

Mayor
Kenneth Romney

WEST BOUNTIFUL CITY

City Administrator
Duane Huffman

City Council
James Ahlstrom
James Bruhn
Kelly Enquist
Mark Preece
Andrew Williams

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City Recorder
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City Engineer
Ben White

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CITY COUNCIL MEETING

**THE WEST BOUNTIFUL CITY COUNCIL WILL HOLD A
REGULAR MEETING AT 7:30 PM, ON
TUESDAY, AUGUST 15, 2017, AT CITY HALL, 550 N 800 WEST**

Invocation/Thought – James Bruhn; Pledge of Allegiance – Andy Williams

1. Accept Agenda.
2. Public Comment (two minutes per person, or five minutes if speaking on behalf of a group).
3. Consider Purchase Approval of a 2017 Caterpillar Backhoe for \$96,000, and a new Caterpillar Wheel Loader for \$155,649.
4. Public Hearing at 8:00 pm Regarding Notice of Proposed Tax Increase.
5. Consider Resolution 417-17, A Resolution Adopting the West Bountiful City Budget and Certified Tax Rate for the Fiscal Year 2017-2018 Budget.
6. Police Report.
7. Public Works / Engineering Report.
8. Administrative Report.
9. Mayor/Council Reports.
10. Approve Minutes from the August 1, 2017 City Council Meeting.
11. Executive Session for the Purpose of Discussing Items Allowed Pursuant to Utah Code Annotated 52-4-205.
12. Adjourn.

Individuals needing special accommodations during the meeting should contact Cathy Brightwell at (801)292-4486 twenty-four hours prior to the meeting.

This agenda was posted on the State Public Notice website, the City website, emailed to the Mayor and City Council, and sent to the Clipper Publishing Company on August 10, 2017.

Minutes of the West Bountiful City Council meeting held on Wednesday, August 15, 2017 at West Bountiful City Hall, 550 N 800 West, Davis County, Utah.

Those in attendance:

MEMBERS: Mayor Romney, Council members James Ahlstrom, James Bruhn, Kelly Enquist, Mark Preece, and Andy Williams

STAFF: Duane Huffman (City Administrator), Steve Doxey (City Attorney), Police Chief Todd Hixson, Cathy Brightwell (City Recorder), Ben White (City Engineer), Steve Maughan (Public Works Director), Paul Holden (Director of Golf)

GUESTS: Alan Malan, Brady Tracy, Diana Tracy, Enoch Huffman, Jonathan Scott, Gary Jacketta, Dwayne Hughes, Brenda Ralls, Mark Page, Becky Ginos

Mayor Romney called the meeting to order at 7:30 pm.

James Bruhn offered a prayer; Andy Williams led the Pledge of Allegiance.

1. Accept Agenda.

MOTION: *James Ahlstrom Moved to Accept the Agenda as discussed; James Bruhn Seconded the Motion which PASSED by Unanimous Vote of all Members Present.*

2. Public Comment (two minutes per person, or five minutes if speaking on behalf of a group).

Diana Tracy, a long time West Bountiful resident, said she heard that the log cabin at City Park is in need of repairs and the city doesn't know what to do with it. She has talked with many people who all want it to stay. She researched the cabin and presented a short history of it. Mrs. Tracy concluded by saying she hopes everyone understands the importance of having the cabin and asked that some of the Historical Commission's budget be used to take care of it, as had been promised.

3. Consider Purchase Approval of a 2017 Caterpillar Backhoe for \$96,000, and a new Caterpillar Wheel Loader for \$155,649.

Duane Huffman stated that during the development of the FY2017/2018 budget, staff explained the need for a new backhoe and the advantageous loader purchase option. The City has

two old backhoes (2004 & 2005) that are unreliable and costly to maintain. In FY2017, the city was able to lease a new backhoe for \$1,000 per year, but that program ended.

Staff proposes purchasing a 2017 Caterpillar 420F2 E CF Backhoe for \$96,000 under the state-contracted price with the cost split between the General Fund and the Water Fund. If approved, one of the older backhoes will be sold at auction this September.

Last year the city purchased a loader for \$127k and sold it back after 12 months for \$149k. That program expired but Wheeler CAT offers a program now where the city can purchase a new loader for \$155,649 with a guaranteed buy-back of \$171k which will net the city \$15k and provide the use of the equipment over the course of the year. The cost for the loader will also be split between the General Fund and the Water Fund.

City policy requires approval for all purchases over \$10,000.

MOTION: *James Ahlstrom Moved to Approve the Purchase of a 2017 Caterpillar Backhoe for \$96,000, and a new Caterpillar Wheel Loader for \$155,649. Andy Williams Seconded the Motion Which PASSED by Unanimous Vote of all Members Present.*

4. Public Hearing at 8:00 pm Regarding Notice of Proposed Tax Increase.

Prior to opening the public hearing, Duane Huffman provided a short presentation on the background of the potential increase in the tax rate. He explained that a 2016 legislative change removed personal property from the definition of new growth which prevents the city from collecting new property tax revenue from the recent significant addition of personal property. Because property taxes are intended to stay flat, the certified tax rate (“CTR”) decreases when values increase to keep the amount paid by the taxpayer flat. With the new law, the only way the city can capture new growth in personal property is by adjusting the rate.

Last year West Bountiful received \$174M in new personal property growth and \$5M in new real property growth. As a result, the CTR fell 20% so the tax on an average \$284,000 residence in 2016 was \$263. Because of this year’s growth in personal property that is no longer considered “new growth” the certified tax rate would lead an average home to be taxed \$222. Under the proposed rate increase, that same homeowner would pay \$256 in 2017 which is less than they paid last year but more than they would pay without the change.

Mr. Huffman added that staff’s basic analysis of the city’s capital needs shows a shortfall of at least \$2-\$3M in storm water and streets over the next 15-20 years. This tax revenue could cover that gap - \$1.9M over 10 years and \$2.9 over 15 years.

There was discussion about current resources and how the tax revenue would be used to cover capital needs. If the tax is not approved, the city would need to consider implementing new fees to cover storm water and streets. Finally, the change in the tax law will also impact the city’s ability to offset the higher rates it pays to the fire district based on assessed value of property.

MOTION: *James Bruhn Moved to Open the Public Hearing; James Ahlstrom Seconded the Motion which PASSED by Unanimous Vote of all Members Present.*

Gary Jacketta asked about the financial status of the golf course. If it is not making money why do we keep it? He suggested it be sold and then we could collect property taxes on the land.

Mr. Huffman responded that the golf course is doing better than it has in the past; the current year is budgeted to have \$30k transferred from the General Fund.

Mark Page asked about details of the budget and what the city does to control and reduce expenses. Mr. Huffman displayed the proposed budget. Mr. Page gave examples of cost cutting by his company, UPS, by stopping pensions and switching to 401Ks. He said it is rough in the real world and maybe government should consider something similar. He wants council members to look him in the eye and assure him they are being reasonable with taxpayer's money.

Mr. Page also asked about the golf course. Why do we keep it? If it is an asset to the city, why is it not called West Bountiful City Golf Course? Council member Ahlstrom responded that it is nice open space that adds value to the city and better than another housing development that doesn't add to the rural feel our community desires. Unlike city parks, it generates revenue and is nearly self-sufficient.

Mayor Romney thanked him for caring about these issues and for taking the time to come ask questions. Everything the city does is public record and available for review. In addition, staff is always available to explain items and answer questions throughout the year.

Alan Malan is opposed to the increase. He said he understands the city wants to penalize Holly for what the state did but it is wrong. As Holly's assets depreciate, rates will go up and the residents will end up paying more.

Mr. Huffman explained that depreciation should not significantly impact future numbers. As property depreciates, businesses will continue to need to invest, although we're talking concept and will have to wait to see how it plays out.

Dwayne Hughes asked how West Bountiful's water rates compare to other cities. Mayor Romney responded that we have higher rates than most but not the highest. We made a difficult decision years ago to try to cover the costs of providing service, and now other cities are considering raising rates. He added that we review the water rates every four years to consider if changes can be made. Mr. Hughes stated that many residents cannot afford to pay more and if someone loses their home due to a tax rate increase, we have failed as a city.

MOTION: *There being no other comments, James Ahlstrom Moved to Close the Public Hearing; Andy Williams Seconded the Motion which PASSED by Unanimous Vote of all Members Present.*

5. Consider Resolution 417-17, A Resolution Adopting the West Bountiful City Budget and Proposed Property Tax Rate for the Fiscal Year 2017-2018 Budget.

Mayor Romney asked council members to comment on the Proposal.

Kelly Enquist said he is not in favor of the Proposal – it's a tax increase. He commented that over the last several years the city has given pay increases, in some cases significant, added new fleet vehicles and golf carts, higher technology, paid higher insurance costs, paid for a dry well, settled with a developer for \$1.2M, etc. The budget is excessive and we need to wind it down a notch. He believes the City will do ok without the tax increase.

Andy Williams begin by saying he is new at this and cannot believe how much he has learned. He commends previous city officials for the difficult decisions they have made. He said there is a real need and we could never get enough money in 10-15 years to pay for what we need to keep the city looking the way it does and to continue to improve infrastructure so he supports the rate increase.

He added, in response to Mr. Page, that he can absolutely look him in the eye and say that he is looking after taxpayers.

James Bruhn said he agrees with a lot of what Kelly said. We could tighten our belts a little bit. With all the other agencies increasing rates this year, citizens would appreciate a reduction. He is against the increase.

Mark Preece said he has been on council for eight years. When he came on, the city couldn't maintain vehicles, didn't have enough employees to take care of the city and couldn't pay for necessary improvements; it was a broke city. The water rate increase was necessary - water rates must cover the cost of providing the service which it didn't. He believes we need to look in the future 20-30 years. All this Proposal is doing is keeping the status quo, we're not asking for more money than last year from homeowners. We're not spending recklessly. We have an incredible hard-working staff and the positive changes that have been made in the past 8 years are unbelievable; to take it away now would be a step back.

James Ahlstrom said that when a tax increase is advertised we expect to get people coming forward we haven't seen before, but he would like to see people get involved throughout year as we work on budgets, etc. Everything we do is transparent and open to the public, we also have copies of all our agendas and minutes on our website.

Regarding the tax rate, he said while it is fair to call it a tax increase, this is not an increase; we have worked hard to come up with an option that keeps taxpayer's payments at or below current payments. He asked if we don't do this how will we pay for what needs to be paid for?

In response to previous comments Mr. Ahlstrom said all city salaries were recently professionally analyzed and found that most were under market – no one is overpaid. It is cost effective to hold on to good employees which is what we are trying to do. He also addressed the water rate reduction a few years ago. He said we decided to be careful to avoid a yo-yo affect by not reducing it to the point that future increases would be necessary. We try very hard to manage current and future funds based on needs we have. That's one of the reasons we made it mandatory to revisit water rates every 4 years. He added that we have no control over increases by other agencies, but have a responsibility to take care of our own city.

Mayor Romney said he was disappointed there wasn't a better turnout for this hearing. He has been on the council for eight years and has had some tough things to deal with, like the failing water system and roads falling apart, and had to take aggressive steps. The water rate increase had to be done. Then we looked at capital needs for the city and had to propose a tax increase. We ended up doing only half of what was needed because we did not want to burden residents. This current proposal is a good solution since it continues to bring needed revenue to the city and resident's payments won't go up. He commented, in response to Mr. Page, that the budget is good and our employees work hard. We now have a solid team in place and want to keep them. We are prudent with our salaries and get more production and efficiency than we ever got before. He also believes we are on the right track with capital improvements and we want to keep doing it right.

MOTION: *Andy Williams Moved to Adopt Resolution 417-17, Adopting the West Bountiful City Budget and Property Tax Rate for FY 2017-2018; Mark Preece Seconded the Motion which PASSED with a Vote of 3-2.*

The vote was recorded as follows:

James Ahlstrom – Aye
James Bruhn – Nay
Kelly Enquist – Nay
Mark Preece – Aye
Andy Williams – Aye

6. Police Report.

Chief Hixson gave the following report:

- Preparing for annual crossing guard training.
- Officer Van Wagoner successfully graduated from the DARE training course and is excited to take over the program at West Bountiful Elementary School this year.
- EmPAC meeting was held tonight.

- Re-posted the full-time police officer position to run through August 25th. He has received a few more applications and expects to have a good list to pull from.
- Very grateful for all the people and organizations that came together to help find John Page. Mayor Romney also thanked everyone involved for the time, effort, money, and resources used in the search. John was a great asset to our community.

7. Public Works/Engineering Report.

Steve Maughan –

- We had a main line water break in front of city hall, with a ten-foot cast iron pipe that caused a good amount of road damage. It was repaired tonight.
- 1950 N had an old water line that had rotted fittings; it has been repaired and paved.
- Meeting with Dominion Energy (Questar) next Tuesday to discuss paving 1450 W, 400 N, Pages Ln., Jessi's Meadow, 1100 W, and 2200 N. They pressure tested the new lines from Porter Ln. to North Salt Lake and the results were good so now they need to connect the small feeder lines. They plan to clean up and landscape this season.
- Kudos to a great parks crew this year. Two seasonal employees are leaving this week.

There was discussion about the recent striping and warranty work on the recent sealcoat. Council member Bruhn commented that 1950 N has been pounded by the construction and we need to work on it at some point.

Ben White

- Bids were received for the 800 West Pump Station; they were higher than we expected so we will re-bid the project.

8. Administrative Report.

Duane Huffman

- The Recreation, Arts and Park open house will be held on September 7, the Thursday after Labor Day. We will advertise heavily to get participation.

9. Mayor/Council Reports.

Kelly Enquist

Mosquito abatement is losing a lot of employees who are going back to school.

James Bruhn

Thanks to the Arts Council for a nice appreciation dinner last week.

Mark Preece

- Attended the EmPAC meeting tonight.
- Thanks so much for the effort to find John Page; he was a great neighbor loved by everyone. Kudos to West Bountiful Police Department for a job well done.
- Sewer district reports have been distributed to Council members; he asked that everyone take some time to review them.

Andy Williams

- YCC is conducting interviews tonight; they received about 20 applications for the upcoming term.
- A neighbor wants speeding cut down on 1100 West and suggested painting a yellow line across the road that looks like speed bump. Chief Hixson explained why that cannot be done. He said they monitor 1100 West and West Bountiful traffic citations are very high to the point that it has affected North Salt Lake's traffic cases according to our city prosecutor.

Mayor Romney

Alan Malan asked to say a few words about the passing of Jerry Chapman. He said he worked with Jerry on the Historical Commission and he was a great person. Every year he would take care of maintenance on the Log Cabin and always helped with the July 4th parade. He is going to be missed a lot.

James Ahlstrom added that the City lost three great citizens this week – John Page, Dave Monson and Jerry Chapman; they will all be greatly missed.

10. Approve Minutes from the August 1, 2017 City Council Meetings.

MOTION: *James Ahlstrom Moved to Approve the Minutes of the August 1, 2017 meeting. James Bruhn seconded the Motion which PASSED by Unanimous Vote of All Members Present.*

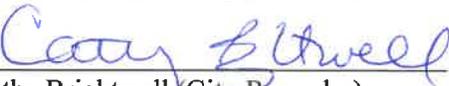
11. Executive Session for the Purpose of Discussing Items Allowed Pursuant To UCA, 52-4-205.

No executive session was needed.

12. Adjourn.

MOTION: *James Ahlstrom Moved to Adjourn this Meeting of the West Bountiful City Council at 9:30 p.m. James Bruhn seconded the Motion which PASSED by Unanimous Vote of all Members Present.*

The foregoing was approved by the West Bountiful City Council on Tuesday, September 19, 2017.


Cathy Brightwell (City Recorder)

