

CITY COUNCIL WORK SESSION
Tuesday, June 16, 2020 6:00 p.m.
Community Recreation Center
10640 N Clubhouse Drive, Cedar Hills, Utah

Present: Jenney Rees, Mayor, Presiding
Councilmembers: Ben Ellsworth, Mike Geddes, Brian Miller
Absent/ Excused: Denise Andersen, Kelly Smith
Chandler Goodwin, City Manager
Greg Gordon, Recreation Director
Charl Louw, Finance Director
Jeff Maag, Public Works Director
Craig Hall, City Attorney
Colleen Mulvey, City Recorder
Others: Lt. Josh Christensen

This work session of the City Council of the City of Cedar Hills, having been properly noticed, was called to order at 6:08 p.m. by Mayor Rees.

1. Lease Agreement for the Grill Space at the Community Recreation Center

Mr. Goodwin explained for this agreement they were looking at a monthly fee of \$550 from April-October and \$100 from November to March, and they were looking at a percentage of sales from catering events. Some of the provisions in the agreement had language that needed to be removed and they were primarily looking for this space to serve a purpose for golfers. They wanted to add language to allow for the grill to stay open even if golf was shut down, so they had flexibility with their hours. He briefly discussed the language on property taxes.

Craig Hall stated that the County may charge a use tax on the kitchen so there might be a small part for property tax. Mr. Goodwin asked if they had been charged that before to which Mr. Hall replied that it was a possibility. Charl Louw stated that if it were called a concessionaire, they could usually avoid it; it all depended on the language used. Mr. Hall commented that he should look at other City's similar agreements.

C. Miller asked if there had been discussion about advertising in the City. Mr. Goodwin replied that he thought that that would be expected, and staff would actively work with them to get signage up and promote it as much as they could.

2. Resolution Adopting a Flood Damage Prevention Plan

Mr. Goodwin stated that he and Mr. Hall had been on the phone with a FEMA representative and the State Flood Plain Coordinator because they had concerns with the 18-page code that had been proposed, much of the code did not apply to Cedar Hills. One of the issues was that it said a resident could not buy flood insurance if the City did not adopt the NFIP code; however, a resident could get flood insurance from the private market.

Mr. Goodwin stated he looked online and NFIP would be the cheapest option in high risk areas at around \$672. Flood insurance from the private market with low risk policies would be cheaper because the City would be required to adopt the strictest code if they decided to adopt this. He brought up the question of the mudslide in 2005 and if those homes would have been covered by this. He said he thought the biggest drawback if the City did not adopt NFIP was that

the State of Utah would not allow them to apply for hazard mitigation projects. He said the City was in a low-moderate risk area and it did offer building and contents insurance. There were no annual requirements, no minimum requirement for training but they would have to designate someone on staff as the flood plain manager, and there was no cost to the community to join. He thought the problem was they would be adopting 18 pages of code with extensive definitions and terms that could have ramifications in other areas. If they adopted the code, they wouldn't be able to change it in any way.

Mayor Rees stated that they had never had a resident ask about the FEMA flood insurance and that they did not have any hazard mitigation projects planned. She did not see any benefit to moving forward with this.

3. Resolution Authorizing Receipt and Expenditure of the CARES Act Funding Grant

Mr. Goodwin stated this was an agreement with the County on how to spend the money from the CARES Act. He said the County had received \$111 million from the Federal government. The County had met with mayors and they had agreed to take \$20 million and apply it to recovery in the area and then split the remaining funds according to population. Cedar Hills received \$719,000 that they could spend to offset COVID related expenses. He said there had been some language that the city attorneys in Utah County would like to see cleaned up. The biggest concern was if they spent the money improperly, they would be on the hook to pay it back. Another concern was if the City entered contracts that went past the November 1 deadline, that that would be not only considered an encumbrance but also an expense. Mayor Rees stated that she was sitting on the committee that would be deciding what to do with the \$20 million set aside from the \$111 million the County had received.

4. FY 2021 Budget

Charl Louw stated they had been fortunate in these difficult times not raising taxes, keeping fees low, and retaining staff. He gave a brief update on the property tax rate. He said everyone's rates had gone down but the values of their houses had gone up. C. Geddes asked for clarification on how that worked. There was discussion on the certified tax rate and how it worked. Mayor Rees asked if it was reassessed based on the last year and asked for further clarification. There was discussion on how it was reassessed.

Mr. Louw stated there had been enough purchases via the internet that instead of being down it would be flat and the gas tax for April would be down 35%. He said they would be slower with revenues from events and passports. C. Geddes asked if they were doing passports to which Ms. Mulvey replied yes, but by appointment only.

Mayor Rees commended Mr. Louw and Mr. Goodwin for keeping the budget so conservative. Mr. Goodwin stated when he and Mr. Louw had discussed some of the numbers they had decided to wait until July to get more data. Mr. Goodwin stated that he was personally concerned with the amount of new COVID cases in Utah and was worried there may be new restrictions rather than loosening of restrictions. He hoped this would be considered on an area basis and not on the State as a whole. Mayor Rees commented that even though some places had loosened, there were some industries that people were not comfortable with. Even if they went to green-risk there would still be some areas that would take a dip because people just were not comfortable with them yet.

Mr. Louw said things were trending in the right direction and they were not sure if it was because of the federal stimulus or unemployment. He said that Utah was performing better than the other states and although they had lost 121,000 jobs, they were still doing better than the other states.

Mr. Louw stated that Waste Management had raised its fees by 3.2%. He said the first recycling can would be a little bit more than the second garbage can because the cost for recycling was just to Waste Management. He commented that sewer was still more than garbage and recycling.

Mr. Louw added that since employees were not getting raises, they had tried to think of a way to make benefits more flexible for them. For eligible employees they will move \$85 a month from their Health Savings Account to their wages and if they wanted to move it back to their HSA account, they could but this gave them the flexibility to decide.

Mayor Rees requested that the credit card processing fee be discussed. Mr. Goodwin stated that at the time, for building permits, they required a check to be brought in for building permit fees. They wanted to open up the option to credit card transactions, but the City had to pay credit card companies for transactions. They would start accepting credit card payments, but they would add a 3% surcharge for transactions over \$300, excluding utility payments. C. Geddes commented that that was pretty standard and that some cities took up to \$3,000 with no charge.

Mr. Louw spoke about the capital projects fund and said he had not recently heard about if the chamber of commerce would donate yet and they still had their park tax and the unrestricted fund balance. Mayor Rees asked if there was only one pavilion open in Harvey Park for rental at that time, to which Mr. Louw replied that there were two. One was available for rent anytime and the one near the splash pad was available after 5:00 pm.

Mr. Louw explained they had park and building renewal line items. When Bayhill Park was put in, there had been native landscaping that was implemented. There were some issues like vandalism and the dirt that had been brought in was contaminated so the landscape did not turn out the way it was supposed to. However, they were trying to get this corrected.

Mayor Rees commented she had received nothing but positive feedback about Harvey Park, and she thanked Mr. Louw for all the work he had put into it. She said it was busy every day and night.

This meeting was adjourned at 6:49 p.m. on a motion by C. Ellsworth, seconded by C. Geddes, and unanimously approved.

Approved by Council:
July 21, 2020

/s/ Colleen A. Mulvey, MMC
City Recorder