

CACHE COUNTY COUNCIL MEETING
August 12, 2003

The Cache County Council convened in a regular session on August 12, 2003, in the Cache County Council Chamber at 179 North Main, Logan, Utah.

ATTENDANCE:

Chairman: H. Craig Petersen
Vice Chairman: Cory Yeates
Council Members: Brian Chambers, Paul Cook, Darrel Gibbons, John Hansen, Kathy Robison. (Council member Cook arrived at 5:05 p.m.)
County Executive: M. Lynn Lemon
County Clerk: Jill N. Zollinger

The following individuals were also in attendance: Russ Akina, Dell Allen, Alan Allred, Warren S. Black, Dixie Bradley, Peter Brunson, Morley Cox, Janna Custer, Attorney George Daines, Curtis W. Dent, Joe Fuhriman, Don Fulton, Lorene Greenhalgh, Lloyd Holmes, Sharon Hoth, Mary Anna Jeppson, Roland Jeppson, Robert Q. Lee, Joel Lundstrom, JoLynne Lyon, Sheriff G. Lynn Nelson, Dave Nielsen, Lee Nielsen, Pat Parker, Brendan Pratt, Jim Smith, Auditor Tamra Stones, Mark Teuscher, Michael Twitchell, Rod Wilhelm **Media:** Joe Rowley (Herald Journal), Jennie Christensen (KVNU).

CALL TO ORDER:

Chairman Petersen called the meeting to order at 5:00 p.m.

INVOCATION:

The invocation was given by Cory Yeates.

PLEDGE OF ALLEGIANCE:

Chairman Petersen lead those present in the Pledge of Allegiance.

REVIEW AND APPROVAL OF AGENDA:

The agenda was approved as written.

REVIEW AND APPROVAL OF MINUTES:

Minutes of the July 22, 2003 Council meeting were reviewed and approved.

REPORT OF THE COUNTY EXECUTIVE: M. LYNN LEMON

SET FIRST CDBG PUBLIC HEARING - August 26, 2003 - 5:10 p.m.

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ACTION: Motion by Council member Yeates to set the hearing for August 26, 2003 at 5:10 p.m. Robison seconded the motion. The vote was unanimous, 6-0. (Cook absent)

Council member Cook arrives.

<u>APPOINTMENTS:</u>	Kathleen Howell	Grievance Committee (Chair)
	Tamra Stones	Grievance Committee
	Mark Teuscher	Grievance Committee
	Maridene Hancock	Grievance Committee
	Dennis Larson	Grievance Committee
	Mary Yancey	Grievance Committee
	Dixie Bradley	Grievance Committee
	Ted Hunter	Grievance Committee
	Janeen Allen	Deputy County Clerk

ACTION: Motion by Council member Gibbons to approve the recommended appointments. Yeates seconded the motion. The vote was unanimous, 7-0.

WARRANTS: The warrants for the periods of 06-20-03 to 06-26-03; 07-01-03 to 07-01-03; 07-02-03 to 07-10-03; 07-11-03 to 07-17-03; 07-18-03 to 07-24-03 and 07-24-03 to 07-31-03 were given to the Clerk for filing.

OTHER ITEMS:

- **Jail Furnishings:** Expenses have been reduced by \$64,817.00.
- **Draft Environmental Impact Statement for the North Rich Cattle Allotment** is available for review and comment. Responses must be submitted by September 2, 2003.
- **Thank You to Jill Zollinger, Staff and LaMont Poulsen and Volunteers** and all those who made the Cache County Fair very successful. Revenues were up for the carnival and the rodeo.

ITEMS OF SPECIAL INTEREST:

- **Employee of the Month** presented to Dixie Bradley of the Cache County Assessor's Office.
- **Willow Park Complex Budget Request** was reviewed by Alan Allred and the Council was asked to reconsider a delay of this request.
- **Cache County Planning Commission Update** by Lee Nielsen. A work/study meeting is planned for September 9 at 4:00 p.m. to review the Ag. zone. All zones should be

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completed by November. Attorney Daines has been of assistance to their commission.

BUDGETARY MATTERS

► **Inter Department Transfers**

A request for a transfer of funds within the Senior Citizens Access budget to meet current expenses and projections for 2003.

ACTION: Motion by Council member Yeates to approve the budget transfer. Robison seconded the motion and it passed unanimously, 7-0.

(Attachment 1)

PUBLIC HEARING SET: OPEN 2003 BUDGET

The proposed date and time of the public hearing to open the 2003 Budget was August 26, 2003 at 6:00 p.m.

ACTION: Motion by Council member Cook to set the public hearing to open the 2003 Budget. Yeates seconded the motion. The vote was unanimous, 7-0.

PUBLIC HEARING: PROPOSED 2003 CACHE COUNTY PROPERTY TAX INCREASE

Chairman Petersen read the proposed tax increase and asked Auditor Stones to explain the need for the tax increase. The county sold about \$18 million in bonds to build the County Administration Building and the new jail facility. The debt service on that was guaranteed with sales tax revenues. Approximately \$1.4 million has been diverted from General Fund purposes to pay debt service. The increase is to allow the county to have additional operating property taxes to pay for the services the county provides. Petersen declared the public hearing open and invited those present for the hearing to speak to the issue.

Chairman Petersen: Let's start with Mr. Brunson.

Peter Brunson: I live in Logan. My name is Peter Brunson and I just have a question. I read this article in the Herald Journal about Logan City gets \$100,000 from their RDA and it got me wondering how much do the RDA's that Logan have affect this tax increase that the county's doing? And so I went and got some numbers and it looks like the RDA's are actually causing you to raise your tax increase more than it would be. I didn't know whether that's a known thing. It's new to me, is it new to anybody else?

Chairman Petersen: Tamra, can you respond to that?

Auditor Stones: Logan City has two new redevelopment projects that were started four to five years ago and this is the fourth year of their project length and they are taking the first increment of new growth for those two project areas. Basically, if I recall correctly, it's a couple hundred thousand dollars that they're requesting in this first incremental year. In the last four years that property tax has been disbursed amongst the taxing entities that are also part of the redevelopment area (Logan City Schools, Logan City and Cache County); those funds will now have to go the redevelopment agency and part of the increase for the county is due to the shifting of that tax revenue,

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Brunson: Is there any idea how much, you know I'm not familiar with it since this is the first time I've ever been here, but I haven't, actually it's going to be about \$144,000 this year and it has been around \$100,000 since 1997. That's as far back as I could get the data real quickly. I was wondering, next year RDA's, will there be a couple more in Logan? Are we seeing a significant tax shift in the county because of those RDA's?

Petersen: I think it depends a little bit the way you think about it, Pete. In the sense that the RDA, at least theoretically, maybe this isn't true, but theoretically, the RDA creates development that wouldn't have occurred and so the additional taxes that are generated that go to the RDA are taxes that the county would otherwise not have had access to if the RDA had not been created. In other words, we retain the taxes at the baseline level of what the property was valued at before the RDA. We don't get all the taxes with the development, but again the development is created by the RDA organizational structure.

Brunson: I think, like you say, that's an arguable point. Is there any way to track that in the future? It seems to me like it's pretty easy for me to stand up here and tell you all the wonderful things I'm going to do. It's pretty hard to deliver. And everywhere I look on RDA's; if you go out on the web and look at RDA's, the problem is they don't deliver. So they make wonderful promises and I'm wondering if there's some way we can track that over time and say to Logan City, "Okay, fess up, where is it really?" Because if you'll notice the RDA's in Logan, they're morphing into something else. They start out helping Hyclone and they morph into a sewer district. To me that's a very worrisome thing because it creates a taxing entity without any public input.

Petersen: Can we do that, Tamra? You did that for me once, I think, didn't you? You looked at RDA tax impact?

Brunson: As part of your announcement it would be wonderful if you could have in that little announcement what percent of the tax increase is being driven by the RDA's because Smithfield also has a small one that drives that to \$170,000 a year instead of the \$140,000. If the rate of increase keeps going, the total RDA's right now are \$86,000, I mean \$860,000, so at that rate, they went up from \$392,000 to \$800,000 in five years. We're talking millions of dollars. Our schools are in really hard times. They're looking for \$200 million. If I have the numbers right, RDA's are taking out of the system over \$500 million. We don't need to do anything except turn the RDA's off and give it back to the schools. Thank you.

Petersen: Thank you. Who's next? Anybody.

Cox: My name is Morley Cox. I live in Logan and I apologize if you have workshops, I haven't been here. I appreciated Tamra's telling us why the 35% increase. My shock is when I got my piece of paper because my tax notice took my assessed value is [sic] up this year. So there are some of us who are retired and we're double dipped on. My taxes on my home went from \$1997, \$1996 last year, if you and Logan both hold and Logan held, it'll be \$2742 which is an \$800 increase. For people who are on a fixed income in the economy that we are in, and I can pay, but there's many, when I ran in the fourth district, there were by the voter registration rolls, there were over 4,000 residents in Logan City who were over the age of 65. That's only east of Main Street, that's not west of Main Street, that's not the rest of the county. A 35% increase may well be needed because of the obligations that you have voted in, but that's a huge chunk to expect people on fixed incomes to absorb. Not only in one year, but for the foreseeable future. She didn't say how long the bonds run.

Lemon and Stones: Twenty years.

Cox: Twenty years? So I guess the one request that I would make is if you, in fact, hold to the 35% increases, you sunshine [sunset] it. Because I think what will happen is, when you get done paying it, you'll just go off and spend it somewhere else and twenty years may yet be within my lifetime. My mother died at ninety and I'm old enough that I could be here another twenty-five years. I guess my concern is that at a time when the economy has been pretty brutal to everybody, Logan went up 24%, you're going up 35%, my tax base on my house went up 25%. For people who are on a fixed income trying to figure out how they're going to make their medical payments as well as all of their other sustenance, if they live even another fifteen years, they will be in financial difficulty. At the current rate, my expectation is that my

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retirement check from Thiokol won't cover my medical insurance if I live long enough and I hope to do that. And so what's happening to all people who are on fixed incomes is a very difficult circumstance. So I think you need to respect that when you do things for a very specific purpose, that whatever the mill levy increase that's attached to the bonds, should sunshine [sunset] when the bonds are done. And if you get rich and pay them off in a hurry from other means or can refinance them, then you should take that into account. Because otherwise government just takes the money out of people's pockets and finds another way to spend it. I think you need to be fiscally responsible, especially if the people are over the age of 65. Now, I know that there is a way for, if they're in certain income levels, that they can go in and they can get a tax freeze and whatever, but the way the economy is going, those people at least have some recourse, but the people who have money today are struggling to make ends meet, quite frankly, who don't qualify for that. The way the economy is going we're going to be in a world of hurt and I just think that you need to be sensitive to that and I would recommend that part of it be sunshined [sunset].

Petersen: Thank you. Are there other comments? On my left in the back.

Allen: I'm Dell Allen from North Logan. I think what this fellow just said reflects what senior citizens' concerns are. The question is can you use my money better than I can to improve my quality of life? Maybe you can, I don't know, I hope you can show me that that would be the case. I spent a little time on the Internet with the Utah Taxpayer's Association and downloaded some information to see how we compare in Utah with other surrounding states and actually we're doing pretty good in terms of our property taxes and other kind of things so I can't really complain much about that except that I saw one state that only has half of what we spend. I thought maybe there's an opportunity to figure out how to lower taxes. Everybody seems to be wanting to raise taxes. I don't see very much effort on how to lower taxes, so I spent a little time thinking about it and I can think of a lot of ways. But I don't know as anybody wants to know about those, but I would really encourage you to start thinking how can we lower taxes and still maintain or improve the quality of life. So that's one thing I would like to see you put on your agendas, maybe some workshops on how to reduce our taxes. Maybe there's some people who would come to the fore that would be delighted to share with you some ideas and maybe out of all that there'd be some new things that we could think about. The second and the main reason why I'm here is I just wondered if there's anybody in this room that doesn't have a mentally ill relative or friend or neighbor or someone. If there is I would like to see you raise your hand. It's a pretty pervasive problem, but the mentally ill don't show up here to stand up for themselves and so they need an advocate. They need somebody who will say, "Can you help me out?" You do all these wonderful things, so I'd like to see, I wish half of this tax increase would go into helping those who are struggling that have mental illnesses. I saw the article in the paper from Dr. Pattinson and he's just barely able to kind of keep the doors open. I just feel like somehow we need to be looking out for those who can't look out for themselves. I don't know if you have anybody on this council who does that, but I sure hope you'd be more open to the needs of those who are really struggling. There's some marvelous things that could be done to improve treatment and recovery that are not being used. They could be. I just feel like in this new age we ought to be a light to all the things that could be done to help improve the diagnosis and treatment and therapy and recovery. A lot of smart people have mental illnesses and are able to recover, but it requires good prompt attention and treatment and we're not getting that. So I hope that if you're going to increase the taxes that some of it could be funneled into that and also we can think about ways to reduce. I'm in North Logan so this would be a tax increase for me and then in the paper tonight they want a four mil increase for the cemetery district and then the school wants a \$57 million bond and it goes on and on and on. I could think of a way to save a lot of money for the schools. If they'd just privatize them, we wouldn't have to bond. We could cut \$2.3 billion in the state of Utah simply by privatizing our schools. But who would ever dream of that? Nobody even wants to let that cross their mind in this county. At any rate, there are some things that we could do and I hope that you'll be open to some suggestions.

Petersen: Thank you very much. Lloyd, would you like to be next?

Holmes: I'm Lloyd Holmes and I live in Logan. I attend these meetings to get educated and I find that we're not getting any smarter. We talk about taxes and we know that they're inevitable just as death is. I

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suppose the latter will come first before I ever see any changes in tax reductions. So my pitch here tonight as I gave to the City council is to take a closer look at how you're spending the money and when you come down to the bottom line, if it requires a tax increase as this does, go back and review it a few more times and cut out raising taxes. I came to this community to live about nineteen years ago. I enjoyed it very much. I still enjoy the quality of living. But what I've seen happening, partially because of growth, partially because we've been trying to buy people to come here, businesses and industries, and I don't think that the general public in this area really understands the way the government works here and they really don't understand where the money goes that's collected in taxes. I've noticed in utility bills, and you folks don't have anything to do with that, but you will some of the other things that I'm going to talk about, is costing \$20 to \$30 extra per month in my home because of taxes, fees, surcharges, whatever else has been added. And if you all look at your utility bills, you find that out. I also go out to have dinner occasionally, and I know a few years ago when the restaurant tax came about, I thought, "Oh-oh, here we go." And it didn't take long for that to spread throughout the entire state because when it hit Cache Valley, I started going out to dinner elsewhere. I think that's a very bad tax. And I think all it does is give politicians more money, and I imagine it's what, a half a million dollars in Cache County, to spread around, supposedly, when it started, to help communities. Maybe some of it does go to help communities, but I hear in this meeting and I hear in the city meetings all kinds of ways that they've found to spend that restaurant tax money. I know it's an easy way to collect and you don't have to go out to eat, but when I see the difficulties of how to spread it around, I say, "Why do we even have that tax?" I don't like it. I don't think we need it and I don't think it's done anything to reduce the amount of money that's spent by the county or the city. And then by a very small majority or a very small number of voters, I should say, two or three years ago we passed what I call the RATZ tax, commonly known as the RAPZ tax. How much money are we putting into a local theater's dance groups here in this community? You talked about passing the RAPZ tax to the park which I think is a good thing. But my question is, do we really need to keep subsidizing everybody for everything that they might want? I can handle the taxes. I can handle anything that's thrown at me, but I don't like it. I think these taxes are wrong. I think the city is wrong in the way they spend their money and I think this County Council can do a better job of how you're spending yours that you collect from us. I don't have any specifics, but I can go through a lot of places sometime, I'm not taking your time now, as to where I think cuts could be made. I'm going to start with some that are very sensitive. The fire departments, the sheriff's departments and the police departments. Every meeting I go to I hear somebody saying, "We're running out of money." I had knocks on my door from firemen coming wanting to collect money and I really think we can cut down on those kind of expenditures. I don't think any of them are going hungry. They're well clothed and I think we have the protection that we need. They gerrymandered my place here a few years ago in the voting district largely because, I think, whoever drew the lines weren't sure what was there, about five or six houses moved from voting districts. When I studied how that was made, I thought, "Well, the public didn't know about that." The public doesn't really know what we're doing with all the money that's being collected and I suppose in this community maybe they don't give a hoot. I don't see many showing up so you have a big responsibility. I admire you for what you do, but I think you need to look a little closer at some of these numbers and the things that we're collecting, forcibly, if we want to go out to eat. A small percentage of the voters put in for the RAPZ tax and yet here's, what? Ten million dollars. I don't think we need it in this community.

Petersen: Thank you very much. Is there anyone else who would like to speak tonight as part of the public hearing?

ACTION: Motion by Council member Gibbons to close the public hearing. Yeates seconded the motion and it passed unanimously, 7-0.

Chairman Petersen asked Auditor Tamra Stones to take one of the RDA's and trace the

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baseline property taxes through to determine how much additional tax was generated as a consequence of the RDA.

Chairman Petersen directed Pat Parker to place a resolution to adopt the tax rate increase on the August 26, 2003 meeting agenda.

THE COUNCIL MOVED INTO THE BOARD OF EQUALIZATION

- ▶ Board of Equalization Hearing Date Set for 9:00 a.m. on Wednesday, September 3, 2003.

ACTION: Motion to approve the September 3, 2003 Board of Equalization hearing date to hear appeals by Council member Yeates. Robison seconded the motion and it passed unanimously, 7-0.

The Council adjourned from the Board of Equalization.

Chairman Petersen noted that if someone comes in and has a concern about the valuation of their home and they bring in a bonafide appraisal, that is given very, very heavy weight in re-evaluating what had been done.

Council member Gibbons indicated there was an error by the state tax commission on the tax notices that went out in respect to green belt and agricultural properties. It will be corrected on the final tax bill.

PENDING ACTION

- ▶ Update - Cache County Historical Courthouse: The asbestos abatement is completed. Fencing and demolition will probably start sometime this week. The Hall of Justice building is down and will be temporarily fenced for the parking lot. Thus far these projects are under budget.
- ▶ Update - Cache County Jail: The second and third floor steel stud framing should be completed in the next two weeks. Paint colors are being selected for the building. The roadway problems are mostly worked out. Franklin County and the State of Utah have both expressed an interest in housing inmates in the new jail.

(Attachment 2)

- ▶ Discussion - County Strategic Planning Process: Fourteen of the sixteen units in the county have submitted their plans and Chairman Petersen and Executive Lemon have met with all of the fourteen. The other two units will have their plans submitted by the end of this week. The revised plans will be back to Petersen and Lemon by the end of

August and are on schedule. Many of the plans had excellent ideas and helped increase the understanding of how each unit operates in the county. Submissions of county-wide initiatives from the perspective of each unit are encouraged to be completed by next week. The final compilation of all the units' plans will be put in a single document to be presented to the council at approximately the first meeting in September.

- ▶ **Discussion - Decision on Process of RAPZ Tax**: It is projected that a policy will be in place by the end of October. One or two more workshops are needed and the tentative proposal of the council should be put out to a public hearing for response on such a complex issue.

INITIAL PROPOSAL FOR CONSIDERATION OF ACTION

- **Resolution No. 2003-23 - Authorizing Executive to Execute an Amended Interlocal Cooperation Agreement with Other Members of Utah Association of Counties Insurance Mutual, Relating to the Establishment, Funding and Operation of Utah Association of Counties Insurance Mutual** - The Mutual is changing their name from the Utah Association of Counties Insurance Mutual to the Utah Counties Insurance Pool.

(Attachment 3)

ACTION: Motion by Council member Cook to waive the rules and accept the resolution. Gibbons seconded the motion and it passed unanimously, 7-0.

- **Discussion - Agreement with Chamber of Commerce - 160 North Main Property** - Executive Lemon stated that in 2000 Cache County had an agreement with the Chamber of Commerce where a third interest in this property was sold to them for a \$100,000 note that the Chamber would pay at the end of a five-year period. The County would continue to use offices in the building until the end of that five-year period and the county would pay its portion of the maintenance cost for the building. That office has moved to the new Administration building at 179 North Main. It is proposed to allow the Chamber to rent out the offices no longer used by the county and the county will no longer pay maintenance costs on the building at 160 North Main. The county should still be receiving rent from the CMPO for space in the new county building. Attorney Daines recommended the county prepare a memo to the CMPO referring to the rental agreement for space in this building effective as of the move-in date.
- **Hardship Requests** - Utah Code allows an abatement for severe economic hardship of up to 50% of taxes on the current year. Low income and medical disabilities are some of the circumstances in these requests.

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ACTION: Motion by Council member Gibbons to approve the hardship requests. Chambers seconded the motion and it passed unanimously, 7-0.

(Attachment 4)

- **Questions for Cache County Planning Commission - Ag Preservation \$20 Million Bond Request** - prepared by planning commission and Attorney George Daines. The planning commission wants residents to be as fully informed on this issue as possible.

(Attachment 5)

Chairman Petersen asked additional questions be submitted to Lee Nielsen and this item will be on the August 26, 2003 meeting agenda.

- **Letter of Support for the Sagamore Farms Conservation Easement Application to the LeRay McAllister Fund** - Robert Lee of the Trust for Public Land.

(Attachment 6)

ACTION: Motion by Council member Gibbons to endorse the project with a letter of support. Chambers seconded the motion and it passed unanimously, 7-0.

OTHER BUSINESS

- River Heights City Apple Day Parade - August 23, 2003 - 1:00 p.m.**
- Wellsville City Founders Parade - September 1, 2003 - 10:00 a.m.**
- Council Summer Party - August 26, 2003 - 7:00 p.m.**
- Lunch Schedule with Elected Officials/Department Heads** - Robison, Cook and Yeates to attend.

Chairman Petersen asked this item be placed on the agenda for the last meeting in September.

Jim Smith reminded the Council that the Cache County Employees picnic will be on Thursday, August 21, 2003.

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Attorney Daines, on behalf of the Cache County Search and Rescue, invited all to a benefit dinner and auction, Friday, August 22, 2003 and a golf tournament the following day.

COUNCIL MEMBER REPORTS:

Darrel Gibbons thanked the county for the RR crossing repair near Richmond and the road repair near Amalga.

Brian Chambers asked about properties located in the Benson area and business license issues. Attorney Daines stated action is being considered.

John A. Hansen said he was pleased with the fair and rodeo. They were really well done and thanked all involved. He asked who he should contact to be involved in the parades. Pat Parker is the contact person.

Cory Yeates asked Attorney Daines the situation on roads. Attorney Daines indicated criminal action will probably be filed if the roadblocks are not removed.

Paul Cook reported that the reason the website is not up and going is because there is some technical difficulty with the state in allowing the 'traffic' into our building. It is being resolved.

Kathy Robison asked Attorney Daines if the sexually oriented business ordinance is included with the plan on September 9 and if he had had any responses from any Mayors in the county.

Chairman Petersen stated he had a letter from Glen Mecham concerned with the Department of Wildlife Resources and does the council want to respond. Cook suggested a note be sent back asking specifically what they want done by the council.

ADJOURNMENT

The Council meeting adjourned at 7.38 p.m.

ATTEST: Jill N. Zollinger
County Clerk

APPROVAL: H. Craig Petersen
Council Chairman