

**MINUTES OF THE COTTONWOOD HEIGHTS CITY COUNCIL WORK SESSION
RETREAT HELD WEDNESDAY, FEBRUARY 10, 2021. THE MEETING WAS HELD
ELECTRONICALLY, WITHOUT A PHYSICAL LOCATION DUE TO THE CURRENT
COVID-19 PANDEMIC AND AS AUTHORIZED BY THE GOVERNOR'S EXECUTIVE
ORDER DATED 18 MARCH 2020**

Present: Mayor Mike Peterson, Council Member Scott Bracken, Council Member Tali Bruce, Council Member Christine W. Mikell, Council Member Douglas Petersen

Staff Present: City Manager Tim Tingey, City Attorney W. Shane Topham, Police Chief, Robby Russo, Assistant Fire Chief Riley Pilgrim, Records Culture and Human Resources Director Paula Melgar, Community and Economic Development Director Michael Johnson, Public Works Director Matt Shipp, Finance and Administrative Services Director S. Scott Jorges

1. Welcome, Determination of Chair, and Introductions.

Mayor Peterson called the meeting to order at approximately 12:03 p.m. and welcomed those listening. He read in its entirety the declaration giving the Council the authority to hold the meeting via Zoom, pursuant to Utah Code Annotated §52-4-207(4).

2. City Manager Review of Past Year Strategic Initiative Progress.

City Manager, Tim Tingey provided a status of the 2020 initiatives. With respect to revenue items, he reported that the Telecom Franchise Tax was not selected to be included in the Council budget process. Storm water implementation was currently in process. He reported that in 2020, three major grant applications were submitted.

Although the Council had discussed bonding and increased fees and taxes, they did not proceed with any of those initiatives.

Mr. Tingey reported that road improvement funding was implemented as part of the budget and was nearing completion pursuant to the City's five-year plan. They also implemented staff compensation changes.

Mr. Tingey indicated that they secured funding for the General Plan and would be undertaking that work soon. They continued to identify and secure funding for property acquisition and capital expenditures for the Bonneville Shoreline Trail. He mentioned the parking area near Ferguson Canyon and other components of the park, including the dog park, that are in process.

Mr. Tingey reported that storm water investment is in process. He noted that they did not fund the bike lane barriers on Bengal Boulevard through the budget process. The Electric Vehicle Charging infrastructure investment was completed with two connections at City Hall.

He reported that they determined not to move forward with the project at the Public Works Building. They were moving forward with consideration of the County proposal to obtain two County parks, which was included in the budget. They were waiting for the transfer of funds from the County to move forward.

Mr. Tingey addressed the solar panels the Council recently discussed. Other than looking at potential donation options, they did not move forward with that item last year. Some of the other items considered the previous year included the pending grant for sidewalk improvements, Wi-Fi for parks, completion of historic route brochures, Ferguson Trail sign refurbishment, and landscaping that is nearly complete.

Mr. Tingey reported that the Master Plan for Bengal Boulevard was not selected as a project last year but would be discussed as an element of the General Plan. The Urban Forestry Plan was included in the Tree Ordinance adopted by the Council. The above-grade pedestrian crossing over Wasatch Boulevard was discussed last year, but no action was taken.

They applied for grants for the Danish Road reconstruction project but have not received funds. The Target Hillside Trail was not included in the Council's budget.

Mr. Tingey stated that the Council discussed the Planned Development District ("PDD") revisions that are in process and would be presented to the Planning Commission as soon as the Gravel Pit process is completed. Revisions to highways, sidewalks, and public places were also in process. Mr. Tingey stated that they would be bringing a major component of that initiative to the Council in the coming months.

Revisions were completed to the Tree Ordinance, Chapter Two of the Code, and the No Idling Ordinance. Code revisions on Sensitive Lands and Nuisance were in process.

Council Member Bruce inquired about the stormwater fee and if they could take what they historically portioned off, back to the General Fund. She also inquired about the status of the dedicated bike lane and potentially using COVID-19 monies to install Wi-Fi in the parks. Mr. Tingey stated that they never approved the bike lane barrier through the public process, and he would need direction from the Council to include it in this year's budget. He also stated that they do not have any of the COVID-19 funding remaining but there are savings to the General Fund that could be utilized.

Council Member Bruce asked if the Public Works yard is included in the initiative for all City power to be green by 2022.

Mr. Tingey continued with a report on initiative research. He reported that COVID-19 impacted the progress of the Community Reinvestment Area ("CDRA"). He reported that the Parks, Trails, and Open Space Master Plan was under formal consideration by the Planning Commission and would be before the Council soon. The Sustainability Master Plan would be coming to the Council for formal consideration shortly as well.

The Council decided to allow the Fort Union pedestrian and bike improvements to occur through private development. Two development projects were implementing the improvements and they initiated conversations with three additional property owners that might be willing to invest.

Mr. Tingey reported that they have had discussions with two Representatives about Ride Your Bike to School Month.

He stated that no decision was made on moving forward with a fourth firefighter in the budget process. In response to an inquiry, Mr. Tingey stated that they have been analyzing the impact of the Gravel Pit on the need for a fourth firefighter.

Mr. Tingey reviewed some of the other discussion items that did not move forward. Council Member Bruce requested to revisit the Equal Rights Act (“ERA”) discussion.

He reported that two components of the implementation of emergency management efforts were completed through the County process. Another component might be included in the goals for this year.

It was noted by Mayor Peterson that this meeting was intended to provide direction for the City, the City Manager, and staff for the next fiscal year. A policy information outline was provided to the Council to keep track of items that need to be considered over the course of the year and brought forward either into the budget or identified as a strategic initiative for future years so they can be calendared into Council meetings for discussion.

3. Mayor/City Manager Topics of Discussion.

a. Storm Water Fee Discussion – City Manager, Tim Tingey, and Public Works Director, Matt Shipp.

Mr. Tingey reported that last year the Council provided direction to focus on the \$7.50 Storm Water Fee proposal. They have been working with a consultant group to develop the policies and procedures related to the implementation of the fee. He reported that all cities within Salt Lake County, apart from Cottonwood Heights, have implemented a Storm Water Fee. The City of Holladay adopted a \$6.50 fee but was still working through implementation. He presented some of the fees being implemented by other cities in the County.

Mr. Tingey reported that they have had preliminary discussions with Rocky Mountain Power for the billing services analysis. They anticipate being able to present the findings to the Council by mid-March on a recommended fee amount. The consultant group is verifying the information in the fee study, which will be presented with customer class distinctions, user fee credits, and all other aspects necessary to implement the fee.

The consultant group would also assist with the open house to educate the public. They already notified residents of the upcoming Storm Water Fee through the newsletter.

Mr. Tingey reported that the Council will be updated after the open house and provided with the draft policy manual, which is slated for April. Thereafter, the final draft will be presented to the Council for discussion. Negotiations would then need to be completed with Rocky Mountain Power, the final policy manual published, and preparation of the Ordinances for review and adoption. He stated that implementation could possibly begin in October 2021.

Council Member Bruce stated that the Storm Water Fee Program presents a good opportunity to put an incentive out to the public to receive a small credit on their storm water fee by installing xeriscaping.

Mayor Peterson asked about the potential for taking this fee, or a part of it and bonding it so that improvements could be made now. Mr. Tingey noted that they could evaluate the bonding issue after the Council adopts the fee. It was noted that the bond option was explored and would be an easy issue to revisit. It was also noted that the bond would be purposed to upgrade the deteriorated infrastructure, leaving the issue of annual maintenance to be funded directly.

Mr. Tingey commented that they would like to move forward with the presented schedule to consider the fee as part of the budget process.

In response to an inquiry, Mr. Tingey stated that he was unsure whether the City of Holladay was pursuing bonding but noted that many communities that have implemented a fee have included yearly increases on a percentage basis. The Council can address that as part of a yearly evaluation and there is still flexibility in setting the initial fee.

Mr. Tingey stated that there appears to be a universal ‘no exemption’ to the Storm Water Fee implemented by other municipalities, although there are user fee credit components. Council Member Mikell expressed her support for the idea of a credit for residents to install xeriscaping because they encourage water to flow into the ground to recharge the aquifers rather than flow into the storm water system. Council Member Bruce also suggested that this would be a great time to tie in the Rain Barrel Program.

Mr. Tingey stated that the anticipated funds generated with a \$7.50 per Equivalent Residential Unit (“ERU”) Storm Water Fee would equate to \$1.45 million. Administrative and Fiscal Services Director, Scott Jurges, explained that the City would incur approximately \$125,000 in costs to collect the revenue, depending on the option chosen. After deducting anticipated costs that would leave \$1.325 million in remaining revenue. They have proposed utilizing \$300,000 to cover half of the costs they currently pay from the General Fund for storm water-related costs. The remaining \$1.025 million could then be used for capital or debt service costs or additional operational costs that might be incurred.

Mr. Jurges explained that the City can bond a portion and/or use some for-capital improvements. The determination on whether to bond would be delayed somewhat because the decision to approve the fee and the bond could not be done at the same time. A predicate for the bond is collecting the fee and demonstrating that the revenue is coming in.

Mayor Peterson commented that this revenue could be almost function like an enterprise fund. Council Member Bracken clarified that this calculation represents an additional \$1 million in capital and additional maintenance beyond what they currently use. Mr. Jurges reported that they are currently using approximately \$600,000 per year from the General Fund for storm water maintenance. The Council could choose to continue to pay \$600,000 from the General Fund, pay a portion out of the General Fund and a portion from Storm Water Fee revenue, or pay all storm water costs out of the revenue.

It was noted that use of the revenue would be determined through the budget process. The net revenue, after deducting collection costs, is \$1.325 million. The budget process would then determine how those funds are utilized. Council Member Bruce wanted the highest level of transparency and suggested utilizing the Storm Water Fee revenue for all storm water-related expenditures.

In response to an inquiry Public Works Director, Matt Shipp stated that once capital improvements are made, maintenance costs will remain fairly level, with annual inflation or growth increases. It was also noted that this funding source would allow the City to ramp up capital and maintenance needs.

Mr. Tingey explained that the proposed \$7.50 fee option includes the element of saving a portion of funds from the General Fund for storm-related expenditures. Council Member Mikell inquired about the Council's level of comfort with a fee of \$7.50. Mayor Peterson stated that information regarding the true needs related to the storm water system is necessary to determine the appropriate fee. His preference was for the Storm Water Fee revenue to serve as an enterprise fund.

Council Member Mikell requested that the Council be provided with a summary of the various presentations over time on the issue so that they have all the information generated to date. Mr. Tingey noted that the \$7.50 fee was the result of the storm water assessment provided by Mr. Shipp. It was clarified that there would be a percentage increase in the fee that would need to be considered each year by the Council.

Council Member Bruce urged the highest dollar-for-dollar transparency possible in the budgeting process. Council Member Bracken indicated that they have been transparent in the budgeting process. Mayor Peterson agreed that conceptually, they should look at any activity or program, and assign a cost to it. The debate then becomes how far to break down those costs. Council Member Mikell was willing to relinquish her role on the Budget Committee to Council Member Bruce if that would assist the budget process and address issues raised by her.

4. Review of Five-Year Financial Projections and Capital Improvement Plan by Administrative and Fiscal Services Director, Scott Jurges.

Mr. Jurges presented the current five-year financial projection, which includes the current budget adjustments and a projection of an additional \$1 million in sales tax revenue that has not yet been adopted into the current budget.

The projections for next year were included and he estimated an under-expend for the year. He stated that the projections for future years assume that the base budget will be similar to certain identified changes. Mr. Jurges highlighted the example of Coronavirus Aid, Relief, and Economic Security (“CARES”) Act funding and grants that would not carry over into future years. The projections include estimated revenue from Class C Roads and sales tax and a 3 to 4% increase in sales tax revenue in coming years.

Mr. Jurges explained that the expenditure projections include half of the compensation implemented in January 2021. They projected a 1.4% cost of living adjustment (“COLA”) and estimated health and dental insurance at a 5% increase. He reported that they are not anticipating an increase in their early projections of Utah Retirement Systems rates. He calculated the new expenditure projections to total approximately \$370,000. He increased the COLA in future years to 2%, resulting in expenses of approximately \$450,000. He cautioned that this number is variable since they do not know what the Consumer Price Index will do over those years. Mr. Jurges explained that they also included election expenditures as well as a placeholder number for the Unified Fire Authority (“UFA”), which represents a 4% increase. They removed the CARES and other grant expenditures that would not be ongoing.

In response to an inquiry regarding whether Butlerville Days would return this summer, Mr. Tingey stated that they are looking into that. Mr. Jurges explained that if Butlerville Days does not go forward this year, \$66,000 would be removed from the projection and each year the net pending Fund Balance will be increased by \$66,000. At some point in time, they anticipate having that cost back in the budget.

Council Member Bruce mentioned that she has investigated having someone other than Salt Lake County process election ballots, which could impact the election costs included in the projection. Mr. Tingey noted that it would be difficult to assess that impact on the projections at this time because the costs would still be in the range of \$60,000.

Records Culture and Human Resources Director, Paula Melgar stated that legislation is being considered that would prohibit a city from contracting outside of its own county to process and count ballots.

It was noted that there might be an additional \$300,000 per year in revenue through the Utah League of Cities and Towns (“ULCT”) based on population. It is being supported by the cities, the County, and the State Legislature.

Council Member Bruce suggested that they could potentially eliminate the cost of Butlerville Days by charging \$.50 per person. It was agreed that their goal is always to try and reduce the City investment to the extent possible.

Mr. Jurges explained that the projections do not include significant growth in property taxes, so they included a placeholder number for that revenue source. They removed non-recurring items such as elections. They also projected bond changes and savings through changes in debt services from year to year. Mr. Jurges pointed out that the projections do not consider items such as the potential Storm Water Fee revenue because the Council has not yet adopted it. He listed for the

Council other items that have been considered, but not yet adopted. He stated that they are projecting to end this current year at approximately \$6.4 million in fund balance. This balance was bolstered by some of the CARES funds that were utilized to offset fire costs. It was clarified that 6% of the fund balance is restricted, leaving \$4.6 million for appropriation. He explained that they are carrying out the remaining five-year projections as healthy. He included projections for 2025-2026 but stated that it is difficult to project that far out. The projections anticipate a 3.3% under-expend and/or extra revenue each year.

Mr. Jurges reported that he has not analyzed potential cost savings from building a Public Works structure to house snowplow equipment. He noted that a Public Works building has other benefits as well, including better conditions for employees and providing an indoor maintenance site. Council Member Bracken listed other advantages of a facility to store snowplow equipment such as extending the life of the equipment and expediency in responding to storms.

Mr. Tingey next reported that the Community Development and Renewal Agency (“CDRA”) suggested that the City go through the process with the Tech Committee to spend the \$1.75 million in funding outside of CDRA-designated areas. Mr. Tingey presented a map of the areas designated for the CDRA funds. He requested direction from the Council regarding how they want to utilize the funding so that a proposal could be submitted to the Taxing Entity Committee (“TEC”). Presently, they will be required to spend the funds within the boundaries as shown on the map. If they want to spend the funds outside the boundaries, they will have to go through the approval process. Roadway maintenance and improvements that were undertaken last year would be an eligible expenditure of the CDRA funds.

Council Member Mikell inquired about the \$1 million payment from the Canyon Centre in addition to the CDRA funds. She recalled that when the funds were remitted to the City, the City would be able to try and acquire open space near the Bonneville Shoreline Trail because it was close enough to the Canyon Centre. At the time, they were being asked to provide a tax incentive for the Canyon Centre and the remittance came out of those discussions. It was suggested that they discuss presenting the City Center at Hillside to the Tech Committee.

Mayor Peterson also expressed his understanding that the remittance could be used to purchase open space. He stated that these funds present an opportunity to provide a benefit to the community. The urgency of purchasing open space was discussed, as was the obligation to work on the land that they already possess.

Council Member Mikell stated that they have contracted with Utah Open Lands to continue the process of easements, and there was not much left to do if they do not have funding to find other parcels. Mr. Tingey added that Utah Open Lands would be attending next week’s meeting to update the Council on their discussions. Mayor Peterson noted that there might be some parcels of open space coming available that they should at least discuss at the appropriate time.

5. Strategic 2021 Initiative Discussion – City Manager, Tim Tingey.

Mr. Tingey prefaced the presentation by noting that if the Council wants to provide direction on any of the following initiatives, they need support from at least three Council Members to move

forward. He explained that by giving direction, the Council is not necessarily deciding, but it allows for further discussion as they move items into the budget.

a. Categories:

i. Revenue Priorities.

Mr. Tingey presented the revenue options and priorities. He noted that they previously discussed at length the telecom franchise tax. Last year, Cottonwood Heights and Millcreek City were the only two cities in Salt Lake County that had not implemented a Telecom Franchise Tax. He noted that this tax has been incorporated into the budgets of 158 cities in the State of Utah, and it is allowed under Utah State Code.

He reported that in Salt Lake County, cities are charging a 3.5% rate on residents' telecom bills. Mr. Tingey calculated that on a \$20 telephone bill, that would result in a monthly charge of \$.70 per month, or \$8.40 per year. The tax would yield approximately \$350,000 in revenue.

Mr. Tingey invited input from the Council on whether to include this tax in the budget process moving forward. Mayor Peterson expressed that the issue could be left on the agenda for the budget discussion but at this point, he would be opposed to it because of their consideration of the Storm Water Fee. The Council agreed with Mayor Peterson's suggestion and Mr. Tingey confirmed that it would be discussed but not included in the budget. Mr. Tingey noted that they are moving forward with the Storm Water Fee, as previously discussed.

Mr. Tingey then addressed grants and reported that they have applied for three major grants. They are for the 1700 East sidewalk, the Bengal Boulevard walkway/bicycle path, and the Creek Road sidewalk. They are also applying regularly for other grants. They will be looking at grants for open space, land conservation, and corridor preservation opportunities. Mayor Peterson added that there are other funding opportunities available that they should continue to pursue. Mr. Tingey explained that there are several options for bonding. Interest rates are low, and bonding should be looked at, but it will be dependent on what items the Council decides to fund.

Mr. Tingey reported that they hired an Intern to assist in assessing all fees by conducting comparisons with other communities. He presented their analysis to the Council and reported that there are many fees that they do not propose changing. They are looking at increases for some of the fees. He requested input on the road-cut fees for right-of-way applications. He noted that they will propose the increases as part of the budget process but noted they have not made any changes to the road-cut fees since 2011.

Mr. Tingey also highlighted the \$25 fee for those running for elected office, which they are proposing to increase to \$50. It was clarified that if this fee were increased, it would take effect in the next election cycle. Council Member Bracken expressed his view that given the time it takes to process election applications; the increase is probably warranted. Council Member Douglas Petersen concurred and opined that he would not think an increase would deter anyone from running for office.

Mr. Tingey stated that they have analyzed the event permit fees and are proposing reductions in some and increases in others based on comparisons. He confirmed with the Council that they do not want to proceed with any property tax increases for the upcoming budget process. They included in the budget process the funding option being considered in the current Legislative session where it is projected that the City will receive approximately \$300,000 over the next 15 years.

Mr. Tingey confirmed that they plan to move forward with Storm Water Fee implementation, continue applying for grants, and moving forward with CDRA funding. The Telecom Tax can be discussed but is not the main priority. It was clarified that if the Council agrees on a direction for the CDRA funding that it be done expeditiously as they have been holding the funds for a while.

ii. Funding Priorities.

Mr. Tingey presented the base funding proposals that would be built into the budget, absent contrary direction from the Council. He acknowledged that these items are not yet approved but are part of the priorities included in the five-year plan. He stated that staff compensation would be built into the budget. The average increase is approximately 3.6%.

He also mentioned the Valley Emergency Communications Center (“VECC”) fee increases and noted that there are issues that had to be corrected by the Board regarding how they have been collecting funds. The original proposal would have had a \$100,000 impact on funding for the City, which they objected to. Mr. Tingey commented that the revised proposal would likely have an impact in the range of \$30,000 to \$45,000. They will build this number into the budget because of their contractual obligation.

Regarding the Ferguson Canyon Overflow Parking, Mr. Tingey stated that they have \$1.27 million in funding available. The design process will begin in June, so this funding will be utilized in this budget year. They also have an estimate for the park area and anticipate a cost of approximately \$600,000 for that project. He noted that these items are in the base budget because they must be completed this year pursuant to their contractual obligations with the County. They will need to determine a revenue source for the \$600,000 for the park.

Mayor Peterson commented that the community has not yet been notified or had input on the off-leash park area. Mr. Tingey stated that they have approved an agreement for the park area design and cost estimate. Once the design is in place, it will be brought before the Council and they will then seek public input. The \$611,000 estimate for the park included in the budget is an estimate based on the area and park amenities. Mr. Shipp added that the estimate is based on the preliminary design. Council Member Mikell commented that because this is a community feature, Parks, Trails, and Open Space has a program where residents could donate items such as benches and playground equipment. She inquired as to whether items such as these could be removed from the preliminary estimate.

Mr. Tingey noted that this number is an estimate and a placeholder in the budget, and they will have a more concrete estimate once the final design is completed.

Mr. Tingey reported that they anticipate a 4% increase with the UFA contract, which has been included in the budget.

The Bonneville Shoreline Trail will be included in the budget, and Mr. Tingey reported that they still have just under \$500,000 in funding from the original grant they received from the County.

It was clarified that a decision was still needed on whether the Council would agree to fund the off-leash dog park area. Mr. Tingey included the estimate in the base budget because they have a contractual obligation with the County to build a park in 2021. Recently, they held discussions with the County where they agreed that an off-leash area could be a component of the park, but they are still required to build the park.

Mr. Tingey next addressed additional funding considerations for which he needs direction from the Council for prioritization. These items do not have a revenue source and are not yet included in the budget. Some items include things that would impact the General Fund balance, so the question becomes how much of the fund balance they want to use this year.

Mr. Tingey identified the Danish Road capital improvements. They have identified three capital improvement options and have requested funding from the Wasatch Front Regional Council (“WFRC”) for multiple years. He reported that the challenge in this area lies in the low volume of traffic. It is eligible for the WFRC grants, but it has never scored well because it is not considered a regional road.

Council Member Bruce asked if whether there has been pushback from the homeowners regarding adding sidewalks along property lines. Mr. Tingey reported that some residents want to see sidewalks to make the area more walkable. Council Member Mikell recalled that one of the landowners in the area offered \$25,000 for sidewalks. She reported that she receives numerous complaints from constituents regarding the safety of their children in this area.

It was recommended that they investigate installing barrier walls and making certain streets one-way to see if the public would be receptive to this concept. This could include a dedicated bike lane and safe routes to schools. Council Member Bracken expressed the potential difficulties with creating one-way streets. Bengal Boulevard was offered as a potential site for the installation of a temporary barrier wall to allow for a walkway.

Mr. Tingey presented maps showing options for Danish Road. Option One would include sidewalks along designated portions along Danish Road. Another option would be a complete rebuild of the roadway, which would require property acquisition and widening.

Council Member Bruce asked if the City could be held liable for not providing sidewalks. It was noted that there are some requirements that the City must supply a safe walking route in certain locations. Council Member Bracken added that although sidewalks are in the right of way, maintenance and upkeep are part of the adjacent landowners’ property. He added that the City has installed sidewalks specifically to provide safe routes.

In response to an inquiry, Mr. Tingey confirmed that sidewalks will be part of the Transportation Master Plan. He noted that there are several areas in need of sidewalks, but cities are not required to provide all the funds at once to address these needs.

Mr. Tingey also presented various east side road issues as additional items to be considered for potential funding, particularly along Timberline, Quicksilver, Prospector, and multiple intersections east of Wasatch Boulevard. He reported that one property owner has spoken to him and Council Member Mikell on multiple occasions about the major dips on Timberline and Prospector. They estimated that improvements to the areas on Timberline, Quicksilver, and Prospector would cost \$84,000. They would have to direct the storm drain underneath these roads as part of those improvements. Mr. Tingey noted that these are not the only areas along the east side that need improvements. Before commenting on specific issues, it was suggested that they be provided with an entire list of potential road improvement projects to assist with prioritization.

Mr. Tingey presented the list of road projects for the Council. He stated that they received grant funds for the Highland Drive and Creek Road project and noted that this project would be more of a benefit to Sandy City than Cottonwood Heights. They would probably not want to move forward with this project and proposed exploring redirecting some of the grant funds to another project. The grant was in the amount of \$2.4 million, with a match of approximately \$150,000.

Mr. Shipp explained that the project at Creek Road and Highland Drive seeks to add double left lanes off Highland Drive onto Creek Road. He expressed his concerns with going forward with this project and noted that the traffic studies conducted by Sandy City show that there is no need for the proposed changes. Additionally, to complete the project, they would have to purchase property in Sandy City.

Other options to replace the project included Highland Drive and Bengal Boulevard, the 1700 East sidewalk, the Creek Road sidewalk, and the Bengal Boulevard walkway/bike path. Mr. Tingey noted that they have applied for the Highland/Bengal and Bengal Boulevard walkway projects. The Highland/Bengal project was awarded, but the funding will not be available until 2024 unless it is swapped with the Highland/Creek project. Mr. Tingey confirmed that they will investigate pursuing the Highland/Bengal project in place of the Highland/Creek project.

The next project presented to the Council was the 1700 East sidewalk project. There is limited sidewalk for children walking to school in this area. They have applied for a grant in the amount of \$258,000 and are awaiting a response.

Mr. Tingey next presented the Public Works Building Project, which is a \$5.5 million project that will need to be bonded. This project requires a revenue source of approximately \$350,000 per year. One of the biggest benefits of this project is having a better facility for Public Works staff. There was discussion on whether this project could be completed in phases, however, they would still need to identify a funding source. Mr. Tingey was asked to confirm whether State funding would be eligible for this project. Council Member Bracken commented that the Storm Water Fee could alleviate some General Fund pressure for this project. He agreed with Mr. Tingey regarding the need to move forward with the project.

Council Member Mikell expressed her concerns about the “want versus need” for a project that will cost \$5.5 million and echoed the potential for possibly phasing the project. She stated that a 4,000 square foot energy-efficient modular home could be purchased for \$500,000 and indicated that there could be other creative ways to address this. She expressed support for the idea but was concerned about the cost.

Mr. Tingey next presented a funding option related to installing trails under the power lines along Wasatch Boulevard. Murray City owns an easement through this area. They have not done any major research on this yet other than speaking with Murray City. There are several property owners along this easement with whom they would have to reach agreements. Mr. Tingey stated that they do not yet have an estimate for this and requested input from the Council on whether they would be interested in pursuing more information.

Council Member Mikell explained that typically power line easements are 50 feet wide, so if they could obtain 10 feet for a trail that could connect those neighborhoods to the trail, it would take people off the busy road. She added that it likely will not cost much to acquire the right to use a portion of the easement.

Mr. Tingey agreed that this project would take time and little money to construct whatever trail they envision along this area. Mayor Peterson suggested that the first step might be to gather more information from Murray City and determine a rough idea of the potential costs involved. Mr. Tingey confirmed that this is something the Council would like to pursue further.

Mr. Tingey presented the 7200 South Trail. It was noted that the project would be primed for grant money or other funding. This trail would connect from the Target parking lot to the neighborhood above. In response to questions by Council Member Petersen regarding the area to the south, Mr. Tingey indicated that due to the presence of church property, they would have to negotiate with the church to allow access through their property. Mr. Tingey reported that they have had preliminary discussions with the church.

Mr. Tingey presented information on Dover Hill Drive. He reported that a church owns property that they intend to surplus. Several residents have expressed interest in retaining the open space aspects of that property. One reason this is a critical area is that there is a trail on one side of Wasatch Boulevard and likely to be a crossing that could potentially be connected to this use. Mr. Tingey reported that the church is open to hearing a proposal from the City.

Mr. Tingey reported that the value of the land at issue is \$3 million. A portion encompasses the park and is valued at \$1.3 to \$1.5 million. At a minimum, they would want to see if there are opportunities for donations to the City to help with the purchase.

Council Member Petersen asked if there were any water rights that would come with the property. It was stated that would be something to explore. Mayor Peterson mentioned that when the City leased Mountview Park from the school district, legislation was passed that open space on school grounds had to first be offered to the municipality. The church property is similar because it is land that the community has used, and it would be sad to see it lost to development.

Mayor Peterson further noted that one of the agreements with the County in the development of Mill Hollow was that Mill Hollow Park be provided to the County for the trail that runs along Cottonwood Corporate. It was agreed that they should evaluate the options for this property. Council Member Bracken commented that access in and through that neighborhood is a challenge and should be evaluated as well. Council Member Petersen stated that this parcel could be considered proprietary to that neighborhood because of the access, but it presented an interesting possibility. He queried whether they could take the east section and how the remainder would be developed with access.

In response to an inquiry, Mr. Tingey stated that they have preliminarily looked at what type of development could be implemented on a portion of that church parcel. He also noted that any developer would have to go through a rezone, but the General Plan would potentially allow for more density in exchange for not developing a portion of the parcel. Mr. Tingey reported that the church is planning to go before their Board to get approval to surplus the property. The church had been receptive to the City's interest in the property.

Mr. Tingey next reported that he and Mayor Peterson met with a representative from an organization called Ensemble relating to an app that could be used by residents to provide input on City issues. The cost would be \$10,000 annually. Mr. Tingey stated his concern that this is not a scientific approach to obtaining feedback.

Mayor Peterson relayed that other cities are using this platform to obtain instant feedback on issues to get the pulse of the City on certain issues. He suggested that it might be worth a presentation to the Council. It was expressed that there could potentially be other platforms that are already in use by the City that could be used for the same purpose, so the real value of the app would need to be demonstrated. Mr. Tingey confirmed that the Council would be willing to hear a short presentation by Ensemble on this issue.

Mr. Tingey discussed the solar panels at City Hall and summarized recent meetings on this issue. The cost of the project would be in the range of \$266,000 to \$535,000, and the spectrum would be based on the electricity usage offset of between 51 to 64%. They verified that the return on investment of 4 to 10 years would be based on what the City would invest.

Council Member Bruce stated that they already made the commitment, so they should move forward with this project. In response to a question regarding the return on investment, Council Member Mikell stated that most companies look at a 4 to 7-year return on investment. They discussed that the lower the offset, the lower the cost, which would result in a shorter return on investment. Mr. Tingey explained that at the 51% offset, the City's investment would be \$266,000, and the return on investment would likely be in the 4 to 5-year range. Council Member Mikell stated that they would like the return on investment to assume that there is no increase or little increase in power prices over the years.

Mr. Tingey raised the issue of the City's commitment to House Bill No. 411 and how it could impact meeting their renewable energy goals in 2022.

He reported that the Daughters of the Utah Pioneers met with him and Mayor Peterson regarding the Forbush Cemetery that has approximately 140 old gravesites. They maintain the property and their costs are approximately \$4,500 per year, yet their fees only cover half of this amount. They have requested the City provide \$2,500 to assist them in maintaining the property.

Mayor Peterson added that they were asked to meet with the Historic Committee since these gravesites are historic and part of the heritage of the area. Mr. Tingey reported that the Historic Committee recommended that the Council assist in funding this request. Council Member Bruce indicated that they should do what is necessary to keep the area maintained. She suggested that it might be appropriate for some type of grant or Federal funding.

In response to an inquiry, Mayor Peterson explained that taxes are likely not being paid by the Daughters of Utah Pioneers because it is a non-profit. The \$4,500 is the cost of them hiring a service to maintain the land.

Council Member Peterson added that he saw a new headstone put in the cemetery just a few years ago. Mayor Peterson reported that they asked about new activity and were told that some of the gravesites are too deteriorated to identify and it was posited that maybe the new activity was the replacement of headstones. Mr. Tingey confirmed that they were told that some of the headstones have been refurbished.

Mr. Tingey returned to the issue of the Renewable Energy Act contribution and reported that they have \$33,000 to continue with the program, which needs to be funded. He noted that the program will help the City achieve its goals to have renewable energy for facilities in 2022. Mr. Tingey also raised the lane separation options discussed last year. They completed research on bike lanes along Bengal Boulevard and discussed the pricing of options. They would still have to investigate the impacts on snowplowing if these lanes were installed.

In response to an inquiry, Mr. Tingey stated that it is still to be determined what the credits from Rocky Mountain Power will cost to achieve the 100% renewable energy goal but added that the \$33,000 would go toward that cost.

Council Member Mikell reported that her involvement on panels in Salt Lake City and Park City would allow them to give citizens the opportunity to purchase credits. She stated that the investment could be advantageous for the City as well as for the citizens. Council Member Bracken asked about the best way to proceed given that they are looking to spend \$115,000 to \$250,000 to put solar panels on City Hall when the cost for the other program is much less. It was suggested that they look at installing half of the panels now to determine the return on investment and then discuss meeting the other 50% through this program.

Mr. Tingey requested direction on the funding options discussed.

Council Member Petersen commented that 1700 East should be a priority due to the number of apartment complexes and children walking along that roadway. He noted that preliminary work has already been done. Council Member Bracken stated that he would expect the additional

funding of Danish/East Side Road could be covered with the Storm Water Fee, so he was supportive of the 1700 East sidewalk project.

Mr. Tingey confirmed that the storm water project for raising manholes is part of the storm water projects.

Mayor Peterson expressed his thought that they should budget and finish the off-leash area as part of Ferguson Canyon. He also stated that they should fund the UFA three to four percent as well as the \$33,000 for the Renewable Energy Act. He expressed his support for \$2,500 for the Forbush Cemetery. He was also supportive of \$115,000 for the solar panels. He noted that they have talked for years about 1700 East, and he expressed support for that item. He was also supportive of looking for funding on Hillside Trail and open to discussing the Timberline issue.

Council Member Mikell commented that Timberline Road is coming up for an overlay and inquired whether that triggers the need to repair the drainage issues. Council Member Bracken recalled prior instances of overlay projects where they installed ADA ramps.

Council Member Bracken stated that they planned for the solar panels on City Hall and expressed that he would like to find a place for them in the budget. He noted that with the way they spent CARES Act funding, they have some one-time revenues that they could put toward one-time projects and the solar panels would fit into that, as would a Public Works facility. He acknowledged there might be a less expensive option for that facility, but it would be nice for Public Works to have something more functional. In response to an inquiry, Mr. Sturges noted that a bond for the Public Works project would be 20 years.

Council Member Bruce raised the issue of a Police Advisory Board and indicated that she would like to see the Board Members compensated so that they can attract true professionals. It was noted that currently, the only committee members who are compensated are on the Planning Commission. Mr. Tingey was asked to investigate whether neighboring communities are compensating committee members.

Mayor Peterson returned to the issue of the Public Works project and expressed his concern regarding the \$5.5 million cost. He would be open to discuss the phasing of that project. Council Member Bracken remarked that a generic building would likely not accommodate the necessary functions of a Public Works Building. Council Member Bruce requested a conversation in the future about what other areas are looking at in terms of having a division of the police force that includes mental health emergency responders.

Mr. Tingey summarized the funding priorities expressed by the Council as finishing the off-leash area, the UFA 3 to 4 percent, renewable energy, Forbush Cemetery, solar investment, 1700 East, investigating the power line trail as well as Dover Hill, the Timberline issue and potentially looking at that as part of the storm water improvements, and phasing the Public Works yard.

Mayor Peterson requested that Mr. Tingey provide an outline after today's meeting so that the Council can respond with input. Council Member Mikell added the issue of speed bumps and reported that the residents in her District are willing to pay for them if they do not hit the City

metric to fund them. It was suggested that Mr. Tingey markup the presentation document presented to the Council today as a summary of their discussions.

iii. Legislative Priorities.

Mr. Tingey presented a list of legislative items that he recommended the Council move forward on this year. They will continue to move forward with the Highway, Sidewalks, and Public Places Ordinance. They completed research on updating the Nuisance Ordinance and Business Licensing Ordinance. He reported that they are quite far along in updating the PDD Ordinance and Sensitive Lands. Mayor Peterson suggested setting a timeframe on these legislative matters. Council Member Bruce suggested adding legislation about a Social Services Division/Mental Health Team for the Police Department.

Council Member Mikell inquired about a review of the Ordinances regarding animal control. Mr. Tingey stated that it is not part of the Nuisance Ordinance but will be added to the list of issues to be researched.

iv. Initiatives/Research.

Mr. Tingey reported that they are moving forward with the Sustainability Master Plan and the Parks, Trails, and Open Space Master Plan through the General Plan process. They would also continue with the Community Reinvestment Areas. A question was raised as to how they ensure that the various plans are consistent. It was noted that these plans are part of the General Plan process. Mr. Tingey stated that the City is pursuing grant opportunities for the Fort Union Boulevard pedestrian and bike improvements, which are also being facilitated through private development. It was requested by Council Member Mikell to include this in the funding priorities to help the City move forward with becoming bicycle friendly. Council Member Bruce echoed this suggestion.

The discussion turned to issues of active transportation and agreement as to where the priorities start. Mr. Shipp added that there is a Bikes and Trails Master Plan that identifies facilities and the type of facilities to be included. He suggested starting with this Plan to determine priorities moving forward.

Mr. Tingey referenced the speed bumps raised earlier by Council Member Mikell and noted that it is a policy issue that needs to be discussed by the City Council.

He stated that last year they considered shared promotional events with the school district before the COVID-19 pandemic. He suggested they revisit that this year.

Mr. Tingey stated that three to four months ago, he sent a letter to the Council regarding recommendations regarding law enforcement matters that included looking into a Police Advisory Committee, looking at regular meetings with diversity organizations, increased diversity and de-escalation training, model modifications, and police overtime for snow-related traffic.

Mayor Peterson stated that he supports all these items and understood that the Legislature is going to be directing the Utah Department of Public Safety to participate in forming the Police Advisory Boards. It was noted that there is pending legislation specifically dealing with the increased diversity and de-escalation training.

Mr. Tingey next addressed UTOPIA and Google Fiber. He stated they could invite UTOPIA back before the Council to discuss fiber installation in the community. Their bonding would cost the City approximately \$105,000 to \$110,000, and as more customers come online, that obligation may go down over time. Google Fiber is looking at providing services to Cottonwood Heights and staff was looking at Google's method for laying the fiber, called micro trenching. City ordinances do not address this method, so they are working on getting the ordinances, fees, and bonding in place. This issue will be brought before the Council as they work through the details. Mr. Tingey stated that with either UTOPIA or Google, they would be laying fiber on every street.

It was noted that UTOPIA previously proposed a combination of aboveground and underground systems. Council Member Bracken expressed concern about the City being pushed around by Google and would want to ensure that if Google does come in, that their installation is acceptable and maintainable by the City. It was noted that Google already has a conditional use permit, but they still need to have a franchise agreement approved by the Council.

Mr. Tingey commented that they have been going back and forth with Google on the issue of the roads and expressed appreciation to Mr. Shipp for his efforts in ensuring that the City's interests are protected.

Mr. Tingey clarified that they are aware of Google's history with other communities and that history has driven some of their conversations with them regarding what ordinances they are considering. Inspections are a big component of the changes they would propose for the ordinance.

The differences between Google and UTOPIA were discussed. It was stated that Google's appeal is that they would pay to install the fiber system and provide the residents with the free service, whereas UTOPIA operates more like a utility where they own the equipment and let the public access it. Council Member Bracken stated that there is much more of a threshold for transparency and equity with UTOPIA model than there is with Google. It was noted that others have had bad experiences with UTOPIA. Mr. Tingey stated that UTOPIA will update their market analysis and then bond depending on the take rate. It was determined after discussion that the Council would be interested in having UTOPIA discuss their proposal.

Mr. Tingey continued with the issue of special event requests and stated that currently, the County approves special events. He added that special events must meet County health guidelines and address COVID-19 concerns. Mayor Peterson stated that he would not want to open increase Special Event Permits until the Health Department says it is safe to do so. Mr. Tingey clarified that that determination has been made, provided the event meets certain requirements. The City would have to enforce and ensure that the event was meeting the conditions of their permit.

The Council requested that the issue be brought back in two months. It was suggested that Mr. Tingey also look at what the Recreation Center is doing in this regard. Mr. Tingey next

addressed ranked-choice voting. He was asked to conduct research to determine if there are other counties or facilities that could help facilitate ranked-choice voting. He reported that there are some bills in the Legislature that may impact this. Council Member Bruce expressed the importance of this issue, stating that they passed it a long time ago and potential candidates in the City are counting on it being implemented. Council Member Mikell also voiced her support for further research.

Council Member Bracken commented that there are companies that provide equipment and people for this service and with three seats open in the upcoming election, it would be nice to implement it. Part of the cost in implementation would be education for the voter.

Mr. Tingey next reported that the Audit Committee is planning on adding one or two professionals from the private sector to be part of the Committee. It was added that the City's Auditor highly recommended the additions to the Committee.

Mr. Tingey next addressed in-person Council meetings. There are still concerns with in-person meetings, especially if there is an agenda item that may bring in many people for public comment. Council Member Mikell suggested allowing in-person for those who feel comfortable doing so and conduct meetings in a hybrid fashion.

It was agreed to keep conducting meetings via Zoom, with the idea of transitioning into hybrid meetings as soon as possible.

The next issue addressed was the Storm Water Fee Committee. Mr. Tingey reported that the Mayor is representing the Council on the Committee that is working with the consultant on the storm water fee.

Mr. Tingey asked the Council if they would like a future work session on the Equal Rights Act ("ERA") and/or rain barrels. Questions arose regarding the status of the ERA in the State Legislature. Mr. Tingey stated he would know more information regarding the status of the bill after meeting with the lobbyists.

The question was posed as to whether the Council wants its Lobbyists to push the City's support for the bill. Council Member Bracken preferred that the Lobbyists focus on other issues, but not oppose the ERA. It was suggested by Council Member Bruce to find out if the bill is still relevant, and if it is, then the Council can vote on a statement of support.

With respect to the issue of rain barrels, Mr. Tingey stated he could bring more information to Council for discussion. The idea of credits for residents who use rain barrels was discussed.

v. Other Discussion Items.

Council Member Bruce requested a future discussion on ways to make some of the regressive taxes more neutral or shift them to progressive taxes. She also mentioned the notion of a freeze on taxes for older, long-term residents. Mayor Peterson asked if the City could even act on such an issue.

There has been discussion in the Legislature regarding potential options for relief that would impose a lien on the house as opposed to a freeze.

Mr. Tingey raised the issue of increasing the property tax exemption amounts for those of certain ages.

The types of regressive taxes that Council Member Bruce would suggest being analyzed are energy taxes and taxes on electric bills. Instead of feeding those monies into the General Fund, they could potentially use the funds to facilitate investments back into the community.

In response to an inquiry, Mr. Tingey stated that the Community Development Block Grant funds collected by the County help those with disabilities install ramps or assist with other services. He also noted that there are several State programs that aid as well. Mayor Peterson described the funding and processes of the Community Development Block Grant funds through the County and suggested that the City investigate having someone on the Board so that there can be input into how that money is allocated and education on available services.

Mayor Peterson inquired about the Council's position regarding Council Member Mikell's suggestion that she switch budget committee assignments with Council Member Bruce. There was discussion regarding what transparency being sought with the budget process. Council Member Bruce stated that she was looking for departments that could potentially be outsourced. She wants to know what that cost would be if a department was fully eliminated from the city.

It was suggested that outsourcing could negatively impact morale. The budget process is geared toward knowing the costs of each activity or department for budgeting purposes, not outsourcing. It is just a level of transparency that Council Member Bruce would like to see in the budget. Interest was expressed in how they would address the COVID-19 reductions in spending and whether budget savings could be achieved post-COVID-19.

It was agreed that the Budget Committee assignments would remain, with a statement that the matters discussed would be available to all Council members.

It was clarified that outsourcing was not being recommended, nor was it a priority on any agenda item discussed today, rather, the discussion was more an issue of efficiency and transparency of the costs that are being expended. It was added that historically, the City has insourced activities.

Council Member Bruce additionally invited discussion regarding a policy regarding City employees endorsing or contributing funds to political candidates. Mr. Tingey reported that they already have a policy that a City employee can, in their individual capacity, support a candidate.

Mr. Tingey summarized the direction provided by the Council. With respect to research, they will proceed with the storm water packet that will summarize all the detail previously presented, as well as the budget information. He noted that the Budget Committee will evaluate how they are saving money and provide comparisons per department related to the budget. He would send the budget projection worksheet to the Council. Regarding the Public Works Building, additional research would be done on the resale value of equipment.

They will work to identify potential projects for CDRA funding and then move through the TEC process as soon as they can. They will also look at any General Fund dollars that have gone to projects within those areas.

Mr. Tingey also noted that donations of park benches, playground equipment, fences, and other amenities would be looked at as they go through the Ferguson Park process. They will also look at water rights on Dover Hill and have Ensemble present more detail to the Council. Mr. Tingey restated that the budget process will include the following funding priorities:

- The off-leash dog park;
- The UFA three to four percent;
- The \$33,000 renewable energy cost;
- Solar panels;
- The 1700 East sidewalk;
- Additional research on the power line trail;
- More information on Dover Hill;
- Further research on the Timberline issues and whether they could be part of a storm water project; and
- Obtain more information on the Public Works Building and potential phasing of the project.

On the Legislative options, they would add animal control, more information on law enforcement Mental Health Services bills, and additional training impacted by legislative process. He reported that they would bring UTOPIA back before the Council. The discussion of Special Event Permits would be put over for two months. Options regarding ranked-choice voting would be pursued. They will get more information on the ERA and the rain barrels and determine whether they want to bring them before the Council. They will also bring more information back to the Council on services available for the elderly or disabled.

Mayor Peterson confirmed that Mr. Tingey would prepare a written summary and provide it to the Council.

The schedule for the Budget Committee was presented to the Council and included in the Council communication.

Mayor Peterson concluded by stating that this meeting was a strategic planning process to provide direction to staff on where they should focus efforts, as well as feedback for staff on budget items.

Mayor Peterson asked for a review of the obligations in the budget for 6% savings for the Emergency Fund as well as PTO reserves. Council Member Bruce also requested a summary of overtime paid over the past couple of years. Mr. Jurgens noted that some overtime is paid to the City through grants.

Mr. Tingey noted that the City has a representative serving on the Community Development Board and suggested that she be invited to advise the Council on how the program is working.

The Council expressed appreciation to Mr. Tingey for his presentation.

6. Adjourn.

MOTION: Council Member Bracken moved to adjourn. The motion was seconded by Council Member Bruce. The motion passed with the unanimous consent of the Council.

The City Council Retreat adjourned at 5:00 p.m.

I hereby certify that the foregoing represents a true, accurate, and complete record of the Cottonwood Heights City Council Retreat held Wednesday, February 10, 2021.

Teri Forbes

Teri Forbes
T Forbes Group
Minutes Secretary

Minutes Approved: March 16, 2021