



CITY COUNCIL MINUTES

Wednesday, June 12, 2024

Amended June 10, 2024 @ 11:20 a.m.

Awaiting Formal Approval

The following are the minutes of the City Council meeting of the Herriman City Council. The meeting was held on **Wednesday, June 12, 2024, at 5:00 p.m.** in the Herriman City Council Chambers, 5355 West Herriman Main Street, Herriman, Utah. Adequate notice of this meeting, as required by law, was posted in the City Hall, on the City's website, and delivered to members of the Council, media, and interested citizens.

Presiding: Mayor Lorin Palmer

Councilmembers Present: Jared Henderson, Teddy Hodges, Steven Shields

Staff Present: City Manager Nathan Cherpeski, Assistant City Manager Wendy Thomas, City Recorder Jackie Nostrom, Finance Director Kyle Maurer, Communications Manager Jonathan LaFollette, City Planner Michael Maloy, Unified Fire Authority Assistant Chief Anthony Widdison, Public Works Director Justun Edwards, Community Development Director Blake Thomas, Deputy Chief of Police Cody Stromberg, Police Chief Troy Carr, Public Utilities Engineering Manager Jonathan Bowers.

Councilmembers Excused: Sherrie Ohrn

5:30 PM – WORK MEETING: (Fort Herriman Conference Room)

1. Council Business

Mayor Lorin Palmer called the meeting to order at 5:33 p.m.

1.1. Review of this Evening's Agenda

The Council and staff briefly reviewed the agenda.

1.2. Future Agenda Items

City Manager Nathan Cherpeski highlighted the request for proposals for federal lobbyist selection. He requested two members of Council to help with the interview process. Councilmember Teddy Hodges and Mayor Palmer volunteered to help with the request.

Councilmember Steven Shields raised a concern regarding the City Council's policy on recusals, noting the current rules stipulate that any recusal, unless due to a financial conflict of interest, must be counted as a no vote. He suggested the need for a discussion to clarify or potentially revise the policy. Councilmember Hodges questioned whether the rule applied specifically to financial conflicts. City Attorney Todd Sheeran responded in the affirmative.

1.3. Council discussion of future citizen recognitions

Councilmember Hodges mentioned the need to acknowledge the 2024 Grand Marshal. Mayor Palmer suggested recognizing the organizer of the kite festival which had a remarkable turnout.

2. Administrative Reports

2.1. *Utah League of Cities and Towns Update – Cameron Diehl, Executive Director ULCT

City Manager Nathan Cherpeski noted ULCT Executive Director Cameron Diehl was invited to come and speak at the request of the Council to address several pressing issues regarding the League's role and effectiveness. Councilmember Steven Shields asked for the primary focus to be on the value of the city's financial contributions to the league, especially in light of recent concerns about its representation and advocacy efforts. He questioned whether the League's leadership structure, which he felt lacked sufficient representation for smaller cities, adequately served the interest of the City.

Executive Director Diehl responded by outlining the League's organizational structure, which includes a 21-member Board of Directors. This board was elected through a nominations committee process, designed to ensure representation from various geographic areas and city sizes. Executive Director Diehl described recent reforms to increase the board's size and the addition of a city manager to the executive committee to better reflect the League's growing membership. He detailed how the nominations committee, chaired by Kate Bradshaw, was responsible for vetting candidates for the Board, with an emphasis on transparency and inclusivity.

Councilmember Shields recounted specific instances where he felt the League was overly accommodating to legislative priorities, which he believed undermined local city authority. He analyzed the League's tendency to align with state leadership instead of standing firm against legislative encroachments on city governance. An example was highlighted referring to a meeting where it was suggested that the legislature was enacting laws to "protect cities from themselves," which he found troubling.

Councilmember Jared Henderson echoed the concerns, highlighting a perception that the League was not effectively defending city interests and was instead reacting passively to external pressures. He noted a need for a stronger, unified stance from the League against state policies that erode city autonomy, suggesting that the League should adopt more definitive positions and mobilize city leaders more effectively.

Executive Director Diehl cited recent successes where the league successfully opposed detrimental legislation. He mentioned specific bills, like SB 185 and House Bill 306, where the league drew a "line in the sand" and mobilized action to influence legislative outcomes. He emphasized that the League actively tracks legislative impacts and adjusts strategies to maintain its credibility and effectiveness in advocacy.

Executive Director Diehl focused on analyzing data related to housing units. He looked to counter the Capitol's narrative that cities were hindering housing development. It had been determined that over 190,000 entitled units were waiting to be built, largely due to infrastructure costs rather than city zoning practices. Executive Director Diehl used Herriman as an example of how city-private sector partnerships could address these infrastructure challenges.

He highlighted that removing zoning alone wouldn't solve the issue, as infrastructure costs were a significant barrier. He discussed tax increment financing (TIF) and its potential to address these costs effectively. Executive Director Diehl advocated for tools like the First Home Investment Zone (FHIZ) to support infrastructure and affordability, which he believed was crucial for facilitating housing development.

Executive Director Diehl also discussed the 5th Fifth Sales Tax option as a funding mechanism, which had a sunset provision set to expire in mid-2022. He and his colleagues worked to repurpose this funding to benefit cities directly. Their efforts resulted in the 5th Fifth fund being extended and modified so that a portion would go directly to Herriman City, with the remainder split between the county and transit.

Executive Director Diehl emphasized the importance of leveraging funding for transit innovation

grants and encouraged Herriman to apply for these grants. He believed that such funding could help demonstrate the benefits of expanding transit services and improve the system's effectiveness. Mayor Palmer and Councilmember Henderson expressed their appreciation for Executive Director Diehl's efforts and the League's work. The Council acknowledged the need for honest feedback and constructive criticism to improve advocacy and representation. Executive Director Diehl agreed to follow up with additional information and remained open to further discussions.

2.2. Discussion regarding the First Home Investment Zone (FHIZ) – Olympia – Blake Thomas, Community Development Director

Community Development Director Blake Thomas outlined the goal of the discussion, which was to gauge the Council's interest in pursuing a new financial tool, referred to as FHIZ without delving into intricate details.

Developer Ryan Button explained the FHIZ, a recent legislative development, was designed to help cities access tax increment financing with a requirement for incorporating housing components, which looked to create affordable or rather "attainable" housing. He emphasized that while the existing Public Improvement District (PID) tool helped with infrastructure development, it would not address housing affordability. The FHIZ tool was designed to create attainable housing by using state funding to support infrastructure and development. Director Thomas interjected that the FHIZ aligned with state goals of promoting housing for individuals earning below 80% of the median household income. The tool could potentially benefit areas like Herriman, where there was an opportunity to develop a retail center surrounded by higher-density, lower-cost housing.

D.A. Davidson Senior Vice President Sam Hartman and Vice President Sam Elder touched on the specifics of the FHIZ program, noting its similarities to the previous HTRZ program. The FHIZ program included requirements for mixed-use developments and looked to integrate various housing types, like that of the Community Reinvestment Area (CRA). It would encourage growth of lower priced housing to create a village where residents could live, work and play. They highlighted how the tax increment funds from FHIZ would be utilized and due to how the program was written, it allowed cities flexibility in deciding how the funds could be spent. The Council expressed concern about ensuring the money was directed towards essential infrastructure improvements rather than being misused. Developer Ryan Button assured the Council the funds would be managed by the City, where they also would have the ability to create specific policies on how the funds could be utilized.

Councilmember Henderson expressed concerns about the broader implications of tax increment funding, emphasizing the need for clear guidelines to ensure the money is used appropriately for infrastructure rather than becoming a political tool. He noted the importance of having a defined end goal for the project and ensuring funds are used effectively to support transit-oriented development.

City Manager Cherpeski asked if the Council wanted to start considering using this land use method. Mayor Palmer expressed his support and recommended Councilmember Henderson to serve alongside himself on the committee. The Council agreed.

2.4. Discussion on Fiscal Year 2025 and 2026 City of Herriman Final Budgets – Kyle Maurer,
Director of Finance and Administrative Services

Finance Director Kyle Maurer highlighted that this session was set aside for any last-minute questions or potential changes to the budget. He noted that no questions had been received from the Council since the last discussion, indicating a smooth process.

Councilmember Shields praised the budget preparation and review process, emphasizing its improved transparency and detail compared to previous years. Councilmember Jared Henderson also commended the process, acknowledging the significant progress made and the enhanced clarity provided. Director Maurer remarked on the learning curve experienced during the budget process and anticipated smoother operations in the future.

2.3. Change in Water Master Plan, Impact Fee Facilities Plan, and Impact Fee Analysis –
Jonathan Bowers, Public Utilities Engineering Manager

Public Utilities Engineering Manager Jonathan Bowers introduced Bowen Collins & Associates Professional Engineer Andres McKinnon to present the changes to the Water Master Plan, Impact Fee Facilities Plan and Impact Fee Analysis.

Engineer McKinnon highlighted significant adjustments since the 2019 master plan, noting an increase in city density and substantial modifications to secondary water service areas. He pointed out that while some areas, like the northwest and east boundaries, had been removed from the plan, there were considerable increases in the density and growth projections throughout the City.

Engineer McKinnon detailed how COVID-19 had impacted construction costs, causing a dramatic rise in the price of water tanks and other infrastructure, which had more than doubled compared to pre-pandemic costs. Despite these increases, the proposed impact fees for new developments had only risen modestly, with a notable increase of around \$600 for quarter-acre lots. He attributed this to a variety of factors, including increased growth and the need to upsize existing infrastructure.

Engineer McKinnon discussed the challenges posed by high growth rates, emphasizing that impact fees alone were inadequate to cover the full cost of necessary infrastructure improvements. He explained that although impact fees were set at the highest defensible costs, they still fell short of covering all expenses, potentially leading to higher taxes to bridge the gap. Mayor Palmer expressed

concerns about the impact on affordability and how the funding mechanisms might affect residents.

Public Works Director Justun Edwards informed the Council he planned to bring the updated master plan, impact fee facility plan, and related documents back for a public hearing on July 10, 2024. He noted the team sent the changes to the Salt Lake County Home Builders Association for their review and comments; however, have not received any feedback yet.

3. Adjournment

Councilmember Henderson moved to adjourn the work meeting at 6:52 p.m. Councilmember Shields seconded the motion, and all present voted aye.

7:00 PM – GENERAL MEETING:

4. Call to Order

Mayor Palmer called the meeting to order at 7:32 p.m. and excused Councilmember Sherrie Ohrn from the meeting.

4.1. Invocation/Thought/Reading and Pledge of Allegiance

Ms. Lauren Christiansen led the audience in the Pledge of Allegiance.

4.2. City Council Comments and Recognitions

Councilmember Teddy Hodges acknowledged the recent events including the rodeo, a memorial breakfast, and a service held at the city park and thanked the rodeo committee and staff for their diligent work. He praised the excellent speeches delivered during the ceremony, notably commending Councilmember Ohrn and Representative Burgess Owens for their impactful contributions.

Mayor Palmer took a moment to express condolences to Councilmember Ohrn and her family for the passing of her mother.

5. Public Comment

Lauren Christiansen informed the Council she was the Miss Herriman Runner-Up and spoke passionately about the significance of the Miss Herriman organization. She described how this longstanding community tradition had profoundly impacted her life, noting that it represented more than just a sash and crown; it embodied service, scholarships, success, style, and sisterhood. Ms. Christiansen shared that the scholarships provided by the organization have been crucial for her education and personal growth. Since she began competing in 2017, the pageant has not only helped her discover her identity and build confidence but also allowed her to contribute to her community

through service. She emphasized the importance of continuing to support and fund the Miss Herriman program, highlighting its role in empowering young women and fostering their success. Miss Christiansen concluded by expressing her commitment to ongoing service and her hope that future support for the program will help other young women achieve their goals.

Denise Christiansen indicated she was Lauren's mother and expressed her dismay over the recent decision to eliminate the Miss Herriman scholarship competition from the City budget. She was taken aback by comments suggesting that the competition objectified women, and she challenged this view by drawing comparisons with other competitions that highlight men's strengths, such as the Heisman Trophy and the caber toss. Ms. Christiansen argued that these events, which involve significant training and public performance, are comparable to the Miss Herriman competition, which also required dedication and skill but offers a crown instead of a trophy. She clarified that the actual budget for the Miss Herriman Scholarship competition this year was \$14,000, not the \$20,000 some might have believed. She emphasized the opportunity for Herriman to gain statewide and potentially national recognition by supporting the program. She noted that many participants on the City Youth Council are girls who could benefit from advancing through the Miss Herriman competition. Ms. Christiansen advocated for the value of the scholarship competition in helping young women transition into roles of service and leadership within the community.

Manolo Cruz identified himself as a Colombian director and actor and addressed the Council to discuss his work and its thematic focus on love. Mr. Cruz noted he won the Sundance Film Festival Audience Award for his debut feature film, *Between Sea and Land*, spoke about the emotional impact of his film, which explored the bond between a mother and her disabled son. He explained he was currently in Utah working on his next film, *Bible Trafficker*, and emphasized the importance of love in life, which he believed was often overshadowed by material concerns. He extended an invitation to the Council and the community to attend a screening of *Between Sea and Land* and participate in a discussion about the role of love and positive values in life. Mr. Cruz expressed his enthusiasm for connecting with local audiences and shared his desire to collaborate with cultural organizations in Herriman.

Mario Mora addressed the Council to raise a public safety concern regarding the local parks near his home in the Hamilton Farms area. He reported that individuals, particularly teenagers, have been using motorcycles and motorized bikes in the ballparks, creating dangerous conditions. This activity not only posed a risk to children playing in the parks but also caused significant damage, transforming the parks into makeshift racetracks. Mr. Mora mentioned that despite existing signs prohibiting such activities, they are not sufficiently visible, leading to widespread disregard. He proposed relocating these signs to more prominent locations to enhance their effectiveness and suggested that temporary signs might help address the issue. Mr. Mora expressed concern about the

police response to these violations. He recounted an incident where, despite police intervention, offenders continued their activities, leading to questions about the enforcement of the park rules and the consequences for violators. He urged the Council to consider these issues to improve safety and maintain the condition of the park.

6. City Council Reports

6.1. Councilmember Jared Henderson

There was no report offered.

6.2. Councilmember Teddy Hodges

Councilmember Hodges announced a significant change regarding the South Valley Sewer District, which has now been renamed to the Jordan Basin Improvement District. This rebranding was to hopefully reduce confusion between different entities and should make billing and communication clearer for residents.

Councilmember Hodges also shared news about two recent ribbon-cutting events. He congratulated the new businesses that opened in the area.

6.3. Councilmember Sherrie Ohrn

There was no report.

6.4. Councilmember Steven Shields

Councilmember Shields reported on the current situation with the Mosquito Abatement District, highlighting a significant increase in water levels across local bodies. He explained that unprecedented water levels in the Jordan River, which surged from an average of 550 cubic feet per second to 1,408 cubic feet per second, and high fill levels in nearby lakes and reservoirs were causing expanded riverbanks and areas of standing water. This surplus water necessitated more extensive mosquito treatments than usual, with the district treating 181 acres through May compared to a five-year average of 54 acres. Councilmember Shields noted that, despite the heightened treatment efforts, no West Nile virus has been detected so far, although the District had revised its policy to report any positive mosquito pools to municipal board members. He also reported on recent cases of dengue fever and malaria, which have been travel-related with no local transmission. The District was actively managing mosquito populations through various methods, including adulticide spraying and the use of mosquito fish. He commended the District for its diligent work and efficient use of funds, noting that the District's tax rate is the third lowest in the state and that its substantial fund balance means there is no immediate need to make an adjustment.

7. Mayor Report

Mayor Palmer reported that he and Assistant City Manager Wendy Thomas attended the ITGA Conference last week, hosted by Salt Lake Community College. The week included engaging classes and discussions on how to strengthen partnerships with SLCC, making it a productive and enjoyable experience. During their visit, they also met with Congressman Owens' team, taking full advantage of their time. Additionally, Mayor Palmer was invited to serve on a subgroup of the Commission on Housing Affordability, which has four subgroups. The first meeting of this subgroup was held yesterday, where they reviewed legislative ideas. The next steps involved formalizing their strategies, with draft legislation expected to appear soon.

Mayor Palmer noted he attended a ceremony at Camp Williams for the unveiling of a statue honoring General Williams, after whom the base was named. The statue was funded entirely through private donations, with no taxpayer funds being utilized. It was particularly special as General Williams' grandson, who commissioned and financed the statue, was present along with a few great-grandchildren. Mayor Palmer found the story behind the statue fascinating and planned to share it through social media channels.

Mayor Palmer noted he and his son attended the Kite Festival at Crane Park on Sunday. The festival featured about 30 kites, music, and vendors. With the positive reception of the event, the festival was expected to return next year.

8. Reports, Presentations and Appointments

8.1. Youth Council Legacy Reports

The Youth Council explained that their legacy project this year involved expanding their podcast, the Herriman Youth Podcast, which they had started the previous year. They produced eight additional episodes, focusing on various topics relevant to their peers and the community.

The episodes covered a range of subjects, including mental health with therapist Ginger Healy, entrepreneurship with the owners of Mountain Mike's Pizza, and a visit to the library where they discussed the various resources available, such as classes and events. They also addressed social tips for teenagers and spoke with a local resident about immigration, as well as their AP Government teacher about teen participation in government.

The Youth Council reflected on the challenges they faced during the project, including difficulties with scheduling and technical issues with podcast publishing. They had to improvise, such as spontaneously recording an episode at the library when the opportunity arose. They also dealt with sponsorship and technical problems with Spotify, which involved long hours on the phone with support staff.

Overall, the group found the project to be a valuable learning experience and were hopeful that it would positively impact the community. The podcast episodes are available on the Herriman Youth Council website and on Spotify under the name "Herriman Youth Podcast." Mayor Palmer praised the project for its relevance and enduring value, noting that it required no budgetary costs and would be accessible online for future generations. He expressed his appreciation for the Youth Council's hard work and encouraged them to continue their efforts.

8.2. Fiscal year 2024 Office of the State Auditor's Fraud Risk Assessment – Kyle Maurer, Director of Finance and Administrative Services

Finance Director Maurer explained that the State Auditor's office developed a risk assessment tool to evaluate fraud risk for various entities, from small districts with just a few employees to larger organizations like counties and the state with thousands of employees. This tool provided a standardized measure for assessing fraud risk.

Director Maurer noted that, overall, the City performed well in the assessment and even improved its score from the previous year. This improvement was attributed to the promotion of an accountant to a senior accountant role, which qualified her as part of the management team. However, there were two areas where the City did not receive points. The first area was the lack of a formal written commitment from employees and elected officials to a statement of ethical behavior. The City has been working on consolidating its policies and plans to add this commitment to the personnel policies once they are updated, rather than adding it piecemeal. The second area was the absence of a formal internal audit committee. Recently, the city has switched to a new audit firm that was expected to result in significant cost savings. At the next audit committee meeting, Director Maurer planned to discuss the possibility of establishing an internal audit function, though it may not be sufficient to earn additional points.

Director Maurer reported the City's risk score was considered low and noted if the City implemented the statement of ethical behavior, it could further lower the risk score. He concluded by stating that no action was required from the Council; the presentation was for informational purposes.

Councilmember Jared Henderson was excused from the meeting.

9. Public Hearing

9.1. Public hearing and consideration of a Resolution amending the budgets of the City of Herriman for fiscal year 2024 – Kyle Maurer, Director of Finance and Administrative

Services

Finance Director Maurer presented several recommended budget adjustments. He wanted to consolidate the details due to the size of the agenda, noting that a full breakdown was available in the staff report. On the revenue side for the general fund, the proposed adjustments included an increase of approximately \$257,000. This increase was primarily due to higher-than-expected Class C road fund and a \$50,000 grant from Rio Tinto designated for the Columbus Adult Education Center. The budget process had been updated to handle insurance reimbursements for vehicle damage differently; such revenues would no longer be budgeted in advance but recorded as they are received.

Director Maurer highlighted changes on the expenditure side. The general fund budget was updated to include Blue Stakes expenses, which had previously been covered by the water fund. A significant adjustment involved the reimbursement agreement for Herriman Boulevard, Phase 5. Although this expense was initially planned for the 2025 budget, it had been moved to the 2024 budget following the developer meeting their obligations. This adjustment also accounted for a debt service payment that was avoided due to a capital lease issued this year. Additionally, a small transfer to the public safety fund was made to cover a discrepancy related to the animal services building lease.

On the capital project side, Director Maurer noted several reallocations and new budgets. For ARPA funds, there were reallocations for projects previously approved. Fire impact fees included a \$15,000 allocation for design costs for Station 103. A \$14 million grant for Olympia Boulevard, which would be passed through to the developer, was also budgeted, although payment requests have not yet been received. A historical fee in lieu from 2016 was also reinstated in the budget.

The water fund adjustments included the \$3.2 million EPA grant, bringing the total budget to \$4.1 million with the City's match. Old Town water projects were consolidated into one budget, and adjustments were made for a waterline reimbursement and other water project needs. The budget also addressed a reduction in water purchases and the removal of two frozen positions.

Director Maurer offered an overview of the adjustments in impact fees which involved increased costs for the master plan and completion of a reimbursement agreement for Bellavia. Stormwater and impact fee funds saw simpler adjustments for printing and postage as well as increased reimbursements.

Mayor Palmer opened the public hearing

No comments were offered.

Councilmember Shields moved to close the public hearing. Councilmember Hodges seconded the motion, and all present voted aye.

Councilmember Hodges moved to approve Resolution No. R21-2024 approving an amendment to the 2023-2024 fiscal year budget. Councilmember Shields seconded the motion.

The vote was recorded as follows:

<i>Councilmember Jared Henderson</i>	<i>Absent</i>
<i>Councilmember Teddy Hodges</i>	<i>Yes</i>
<i>Councilmember Sherrie Ohrn</i>	<i>Absent</i>
<i>Councilmember Steven Shields</i>	<i>Yes</i>
<i>Mayor Lorin Palmer</i>	<i>Yes</i>

The motion passed unanimously with Councilmember Jared Henderson and Councilmember Sherrie Ohrn being absent.

9.2. Public Hearing for Proposed Compensation Increases for Specific City Officers – Kyle Maurer, Director of Finance and Administrative Services

Finance Director Maurer explained that the proposed compensation increases are in response to Senate Bill 91, a new state law that requires a public hearing before any compensation adjustments for certain city officers. The law broadly defined “executive municipal officers,” including department heads, assistant chiefs, and deputies. The City has chosen to apply this requirement to managers and above.

The proposed increases are as follows:

- A 3.4% cost of living adjustment (COLA) for all city employees, excluding the City Council.
- Market adjustments recommended by the HR department for the City Attorney, Assistant City Attorney, and the IT and Communications Director to ensure their salaries align with the market.
- A salary increase for the City Treasurer, awarded upon completion of a bachelor’s degree. This adjustment reflects historical practice and is particularly relevant as the City Treasurer would be overseeing the hiring of an investment advisory firm.

Director Maurer invited questions prior to the public hearing. Councilmember Hodges inquired whether the city had a step-and-ladder compensation system similar to those found in some police departments. City Manager Nathan Cherpeski responded that while the police department does have a step system, general city employees are evaluated based on salary ranges and market adjustments, rather than a traditional step system.

Mayor Palmer opened the public hearing.

No comments were offered.

Councilmember Hodges moved to close the public hearing. Councilmember Shields seconded the motion, and all present voted aye.

Councilmember Shields moved to approve resolution No. R22-2024 stating the proposed increases for specific city officers. Councilmember Hodges seconded the motion.

The vote was recorded as follows:

<i>Councilmember Jared Henderson</i>	<i>Absent</i>
<i>Councilmember Teddy Hodges</i>	<i>Yes</i>
<i>Councilmember Sherrie Ohrn</i>	<i>Absent</i>
<i>Councilmember Steven Shields</i>	<i>Yes</i>
<i>Mayor Lorin Palmer</i>	<i>Yes</i>

The motion passed unanimously with Councilmember Jared Henderson and Councilmember Sherrie Ohrn being absent.

9.3. Public Hearing and Resolution Fixing the Compensation for the City of Herriman Elected Officials – Kyle Maurer, Director of Finance and Administrative Services

Finance Director Maurer explained that the Human Resources division conducts an annual compensation study for all city positions. The most recent analysis indicated that the average salary for a part-time mayor is between \$35,300 and \$35,400 annually, while part-time City Council members average around \$18,500 per year. Based on this study, Human Resources recommended increasing the Mayor's salary from \$24,000 to \$35,000 and the City Council members' salaries from \$14,500 to \$18,500.

Director Maurer clarified that the compensation for elected officials operated differently from that of regular staff. Specifically, their salaries do not automatically adjust with general merit or cost-of-living adjustments given to other employees. Any changes to elected officials' salaries must go through a public hearing process. He invited any questions before the public hearing began.

Mayor opened the public hearing.

No comments were offered.

Councilmember Hodges moved to close the public hearing. Councilmember Shields seconded the motion, and all present voted aye.

Councilmember Jared Henderson reconvened the City Council meeting.

Councilmember Henderson mentioned that, as the longest-serving council member, he sees value in removing politics from decisions related to compensation. He noted that he would prefer adjustments to salaries be made regularly, akin to cost-of-living adjustments, to avoid large and politically charged increases. He pointed out the challenge of balancing the salary to ensure it's fair but not excessively high, which could influence the motivations of those seeking office. He supported the idea of a regular review, something Councilmember Shields had recommended in the past, to maintain fairness without falling into extremes.

Councilmember Shields reflected on his initial discomfort with voting on salary increases for himself, acknowledging that the issue extends beyond personal interest to the fair compensation of the office itself. He noted concerns about the low current compensation compared to other cities and emphasized the need to align salaries with market standards while avoiding excess.

Mayor Palmer appreciated the research and recommendations from the human resources department and echoed Councilmember Henderson's sentiment about the need for regular reviews to prevent large, politically contentious adjustments. He shared his internal struggle with voting on his own compensation, emphasizing his commitment to the role despite the challenges of balancing personal and public interests. He also raised concerns about deferring these decisions, which could result in a larger problem for future officeholders.

Councilmember Hodges expressed his struggle with the timing of the salary adjustment given the City's current budgetary constraints. He acknowledged the importance of fair compensation but was concerned about the impact of the proposed increase on other critical budgetary needs. Councilmember Hodges agreed with the need to avoid politicizing the issue but was troubled by the timing of the increase.

Mayor Palmer reflected on his experience, acknowledging the complexity of voting on compensation for oneself and the impact of delaying decisions. He noted that the issue of under compensation has been ongoing and expressed a commitment to addressing it despite the difficult timing. Mayor Palmer emphasized that while there was no ideal moment for such decisions, delaying them only exacerbates the problem and shifts the responsibility to future officeholders. He reiterated the importance of addressing compensation fairly to avoid compounding issues in the future. Mayor Palmer relayed the position of Councilmember Ohrn to adjust the compensation

schedule as recommended by Human Resources.

Councilmember Shields moved to approve Ordinance No. 2024-10 fixing the compensation for the Herriman City Elective Officers. Councilmember Henderson seconded the motion.

The vote was recorded as follows:

<i>Councilmember Jared Henderson</i>	<i>Yes</i>
<i>Councilmember Teddy Hodges</i>	<i>No</i>
<i>Councilmember Sherrie Ohrn</i>	<i>Absent</i>
<i>Councilmember Steven Shields</i>	<i>Yes</i>
<i>Mayor Lorin Palmer</i>	<i>Yes</i>

The motion passed with a vote 3:1 with Councilmember Sherrie Ohrn being absent.

10. Consent Agenda

- 10.1. Approve State Lobbyist Contracts**
- 10.2. 2024 Herriman Roadway Striping Project**
- 10.3. Fire Station 103 Replacement Design Services**
- 10.4. Reappointment of a Herriman City Planning Commission Alternate Member for an additional one-year term – Michael Maloy, City Planner**
- 10.5. Acknowledgment of the Monthly City Status Report – Trevor Ram, Management Analyst**
- 10.6. Construction Contract Approval for 2024 Asphalt Treatments – Bryce Terry, City Engineer**
- 10.7. Consideration to Award a Bid for Investment Advisory Services to Meeder Public Funds, Inc. – Kyle Maurer, Director of Finance and Administrative Services**

Councilmember Hodges moved to approve the Consent Agenda as written. Councilmember Henderson seconded the motion.

The vote was recorded as follows:

<i>Councilmember Jared Henderson</i>	<i>Yes</i>
<i>Councilmember Teddy Hodges</i>	<i>Yes</i>
<i>Councilmember Sherrie Ohrn</i>	<i>Absent</i>
<i>Councilmember Steven Shields</i>	<i>Yes</i>
<i>Mayor Lorin Palmer</i>	<i>Yes</i>

The motion passed unanimously with Councilmember Sherrie Ohrn being absent.

11. Discussion and Action Items

11.1. Discussion and consideration of an Ordinance adopting a final budget for the City of Herriman for fiscal years 2025 and 2026; adopting a job classification and salary plan; and setting the rate of tax and levying taxes upon all real and personal property within the City of Herriman, Utah – Kyle Maurer, Director of Finance and Administrative Services

Finance Director Kyle Maurer offered a brief presentation, noting that the budget had been under development since November and involved significant deliberation. He outlined The goals for the evening which included adopting the biennial budget for fiscal years 2025 and 2026 and the property tax rate, which was similar to previous years. A new addition this year was the proposed salary schedule.

Director Maurer provided a high-level overview, revealing that the city's revenues would be \$107 million and expenses \$114 million. He emphasized that 27% of the budget was allocated to capital projects, with 41% of the revenues coming from taxes and 20% from charges for services. Public Safety was highlighted as a significant budget item, with police and fire services making up a substantial portion of the budget, aligning with expenditure patterns in other cities.

He detailed several major capital projects, including improvements to 6400 West, the extension of 7300 West funded by a state grant, the replacement of Fire Station 103, and open space improvements to Hidden Oaks. Additionally, there were smaller projects such as sidewalk trip hazard removal, park amenities replacement, and future funding for the ice ribbon and an ERP system replacement. Director Maurer noted that to fund these projects, a \$27.7 million bond was proposed for obligations under master development agreements and other reimbursement agreements.

Director Maurer further spoke on major initiatives included which required increased funding including pavement management and streets projects, as well as a 13% water rate increase to help with water hardness reduction and capital projects. Some items proposed by staff, such as additional full-time equivalents and specific capital projects, were deferred for future consideration.

Regarding the property tax rate, Director Maurer explained that the rate would decrease to 0.00187, generating just over \$1 million for the General Fund, which represented about 5% of the general fund revenue. The average assessed property value had increased, leading to a lower tax rate, with an average total tax of about \$971 for a house valued at \$613,600. Councilmember Henderson commented on the low city tax bill compared to the overall tax burden.

Director Maurer also discussed the staffing schedule and salary ranges, noting the inclusion of a 3.4% cost-of-living adjustment. He mentioned that any changes to staff positions would require further Council approval.

Director Maurer noted that staff would also need to revisit the capital projects list due to funding constraints and come back to the Council in the fall to discuss police department and HCSEA funding. Budget amendments would continue to occur as needed.

Councilmember Shields publicly announced support for the budget but stated an intention to abstain from the vote due to a personal ethical issue related to a city employee. This abstention would be recorded as a no vote per current policies.

Councilmember Hodges moved to approve Ordinance No 2024-11 adopting a final budget; making appropriations for the support of the City of Herriman for the fiscal year beginning July 1, 2024, and ending June 30, 2026; adopting a job classification plan and salary plan; and determining the rate of tax and levying taxes upon all real and personal property within Herriman City, Utah. Councilmember Henderson seconded the motion.

The vote was recorded as follows:

<i>Councilmember Jared Henderson</i>	<i>Yes</i>
<i>Councilmember Teddy Hodges</i>	<i>Yes</i>
<i>Councilmember Sherrie Ohrn</i>	<i>Absent</i>
<i>Councilmember Steven Shields</i>	<i>No</i>
<i>Mayor Lorin Palmer</i>	<i>Yes</i>

The motion passed with a vote 3:1 with Councilmember Sherrie Ohrn being absent.

11.2. Consideration for a Reimbursement Agreement with Olympia for 6400 West Phase 1 – Jonathan Bowers, Public Utilities Engineering Manager

Public Utilities Engineering Manager Jonathan Bowers introduced the consideration of a reimbursement agreement with Olympia for the 6400 West Phase One roadway improvements. The reimbursement agreement concerned a small section of roadway improvements on the northern boundary of the Olympia development. The master development agreement obligates it to reimburse for these improvements, which the developer was currently constructing and nearing completion.

Manager Bowers recited the obligation outlined in the agreement to reimburse the master developer for all improvements along this corridor per the terms of the reimbursement agreement. City Attorney Todd Sheeran added that there was a misunderstanding regarding whether the City was required to pay for sewer improvements along the road. He clarified that the agreement only specifies reimbursement for the road, not utilities. Typically, the City would not be responsible for

sewer costs unless they are system improvements benefiting multiple properties or entities, which was not the case here as the sewer only serves Olympia.

Manager Bowers explained that if the sewer improvement were classified as a system improvement and served multiple developers, it might qualify for reimbursement from the Sewer District. However, since the sewer in question only serves Olympia, it would likely not be eligible for reimbursement from the District. Attorney Sheeran discussed that if the City had constructed the road first, they might have petitioned the sewer district for reimbursement, but given the current circumstances, it appeared the city should not cover the costs.

Manager Bowers proposed that the reimbursement agreement be approved excluding sewer costs, with the possibility of revisiting sewer reimbursement later, if necessary. Attorney Sheeran agreed that this approach was reasonable and legally defensible, suggesting that the City should avoid acting as a bank for utilities it does not manage.

Mayor Palmer emphasized that the city is open to revisiting the issue and seeking alternative solutions if needed. He reassured that rejecting the sewer reimbursement in this agreement does not mean a permanent refusal but rather a decision to exclude it from the current agreement.

Councilmember Henderson moved to approve a reimbursement agreement with Olympia Land, LLC for the 6400 West Phase one Road project using option one which does not include reimbursement for sanitary sewer and does not include the reimbursement of engineering or interest as referenced in the presentation by staff. Councilmember Hodges seconded the motion.

The vote was recorded as follows:

Councilmember Jared Henderson Yes

Councilmember Teddy Hodges Yes

Councilmember Sherrie Ohrn Absent

Councilmember Steven Shields Yes

Mayor Lorin Palmer Yes

The motion passed unanimously with Councilmember Sherrie Ohrn being absent.

11.3. Discussion and consideration of an ordinance to amend the Official Herriman Zoning Map from A-1-43 Single Family Agricultural to A-1-21 Single Family Agricultural for ±1.10 acres of property located at 7475 W Hi Country Road (File No. Z2024-026) – Michael Maloy, City Planner

City Planner Michael Maloy opened the discussion and consideration of an ordinance to amend the

official Herriman zoning map. The proposed change was to rezone a 1.1-acre parcel at 7475 West High Country Road from A-143 Single Family Agricultural to A-121 Single Family Agricultural. City Planner Maloy explained that the property was situated in the northwest quadrant of the City and fronts on Hi Country Road, which, although private, was accessible to the public. The property was subdivided in 2003 into two lots, with the subject property being lot one, approximately 1.1 acres in size. Lot two, directly to the east, is currently zoned A-121. The rezone request seeks to change the zoning from A-1-43, which designated a one-acre lot, to A-1-21, which designated a half-acre lot. This change is consistent with the general plan, which allowed A-1-21 zoning in the neighborhood. The intended use for the property would be a future flag lot subdivision.

City Planner Maloy noted that the Planning Commission reviewed the request and found it met the required standards, and recommended approval on May 1, 2024. He also indicated that the applicant was present if there were any questions. When asked about any conflicts with the flag lot ordinance, City Planner Maloy clarified that this meeting was only concerning the rezone. The flag lot proposal would be reviewed separately, in line with the flag lot ordinance. There was some discussion about the flag lot process. However, City Planner Maloy emphasized the current focus was solely on the rezone, and the flag lot proposal would be addressed in a subsequent process.

Councilmember Shields moved to approve Ordinance No 2024-12 amending the Herriman City Zoning Map for 1.10 acres of property located at 7475 West Hi Country Road from A-1-43 Single Family Agricultural zone to A-1-21 Single Family Agricultural zone. Councilmember Henderson seconded the motion.

The vote was recorded as follows:

<i>Councilmember Jared Henderson</i>	<i>Yes</i>
<i>Councilmember Teddy Hodges</i>	<i>Yes</i>
<i>Councilmember Sherrie Ohrn</i>	<i>Absent</i>
<i>Councilmember Steven Shields</i>	<i>Yes</i>
<i>Mayor Lorin Palmer</i>	<i>Yes</i>

The motion passed unanimously with Councilmember Sherrie Ohrn being absent.

- 11.4. Discussion and consideration of an ordinance to amend §10-12-6 of Herriman City Code regarding development standards in the C-2 Commercial Zone to allow the use of architectural metal panels, identify exceptions for secondary exterior building materials, clarify requirements for pedestrian access, and update site amenity standards for projects that encompass five or more acres (File No. Z2022-075) – Michael Maloy, City Planner**

City Planner Maloy offered an overview of the proposed amendment that would update several aspects of the code, including the use of architectural metal panels, exceptions for secondary exterior materials, pedestrian access requirements, and site amenity standards. He highlighted the broader objectives of this amendment, noting that it would seek to incorporate recent observations and trends in commercial development. The goal is to adapt the standards to better accommodate smaller commercial projects that fall outside of master development agreements. He highlighted key changes which included lowering the threshold for site amenities and building material requirements. Specifically, the amendment proposed removing the existing ten-acre threshold and applying the associated standards to projects of five acres or more. Additionally, the ordinance would introduce new standards for visible roof materials and update guidelines for secondary building materials.

City Planner Maloy emphasized that the amendment was designed to provide more flexibility for new and evolving materials, reflecting advancements in building products over the past decade. He noted the Planning Commission reviewed and approved the proposed changes, recommending approval to the City Council. City Planner Maloy expressed support for the updated standards, highlighting the improvements in material quality and aesthetic options available for commercial projects.

Councilmember Hodges moved to approve Ordinance No 2024-13 amending Herriman City Code 10-12-6 to allow the use of architectural metal panels, identify exceptions for secondary exterior building materials, clarify requirements for pedestrian access, and update site amenities on projects that encompass five or more acres. Councilmember Shields seconded the motion.

The vote was recorded as follows:

<i>Councilmember Jared Henderson</i>	<i>Yes</i>
<i>Councilmember Teddy Hodges</i>	<i>Yes</i>
<i>Councilmember Sherrie Ohrn</i>	<i>Absent</i>
<i>Councilmember Steven Shields</i>	<i>Yes</i>
<i>Mayor Lorin Palmer</i>	<i>Yes</i>

The motion passed unanimously with Councilmember Sherrie Ohrn being absent.

11.5. Discussion and consideration of an ordinance to amend sections of Title 10 in the Herriman City Code to regulate the location and quantity of car washes and credit unions in the city (File No. Z2024-001) – Michael Maloy, City Planner

City Planner Maloy explained that the Planning Commission reviewed and recommended the ordinance, which would address concerns about the concentration of car washes and credit union

businesses within the community. The ordinance proposed limiting self-serve and automatic car washes to accessory uses only, while allowing full-service car washes as a primary use with certain standards, including water reclamation requirements. For credit unions, the proposal suggested a limit of one per 20,000 residents but allowed for exceptions if they are accessory uses within other businesses, like auto dealerships or grocery stores.

City Planner Maloy highlighted the objective of promoting higher-value land uses and better economic returns for the City, noting the difference in economic impact between various types of businesses. He addressed potential concerns, such as the effect on existing credit unions and car washes and acknowledged that the ordinance would not affect properties with vested development rights under Master Development Agreements. Mayor Palmer emphasized the need for balanced land use to maximize tax revenue and ensure economic diversity, arguing that while the ordinance might help manage concentrations, proximity-based restrictions could be more effective than population ratios. The council discussed the potential benefits and drawbacks of the proposed changes and considered whether to adjust the ordinance to better suit the City's needs.

Councilmember Shields moved to approve Ordinance No 2024-14 amending Herriman City Code Title 10 to limit the quantity of specific commercial land uses based on population or proximity requirements. Councilmember Henderson seconded the motion.

The vote was recorded as follows:

<i>Councilmember Jared Henderson</i>	<i>Yes</i>
<i>Councilmember Teddy Hodges</i>	<i>Yes</i>
<i>Councilmember Sherrie Ohrn</i>	<i>Absent</i>
<i>Councilmember Steven Shields</i>	<i>Yes</i>
<i>Mayor Lorin Palmer</i>	<i>Yes</i>

The motion passed unanimously with Councilmember Sherrie Ohrn being absent.

11.6. Discussion and Consideration of an Application to Amend the South Hills Development Master Development Agreement – Blake Thomas, Community Development Director

Director Blake Thomas introduced a discussion on amending the South Hills Master Development Agreement and provided an overview of the proposed fifth amendment, which sought to redefine the development boundaries, amend the land use plan, and address changes in development standards and staffing. Key changes included adjustments to development pods, with some removed or reshaped and new areas added. Director Thomas highlighted that while the Planning Commission had recommended approval, it came with conditions that needed further work,

particularly concerning density transfers and compliance with land use plans.

The proposed amendment looked to maintain compliance with the Planned Unit Development (PUD) requirements, including ensuring at least 20% open space. Director Thomas noted the difficulty in analyzing density transfers due to complex zoning and proposed options to resolve these issues. He also discussed updated standards for medium-density small lots and the need for clearer and more legible maps and plans.

Mayor Palmer expressed concerns about the alignment of the development with the 2008 General Plan, which was outdated and did not account for current conditions like the Mountain View Corridor. He pointed out discrepancies between the General Plan's density allowances and the specific zoning requirements, which complicate the development's compliance.

Director Thomas referred to a previous decision involving Pod 35 where the City Council allowed increased density by consolidating two separate pods into one, exceeding the standard density limit of 20 units per acre. This flexibility was a precedent for the current request but highlighted the need for more specific details before proceeding.

Councilmember Shields expressed concern about the lack of detailed information in the current proposal, suggesting that a more thorough analysis is required before a decision can be made. He stressed that the Planning Commission's work, while appreciated, was based on assumptions that might need adjustments. He preferred a detailed plan that clearly outlined how density issues and land use conflicts will be resolved, to avoid repeated delays and re-evaluations.

Wasatch Developer Leif Smith acknowledged the complexities and expressed gratitude for the feedback. He argued that while the project had been under scrutiny since May of the previous year, the developers had made efforts to address concerns. Developer Smith outlined that the proposal involved adding land to Pod 20, which would increase the unit count by 52 but still maintain a lower density compared to other areas. He emphasized that the adjustments are in line with the master plan and sought approval based on current needs and constraints.

Developer Smith also discussed the challenges of aligning the zoning and density with the outdated 2008 general plan, suggesting that it might be more practical to adopt a new, modern general plan. This would involve updating zoning regulations to better reflect current conditions and planning objectives. Developer Smith and Director Thomas agreed that continuing with the old plan was problematic and that the new general plan could simplify and better guide future development.

Developer Smith touched on financial considerations, such as the impact of relocating water tanks

and the associated costs. He highlighted that integrating Pod 20 into the development plan would compensate for the loss of potential revenue due to the relocation of these water tanks, which had affected the overall financial viability of the project.

Concerns were expressed about the 1,320-foot buffer specified in the master plan, which seemed to have been set based on land purchased in 2007. Councilmember Shields highlighted the irony of this buffer distance appearing to align with land boundaries established at that time, raising issues about the potential construction of homes close to the military base. He emphasized that while development is permissible, it should adhere to the zoning regulations set by the Council, specifically the FR 2.5 zoning, which permits one unit per 2.5 acres as a buffer zone. He stressed that Pod 20's proposed density exceeded these standards, causing further complications.

The Council discussed the broader implications of the development plan and how it related to the existing general plan and zoning maps. Director Thomas pointed out that the 2008 Master Plan had designated lower density for Pod 20 compared to the current proposal, and he voiced a preference for keeping units farther from Camp Williams to address concerns about density and buffer zones. He suggested considering alternative locations for some of the units to maintain the required distance from the military boundary.

The Council looked to balance development with compliance to the underlying zoning and the Master Development Agreement. They debated how to integrate updated general plans and zoning with the existing agreements, as well as to simplify and expedite the approval process. They discussed the possibility of modifying the current development proposals and conditions, including potential changes to Pod 20 and the removal of certain clauses that would streamline the process. The Council touched on the need for a rezone application and how to align development plans with the current General Plan. They wanted to balance out the land transfer with the updated zoning regulations. The Council relayed their desire to continue working toward a resolution.

Councilmember Henderson moved to continue item 11.6 authorizing the 5th amendment to the South Hills Master Development Agreement with the specific direction for staff and the applicant to work towards bringing the MDA up to the current General Plan and zoning as part of the amendment, to bring a unit transfer balance to zero, and remove the addition clause as part of the amendment, and to include adding pod 20 with the clause that it would only be moved once ownership is transferred according to the existing requirements. Councilmember Shields seconded the motion.

The vote was recorded as follows:

Councilmember Jared Henderson Yes

Councilmember Teddy Hodges Yes

Councilmember Sherrie Ohrn Absent

Councilmember Steven Shields Yes

Mayor Lorin Palmer Yes

The motion passed unanimously with Councilmember Sherrie Ohrn being absent.

11.7. Discussion and Consideration of an Interlocal Agreement with the Olympia Public Infrastructure District to Reimburse for the Construction of Olympia Boulevard Right-of-Way Improvements – Blake Thomas, Community Development Director

Director Thomas indicated the Olympia Roadway project would establish a new roadway connection between 12600 South and 6400 West, with a potential extension to 7300 West. He explained it would be funded by \$14 million allocated through a bill approved during the 2023 legislative session and noted the project was set to commence construction in the fall of 2024 and was expected to be completed by summer 2025. The funds have already been received, and an interlocal agreement has been established with the Olympia Public Infrastructure District (P.I.D.), which essentially functioned as a reimbursement agreement. Under this agreement, any costs exceeding the \$14 million will be the responsibility of the P.I.D., ensuring no additional financial burden on the City.

Director Thomas noted that in addition to the Olympia Roadway, similar projects were on the horizon, including the extension of 7300 West, which was anticipated to follow the same timeline and will have a comparable agreement. He noted that efforts were underway to secure funding for the extension of Herriman Boulevard between 7300 West and its current endpoint. He recommended the approval of the agreement for the Olympia Roadway project.

Councilmember Hodges moved to approve Resolution No. R24-2024 approving an Interlocal Agreement between Herriman City and the Olympia Public Infrastructure District 1 with respect to the construction of Olympia Boulevard. Councilmember Shields seconded the motion.

The vote was recorded as follows:

Councilmember Jared Henderson Yes

Councilmember Teddy Hodges Yes

Councilmember Sherrie Ohrn Absent

Councilmember Steven Shields Yes

Mayor Lorin Palmer Yes

The motion passed unanimously with Councilmember Sherrie Ohrn being absent.

12. Future Meetings

- 12.1. Next Planning Meeting: June 19, 2024
- 12.2. Next City Council Meeting: July 10, 2024

13. Events

- 13.1. Hungry Herriman and Farmer's Market: June 17, 2024 and June 24, 2024 @ 5:00 p.m.
- 13.2. Matilda the Musical: June 12 – June 17; Butterfield Park Pavilion @ 8:00 p.m.
- 13.3. Fort Herriman Towne Days: June 15, 2024 – June 22, 2024
- 13.4. Primary Election Day; June 25

14. Closed Session

The Herriman City Council may temporarily recess the City Council meeting to convene in a closed session to discuss the character, professional competence, or physical or mental health of an individual, pending or reasonable imminent litigation, and the purchase, exchange, or lease of real property, as provided by Utah Code Annotated §52-4-205

There was no closed session.

15. Adjournment

Councilmember Henderson moved to adjourn the City Council meeting at 11:11 p.m. Councilmember Hodges seconded the motion, and all present voted aye.

16. Recommence to Work Meeting (If Needed)

I, Jackie Nostrom, City Recorder for Herriman City, hereby certify that the foregoing minutes represent a true, accurate and complete record of the meeting held on June 12, 2024. This document constitutes the official minutes for the Herriman City Council Meeting.



Jackie Nostrom, MMC
City Recorder