

SOUTH JORDAN CITY
“COMBINED” CITY COUNCIL, REDEVELOPMENT AGENCY,
AND MUNICIPAL BUILDING AUTHORITY MEETING

April 5, 2016

Present: Mayor David Alvord, Council Member Patrick Harris, Council Member Brad Marlor, Council Member Chris Rogers, Council Member Don Shelton, Council Member Tamara Zander, COS Paul Cunningham, Fire Chief Andrew Burton, Administrative Services Director Dustin Lewis, Police Chief Jeff Carr, Strategic Services Director Don Tingey, Development Services Director Brad Klavano, City Attorney Ryan Loose, City Commerce Director Brian Preece, Finance Director Sunil Naidu, IT Director Jon Day, Public Works Director Jason Rasmussen, City Council Secretary MaryAnn Dean

Others: Attachment A

REGULAR MEETING – 6:00 PM

A. Welcome and Roll Call – *Mayor David Alvord*

Mayor Alvord welcomed everyone present. All members of the City Council were present, as listed.

B. Invocation – *By Council Member Tamara Zander*

Council Member Tamara Zander offered the invocation.

C. Pledge of Allegiance

Zach Livolsi, Scout Troop 1715, led the audience in the Pledge of Allegiance.

Mayor Alvord recognized the scouts that were present.

Council Member Rogers made a motion to remove item N. (Executive Session) from the agenda. Council Member Harris seconded the motion. The vote was unanimous in favor.

D. Minute Approval

1. March 14, 2016 City Council Study Meeting
2. March 15, 2016 City Council Meeting

Council Member Shelton noted a change to the March 15, 2016 City Council meeting minutes.

Council Member Harris made a motion to approve the March 14, 2016 City Council study meeting minutes, as printed, and the March 15, 2016 City Council meeting minutes, as amended. Council Member Marlor seconded the motion. The vote was unanimous in favor.

E. Public Comment:

No comments.

F. Action Item: Resolution R2016-27, Appointment of Brady Quinn to the Planning Commission as the Alternate Planning Commissioner for a term of 4-Years and clarifying the term lengths for all current members of the South Jordan Planning Commission. *(By Mayor Alvord)*

Mayor Alvord noted that this issue was discussed in a study session. He recognized Mr. Quinn. He said the only concern expressed was that Mr. Quinn was so young. He said the City Council has a lot of confidence in Mr. Quinn; he comes highly recommended. He asked that Mr. Quinn give a good amount of notice if he needs to be replaced on the Planning Commission.

Council Member Shelton made a motion to approve Resolution R2016-27. Council Member Zander seconded the motion. The vote was unanimous in favor.

G. Public Hearing: Colwyn Bay Property Development Agreement and Rezone; 10923 S. Redwood Road. Resolution R2016-10. Development Agreement; and Rezone Ordinance 2016-03-Z, rezoning the subject property from Agricultural (A-5) to Commercial Community (C-C). *(By Planner David Mann)*

Planner Schindler reviewed the background information on this item.

Mayor Alvord opened the public hearing. There were no comments. He closed the public hearing.

Mayor Alvord said this issue was discussed in the study session.

Council Member Harris asked what is the timeframe for this project? Planner Schindler said it is not set at this point. It was noted that this will be an office occupied by tenants.

Council Member Zander asked what is the business being run out of the existing building? Planner Schindler said it is an investment management business.

Council Member Marlor made a motion to approve Resolution R2016-10. Council Member Rogers seconded the motion. Roll call vote. The vote was unanimous in favor.

Council Member Rogers made a motion to approve Rezone Ordinance 2016-03-Z. Council Member Harris seconded the motion. Roll call vote. The vote was unanimous in favor.

H. Public Hearing: Specialty Retailer Development Agreement and Property Rezone. Resolution R2016-14 Development Agreement; and Rezone Ordinance 2016-04-Z, rezoning property at 10632 S., & 10662 S. Redwood Road from Agricultural (A-5), Residential (R-1.8) and Residential R-2.5 Zones to the Redwood Road Mixed Use Community (MU-COMM) Zone. *(By Planner Brad Sanderson)*

Planner Schindler reviewed the background information on this item.

Mayor Alvord opened the public hearing. There were no comments. He closed the public hearing.

Monay Ragsdale, 1521 Oxbow Dr., (Montrose, CO), indicated that they are planning to do a specialty grocery store. Her company will continue to own the property. The grocer will sign a long term lease.

Council Member Marlor asked if the changes from the Architectural Review Committee were included? Planner Schindler said yes.

Council Member Rogers made a motion to approve Resolution R2016-14. Council Member Shelton seconded the motion. Roll call vote. The vote was unanimous in favor.

Council Member Rogers made a motion to approve Rezone Ordinance 2016-04-Z. Council Member Marlor seconded the motion. Roll call vote. The vote was unanimous in favor.

I. Public Hearing: Ordinance 2016-06, Enacting Chapter 5.46 Regulating Mobile Food Vendors. *(By COS Cunningham)*

COS Cunningham said this was approved as a test program a year ago. It has been an outstanding success. He noted one change and that is to allow the mobile food vendors at schools, government properties, or in parks. It is not allowed in residential areas.

Council Member Zander asked about the mobile food vendors on Northshore in Daybreak on Thursday night? COS Cunningham said they have permission through the HOA.

COS Cunningham said staff's biggest concern is ensuring that all of the vendors are licensed.

Council Member Harris asked about the taxes generated from these type of businesses? COS Cunningham said there is a fee for the license. They are also required to report sales tax from the point of sale; it is not a large sum of money.

Mayor Alvord opened the public hearing. There were no comments. He closed the public hearing.

Mayor Alvord asked if they have had any complaints from brick and mortar businesses in the city? Neither COS Cunningham or City Commerce Director Preece were aware of any complaints.

It was noted that the mobile food vendors are required to have permission to set up their business on private property. They can't just set it up anywhere. The mobile food vendor is required to have a copy of that permission.

Council Member Harris said if a mobile food vendor asks the city for permission to locate on their property, the city should recognize that they have people that have invested a lot to put businesses with buildings in the city. That should be taken into consideration. If they get complaints from city businesses, he would like to know about that. Mr. Preece indicated that the issue was heavily debated and that is why they did a test for a year. He said they will let them know if they start getting concerns expressed by businesses.

COS Cunningham indicated that code compliance will primarily be doing enforcement. Mr. Preece said health department approval is part of the city license.

Council Member Zander made a motion to approve Ordinance 2016-06. Council Member Shelton seconded the motion. Roll call vote. The vote was unanimous in favor.

J. Action Item: Resolution R2016-26, Adopting a Tentative City Budget for Fiscal Year 2016-17. *(By CFO, Sunil Naidu)*

Mayor Alvord indicated that this budget is a result of many meetings and discussions. The priority based budgeting makes the process streamlined and has brought clarity.

It was noted that the date for final budget approval is May 17th, 2016. Finance Director Naidu said that gives time for the public to review the budget before final adoption.

City Attorney Loose said the tentative budget does not require a public hearing. There will be a public hearing at the final adoption of the budget.

Council Member Harris made a motion to approve Resolution R2016-26. Council Member Zander seconded the motion. The vote was unanimous in favor.

Council Member Rogers made a motion to recess the City Council meeting and move to a Redevelopment Agency Meeting. Council Member Shelton seconded the motion. The vote was unanimous in favor.

K. Action Item: Redevelopment Agency Resolution RDA 2016-02, Adopting a Tentative RDA Budget for FY 2016-17. *(By CFO Sunil Naidu)*

Finance Director Naidu said this is part of the city wide budget. Nothing has changed in the RDA budget since their last discussion.

Chairman Alvord asked why is there a decrease in RDA revenue?

City Commerce Director Preece said the decrease is because they have dropped a couple of project areas off because their terms were complete, and they are no longer receiving tax increment for those projects.

Board Member Marlor made a motion to adopt Resolution RDA 2016-02. Board Member Rogers seconded the motion. The vote was unanimous in favor.

RDA Meeting Adjournment

Board Member Rogers made a motion to adjourn the Redevelopment Agency meeting and go into a Municipal Building Authority meeting. Board Member Marlor seconded the motion. The vote was unanimous in favor.

L. Action Item: Municipal Building Authority Resolution MBA 2016-01, Adopting a Tentative MBA Budget for FY 2016-17. *(By CFO Sunil Naidu)*

Finance Director Naidu said they use the MBA fund to pay for debt service. This is outlining regular payments being made on outstanding bonds.

Board Member Shelton made a motion to approve Resolution MBA 2016-01. Board Member Rogers seconded the motion. The vote was unanimous in favor.

MBA Meeting Adjournment

Board Member Rogers made a motion to adjourn the Municipal Building Authority meeting, and go into a City Council meeting. Board Member Harris seconded the motion. The vote was unanimous in favor.

M. Reports and Comments: *(Mayor, City Council, City Manager, and City Attorney)*

Mayor Alvord reported on a recent Council of Mayors (COM) meeting. He said there was a discussion about trails in the city. Strategic Services Director Tingey said the Legislature funded the last trail gap at the North Temple section to complete the Jordan River trail through the valley. He said the trail now goes from Utah Lake to Roy.

Mayor Alvord said he would like to meet with staff and make some goals regarding trails. Mr. Tingey said they just kicked off the park master plan process. The trail is a major component of that plan.

Mayor Alvord indicated that they will be meeting in May with the Mayors on the west side to get a political lobby together to help move along the Mountain View Corridor access. They would like to make sure that the road will connect to at least the 201, and ideally I-80.

Mayor Alvord indicated that he would be unable to attend the meetings in St. George this week.

Council Member Rogers asked about progress and plans for the park next to Nielsen's frozen custard? Development Services Director Klavano said the bids came in higher than budgeted. They plan to move some money around to fund the project. Construction will start the first of May. He said the previous Council requested that there be a secondary water connection to the park. That is part of the reason for the higher bid; that portion of the project won't be complete until October.

It was noted that possibly some light use would be allowed at the park this summer, but not mass crowds before the turf gets rooted. The park will have shared parking with Nielsen's frozen custard.

Council Member Marlor noted an open house that he attended at Daybreak. He feels Kennecott has done a good job trying to communicate what is going on there.

Council Member Marlor reported on a meeting with the Architectural Review Committee. They reviewed the grocery store site across the street that was discussed tonight. They made some changes to that plan.

Council Member Marlor thanked Finance Director Naidu for his work on the budget.

Council Member Shelton said Kennecott also held an open house for the residents at Sunstone. That meeting was well attended, and the residents were engaged. Kennecott was very professional. Strategic Services Director Tingey said Kennecott will be holding a follow up meeting in a week or so.

Council Member Shelton reported on a meeting with the Senior Committee. The committee is functioning well and has a lot of activities.

Council Member Harris said his neighbor, who is part of the Hindu community, said that they would like to be able to play cricket in one of the city parks. He said if the city could provide the land, the Hindu community could help with improvements. Have they looked at that as part of the parks master plan? Strategic Services Director Tingey said they have played at the Jordan Ridge Park in the past, informally. That sport does quite a bit of damage to the turf. He said he would invite them to participate in the public park master plan process.

Administrative Services Director Lewis said that sport needs a concrete strip, and that makes it difficult to put in the existing park because it would take out another active field that is in use.

Council Member Marlor said there is a group that plays cricket at the Jordan Ridge Park every Sunday morning.

Council Member Harris said he feels that there is a lot of interest. If they want to have a diverse community, they should take this into consideration.

Council Member Harris said he met with a Kindergarten class at a Draper charter school. He said it puts their decisions into perspective.

Council Member Harris asked when is the next Mulligan's Commission meeting? Mr. Tingey indicated that they got the draft plan from Staples Golf today. They will be scheduling a meeting. Council Member Harris asked that the meeting date be posted on their website.

Council Member Zander thanked Strategic Services Director Tingey and CM Whatcott for their overview of the Trax Line in the city. She said Early Light Academy will be affected by the trax line. She noted that she and Council Member Shelton attended a meeting with 2 Board members of ELA. Development Services Director Klavano said they just got the draft results of the study today. He said staff will be meeting with CM Whatcott and then they will determine how to send out the information to the City Council. Council Member Zander indicated that she would like details of those results. She said the ELA board members are also awaiting those results. Mr. Tingey said they will also be sharing the results with UTA.

Council Member Zander said she had a resident complain that they were not aware that they had secondary water and they do not want to pay for it. Are there variances for residents that don't want to use it? Public Works Director Rasmussen said the only exceptions are for residents that can't get the pressure or water volume to their house and it is ineffective. If people started opting out because they didn't want to use the water, it would cause them to have to raise rates.

Council Member Zander said the resident complained that the water was killing the trees. Mr. Rasmussen said if they have a service connection, they have to pay for it. Some residents break up the irrigation zones and water the bushes, etc. with culinary water and use the secondary water for the lawn.

Council Member Zander asked if residents are notified of the secondary water as part of the home disclosure process? Mr. Rasmussen said he was unsure, but he would find out and follow up.

Development Services Director Klavano said on Thursday, April 7th, from 5-7, there is an open house regarding the environmental work for Bangerter and 11400 South. It will be held at Midas Creek Elementary. It was noted that most of the City Council would be out of town at the League of Cities and Towns Conference. Council Member Zander asked for a report back to the City Council.

Development Services Director Klavano said he and CM Whatcott met with the Region 2 Director of UDOT. He said they are trying to clear the largest footprint for the intersection. He said the key is that the RFP needs to be structured in a way so that the contractor does not have too much freedom. It needs to be structured to say that Bangerter will go under 11400 South. He said staff feels that they can get approval for the road to go completely under or a hybrid

approach where Bangerter is dropped and 114th is elevated slightly. He said the process is still ongoing.

Development Services Director Klavano reported on the open house for the environmental part of the project for South Jordan Parkway, from Redwood Road to I-15. He said there was concern expressed by some of the businesses that they would like their left access to remain at the end of the project. He said if there is a left access now, that access should continue upon project completion. Construction on that project will begin next Spring.

City Commerce Director Preece said there is a meeting Thursday at 11:00 am at the Oquirrh Mountain marketplace to discuss the Bangerter 11400 South project.

Finance Director Naidu asked about the audit committee. There aren't currently any Council Members appointed to that committee. In January, he agreed to perform the duties of the audit committee, and report back to the City Council. They issued an RFP and are in the process of selecting an auditor. He said he shouldn't be selecting the auditors because it is not in compliance with Resolution R2012-33. He said the City Council can appoint 2 members of the Council to the audit committee, or they can delegate the responsibility to the entire Council.

Mayor Alvord said he served as a member of the audit committee. He said he didn't bring a lot of insights to that process, as it is out of his expertise. He said they may consider bringing in a resident with those skill sets to give additional accountability to the residents.

Council Member Shelton asked if they felt that the audit committee added value? Mayor Alvord said yes, but the value was intangible. He said there is value to having some accountability to the books, other than staff. He said he felt it was a safeguard.

Council Member Shelton said his business is highly regulated and he is audited 1-2 times a year. He said it would feel flawed for him to pick his own auditor. Because of the audits, it enhances his efforts to do things the right way. He likes the idea of an audit committee, as a principle concept. He said before the city audit committee was formed, they had had the same auditor for a long time.

Finance Director Naidu said they had the previous auditor for almost 10 years. There are pros and cons to keeping your auditor. He said there are more expenses with a new auditor because the old auditor knows your books and can more efficiently perform the audit.

Council Member Shelton said he likes the idea of continuing with the audit committee.

Council Member Marlora said the financial/accounting department should be audited. He said they are having outside auditors do that. If they need an audit committee that will audit the outside auditors, there is something wrong with that. If they need an audit committee for the financial department, do they have audit committees for all other departments? He said he has an accounting degree and an MBA, but he does not feel qualified to audit the financial department. If they had concerns, they should make sure they hire a good outside audit firm.

Finance Director Naidu reviewed the duties of the audit committee, as outlined in Resolution R2012-33.

Council Member Rogers asked how often the audit committee meets per year? Mayor Alvord said twice a year; once to choose the auditor, and once to do a pre audit conference. Council Member Rogers said if anything comes up in the audit that is concerning, he would want to know about that whether he was on the audit committee or not.

Council Member Rogers said the concern is the perception that whoever is selected as the auditor is independent and selected by the City Council, not staff. He said any misuse of funds or noncompliance items should be addressed by the entire Council. The hiring of the firm could also be done with the entire Council. He said he is not sure they need an audit committee, but he doesn't want to hire the same firm every year.

Council Member Marlcor said there are pros and cons with staying with the same auditor. Finance Director Naidu said it is suggested that they change auditors every once in a while. He said that is a good practice, but he does not feel it is a good practice to change auditors every 3 years. He feels it takes 2 years for the auditor to learn the city books. Council Member Rogers said 10 years feels too long. He said they could do an RFP every 5 years to avoid potential problems by hiring the same auditor forever. Mr. Naidu said in the RFP, it stated that the city will engage the auditors up to 7 years, but they will review it every year, so they can be out at any time.

Council Member Harris said he would not want to be required to replace them after a certain time, if they are doing a good job. He said they can do a good analysis every 3-5 years. Finance Director Naidu said there are only a handful of auditors with the expertise in full service government.

Council Member Rogers said he would be okay sending out an RFP every 5 years, with the potential of rehiring the same auditors, as long as it comes to the City Council and public input is allowed. He is concerned about complacency.

Finance Director Naidu said staff can collect the data and present the top 2 to the Council as a whole. Council Member Rogers said the audit is presented to the Council at the end anyway.

Council Member Marlcor said there is a higher propensity for a new auditor to miss something rather than an auditor that is familiar with the city. He said they can rotate them once in a while with good reason. He feels that the Council is the audit committee and it would be redundant to have another one.

It was noted that the Resolution would need to be amended. Council Member Shelton said he would rather keep the audit committee rather than bring it to the City Council as a whole.

Council Member Harris said he likes the idea of an audit committee, if they had expertise. Finance Director Naidu said the expertise on the Council or committee will not dictate the

process that the auditor will take. They can suggest a recommended area, but the City Council or committee will not and can not dictate how the audit is done.

Council Member Rogers said he feels that the City Council can do the same thing that the current audit committee is doing.

Mayor Alvord suggested that they invite former Council Member Mark Seethaler to a meeting and ask for his input on what worked well with the audit committee. He said it is an oversight issue. Who is auditing the auditor? Finance Director Naidu said auditors have to have work papers to prove exactly what they did. Mayor Alvord said he would like a committee that has someone familiar with audits. He likes the idea of the oversight to ensure ethical standards.

Council Member Shelton said inappropriate things happen in audit relationships. It's not that he doesn't trust staff, but they need to be smart on how they do these things. He said he does not feel they have the capability on the City Council to fill that role. Maybe they need to engage a resident with that expertise. He said he recognizes that it takes years before the new auditor is effective. He feels 10 years with one auditor may be too long.

Council Member Harris asked how many layers are needed before they feel safe? He said the final layer of the audit committee is the most ineffective because there is no expertise.

Mayor Alvord asked to hear Mark Seethaler's input and recommendation. Council Member Harris said he feels the Council can gather information on the side; Mr. Seethaler does not need to address the whole City Council. Council Member Shelton said he feels Mr. Seethaler should come and give his input in a work session. Council Member Zander concurred.

Finance Director Naidu said the new auditors will have to get going no later than the beginning of May. They need to make a decision before the end of the month. Typically, in April, they are having a pre-audit conference.

Council Member Rogers said he was agreeable to having the discussion with Mr. Seethaler in a work session.

COS Cunningham said staff would put that item on the next work session agenda.

ADJOURNMENT

Council Member Rogers made a motion to adjourn. Council Member Shelton seconded the motion. The vote was unanimous in favor.

This is a true and correct copy of the April 5, 2016 Council Meeting minutes, which were approved on April 19, 2016.

Kana M. West
South Jordan City Recorder

The April 5, 2016 City Council meeting adjourned at 7:55 p.m.

