



Minutes of the
Millcreek City Council Meeting
Monday, July 31, 2017
APPROVED 8/7/17

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

John Geilmann – City Manager
Leslie Van Frank – Acting Recorder
John Brems – City Attorney
Rita Lund – Director of Community Relations

WORK SESSION

Mayor Silvestrini called the meeting to order at 4:00 PM and announced that there would be changes to the order of the agenda items.

Agenda Item 5. Presentation by Lewis Young on SLVLESA study

Mayor Silvestrini introduced Jason Burningham and Fred Philpot from Lewis Young Robertson & Burningham. They gave a brief outline of the study related to the possible withdrawal of Millcreek from the Salt Lake Valley Law Enforcement Service Area (SLVLESA).

Mayor Silvestrini stated that residents of Millcreek currently belong to the Salt Lake Valley Law Enforcement Service Area (SLVLESA) taxing district which collects the taxes and then hires the Unified Police Department (UPD) to provide services. Riverton has already given notice that they will be withdrawing from the District and Herriman is also considering leaving the district, which would leave Millcreek as the only city remaining as a member of the District along with the five metro townships and the unincorporated areas. The mayor further explained that Millcreek is the largest contributor to the district, providing as much as 54% of the property values but as the board voting is not weighted, Millcreek would only have one vote of nine. The remainder of the board would be making important determinations such as the level of service provided and the mayor wants to make certain that residents of Millcreek do not suffer a decline in service.

Mayor Silvestrini explained that this study does not include a discussion of discontinuing the UPD services. If Millcreek were to leave the SLVLESA District, the intent is to contract with the UPD for policing services.

Mr. Burningham reiterated that the service provider is still UPD in all the scenarios considered by Lewis Young. Additionally, flexibility in contracting and financial impacts were considered.

Mr. Philpot then outlined the four questions that were reviewed in the study including:

1. What are the financial implications of staying within the SLVLESA or withdrawing
2. What fund balance held by SLVLESA would be available to Millcreek (2018)
3. What tax rate would be needed based on contracting for services with UPD
4. What would be the effect of Centrally Assessed funds

Mr. Philpot reviewed the aspects of the study including Option 1, staying with the District or Option 2, contracting for service and added that each service area has a different level of service and that a service level of 1.07 officers for each 1,000 residents was being proposed for Millcreek. The resulting contracting cost would be \$9.72M.

Mr. Philpot then reviewed the fund balance including sources and calculations. The accumulative calculation is based on the number of years that an entity has been in the district and due to the fact that Millcreek has just been incorporated there is no historical information for the city. Mr. Philpot then explained the assumptions that had been utilized and that an amount of \$1,821,263 for Millcreek had been determined. Mr. Philpot emphasized that there may be some differences when the final information is developed due to the lack of historical data and stated that the assumptions had been developed in coordination with the district board. The Millcreek proportion is estimated at 40.7%.

Mr. Philpot then stated that Millcreek would also receive 23% of the Historic Fee-in-lieu, also based on the outlined assumptions resulting in \$337,000 bringing the Millcreek total revenue to \$ 9.76M.

Mr. Philpot then outlined concerns related to timing stating that the UPD would bill Millcreek monthly but that property tax revenues would not be available until the end of the year resulting in the need for a tax anticipation note. Mayor Silvestrini noted that SLVLESA is already utilizing tax anticipation notes.

Mr. Philpot then explained that contracting for UPD services would potentially increase the tax levy to a combined levy of 0.002062 and displayed a table showing that the annual impact in zip code 84109 would result in a \$7.08 increase per household.

Councilmember Marchant asked for additional information related to the slight increase in cost that would be incurred if Millcreek were to withdraw from SLVLESA and Mr. Philpot explained that a benefit would be to have local control and the ability to negotiate contracts. Mr. Philpot explained that this may be a onetime impact and in future years the certified tax rate would capture the equivalent revenue.

Mayor Silvestrini stated that Millcreek could negotiate items such as cost per officer. Mayor Silvestrini explained that SLVLESA had increased their taxes this year because they had not imposed any increases in taxes for seven years despite the fact that costs of service go up and that to avoid a large increase,

smaller increments may have been a better idea. Mayor Silvestrini added that a minimum of 5% fund balance would be required.

Mayor Silvestrini commented that an additional reason for the timing is that the dynamics of the board may change if the discussion happens after both Riverton and Herriman leave the district.

Mr. Philpot additionally explained the requirements related to tax anticipation notes and that Riverton has been advised to create a district that operates on the calendar year basis to resolve the timing question and that Millcreek will also have to consider this question.

Mr. Philpot concluded his presentation with a discussion of the centrally assessed property including 2016 calculations stating that centrally assessed properties can have an impact on new growth. Mr. Philpot then explained changes that had been made by the state legislature to deal with the concern. The revised statute allows that if centrally assessed funds decrease and becomes a negative number it will not be allowed fall below zero.

Mr. Philpot explained that the historic benefit of the centrally assessed properties had been valued at 36% in 2011 but has dropped to 19% due to loss of values of Kennecott. Mr. Philpot added that assuming that centrally assessed benefits go back up, Millcreek would not realize that benefit if they are not members of the district but at this point Millcreek is not leaving anything on the table by leaving the district.

Mayor Silvestrini asked about whether Millcreek would be better to form its own district or for the city to bond to resolve the funding timing problem. Mr. Burningham explained that tax anticipation notes are used for working capital and that bonds are generally used for capital projects, adding that tax anticipation notes seem to be the only method currently available to resolve the concern, although there may be a legislative fix. Mr. Burningham stated that the required tax anticipation notes would most likely have to be in the \$9 to \$10M range. Mayor Silvestrini explained that additional information would be required to determine exactly how much the notes would have to cover.

Mayor Silvestrini added that forming a district would require additional costs, such as a district manager, auditor and finance officer, and that these individuals should not be the same people who work for the city.

Mr. Burningham suggested that there may be the possibility of entering into a revenue anticipation note rather than a tax anticipation note, have the note called on June 30 and then reissued during the next fiscal year. Additionally, the fund balance may be able to be utilized and then rebuilt in future years.

Mr. Burningham advised the council that he will forward the report along with some general messaging to assist in education efforts for residents. John Brems, city attorney, suggested that Millcreek should consider preparing a cash flow analysis to assist in making these decisions and to minimize the need for any tax anticipation notes. Mr. Burningham stated that the cost of tax anticipation notes is fairly low.

Agenda Item 1. Report by Salt Lake County

Mayor Silvestrini introduced John Miller, Salt Lake County engineer, who distributed a current project list including projects totaling \$1.92M. Mr. Miller reminded the council that Class C funds received must be dedicated to roads and cannot be used for general fund purposes.

Mr. Miller additionally explained that \$1.2M of the funding provided by HB277 will go Millcreek and recommended that two projects be selected for use of the funding, the 39th South and 13th East overlay projects. Mayor Silvestrini stated that the HB 277 funds do not appear in the Millcreek budget as those decisions had not yet been made when the budget had been prepared and added that the purpose for this funding is for significant projects necessary for connectivity between regional routes. Mayor Silvestrini added that 39th South is an arterial route that connects multiple jurisdictions and 9th East is a major connecting roadway. Mr. Miller stated that if the council decides to go ahead with the projects they should be completed next year to allow for hitting the optimal bid window in the fall.

Mr. Miller added that the 2016-17 project list was based on decisions made by the Municipal Services District (MSD) board and that 100% of the project amounts should be given to Millcreek but that the determination will be made by the MSD board. For 2017, Mr. Miller has projected that half should be distributed to Millcreek.

Mr. Miller then distributed an additional sheet including an increase in projects for 2018 and 2019 due to the availability of additional funds. Mr. Miller stated that he has prepared this list as a recommendation for potential approval by the council and that there are some discretionary funds included for use as needs arise.

Councilmember Jackson asked if traffic studies have been conducted on all the projects on the list and Mr. Miller responded that they had been and that there are other projects on the list that should be considered. Councilmember Jackson indicated that she has had complaints regarding speeding on 27th East.

Councilmember Uipi asked about the sidewalk list and asked how neighbors and schools are informed about new projects such as the Upland Drive project. Mr. Miller explained the various notification methods utilized.

Councilmember Uipi asked about active transportation projects and Mr. Miller suggested that some of these projects can be handled this year as costs for these projects is not as high.

Councilmember Marchant discussed the need for a crosswalk at Lincoln Lane and Mr. Miller responded that the area is scheduled to have traffic counts collected after the school year begins.

Mayor Silvestrini indicated that all projects should be evaluated and prioritized based on safety. Councilmember Jackson asked the best process for referring requests from residents. Councilmember Uipi stated that a good idea may be to utilize Rita Lund in order to develop a consistent process.

John Geilmann proposed that he and Mr. Miller begin discussions about what projects can be handled as soon as possible. Mr. Geilmann asked for timeline and Councilmember Uipi suggested moving forward with approval of the list as presented other than the discretionary funds which require more discussion.

Mayor Silvestrini recommended that there should be discretionary funds set aside for unforeseen projects or emergencies.

Councilmember Marchant asked about the 50/50 program and how it fits into the project list. Councilmember Uipi suggested that any projects that fall under the 50-50 program should move up the list as residents will be providing a portion of the funding.

Mayor Silvestrini asked about pavement restoration after road cuts. Mr. Brems explained that the draft ordinance refers to city standards and suggested that the county has standards that are being updated and that Millcreek should consider updating their standards. Mr. Miller explained a conversation he had had with Mr. Brems related to the APWA2017 standards and Mayor Silvestrini added that the draft ordinance should be amended in section 14.2.20 to refer to the standards. Mr. Miller explained that either method is appropriate. Mr. Miller added that the standards are always updating and he recommends the use of the word "current" to allow the ordinances to remain in compliance with changes as they occur.

Mr. Miller added that Salt Lake County is considering standards that are stricter than the federal standards and recommended that Millcreek consider doing the same.

Agenda Item 3. Presentation by Logan Simpson Design on general plan process

Mayor Silvestrini introduced Jim Carter from Logan Simpson who will be the project director and Krissy Gilmore who will be the project manager and planner on the General Plan project. Mr. Carter gave a description of Logan Simpson and the work they do.

Ms. Gilmore gave a presentation that included the proposed eighteen-month schedule, including foundational events, visioning workshops, choices workshops and strategies and plan development.

Ms. Gilmore then discussed public outreach strategies, indicating that open houses are of limited use, going out to the public at meetings or events are more important and there is a budget included for these outreach opportunities. Each event series will include an online survey.

Councilmember Uipi asked how the council can assist with the process. Ms. Gilmore requested contact information for community leaders and groups in order to forward invitations to the kickoff event.

Mayor Silvestrini asked the council if they would like to schedule an hour-long discussion with Logan Simpson at a future council meeting and received general agreement.

Agenda Item 2. Presentation by James Ray on Citizens Corps

Mayor Silvestrini introduced James Ray, Utah State Citizen Corps Manager, who explained his role interfacing with managers throughout the state and in all municipalities. Mr. Ray described the Citizens Corps focus on community engagement. The focus is not just disaster related, but can be used for all types of events. The goal is to create a relationship-based collaborative body that can reach residents exponentially through partners such as VOAD and schools. Neighborhood groups that are government affiliated are also essential such as the CERT organizations. Mr. Ray explained that every partner in their individual stance has the capability of reaching in to their own networks.

Mr. Ray explained how a community coalition works.

Councilmember Jackson stated that she was pleased that so many Millcreek residents are already engaged and active in emergency preparedness plans in their communities.

Lisa Bagley, a Millcreek resident, explained her participation in a severe storm event that had recently taken place in Salt Lake City when a thundercell hit at 4:00 AM and dropped 2.3 inches of water in a short time. A storm such as that would have created major problems if it had centered over Neffs Canyon as an example. Mr. Ray also stated that government based resources are limited, run out quickly and that the principle of resilience is based on the idea that all the members of the community learn how to become part of the solution rather than part of the problem.

Linda Milne, a Millcreek resident, added that the Salt Lake City storm affected 174 families and showed how many resources are required. Ms. Milne added that relationships should be built in advance of an event and asked the council to consider the importance of making the connections.

Mr. Ray suggested that Millcreek consider hiring an emergency manager. Mayor Silvestrini responded that a line item in the budget has been designated for that purpose and thanked Mr. Ray for his attendance.

Mayor Silvestrini moved the remainder of agenda items to the general meeting agenda and adjourned the work session at 6:40 PM.

REGULAR MEETING

1. Call to order

1.1 Pledge of Allegiance

Mayor Silvestrini called the Regular Meeting to order at 7:15 PM and led the Pledge of Allegiance.

1.2 Approval of Minutes

Approval of Minutes for July 17, 2017

Motion was made by Councilmember Jackson, seconded by Councilmember Marchant, to approve the minutes of July 17, 2017. Motion passed unanimously,

2. Public Comment

There was no public comment.

3. Reports

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

Mayor Silvestrini publicly thanked the representatives of the UFA and UPD in respect to their efforts to control illegal fireworks over the 24th of July holiday.

3.2 Report of the Unified Police Department

Mayor Silvestrini introduced Chief Steve DeBry who invited the councilmembers to the Night Out Against Crime to be held at Evergreen Park. Chief DeBry reported that there have been two retirements in the Precinct that will be filled soon.

3.3 Report by the Unified Fire Authority

Mayor Silvestrini introduced Chief Brad Larsen who thanked the UPD for the work that they had coordinated with the UFA on the 24th holiday. Chief Larsen reported that the UFA will also be participating in the Night Out Against Crime event.

Councilmember Marchant reported that the city has \$730,719.73 in PTIF from sales tax revenues. Mayor Silvestrini indicated that the amount should be reimbursed to the Municipal Services District as it was collected during the period when Millcreek was a member of the MSD but asked Councilmember Marchant to wait until after the budget discussion at the August MSD meeting. Councilmember Marchant further reported that the balance in the PTIF account now is \$2,217,129.32.

Councilmember Marchant asked several questions related to line items on the property tax notices that had recently been received by residents. Mayor Silvestrini indicated that the county treasurer will collect the funds due to Millcreek and will send it over to the Millcreek PTIF account. Councilmember Marchant asked about the additional increases on the property tax bill listed as “Unified Fire Svce Jdg” and “Unified Fire Svce Jdg”. Mayor Silvestrini indicated that those amounts are new to those entities and that both have decided to implement judgment levies.

Councilmember Jackson reported that the Prepare Fair tickets were available and explained how they will be distributed as donations or for sale. Councilmember Uipi suggested inclusion of patrons of the Senior Center and explained that they would be able to provide transportation. Councilmember Jackson added that the goal is to have attendance at the event.

Councilmember Jackson informed the council that she had taken John Geilmann on a tour of her district and suggested the other councilmembers consider a similar tour.

Agenda Item 4. Update on search for community development director and city recorder. John Geilmann

Mayor Silvestrini asked city manager John Geilmann to report on the job descriptions that are being completed. Mr. Geilmann reported that the job descriptions for the community development director and city recorder positions are completed and ready to be published.

Mr. Geilmann additionally distributed comparisons of salaries for these positions in comparable cities.

Mayor Silvestrini asked Mr. Geilmann to move forward with posting the positions.

Agenda Item 6. Discussion of 50/50 program draft ordinance

Mayor Silvestrini asked John Brems to discuss the 50/50 program. Mr. Brems stated he has not yet been able to work on a streetlight program. There was discussion of the sidewalk deferment agreements that have taken place in the past and Rita Lund was asked to attempt to find the deferments.

Mr. Brems stated that the proposed ordinance includes repairs and maintenance of sidewalks, curbs and gutters, that any construction must comply with city standards and be reviewed by the city engineer. There was discussion related to compatibility, aesthetics and fairness.

Councilmember Jackson indicated an interest in adding the option of new sidewalks to the program and John Geilmann suggested adding wording to exclude new subdivisions.

Jon Brems was asked to consider the changes discussed and bring a new draft to be discussed at a future council meeting.

Agenda Item 7. Discussion of responses to IT RFP

John Geilmann reported he had reviewed the responses to the bid for IT services and added the caveat that there are unanswered questions as to the requirements that Millcreek will need. Mr. Geilmann discussed the ranking he had determined and suggested that Network Providers Inc (NPI) is the lowest and “most responsible” bidder. Computer requirements for the city are still unknown and NPI can provide assistance for that as well. Mayor Silvestrini stated that he has had experience with NPI and found them to do a good job. Mr. Gilmann indicated that he had also received a good reference from South Jordan for NPI.

Mayor Silvestrini asked Mr. Geilmann to contact NPI and complete the contract.

Agenda Item 8. Ongoing discussion of municipal priorities

There was no discussion of municipal priorities at this time.

4. Appointments

No appointments appeared on the agenda.

5. Consent Agenda

No consent items appeared on the agenda.

6. Planning Matters

No planning matters appeared on the agenda.

7. Financial Matters

No financial matters appeared on the agenda.

8. Other Matters

8.1 Discussion and consideration of Ord. 17- _____ - amending Title 14 – Highways, Sidewalks and Public Places of Millcreek Code of Ordinances adding section 14.16.120 entitled Restoration of Surface-Required

Mayor Silvestrini discussed the ordinance and indicated he was interested in having an amendment added to require that pavement conform to city standards.

Motion was made by Councilmember Jackson, seconded by Councilmember Uipi , to approve Ordinance No. 17-_____ - amending Title 14-Highways, Sidewalks and Public Places of Millcreek Code of Ordinances adding section 14.16.120 entitled Restoration of Surface Required as amended, including but not limited to those specified in section 14-12-020. 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

8.2 Discussion and consideration of Resolution No. 17-_____ - approving an agreement for architectural services for office space

Mayor Silvestrini stated he has received an agreement from Woodbury related to the tenant improvement buildout and was concerned about the cost of architectural services of \$25,000. The hourly rate is \$108 for principal architect and lower for others which is standard in the industry. The drawings are not complicated and the mayor was surprised by the amount and will continue negotiations. John Brems indicated that he also was surprised by the amount and suggested that the council may wish to give the mayor discretion to negotiate a more favorable contract.

Motion was made by Councilmember Uipi, seconded by Councilmember Catten, to approve Resolution No. 17-_____ - authorizing the mayor to negotiate and enter into a contract for architectural services for the leased space subject to approval as to form by the city attorney. 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

9. New Items for Subsequent Consideration

There were no new items for subsequent consideration.

10. Calendar of Upcoming Events

Mayor Silvestrini reviewed the calendar of upcoming events.

11. Closed Session

No closed session was required.

12. Adjournment

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