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2 **City of Washington Terrace**

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4 Minutes of a Regular City Council meeting
5 Held on December 2, 2014
6 City Hall, 5249 South 400 East, Washington Terrace City,
7 County of Weber, State of
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9 **MAYOR, COUNCIL, AND STAFF MEMBERS PRESENT AT WORK SESSION**

10 Mayor Mark C. Allen
11 Council Member Mary Johnston- Arrived at 5:35 p.m.
12 Council Member Blair Brown
13 Council Member Robert Jensen
14 Council Member Scott Monsen- Arrived 5:14 p.m.
15 Council Member Val Shupe
16 City Recorder Amy Rodriguez
17 Public Works Director Steve Harris
18 Finance Director Shari' Garrett
19 City Manager Tom Hanson
20 City Attorney Bill Morris
21

22 **OTHERS PRESENT**

23 Abby Albrecht, Cameron Diehl, Ken Bullock
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- 25 1. **WORK SESSION:** **5:00 p.m.**
26 **Topics to include, but are not limited to, Presentation and overview on the Comprehensive**
27 **Annual Financial Report, The Utah Transportation Coalition Agreement, Discussion on**
28 **service animals**
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30 **Service animals:** Morris stated that if the resident provides the correct documentation, the city will have
31 to provide for her under the ADA statue and allow for the pygmy goat. Morris stated that the
32 documentation must be provided by a doctor who is treating her for the issue for which she is being
33 treated. Council Member Shupe stated that a goat is not reasonable accommodation. He stated that there
34 is no consideration for the neighbors of these people. He stated that he would like to protect the citizens
35 who live around these residents who chose to have these animals. Morris cautioned that it is a civil
36 rights issue and suggested that it be discussed in closed session.
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38 **The Utah Transportation Coalition Agreement:** Representatives from the ULCT, Cameron Diehl and
39 **Ken Bullock**, along with the Transportation Coalition representative Abby Albrecht, spoke to Council
40 about the Utah Transportation Coalition Agreement, stating that the League has been working on
41 transportation funding options for cities and towns. Diehl stated that there is a link between
42 transportation, air quality, and health. He stated that one of the goals of the Coalition is to educate the
43 public on these links and provide infrastructure for people to remain active (trails, bike trails, sidewalks,
44 etc.).

45 Diehl stated that cities are subsidizing transportation and the Coalition will be promoting a
46 comprehensive transportation system. He stated that the League is calling upon legislature to add more
47 funding to transportation options. Some options are investing a quarter of a cent increase in general sales
48 tax to be used for local transportation needs.

49 The point of the resolution and interlocal is to present a unified message coming from cities, towns, and
50 the state concerning transportation funding. Diehl stated that state transportation is funded in various
51 ways. He stated that the point of the resolution is to show the legislature that the city is funding as much
52 as possible for roads and transportation, but needs are not being met and help is needed. Bullock stated
53 that the transportation options are not just for roads, but the infrastructure that supports a healthier active
54 lifestyle. He pointed out that transportation funding has to change, it cannot rely on gas tax alone, noting
55 that transportation is used by everyone, including hybrid vehicles, electric vehicles, bike trails, sidewalks,
56 as well as road maintenance. Albrecht, representing the Utah Transportation Coalition, spoke to Council
57 concerning a campaign to get the message out to citizens as to why transportation is so important. She
58 stated that they are partnered with the League, UDOT, and other businesses.
59 Bullock stated that it would be a local option, which would need to be adopted by Ordinance, as to
60 whether the city will increase general sales tax from 1 percent to 1.25 percent.

61
62 **Comprehensive Annual Financial Report:** Garrett explained what the CAFR document entails. Garrett
63 stated that the CAFR is available on our website. Garrett stated that the CAFR is a tool to assessing the
64 economic and financial condition of the City. It also offers a historical perspective of the City. The CAFR
65 is instrumental when the City goes out for bonding, deals with Regulatory Agencies, and Stakeholders in
66 the City. The report is comprised of Introductory, Financial, and Statistical sections. Garrett stated the
67 CAFR award is stating that the City is meeting the highest level of reporting.
68 Garrett stated that the primary motive of the government is service, not profitability.
69 Garrett explained that the CAFR looks at Near Term Financial Position, Net Position, and Economic
70 Condition as points of assessment.
71 Garrett stated that the City is covering regular outflows with significant regular inflows. Garrett stated
72 that she sees the current trend of increasing overtime, with some challenges in sustainability. She
73 accredits this to a small tax base, capital projects, and demographics.

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75 **MAYOR, COUNCIL, AND STAFF MEMBERS PRESENT**

76 Mayor Mark C. Allen
77 Council Member Mary Johnston
78 Council Member Blair Brown
79 Council Member Robert Jensen
80 Council Member Scott Monsen
81 Council Member Val Shupe
82 City Recorder Amy Rodriguez
83 Public Works Director Steve Harris
84 Finance Director Shari' Garrett
85 City Manager Tom Hanson

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87 **OTHERS PRESENT**

88 Charles and Reba Allen, Kirstie Polokoff, Lisa Nelson, Svetlana Kopytokovsky, Ullis Gardiner
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91 **2. ROLL CALL**

6:00 p.m.

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93 **3. PLEDGE OF ALLEGIANCE**

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95 **4. WELCOME**

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97 **5. CONSENT ITEMS**
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99 **5.1 APPROVAL OF AGENDA**
100 **5.2 APPROVAL OF NOVEMBER 18, 2014, MEETING MINUTES**

101 Items 5.1 and 5.2 approved by general consent.
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103 **6. CITIZEN COMMENTS**

104 There were no citizen comments.
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106 **7. COUNCIL/STAFF RESPONSE AND CONSIDERATION TO CITIZEN**
107 **COMMENTS**

108 Due to lack of citizen comments in item 6, item 7 is unnecessary.
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110 **8. NEW BUSINESS**

111 **8.1 PRESENTATION: UTAH DIVISION OF WATER QUALITY**

112 Svetlana Kopytkovsky and Lisa Nelson from the Utah Division of Water Quality presented a plaque of
113 appreciation to recognize the City for its outstanding efforts in support of Utah's Clean Water Program
114 through its' Wastewater Collection System Improvement Project. Mayor Allen thanked Harris and
115 Garrett for their hard work on this project.
116

117 **8.2 PRESENTATION: THE COMPREHENSIVE ANNUAL FINANCIAL REPORT**
118 **FOR FISCAL YEAR ENDING JUNE 30, 2014**

119 Garrett introduced Gary Keddington with the firm of Keddington and Christensen who performed
120 the independent audit. Keddington stated that he was impressed with how much pride that
121 the staff took in their work. He stated that his firm performs the financial audit, testing internal
122 controls, cash disbursements, payroll, and receipting areas. He also stated that they conducted fraud
123 questions. He stated that his firm also tests compliance issues.

124 Keddington stated that there were no uncorrected mis-statements, and that the audit was performed
125 smoothly, noting there were no disagreements with management. He stated the City was issued a clean
126 financial opinion and were in conformity with accounting rules.
127

128 Garrett reported on financial highlights:

129 Governmental activities: Garrett explained that these are the tax supported activities and the total
130 assets were around \$36 million, total liabilities were \$4.2 million, noting that the assets exceeded
131 liabilities by around \$30.3 million. Government- wide reports assets of \$53.452 million, liabilities were
132 \$7.231 and deferred resources at \$1.491. Garrett stated that the general fund is reporting at \$1.32 million,
133 which is up by 26.8 percent. Garrett stated that long term debt has decreased by 12.7 percent from the
134 prior year.
135

136 Garrett spoke on Near Term Financial Positions, Net Worth Position, and the Economic Condition as
137 focal points for this year's CAFR.

138 Near Term Financial Positions: Garrett stated that the City is doing well in both proprietary funds
139 and governmental funds.

140 Net Worth Position for the City has been increasing consistently for the primary government.

141 Economic Condition: Garret stated that she foresees that the economic condition will continue
142 to increase with the Net Worth Position, however she notes that there are several challenges such as
143 a limited tax base and customers' ability to pay for the service level provided. She also noted that
144 the city is at build-out so ability to generate new tax revenue is limited.

145 Garrett highlighted some of the strengths in our economic condition, stating that that our operations
146 are relatively small and easier to manage. She also stated that our revenue limitations and expenditures
147 are managed well.

148 Council Member Jensen stated that he appreciates Garrett's work and dedication. He also
149 expressed appreciation to Keddington for their work on the audit.

150 Hanson stated that Keddington and his team were very good to work with and extremely
151 thorough. He also expressed his appreciation to Garrett for compiling the information and working
152 closely with the auditors.

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154 **9. SPECIAL ORDER**

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156 **9.1 PUBLIC HEARING: TO HEAR COMMENT ON AMENDING THE FISCAL** 157 **YEAR 2014-2015 BUDGET**

158 Garrett stated that this is the first budget adjustment of the year, compiled into three basic categories.

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160 **General Fund:** Garrett highlighted that the city is asking to increase the outlook for sales tax, noting that
161 this may be a conservative increase. She noted that the city is at the 25 percent general fund maximum
162 and is asking to transfer some of the funds to capital project funds.

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164 **Utilities:** Garrett stated that the city is rolling over prior year funds so that they can get completed. She
165 also stated that the city will be addressing some re-categorization issues concerning accounting nuances
166 on debt on capital projects. Garrett noted that a high priority of the Council was the purchase of new
167 meters. Garrett stated that the residual amount left over from the 450 West and 4800 South Project will
168 be rolled over to the purchase of the meters.

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170 **Capital Project and Debt Funds:** Garrett noted unexpended funds will be rolled over from prior
171 projects so that they can continue. She also noted that the Fire CIP fund will be dissolved and combined
172 with the City's general capital projects fund.

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174 **Mayor Allen opened the public hearing at 6:34 P.M.**

175 There were no citizen comments.

176 **Mayor Allen closed the public hearing at 6:35 P.M.**

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179 **10. NEW BUSINESS (CONTINUED)**

180 **10.1 MOTION/RESOLUTION 14-11: A RESOLUTION AMENDING THE FISCAL** 181 **YEAR 2014-2015 BUDGET**

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192 **11. ADJOURN INTO RDA MEETING**

**Motion by Council Member Monsen
Seconded by Council Member Johnston
To approve Resolution 14-11 amending
The Fiscal Year 2014-2015 Budget
Approved unanimously (5-0)
Roll Call Vote**

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The Council adjourned into an RDA meeting at 6:40 P.M.

12. NEW BUSINESS (CONTINUED)

12.1 PRESENTATION: FINANCE DEPARTMENT QUARTERLY REPORT

Garrett stated that sales tax revenue has been reporting at an increase. She also stated that business licenses have seen an increase, mostly due to delinquent collections. Garrett noted that building permits are down for the first quarter, and may need to be adjusted down. Garrett noted that Class C revenues have remained constant in this reporting period. Garrett noted that overall, the General Fund is where it should be. She stated that the revenue funds are meeting projections, as well as water funds. Garrett noted that there have been some accounting changes concerning debt service. She noted that there will be a lag in debt when prior comparisons are reviewed. Garrett stated that the storm water funds are meeting projections.

12.2 MOTION/RESOLUTION 14-13: APPROVAL OF INTERLOCAL AGREEMENT WITH SALT LAKE CHAMBER OF COMMERCE IN SUPPORT OF THE UTAH TRANSPORTATION COALITION

Mayor Allen stated that the ULCT and Chairman of the Coalition presented at the earlier work session. Hanson stated that the League and Coalition are asking for support of all the cities in joining for transportation funding to benefit transportation and its infrastructure. He stated that they are proposing a statewide sales tax increase of .24 that would be distributed to local cities. He stated that class C road funds may be absorbed back into the budget and not available to cities to help maintain roads, build new roads, repair roads, and other transportation infrastructure. Hanson stated that this can be helpful to the City at a minimal impact. Mayor Allen stated that a few items were clarified after the presentation. Council Member Mosen wanted to clarify what was being approved tonight. Hanson stated that this is not a vote to raise the tax. He stated that the vote is to join the interlocal to provide information and education for the need for statewide transportation. He stated that the resolution is to show support that transportation is worth funding. Hanson noted that it would cost the city \$250.00 to help support the education of the community, noting that it would be useful to the residents of the city at minimal impact. Hanson stated that it is a matter of a level of service. Hanson stated that each entity would have to raise its own tax by ordinance in the future to receive the extra quarter cent sales tax. He stated that he believes that if a city does not decide to raise taxes, the city will not collect the extra funds from the increase. Mayor Allen stated that the Coalition would like to have the names of the cities participating before the January legislative session kicks off. Mayor Allen stated that the resolution is basically supporting a lobbying effort to encourage the legislature to do something in regards to transportation. Hanson stated that the legislators would like the support of the municipalities moving forward. Council Member Shupe stated that he has several issues with the resolution, noting that this year, taxes will be raised for water increases and education. He noted that the city is caught between a rock and hard place because of the threat of Class C road funds possibly going away. He feels that this agreement is basically supporting a tax increase. Council Member Shupe stated that he does not like it and feels that the legislature is passing the buck down to the cities. Mayor Allen stated that many coalitions will be lobbying the legislature this session, noting that the education coalition kicked off their campaign three weeks earlier than the transportation coalition. Council Member Jensen stated that he feels that the tax increase is going to happen and the local level will take the heat. Hanson stated this will be a general sales tax with the reasoning that everyone benefits from working roadways so everyone should pay for it. Mayor Allen stated that the sewer district increase for our city is very small and may not have to be passed on to our residents. Mayor Allen stated that the resolution basically supports a lobbying effort and also gets our

241 city's name on the list as participating and trying to help.

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**Motion by Council Member Johnston
Seconded by Council Member Jensen
To approve Resolution 14-13 approving
The Interlocal Agreement with Salt Lake Chamber
Of Commerce in Support of the Utah Transportation Coalition
Approved unanimously (5-0)
Roll Call Vote**

12.3 DISCUSSION/MOTION: DISCUSSION ON ALLOWANCE OF A SERVICE ANIMAL

254 Hanson recommended tabling the item until it can be discussed in closed session as recommended by
255 legal counsel.

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**Motion by Council Member Shupe
Seconded by Council Member Jensen
To table the item to a future Meeting
Approved Unanimously (5-0)**

12.4 MOTION: APPROVAL OF THE 2015 ANNUAL MEETING SCHEDULE

262 Rodriguez stated that state law requires us to adopt and post a meeting schedule at least once a year. She
263 supplied Council with a schedule for the meetings to be held the first and third Tuesday of each month,
264 with only one meeting to be held in November and December.

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**Motion by Council Member Jensen
Seconded by Council Member Johnston
To approve the 2015 Annual Meeting Schedule
Approved unanimously (5-0)**

13. COUNCIL COMMUNICATION WITH STAFF

272 * Council Member Jensen inquired if the road salt has been delivered. Hanson replied that it has been
273 delivered.

274 * Council Member Shupe ask that the Sheriff Department monitor the speed on Adams Ave.

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14. ADMINISTRATION REPORTS

277 Hanson reminded Council of the Retreat Session this Saturday, December 6, 2014.

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15. UPCOMING EVENTS

280 December 6th: City Council Retreat- ULGT Building in North Salt Lake 8:00 a.m.

281 December 25th: City Offices closed for Christmas Holiday

282 January 1st: City Office closed for New Year's Holiday

283 January 6th: City Council Meeting 6:00 p.m.

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16. MOTION: ADJOURN INTO CLOSED SESSION

286 Council Adjourned into closed session to discuss:

- 287 ○ To discuss the character, professional competence, or physical or mental health of an
- 288 individual.

289 ○ Strategy session to discuss pending or reasonably imminent litigation

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Motion by Council Member Johnston

Seconded by Council Member Jensen

To adjourn into closed session

Approved unanimously (5-0)

Roll Call Vote

Time: 7:22 p.m.

17. ADJOURN THE MEETING: MAYOR ALLEN

Mayor Allen asked the consideration to treat planning commission to a holiday dinner possibly with council and their spouses after the holidays.

Mayor Allen adjourned the meeting at 7:51 p.m.

Date Approved

City Recorder