Pleasant Grove City City Council Special Meeting Minutes Tuesday, April 30, 2024 6:00 p.m.

Mayor: Guy L. Fugal

Council Members: Eric Jensen

Cyd LeMone Steve Rogers Todd Williams

Staff Present: Scott Darrington, City Administrator

Wendy Thorpe, City Recorder

Kyler Brower, Assistant to the City Administrator

Excused: Dianna Andersen, Council Member

Tina Petersen, City Attorney

The City Council and staff met in the Community Room, 108 South 100 East, Pleasant Grove, Utah.

1) CALL TO ORDER

Mayor Guy Fugal called the special meeting to order at 6:00 PM.

2) <u>DISCUSSION ON POTENTIAL ALPINE SCHOOL DISTRICT SPLIT.</u> PRESENTER, CITY ADMINISTRATOR DARRINGTON.

City Administrator, Scott Darrington, reported that in all of his years as a City Administrator, he never thought he would address the City Council regarding a possible school district split. The Alpine School District, in considering a possible split, has engaged a consulting firm MGT who is experienced in splitting school districts to prepare an MGT Study to address the impact of splitting the school district and identify multiple options for consideration. A few issues have arisen which will be discussed.

Although the MGT Study contains a lot of material, this presentation focuses on the District's options. Six options were addressed in the study with each identifying a proposed financial amount for operations, capital projects, and the resulting impact. One option keeps the district intact while two options split the district into two. The other three options split the district into three districts. The presentation will concentrate on Options 1, 3, and 4, as they are the options being considered by the District. Options 2, 5, and 6 were not being considered to his knowledge. The following was a brief description of each of the three options.

- *Option 1* Keep the School District whole. Staying together as one district makes the most financial sense because the cost can be spread out among numerous taxpayers, as opposed to fewer taxpayers if the district is split.
- *Option 3* Splits the District into two as follows:

West Side: Cedar Fork, Fairfield, Eagle Mountain, and Saratoga Springs; and East Side: All the remaining cities, which is referred to as the Lehi to Orem split.

• *Option 4* – Splits the District into three school districts as follows:

<u>East District</u>: Orem, Vineyard, Lindon, and Pleasant Grove; <u>West District</u>: Cedar Fork, Fairfield, Eagle Mountain, and Saratoga Springs; and <u>Central District</u>: Lehi, Alpine, Highland, American Fork, Cedar Hills, and Draper. (A portion of Draper is in Utah County and is considered part of the Alpine School District.)

The Role of the City

Cities play a role in a school district split, which was the reasoning behind this meeting. The State Legislature now gives cities the authority to create their own school district either as a stand-alone city or through an Interlocal Agreement with other cities. The authority, in this case, means that the City can put the matter on the ballot for ratification. To have a stand-alone school district, a city must meet certain criteria including a minimum population number, which Pleasant Grove does not meet. Interlocal Agreements among cities also require ballot ratification.

As of this morning, the Alpine School District voted to present Options 3 and 4 for public comment. Once the options are declared, the County is notified and a 45-day period for public comment is set before action can be taken. This 45-day period includes two public hearings, which are currently set for June 11, 2024, and June 25, 2024. Once the public comment period ends, the District will then decide to remain as one district or decide which Option to put before the voters.

Other responses to the proposed split have surfaced. Yesterday, the following two separate city groups entered into Interlocal Agreements:

- 1. Saratoga Springs, Eagle Mountain, Cedar Fork, and Fairfield entered into an Interlocal Agreement to create their own school district. The makeup is similar to the group in Alpine School District's Option 3.
- 2. Lehi, Highland, Alpine, Cedar Hills, and American Fork entered into an Interlocal Agreement to create their own school district. This agreement contains a slightly different makeup than what is listed in the Alpine School District's Option 4.

Both of the Interlocal Agreements require a 45-day public hearing period with two public hearings before they can be put on the ballot. If both Interlocal Agreements are put on the ballot, the result will likely be three school districts. The vote, however, is limited to the cities that are participating

in the Interlocal Agreement. Voters who fall within the boundaries of the Alpine School District are eligible to vote on the District ballot.

With the addition of the two Interlocal Agreements, the citizens will be faced with conflicting ballot propositions. If nothing passes, the School District remains whole. Administrator Darrington was unsure how the issue will be resolved if conflicting ballots win. The thought was put forward and later confirmed, that the ballot with the most votes will win, although the possibility of legislative involvement to resolve the issue could arise. Specifically, if Option 3 wins, it conflicts with the Interlocal Agreements if they pass. If the Alpine School District's ballot choice fails and the Interlocal Agreements pass, the remaining schools, including Pleasant Grove, Lindon, Orem, and Vineyard, would be left as a district.

Political Issues

Administrator Darrington reported that there are political considerations. The City Council, in determining its role, needs to address what is best for the students, faculty, parents of school-age children, and taxpayers of the school district. Different interests will be expressed by the various groups as to how this split should be done, if at all. The study addressed these issues in the survey information, which will help guide the District in decision-making. The District staff recommendation was for Option 3, which received unanimous support. Option 4 was added as an option with a 4-to-3 vote.

The best option, financially, was identified as Option 1, with the next best being Option 3, which splits the district into two. The worst options were those that split the school district into three, as the overhead triples. Administrator Darrington reviewed the related financial information and reported that the numbers that impact Pleasant Grove are based on the numbers in the MGT Study provided six weeks earlier. At the School Board Meeting held earlier in the day, the numbers referenced were slightly different. The following financial information was highlighted:

- Even with Option 1, a tax increase will be needed as there is a \$200 million bond to refurbish schools and new construction. Taxes would increase by \$5.84 per month per household, based on a property valuation of \$500,000.
- With Option 3, Cedar Fork, Saratoga Springs, Eagle Mountain, and Fairfield split off to form their own district. The estimated property tax increase was \$31 per month per household. When considering only the operational figure, that district will be fine. Looking at capital costs, however, there will be about 70,000 people in the district, which provides less room to spread the capital costs around.
- With Option 4 taxes in Cedar Hills, Lehi, Highland, Alpine, and American Fork will increase by \$20 per month. For Cedar Fork, Saratoga Springs, Eagle Fork, and Fairfield, the numbers remain the same for Options 3 and 4. For Pleasant Grove, Lindon, Orem, and Vineyard, the taxes would increase by \$23 per month.
- Option 5 in the Study was not being considered but places Pleasant Grove in with Lehi, Highland, Alpine, Cedar Hills, and American Fork. The cost increase in that case is \$11.83 per month, which is less than the \$23 per month with Option 4.

Administrator Darrington explained that if Pleasant Grove is interested in aligning with Lehi, Highland, Alpine, Cedar Hills, and American Fork there are two ways to make that happen. The Alpine School District could have presented this as an option to be voted on; however, it was not considered. Otherwise, Pleasant Grove would need to be a part of the Interlocal Agreement with the other five cities. Pleasant Grove was not invited to be a part of that agreement. He did not know why that did not happen but stated that the City Council can approach the other City Councils. The decision appears to be political and not based on data. As a City Administrator, he makes recommendations based on data. He was, however, is not familiar with school districts and how they operate and was not familiar with the political reasoning. He did not believe Pleasant Grove can get into that group. Three districts may offer more latitude to certain communities in saying what goes on in schools, which may be why individual Council Members voted the way they did on the Interlocal Agreements.

The decision about what goes on the District ballot is not Pleasant Grove's to make, which somewhat limits their options. Residents should be engaged and participate in the public comment hearings and sessions. If Pleasant Grove supports Option 3 with one of the districts being Lehi to Orem, the school district needs to know their preference so that it can be considered when the decision is made. If Pleasant Grove were part of the Interlocal Agreement, the discussion would be different. Currently, the issue rests with the District and ultimately the voters. The public needs to know about the tax implications. The City Council may also find out what is driving these decisions so they can better know how to be positioned.

Board Representative, Mark Clement

Alpine School District Board of Education Member, Mark Clement, reported that the study is intended to be as exact as possible with a moving target. The reality is, if the district is split, what happens in the future depends on the new school board that is elected. He confirmed, according to the Board's legal counsel, that when conflicting ballot measures pass, the proposition with the most votes prevails. There are legislators, however, who will hurry up and call a special session and pass a new bill. The District staff's recommendation was to do nothing. He did not know what the voters will vote for, but he was are that the teachers do not want any change and will likely be talking to their neighbors.

Mayor Fugal hoped that Option 3 gets on the ballot to reduce confusion. Board Member Clement agreed that Option 3 will most likely be put on the ballot because the survey recipients expressed a desire to have something on the ballot. He noted that a majority of the board also voted for no change, which makes the results difficult to interpret.

Board Member Clement reported that he just got out of an Orem City Council Meeting and spoke with some of the City Council Members who stated that because they have failed before by proposing their own school district, they do not want to be part of an Interlocal Agreement. There was brief discussion about the various possible outcomes should all of these issues be up for vote. One outcome mentioned was if only the Lehi vote prevailed. Under that scenario, a noncontiguous district would result, which would likely be challenged.

Council Member LeMone asked who the citizens should reach out to and what residents should do if they have concerns or are unable to attend and how they can participate in the process. Board Member Clement stated that they will send out an email survey to get that information. He added that feedback given on the School District's website usually gets an administrative response within 24 hours. The District is figuring out how to get information to taxpayers who do not have children.

There was discussion about the teacher's perspective. Although, clearly what is in the children's best interest is most important, teachers may be concerned about their salary with the new district or retirement and what might happen to administrative positions and positions such as coaching. Board Member Clement pointed out that any change may not go into effect until 2028. Looking at the financial information provided in the study, it is apparent that what is being done with the Interlocal Agreements of the various cities is not based on finances.

Board Member Clement reported that the data he pays the most attention to is what happened in two other districts (Canyons and Jordan) which recently split their districts. After talking with them, he found that once everything is done both districts had about a 20% increase in property taxes. He read that as being a likely result here. He also noted that the MGT Study assumed that overhead would remain the same even though the districts would be smaller. Internally, they reviewed other districts that would be similar in size to the proposed districts and found the average overhead to be higher. Internally, they concluded that the split will actually cost more as they are smaller districts with less to amortize.

Alpine School District Board of Education Member, Ada Wilson was present but did not speak. Board Member Clement appreciated the Pleasant Grove City Council's consistency and stable voice for education and for working with them. Those with questions were invited to contact him. Administrator Darrington closed the presentation and hoped to be able to reach a resolution. This issue is in the public's hands to voice how they feel and eventually vote. The public should know that the City Council is very limited in terms of what they can do. He urged residents to be engaged.

Council Member Williams' preference was to have two districts. He contended that this is a power grab that took place six weeks earlier during the early days of the legislation. He considered it to be a push for control that is not in the best interest of either the students or teachers. If Eagle Mountain and Saratoga break off, that makes a lot of sense for them because of their growth and aptitude for revenue generation. The Lehi push for an Interlocal Agreement, however, appears to be based on a need to control. That is not, and should not be, what school districts or city councils are about. His preference was for the two districts with one being Lehi to Orem.

Council Member Rogers was in favor of information, which currently is lacking as they do not know what option the Alpine School District will put on the ballot. The goal is to provide the best education to students, which is more likely to occur when most of the resources are dedicated to students and not administration or overhead. That outcome was identified in Option 1. If he were pressed to vote today, he would vote everything down. He wanted more information and did not know or care about Lehi's motivations. He cares about is what is possible for the schools that his children attend. He has children in various grades and wants them to get the best education from

the best teachers. He realized that the City Council has no power to make these decisions but they do have the power to voice opinions. He was not prepared to definitively state what he supports because he does not know what options will be selected. He wanted to hear feedback from the public. As far as the City's messaging, the message should be whatever is best for the students which would be to have great, consistent teachers who are paid what they deserve. This outcome is more likely with a large district that can allocate those resources. He was not in favor of an Interlocal Agreement and would not encourage looking into that option. He looked forward to hearing the public comments.

Council Member LeMone reported that they have 370 pages of information and links to meetings. They should talk with the voters using the information available, give their opinion as a Member of the City Council, and get feedback. The City will not be providing public hearings; however, the public still needs the information to vote on the District measure. She encouraged the public to participate in the public hearings. Option 1 clearly is possible; however, Saratoga Springs and Eagle Mountain are growing to the point where it could hurt Pleasant Grove to include them. She did not want Pleasant Grove to be separated from Lehi, Cedar Hills, and Highland. Because Pleasant Grove is not growing enough that means that students will be hurt if Pleasant Grove is on its own with Orem, Vineyard, and Lindon. She was disappointed that they were not included in the Interlocal Agreement discussion but agreed that what was done was political and not in the best interest of the students. The information needs to be provided to the public and each Council Member needs to read and fully understand the study in order to have meaningful discussions with the public. The City Council needs to be able to form an opinion and vocally stand by it, as the citizens look to their elected officials for guidance. She did not run for the School Board, is not a School Board professional, and has no experience in that regard, which makes it very disappointing to not be included in some of the discussions. She wanted to support the Alpine School District as the Board Members have the most experience and know what is best for the students and the teachers. She would continue to gather and review information, attend meetings, and share her opinions with those who ask. She recognizes that these changes will affect students and teachers. She wanted what is best for the students and teachers, which she considered to be Option 3. She was open to Option 1 as well.

Council Member Jensen was astonished to be addressing this matter as a City Council Member, which affects the future of students, parents, and teachers. Unfortunately, the State Legislature made the situation political. Cities have turned it into a politically motivated control issue that will affect Pleasant Grove. Lehi contacted the other cities and pursued Option 4. Meetings were held one month ago and the previous Friday night. Pleasant Grove was not aware of or invited to attend. Council Member Jensen clarified that he was not invited. They attended the Friday night meeting in Cedar Hills where there was civil discussion. He learned, however, that decisions had already been made by the Lehi City Council. It was evident that the issue had been discussed for some time and that Pleasant Grove was not included. At no time did he hear discussion regarding the impact on students. He agreed with Council Member Williams that this is about control. He heard about how City Council Members were disheartened by certain Board Members wanting more control over how things had gone with Orem's bond vote, and they watched how Pleasant Grove voted on the bond.

There was a lot of confusion regarding the bond. He suggested that the City Council focus on what is best for students. He considered the best choice to be Option 3. Saratoga Springs and Eagle Mountain are growing and want a change. They have made decisions that are in their best interest but not in the best interest of the children, parents, or teachers. Had they put the best interest of students first, they would have chosen Option 5, which includes Pleasant Grove and reduces the surplus deficit from \$8 million to \$1 million. He recommended that everyone attend and speak at the District public meetings in June and the public meetings in Lehi, Cedar Hills, and American Fork. He did not want to enter into an Interlocal Agreement.

Mayor Fugal commented that the City Council is not in favor of an Interlocal Agreement. Council Member Rogers asked that a procedure be in place allowing the public to contact City Council Members of the City Administrator and access to links and materials to allow them to participate fully. Administrator Darrington stated that the Board's decision was just done this morning and the details are still being worked out. He will be in close contact with Board Member Clement who will provide updates. Once the information about the public meetings is formalized, that information will be put on social media along with links specific to the school district.

There was discussion regarding various vote outcomes. Council Member Williams stated it is important for citizens to know the basis for the City Council's position. The discussion turned to what should be included in the City's statement about the split. Administrator Darrington suggested that the following day a statement be made to encourage residents to support Option 3 and engage in the public hearing process. It was suggested that a statement be made regarding the City Council's role. Council Member Rogers asked that the statement strongly encourage public participation. He did not want any statement to go out before the two hearing dates are finalized. Noting the date the information was finalized, Administrator Darrington reported that a draft statement will be sent out for City Council review the following morning before being published.

3) ADJOURN.

ACTION: At 7:10 p.m. Council Member Jensen moved to ADJOURN. Council Member Williams seconded the motion. The motion carried unanimously with Council Members Jensen, Rogers, LeMone, and Williams voting "Yes".

The City Council minutes of April 30, 2024, were approved by the City Council on May, 21, 2024.

Wendy Thorpe, CMC

City Recorder

(Exhibits are in the City Council Minutes binders in the Recorder's office.)