

CITY COUNCIL MEETING AND PUBLIC HEARING

Tuesday, June 19, 2012 7:00 p.m.

Community Recreation Center

Cedar Hills Community Recreation Center

10640 N Clubhouse Drive, Cedar Hills, Utah

Present: Stephanie Martinez, Mayor Pro Tempore, Presiding
Council Members: Scott Jackman, Gary Gygi, Jenney Rees, Trent Augustus
Rebecca Tehero, Finance Director
David Bunker, Acting City Manager
Benjamin Bailey, Fire Marshal

COUNCIL MEETING

1. This meeting of the City Council of the City of Cedar Hills, having been properly noticed, was called to order at 7:09 p.m. by Mayor Pro Tem Martinez.

Invocation given by C. Jackman

Pledge of Allegiance led by C. Rees

2. Public Comment (7:09 p.m.)

Ken Cromar: Mr. Cromar addressed truth versus propaganda. He felt that he was the victim of propaganda at the City Council meeting on May 15th where personal, disparaging attacks were made about him amounting to defamation. He also felt that those that spoke against him were given preferential treatment by the Mayor and the Council. He has since filed an affidavit at the Utah County Recorder's Office. He has also copyrighted his name, violation of which is a \$500,000 fine. He also said that the Records Hearing requires that the City turn over the documents he has requested.

Paul Sorensen: Mr. Sorenson stated that the May 1, 2012 City Council meeting started late because of a secret, unnoticed 15-minute meeting among members of the City Council. Utah State Code states that meetings need to take place openly. He demanded an accounting of said meeting, with the names of all those involved. This meeting will be added to the list of offenses given to the county attorney. Transfer statements of the water from the golf course have yet to be made. He asked that any fee increase for water or pressurized irrigation be delayed until such accounting and transfer is done.

Marissa Wright: Ms. Wright stated that she is a former City Council member. She has read through the budget. In 2010 the legal budget expenses were \$59,472.00. This year the legal budget expenses are \$115,000.00. Because she has recently served on the Council she is aware that the cause of this increase is because of the GRAMA requests, complaints taken to the county attorney and other legal maneuverings of Ken Cromar, Paul Sorenson, Jerry Dearing and others. She is frustrated and does not feel it is right. The city can do so much with \$45,000.00. She paid \$80.00 for a background check on Mr. Cromar to verify that he owes \$823,000.00 in federal and state back taxes. Not only

is he not paying his fair share but he is costing residents tens of thousands of dollars. She stated that she is happy with the current direction of the City Council.

CONSENT AGENDA

3. Minutes from the April 3, 2012, City Council Meeting and Public Hearings; May 1, 2012 City Council Meeting and Public Hearings; May 8, 2012 Special City Council Meeting; May 15, 2012 Town Hall Meeting and City Council Meeting; June 5, 2012 City Council Meeting and Public Hearing (7:24 p.m.)

C. Gygi stated that he thinks it would be best to wait on the May 15, 2012 meeting until receiving legal advice from the city's counsel.

MOTION: C. Rees—To approve the minutes from the minutes from the April 3, 2012, City Council Meeting and Public Hearings; May 1, 2012 City Council Meeting and Public Hearings; May 8, 2012 Special City Council Meeting. Seconded by C. Jackman

Yes	-	C. Augustus	
		C. Gygi	
		C. Jackman	
		C. Martinez	
		C. Rees	Motion passes.

CITY REPORTS

4. City Manager (7:27 p.m.)
No report.

5. Mayor and Council (7:27 p.m.)
C. Augustus: Has been working with the City Manager and staff on finishing the basement of the Community Recreation Center.
C. Gygi: North Point Solid Waste met and looked at options regarding a contract with Allied Waste. Utah Valley Dispatch is looking for a new location.
C. Rees: Reported that she is putting together an email contest that will be announced in the July newsletter. She is also meeting with C. Martinez about putting together vision and goals for the City.
C. Martinez: Thanked staff for work on the Family Festival. Youth City Council has met, and there will be a few new members.

SCHEDULED ITEMS AND PUBLIC HEARINGS

6. Review/Action on Acceptance of Agreed-Upon Engagement Report (7:30 p.m.)

Rebecca Tehero stated that the City hired Squire & Company to do a forensic audit.

Squire & Company representatives reported that they performed procedures to verify and look into the use of Mayor Richardson's credit card. There were two transactions, both under \$32.00, which matched the receipts that were submitted to the City. Everything matched the City's policies. They also verify and tested the City's accounts and transfers.

There was one PTIF transfer which was intended for the Cottonwood Well account that did not end up in the correct account. But the correct controls were in place, because the mistake was found and corrected. Squire & Company also looked at 450 transactions for procurements to ensure that all the proper procedures were followed including supporting documentation, and looked at the check copies for appropriate number of signatures. There were two checks that had only one signature, both for rather small amounts. One check disbursement did not have a purchase order, which is part of the City's policy. There was a potential conflict of interest, in which this situation has since been resolved and procedures put in place to prevent such conflicts of interest in the future. Squire & Company looked at the financing for the Community Recreation Center and found that the accounting was done correctly and is compliant with proper accounting procedures, with all amounts and transfers matching. Squire & Company commended the City for its controls.

MOTION: C. Jackman—To accept the agreed upon procedures engagement report.

Seconded by C. Augustus.

Yes	-	C. Augustus	
		C. Gygi	
		C. Jackman	
		C. Martinez	
		C. Rees	Motion passes.

7. Public Hearing on a Resolution Adopting the Fiscal Year 2012 Budget Amendments (July 1, 2011 to June 30, 2012) (7:50 p.m.)

No comments.

8. Review/Action on a Resolution Adopting the Fiscal Year 2012 Budget Amendments (July 1, 2011 to June 30, 2012) (7:50 p.m.)

Rebecca Tehero stated that there are five amendments to the current FY 2012 Budget. The first amendment is a transfer from the general fund to the capital project fund to avoid the maximum allowed by state law. The second is to fund the forensic audit which has already been performed. The third amendment is a contract for building plan check and inspections. The fourth amendment is for the separation agreements that occurred in May. The fifth is to make improvements to the Public Works building for office space.

MOTION: C. Jackman—That we adopt Resolution Number 6-19-2012A, a resolution adopting amendments to the 2012 Fiscal Year Budget for the City of Cedar Hills, Utah.

Seconded by C. Gygi. Vote taken by roll call.

Yes	-	C. Augustus	
		C. Gygi	
		C. Jackman	
		C. Martinez	
		C. Rees	Motion passes.

9. Review/Action on a Resolution Adding, Amending, or Deleting Certain Fees to the Official Fees, Bonds, and Fines Schedule of the City of Cedar Hills (7:55 p.m.)

Rebecca Tehero stated that this is to adopt the recommendation of the utility rate study that was presented in a recent meeting, which will represent about a 4% average increase on the typical utility bill.

David Bunker explained that there are homes that have laterals running to them, but have not yet hooked up. Previous Manila Water Company rates were low because they were subsidized. He reported that for those residents, there will be a large jump in utility rates.

C. Jackman stated that he would like a letter sent to residents that were on Manila Water explaining that the rates are higher because Manila Water rates were artificially low. One of the public comments described a transfer of water that is worth understanding, but does not necessitate a delay.

C. Martinez stated that the recommendations need to be communicated to residents.

MOTION: C. Augustus—To adopt Resolution 6-19-2012B, a Resolution Adding, Amending, or Deleting Certain Fees to the Official Fees, Bonds, and Fines Schedule of the City of Cedar Hills. Seconded by C. Jackman. Vote taken by roll call.

Yes	-	C. Augustus	
		C. Gygi	
		C. Jackman	
		C. Martinez	
		C. Rees	Motion passes.

10. Review/Action on Resolution Certifying the Calculated 2012-2013 Real and Personal Property Tax Levy (8:03 p.m.)

Rebecca Tehero stated that the certified tax rate is determined to maintain the property tax revenue. She recommended adopting the County Certified Tax Rate of .003983.

C. Jackman stated that normally he supports keeping the tax rate the same, which means that the money collected will fluctuate with valuation. However, legal expenses have gone up. He does not want to cut services to pay for those legal fees. He is in favor of accepting the county tax rate. If legal fees are less than budgeted, the money can go toward services, and the City can go back to the old rate. He worries that the legal fees will continue to grow.

C. Rees stated that there are reasons to believe that legal fees will only rise. There were several areas of the budget that had to be cut to accommodate the increased legal fees.

C. Augustus stated that the City doesn't know what the legal fees will be. The City has to set aside the money for those fees. The City may want to inform residents of why certain areas of the budget were cut and why the City could not maintain a lower tax rate.

C. Martinez stated that the City is very conservative. When public comments from residents warn of continued legal battles, the City needs to be prepared and budget accordingly. The \$115,000.00 that is spent on legal fees could go so far in the City.

MOTION: C. Rees—To adopt Resolution 6-19-2012C, a resolution setting the total property tax levy assessed upon real and personal property for general governmental purposes for the 2012-2013 tax year for the City of Cedar Hills, Utah, to be the County Auditor Certified Tax Rate of .003983. Seconded by C. Jackman. Vote taken by roll call.

Yes - C. Augustus
C. Gygi
C. Jackman
C. Martinez
C. Rees Motion passes.

11. Review/Action on a Resolution Adopting the Fiscal Year 2013 Budget (July 1, 2012 to June 30, 2013) (8:13 p.m.)

Rebecca Tehero stated that the Council has reviewed the budget for several months. The recent changes involved increasing legal fees by \$40,000.00. To pay for that the Decisions Survey was cut, saving \$10,000.00, and the Family Festival was reduced by \$10,000.00, there were also cuts to contract labor, park maintenance and utility maintenance. There was a \$75,000.00 transfer from the CARE tax fund to pay for the recreation equipment in the basement of the Community Recreation Center. This budget is based on the certified tax rate.

C. Jackman thanked staff for the countless hours that go into the preparation of the budget.

C. Martinez commented that Rebecca Tehero knows the budget inside and out, and she can clearly explain every aspect of it, which makes it so much easier for the Council.

MOTION: C. Gygi—To adopt Resolution 6-19-2012D, a resolution the 2012-2013 Fiscal Year Budget for the City of Cedar Hills, Utah. Seconded by C. Augustus. Vote taken by roll call.

Yes - C. Augustus
C. Gygi
C. Jackman
C. Martinez
C. Rees Motion passes.

12. Review/Action on a Resolution Regulating Open Fires and Fireworks (8:18 p.m.)

David Bunker stated that the original proposal was to restrict all aerial fireworks and open fires east of Canyon Road. Fire Chief Freeman recommended adopting the Lone Peak Public Safety District (LPPSD) standards which is to restrict all fireworks and open fires.

C. Gygi stated that Alpine City adopted the LPPSD standard, which is to restrict all fireworks.

C. Jackman pointed out that while a timeframe is given for fireworks, it probably doesn't apply to open fires. He would like to hear from Chief Freeman before adopting anything.

Fire Marshal Ben Bailey stated that Alpine City is very concerned about fireworks. They wanted to restrict all fireworks because this summer is extremely dry. The LPPSD proposal is to ban all fireworks east of Canyon Road. He would also recommend restricting open fire pits for the whole summer.

C. Gygi asked if there was some flexibility with fire pits.

C. Martinez suggested looking at the map and restricting fireworks in areas that are surrounded by native vegetation.

MOTION: C. Jackman—To adopt Resolution 6-19-2012E, a resolution supporting the Lone Peak Public Safety District policy regarding the restriction of aerial fireworks and open fires and change to regarding the restriction of all fireworks east of Canyon Road.
Seconded by C. Martinez. Vote taken by roll call.

Yes	-	C. Augustus	
		C. Gygi	
		C. Jackman	
		C. Martinez	
		C. Rees	Motion passes.

EXECUTIVE SESSION

- 13. Motion to go into Executive Session, Pursuant to Utah State Code 52-4-204 and 52-4-205
- 14. Motion to Adjourn Executive Session and Reconvene City Council Meeting
No Executive Session.

ADJOURNMENT

- 15. Adjourn

This meeting was adjourned at 8: 35 p.m. on a motion by C. Jackman, seconded by C. Gygi, and unanimously approved.

Colleen A. Mulvey, CMC
City Recorder

Approved by Council:
September 18, 2012