



APPROVED 5/8/2017

Minutes of the
Millcreek City Council Meeting
Monday, May 1, 2017

Councilmembers present

Jeff Silvestrini – Mayor
Silvia Catten – Council District 1
Dwight Marchant – Council District 2
Cheri Jackson – Council District 3
Bev Uipi – Council District 4

Other present

Leslie Van Frank – Acting Recorder
John Brems – City Attorney
Rita Lund – Deputy Recorder

WORK SESSION

Mayor Silvestrini called the meeting to order at 4:10 PM.

1. Interview with Zions concerning RFP for SLVESA study

Mayor Silvestrini introduced Susie Becker, Jonathon Ward, Brian Baker from Zions Bank to discuss the response to the request for proposals (RFP) that had been received from Zions regarding the feasibility

of Millcreek leaving the Salt Lake Valley Law Enforcement Service Area (SLVESA). The mayor explained the intent of the RFP was that Millcreek is interested in the financial aspects including the fund balance. Though Zions' response to the RFP included explaining the legal process, the city attorney has already explained that process to the Council. The mayor indicated that he would like the study to include whether, if Herriman and Riverton leave the district, would Millcreek have to have a decrease in services or possibly raise property taxes. Another item he would like is an analysis of whether Millcreek is subsidizing other areas of the county and what is the impact of centrally assessed (Rio Tinto and others) on SLVESA.

Ms. Becker responded that there are several things that Zions could provide, including a sensitivity study showing growth and where Millcreek may be at risk. Zions could include the data that Millcreek already has but that in the interest of transparency it is important to include the assumptions and examples. Ms. Becker further stated that this should be a collaborative process in which inputs can be changed to show what happens if things change, such as Herriman or Riverton leaving SLVESA.

Mr. Ward indicated that the timing of discussions is important as well and it will be a tricky process to determine whether to deannex and through what process, and that the issues are focused on cash flow. If Millcreek were to create a separate local district to fund with UPD there will have to be a determination made about whether to utilize a fiscal or calendar year. Use of a calendar year would smooth cash flow but creates confusion with the Millcreek budget, which is on a fiscal year. There could be a gap of about 1 ½ years of costs that Millcreek residents would have to bear in order to switch from a calendar year to a fiscal year.

The mayor explained that the existing SLVESA budget funds their services through a tax anticipation note and that state statute only allows those notes to be let and paid through a calendar year but that he felt a plan could be crafted to bridge the gap and avoid double taxing Millcreek residents.

Ms. Becker indicated that Zions develops financial models that could go out to the bond market and outlined under what circumstance each option would work.

Councilmember Marchant asked if Zions could assist with the funding if they do not receive the contract for the study. Mr. Ward indicated that Zions is the top market advisor in the state and could provide assistance with funding even they are not an advisor for the city. He further indicated that Zions is currently contracted with SLVESA as their advisor and has all of the information required for the study. The mayor asked if there were any issues with utilizing the SLVESA data and Mr. Ward responded that a request has been made and SLVESA has agreed that the information may be shared.

Councilmember Marchant asked about the implications of Millcreek being a new city related to interest rates. Mr. Baker responded that Millcreek has a great sales tax income and rating agencies consider that to be a very strong credit pledge. Banks would look at the historical sales tax data and would be interested in helping Millcreek start off on the right foot. Mr. Baker additionally stated that he feels that Millcreek would fall in the AA rated range based on comparably sized cities across the state.

2. Presentation by John Miller and/or Kevin Smeltzer from Salt Lake County regarding the paving plan in Millcreek during 2017-18.

Mayor Silvestrini introduced Mr. Kevin Smeltzer from Salt Lake County Public Works Operations, who talked about the pavement plan. Mr. Smeltzer explained that the county meets twice a year with

representatives from all of the utilities and some cities who have cross boundaries to discuss future paving plans. Then tree trimming notices are sent to residents, and tree trimming and concrete work is completed. When repaving, ADA rules must be met and sunken curbs and gutters addressed. Mr. Smeltzer added that while crews are in the area sidewalks are checked for trip hazards.

Mr. Smeltzer explained that as planning went forward for the proposed work this year, the crews found that there is a lot of concrete work required. Thus, the plan has been rethought and other areas considered. An option to is work on 13th East and between 33rd and 45th South, but the preliminary work has not yet been done. Mr. Smeltzer recommends staying with the recommended list of projects through July 1st as the preliminary work has been completed.

There was discussion related to the areas in the plan, including the Craig Drive, Metropolitan, and Scott Avenue sections. Mr. Smeltzer suggested pushing back the 23rd East work until after July in order to allow the crews to work on other projects, including Metropolitan. The Council agreed, so long as 23rd East got done later in the summer.

John Miller explained that projects are coordinated whenever possible to avoid problems like cutting into a new road, and that there needs to be flexibility and the ability to move funds to the best project.

Councilmember Jackson asked about issues with roads that are not on the schedule. Mr. Smeltzer responded that potholes are addressed as they come to the attention of operations and should be fixed within 48 hours. Solutions are reviewed on a case by case basis. Mr. Smeltzer explained that it's important for people to call and report problems, because when the crews go into an area, they drive through the whole neighborhood while they are there and try to catch other problems that haven't yet been reported. Reports can be made through a 24-hour phone number that is answered at all times.

Mayor Silvestrini told the council that Mr. Miller had suggested utilizing funds previously targeted to improving 9th East to get ready to have 13th East paved next year. This is because the 9th East project has been awarded grant money from the WFRC. There was general agreement from the council to move ahead with the plan as presented.

Mayor Silvestrini reported John Brems, city attorney, had been working on an ordinance that prohibits cutting into new pavement. Mr. Brems indicated that he had been in contact with John Miller to discuss options other than an absolute prohibition, including possibly charging a fee based on the age of the road.

Mayor Silvestrini asked Mr. Brems if an ordinance is required to assess an impact fee. Mr. Brems indicated that a study would be required in order to implement a fee.

Councilmember Uipi requested a list of the government relations contacts with the utilities. She also asked for an overview of the speed limit signs in the Mt. Olympus area. There has been an indication from residents that some speed signs have been removed.

3. Discussion about possible disposition of old movie screen and associated equipment.

John Brems reported that he has not been contacted by South Salt Lake. Mayor Silvestrini asked Rita Lund will contact South Salt Lake for additional information.

4. Presentation by Fred Healey concerning office space.

Mr. Healey was not in attendance and the item was tabled.

5. Presentation by Mayor Silvestrini and discussion of tentative budget for 2017-18.

Mayor Silvestrini distributed a tentative budget that he had prepared. He indicated that the basis for the spreadsheet is the state auditor's document and that he had been assisted by Jared Steffey from Salt Lake County and Dave Sanderson in developing the document. The mayor further stated that he had attempted to be conservative in his revenue and expenditure entries and had utilized information from the Lewis Young report and figures that had been provided by Salt Lake County.

The mayor reported that he had utilized a conservative figure of \$10M in sales tax revenue and anticipated additional revenue would be available as a result of Amazon agreement along with franchise fees from cable television only. The mayor indicated that another number that he had reduced was the Class C road funds, which he projected at \$1.5 M. Funds that Millcreek would be receiving from the MSD are still under discussion. The mayor had requested \$400,000, which may have to be reduced later based upon what Millcreek would be required to refund if the city leaves the district. An additional \$1.4M should be distributed out of the judgment levy when the county council approves that disbursement.

On the expenditure side, the mayor utilized amounts from the Lewis Young report, from the contracts that are under negotiation with the county and from other city budgets.

Councilmember Marchant asked for a line by line breakdown and the mayor went through the budget as follows:

- Administration is carried over from the last budget
- Courts is an expense that the city will pay for judges and staff and does not include legal counsel
- Executive is a potential salary for city manager/administrator and is based on what Dave Salazar recommended and could change based on the decision of the council as to the extent of the job duties
- Data processing is software for planning/zoning
- Administrative agencies is a carryover
- City Recorder includes staff plus costs such as publishing
- City attorney
- Elections amount comes directly from County Clerk
- Nondepartmental requires additional definition
- Planning/zoning costs came out of Lewis Young report analysis
- Community planning includes community councils, Venture Out and emergency preparedness
- Communications is newsletter and website
- DA & legal defender based on bids and Lewis Young
- Animal Control is from the Salt Lake County contract
- VECC is the charge for emergency dispatch
- Sheriff cell tower is from the sheriff's office
- Class C road funds are dedicated funds that must be spent on roads
- Capital projects is a balancing measure and can be reallocated
- Repair/maintenance number came out of the contract figure from Salt Lake County
- Engineering is also based on figures from the contract in progress

- Parks and recreation are the contract amounts and should be on one line item
- Street lighting is the bill for one year's electricity
- Community development is a salary and can be adjusted
- Economic development is a salary and can be adjusted
- Stat & general is a figure from the Lewis young report. Jared Steffey, from Salt Lake County, indicated that he felt this amount would not be required.

Councilmember Jackson commented that rent and utilities should be added along with human resources and the city lobbyist. Councilmember Uipi added that there should be a line item for rent as well as for insurance and memberships.

Councilmember Uipi asked about process for budget adoption and Mr. Brems suggested that the council should accept the tentative budget at the 7:00 City Council meeting and then work on refining the budget before the final adoption. The budget must be adopted by June 22nd.

6. Interview with Lewis Young concerning RFP for SLVESA study

The mayor introduced Jason Burningham from Lewis Young and indicated that as part of the study Millcreek needs to know the impact of the fund balance and as well as the fiscal impacts of forming its own district or contracting.

Mr. Burningham commented that this study is in many ways similar to the MSD feasibility study due to the fact that state statues are very similar. Mr. Burningham added that Riverton and Midvale have had very recent studies that indicated that the ability to negotiate and contract back would result in a lower cost for a comparable level of service related to what they have been expending.

Councilmember Jackson asked if the study would show whether the budget should be done on a fiscal or calendar year basis. The mayor indicated that it could be a problem with paying for the services. Mr. Burningham stated that Lewis Young will be evaluating the anticipation of notes and the tax flow stating that a calendar year would be preferable but Mr. Burningham could see a circumstance where regionalization or consolidation of services might be a possibility. The budgeting question will be difficult and Lewis Young would prepare a timing matrix.

Mr. Burningham further stated that state statute does not require an evaluation of how the transition would take place from SLVESA to a new district. Councilmember Marchant inquired if there would be extra expense involved in forming a district for Millcreek and Mr. Burningham stated he didn't feel there would be much difference in the funding. There should be more study but Mr. Burningham stated he didn't feel that there is an advantage to creating a new district. The mayor stated that it will be related to ease of changing the funding source and that the diversification of funding sources would give Millcreek a better standing with the bonding agencies.

7. Discussion of presentation format at community council meetings of the results of the MSD study

The council reviewed the format of the community council meetings including equipment needs.

Mayor Silvestrini recessed the meeting at 6:25 PM.

REGULAR MEETING

The Mayor called the meeting to order at 7:00 PM.

1. Call to Order

1.1 Pledge of Allegiance

1.2 Approval of Minutes of April 24, 2017

MOTION was made by Councilmember Jackson, seconded by Councilmember Marchant to approve the minutes of April 24, 2017. Motion passed unanimously.

2. Public Comment

Joanne Wong, a Millcreek resident, commented on the presentation by Zions Bank particularly related to economic development. Ms. Wong also mentioned the new strip mall located near Shivers that has not yet had a tenant move in, and posited that it made no sense to have had the old tenants leave. She asked questions about the budget, to which the mayor responded.

Linda Milne, a Millcreek resident, asked to have on record congratulations to the Wilford LDS Stake for planning and conducting a very successful week Emergency Preparedness Fair. Ms. Milne added that the fair was a great example of private entities taking control of an event without the need for public funds.

UPD Chief Steve DeBry reported that Planet Fitness on 33rd and 9th East had become a prime spot for burglaries. UPD officers have arrested individuals who were running a mobile check fraud lab in the parking lot. The UPD is focusing on this problem.

The Chief also reported that for the last two years Mayor McAdams had provided funds for officers to be present at the Venture Out events and that his office will absorb the costs for extra duty officers to be present at the Venture events until the end of June. At that time, there will be a need for funding to assist the UPD in providing officers for community events. Mayor Silvestrini commented that the council is supportive for funding for the Night Out Against Crime and Venture Outdoor events. The mayor requested costs for extra duty officers. Chief DeBry responded that the cost is \$50 per hour per officer.

3. Reports

3.1. Report of the Mayor, reports of City Council members

Mayor Silvestrini reported that he had attended a luncheon hosted by the UPD and an organization named Footprints that supports UPD efforts, where Skyline High senior Blake Peterman was honored for earning a GPA of 3.999 throughout his school career.

Mayor Silvestrini also reported on some discussions that have begun related to a property called the Eagle's Nest above the water tanks in the north Mt Olympus neighborhood. The property is being auctioned at a tax sale in May by the IRS and is worth a substantial sum though not equal to the amount owed the IRS. The mayor reported that neighbors have already raised around \$20,000 to acquire the property and is working with Salt Lake County Open Space coordinator, Julie Peck-Dabling, to determine the possibility of acquisition of the property. The mayor reported that the acquisition of the property

will make the next segment of the Bonneville Shoreline trail possible. It is a key piece of property and would complement the open space that has already been acquired at Grandeur Peak. A report is being prepared related to the valuation and the potential of acquiring the property.

The mayor is also working with Ms. Peck-Dabling to consider WFRC RTP grants for state funding for the Bonneville Shoreline trail along this property if the acquisition were to take place.

Councilmember Uipi reported that she and Councilmember Jackson had held a meeting of the Special Events Committee, and a good plan had been developed. A deadline has been established for the community councils to provide additional event information to Aimee McConkie in order that they be included in the Venture Out program. Venture Out is requesting assistance from the community councils for volunteers to assist at the information booth at the events. Councilmember Uipi added that there had been discussion about a potential newsletter to advertise the July and August events. Mayor Silvestrini suggested that when funding is received he is comfortable with producing newsletters. Councilmember Uipi noted that the Committee was working to create a process to show that community funding has been maximized, with a report back to the taxpayers and residents to assist in evaluating events.

Councilmember Jackson discussed the Venture Out community dinner event in July and suggested everyone attend. This event will be geared toward community dialogue. Chief DeBry offered to have UPD officers assist in distributing event flyers.

Councilmember Uipi asked if a date has been confirmed for Night Out Against Crime and Chief DeBry responded that the date is August 1st from 5:00 to 9:00 PM at Evergreen Park.

Councilmember Uipi also commented on the fact that Venture Out has been soliciting donations to at least match the city funds.

Councilmember Uipi announced that on May 9th Skyline will be partnering with Skyline High for a Youth and Substance Abuse Night event at 6:30 PM.

Councilmember Jackson thanked everyone who had contributed to the success of the Prepare Fair that was put on for the community at the Wilford Stake Center. The councilmember also reported that she had attended a VOAD meeting and had heard a presentation from the Jordan Valley Water Conservation District including education pertaining to the need for residents to be prepared in the event of an emergency that impacts the provision of water service to the community.

Councilmember Marchant suggested that Millcreek congratulate the Utah Jazz for their recent win in the playoffs.

4. Appointments

No appointments appeared on the agenda.

5. Consent Items

No consent items appeared on the agenda

6. Planning Matters

6.1. Discussion and consideration of Resolution No. 17- _____ - approving Planning Commission Rules of Order and Procedure.

Mayor Silvestrini introduced Tom Stephens, the chair of the Millcreek Planning Commission, who explained that the rules had been developed based on the county rules, with changes pertinent to cities that John Brems and several attorneys who sit on the Planning Commission had added. Mayor Silvestrini complimented Mr. Stephens on the work he does chairing the commission.

MOTION was made by Councilmember Uipi, seconded by Councilmember to approve Resolution No. 17- _____ - approving Planning Commission rules of order the procedure. Motion passed unanimously by roll call vote with members voting as follows:

Councilmember Uipi – Aye
Councilmember Catten – Aye
Mayor Silvestrini – Aye
Councilmember Jackson – Aye
Councilmember Marchant – Aye

7. Financial Matters

7.1 Discussion and consideration of Resolution No. 17- _____ - acknowledging receipt of a tentative budget and tentatively adopting the tentative budget pursuant to the requirements of Utah Code Ann. 10-6-111 for the fiscal year beginning July 1, 2017, and ending June 30, 2018.

Mayor Silvestrini discussed the procedure that is required for the budget process and commented that the tentative budget will be reviewed and amended.

MOTION was made by Councilmember Uipi, seconded by Councilmember Jackson to adopt Resolution No. 17- _____ - acknowledging receipt of a tentative budget and tentatively adopting the tentative budget pursuant to the requirement of Utah Code Ann 10-6-111 for the fiscal year beginning July 1, 2017, and ending June 30, 2018. Motion passed unanimously by roll call vote with members voting as follows:

Councilmember Uipi – Aye
Councilmember Catten – Aye
Mayor Silvestrini – Aye
Councilmember Jackson – Aye
Councilmember Marchant – Aye

7.2 Discussion and consideration of Resolution No. 17- _____ - approving Community Council budget requests subject to funding from the MSD.

Mayor Silvestrini explained that funding could be provided to the community councils in the following amounts when funds are received from the MSD:

Millcreek Community Council - \$15,000
Canyon Rim Citizens Association - \$5,000

East Mill Creek Community Council - \$5,000
Mt Olympus Community Council - \$3,0000

The mayor added that these amounts are very close to amounts requested by the community councils after removing the funds that will be used by the city for newsletters and movie nights. The mayor added that community councils would be required to submit signed volunteer forms, conflict of interest forms, acknowledgement of workers comp insurance and sexual harassment training forms that are being developed by John Brems, city attorney. Community councils will be required to submit year end reports.

MOTION was made by Councilmember Jackson, seconded by Councilmember Uipi to approve Resolution NO. 17-_____ - approving Community Council budget requests subject to funding from the MSD with changes, including that the distribution is subject to funding being received from the MSD, and to the reporting requirements and required forms.

Councilmember Catten suggested potentially assisting the community councils in the future to abide by certain procurement policies for amounts over an amount of \$2,500.

An amendment to the motion was accepted to require that community councils obtain at least three bids for any expenditure over \$2,500.

Linda Milne, a Millcreek resident, asked whether funds could be held over from year to year. Mayor Silvestrini responded that should be determined on a case by case basis. Councilmember Uipi added that some of the community councils already have funds remaining from previous years. Mayor Silvestrini added that he would like to look at the community council budgets on a case by case basis to compare the amount of funds provided to the amount of funds utilized.

MOTION was made by Councilmember Jackson, seconded by Councilmember Uipi to approve Resolution NO. 17-_____ as amended - approving Community Council budget requests subject to funding from the MSD with the changes that include a note that the distribution is subject to funding being received from the MSD and to the reporting requirements and required forms and to require community councils to obtain at least three bids for any expenditure over \$2,500. Motion passed by roll call vote with members voting as follows:

Councilmember Uipi- Aye
Councilmember Catten – Aye
Mayor Silvestrini – Aye
Councilmember Jackson – Aye
Councilmember Marchant – Aye

8. Other Matters

8.1. Discussion and consideration of Resolution No. 17-_____ - authorizing the Mayor to negotiate a contract with _____ to provide an evaluation of the possibility of withdrawing from the Salt Lake Valley Law Enforcement Service Area (“SLVESA”), while continuing to obtain services from the Unified Police Department (“UPD”).

Mayor Silvestrini reported on the two studies that had been discussed in the work session. John Brems, city attorney, stated that he had spoken with both consultants related to excluding certain information that was not required, as the council is already familiar with the issues. Mr. Brems anticipates both consultants will clarify their proposals.

The council was in agreement that the mayor should send an email to each consultant asking them to rework their proposals if they would like to make changes, including some direction from Mr. Brems.

Mayor Silvestrini tabled the item until a future city council meeting.

8.2 Discussion and consideration of Resolution No. 17-_____ - authorizing the Mayor to negotiate a contract with _____ for the provision of office space for the City.

Mayor Silvestrini tabled the item until a future city council meeting as Fred Healey is not in attendance.

9. New Items for Subsequent Consideration

Future agenda items were discussed:

5/15 - Emergency preparedness presentation

5/8 - Additional work on budget

5/8 - Siobahn Langdon to discuss strategic planning for mission and vision

5/8 - Notice of billboard pending ordinance

5/8 - MD-1 repeal ordinance

5/8 - Newsletter discussion

5/8 - Social media policy

5/8 - Discussion with other city managers or administrators – what to consider, how they evolved

Mayor Silvestrini reported that he and John Brems had met with NFP to begin the process for HR which will be completed on a work order basis and will include payroll, onboarding, and a city manager/administrator for a planning department. NFP will be making a presentation and a recommendation for a benefit package and had related that a benefits package should be comparable to other cities. The mayor reported that the question of social security vs non social security would be included. A contract is being developed in order for work to begin.

Councilmember Uipi asked if the mayor has discussed a contingency plan with the county. The mayor responded that there will be contracts for everything except planning and zoning and that the county has said they will work to make the transition smooth.

Councilmember Catten stated that she has been contacted by Ken Romero regarding a proposal related to IT services. Mayor Silvestrini responded that an RFP should be let for IT services.

10. Calendar of Upcoming Events

Mayor Silvestrini reviewed upcoming events.

11. Closed Session (If Needed)

No closed session was required.

12. Adjournment

MOTION for adjournment was made at 8:25 PM by Councilmember Uipi, seconded by Councilmember Jackson. Motion passed unanimously.