

Secret Emails Exposed - #4 – Support Documentation

“Beer Tavern License” Mayor & City Manager “conspire” to withhold alcohol discussion until after the election

by Cedar Hills Citizens for Responsible Government – Oct. 26, 2012

June 23, 2012, the Daily Herald published a news story, “Documents: Cedar Hills considered liquor license for rec-center”, about the alcohol emails. At that the Herald had not been provided email copies, because Cedar Hills Citizens for Responsible Government still did not yet have all the GRAMA requested documents in hand. The requested electronic (searchable) copies of the 6000+ pages were finally received October 12, 2012.

(See complete Daily Herald article via link at our www.CedarHillsCitizens.org informational blog at <http://www.cedarhillscitizens.org/documents-cedar-hills-considered-liquor-license-for-rec-center/>)

In an online comment posted after the June 23rd, Daily Herald article, new Councilman Trent Augustus commented in part, as follows:

“There was no big conspiracy and these questions weren't being asked behind closed doors.”

Clearly, the emails show he was mistaken, but understandably so. Emails demonstrate that Mayor Eric Richardson, then city manager Konrad Hildebrandt did “conspire” (Augustus’ word) without his knowledge. Ironically, unbeknownst to Augustus, Gary Gygi and Jenney Rees, the public not being told of proposed golf clubhouse alcohol sales until after the election, apparently worked in behalf of their narrow election success, in November 2011.

Also in his June 23rd posting, Augustus thought he was the first to bring up the issue, writing in his Herald comment, “I was the one who originally brought up the discussion item...”. New Council member Jenney Rees was apparently similarly misled, as she chastised Daily Herald article author Caleb Warnock, when she wrote:

“If Mr. Warnock or Mr. Cromar had done a little research they would have found this was done during a public meeting. This again shows the accusations made against Cedar Hills elected officials are unwarranted and untrue.”

Obviously, these new Councilmembers were unknowingly misled. So was the entire community who voted for them. We don’t fault them on this issue. We realize they were

deceived. This hidden “alcohol” agenda issue, and “cash flow positive” successful golf course myth which affected their campaign flyers, etc. Had the public been aware of these issues, the outcome of the election may have been affected. This misinformation and under-information highlights why Cedar Hills Citizens for Responsible Government has been so persistent in seeking the truth contained in the public record and sharing it with Cedar Hills residents “better late, than never”.

In the same Herald online comment Augustus also suggested that the audio recording of the February 21, 2012 city council meeting should be listened to, and he provided the timings “at approx. 2:33:35 during the meeting,” of the “alcohol” discussion. (download the audio at... <http://www.cedarhills.org/node/903>)

A review of this Council meeting audio raises more questions than it answers. For example, then Mayor Eric Richardson tells the Council that to sell alcohol “would not require a Council vote” because seeking a clubhouse “beer tavern license” can be implemented as an “administrative” action. In other words, he could simply do it on his own. The question is, did he attempt to do so? We don’t know.

Based on the emails we have been provided, we do not know if the discussions have continued behind the scenes or not. We do not know if the City has begun the “two month” process of obtaining an alcohol sales license.

Another interesting point is that these city officials kept publically calling the facility a “Rec Center”, when amongst themselves they apparently call it what it really is, a golf “clubhouse”.

Back during the original campaign for the May 8, 2001 vote, then Mayor Brad Sears and the Council promoted two key items to the citizens in their successful effort to get citizens to Vote FOR the bond to buy the golf course:

2001 Election Promise #1 – The golf course will make \$150,000 per year, and \$400,000 per year by the tenth year of operation.

The Truth: The City admitted in the July 2012 Newsletter and a Daily Herald article that the golf course has never made one dollar of profit in any year. To the contrary, the golf course has cost an average of \$550,000+ in taxpayer subsidies, just to breakeven on the expenses. This a \$700,000 difference between the promise and the financial reality, -- plus the \$2.9 million additional gamble of building a Golf Club House, Golf Pro Shop and Wedding Reception Center, rather than build a real recreation center & swimming pool with the Impact Fees, as promised. The following is from a PDF of a 2001 Council flyer:

- There is no guarantee the course will be successful. However, according to the feasibility consultant, the Cedar Hills golf course will not only be successful but also generate an average of \$150,000 annually in surplus revenues over the first 10 years. This revenue can be used to offset taxes needed to fund other programs and facilities in our growing community.

The Decision

While the City Council considers all possibilities, we must concern ourselves with likely probabilities. According to the experts, the golf course will be successful. THK, Inc. projects by the end of year 10 it will be generating \$400,000+ in surplus annual revenue. Even if the actual amount is lower, any surplus available to fund City operations represents savings to our residents. As a City Council, we are committed to continue working hard to minimize the “possible” risk while maximizing the “probable” benefits to our residents. We appreciate your consideration of this matter and encourage you to **vote May 8**.

2003 Election Promise #2 – The only way to insure no alcohol or Sunday opening was to vote to buy the golf course.

The Truth: The next city council meeting after the citizens the golf vote, the City Council passed an ordinance to allow for Sunday operation, despite a room full of angry citizens who said they felt deceived into voting for it, and would’ve voted against the golf course had they known the truth. This is cut from a PDF of another 2001 Council flyer:

ALCOHOL AND SUNDAY OPERATION – The City Council’s economic feasibility study was *specifically* based on the sale of non-alcoholic beverages. If privately owned the golf course will be open on Sunday and may sell alcoholic drinks. City ownership of the course is the only way to insure control of hours of operation, types of beverages sold, or other activities held at the golf course.

Now, the second part of the promise -- “no alcohol” -- had been illegally discussed by the Mayor and City Manager, and “Rec Center” Director.

* Note: It is illegal to have City business email public record communications that are not provided to the City Recorder. The Utah State Records Committee ORDERED the City to collect GRAMA requested emails it did not have in its possession, and provide these public records to Cedar Hills Citizens for Responsible Government. The requested electronic copies were finally received on October 12, 2012, over 200 days after the original March 5, 2012 request, and 10-day fulfillment obligation.

Action Items: Please contact the Mayor and Council members, and ask them, yes or no:

- 1) Do you favor alcohol sales at the so-called family “recreation center”?
- 2) Do you publicly commit to work to insure against an alcohol license being sought by the City?

Notes:

Former City Manager Konrad Hildebrandt resigned May 1, 2012, but is collecting “severance” pay of up to 9-months worth of a \$155,000+ annual salary and benefits package. More....

Greg Gordon is husband of long-time city employee Gretchen Gordon who has at least two other relatives working with the city, and has recently been made head of Human Resources. She also has an undeclared (as per State Code) potential conflict of interest of being a city employee while also serving on The Cedars HOA board.

Former Mayor Eric Richardson resigned June 24, 2012, and two days later was Federally charged for “bank fraud” and is facing up to 30 years and \$1 million in fines. He has plead guilty, and offered a plea deal for less time and penalties, which the judge considers next month, November 2012. For additional information see... <http://www.cedarhillscitizens.org/mayor-charged-with-bank-fraud/>