to raise rates by that amount, but the Council has no control over increased costs the City is paying for infrastructure projects; she feels that a fee increase is transparent while a one-time transfer is less transparent. She

would rather keep the enterprise fund clean and clear for transparency for residents. Council Member Smith stated that it is hard to raise fees and taxes when carrying a larger budget surplus; the surplus could be used to keep fees and taxes lower.

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>No</i>

The motion passed 4:1.

9. RESOLUTION: PUBLIC SAFETY FEE *Legislative – Tyler Bahr, Finance Director*

The City Council will consider a proposed increase to the public safety fee. The Council will take appropriate action.

Finance Director Bahr explained in June 2019, the City Council instituted City Ordinance O-2019-10 allowing for assessment of a monthly public safety fee to utility customers in Highland City. The fee was set at \$11.50 per month and has remained the same since. As Police and Fire/EMS to the City are projected to increase by approximately \$665,000 in FY2023, the City Council has provided direction to set the public safety fee at \$17.00. The increase in the fee will offset \$311,000 of the \$665,000 public safety cost increase. The increase of the monthly public safety fee from \$11.50 to \$17.00 is anticipated to generate a total of \$961,000, \$311,000 more than budgeted in FY2022. The remaining public safety cost increase will be funded by other ongoing revenue sources such as property and sales taxes in the General Fund. Staff recommends that the Council approve the resolution adopting the increase of the public safety fee to \$17.00 per month.

Council Member Smith stated the Council also discussed increasing the fee to \$15.25 per month rather than \$17. Mayor Ostler inquired as to the amount of revenue that increase would generate. Mr. Bahr stated it would have generated an additional \$212,000.

Council Member Bills stated that considering the discussions that have taken place tonight regarding the amount of budget surplus the City has, she would rather consider the increase to \$15.25 rather than \$17. Council Member Rodela agreed and noted that is why she voted against the transfer from the General Fund to the Culinary Water Fund; she would like to increase fees to the amount needed to cover costs and if there are additional needs, the Council can consider support from the General Fund. Council Member Petersen agreed.

Council Member Smith stated that if the Council is not going to fully fund the Public Safety needs with a fee, it may be inappropriate to consider any fee increase at all. Council Member Bills stated that a smaller fee is easier for the public to accept in one year; this will leave general fund monies available for other needs in the City. It is not possible to fully fund public safety from the General Fund as doing so would make it impossible to meet other needs in the City. Council Member Petersen agreed and noted that if the fee were not used for public safety, it would be necessary to dedicate 60 percent of the general fund budget to public safety. Council Member Ball added that smaller incremental increases are easier for residents to accept, and he is supportive of the increase to \$15.25.

Council Member Kim Rodela MOVED that the City Council approve the resolution adopting the increase of the public safety fee to \$15.25 per month.

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>No</i>

The motion passed 4:1.

10. RESOLUTION: GARBAGE & RECYCLING RATES *Legislative - Tyler Bahr, Finance Director*

The City Council will consider updating the garbage and recycling can rates due to contract increases with Waste Management. The Council will take appropriate action.

Finance Director Bahr reported that in March 2020, the City Council selected Waste Management from among three different companies who submitted proposals for Highland's garbage and recycling pickup. Of the three bidders, Waste Management's proposal was the lowest overall cost. Garbage revenue is derived solely from the monthly fees paid by residents on their utility bills. Garbage expenses are mainly composed of direct garbage costs from our hauler – Waste Management and the garbage transfer station – North Pointe. There are also some other costs that go into the total expenses including salaries and billing expenses. Previous direction from City Council has established that the revenue generated from monthly fees cover the cost of garbage collection costs so that the General Fund does not have to otherwise subsidize this function. As per the service contract, Waste Management has determined it is necessary to increase charges to the City based on market conditions such as labor, equipment, and fuel costs. As a result, the following rate changes are necessary to sustain current service levels:

	Current Monthly	Proposed Monthly	Monthly Difference
1st Garbage Can	\$9.61	\$10.75	\$1.14
2nd Garbage Can	\$6.76	\$7.49	\$0.73
Recycling Can	\$6.27	\$7.18	\$0.91
TOTAL	\$22.64	\$25.42	\$2.78

Council Member Sarah D. Petersen MOVED that the City Council approve the resolution adopting the new garbage collection fees.

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.

11. PUBLIC HEARING & RESOLUTION: ADOPTING FY2023 FEE SCHEDULE

Legislative – Tyler Bahr, Finance Director

The City Council will hold a public hearing and consider adopting the FY2023 Consolidated Fee Schedule. The Council will take appropriate action.

Finance Director Bahr reported each year as a part of the budget process, staff works to update the fee for the upcoming budget year. Attached you will find the proposed fee schedule and fees that staff is recommending adjusting are in red text. He summarized key changes as follows:

- Public safety fee – \$15.25
- Credit card processing fee (non-utility payments) – 2.25% to 3.00% of transaction, dependent on card type used
- Building permits
 - Lot infrastructure bond – \$4,000.00
 - Reinspection fee – \$100.00
 - Solar valuation – \$2.76 per watt
- Impact fees
 - Pressurized irrigation – \$.51 per square foot of permeable surface
 - Sewer, multi-family – Central \$1,581.00, Southeast \$2,773.00
- Building Miscellaneous Fees
 - Culinary water meter – \$546.18
 - Pressurized irrigation meter – \$607.51
 - SWPP inspection (single family) – \$1,500.00
 - SWPP inspection (multi-family) – \$50.00 per unit
- Fire Department Reinspection Fee (Business licenses) – \$100.00
- Cemetery
 - Burial plot fees – resident rate increases to \$1,175.00 and non-resident rate increases to \$1,641.00; based on the Cemetery Perpetual Care Fund Study, these costs increase 3% every year in order to help build a perpetual care fund reserve that the City can use in the future for the maintenance costs of the cemetery when plots are no longer being purchased.
 - Temporary grave marker – \$25.00
- Civic Events
 - Youth fishing (resident) – \$30.00
 - Youth fishing (non-resident) – \$35.00
- Pavilion rental
 - Resident, half-day – \$20.00
 - Resident, full day – \$40.00
 - Non-resident, half-day – \$70.00

- Non-resident, full day – \$100.00
- Highland Fling – various changes and additions related to events, parade entries, and sponsorships
- Library – late e-reader return fees at \$1.00 per day (same as movies)
- Planning & zoning
 - Various application fee changes
 - Public utility easement vacation – \$25.00
- Garbage & recycling
 - Garbage can – \$10.75
 - Additional garbage can(s) – \$7.49
 - Recycle can(s) – \$7.18
 - Various miscellaneous fee updates
- Utility charges – various rate changes based on recent utility rate study.

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. Staff recommends the Council hold a public hearing and adopt the resolution approving the revised consolidated fee schedule.

There was brief high-level discussion among the Council and Administrative staff regarding the basis for a few of the fee adjustments and how the proposed fees compare with similar fees charge in other cities.

Mayor Ostler opened the public hearing at 10:55 p.m.

Keri Bushman asked if the City has fees for short term rentals as she feels that it would be beneficial to capture increased revenues associated with those types of land use. Mayor Ostler stated that the City only assesses property taxes for residential uses and the owner of a short-term rental will pay those property taxes.

Brian Braithwaite thanked the Council for their efforts to capture real costs and fund those appropriately in separate areas of the budget. He then noted he does not believe the City is capturing all costs due to the lack of a capital improvement program that would project future capital costs. The lack of long-term planning for future costs will eventually be detrimental to the City when it becomes time to make major purchases or complete major projects. The City may have a large surplus now, but the Council should be considering future needs and save available surplus for those future needs. He stated that residents should pay real costs and he feels the Council has done a good job of considering appropriate fees and taxes to that end.

Mayor Ostler then discussed the Visa fees on utility fees; for non-utility payments, the fee can be higher, and the City will need to notify Chase of those increases. However, they have veto power over a decision made by the Council, or they could raise the fee charged to the City. Mr. Crane agreed and noted that one of the reasons the City's credit card fees are low is that fees that can be paid by a credit card are capped at \$500, with the exception of the purchase of a cemetery lot.

There were no additional persons appearing to be heard.

Mayor Ostler closed the public hearing at 11:01 p.m.

Council Member Smith stated that the City has been putting money away for future needs and purchases; he added that the City recently ordered snowplows and will receive two this year and two more in 2024. He added the City's general fund reserve has been increased to 35 percent, so there will be more money available to the City in future years than in past years. Mayor Ostler stated he feels the point being made by Mr. Braithwaite was that the City does not have a formal long term planning document for future capital needs. Council Member Rodela agreed and stated she is supportive of being proactive rather than reactive as suggested by Mr. Braithwaite. Council Member Smith suggested establishing a fund for future needs.

Council Member Kim Rodela MOVED that the City Council approve the resolution adopting the 2023 consolidated fee schedule, with the \$15.25 public safety fee and approval of Chase credit card processing fee.

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>No</i>

The motion passed 4:1.

12. PUBLIC HEARING & RESOLUTION - FY2022-2023 OPEN SPACE BUDGET *Legislative - Tyler Bahr, Finance Director*

The City Council will consider the FY2023 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 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:

- Revenue for open space totaling \$577K is generated primarily from two sources:
 - Open space fees estimated at \$295K
 - Transfer from the General Fund at \$270K
- Expenses
 - Personnel
 - Salary increases are budgeted at 6%
 - Seasonal wages are again budgeted at \$140,000, along with an increase of \$20,000 to \$100,000 in the General Fund seasonal wages to address recruitment and retention needs
 - Benefit costs include a 7% renewal rate increase for medical and 1% for dental
 - Overall, salaries and benefits are decreasing compared to FY2022 as the prior year included a temporary position to train a replacement for the sprinkler technician who retired
- Fertilizer and weed killer increasing by \$30,000 due to rising chemical costs
- Other expenses have been held generally consistent with prior years to allow for personnel increases.

The proposed budget makes use of anticipated ongoing revenue increases as well as a transfer from the General Fund. Staff recommends the Board hold a public hearing and adopt the resolution approving the FY2022-2023 budget.

Council Member Smith stated that this budget is essentially a subcategory of the General Fund; in 2010 the City prohibited the creation of additional open space neighborhoods, and he asked if that eliminated the need for the special service district. City Attorney Patterson answered no; the City would need to follow a defined process for eliminating the district. The action taken in 2010 simply prevented additional properties from joining the District. Council Member Smith asked if the District could be eliminated if the Council chooses to eliminate the open

space fee and fund the expenses from the General Fund. Mr. Patterson stated that there would no longer be a need for the District at that point in time, but that is a policy decision for the Council to make.

Council Member Rodela indicated that the revenue amounts of \$295,000 and \$270,000 only add up to \$565,000 and she inquired as to the source of the remaining \$12,000 in revenue. She also asked where the revenues for park reservations are deposited within the budget. Mr. Bahr stated that is placed in the General Fund.

Council Member Smith asked if he is voting to support the open space fee as it exists if he chooses to vote in support of the proposed resolution. Mr. Patterson answered yes, but the true action is a vote on the budget for the Special Service District.

Mayor Ostler opened the public hearing at 11:19 p.m.

Keri Bushman stated she would like to see the City publish a chart that would help her visualize the processes and procedures the Council follows to develop formal budgets. She stated the information that has been discussed tonight is very confusing and that is problematic.

Mayor Ostler closed the public hearing at 11:21 p.m.

Council Member Smith asked how feasible it would be to create a chart as suggested by Ms. Bushman. Mr. Bahr stated it would likely be necessary to hire additional staff for that purpose. Mayor Ostler stated that there have been several meetings regarding the budget and staff has done a great job of keeping track of all the changes that have occurred throughout the budget review process. He commended staff for being so responsive and adjusting quickly upon receiving feedback from the Council.

Council Member Kim Rodela MOVED that the Board adopt the resolution approving the FY2022-2023 budget for the Highland Open Space Special Service District.

Council Member Brittney P. Bills SECONDED the motion.

The vote was recorded as follows:

<i>Council Member Timothy A. Ball</i>	<i>Yes</i>
<i>Council Member Brittney P. Bills</i>	<i>Yes</i>
<i>Council Member 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 4:1.

Council Member Smith specified he voted against the action because he believes the City should eliminate the open space fee.

13. PUBLIC HEARING & RESOLUTION: FY2022-2023 (FY2023) BUDGET ADOPTION *Legislative - Tyler Bahr, Finance Director*

The City Council will consider the FY2023 budget for adoption. The Council will take appropriate action.

Finance Director Bahr reported 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 end of March, including adoption of the tentative budget on May 17. Consistent with the tentative budget, the proposed budget for adoption maintains or reduces most areas of spending, except for critical items, to address staff wage and benefit needs. Based on Council direction related to the tentative budget, the attached proposed budget for adoption includes the following changes:

- Public safety fee – increased to \$15.25 per month to offset some of the \$665K increase in public safety costs in the General Fund
- Items for consideration – reduction, removal, or reallocation of various items
 - Reduce budget for Council Chambers AV replacement from \$100K to \$50K
 - Remove \$75K for specialty grave excavation equipment in the Cemetery Fund and reallocate \$77K for skid steer from the General Fund to the Cemetery Fund (results in net \$77K savings to the General Fund)
 - Remove \$20K for a second variable message sign in the General Fund
 - Remove \$18K for Council appropriations in the General Fund
 - Remove \$75K for the General Plan update in the General Fund
 - Remove \$150K for playground replacement in the Open Space Fund
- Employee benefits – renewal bids for medical came in at 7% and dental at 1%

Following the changes above, net General Fund revenue is estimated to be approximately \$895,000. Much of these revenues are short-term, meaning that they are not recurring and are anticipated to decrease significantly in future years. The Council should, at some future point once current projections can be reevaluated with actual revenue trends, decide how to allocate these funds, whether in a transfer to a capital fund or to another one-time, non-recurring purpose. Mr. Bahr then highlighted general fund revenue highlights, garbage collection adjustments, the library budget, and utility enterprise funds. He also provided the following information about salaries and benefits:

- Salaries – An increase of 6% is included for salaries, which will be administered through cost-of-living adjustments
- Benefits – As noted above, renewal bids for medical came in at 7% and dental at .99%

He then noted that a number of capital projects will begin or be completed in FY2023 including Mountain Ridge Park, streets maintenance packages, and 6800 West Reconstruction. The proposed budget anticipates net General Fund revenue of \$895,000. Expenses in the enterprise funds will make use of both revenue generated in FY2023 as well as fund balances accumulated in prior years. Staff recommends the Council approve the resolution adopting the FY2022-2023 budget.

Council Member Rodela inquired as to the reason for the increase in prosecutor fees and indicated that this is the first she has seen that dollar amount in the budget. Mr. Crane reported that the prosecutor requested an increase since the Council's last budget discussion; he noted that the amount charged by the prosecutor has not increased since 2016.

Mayor Ostler opened the public hearing at 11:31 p.m.

Helena Pockrus asked if the City's Police and Fire Departments are being fully funded. Mayor Ostler answered yes; the City will use General Fund monies as needed to cover costs that are not covered by the public safety fee of \$15.25. Ms. Pockrus then asked if residents are able to pay their utility fees with a credit card. Mayor Ostler answered yes and noted residents are not charged a fee for paying utility bills with a credit card. The same is not true for other fees in the City.

Mayor Ostler closed the public hearing at 11:34 p.m.

Council Member Smith then noted that City staff will receive a six percent increase in their wages upon adoption of the budget; he noted that the City Council has not increased their own pay, and, in fact, they reduced their pay a few years ago. He stated it is important for the citizenry to understand that. Mayor Ostler agreed and thanked the Council for being fiscally responsible.

Council Member Kim Rodela MOVED that the City Council increase the prosecutor budget to \$27,000 and otherwise approve the resolution adopting the FY2022-2023 budget for Highland City, including a public safety fee of \$15.25.

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>No</i>

The motion passed 4:1.

14. CONSTRUCTION CONTRACT: HIGHLAND GLEN PARK TRAIL PAVEMENT OVERLAY *Administrative - Andy Spencer, Public Works Director/City Engineer*

The City Council will consider approving a contract with Eckles Paving for the asphalt Trail Overlay at Highland Glen Park. The Council will take appropriate action.

Public Works Director/City Engineer Spencer reported that as part of the City annual trail maintenance program, Highland Glen Park trails have been identified as the top priority this year. In years past some areas of this trailway system have been overlayed. This project is intended to complete the remaining portions of the trail system to improve the uneven surfaces and increase safety by eliminating trip hazards. Approximately 3,400 linear feet of trail will be resurfaced at the park. Associated with this project it will be necessary for City crews to widen out the trailway width and height by removing the overgrowth. Our crews will clear a 10-foot wide/10-foot-high corridor from the vegetation to make it possible for the paving crews to access these areas with their machinery. Work on this project will occur in June and July of 2022 and thereby will span two fiscal years (FY22 and FY23). The invoices for this work will likely be received in FY23. As such, FY22 funds will be transferred to the roads capital account and then spent in FY23. The funding totaling \$117,128.70 for this project is included in the budget as follows:

- \$45,238 in 10-70-38 (Parks)
- \$65,000 in 20-43-22 (Open Space)
- \$6,891 in 40-40-76 (Trail Capital)

Staff recommends City Council approve the contact with Eckles Paving for the Highland Glen Park Trail Pavement Overlay project for FY22 and FY23 for \$106,480.64, allocating a 10% contingency of \$10,648 to be administered by staff, for a total authorized project construction amount of \$117,129 and authorize the City Administrator to sign the necessary documents for the project.

Council Member Smith asked if this project is for existing trails or new trails. Mr. Spencer stated it will be used for existing trails. Council Member Smith asked if there are plans to expand the trail system into the area in which

tailings are being removed. Mr. Crane stated that has not yet been discussed; the Council did approve \$20,000 in funding to rehabilitate that area.

Council Member Petersen asked if the City has a list of all trail projects with ranking assigned. Mr. Spencer answered yes and noted that the top ranked trail is the Highland Glen Trail. This is based upon usage and the current condition of the trail.

There was brief discussion about the funding sources for the project with Mayor Ostler clarifying funding will come from the current year budget; the funding will be transferred to the FY23 road capital project to pay for the costs.

Council Member Bills asked if there will be a drinking fountain along the trail. Mr. Spencer stated there will be a new fountain installed at the beach.

Council Member Scott L. Smith MOVED that the City Council approve the contract with Eckles Paving and authorize a contact amount up to \$117,129 for the Highland Glen Park Trail Pavement Overlay and authorize the City Administrator to sign the necessary 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.

15. CONSTRUCTION CONTRACT: KAITLYN LANE PAVING PROJECT

Administrative - Andy Spencer, Public Works Director/City Engineer

The City Council will consider approving a contract with Eckles Paving for the asphalt replacement of Kaitlyn Lane. The Council will take appropriate action.

Mayor Ostler recused himself because this project is located in his subdivision. He asked Council Member Bills to conduct this portion of the meeting.

Public Works Director/City Engineer Spencer reported work has been completed recently for the Victor View Gravity Sewer Line Project to eliminate the sewer lift station that was located at the end of Kaitlyn Lane. As part of the project, it was necessary to enter into the road and excavate to intercept the sewer line to make the proper connections. While the sewer project includes the repair of the asphalt, given the condition of the existing road, staff recommends that the road be repaved completely to avoid multiple large new patches on a roadway that needs replacement. The asphalt will be removed from Newman construction contract for the sewer project and those funds will be applied to the full road reconstruction. The City received a bid from Eckles Paving to complete this roadway work concurrent with the other paving they are currently doing in the city. The bid includes the removal and hauling away of the three-inch-thick asphalt that is currently in place. They will regrade the existing road base to correct the crown of the roadway to ensure the long-term performance of the road. As previously indicated, a reconstruction of the roadway is an ultimate necessity given the roadway condition. As such, money spent on patching now will be wasted when the roadway reconstruction is undertaken. For this

reason, the staff feel it is better to reconstruct the pavement now. The approximate cost of only patching the roadway is \$15,000. This is the amount that is saved by reconstructing the pavement now in lieu of a future date. Funding totaling \$45,057.38 for this project is included in the FY23 tentative budget as follows:

- \$33,793.04 (75% of the total) in 41-40-71 (Road Capital, Major Road Maintenance)
- \$11,264.34 (25% of the total) in 52-40-73 (Sewer Capital Expense/Projects)

Staff recommends the City Council approve the contract with Eckles Paving for the Kaitlyn Lane paving project in the amount of \$40,961.25, allocating a 10% contingency of \$4,096 to be administered by staff, for a total authorized project construction amount of \$45,057 and authorize the City Administrator to execute the necessary documents for the project.

Council Member Scott L. Smith MOVED that City Council approve the contract with Eckles Paving and authorize a contact amount up to \$45,057 for the Kaitlyn Lane Paving Project and authorize the City Administrator to sign the necessary contract documents.

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.

16. 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.

a. Attached Accessory Buildings – Kellie Smith, Planner & GIS Analyst

Planner and GIS Analyst Smith reported that Chapter 10 of the City Code provides a definition of a main dwelling. Main dwelling consists of subsection with details, including breezeway requirements, covered decks. There is a building at the corner of Alpine Highway and Canal Boulevard that technically meets the definition referenced, but there are some concerns about the property because an accessory building has essentially been attached to the main dwelling using the breezeway. She stated that staff has been discussing the potential need to adjust the definition to prevent a similar situation from occurring in the future. She facilitated discussion among the Council regarding the matter and the Council concluded to direct staff to consider appropriate definition amendments and work to make a recommendation to the City Council.

b. Newspaper Noticing – Kellie Smith, Planner & GIS Analyst

Planner and GIS Analyst Smith reported on the types of actions that require newspaper noticing; in 2021 the State Legislature amended State Code to eliminate some newspaper requirements and staff would like to default to those adjustments. The City would need to adjust the City Code to eliminate some noticing requirements in accordance with State law. The Council supported the proposal and directed staff to work with the Planning Commission to formulate a recommendation.

c. Future Meetings

- June 28, Planning Commission Meeting, 7:00 pm, City Hall
- July 5, City Council Meeting, 7:00 pm, City Hall
- July 13, Lone Peak Public Safety District Meeting, 7:30 am, City Hall
- July 19, City Council Meeting, 6:00 pm, City Hall
- July 26, Planning Commission Meeting, 7:00 pm, City Hall

d. Business License Fire Inspection – *Brian Patten, Fire Chief*

Fire Chief Patten discussed the Department's recent action to send self-inspection forms to businesses who are renewing their licenses; there was some confusion and the City received complaints, but he discussed the purpose of the changes. He stated that improved communication in the future will be helpful in addressing the concerns that have been expressed.

e. Thank you – *Brian Gwilliam, Police Chief*

Police Chief Gwilliam thanked the Mayor and Council for their action on the budget and for their support of the City's Public Safety Departments.

ADJOURNMENT

Council Member Scott L. Smith MOVED to adjourn the regular meeting and Council Member Brittney P. Bills SECONDED the motion. All voted in favor and the motion passed unanimously.

The meeting adjourned at 12:05 am.

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 21, 2022. This document constitutes the official minutes for the Highland City Council Meeting.



Stephannie Cottle
City Recorder

Welcome to the Highland
City Council Meeting

June 21, 2022



HIGHLAND CITY

1

Please sign the
attendance sheet and fill
out a comment card if
you wish to speak to the
Council



HIGHLAND CITY

2



HIGHLAND CITY

7:00 PM REGULAR SESSION

Call to Order – Mayor Kurt Ostler
Invocation – Council Member Scott L. Smith
Pledge of Allegiance – Council Member Sarah D. Petersen

3



HIGHLAND CITY

UNSCHEDULED PUBLIC
APPEARANCES

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

4



HIGHLAND CITY

PRESENTATIONS

2a. Comcast – *Joe Silverzweig,
Government Affairs*

5



COMCAST

Your Community Partner in Highland

Joe Silverzweig, Manager, Government Affairs
June 2022

Comcast Confidential & Proprietary

6

6

Comcast NBCUniversal – Company Overview



- A global media and technology company with three primary businesses, Comcast Cable, NBCUniversal, and Sky.
- One of the nation's largest video, high-speed internet, and phone providers to residential customers under the XFINITY brand, and also provides these services to businesses. Comcast also provides wireless and security and automation services to residential customers under the XFINITY brand.
- Tens of thousands of employees dedicated to R&D, building and improving the fundamental technology that delivers our products to consumers.
- NBCUniversal owns and operates a valuable portfolio of news and entertainment television networks, a premier motion picture company, significant television production operations, a leading television stations group, world-renowned theme parks, and a suite of leading internet-based businesses.
- Sky is one of Europe's leading media and entertainment companies. 23 million customers in seven countries get brilliant TV, broadband and mobile from us.

COMCAST BUSINESS

FANDANGO

DEMAND MEDIA

VOX MEDIA

msnbc

USA

SPROUT

xfinitymobile

NBC

Bravo

TELEUNION

FEAR

Syfy

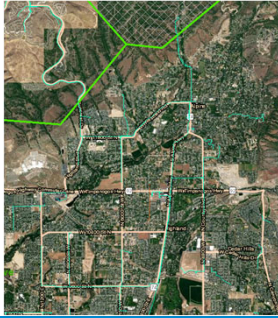
UNIVERSAL STUDIOS

peacock

GOLF

one

7





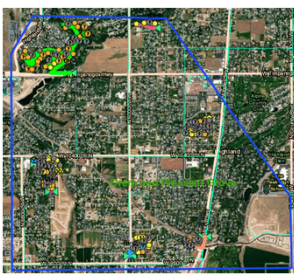
Highland is Connected

- Comcast just completed a **full serviceability analysis**
- Survey shows exceptional connectivity –
 - 5,600 households
 - 5,210 (93%) passed
- Every customer has access to our best speeds.
 - New: no contracts, no device fees, no data caps, nationwide
 - Customers can choose to pay for symmetrical speeds
- We do not throttle speeds.

COMCAST.COM

COMCAST

8





Closing Serviceability Gaps

- Six key gaps in coverage identified
- 272 passings can be added
- Would bring Highland to 96% covered by 2023
- Projected build cost is around \$900,000
- Comcast will cover at least \$800,000
- Numerous tactics to close the gap on both sides of this project

COMCAST.COM

COMCAST

9



Technology and Capabilities

Comcast Confidential & Proprietary

10

All Industries, All Sizes Run on Comcast



HYATT house™



overstock.



BANK OF UTAH



COMCAST BUSINESS



Ken Garff



galvanize



FUSION



AMERICAN



VAIL RESORTS™



MORINDA



Ogden



B4B



DOMO



HORROCKS ENGINEERS



SLC



MESA

COMCAST BUSINESS

11

Xfinity – Complete Residential Services



X1 Entertainment Operating system

Cutting edge entertainment platform combining customized apps, social media features and traditional video services to deliver a personalized TV entertainment experience, including a wealth of dynamic multicultural content.



Xfinity Internet

Increased speeds 17 times in 16 years. Added 18 million Wi-Fi Hotspots. xFi home network management.



Xfinity Home

State-of-the-Art Smart Home, Security, Home Automation, and Energy Management.



Xfinity Mobile

Nation's first wireless service combining largest, most reliable 4G LTE network with 18 million Xfinity Wi-Fi hotspots to deliver a great wireless experience for less money.



Xfinity Voice

Bringing your home phone service and all your communication needs into the modern age. Best call clarity.



xfinitymobile

12

2

Our Network Investment & Performance

- Unprecedented Network Investment:** Comcast invested \$4.2 billion in our network in 2021 alone
- Tremendous Demand:** Despite return to pre-pandemic patterns, download traffic increased 11%, compared to a 5% increase in upload demand
- Internet Use is Highly Asymmetrical:** Customers use about 13 times more download bandwidth than upload
- Data Demand Driven by Entertainment:** 71% of download traffic is video streaming, 11% video gaming
- 10G is Coming:** Critical success in our 10G development, including a world-first test of a 10G connection from network to modem.

13

Commitment to Community Impact

Comcast Confidential & Proprietary

14

13

14

Digital Equity

In the 21st century, Comcast is building a global, connected community that's dependent on access to the internet.

The strength of that community is measured by those it fails to include.

Digital Equity is Comcast's defining community impact objective, and requires inclusion, literacy, and accessibility.

INTERNETESSENTIALS.COM

COMCAST

15

COMCAST
COVID-19 RESPONSE

We're Doing More to Keep People Connected now that it's More Important than Ever

- Full participant in the Affordable Connectivity Program- the only affordable access wireline provider in your area.
- Ramped up speed and scale of network investments
- New educational collections with your voice remote
- \$330,000+ in aid distributed to Utah partners in 2020 and 2021

INTERNETESSENTIALS.COM

COMCAST

16

15

16

internet>>essentials

FROM COMCAST

Low Cost, High Speed Internet to Low-Income Folks

Internet at home:

- \$9.95/month plus tax
- 50/5 mbps connection with wifi
- 40 hours of access to out-of-home XfinityWifi hotspots

Computer: who qualifies for Federal Aid qualifies for IE

- Option to purchase \$149.99 (plus tax) computer
- Includes Microsoft Office, 90-day warranty, Norton Security Suite

Digital Literacy Training:

- Eligible to access training online, in-person, or in print

ACP Participant:

- ACP eligible customers can get up to a \$30 subsidy

"I am thankful that Comcast made a program for families like mine. Now my kids can use the same tools that everyone else has."

—Internet Essentials Customer

INTERNETESSENTIALS.COM

COMCAST

17

ACP/INTERNET ESSENTIALS/XFINITY MOBILE

Internet Essentials and the Affordable Connectivity Program

Unlimited 5G Mobile + Internet \$24.95

Don't rely on your phone for Internet

(Get Unlimited 5G Mobile and Xfinity Home Internet for only \$24.95 a month)

- When you qualify for the Affordable Connectivity Program, you can get a \$30 subsidy to help pay for your service.
- Free internet service at home.
- Free on-the-go, mobile home internet.
- Free internet service at work.
- Free internet service at school.
- Free internet service at the library.

ACP users and get Unlimited 5G Mobile and Xfinity Home Internet for just \$24.95 per month. (Only from Xfinity)

Free Internet Service

Learn how to get it

Free Internet Service

Whether customers choose Internet Essentials or the higher speed Internet Essentials Plus, their entire broadband bill will be covered by the ACP credit.

Total monthly cost for Internet \$0.00

By allowing us to bundle our mobile and internet services, we've created exceptionally affordable complete connectivity plans for our lowest income community members.

Total monthly cost for Xfinity Mobile & Internet Essentials \$24.95

xfinity |

18

18

COMCAST
NBCUNIVERSAL

- We have stood up **free wireless connections at community centers**
- 35 are active in Utah
- Provo Boys and Girls Club
- Utah Autism Academy in Orem

Lift Zones



INTERNETESSENTIALS.COM

COMCAST

19

COMCAST
NBCUNIVERSAL

- Comcast has an ongoing commitment to investing in accessibility
- 2.7m set top boxes with at least one feature enabled
- 57% of disabled Americans have no home broadband



ACCESSIBILITY

COMCAST

20

COMCAST

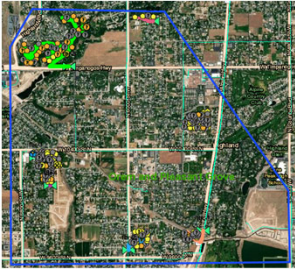
Our Commitment to Highland

Comcast Confidential & Proprietary

21

21

- 100 G Symmetrical available to every Business customer
- 6 G Symmetrical available to every Residential customer
- We will **never throttle Internet speeds**
- We will continue to invest in a network that **stays 12-18 months ahead of capacity needs**
- **Support Highland's budget** with franchise fees
- We are working with you to **close coverage gaps**
- We will continue to **support and strengthen your community**
- We will **continue our industry-leading investment in technology innovation** so our customers continue to get the speeds and service they need



22

COMCAST

Q & A

Comcast Confidential & Proprietary

23

23

CONSENT ITEMS (5 minutes)

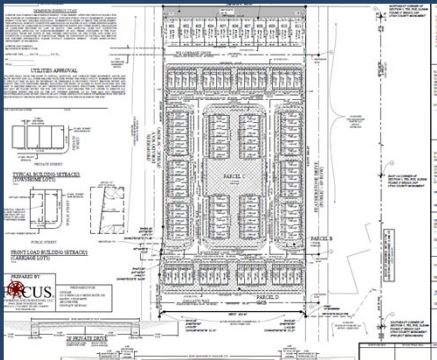
3a. Approval of Meeting Minutes: May 3, 2022 *Administrative*

3b. Final Plat: Ridgeview Plat F *Administrative*

3c. Final Plat: Ridgeview Plat G *Administrative*

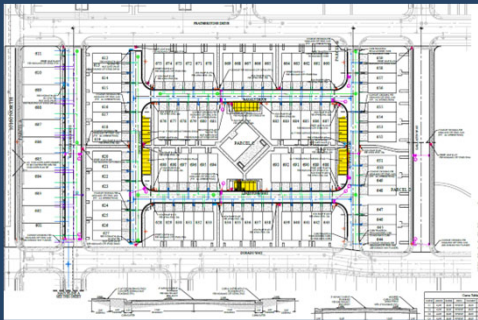
24

Ridgeview Plat F - Lennar



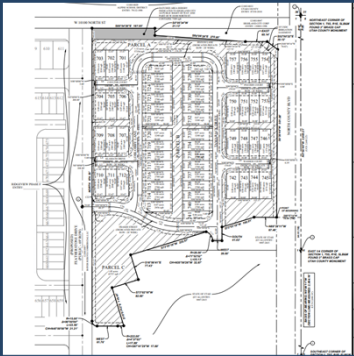
25

Plat F - Site Plan



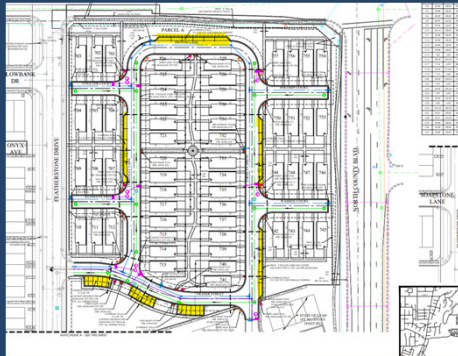
26

Ridgeview Plat G - Weekley



27

Plat G - Site Plan



28

**ADOPTION OF THE
DESIGNATION OF
DISPOSABLE PROPERTIES:
WIMBLETON** *LEGISLATIVE*

Item 4 - Action
Presented by - Kellie Smith
Planner & GIS Analyst



29

Vicinity Map



30

Discussion - *process*

- Resolution No. 2021-15
 - Property criteria
 - Valuation

31

Discussion cont. - *exhibit*

HIGHLAND CITY
WIMBLETON OPEN SPACE

Legend
Red line: Sell (ump at least 10' narrow)
Blue line: Maintenance Agreement

NOTES: If ANY property is sold along the west side of the trail, the City of Highland, the City of Wimbleton and The Ballwin residents will not be able to have a 10' wide trail. The top 10' will need to be 10' wide to comply with the Development Code.

Total "sellable" square footage: 63,000

32

Discussion cont. - *fencing*

If the Council decides to sell, to avoid inconsistent fence lines, staff recommends the property be sold in a straight line.

33

Recommendation

Staff recommends the Council review the policy and determine whether or not to sell certain open space in the Wimbleton Subdivision as appropriate.

If the City Council decides to sell, Staff recommends the following stipulations:

1. The sales be all or nothing by section to prevent checkerboarding.
2. The property be sold in a straight line to guarantee straight fence lines along the trail.

34

Proposed Motion

I move that the City Council **APPROVE** the Resolution to designate parcels of public real property as orphan parcels in the Wimbleton Subdivision, as shown in Exhibit A, subject to the stipulations recommended by Staff.

35

FY2022 FINAL BUDGET AMENDMENTS *LEGISLATIVE*

Item 5 - Public Hearing/Resolution
Presented by - Tyler Bahr
Finance Director

36

Proposed Amendments

Multiple Funds

- Microsoft Licensing – increase in assessments to various funds to pay for Microsoft licensing, which has increased due to changes in the way Microsoft is charging for its software products – \$10,985

37

Proposed Amendments

General Fund

- Road access agreement w/ Rocky Mountain; Council projects – \$48,800
- Update to Court AV – \$7,500
- Building inspector vehicle – \$41,000
- Additional cost on 10200 North project as per Millhaven agreement – \$3,431
- Transfer to Building Capital of unused Council Appropriations to be used for Community Center improvements – \$6,000

38

Proposed Amendments

Parks Capital Fund

- Spring Creek retainage (5%) paid at the end of warranty period – \$19,587
- Highland Glen playground – \$149,634

Road Capital Fund

- Reimbursement to County for East/West Corridor, offset by \$527K received in MAG grant – \$503,000
- Millhaven reimbursement for Hollows – \$1,406,059

Town Center Exaction

- Reimbursement for improvements – \$62,141

39

Transfer Provision

Allows for transfer of funds from the General Fund to a capital fund for any amount that exceeds 35% of revenues once FY2021-2022 is closed.

40

Recommendation

Staff recommends that the City Council:

- Hold a public hearing; and
- Approve the resolution adopting the proposed amendments to the City's FY 2021-2022 Budget

Proposed Motion:

"I move that the City Council approve the resolution amending the fiscal year 2021-2022 budget."

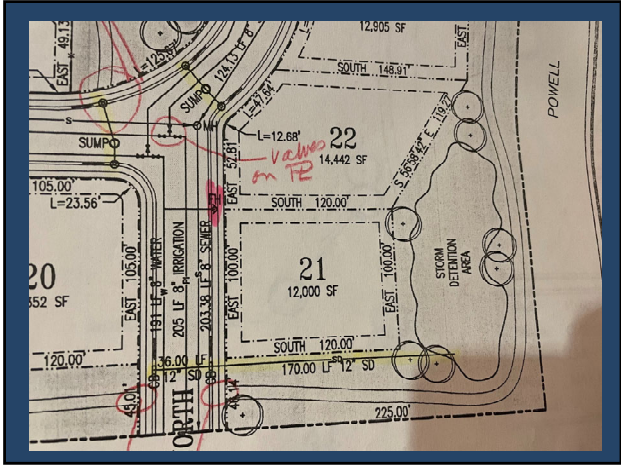
41

HIGHLAND CITY

**ADOPTION OF THE
DESIGNATION OF
DISPOSABLE PROPERTIES:
WIMBLETON** *LEGISLATIVE*

Item 4 - Action
Presented by – Kellie Smith
Planner & GIS Analyst

42



43



FY2022-2023 (FY2023) BUDGET ADOPTION *LEGISLATIVE*

Item 13 – Public Hearing/Resolution
Presented by – Tyler Bahr
Finance Director

44

General Fund Balance

FY2021 -2022 ending balance: \$4,082,906.00

Extra funds:
6800 West MAG refund \$539,000.00
FY2022 – 2023 \$300,000 - \$700,000

45

Building Permits

2022-2023: \$900,000.00
Expense: <\$362,000.00>
\$538,000.00

Transferring to Building permit capital account
*Audit Alert from State Auditor – Saving Acct.

Other expenses currently in budget could allocate:
Planning and Zoning: \$125,381
Engineering: \$100,000.00

*If we allocate to Building permit –
increases **General Fund \$225,381.00**

46

Building permit forecast

2022-2023:
250 permits @ \$3,600.00 = \$900,000.00

Boyer: 124 x \$2,209.94 = \$274,032.00
Lennar: 76 x \$4,000.00 = **\$304,000.00**
Total: \$578,032.00
Expenses: <\$362,000.00>
\$216,032.00

Others projects:
10700 (old Apple Creek)
Millhaven
Perry Homes
Empty lots

47

Cemetery Lot Sale

2021-2022: \$310,000.00
2022-2023: **\$400,000.00**
Difference: \$90,000.00

Budget:
Carry over budget: \$122,954.00
Land Sales: \$400,000.00
Total: \$523,454.00
Expenses: <\$271,410.00>
Total: \$252,044.00
Transfer to General Fund – pay back land
2022- 2023: **\$252,044.00**
This will go away in two to three years after land paid back

48

Highland Sales Tax

2021-2022:

\$3,325,000.00

2022-2023:

\$3,600,000.00 (8.3% increase)

Difference:

\$ 275,000.00

49

Budget Surplus

After cuts from June 13th work session

2022 – 2023:

\$891,000.00

Sale Tax:

<\$275,000.00>

Cemetery:

<\$ 90,000.00>

Mt Ridge labor

<\$ 80,000.00>

Public Safety

<\$311,000.00>

\$135,000.00

If allocate extra Building Permits revenue from
Planning and Zoning, and Engineering

\$225,381.00

50

HIGHLAND CITY

ADOPTING THE FISCAL YEAR 2022-
2023 CERTIFIED TAX RATE

LEGISLATIVE

Item 6 – Resolution

Presented by – Tyler Bahr
Finance Director

51

Background

	FY2022	FY2023
General Operations	.000975 \$1,848,469	
Library	.000147 \$278,692	
Total Combined	.001122 \$2,127,161	

52

Recommendation

Staff recommends that the City Council approve the resolution adopting the certified tax rate.

Proposed Motion:
“I move the City Council approve the resolution adopting the Certified Tax Rate for Highland City as .000817.”

53

HIGHLAND CITY

INTERFUND TRANSFER FROM THE
PRESSURIZED IRRIGATION FUND
TO THE GENERAL FUND

LEGISLATIVE

Item 7 – Public Hearing & Resolution

Presented by – Tyler Bahr
Finance Director

54

Background

- Transfer the estimated cost (\$108,000) of watering public owned property such as the parks and parkway detail from the PI Fund to the General Fund
- Users of the PI System pay to water the public areas (\$2.00/month for each customer)
- If not, the General Fund would need to cover the \$108,000 expense

55

Recommendation

Staff recommends that the City Council:

- Hold a public hearing; and
- Authorize the proposed transfer

Proposed Motion:
“I move that the City Council approve the resolution authorizing the transfer of \$108,000 from the Pressurized Irrigation Fund to the General Fund for the fiscal year 2022-2023 budget.”

56



ADOPTION OF NEW UTILITY RATES LEGISLATIVE

Item 8 – Resolution
Presented by – Tyler Bahr
Finance Director

57

Background

- Utility rates were reviewed in 2021, resulting in increases to only culinary water rates
- Due to increasing capital costs, Council requested a review to assess fund/revenue sufficiency
- Preliminary findings reported to Council in May 17 work session

58

Capital Cost Increases

Water

- 2021 \$2,790,788; 2022 \$4,351,559
- **Increase: \$1,560,771**

Sewer

- 2021 \$3,659,552; 2022 \$6,279,292
- **Increase: \$2,619,740**

Storm

- 2021 \$1,305,532; \$2,468,184
- **Increase: \$1,162,652**

Pressurized Irrigation

- 2021 \$10,623,367; 2022 \$12,338,128
- **Increase: \$1,714,761**

59

Proposed Rate Changes

Sewer

Proposed Base Rates	2022	2023
Residential Base Rate (per Connection)	\$5.11	\$7.15
Non-Residential Base Rate (per Connection)	\$6.20	\$8.68
Production Rate (per 1,000 Gal)	\$0.34	\$0.48

Storm Water

Proposed Base Rates	2022	2023
Residential Base Rate (per ESU)	\$6.97	\$9.76
Non-Residential Base Rate (per SF of Parking Lot)	\$0.00136	\$0.00190

PI

Proposed Base Rates	2022	2023
Base Rate (per Connection)	\$20.12	\$24.14
Base Rate (per SF)	\$0.000664	\$0.000797

60

Culinary Water

Proposed Rate Changes

Proposed Base Rates	2022	2023
Residential (per Connection)	\$15.91	\$23.07
Commercial (per Connection)	\$33.15	\$48.07
Institutional (per Connection)	\$33.15	\$48.07
Consumptive Rate Adjustments	2022	2023
Residential (per 1,000 Gal, 6,000 – 15,999 gallons)	\$1.01	\$1.47
Residential (per 1,000 Gal, 16,000+ gallons)	\$2.65	\$3.85
Institutional (per 1,000 Gal, 6,000+ gallons)	\$1.35	\$1.96
Commercial (per 1,000 Gal, 6,000+ gallons)	\$1.33	\$1.92
Industrial (per 1,000 Gal, 6,000+ gallons)	\$1.70	\$2.47

61

Culinary Water Option

- One-time transfer: \$500K from General Fund to Culinary Water Fund
- Replenish funds depleted in 2021 for critical well work
- Allow CIP to move forward
- Source: FY2023 projected net revenue or existing GF balance/reserves
- Culinary rates up 20%, not 45%

62

Culinary Rates w/ Option

Proposed Base Rates	2022	2023	2023 Option
Residential (per Connection)	\$15.91	\$23.07	
Commercial (per Connection)	\$33.15	\$48.07	
Institutional (per Connection)	\$33.15	\$48.07	
Consumptive Rate Adjustments	2022	2023	2023 Option
Residential (per 1,000 Gal, 6,000 – 15,999 gallons)	\$1.01	\$1.47	
Residential (per 1,000 Gal, 16,000+ gallons)	\$2.65	\$3.85	
Institutional (per 1,000 Gal, 6,000+ gallons)	\$1.35	\$1.96	
Commercial (per 1,000 Gal, 6,000+ gallons)	\$1.33	\$1.92	
Industrial (per 1,000 Gal, 6,000+ gallons)	\$1.70	\$2.47	

63

Recommendation

Staff recommends that the City Council:

- Determine if the \$500K transfer to Culinary from the General Fund is appropriate; &
- Approve the resolution adopting the new utility rates.

Proposed Motion:
"I move that the City Council [approve/deny] a transfer of \$500K from the General Fund to the Culinary Water Fund & otherwise approve the resolution adopting new utility rates."

64



PUBLIC SAFETY FEE

LEGISLATIVE

Item 9 – Resolution

Presented by – Tyler Bahr

Finance Director

65

Background

- Public safety fee originally approved in June 2019 for FY2020
- Rate of \$11.50/month has not changed since inception
- Public safety costs are increasing \$665K, primarily for retention & recruitment of staff

66

Background

- Council direction = increase fee to \$17/month
- Will generate approximately \$311K in additional revenue
- Remaining public safety cost increase (\$354K) funded by other sources such as property & sales taxes

67

Recommendation

Staff recommends that the City Council approve the resolution adopting the increase of the public safety fee to \$17.00/month.

Proposed Motion:
“I move that the City Council approve the resolution adopting the increase of the public safety fee to \$17.00/month.”

68



GARBAGE & RECYCLING
RATES *LEGISLATIVE*

Item 10 – Resolution
Presented by – Tyler Bahr
Finance Director

69

Background

- Garbage collection revenue & expenses run through the General Fund, but strategy has been net zero impact on the General Fund
- Waste Management (WM) submitted lowest bid & was selected as provider in March 2020
- As per contract, WM has identified a need to increase fees to cover costs of labor, equipment & fuel

70

Proposed Rates

	Current Monthly	Proposed Monthly	Monthly Difference
1st Garbage Can	\$9.61	\$10.75	\$1.14
2nd Garbage Can	\$6.76	\$7.49	\$0.73
Recycling Can	\$6.27	\$7.18	\$0.91
TOTAL	\$22.64	\$25.42	\$2.78

71

Recommendation

Staff recommends that the City Council approve the resolution adopting the new garbage collection fees.

Proposed Motion:
“I move that the City Council approve the resolution adopting the new garbage collection fees.”

72



ADOPTING FY2023 FEE SCHEDULE

LEGISLATIVE

Item 11 – Public Hearing/Resolution
Presented by – Tyler Bahr
Finance Director

73

FY2023 Proposed Changes

- Public safety fee – \$17.00
- Credit card processing fee (non-utility payments) – 2.25% to 3.00% of transaction, dependent on card type used
- Building permits
 - Lot infrastructure bond – \$4,000.00
 - Reinspection fee – \$100.00
 - Solar valuation – \$2.76 per watt

74

FY2023 Proposed Changes

- Impact fees
 - Pressurized irrigation – \$.51 per square foot of permeable surface
 - Sewer, multi-family – Central \$1,581.00, Southeast \$2,773.00
- Building Miscellaneous Fees
 - Culinary water meter – \$546.18
 - Pressurized irrigation meter – \$607.51
 - SWPP inspection (single family) – \$1,500.00
 - SWPP inspection (multi-family) – \$50.00 per unit

75

FY2023 Proposed Changes

- Fire Department Reinspection Fee (Business licenses) – \$100.00
- Cemetery
 - Burial plot fees – resident rate increases to \$1,17.005 and non-resident rate increases to \$1,641.00; based on the Cemetery Perpetual Care Fund Study, fees increase 3% every year to build a perpetual care fund reserve for the maintenance costs of the cemetery when plots are no longer being purchased
 - Temporary grave marker – \$25.00

76

FY2023 Proposed Changes

- Civic Events
 - Youth fishing (resident) – \$30.00
 - Youth fishing (non-resident) – \$35.00
- Pavilion rental
 - Resident, half-day – \$20.00
 - Resident, full day – \$40.00
 - Non-resident, half-day – \$70.00
 - Non-resident, full day – \$100.00
- Highland Fling – various changes and additions related to events, parade entries, and sponsorships

77

FY2023 Proposed Changes

- Library – late e-reader return fees at \$1.00 per day (same as movies)
- Planning & zoning
 - Various application fee changes
 - Public utility easement vacation – \$25.00
- Garbage & recycling
 - Garbage can – \$10.75
 - Additional garbage can(s) – \$7.49
 - Recycle can(s) – \$7.18
- Utility charges – various rate changes based on recent utility rate study

78

Recommendation

Staff recommends that the City Council:

- Hold a public hearing; and
- Adopt the FY2023 fee schedule

Proposed Motion:

"I move that the City Council approve the resolution adopting the Fiscal Year 2023 Fee Schedule."

79

HIGHLAND CITY

FY2022-2023 OPEN SPACE
BUDGET *LEGISLATIVE*

Item 12 – Public Hearing/Resolution
Presented by – Tyler Bahr
Finance Director

80

Highland Open Space SSD

- Created by resolution in September 2000
- Established City Council as governing authority
- Requires adoption of a separate budget



81

Revenue

- Open space fees: \$295K
- Sale of property & interest: \$12K
- General fund transfer: \$270K

82

Personnel Expenses

- Salary increases at 6%
- Benefit cost increases (medical 7%, dental 1%)
- Seasonal wages budgeted at \$140K
- Overall, salaries & benefits decreasing compared to FY2022

83

Other Expenses

- Fertilizer & weed killer additional \$30K due to rising chemical costs
- Other expenses held consistent to address personnel needs

84

Recommendation & Motion

Staff recommends the Council, in its capacity as the Open Space Special Service District Board, hold a public hearing & approve the resolution adopting the Highland Open Space Special Service District budget for FY2022-2023.

Proposed Motion:

I move that the **Board** approve the resolution adopting the FY2022-2023 budget for Highland City Open Space Special Service District.

85



FY2022-2023 (FY2023) BUDGET ADOPTION *LEGISLATIVE*

Item 13 – Public Hearing/Resolution
Presented by – Tyler Bahr
Finance Director

86

Changes to Tentative Budget

- Public safety fee increased to \$17/mo.
- Reduced Chambers AV - \$50K
- Removed:
 - Grave excavation equipment - \$75K
 - 2nd variable message sign - \$20K
 - Council appropriations - \$18K
 - General plan update - \$75K
 - Playground (open space) - \$150K
- Employee benefits renewals
- *Late addition: increase prosecutor from \$18K to \$27K*

87

Budget Highlights

General Fund

- Sales tax - \$3.6MM (8.3% increase)
- Property tax - \$1.9MM (4.1% increase)
- Building inspection (250 units)
 - Building permits - \$700K
 - Plan check - \$200K
- Garbage collection fees increase to compensate for tipping & contract cost increases

88

Budget Highlights

Library

- Property tax revenue - \$288K
- Grant revenue & expenditures declining to pre-COVID levels
- Overall, Library projected to roughly break even
 - Revenues: \$374K
 - Expenditures: \$371K

89

Budget Highlights

Utility Enterprise Funds

- Sewer, storm sewer & PI using accumulated funds for capital projects
- Culinary will use \$111K to fund meter purchases
 - Previously planned projects postponed due to lack of funds
- Increases to utility rates

90

Budget Highlights

Salaries & Benefits

- Salary increase of 6% (COLA)
- Benefits – renewal bids increase 7% for medical, 1% for dental

Impact by Fund	Difference
Cemetery	502
Culinary Water*	(11,835)
General Fund	67,462
Open Space SSD*	(67,106)
Library Fund	628
Pressurized Irrigation	7,296
Sewer	23,567
Storm Sewer	34,059
Utility Transportation	3,130
Grand Total	\$57,702

91

Capital Projects Highlights

- Mountain Ridge Park
- Streets maintenance packages
- 6800 West reconstruction
- And many, many more...

92

Recommendation

Staff recommends the Council, hold a public hearing & approve the resolution adopting the City's budget for FY2022-2023.

Proposed Motion:

I move that the Council increase the prosecutor budget to \$27K & otherwise approve the resolution adopting the FY2022-2023 budget for Highland City.

93



HIGHLAND GLEN PARK TRAIL PAVEMENT OVERLAY ADMINISTRATIVE

Item 14 – Construction Contract
Presented by – Andy Spencer
Public Works Director/City Engineer

94



95

Proposed Motion

I move that City Council **APPROVE** the contract with Eckles Paving and authorize a contact amount up to \$117,129 for the Highland Glen Park Trail Pavement Overlay and **AUTHORIZE** the City Administrator to sign the necessary contract documents.

96



KAITLYN LANE PAVING PROJECT

ADMINISTRATIVE

Item 15 - Construction Contract

Presented by - Andy Spencer
Public Works Director/City Engineer

97





98

Proposed Motion

- I move that City Council **APPROVE** the contract with Eckles Paving and authorize a contact amount up to \$45,057 for the Kaitlyn Lane Paving Project and **AUTHORIZE** the City Administrator to sign the necessary contract documents.

99



MAYOR/COUNCIL AND STAFF COMMUNICATION ITEMS

16a. Attached Accessory Buildings - *Kellie Smith, Planner & GIS Analyst*

16b. Newspaper Noticing - *Kellie Smith, Planner & GIS Analyst*

16c. Future Meetings

- June 28, Planning Commission Meeting, 7:00 pm, City Hall
- July 5, City Council Meeting, 7:00 pm, City Hall
- July 13, Lone Peak Public Safety District Meeting, 7:30 am, City Hall
- July 19, City Council Meeting, 6:00 pm, City Hall
- July 26, Planning Commission Meeting, 7:00 pm, City Hall

100

Breezeways

- For a structure connected by a breezeway to be considered part of the 'main dwelling':
 - Minimum 6' wide roofline connection
 - Maximum 10' wide foundation separation
- Covered decks and patios are considered part of the main dwelling

101

Newspaper Noticing

- Development Code
 - Text Amendments, Rezones, General Plan updates, Annexation
- 2021 State Legislative Update
 - Removed newspaper requirements
- Annual Cost
 - 2019: \$3,852.98
 - 2020: \$5,601.38
 - 2021: \$4,922.61
 - 2022: \$419.72 so far

102



**MAYOR/COUNCIL AND STAFF
COMMUNICATION ITEMS**

16a. Attached Accessory Buildings – *Kellie Smith, Planner & GIS Analyst*

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