

CITY COUNCIL WORK SESSION
Tuesday, October 5, 2021 – 6:00 p.m.
Community Recreation Center
10640 North Clubhouse Drive, Cedar Hills, Utah

Present: Mayor Denise Andersen, Presiding
Council Member Laura Ellison
Council Member Ben Ellsworth
Council Member Mike Geddes
Council Member Brian Miller
Council Member Kelly Smith

Staff: Chandler Goodwin, City Manager
Jeff Maag, Building Official
Charl Louw, Finance Director
Kevin Anderson, Public Works Director
Craig Hall, City Attorney
Colleen Mulvey, City Recorder

Others: Lieutenant Josh Christensen

The work session of the City Council of the City of Cedar Hills, having been properly noticed, was called to order at 6:02 p.m. by Mayor Andersen.

- **Noticed Agenda Items for the Regular City Council Meeting**

Cedar Hills General Plan Update

City Manager, Chandler Goodwin, led a discussion on the Cedar Hills General Plan. He explained that by law the City is required to have a General Plan which includes Transportation, Moderate-Income Housing, and Land Use elements. The City is required to submit a new Moderate-Income Housing Element every year. It was in the process of being prepared and was expected to be submitted to the State within the next few months.

Mr. Goodwin reported that the Transportation Element was not expected to change significantly in the coming years. The current Land Use Element was adopted in the late 1990s. Some of the projections were accurate while others were not. Mr. Goodwin suggested that notice be given of the City's intent to amend the General Plan and specifically the Land Use Element. A draft was prepared which focused on redevelopment in the City and current land uses. When the original General Plan was drafted, it focused on large lots and open space in the community. That has happened in some areas and not others. He suggested the Council revisit the current land uses and determine the vision for the City over the next five to 20 years. The Planning Commission will review the draft and make recommendations for the City Council to consider before adopting the New General Plan.

At the recent Utah League of Cities and Towns (“ULCT”) Conference there was discussion of the incorporation of water conservation methods into land use planning. Mr. Goodwin suggested that also be a focal point of any discussion. One of the items to be discussed tonight involved a secondary water metering system.

Mayor Andersen asked if American Rescue Plan Act (“ARPA”) funds will be utilized. Mr. Goodwin responded they would not and clarified that ARPA money is specifically for culinary water. Finance Director, Charl Louw, offered a correction and clarified that ARPA funds can be used but a well would cost far more than what the City will receive. They could, however, receive funding from another source such as the State. Director Louw stated that someone on the Water Board indicated that they will be offering \$50 million. Although that seems like a substantial amount, \$1 billion was requested. He reported that a 75% match will be offered. Director Louw stated that loans are offered at 1% interest. He suggested the match be used over the Water Smart grant, which is 50%. Staff intends to apply on behalf of the City but there is no guarantee that it will be awarded.

Mr. Goodwin reported that tonight they will be allocating \$175,000 for the contract to implement the necessary hardware and software. It includes 155 meters but the cost is not for the meters themselves. The City needs to come up with a tiered rate structure that educates the public on usage. It was noted this is the direction many cities are going. Mr. Goodwin clarified the intent is not to use ARPA money for the bid being voted on tonight.

With respect to the General Plan, Mr. Goodwin stated it is important to focus on water conservation. Non-functional turf will allow for alternate landscaping methods. The City’s ordinances should also be adjusted so that park strips can be something other than grass. At the next meeting, the Council was asked to consider taking action.

Fiber Committee Report

Mr. Goodwin reported that in April 2021 the City issued a Request for Proposals (“RFP”) to construct fiber to the home/premise network within the City. The intent was to allow for various types of proposals and the desire was to frame the RFP process to allow all proposals. Five responses were received, one of which was disqualified for not being submitted by the deadline. The City Council appointed a Fiber Committee who met to evaluate proposals and identify priorities. The committee focused on the UTOPIA and Strata models.

Financing methods, various construction methods, and utility versus subscription models were considered. Mr. Goodwin explained that long-term they want to discuss operations and maintenance. The Passive Optical Network (“PON”) system was described as the STRATA model with customers sharing a line. As a result, a heavy user can take away from another’s ability to use the internet.

The Active Ethernet option provides a dedicated line for each user and is the UTOPIA model. When most cities deploy fiber in their communities, they are deploying PON because it is less expensive to install. Active Ethernet was thought to be of higher quality. With regard to the Utility Subscription Model, Mr. Goodwin explained that it will have an impact on the financing. Every

resident will be connected, which lowers the monthly cost per household. The subscription model requires a certain percentage of residents to participate. STRATA is willing to consider both the subscription and utility models. UTOPIA is also willing to consider both but historically has only done subscription. To pay off the debt service on the bond, they usually require 35 to 40 percent of the take rate in the community. The cost is covered by the City and divided among the users. The UTOPIA model is similar to a short-term loan which requires General Fund monies to make up the shortfall.

Construction methods were discussed. The staff proposal was to include micro trenching, which involves a cut in the asphalt. The other method is the use of public utility easements and is associated with the UTOPIA model. It is slower than micro-trenching and slightly more expensive. In the end, it was believed to be superior because it does not damage roads.

Financing methods were addressed. Mr. Goodwin stated that in either case, the City is ultimately responsible for making the bond payment. The difference is the financial benefit. If the City owns the network, any financial gain from a high take rate remains with the City. UTOPIA has been in existence for 16 to 18 years and during that time, the network cabinets that house the equipment have been replaced three times in some cases. With the STRATA model, the City sets aside money for each customer for network operations and hopes to have enough to pay for issues. With the Fiber network, there is no financial benefit due to the size of the City. With the UTOPIA model, the debt financing is delayed. For the first two years there are no principal payments. During that time, the City keeps the funding it receives in reserves so that the bond can be paid in full by Year 2 without using General Fund monies. By Year 4, the City will be above the take rate, with funds in excess of the bond that goes to UTOPIA.

- **Legislative Report from Senator Mike Kennedy**

Mayor Andersen welcomed Senator Kennedy who updated the Council on what is taking place in the State. Senator Kennedy reported that he represents about 100,000 people. The Council Members were provided with his cell number and invited to call or text him with any concerns or issues. He encouraged them to be part of his information base. Senator Kennedy felt strongly that government should serve the people. He intended to keep the State out of the City's business. If there is a need for State involvement, it should be a collaborative effort. He hoped to be a partner with the City. Senator Kennedy reported that he is deeply involved in making sure that Utah County is protected and was seeking concrete proposals, input, and collaboration from the Council. As a physician, he is deeply invested in healthcare and monies that are coming to the State with regard to substance abuse. The \$3.5 trillion infrastructure proposal was of concern to him. He wanted to see the funds put to the best possible use by improving infrastructure.

Council Member Geddes asked Senator Kennedy his thoughts on a gondola up American Fork Canyon. Senator Kennedy stated that he had worked with former Mayor Gygi on that effort. He considered it a great opportunity to enjoy the fall colors. He acknowledged that traffic in the Alpine Loop can be crowded and dangerous and recognized the need to reduce traffic and potential dangers. He was not set on gondolas and did not support trains or buses in the area. Council Member Geddes stated that action needs to be taken to address crowding and he did not feel that widening the road will solve the problem. To him, a gondola seemed to be the least intrusive

option. Senator Kennedy liked the idea of a gondola and thought it would be a good way to preserve the area and transport large numbers of people. Alternative modes of transportation such as e-bikes were also discussed.

Council Member Miller described difficulty in obtaining funding for the Division of Services for People with Disabilities (“DSPD”). Senator Kennedy stated that one of his top priorities is to get funding and decrease the number of people on the DSPD list. He stressed the importance of providing support to children with autism. Council Member Ellsworth commented that support for families with autistic children is extremely valuable.

Senator Kennedy referenced the State Developmental Center and stated that the property is very valuable. He explained there is an opportunity to leverage the property and put it into the Developmental Center Fund, which can be allocated to individuals. He has been working to ensure that the money is protected and used to address the needs of those with autism. His vision was for these individuals to remain with their families and in the community rather than warehoused in institutions.

Council Member Ellsworth reported that he also has a teenage son with autism. He is lucky to have private insurance and resources to help. He considered additional support to be invaluable and was confident that the funding will help others. Senator Kennedy commented on the concept of mandates for insurance to cover autism services. He did not support mandates on businesses, however.

City Attorney, Craig Hall, reported that he serves on the Utah Youth Parole Authority, and during the last Legislative Session the Legislature extended the authority of Juvenile Justice Services (“JJS”) to young people in the program to age 25. Currently, there is no program for that age group. He asked Senator Kennedy to speak with others within JJS about their vision for the future because staff is frustrated. Mr. Hall stated that they have an obligation but there are no meaningful programs in place. To date, there has been no discussion in this regard but he would like to look into it further and continue the conversation.

Mayor Andersen reported that she attended the recent ULCT conference and was concerned that the City does not provide high-density, low-income housing while the State has been pressuring cities to provide it. She stated that the City is nearly built out but they are being asked to provide affordable housing. She asked if there is a way to exempt cities from this requirement. Senator Kennedy shared her concern and asked that City representatives make senators aware of the concerns before laws are passed.

ADJOURNMENT

MOTION: Council Member Ellsworth moved to adjourn. Council Member Smith seconded the motion. The motion passed with the unanimous consent of the Commission.

This meeting adjourned at 6:53 p.m.

Approved by Council:
November 16, 2021

/s/ Colleen A. Mulvey, MMC
City Recorder