

**MINUTES OF LAYTON CITY
COUNCIL STRATEGIC PLANNING
WORK MEETING**

MAY 28, 2019; 7:00 P.M.

**MAYOR AND COUNCILMEMBERS
PRESENT:**

**MAYOR SCOTT FREITAG, JOYCE BROWN,
SCOTT CARTER, BRUCE DAVIS, TOM DAY, AND
JOY PETRO**

STAFF PRESENT:

**ALEX JENSEN, GARY CRANE, TRACY
PROBERT, AND KIM READ**

The meeting was held in the Council Conference Room of the Layton City Center.

Mayor Freitag opened the meeting and turned the time over to Staff.

BUDGET/FINANCIAL DISCUSSION

Alex Jensen, City Manager, announced this was an opportunity for the Council to ask questions or have a discussion regarding the 2019 Budget prior to adoption. He requested direction from the Council regarding a possible increase in the street lighting fund for installation of lighting in areas that were currently underserved with either upgraded light fixtures or new installation. He reviewed the expense and process associated with replacing the old light poles which were previously owned and installed by Rocky Mountain Power and a discussion followed. Councilmember Day stated he had previously requested some of the collected funds be pledged for upgrades in older neighborhoods lacking street lighting.

Councilmember Petro requested clarification about relocating a light pole and the costs assessed by Rocky Mountain Power to remove or move an existing pole. Mr. Jensen explained previous circumstances and indicated Staff would need to meet with Rocky Mountain Power for a reasonable solution.

Councilmember Day believed replacing the old lighting would go a long way in illustrating the need for the lighting fee if residents could recognize the improvements in their own neighborhoods. Mr. Probert shared an illustration identifying subdivisions and the proposed year for completion of improvements.

Mr. Probert reviewed the Street Lighting Fund with the Council and explained how a proposed rate increase could benefit the capital project fund in addition to covering costs associated with the increase in personnel which was needed to maintain the City's street light system. A discussion took place regarding the fund.

Mr. Probert stated he currently had the proposed rate increase included in the budget but was waiting for further direction from the Council. Mayor Freitag requested input from each Councilmember. Councilmember Day would be in favor of an increase as long as projects were identified for old lighting and publicized to the residents. Mr. Jensen pointed out that betterments associated with UDOT projects had been completed by the use of the light fund. Councilmember Petro believed transparency for light projects would be beneficial. Councilmember Carter stated educating residents that new development would be paying for its own lighting and the increase would benefit older areas would be a good idea. Councilmembers Brown and Petro were also in favor of the increase. Mayor Freitag indicated the Council was unanimous in keeping the proposed rate increase for street lighting in the budget and directed Mr. Probert to have it included.

Mr. Probert reviewed the proposed utility rate increases with the Council:

- \$3.45 water fee
- \$1.00 storm water fee
- \$1.00 street lighting fee
- \$2.00 garbage (for the Wasatch Integrated pass-through which would affect the 2nd can and recycling)

Councilmember Brown suggested including some literature in the utility bills identifying the proposed utility increase specific to trash collecting was a pass-through from Waste Management. There was a discussion and Mr. Probert indicated information would be included with the utility bill.

Mr. Probert requested clarification regarding a property tax increase and proceeding through the Truth-in-Taxation process. He believed the Council was in favor of that based on discussion at the previous work meeting. He assured the Council sufficient public notice would take place for the required public meetings and that detailed justifications would be provided to residents. He emphasized he would also coordinate the increase with the other taxing entities. Mayor Freitag suggested a strategy session with the new public relations specialist to identify a messaging strategy regarding any proposed tax increase and budget and a discussion followed.

Councilmember Brown requested clarification that the decision to proceed through the Truth in Taxation process, wouldn't obligate the Council to raise the Certified Tax Rate; rather, it allowed for that option. Mr. Probert clarified the process included some public hearings, two different advertised notices stating either the City was considering raising property taxes or holding the Certified Tax Rate. He stated the City would receive figures from Davis County based on property assessments.

Mayor Freitag believed the City needed to identify needs which needed to be funded prior to identifying whether the City should increase the Certified Tax Rate. Mr. Probert shared a list of City Council priorities and reviewed those he had identified from previous discussions and requested the Council provide further direction.

Councilmember Petro asked about a possible partnership with the School District regarding a swimming pool and Mr. Jensen believed that was the District's intent based on previous discussions. Mayor Freitag suggested the City should move forward with some sort of signed document expressing its intent. Mr. Jensen spoke to the need for the school district's need for an aquatic facility and a discussion followed. The councilmembers each expressed their priorities and the need for some type of increase in the Certified Tax Rate:

- Councilmember Brown stated her priority would be the new fire station, relocating the fire station, public safety compensation and retirement, and streets and sidewalk projects.
- Councilmember Petro identified streets and sidewalk projects and public safety as her highest priority.

Gary Crane, City Attorney, arrived at 7:45 p.m.

Mayor Freitag stepped out of the meeting at 7:48 p.m.

Councilmember Petro pointed out once the City identified priorities in conjunction with a property tax increase it would become an expectation and suggested it might be a better idea not identifying a specific need and the discussion continued.

Councilmember Day inquired if maintaining the rate would accomplish what was needed or if the Council was interested in increasing the Certified Tax Rate. Councilmember Brown emphasized the State hadn't made a decision on the restructuring of Sales Tax and wouldn't be in favor of raising the rate for that

reason.

- Councilmember Day stated he was in agreement with the top three priorities: new fire station, relocate fire station 53, and streets and sidewalks. He also wanted to publicize that the last property tax increase took place 30 years ago.

Mr. Probert referred to the Inflation Adjusted Tax Values illustration and reviewed it with the Council and pointed out the City was approximately \$2.1 million, 31%, behind in keeping up with inflation. He explained how property tax was calculated; as values increase, the City's Certified Tax Rate decreases.

Mr. Jensen requested clarification the Council was in agreement with the top three priorities identified by Staff.

- Councilmember Davis indicated the unfunded mandates was a higher priority to him than streets and sidewalks and a discussion specific to priorities continued.

Mr. Jensen expressed appreciation to the Council and indicated the discussions had been very helpful to Staff. He indicated Kaylie Astin, Communications Coordinator, would attend the next meeting regarding educational opportunities which could be implemented to educate residents.

Councilmember Day indicated he and Councilmember Petro were in favor of maintaining the rate at this time and requested clarification if the other councilmembers were in favor of increasing the rate and a discussion followed.

Councilmember Brown asked if there was a way to explain the transfer to the General Fund from Enterprise Funds. Mr. Probert explained the history, the philosophy and how the terminology came to fruition. Mr. Jensen believed what the City was doing was appropriate and how it was being explained to residents was very transparent; reflecting true costs associated with the Enterprise Funds

Mayor Freitag re-joined the meeting at 8:03 p.m.

The Council continued to discuss the Enterprise Funds transfers.

Councilmember Davis asked if it would be worthwhile to contract with a consultant to complete a study to identify the actual amount of funds to be transferred. Mr. Jensen believed the true costs would actually be higher and Mr. Probert indicated that could be done if the Council deemed it worthwhile and directed to pursue that and the discussion continued.

Mr. Probert shared some slides relative to inflation and the declining property tax value. He shared an efficiencies comparison illustration identifying the population of the City from 2011 to current and the respective employee information. He reviewed a sample of a property tax notice with the Council pointing out the County had broken its taxes into four different line items. He continued to review information and options related to a property tax increase and reviewed tax rates of other municipalities. He also shared a proposed timeline associated with the property tax calendar.

Mayor Freitag requested the Council identify the projects it would fund with any proposed increase in the Certified Tax Rate.

Mr. Jensen clarified the Council's priorities:

- New fire station
- Relocate fire station

- Street & sidewalk improvements
- Unfunded mandates

Mayor Freitag asked the Council if it would be in favor of increasing the Lighting Fund fee \$1 and indicated all members had directed Staff to proceed with the increase.

Councilmember Day requested clarification regarding the budget line item associated with the Davis and Weber Canal Company under Capital Improvements Projects. Mr. Jensen explained the expenditure from submitted documentation on behalf of Public Works.

MAYORS REPORT:

Mr. Jensen pointed out the first Davis Arts Council event at the amphitheater was scheduled for Monday, June 17, 2019 and reported the contractor believed the plaza improvements could be completed, weather permitting. He indicated the biggest challenge was specific to the concrete curing. He stated Staff would be assisting in getting equipment to the amphitheater without driving on the driveway near the cabin. He stated other events scheduled at the amphitheater prior to the June 17 concert would either be moved to another location or cancelled.

He provided an update to the Council on the gas odor issue near Gentile and Sugar Street. He reported the State had drilled a number of wells in the area to identify any vapors; as well as completing multiple pressure tests and sensitivities tests. He indicated the gas station had passed all testing which didn't identify leaks within its system and mentioned this was confusing because new product had been discovered in one of the wells. He reported the State would be leading the investigation on identifying the source.

Mr. Jensen provided an update on future development within the City.

Councilmember Brown asked if anyone had reached out to residents regarding the secondary water issue from Kays Creek and Mr. Jensen indicated he wasn't aware that anyone had been in contact with any of the residents. Mayor Freitag indicated he would respond to those residents which had emailed him regarding the Kays Creek irrigation and its secondary water issues. He reiterated the City would not be modifying the tiered water rate structure. The Council expressed agreement.

Mayor Freitag inquired about training sponsored by Urban Land Institute and Mr. Jensen explained how the training came to take place at Layton City and emphasized it was a respected organization which promoted understanding between government (elected officials and staff) and the private sector (development). He reported Lon Crowell, Community and Economic Development Deputy Director, had suggested the training and exercise. Gary Crane, City Attorney, had participated in a similar exercise and indicated it had been productive.

Kim Read, City Recorder, reminded the Council the "Filing for Candidacy" period was June 3-June 7, 2019.

Mr. Crane provided an update on a cyber attack on the internet service providers through UTOPIA. He stated it had been challenging to work through.

The meeting adjourned at 8:51 p.m.

Kimberly S Read, City Recorder

