

KAYSVILLE CITY COUNCIL
ANNUAL RETREAT
January 23, 2021

Minutes of a special strategic planning retreat of the City Council held on January 23, 2021 at 8:00 a.m. in the Council Chambers in Kaysville City Hall at 23 East Center Street, Kaysville, UT.

Council Members present: Mayor Katie Witt, Council Member John Swan Adams, Council Member Barber, Council Member Mike Blackham, Council Member Andre Lortz, and Council Member Tamara Tran

Others Present: City Manager Shayne Scott, Finance Director Dean Storey, City Recorder Annemarie Plaizier

CITY COUNCIL RETREAT

Mayor Witt opened the meeting and thanked the Council for being available to meet.

City Manager Shayne Scott presented a year in review. There were many events which occurred during 2020 and we are grateful for the work and professionalism of the employees and City Council to help get us through.

Finance Director Dean Storey presented a financial report of the city. While our financial statements generally look promising, there are a couple areas we might like to focus on. Proportionately our liabilities are favorable as we don't have any significant liabilities. We are in a better position than we were last year with our fund balances. Many of these funds are restricted on where and how they can be spent.

Council Member Tran arrived.

Mayor Witt commented that this city provides a lot of services for our residents on a lean budget.

Dean Storey said that the city was able to increase our fund balance over the last fiscal year, even with the transfer of money to the city hall project, the debt service fund, and to the ambulance enterprise fund.

Council Member Blackham commented that if we have any extra resources and money within our enterprise funds we could potentially use that to help the city in other areas. We could use those additional funds to pay off bonds so we don't have to pay the interest fees, and then pay our budget back to us without the interest. It would help us to save more money.

Council Member Barber said that owning our own power company is an asset that we could be utilizing more. We seem to have better rates than our competitor and we should be better at giving that benefit back to our residents.

Dean Storey said that when you're using enterprise funds you have to make sure that there's always

adequate cash in your enterprise funds and that you're generating enough rate revenue to cover your operating expenses. This year in every case of our operating basis, the fund had an operating loss. That doesn't necessarily mean that the cash went down a lot, but you've got to also take into account the depreciation, which is a non-cash transaction. Some of the expenditures will only be one-time expenses. We really need to look at our enterprise funds and make sure that our rate structure is such that we are covering our operating expenses, including depreciation.

Council Member Lortz commented that if we keep our capital expenditures equal to our depreciation we are giving us the strength to sustain our enterprise fund.

Mayor Witt asked about increasing our rates.

Dean Storey responded that at some point we will need to increase our rates for certain utilities, such as electrical and water.

Council Member Lortz commented that when we look at raising our rates we should have something we can give the public showing the reason why the rates are being raised and how we are setting up the city for the future. The city has a lot of needs that we need to consider and address.

Council Member Lortz added that he would like to see the city look into creating a peak usage premium to our electric rates, so it would be defined to a specific time period when the city is being hit with the most usage and cost to provide the service. It would help to incentivize people to lower their peak usage in order to get a reduction of what they are currently paying for. If we can get people to lessen the usage we wouldn't have to be paying more to upgrade our infrastructure.

Dean Storey explained that the city currently doesn't have any long-term obligations in enterprise activities. That's usually where you will see most of the debt within an entity. Mr. Storey reviewed the Interim Financial Report YTD with the Council. There is a substantial increase being shown under the city's Intergovernmental Revenues and that is attributed to the CARES Act funds received. When the FY2021 Budget was adopted we used fund balance to cover costs. From there it was split up between different expenditures. Our sales tax is ahead of where we had expected it to be, especially considering the pandemic.

The City Council directed Staff to look into what a RAMP tax might look like in Kaysville and have it ready to review at the Council budget retreat.

Council Member Blackham added that he would also like to see numbers on what it might cost the city to have a fleet program and what it might save the city long-term.

Council Member Adams said that he would like to see a definition of what our responsibility is as a city to our citizens and how that fits in with what we are trying to do. For instance, as we start talking about the RAMP tax it would be better if we had an idea of what we were going to use that tax for so we could inform our citizens of that vision and show how it will be beneficial to our citizens. Council Member Adams added that he would also like to see our downtown area get more focus.

Mayor Witt commented that our Strategic Plan showed us more about what our citizens are looking for from the city and it will need to continue to be updated every ten years or so.

Dean Storey said that if a RAMP tax were implemented the Council would decide how those funds are allocated. We can customize it to meet the needs of our city.

Mayor Witt asked about Truth in Taxation.

Council Member Lortz commented that he feels that it should be held so that there can be a conversation available between the Council and our residents. However he has some concern about what it will look like, including being open to not just accepting the market change.

Council Member Blackham said that it might be hard for many residents to take on a tax increase and a R.A.M.P. tax in one year, especially after the effects of the pandemic.

Council Member Barber said that holding a Truth in Taxation doesn't obligate the city to anything, but will give residents an idea of a possible proposed number so that we can get feedback about it.

Council Member Lortz added that the Council could set the rate that goes out in the notice, but that would be the maximum that the city could approve for that year.

Mayor Witt agreed that the hearing needs to continue to be held every year to give people a chance for residents to have the discussion and so we don't fall so behind on where we need to be with our taxes so we can't continue to cover the cost of providing services to our community.

Council Member Lortz added that when the hearing is held we need to also have a something we can show people which shows the purpose of the taxes and possible increase.

Mayor Witt suggested holding a Q&A session beforehand so people have a way to come and discuss the Truth in Taxation and have time to review it before it would be approved.

Dean Storey commented that a notice could be sent out to residents when we receive the numbers from the County Assessor's office, which is about 6 weeks before the Truth in Taxation would need to be held. We will have more information about this and other budget items at the budget retreat in April. Mr. Storey added that our City Accountant, Cami Moss, has announced that she will be leaving and so we hope to get someone else in her position quickly to help.

The City Council took a break at 10:00 a.m. and reconvened at 10:35 a.m.

Mayor Witt said that she has been part of meetings with the ULCT and other groups it is more important than ever that we are communicating with our representatives and senators.

The City Council discussed a few bills of interest being presented to the Utah Legislature.

Shayne Scott said that the connector road design has been completed and they are currently working on an engineer's estimate of cost. After we see what the cost estimate will be, we want to work on getting the right-of-way taken care of during 2021. We might be able to go out to bid by late 2021 and get started on construction early 2022. Currently the plan is to leave the Hansen

property out of the project and see if there is something that might be worked out in the future. The estimate of cost might affect that current decision, but we won't know until we get further information, hopefully within the next month.

The City Council discussed the city newsletter and made assignments for each edition for the year. The Council also discussed continuing to have a Q&A sessions each month on a Saturday and made assignments for each session for the year. The Council then discussed responsibilities of each Council Member and made adjustments.

Shayne Scott reviewed the calendar for City Council Meetings during 2021. The April 1, 2021 meeting will be cancelled because of spring break. The ULCT will be holding their spring conference on April 21-23, 2021 in St. George. Mr. Scott said that his contract expires this year and in February the Council will see an agenda item for the council to ratify the contract. This contract is in place because it helps protect the staff from a council action to try to remove a member of staff. It also allows him to be able to speak freely with the council and it sets expectations. It is very common for city managers to be hired with a contract. There have been a few additions to this proposed contract including being able to use the EV charging stations, the option of being able to telecommute one day a week, and also considering the removal of the expiration date on the contract date depending on what the Council decides is best. Mr. Scott said that even if the expiration date is removed, he feels there still should be a conversation about it every year or so.

Mayor Witt said that it is good common practice to go out to bid occasionally on services that we employ with the city. The two possible bids that the city might want to look at in 2021 would be for the auditor and for solid waste services.

Council Member Lortz proposed that we give those we have employed, and are happy with their services, the option to renew on mutually agreeable terms before we go out to bid. If you put it out to bid, many times those companies will raise their prices because they have to go through the cost of putting together the bid. It doesn't always result in a lower price so we want to treat our best vendors well and reward them if we are happy with their service and they are being transparent.

The City Council took a break at 11:36 a.m. and reconvened at 11:48 a.m.

Mayor Witt said that there has been a lot of work done towards our General Plan, but it has been difficult to get feedback from the community, especially through the pandemic. We are going to go back and try to reach out further and in other ways to try to get more responses. Many don't realize that these decisions will personally effect our community. It's important and we need that feedback from our residents. We do have an obligation to keep in mind the growth in our region and try to as best we can for some growth. We need to be flexible in some areas to accommodate for growth and be more forward thinking. Now might also be a good time to set a standard for certain sections our commercial corridors and how we want new development to look. It would be a way to help beautify our community and make it look more harmonious.

Council Member Blackham commented that he would like to have the PRUD ordinance reviewed and revised to help to better protect our community.

Council Member Barber added that she would also like to see something to help ensure open space areas are more usable.

Mayor Witt said that she would like to see the city consider creating a mixed-use zone so we have that option available in certain areas of our city. Mayor Witt said that she has been working to create an interfaith council to help unite the community further. It will also provide a way for us to be able to spread information more quickly and hopefully to more people.

Council Member Lortz said that we have invited our internet franchise agreement members to come present to the Council on February 18th during our meeting so they can show us how they are trying to increase internet connectivity in the city. The two main concerns the city has heard from our residents is that they don't have enough options and they don't have enough bandwidth, and so we would like to know what they are doing to help the community. We have some other groups who are still exploring Kaysville and see the opportunity to do something different here and we will likely hear more from that at some point.

Shayne Scott said that Chief Erickson has been working on an emergency management plan and would like to bring that before the council within the next couple of months.

Council Member Adams commented that the President of the DTC contacted him about possibly having some city police officers on site. At one point the city had discussed providing them a couple of officers but there wasn't money in the budget. The DTC is willing to help pay for half of it because they would like to get an officer there.

Shayne Scott added that the DTC does have security that they employ but they aren't officer certified.

Mayor Witt commented that it's a valid concern and as they continue to add onto the school, more students will be traveling here.

Council Member Lortz said that it's an important need for all of our schools, however the city already has limited officers available, and what school officers we do have are prioritized for the Jr. Highs. The city has seventeen schools within our boundaries and we are going to get another satellite school soon, and we don't have enough officers to be in our schools as it is.

Shayne Scott said that he would like to see the city hold the Kaysville University again this year and to do it in conjunction with the upcoming election.

Mayor Witt suggested it be done as more of an open house rather than over multiple weeks because it's hard for people to commit to multiple weeks.

Shayne Scott responded that the reason they did it over several weeks was so that they could get more into depth for each area of the city.

Council Member Tran suggested that the university be hold over a limited amount of weeks, with trips to visit our facilities included.

Shayne Scott explained that at a recent Council meeting it was explained that the county is looking

to put their paramedic services onto the cities to provide for themselves. Since then we have been assigned into a paramedic district which includes Farmington, Fruit Heights and Kaysville. The conversations that have occurred between these cities have been very positive and we will continue to bring updates to the Council throughout the process of taking that over.

Mayor Witt commented that the city will also be working with the county regarding their animal control services and the possibility of turning that over to them completely within the next five or ten years. There will likely need to be an adjustment to taxes to accommodate for that.

Council Member Barber commented that every department has a need for more staffing, but the Parks and Recreation Department has been overlooked for several years and are really understaffed. We were struggling to hire more staff even before COVID. It's been hard to get people to come and work. The city continues to approve more parks in the city and we don't have the additional staff to help maintain them. There are many areas within the Parks and Recreation Department that needs to be addressed.

Mayor Witt said that she is glad to have hired the additional firefighters, but had there been more discussion between staff and Council, we might have allowed for the additional employees to be given to other departments instead or as well. Some members of staff have mentioned they wish they would've been given more of an opportunity to speak with the council about the additional firefighters.

Council Member Barber commented that it was important to the safety of our community to approve the additional firefighters. The Parks and Recreation Department wasn't requesting more employees at the time or they might have been considered as well.

Mayor Witt said that going forward we should have more discussion with staff so it's not as big of a surprise to them. We need to remember to make sure that we are working with staff because we are all in this for the right reasons.

Council Member Barber said that the 4th of July committee has been meeting and trying to decide what our Independence Day celebrations might look like. They plan to hold the fireworks show because they put a down payment on them last year and never held the show because of COVID. They also would like to have a parade, but is not sure how they will be able to do it. We don't want to have a lot of people packed into one area because it would be irresponsible during this pandemic. Council Member Barber explained that because July 4th falls on a Sunday this year, the Independence Day celebrations will be held on Saturday, July 3rd.

Council Member Lortz suggested that we make a list of everything that needs to get done to improve our infrastructures in the city. If we have ten years of projects that need to get done, we could create one packet for infrastructure update and obtain a bond for that, and that would set the city up to get those done for the next twenty or thirty years. This is a way to get everything done that we need to.

Council Member Blackham asked if there is any way we could use our own money so we don't have to pay interest on a bond.

Council Member Lortz said likely we don't have enough internal funds to do it.

Council Member Blackham commented that if we get too many projects going it just overwhelms us.

Council Member Barber said that we could partially fund some of these projects, which would reduce the time and interest we would have on the bond.

Council Member Lortz said that if we were to take out a bond we could have construction lined up and get it all taken care of without having to draw this out for several years, likely costing us more money. We should explore taking a different approach to do what is in Kaysville's best interest and update our infrastructure. It's not a cheap endeavor but we can't sit back and do nothing.

Mayor Witt said that it has been suggested that we allow people to paint the exterior of utility boxes to bring more art within our city. We have creative people in our town and they want to express that creativity. Let's give this idea to the Parks and Recreation advisory board to see if they have any ideas about it.

Council Member Blackham suggested that we display local arts within the city hall building for a time period.

Council Member Tran made a motion to adjourn at 2:02, seconded by Council Member Barber and passed unanimously.