

**M**INUTES OF THE VERNAL CITY COUNCIL REGULAR MEETING HELD  
JUNE 1, 2011 at 7:00 p.m. in the Vernal City Council room, 447 East Main, Vernal,  
Utah 84078.

**PRESENT:** Councilmembers JoAnn Cowan, Cal Dee Reynolds, Bert Clark and Sonja Norton, and Mayor Gary Showalter. Councilmember Ted Munford was excused.

**INVOCATION OR UPLIFTING THOUGHT:** The invocation was given by Councilmember Bert Clark.

**PLEDGE OF ALLEGIANCE:** The Pledge of Allegiance was led by Mayor Gary Showalter.

**APPROVAL OF CITY COUNCIL MINUTES OF THE MAY 17, 2011 SPECIAL MEETING:**  
*Councilmember Cal Dee Reynolds moved to approve the minutes of May 17, 2011 as written. Councilmember Bert Clark seconded the motion. The motion passed with Councilmembers Cowan, Reynolds, Norton and Clark voting in favor.*

**APPROVAL OF CITY COUNCIL MINUTES OF THE MAY 18, 2011 SPECIAL MEETING:**  
*Councilmember Bert Clark moved to approve the minutes of the special meeting held May 18, 2011. Councilmember Cal Dee Reynolds seconded the motion. The motion passed with Councilmembers Cowan, Reynolds, Norton and Clark voting in favor.*

**APPROVAL OF CITY COUNCIL MINUTES OF THE MAY 18, 2011 REGULAR MEETING:** *Councilmember Bert Clark moved to approve the minutes of the regular meeting held May 18, 2011. Councilmember JoAnn Cowan seconded the motion. The motion passed with Councilmembers Cowan, Reynolds, Norton and Clark voting in favor.*

**VERNAL COMMUNITY GARDEN:** Jana Simonson, representing SEED, explained that the community garden is underway with sixteen raised beds. Donations have been coming in for this project including bricks from the jail, wood, soil and manure. The USDA has also provided a \$12,000 matching grant. Ms. Simonson stated that a second location has been started to allow residents to have their own specific plots to grow what they want. The produce that does not belong to specific people will be sold or donated to Rise and the Food Pantry. The other location also has a greenhouse to help prolong the growing season. Councilmember Norton asked how residents can help. Jana Simonson stated that they hold work days every Wednesday and Saturday and they always need volunteers. Mayor Showalter asked if they planned on advertising. Ms. Simonson stated that will be the next step. Mayor Showalter asked if the produce can be purchased on site. Jana answered that they will sell the produce on Saturdays, with the majority being taken to the Farmers Market. The Council thanked Ms. Simonson for the report.

**FIRE DEPARTMENT PRESENTATION:** Gale Rasmussen, Captain with the Vernal Fire Department, stated that they recently hosted the Fireman's Breakfast which seems to grow bigger each year. This year they served 893 people. Also, all the firefighters on the department are now certified fire fighters including wild land and hazmat. Councilmember Cowan noted that the Uintah Fire Suppression District has now upgraded all the stations in the outlying areas, and the Vernal

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firefighters have been patient waiting for their station to be upgraded. This year, the District will upgrade their station. Also, the Vernal fire fighters respond to 70% of the calls and do provide numerous community service projects. Gale Rasmussen stated that they made presentations on fire safety to around 2000 children this year. Mayor Showalter expressed his admiration for the volunteer firefighters for their service to the community. Mr. Rasmussen explained that with trained personnel they are able to respond quickly which affects the ISO rating. He thanked the City officials for providing the necessary equipment to keep the ISO rating low and for all their support of the Fire Department.

**REQUEST TO APPROVE LIFTING THE MORATORIUM ON TEMPORARY FOOD VENDING ESTABLISHMENTS AND LICENSING – ORDINANCE NO. 2011-13:** Mayor Gary Showalter explained that the Council wanted to consider new regulations for vendors who are not in a regular building. Those policies have now been ironed out so the moratorium placed on these types of businesses can now be lifted. Ken Bassett agreed, and noted that the Council spent considerable time discussing changes to the standards associated with temporary merchants, especially those that sell prepared foods. Those changes were incorporated into the ordinance approved at the last meeting. However, the Council approved a moratorium for these businesses by ordinance, so the moratorium must be lifted by ordinance. *Councilmember JoAnn Cowan moved to approve Ordinance No. 2011-13 lifting the moratorium on temporary vendors. Councilmember Sonja Norton seconded the motion. The motion passed with the following roll call vote:*

*Councilmember Cowan.....aye;*  
*Councilmember Reynolds .....aye;*  
*Councilmember Norton.....aye;*  
*Councilmember Clark .....aye.*

**DISCUSSION AND APPROVAL OF EMPLOYEE INSURANCE AND WAGE PACKAGE - FY2012:** Mayor Showalter explained that the Administrative Committee along with Ken Bassett, Roxanne Behunin and Mike Davis reviewed the health insurance options for the City employees for this year and is recommending the employees pick up a larger portion of the cost. Ken Bassett explained that the City changed health insurance carriers last year, and it is not a good idea to change providers too often because it sends a message that the City will not stay very long with any one insurance company and the insurance quotes reflect that uncertainty. Therefore, the best option was to look at adjusting the current health insurance plan to bring the cost down. He noted that the new Obama Health Care Plan is responsible, industry wide, of a 4% to 4.5% increase in costs to employers and insured’s for health care coverage. Last year, the City employees went from paying \$26 a month to paying \$126 a month for health insurance with no cost-of-living increase. This budget year, the Administrative Committee did not want to create that kind of sting again. The recommendation from the Administrative Committee is to go to a \$1000 deductible policy with no other changes to keep the rates down and require the employees to pick up an additional 2% of the cost. In the past the City offered three different programs to the employees, however, the cost goes up around 2% to 3% if more than one option is offered. Therefore, the recommendation is to go

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with a single plan. The dental and life insurance did not increase. Councilmember Cowan noted that the employees will not see an increase in their paychecks for another year when they have to pay a higher deductible. Councilmember Norton replied that the Committee weighed the additional insurance cost with a cost-of-living increase to give an average employee a \$50 to \$60 net increase in their paychecks each month. Mayor Showalter remarked that the cost-of-living increase is not being considered in defense of the insurance increases, but rather as recognition of no increase for the last two years for employees that do a good job. The merit increase will, however, need to wait for a better financial picture. Councilmember Norton explained that the insurance plan will have the same co-payments and prescription coverage so an employee will only pay the deductible if a procedure or surgery is necessary.

Ken Bassett stated that the Administrative Committee is also recommending that the costs to the City for increased insurance and cost-of-living increases be taken from the unappropriated fund balance. The City has almost reached the top end of what is allowed by law, so there are funds available to cover these costs. The other option is to take the money from a capital project fund.

Councilmember JoAnn Cowan asked if there was another deductible option between the current \$500 standard and a \$1000 standard. Ken Bassett answered that there is a \$750 deductible option that would increase the cost to an employee to \$163.80 a month for family coverage. The cost to Vernal City would increase another \$22,000 a year. Councilmember Cowan stated that typically public sector employees are paid less than private sector employees with the benefits offsetting the lower wage. With the higher wages offered by the oil and gas industry, if the benefits decrease, employees may leave for the private sector. She suggested the City fund the additional \$22,000 and choose the \$750 deductible for the health insurance. Councilmember Bert Clark and Reynolds agreed with that concept. Councilmember Norton asked what the cost would be to stay with the \$500 deductible health insurance plan. Ken Bassett stated that the employee cost only increases to \$167, but the City cost would go up an additional \$20,000.

Ms. Joni Crane stated that she is acquainted with several City employees who are having financial hardships due to medical issues and have mentioned that it has been a long time since they received a raise, yet these employees remain loyal to the City. Mayor Showalter agreed that, as a private employer, he has had to make significant wage adjustments to compete with the oil and gas industry.

Councilmember Cowan noted that the State Legislature changed the way sales tax is distributed and the City has lost around \$800,000 that is now going to the County. Ken Bassett explained that the new federal health care plan also requires that preventative care be provided at no cost to the patient for everyone in the nation, and this has added significant cost to the insurance industry. *After further discussion, Councilmember JoAnn Cowan moved to adopt the single plan for health insurance with a \$750 deductible with the employee paying 12% of the cost and pay the City share from the unrestricted funds. Councilmember Bert Clark seconded the motion. The motion passed with the following roll call vote:*

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*Councilmember Cowan.....aye;*  
*Councilmember Reynolds .....aye;*  
*Councilmember Norton.....aye;*  
*Councilmember Clark .....aye.*

Mayor Showalter noted that without conscientious employees the City could not function as well as it does. Councilmember Bert Clark moved to approve a 3% cost-of-living adjustment for all City employees. Councilmember Sonja Norton seconded the motion. The motion passed with a unanimous roll call vote as follows:

*Councilmember Cowan.....aye;*  
*Councilmember Reynolds .....aye;*  
*Councilmember Norton.....aye;*  
*Councilmember Clark .....aye.*

**ADMINISTRATIVE REPORTS:**

Events for June:

Mayor Gary Showalter explained that June will be a busy month for Vernal City with several community events happening. The Iron Order will meet here next weekend along with the Archeological Society State Convention and the Rod and Gun Club Trap Shoot. The following weekend the Vernal Excitement Association will host their first event, a music fest, in the True Value Parking lot. The hope is to bring people out to enjoy down town and tie the event into retail sales events. Sonja Norton noted that Restless Heart will be performing in Vernal on June 9<sup>th</sup> and the Chamber will host their annual dinner that same night.

**ADJOURN:** There being no further business, Councilmember Sonja Norton moved to adjourn. Councilmember Bert Clark seconded the motion. The motion passed with a unanimous vote and the meeting was declared adjourned.

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Mayor Gary Showalter

ATTEST:

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Roxanne Behunin, Deputy Recorder

( S E A L )