

MOAB CITY COUNCIL MINUTES REGULAR MEETING
August 10, 2021

The Moab City Council held its Regular Meeting on the above date. An audio recording of the meeting is archived at <http://www.utah.gov/pmn/index.html>.

Executive (Closed) Session:

Councilmember Kalen Jones moved to enter an Executive (Closed) Session to discuss reasonably imminent and/or pending litigation. Councilmember Tawny Knuteson-Boyd seconded the motion. The motion passed 5-0 aye with Councilmembers Jones, Rani Derasary, Knuteson-Boyd, Mike Duncan and Karen Guzman-Newton voting aye. Mayor Emily Niehaus opened the Executive Session at 6:09 p.m. Councilmember Derasary moved to close the Executive Session. Councilmember Guzman-Newton seconded the motion. The motion passed 5-0 aye with Councilmembers Jones, Derasary, Knuteson-Boyd, Duncan and Guzman-Newton voting aye. Mayor Niehaus closed the Executive Session at 6:52 p.m.

Regular Meeting Call to Order and Attendance: After a short delay due to technical difficulties, Mayor Niehaus called the Regular City Council Meeting to order at 7:13 p.m. In attendance were Councilmembers Guzman-Newton, Knuteson-Boyd, Duncan, Derasary and Jones. City staff in attendance included Manager Joel Linares, Assistant Manager Carly Castle, Recorder Sommar Johnson, Senior Project Manager Kaitlin Myers and Finance Director Ben Billingsley. Joining the meeting via electronic means were Engineer Chuck Williams, Planner Nora Shepard and Attorney Laurie Simonson. A video recording is archived at <https://www.youtube.com/watch?v=oLKAv0BI3eA>. Mayor Niehaus led the Pledge of Allegiance. There were five members of the public and press in the audience.

Citizens to be Heard:

Steph Davis spoke as a homeowner and stated there was a huge level of interest in the property tax question. She said people are upset and angry and that she was not happy about the proposed property tax. She suggested that the tax would impact affordable housing and said that if each of the three million people who pass through Moab annually paid one dollar, the City's needs could be met. She said the burden should not be on property owners.

Ian Mitchard stated he works at the hospital. He mentioned the extreme financial burden to live in Moab due to housing costs. He said property tax is an archaic and old-style solution and added there could be creative solutions to collect revenue and suggested a balanced budget and making sure that all the expenses are actually needed.

Helene Rohr stated she was still awaiting answers to property tax questions she submitted the prior week. She spoke about the concept of community and stated that by increasing the tax rate during these challenging times the community could be divided into social and economic classes and political wings, ultimately introducing hierarchy which is based upon division and therefore possibly initiating a path to the community's complete demise. She said diversifying revenue stream is a good idea but useless when the worker bees can no longer afford to live in their hive. She added that all of us who call Moab our home are so incredibly lucky to be able to be part of such a magnificent community. She said the majority of the people who took their time and energy to be heard last week were against the proposed tax increase. She said that a 1956 a magazine article described Moab as the richest town in the U.S.A. and concluded by stating the uranium mine times are over but Moab is still sitting on a hugely profitable mine called tourism and asked to find a way to keep the tourism dollars in the city instead of asking the miners to

pay for the operation of the mine.

Aaron Davies spoke about the proposed property tax. He said the property tax is exactly contrary to affordable housing and that Moab has a housing problem and suggested the city needs more lower-end units, including apartments. He asked Council to not raise the taxes and stated he understands the City is trying to do good work but asked that more creative solutions be found without raising taxes. He said a lot of people can't afford it although some can, and said that doesn't mean we should do it, even if other cities are doing it. He said most people are in Moab because they choose to be here and can come forward to creatively look at what is needed rather than what is wanted. He concluded by saying we could have four tax increases in three years and the tax increase now seems like the timing is just not right. He volunteered to help find solutions without raising taxes.

Trish West said the people of Moab are being asked to fix problems and put broken pieces together. She cited inoperable street lights and suggested police officers should report lights that are not working. She said she is a stickler for liability and noted people are upset about the expensive lawsuit situation with the former City administrator. She volunteered to help with solutions. She asked if the sales tax rate is at its limit and if local residents can get a rebate to offset property taxes. She said rents will be raised and she questioned staff compensation.

Administrative Reports:

City Manager Linares reported on the reinstated mask mandate at City Hall due to COVID-19. He stated the filing period for the upcoming municipal election is open till August 17. He reported on meetings he attended related to the recent flood and redistricting. He said he met with officials from the Department of Workforce Services (DWS) and the Governor's Office regarding workforce housing. He mentioned an upcoming Town Hall meeting with Congressman John Curtis.

Mayor and Council Reports:

Mayor Niehaus reported she participated in a call with Senator Romney about the infrastructure bill. She indicated her message was to fix existing infrastructure rather than creating new projects. She said she had been talking with constituents about the proposed property tax and she reported on the housing meeting with DWS and the Governor's staff and other local entities. She announced the police officer's appreciation event the next day at Swanny Park with free swimming and hot dogs. She concluded with a note about an upcoming event for the twentieth anniversary of 9/11 hosted by local religious organizations.

Councilmember Derasary reported she had been talking with constituents about the proposed property tax. She stated she participated in the Truth in Taxation hearing on August 4 and the well site tour on August 6. She mentioned the League of Women Voters has materials available to educate residents about Ranked Choice Voting.

Councilmember Duncan thanked staff for the well site tour.

Councilmember Knuteson-Boyd announced Grand County's website for flood damage information and stated there could be forthcoming relief from the Federal Emergency Management Agency (FEMA).

Councilmember Guzman-Newton reported on a meeting of the Chamber of Commerce board regarding the proposed implementation of a reservation system at Arches National Park. She said Senator Mike Lee invited members of the Chamber to visit Washington, D.C. at their own

expense to discuss rural economic issues. She announced that local resident Colin Fryer was being inducted into the state's tourism hall of fame. She said she was looking into Ecobox Fabricators, a manufacturer of container-style buildings. She said the airport director would report on the economic impact of the airport and announced the Senate had passed the infrastructure bill. She thanked community members who had commented on the proposed property tax and she concluded by thanking the water department staff for their work and tour.

Mayor Niehaus announced Travel Council Director Elaine Gizler had won a national award for the "Do It Like a Local" advertising campaign and added that Gizler had announced her resignation from Grand County.

Councilmember Jones reported on meetings of the housing task force and the group of communities pursuing alternative energy solutions.

Mayor Niehaus mentioned the history of a painting owned by the City is being explored.

Approval of Minutes:

Motion and Vote: Councilmember Duncan moved to approve the minutes for the July 27, 2021 Regular Meeting. Councilmember Derasary seconded the motion. Councilmember Duncan stated he and Councilmember Derasary had sent clarifications to the Recorder. The motion passed 5-0 with Councilmembers Derasary, Jones, Guzman-Newton, Knuteson-Boyd, and Duncan voting aye.

Presentation:

Airport Director Andy Solsvig reported to Council about a recent economic development study conducted by the State. He said the last one was completed in 2005. He reported on the direct and indirect economic impacts on the community by airport activities. He mentioned the jobs created and sustained by the airport and noted that 88 percent of flight plans involved out-of-state destinations. Councilmember Guzman-Newton asked for information regarding the many grants the airport had received and Solsvig said more than \$3 million in stimulus funds were secured. Councilmember Duncan asked about federal subsidies and reliance on those funds.

Old Business:

Adoption of Fiscal Year Budget and Property Tax—Tabled

Discussion: Council and staff discussed frequently asked questions from the community and common misunderstandings of constituents. Tax valuations were mentioned, as well as second homes and the valuation range set by state statute. City staff salaries were brought up. Growth of the City and resulting growth of services were mentioned, along with the City's consistently balanced budget. Various tax relief remedies were brought up. Finance Director Billingsley clarified the budget must be passed by August 31. Councilmember Derasary stated she looked into utilizing the County's budget surplus and she said County Commission Administrator Chris Baird indicated there was no surplus. Different uses for the Transient Room Tax (TRT) were touched on. Moab's sales tax rate and the lack of a property tax were discussed. The lack of impact fees due to the hotel construction moratorium was mentioned. Councilmember Jones brought up the potential transfer of the Film Commission to the County and proposed budgeting the Film Commission for the next six months only. Councilmember Knuteson-Boyd clarified the water reclamation facility is not obsolete nor at capacity and the swimming pool construction debt is still being paid. Councilmember Duncan thanked Finance Director Billingsley for his explanations. He asked about the Recreation, Arts and Parks (RAP) tax and asked about road improvements. He suggested a lower tax rate than proposed and noted the inevitability of property taxes. Councilmember Derasary mentioned she had line item questions on the

proposed budget as well as RAP tax questions. Councilmember Knuteson-Boyd proposed further consideration should be moved to the next meeting. Councilmember Guzman-Newton mentioned the rainy day fund, police department expenses and infrastructure. She mentioned her concerns about the infrastructure projects list. She also noted that any property tax abatements would be passed on to the rest of the community. She noted her concern regarding the community's recent emergence from the pandemic as well as upcoming sewer and water rate increases. Councilmember Jones suggested a workshop to address budget questions. Councilmember Guzman-Newton cited a lack of strategic vision and leadership and reiterated her concern that it was unclear what the proposed property tax would be used for and stated it must be made clear. She also took issue with a pamphlet distributed at the public hearing. Councilmember Derasary thanked staff for information regarding the budget details, bonding and interest rates. She suggested residents should be asked what is needed and if it can be afforded. She indicated she was not ready to choose a taxation level. She said she ran for office with a pledge to improve infrastructure.

Motion and Vote: Councilmember Knuteson-Boyd moved to table consideration of proposed **Resolution 22-2021**, a Resolution Adopting the Fiscal Year 2021-2022 Budget and adoption of a property tax. Councilmember Jones seconded the motion to table. The motion to table passed 5-0 aye with Councilmembers Jones, Derasary, Knuteson-Boyd, Duncan and Guzman-Newton voting aye.

Employee Housing Short Term Work Plan—Discussion

City Planner Shepard updated Council on possible actions regarding workforce housing. Councilmember Guzman-Newton asked why collaboration with businesses on the Walnut Lane project was considered a low priority. Councilmember Duncan asked for clarification regarding seasonal allowed uses of recreational vehicles and camping as emergency housing. Councilmember Derasary asked about changes pertaining to accessory dwelling units (ADUs). Shepard explained the Planning Commission is addressing the Council's top priorities. Mayor Niehaus brought up increased density in the R-2 zone and Councilmember Derasary stated she may be opposed to that consideration. Councilmember Jones mentioned increased density across residential zones with density tied to requirements for primary residences.

New Business:

Lot Line Adjustment At 54 North 300 East and 68 North 300 East—Approved

Motion and Vote: Councilmember Derasary moved to approve **Resolution #27-2021** – A Resolution Approving the Lot Line Adjustment of property located at 54 North 300 East, and 68 North 300 East, Moab UT. Councilmember Duncan seconded the motion. The motion passed 5-0 aye with Councilmembers Jones, Derasary, Knuteson-Boyd, Duncan and Guzman-Newton voting aye.

Federal Aid Agreement for Design and Construction of Roundabout—Approved

Presentation: Engineer Williams presented conceptual drawings of a roundabout planned for the corner of 400 North and 100 West. Councilmember Derasary asked about bike routes and Williams explained the plan is preliminary. Councilmember Duncan noted the potential loss of shade trees in Swanny Park. Councilmember Jones noted access to Emma Drive from the east looked problematic. Councilmember Derasary asked about the agreement stipulation that the City pay for cost overruns. Mayor Niehaus noted the project would correct the dip in 100 West. Councilmember Guzman-Newton asked if correcting the dip would solve flooding issues.

Motion and Vote: Councilmember Guzman-Newton moved to approve a Federal Aid Agreement for a Local Agency Project with the Utah Department of Transportation (UDOT) for Design and Construction of a Roundabout at the Intersection of 400 North and 100 West in the amount of \$78,329. Councilmember Duncan seconded the motion. The motion passed 4-1 aye

with Councilmembers Jones, Knuteson-Boyd, Duncan and Guzman-Newton voting aye and Councilmember Derasary voting nay.

Approval of Bills Against the City of Moab:

Motion and vote: Councilmember Knuteson-Boyd moved to approve the bills against the City of Moab in the amount of \$225,224.11. Councilmember Jones seconded the motion. The motion passed 5-0 with Councilmembers Jones, Duncan, Guzman-Newton, Derasary, and Knuteson-Boyd voting aye.

Adjournment: Councilmember Knuteson-Boyd moved to adjourn the meeting. Councilmember Derasary seconded the motion. The motion passed unanimously and Mayor Niehaus adjourned the meeting at 9:52 p.m.

APPROVED: _____
Emily S. Niehaus, Mayor

ATTEST: _____
Sommar Johnson, City Recorder