

CACHE COUNTY COUNCIL MEETING November 18, 2003

The Cache County Council convened in a regular session on November 18, 2003, in the Cache County Council Chamber at 179 North Main, Logan, Utah.

ATTENDANCE:

Chairman: H. Craig Petersen
Vice Chairman: Cory Yeates
Council Members: Paul Cook, Darrel Gibbons, John Hansen, Kathy Robison.
Brian Chambers, absent.
County Executive: M. Lynn Lemon
County Clerk: Jill N. Zollinger

The following individuals were also in attendance: Jay Aguilar, Russ Akina, Brenda Anthony, Jim Bailey, Robert Barlow, Layne Beck, Ralph Binns, Janet Borg, Mark Brenchley, Todd Broadbent, Peter S. Brunson, Lt. Kim Cheshire, Attorney George Daines, Brett Daniels, Don Davis, Jack Draxler, Thad Erickson, Lila Geddes, Bob Green, Karen Green, Lorene Greenhalgh, Andy Hernandez, Tom Hoggan, Sharon Hoth, Vickie Jensen, Karen Jeppesen, Parker Jeppesen, Scott Jeppesen, Mike Johnson, Vern Keeslar, Jon Keller, Mayor Dave Kooyman, Jeff Larsen, Mayor Alma Leonhardt, Deputy Brian Locke, Mayor Ruth Maughan, Lisette Miles, Cheri Murdock, Steve Murdock, G. Lynn Nelson, John Nelson, Joyce Nelson, Laurie Nelson, David Nielsen, Pat Parker, Nadra Peragallo, Ann Peralta, Kelly Pitcher, Brandon Pratt, Ashley Smith, Jim Smith, Keith Smith, Pat Smith, Mayor Perry Spackman, Doug Stipes, Auditor Tamra Stones, ValaRee Reese Tennant, Mark Teuscher, Mayor Doug Thompson, Ronda Thompson, Gene Thomson, Mike Weibel, Scott Wells, Peggy Tueller, Marilyn Wagner, Lt. Von Williamson, Mayor Ray Winn, Shanna Yeates, Chad Young **Media:** Jennie Christensen (KVNU), John Wright, (Herald Journal).

CALL TO ORDER

Chairman Petersen called the meeting to order at 5:02 p.m.

INVOCATION

The invocation was given by H. Craig Petersen.

PLEDGE OF ALLEGIANCE

Chairman Petersen lead those present in the Pledge of Allegiance.

REVIEW AND APPROVAL OF AGENDA

The agenda was approved with Item 11g, Presentation of the State of County, deferred until November 25, 2003.

REVIEW AND APPROVAL OF MINUTES

Minutes of the October 28, 2003 Council meeting were reviewed and approved.

Cache County Council
11-18-03

REPORT OF THE COUNTY EXECUTIVE: M. LYNN LEMON

APPOINTMENTS: There were no appointments.

WARRANTS: The warrants for the periods of 10-10-03 to 10-16-03 and 10-31-03 to 11-06-03 were given to the Clerk for filing.

ITEMS OF SPECIAL INTEREST:

- ▶ **Presentation of Eagle Scout Project - Parker Jeppesen** presented the Council a wood podium with the name Cache County on it to be used at Council meetings. He made this as an Eagle Scout project. Appreciation was expressed by Council members.
- ▶ **Recognition of Development Services Department:**
Attorney George Daines presented John Nelson the Ron Bulloch award for building inspection code enforcement.
Attorney Daines presented Mark Teuscher and Cache County the Utah Chapter of the American Planning Association award for the landmark TDR and sensitive land study done in the county.
- ▶ **Department Head of the Year presented by Jim Smith** to Sheriff G. Lynn Nelson for the year 2003. Sheriff Nelson has been with the sheriff's office for over 24 years working up through the ranks. He was appointed sheriff in June 1997 and elected to the office in 1998.
- ▶ **Annual Report from Bear River Health by Mike Weibel** - Mr. Weibel reported that public health is health promotion, disease prevention and environmental protection. BR Health Department covers a tri-county area of Cache, Rich and Box Elder counties. BR Health Department received a bio-terrorism grant of over \$200,000 from the Federal government. The county contribution to the budget dropped from 19% to 16% of the total. This is because of fees charged by the department. Burn restrictions were mandatory last winter because of air quality problems. The department expressed concern about the drop in immunization rates in the county.

BUDGETARY MATTERS

- **Transfers-Intra Department** - Extension - Transfer of \$1366 from Equipment to Office Expense for office needs and expenses.

(Attachment 1)

Council member Cook left the meeting.

ACTION: Motion by Council member Yeates to approve the budget transfer. Robison seconded the motion. The vote was unanimous, 5-0. (Chambers & Cook absent.)

Cache County Council
11-18-03

Council member Cook returned to the meeting.

THE COUNCIL MOVED INTO THE BOARD OF EQUALIZATION

- **Certification of Board of Equalization Hearing Officer Actions**

(Attachment 2)

ACTION: Motion by Council member Gibbons to approve the actions of the hearing officers. Yeates seconded the motion. The vote was unanimous, 6-0. (Chambers absent.)

The Council adjourned from the Board of Equalization.

PENDING ACTION

- ◆ **Update - Cache County Jail/Administration Building**
Sheriff Nelson reported on the jail and said the first of February is set for prisoner transfers after open houses for the public in January.

(Attachment 3)

- ◆ **Update - Cache County Historical Courthouse**
Chairman Petersen said the new Council chamber will have the ability to project images of plats, etc. on a screen for all to see. Executive Lemon said the floor plan is finalized and bids will be sought this week for some of the mechanical. Attorney Daines said a set of the floor plans will be brought to the next council meeting.

INITIAL PROPOSAL FOR CONSIDERATION OF ACTION

- **Final Plat Approval** - Willow Lane Minor Subdivision - a three-lot minor subdivision on 67.71 acres in the Agricultural Zone with two existing single family dwellings.

(Attachment 4)

ACTION: Motion by Council member Hansen to waive the rules and approve the minor subdivision. Yeates seconded the motion. The vote was unanimous, 6-0. (Chambers absent.)

- **Property Tax Hardship Requests**

Two property tax hardship requests were brought before the Council.

Cache County Council
11-18-03

Leslie A. and Michael L. Kunz

(Attachment 5)

ACTION: Motion by Council member Gibbons to approve the Leslie A. and Michael L. Kunz property tax hardship request. Yeates seconded the motion. The vote was unanimous, 6-0. (Chambers absent.)

Barbara A. Humphreys

(Attachment 5)

ACTION: Motion by Council member Gibbons to approve the Barbara A. Humphreys property tax hardship request for 2001, 2002 and 2003 and excuse penalties and interest for back taxes. Hansen seconded the motion. The vote was unanimous, 6-0. (Chambers absent.)

■ **Approval of 2004 County Council Calendar of Meetings and Holidays**

The Council reviewed the 2004 calendar of holidays and Council meetings.

(Attachment 6)

ACTION: Motion by Council member Cook to approve the schedule of meetings and the holidays on the calendar. Robison seconded the motion. The vote was unanimous, 6-0. (Chambers absent.)

■ **Donation of Jail Cell from Richmond City**

(Attachment 7)

ACTION: Motion by Council member Gibbons in support of the acquisition of the donated cell to be placed on display at the Sheriff's office in the new jail with the agreement to return the cell to the Sparks' estate if and when the county no longer wanted it. Yeates seconded the motion. The vote was unanimous, 6-0. (Chambers absent.)

■ **Cache Community Foundation - Approval of Cache County Sheriff's Complex Project**

ACTION: Motion by Council member Cook to approve the Cache County Sheriff's Complex Project for the purpose of accepting money. Hansen seconded the motion. The vote was unanimous, 6-0. (Chambers absent.)

PUBLIC HEARING: Water Policy Advisory Board's Application for Mineral Lease Funds

Chairman Petersen asked Ann Peralta to briefly explain why there must be a public hearing on this issue. Peralta said a public meeting is required in order to make this application, mineral lease money would fund some of the board's necessary studies, the timing is good for the application because there is an abundance of money available and this would be another source of money for the board.

Chairman Petersen opened the public meeting and invited public comment. There was none.

ACTION: Motion by Council member Yeates to close the public meeting. Robison seconded the motion. The vote was unanimous, 6-0. (Chambers absent.)

PUBLIC HEARING: Open 2003 Budget

Chairman Petersen opened the public meeting and asked Auditor Stones to give a brief overview of the budget adjustments. These are detailed in Attachment 8 to Resolution No. 2003-33.

Chairman Petersen opened the public meeting and asked for public comment. There was none.

ACTION: Motion by Council member Yeates to close the public meeting. Hansen seconded the motion. The vote was unanimous, 6-0. (Chambers absent.)

INITIAL PROPOSAL FOR CONSIDERATION OF ACTION

- **Resolution No. 2003-33 - Adjustments to 2003 Budget**

(Attachment 8)

ACTION: Motion by council member Gibbons to suspend the rules and adopt Resolution No. 2003-33. Yeates seconded the motion. The vote was unanimous, 6-0. (Chambers absent.)

PUBLIC HEARING: Receive Public Input on Proposed RAPZ Tax Allocation

Chairman Petersen gave a brief overview of the proposed allocation criteria handout and opened the hearing for public comment.

(Attachment 9)

Discussion

Jack Draxler: Should comments be restricted to simply the proposal and the proportions suggested or may they be toward specific entities that would like to receive a share of the RAPZ tax?

Petersen: I think they ought to be towards the proposal, unless when you talk about entities you are talking about it in general conceptual terms; for example, it would probably be inappropriate to have somebody advocate the money go

Cache County Council
11-18-03

to the Festival Opera or the ice arena. Actually, the ice arena is a much better example. But it would certainly be appropriate to talk about how multi-jurisdictional entities, such as the ice arena, might be treated under the proposal. So advocacy for a unit would be inappropriate, but kind of a conceptual argument certainly would be within the confines.

Ronda Thompson: I think you're going to have some issues that are going to be separate with the cultural side and the rec side, so maybe I would ask that you separate those out in the discussion.

Petersen: There are really four sections in the proposal. There's administration and then the three areas. Let's start with administration. Anybody who would like to comment on the administrative aspects of the proposal?

Thompson: I'm with the American West Heritage Center and also the coalition and I just want to say to the Council, first of all, I don't envy your positions. This is a very, very difficult proposal and knowing exactly how to do this. Craig, I think you put this together and I think it's good, but I know you're going to have some comments coming back. The only thing that I want you to bring up that I'm concerned about is it's my understanding that the allocation totally going for administration can be a total of 1.5 and you're .6 and 1.4 adds up to 1.6.

Petersen: That adds up to 2%, actually.

Thompson: Right, and they've said it can only be a total of 1.5.

Petersen: Lynn has something.

Executive Lemon: Let me read out of the code on that. It says a county legislative body may retain up to 1.5% of the proceeds from a tax of the cost of administering the provisions of this part. Then it says the commission may retain an amount not to exceed 1.5% of the tax collected under this part of the cost of administering this part. So, that's the state tax commission and allocating .6% to the state of Utah for collection is what we put in there.

Petersen: So, basically, the state as we understand it expects to take the .6% but could take 1.5% and then as Lynn indicated, there's another 1.5% that we can use, so together there is really 3% there.

Lemon: It says 1-1/2%. Under the county it says 1.5%. I don't know if this 1-1/2% means one and a-half percent. I'm assuming that it does.

Petersen: We'll check on that to make sure.

Thompson: The other thing that I'm concerned about is the single form for restaurant and RAPZ only because qualifications are a little bit different. Under restaurant, it's publicly owned, publicly operated, and under the RAPZ, the two are divided between your cultural, you have to be a nonprofit which a nonprofit cannot necessarily apply for your restaurant tax so there are some issues there. And I think it's more of just making sure that the application, if we do use a single application, that it's spelled out. I think some of the problems that some of the entities are going to have because they are not familiar with the code or with the law – they're not going to know whether they qualify to apply for either one of them. That's my biggest concern about having it as a single application is that it really needs to be clear who can apply for what.

Petersen: We may see you again, right?

Thompson: You might and I do agree that there needs to be a committee.

Petersen: Okay, still under the area of administration. Please.

Scott Wells: My name is Scott Wells. I'm a City Councilman from Nibley responsible for parks and recreation so I'll just talk about administration now and I'll come back up for the park and recreation. We really believe that in years past you guys have done an excellent job in handling the distribution of the restaurant sales tax. Of course, you know where I'm leading later on and that is we also think the same body of people that we elected, you folks here, should administer the RAPZ tax as well. To spend \$20,000, basically, on administration of this fund is \$20,000 that would build something pretty nice in one of my parks. And I think you guys have experience with distribution with the restaurant sales tax. I don't understand why you can't just keep doing what you've done and include the RAPZ tax in that.

Petersen: Are you aware that we use a committee to make recommendations to us on the restaurant tax?

Wells: I wasn't.

Petersen: We do.

Wells: But to do an administrator and then hand this off to another committee, if that's what you're doing to do. Is it going to be the same committee?

Paul Cook: So if I understand you right, what you're really concerned about is we've gotten along just fine on the restaurant without hiring a \$14,000 administrator. Why do we need to hire a \$14,000 administrator to help administer the RAPZ tax?

Wells: Excellent. Yeah, that's how I feel.

Petersen: Thank you. Other comments on administration? Please.

Mayor Perry Spackman: I'm Perry Spackman. I'm Mayor of Trenton and current President of the Cache Mayors

Cache County Council 11-18-03

Association. Discussion amongst the mayors of the county, uh, we concur with the previous comments that you guys have done an excellent job of administering the restaurant tax and we would like to see the RAPZ tax administered in the same way. There's numerous committees in the county that volunteer their time, numerous qualified people to sit on such committees and make recommendations to help advise you on making the final decision. Thank you.

Petersen: Other comments on administration?

Russ Akina: My name is Russ Akina and I'm Director of Parks and Recreation for the city of Logan. There's one thing I wanted to point out with regards to what you're proposing to allocate for administration. As being a member of the coalition that helped to bring this forward, we understand that there will be a need for somebody to do some work. There will also be some costs involved in terms of getting the information that all of us here sitting will need to have. Not just for this first year, but for the other nine. And I think it's prudent for you to look at having some kind of allocation put aside, administratively speaking, so that the benefit of the program which is the remainder of that comes back to those of us who will apply whether that's in recreation or in cultural and botanical. I, too, would like to see more of that go back out in terms of to address operating expenses or capital projects, but I think the reality of that is you're going to need to set some aside in order for this program to be administered appropriately.

Petersen: Thank you, Russ. Other comments on administration?

Lisette Miles: I just needed a clarification on No. 4. I understand the single form, but I was wondering if that meant that an organization could only receive one or the other.

Petersen: No. Are there other comments on administration? Okay, we'll leave that area and the next area, at least in the way the proposal flows, is on cultural and botanical. So comments on that section?

Ralph Binns: My name is Ralph Binns. I'm with Utah Festival Opera and a citizen of Cache Valley for a long time. We appreciate the opportunity to express to you our feelings and to encourage you to continue to be thoughtful and prudent in your deliberations about the allocation of the monies that are being paid by our taxpayers in our state, or in our county. And if it takes administrative help to come up with the answers and the direction we should follow, that you need, then we would probably concur with that, but we would like to have the monies used as much as they can for the purposes that they were voted on for by the people and would also encourage the 45%, 45%, 10% split to be for the entire length of the proposal. That's what we heard about when we voted, that's the idea that we had. I realize changes come, but I think we would strongly be in favor of encouraging the 45%, 45%, 10% split to be used as the direction of the funds throughout the ten-year package. Also we feel that it's important, and maybe this single form that is used to apply for the proposals that we would have, maybe it will have in it what you deem necessary and prudent and what you would like to see the monies used for so that the entities of the valley who are applying for those proposals for that money will know where they need to be if they're going to qualify for any kind of tax support. So if you would spell out for us how you want the monies to be used and for what purposes they're to be used for, then we will better know where we stand and what our organizations offer to the valley and to the community that we're trying to enhance. We would encourage that you give strong consideration to entities that have been in existence for a number of years. I know in some counties outside of Cache County when this has been used, there has been a requirement of three years' running budget operations. So we would encourage you to look at that as you allocate the funds. Not that we don't think that people should have monies to start up new operations, but I think maybe some weighted distribution could be beneficial to the entities that have already been in existence for a few years and funding could be good for them to keep their processes moving and keep people coming. As I read down under parks and recreation, I see that any city receiving funds does not reduce its current level of expenditures in this area. And I use that as an example of what I'm thinking about is not supplanting the RAPZ tax money for any other support given. For example, and you've answered that with restaurant tax money, that if you receive restaurant tax funding to increase tourism in our valley, that the RAPZ money should not be used to supplant that, but should be used in addition to support the entities that are involved in the process. And we would also like Logan City to realize also that whatever funding they do to support cultural arts area would not be supplanted by a RAPZ tax funding. Is that understood? And then we would just like to as a Utah Festival Opera, and as a member of the cultural area that does provide impetus and is an engine for tourism in our valley, we try our very best to provide an operation both through our educational program as well as the Festival that all tie together to bring people to our city center and to our valley and we would like to encourage you to realize that restaurant tax money is primarily for tourism, like you've mentioned here, and to see that that continues to be a top priority. Do you have any questions for me?

Petersen: Thank you. We'll continue to discuss the cultural and botanical area. Ronda.

Thompson: I just have a couple of things. On No. 2 you've got all funds allocated to this area will be based on proposals submitted each year. What I'd like to address is the intent on the cultural side of the law. What it states is that it's there to help stabilize the organizations and I think it's important that we look at that the proposals aren't necessarily for new things that we have to create to do each year, but that we're applying for funds on the merit of what our organization does and it's not so much that we have to go out and create a new project in order to receive

Cache County Council
11-18-03

funding from the RAPZ. That it's there to help stabilize the organizations and I think that if you were to ask any of the organizations here tonight, that they would tell you the last two years have been very difficult going after grants and even from individuals just because of the economy. It has left most of us in a very difficult situation as we try to move forward. So I think it's important that we recognize and realize the importance of this tax and that it was put there on the cultural side to help stabilize the organizations and help them to be able to continue to operate. With that part I would like to also, you know you're saying that you're going to submit it each year, I would like to ask the Council to maybe think about maybe a three-year commitment with an annual review to make sure that they are completing and doing the things that they're saying that they're going to do, but instead of just giving it as one-year and then having to apply every year for it, as we budget and as we go after grants, it would help us tremendously if we could get at least a multiple-year commitment for like a, say, a three-year. And then through your process of your analyzation where you have the person, hopefully, that you're going to hire to administrate this, that that person that part of their responsibility would be to make sure, checking up on those and that they're doing the financial things and their reporting is correct and they are spending the money the way that they said they would. So I would just ask you as a Council to take that into consideration that you would look at giving a multiple-year thing instead of just asking us to apply every single year.

Cook: I have a question. When you have that kind of stabilization, does it make it easier for you to obtain other grants? If you're able to show the organization that we have this kind of in base funding.

Thompson: One of the first things is we go to –absolutely, that's true for all of us, anybody that writes a grant. They always ask, what on earth, who else is supporting you? And they look to your community. Is your community behind you, are they supporting you, because why should a foundation or a granting organization that's outside of your community, why should they give to somebody outside of their community if they're not getting their own community's support. And that's the first thing they will look at. Also, it supplies us an opportunity to go in and seek matching funds. There's a lot of granting organizations that we can go to to get matching funds and if it's just a one year, it makes it very difficult. If we can rely on that as a multiple year, it makes it much better for us to be able to go in and secure those funds.

Cook: So actually, by having predictable income, we would have a multiplier effect on this so that you could obtain other secure sources.

Thompson: Absolutely. It would help us tremendously.

Petersen: Thank you. Anybody else in terms of culture and botanical? Gene and then Mark.

Gene Thomson: Gene Thomson with the Celebrate America Show and we've been here before the Council and appreciate all that you are doing. I think the one little additive I would add to what's been said, I think Ralph brought out some good points as well as this projectable support. I think it's important that we don't forget knowing that all organizations, however long they've been in existence, had a beginning and I would hope that in your formulation and whoever does the allocation would look at and have some abilities to decide if a request, be it the first year, is worthy of some funds. So I think in the formulation I see that you're going to take those long-term three to four-year outlook commitments that you're making for those stable organizations but also I think there ought to be some available funds for the new applicants, if you will, that are wanting to become the long-term support and benefit to the community. Our Celebrate America Show has had its fourth year and we, like any organization, I see all the smiling nods, because it's a lot of blood, sweat and tears to start off with and definitely, this idea of going out and saying we are supported by these funds will you help us, too. Boy, that makes a big difference. We've literally gone out and just knocked on doors to get some of our funds to try and make it go. So I would add that to the element that any organization within the county that's (?up here?) for funds ought to have, besides those that you're committing to long-term events, be able to bring in some others to grow and let those be encouraged as well. We've appreciated the support the Council has given to our organization as well as I'm sure that others who are here representing their organizations are. My effort would be that we do look at ways to bring in some new organizations as well.

Petersen: Thank you, Gene. Mark?

Mark Brenchley: I'm Mark Brenchley with the Utah Festival Opera. In your determination of your application will you include the definitions of what are qualifying organizations in both arenas? The state statute talks a lot about the new cultural side qualifying organizations as they define them. And one of them is, of course, the nonprofit organizations as well as the municipal or county cultural councils, those are eligible entities which can apply. But then it talks about groups whose primary purpose advances the preservation of history, art, music, theater, dance, and so forth. So, if we're to use an example as, say, Logan Regional Hospital Foundation when they sponsor Summerfest, if you took the literal language of the law, the Logan Hospital Foundation could not apply for Summerfest funding because the primary purpose of a Logan Foundation is not to put on an art festival. It is to raise funds for their foundation as they assist the hospital. So we would hope there is clarifying language in the application which complies with the state statutes as to what qualifying organizations can be and it's a little more fuzzy on the cultural side because these are

Cache County Council 11-18-03

nonprofit organizations that provide the advancement of those items that I mentioned. It's a little easier on the parks and rec side because they are obviously going to be cities, towns, counties and so forth which the definition is much easier to obtain.

Petersen: More comments on cultural and botanical? We'll shift then and the next category will be parks and recreation. Who wants to be first up? Jack.

Draxler: I appreciate the time this evening. I'm here as a board member of the North Park Interlocal Cooperative which by its name tells you that we are a multiple-jurisdictional entity charged with overseeing the operation of the Eccles Ice Center. I'm here to speak in favor of Part Two under parks and recreation which says that the county may use a portion of the 25% identified in 1-b to fund countywide or multiple-jurisdictional recreational projects. I think this is very important to maintain as a part of the formula because the revenue stream is multi-jurisdictional. These funds are coming from throughout the county. Citizens as well as visitors to the county, so the revenue stream is multi-jurisdictional and I would then argue that it's entirely appropriate to devote 25% of the funds in 1-b to multi-jurisdictional projects like the ice center. Another reason is this is a productive investment. This is an investment that could result in more revenue, for example, at the ice arena. More seats for US hockey games which are regularly sold out and which would generate more revenue as well as projects that could preserve the structure and those kinds of things. It could easily generate more restaurant tax because of more attendance at events at these multiple-jurisdictional locations and it does definitely make our probability of gaining matching grants much stronger as has been mentioned. And so I would encourage that the Council maintain that 25% for multiple-jurisdictional recreation projects if not increase it because, as I said, the revenue stream is multiple-jurisdictional.

Petersen: Jack, maybe just one small clarification. It doesn't say that 25% will go for multiple-jurisdictional, it simply says that a portion of the 25% may go to multiple-jurisdictional.

Draxler: I understand.

Petersen: Okay.

Draxler: Now correct me if I'm wrong, it's saying 25% of the 25% identified in 1-b, right?

Petersen: No. Let me see if I can clarify that. If you think about this tax as generating about \$1 million, then the portion that would go to parks and recreation would be 45%, about \$450,000, of that. Under this proposal about \$200,000 would be allocated to cities based on population and about \$250,000 would be allocated based on meritorious projects of which some could go to multiple-jurisdictions.

Draxler: I understand.

Petersen: Okay.

Draxler: I'm saying we like that approach.

Petersen: Okay, thank you. Mayor Kooyman.

Dave Kooyman: I'm Mayor Dave Kooyman from Hyde Park also a member of the Ice Arena Board and I support what Jack has said. As a member of the Mayors Council, I just wanted to talk a little bit about the allocation of parks and recreation. The Mayors Council at the time is not comfortable with the allocation to population. They felt like there would be an amount that would be taken out of that, like you said about \$200,000, every time that wouldn't be available to all the communities. I think with that understanding the Mayors Association had talked and mentioned how well the Council had done and a number of communities that thought that it had been allocated fairly and masterfully by the Council and would like to see the RAPZ tax and this 45% done the same way with the Council making the decisions and that 45% allocated to the projects and I think there was a feeling I know that Mayor Thompson felt the cities were ganging up because of the comments at the Mayors Association. I wanted to clarify, I want to make sure that all cities get their fair share and the reason for not having it based on population was that each city over a period of time could feel that they could get an allocation that would allow them to do a project that was significant rather than looking at small projects or not enough money to clarify projects enough and that was the reason for that. We certainly support what's been done with the restaurant tax, the Festival Opera, how that's been allocated, and again would like to see the 45% allocated by the Council rather than a redundant committee and done on a basis of credibility of projects and recreation projects for all the communities, including Logan.

Petersen: Who's next?

Wells: First of all, Nibley City supports the Cache Mayors Association proposal and as far as parks and recreation, every project that I do in my community is a multi-jurisdictional recreation area. The majority of them I should say. When I build a soccer field, it's not just Nibley kids that play on that soccer field, it's kids from all the surrounding communities as we compete in soccer games. And when I build a baseball diamond, Little League games come from all the different cities around the area to play on my diamond. The unfortunate thing right now with soccer in Nibley is that when they do come, our facilities, because we don't have the money like Logan has—we're not trying to pick on Logan, I appreciate their nice facilities—but we don't have the bathroom facilities, we don't have full-sized soccer fields out there because we don't have the money to build the facilities in Nibley like they do in Logan and that's what

Cache County Council 11-18-03

happens when you do anything that's population based. You're going to end up putting a lot of money back into Logan, which is not a bad thing, but it does affect us out there. Under your current proposal, you have, and I have numbers here, by the way I'm representing also Lynn Walker tonight, the mayor of Nibley, because he hurt himself and is unable to be here. Based on the numbers, Nibley City, out of those million dollars, of course the \$450,000 go to park and recreation, we would only receive about \$4,000 a year for our parks. I bought picnic tables for one of my pavilions a few years back and those tables cost me \$5,000. Under your proposal I'll have not even enough money to buy picnic tables for one of my parks. And so, that's why the restaurant tax situation has worked so well. You guys look on it based on merit, based on this facility sitting in Nibley, based on this facility based in Logan, and you can look at which one is going to have the biggest impact on Cache County as a whole. And that's why we still believe the way you've been administering the restaurant tax is the way you should administer the RAPZ tax. The other thing that we want to point out, which I think has been pointed out on little documents that have been floating around here, maybe you guys have seen them, is that in ten years the citizens will be voting on this RAPZ tax again sometime in that frame. They're going to want to see in ten years this money hasn't just been used for administration, that this hasn't been absorbed as a tax into our local communities. They're going to want to see results. They're going to want to see baseball parks, they're going to want to see swimming facilities in Logan. They're going to want to see what their money bought during that ten-year period of time. If you only allocate each city a small amount and they can't ever do anything with it except stockpile it over here, when the ten years comes up, they may not have much to show out in the different parts of the county areas. So, we still believe it's better to stay with the Mayors Association recommendation. Also the tourism situation, sharing that with tourism, we understand that's a good thing, but they do get their money as I understand it from some room tax. I forget exactly the term for that situation so the \$200,000 goes out of tourism. They seem to be getting a fair amount of money to draw quite a few things and we would like to not be too generous with this money towards the tourism situation.

Petersen: Thank you. Alma?

Doug Stipes: I'm Councilman Doug Stipes from Hyrum City. Mayor Olson apologizes for not being able to make it. He was called away on another matter for the city out of the valley. Basically, he just wanted it to be known that we were very supportive of the Mayors Association proposal which I believe that you all have copies of and that the Hyrum City Council also passed a resolution that, which I think, mirrored very closely what the Mayors Association was coming to. We support the allocations that were within the 45%, 10%, 45% and thought that was the way to do it. We were very supportive of following the restaurant tax format and follow the same things that were said by the other cities that were in support of the Association.

Petersen: Thank you. Yes?

Alma Leonhardt: Alma Leonhardt, Providence City Mayor. I've also, and I was going to ask if you have this proposal from the Mayors Association.

Petersen: We do.

Leonhardt: The Mayors Association as a whole, in fact, it was unanimous with the exception of one mayor that felt that that proposal that you have is the way we want to go. Now, with allocations strictly by projects and not allocated by population. A couple of other concerns is, one point of concern I have is the money, the \$25,000 for the county, my question is the county going into the recreation business? Just like what was talked about here our soccer fields and baseball fields pull people from all over the south end of the valley so I don't know where the county is feeling like they need to get into recreation when we're pulling all into Providence or into another city or something like that. So I, it's just a question as where that's coming from, but outside of that, I'd say that the Mayors Association pretty well unanimously supports the document you have there.

Yeates: Mayor, just to answer your question. I don't know if I speak for the whole council, but I don't think it's our intention for the county to get into the recreation business. What the \$25,000 proposal is, it's just a proposal, nothing set in concrete obviously. But that we would fund to develop a master plan which we would use to try to bring all of the cities together to find out what needs are out there, to see if we could get some coordination and then be able to get the funding in place so these projects throughout the entire county could be done which may tie together, but as far as the County Council we don't intend to build ball fields and get into that business.

Leonhardt: How are you going to do that? With your own committee or County Council or...?

Petersen: No, just one example and it may not end up being this way at all. If you go to other communities, Denver or Sun Valley or Jackson, they have trail systems that go through those valleys that are really wonderful and we were, for example, thinking that maybe we'd look at that that maybe that might be something we could see if that would be a possibility where it would be something that would extend beyond city boundaries, it could be coordinated throughout the valley. That's one of the things that we're talking about that the master study might help us with. But to answer your first question, no, we do not want to be in the recreation business. Mayor Thompson?

Mayor Doug Thompson: This is my opportunity to give the minority report. There were actually two members of the

Cache County Council 11-18-03

Mayors Association who voted against the resolution and the other one was the representative from the University. I think that as long as they're invited members of the Association, their vote ought to be counted as well. I feel a little bit beat up in that because we have worked hard as a city, because we've bonded and are using property tax to help pay for projects, that the other mayors are saying that we have restrooms and they don't. Logan City has made a commitment to try to make our recreation program work and I feel like it's not a good reason to change the allocation simply because Logan has done well and worked hard. And a lot of the rhetoric I'm hearing in the newspaper, behind the scenes, is that Logan gets too much money and we do represent something in the range of 45% of the population and a little bit more of the property tax. I believe that there should be some fairness with the process and I believe that that 20% by population makes sense, but we also have the opportunity to come in and make application by proposal and so do the other cities. I guess the thing that I was concerned about, most of all, is that I felt like there had been years of hard work that had gone into the proposal that you folks presented, work by the RAPZ committee in bringing this to the public, lobbying the public and making sure that it got passed, bringing to the Council and discussing it with you. I think that you've put in countless hours trying to work with that proposal trying to make it as fair as possible and I think it is fair. And it's fair to Logan and it's also fair to the rest of the communities. I think that funding allocations, there's always a better way, but I think that you don't really know until you've tried it. As Darrel knows, with the funding for the Community Development Block Grants with BRAG, every year we say we're not going to change the rating and ranking system, but we invariably do because we find that it's not perfect. I think you may not find that this is perfect, but I think that what you've done is admirable. It represents a lot of work, a lot of good thought and I just as leave not see it thrown out until it's tried. If you find that it doesn't work well, then certainly you have the authority and the latitude to change that, but I think that what is represented here makes good sense. The other thing that I just don't understand the reason why the Mayors Association went for is the suggestion that there should be a match because it's not been suggested in any of the RAPZ legislation, it's not mentioned that way anywhere else. And that actually would tend to make it tougher for the smaller communities to get the grants because they're going to have tougher times making matches. I really do believe that the proposal you have put together is a fine one and we ought to at least try it until we know that the proposals and the various aspects aren't going to work. Do you have questions?

Petersen: Questions for the Mayor?

Thompson: And people from Nibley are welcome to come to swim.

Petersen: Are there any other comments? Yes, please.

Spackman: The other mayors have pretty well covered everything in the resolution the Mayors Association passed. I do apologize the others did not mention on the vote that, yes, Craig Simper from US was opposed to the resolution and Lynn Lemon abstained. But of the elected people in the Mayors Association, there was the one that voted against the resolution, that was Mayor Thompson. The \$25,000 was a big concern to a lot of the mayors I visited with. The feelings there was the majority of the communities have their recreation plans in place and this would be a duplicate, maybe, of them, but I don't think any of them feel that \$25,000 on a one-time deal to try and coordinate everything, it is a big item. The other big concern, though, is the Item No. 3 on it can be used for capital projects or operating expense. A big portion of the people I have talked to in the mayors feel that it shouldn't be able to be used for operating expense. After they get it built, if they can't operate it with their city budgets, ten years from now if this doesn't pass again, how are they going to operate the facility? And then kind of in rebuttal to Mayor Thompson back to the entire thing being project funded, you know a majority of the mayors feel Logan City has just as good a chance of funding a project as any other community. If the entire budget for a year needs to go to a legitimate project in Logan City, I don't think you're going to see any of us complain. But by the same token if four or five communities would like the entire budget for a year to be able to do some qualified projects, we'd like to be able to do that. Thank you.

Petersen: Thank you. Please.

Vern Keeslar: My name is Vern Keeslar. I'm with Providence City and we wanted to let you know that the Cache City Managers Association has met and that association does support the mayors' letter to the County Council, but I just wanted to bring up one thing because we don't need to repeat everything, right? Save us all some time. On the \$25,000 to be allocated for a master plan of recreational needs you mentioned trails as a possibility. We have a wonderful MPO that's housed right here in this building and jurisdictions where I've previously come from, all our trails were handled through the MPO and coordinated that way. You already have a staff, at least one or two staff members, on that MPO and it might be better served through that way. Just a suggestion.

Petersen: Thank you. Layne?

Layne Beck: Layne Beck, I'm here just as a concerned citizen and I don't envy you people who have to make this decision having had sat in this chair for eight years, I appreciate your willingness to go through this process. My comments have to do with the unique facilities that this county owns that are recreation related. Some of them could

Cache County Council 11-18-03

possibly be defined as cultural and that has to do with Item 2, the 25% identified in 1-b. I guess you could say maybe the fair grounds or some of the events that are held there certainly are cultural. Our county fair being an example of one that is a cultural event that the taxpayers of this county fund every year to a large extent. I guess my comments are, basically, you ought to consider in that area with the projects that are owned by the county right now that fit in the area of cultural or recreation, maybe consider doing something like the law requires you to do with zoological. As opposed to having it a percentage of just recreation, maybe have a percentage of the total amount going to those multi-jurisdictional facilities that could be cultural or recreation. Just a thought. I thank you.

Petersen: Thank you.

Scott Wells: I have a great deal of respect for Mayor Thompson, but I do want to offer as well. I guess in a fairness issue I don't understand what could be more fair than each recreational project standing on its own merits. It might be in one year that Logan has a terrific big project and they get the majority of the funds to do that. And I might go in Nibley City three or four years before I see any money at all, but when I come up with a good idea in Nibley City, then I'd like to have that project funded to its fullest. I don't think matching funds, if you put on a percentage, is a bad idea. Make it 10% or 20%, something that's affordable by a small community, but then we have something in it as well. We're not just asking the RAPZ tax to foot the whole bill. By having matching funds, you show we've put our effort into it, we believe in it as well. So, I believe that those two things that the Mayor brought up, I'm sorry, I have to respectfully disagree that I think that what I just said would be a fairer way to allocate the money.

Petersen: Thank you. Additional comments, Russ?

Akina: Yes, in regards to parks and recreation, maybe this is just for clarification, in regards to the percentages, 20% under 1-a and 25% under 1-b. Are those two percentage figures what represents the 45%?

Petersen: Yeah, they add up to 45

Akina: The other item for clarification was Item 3 in regards to whether allocated funds could be used for capital projects or operating expenses and just wanted to know, there may be a need for clarification with regards to that as it pertains to recreation and parks.

Petersen: Our understanding is that...George? On recreation the legislation allows either operating or capital projects for recreation.

Daines: That's correct. When your proposal is written, you would address that.

Petersen: We simply said that it would be permissible to use it for either.

Yeates: Whereas, under cultural it is not. It's not available at all.

Lemon: The code says for cultural, it's only operating. Parks and recreation, it can be either.

Akina: Perhaps just as a point from an information standpoint, the city of Logan, the parks and recreation department does have responsibility in terms of management, operations and capital, not only for its assets within the city system but also those that are jointly owned between the city and the county and while we were working from the coalition standpoint, we knew there would be some areas that would not have a clean cut in that respect that the Council would need to take a look at. Perhaps that's one of these areas that you might have to consider since there are some things like the Eccles Ice Arena where there are multiple agencies involved in that.

Petersen: Thank you. Ralph, go ahead.

Binns: Could I make one point from here? Talking about operational expenses under the cultural area I think it needs to be brought out, and this was an eye-opener to me after serving with the board for three or four years, only one-third of the operational expenses for Utah Festival Opera, for example, come from ticket sales and that is a very high percentage when you consider the whole country for all similar type operations. So we really do depend and are very much appreciative of the tax passing and want you to know that for us to continue at our level of performance that we want to, we can't get it all from ticket sales. We work to increase that every year, but our budget is only one-third covered by that and this opportunity provides, like has been mentioned before, opportunity to go out and get more funds on a leverage-type basis. So we are looking for it very much in a positive way. Thanks.

Petersen: Thank you. Anyone else who wants to comment on parks and recreation, George?

Daines: I just have one question and I think you've made this policy, but is it a policy that any project that is supported by RAPZ funds that a city may not discriminate between city residents and county residents or any other city?

Petersen: Of course, we have no policy on RAPZ, so the issue would be on restaurant because that's the only one we have experience with.

Daines: I'm asking you, will that be a policy, that is, if a city receives RAPZ funds, for example to build a tennis court, are they allowed then to discriminate between their own residents in their city as opposed to another city or unincorporated county persons? I understood there was going to be a policy that they could not.

Petersen: What have we done? We haven't discussed that, George. What have we done on restaurant tax?

Cache County Council
11-18-03

Daines: I would advocate that policy because I think it's a real mistake for county funds to ever be used by giving them to any city to build a facility which is then, where citizens are treated differently based upon which city they are from. And I think every RAPZ dollar that goes out in the recreation fund to any of the cities should have that as a condition on the payment received.

Petersen: Have we had any policy on that with regard to the restaurant tax? I don't think we have, have we? We haven't addressed that?

Lemon: I don't think we have. I'm not aware of a situation where individuals have built projects with the restaurant tax and then not allowed anyone to use them, but I know we talked about that during this process.

Petersen: George, we'll address that. We just haven't to this point. Ronda?

Thompson: I think it's also important that you find a way to recognize either on the project, or the cultural side and the rec side that are receiving funds, need to find a way when we come up with a logo or something that's showing the citizens where the money is going so that people recognize whether we're giving away free tickets or whether it's to do something else or whether it's to build a facility, it ought to say on there that this was funded by RAPZ tax so that people will recognize where those funds are being used and how they're benefitting from that so that's one of the things that Salt Lake does that we thought was so important that the community sees where their money and dollars are being spent so they know they are benefitting from this tax. The other thing that I would like to go back and address, a lot of the mayors have talked about not wanting to have the administration. Lynn, how many applications do you get already from restaurant tax?

Lemon: Probably, 20 or 25.

Thompson: That's not a lot, but I imagine that you're going to at least triple the load easily for this new thing and I think already your time is probably limited as the administrator of the whole county to be able to review that process and whether you've got somebody else already on board that can do it, I think it's extremely important that we recognize that there's going to be more of a process that has to go through with the analyzation of the organizations that are applying because whether you spend the time to go through their budget or whether you spend the time to find out whether they truly are a nonprofit on the cultural side, I think it's a little easier on the rec side, and I think that's why the mayors were able to address that, but on the cultural side, there's going to be a lot more work that's got to go into administrating this fund. I would just say again that I think it is important that we do have an administrator because I think already that your employees are already stressed out enough and you're going to need that help to actually be able to administer this correctly.

Petersen: Thank you.

Peggy Tueller: Having been in administration my whole life, I can assure you that if something is done properly and thoroughly, it takes many more administrative hours than most people realize. I support Ronda absolutely. If you want this well done, you should pay for somebody to be on top of it. It's going to be more work than you think.

Petersen: Thank you. Mayor?

Ray Winn: I would like to say that I felt very bad about beating up on Doug. Is he still here?

D. Thompson: I'm in the corner crying.

Winn: I wanted to state that Smithfield is in agreement with the Mayors Association. We feel like the project basis would be much better than to split it up. I think it would make it much more complicated. I get concerned when we start hiring more people and we have more committees. I can see when we add another committee and this committee goes through all what they need to do to decide then they're going to come back to you guys anyway and I just think it makes one more committee. On this 20%, 10% for the cities to come up with of their own money, I disagree with Doug on that. He was talking about the small cities, this wouldn't be good for them. It's actually good for the small cities because they can get their citizens out do the volunteer work which would help to do this. I think that's all from Smithfield. We thank you.

Petersen: Other comments in the parks and recreation area?

Leonhardt: On the policy that you're talking about, the use of other entities, I don't see why Providence would have any problem with that. They would support that in a minute because we do that now with most of the cities around our area using some of the things that restaurant has done. Another thing quickly, I don't think we're against, at least I'm not, the city is not against the idea of more help with administration, money for administration, but think \$14,000 is a little bit much.

Petersen: Thank you. Other comments still in the area of parks and recreation. Okay, Mark, I want to see how you twist this coming from UFOC.

Brenchley: This is nothing with the opera company or cultural or anything, but I would like to remind the Council several years ago with regards to sales tax, do you remember when it was 100% at the point of sale? There was a law suit. There was a very divisive climate within the whole county when Logan took all the sales tax because the state law allowed it. In fact, said you had to do it. Desmond Anderson, as you may remember, advocated sharing that with the county but was sued by Newel Olson and found to be illegal and so the city had to retain the funds until the state legislature finally acted upon the current formula which is 50/50. Fifty percent at the point of sale and 50%

Cache County Council
11-18-03

statewide collection. They found that that system was very beneficial in eliminating the pitting of city against city to try and compete for commercial entities, commercial projects and so forth, where they would destroy open space or construction on commercial corridors and so forth. It now at least allows a fair and equitable distribution and collection of the sales tax issue and so that formula has been used in other areas and been quite successful and I don't know why it couldn't work in this case as well for the distribution of the allocation upon the population or, basically point of sale, and then the other is based on a per capita or an overall population base. It's been used and tried in other ways and it worked and I just wanted to remind you of that. This controversial issue about twenty years ago.

Petersen: Thank you. Anyone else? All right the last area was the area of zoological. Are there any comments on that area? If not, I want to make sure that everybody has a chance to comment so we'll open this now if anybody has any final comments to make in any area of the proposal. Is there anyone else who would like to speak? Is there a motion to close the public hearing?

ACTION: Motion by Council member Cook to close the public hearing. Robison seconded the motion. The vote was unanimous, 6-0. (Chambers absent.)

Chairman Petersen directed this proposal be placed on the November 25, 2003, agenda as a formal resolution for initial consideration. It will be on the December 2, 2003, agenda for final decision.

Chairman Petersen: Let me explain the administrative process of the restaurant tax. Executive Lemon has made initial recommendations on restaurant tax and then the council has submitted his recommendations to a committee which has a couple of members of the County Council and some other people. Those people review those recommendations and then they came to the County Council. It's a little bit the same that we're proposing here except that we're not asking Lynn to make initial recommendations. We're asking that this single advisory committee would make recommendations, but the County Council would have the final say on the allocation. With the restaurant tax, we're now talking about, basically, three times as much money. The restaurant tax is about \$600,000. This is about a million dollars so this is a project that's three times as large as before. I think the committee structure is important to us, and I feel that we've got people in our community who would take this as a serious community service assignment and devote a substantial amount of time to make sure that they really are satisfied with the process. There is some concern about the administrator. Again, that administrator has no decision-making responsibility. The person would be responsible for collecting information, making sure the information is correct, monitoring accounts and so forth. Let me give you one example why I think it's important. The last year with the restaurant tax I sat on that committee for the very first time and as we got Lynn's recommendations, there was one of those recommendations that we looked on not very favorably. It actually was a park up in Lewiston and it had to do with lights in Lewiston Park. Based on the information that we had as a committee, and it was kind of haphazard information, we were not very supportive of that project. In fact, we as a committee actually questioned it's funding. Later on it turned out that all the concerns that we had about it really were unfounded. But we didn't have the person power to really make a very thorough investigation. What I see the administrator doing is really making sure the group has adequate information. Again, making sure that the accounts are taken care of. We're talking about a project that's much larger than the project that we had before. I think it's also useful for the committee to deal with both the restaurant tax and the RAPZ tax because, again, they really can be used for similar purposes. Now not entirely similar purposes, but if you look at the restaurant tax, we use it to support the cultural arts. We use it to support parks and recreation. We use it to support zoological facilities. The same things as we are doing with the RAPZ tax. It seems to me that it's not a very good process to consider those as two separate entities and make independent decisions that somehow we ought to coordinate them and use that money in the very best way we can for the county under the administrative part, at least from my justifications, my thinking. Anybody else want to comment on that part or another part?

Gibbons: Only to say that the administrative role would have no decision-making influence with respect to the committee. So he/she couldn't be biased to one project or another. He/she would simply be an independent administrator to provide information.

PENDING ACTION

- ◆ **Cache County Logo - Discussion** - Jim Smith reported there were 210 entries the employee committee reviewed and ranked on three criteria—aesthetically pleasing, relates to history, culture or geography of Cache County and is reproducible. He presented the six final entries to the Council for their review and choice. **Chairman Petersen** asked Smith to make color copies of the entries and place in the Council members packets for a future meeting.

INITIAL PROPOSAL FOR CONSIDERATION OF ACTION

- **Proposed 2004 Budget - Discussion** - Executive Lemon briefly highlighted the major changes to revenue. These are detailed in Attachment 10.

(Attachment 10)

ACTION: Motion by Council member Yeates to propose county employee salary increases of 2% merit which would be administered by department heads and 1% market adjustment to be placed in a pool for use as needed. Cook seconded the motion. The vote was unanimous, 6-0. (Chambers absent.)

COUNTY ATTORNEY'S REPORT ON PENDING MATTERS

Executive Lemon asked Attorney Daines to update the Council on business license matters. Daines said a proposed fee for fire inspections for business licenses is being considered as well as increased late fees.

COUNCIL MEMBER REPORTS

Cory Yeates said signs have been posted on public roads that had been closed by property owners. He asked the Council to maintain the position that those right-of-ways remain open.

Paul Cook stated the I.T. organization is moving forward and should be concluded soon.

ADJOURNMENT

The Council meeting adjourned at 7:42 p.m.

ATTEST: Jill N. Zollinger
County Clerk

APPROVAL: H. Craig Petersen
Council Chairman