

MINUTES OF THE VERNAL CITY COUNCIL REGULAR MEETING HELD
JANUARY 4, 2012 at 5:00 p.m. in the Vernal City Council Room, 374 East Main,
Vernal, Utah 84078.

PRESENT: Councilmembers Ted Munford, Dave Everett, Bert Clark, Sonja Norton and JoAnn Cowan and Mayor Gary Showalter.

WELCOME: Mayor Showalter welcomed everyone to the meeting. He noted that the meetings are customarily held at 7:00 p.m. However, some of the Council and staff need to be in Salt Lake City early tomorrow to attend the Community Impact Board meeting so the time was moved up. Mayor Showalter also introduced the new Councilmember, Dave Everett. He asked the Council to reflect back on what was accomplished last year and continue to work in a positive manner to do what is right for the community.

STAFF PRESENT: Ken Bassett, Roxanne Behunin and Allen Parker.

INVOCATION OR UPLIFTING THOUGHT: Councilmember Dave Everett gave an uplifting thought.

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was led by Councilmember Bert Clark.

APPROVAL OF THE CITY COUNCIL MEETING MINUTES OF DECEMBER 8, 2011: *Councilmember Bert Clark moved to approve the minutes of December 8, 2011 with the correction of the name for Brenda Erlewine. Councilmember JoAnn Cowan seconded the motion. The motion passed with Councilmembers Munford, Cowan, Norton, and Clark voting in favor and Councilmember Everett abstaining.*

APPROVAL OF THE CITY COUNCIL MEETING MINUTES OF DECEMBER 20, 2011: *Councilmember Cowan moved to approve the minutes of December 20, 2011. Councilmember Norton seconded the motion. Councilmember Cowan and Norton voted in favor of the motion. Councilmembers Munford, Clark and Everett abstained as they were not present at that meeting. There was not a quorum present at this meeting from the December 20th meeting, so the Mayor noted that the minutes are deemed approved as provided for in the City Code.*

APPROVAL OF THE CITY COUNCIL MEETING MINUTES OF JANUARY 2, 2012: *Councilmember JoAnn Cowan moved to approve the minutes of January 2, 2012 as written. Councilmember Dave Everett seconded the motion. The motion passed with Councilmembers Cowan, Norton, and Everett voting in favor. Councilmembers Munford and Clark abstained.*

INTRODUCTION OF RAY RICHARDS – JUSTICE COURT JUDGE – MAYOR SHOWALTER: Mayor Showalter stated that it was his privilege to introduce Mr. Ray Richards as the new Vernal City Justice Court Judge. Mr. Richards is coming to the City from the

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juvenile court system where he was the chief probation officer. Councilmember Cowan asked when Mr. Richards will be attending training. Ray Richards answered that he will leave in two weeks. Once the training is complete, if he passes the test, the State will certify him to adjudicate cases. Councilmember Ted Munford welcomed Judge Richards to Vernal City. He stated that he had a lot of community members encourage him to consider hiring Ray for this position. Ray Richards thanked the Council for their support. Councilmember Cowan commented that she worked with Ray in the past and respected and admired his commitment to young adults in the community. The Council welcomed Ray to Vernal City.

VICTIM ADVOCATE REPORT – ALISHA GOWEN: Mayor Showalter stated that the holiday season has substantially increased the work load for the victim advocates, and the director of the program, Alisha Gowan, has asked that this item be tabled until the next meeting.

REQUEST FOR APPROVAL OF SALARY FOR JUSTICE COURT JUDGE – MAYOR SHOWALTER: Mayor Showalter recommended the new justice court judge be paid a salary \$57,465 a year. That salary is within the range established by the Court Administrator’s office, and Mr. Richards is willing to perform the judge duties for that wage. Councilmember Clark moved to approve the recommended wage of \$57,465 for the judge. Councilmember Ted Munford seconded the motion. The motion passed with the following roll call vote:

Councilmember Munfordaye;
Councilmember Cowan..... aye.
Councilmember Everettaye;
Councilmember Norton.....aye;
Councilmember Clark aye.

REQUEST TO APPROVE 2012 PLANNING COMMISSION SCHEDULE – RESOLUTION NO. 2012-01 – ALLEN PARKER: Allen Parker reported that the Planning Commission would like to continue with same schedule as 2011, meeting on the 2nd Tuesday of each month at 7:00 pm. Resolution No. 2012-01 outlines that schedule. Councilmember Sonja Norton moved to approve Resolution No. 2012-01 setting the meeting schedule for the Planning Commission. Councilmember Bert Clark seconded the motion. The motion passed with the following roll call vote:

Councilmember Munfordaye;
Councilmember Cowan..... aye.
Councilmember Everettaye;
Councilmember Norton.....aye;
Councilmember Clark aye.

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REQUEST TO APPROVE EXPIRED PLANNING COMMISSION APPOINTMENTS:

Allen Parker advised the Council that the terms for two regular Planning Commission members, Eric Olsen and Gary Redden, expired the end of December, 2011. Both these members are willing to serve another term, and the Planning Commission recommended the Council reappoint them. Councilmember Sonja Norton moved to reappoint Eric Olsen and Gary Redden to another term on the Planning Commission. Councilmember Ted Munford seconded the motion. The motion passed with Councilmembers Norton, Munford, Everett, Clark and Cowan voting in favor for a unanimous vote.

REQUEST TO APPROVE CIB GRANT CONTRACT: Mayor Showalter explained that the staff submitted a funding application to the Community Impact Board and because of the urgency of the project, the Board approved a grant. Ken Bassett stated that this project includes the replacement of older water lines in the intersections of Highway 40 and 500 West and Vernal Avenue. The lines need to be replaced before the Utah Department of Transportation repairs Highway 40. The grant is for \$361,346. Councilmember Clark asked if the water lines need to be upgraded before April 1st. Ken Bassett answered that the City actually has until April 30th to complete the work. The engineering has already begun so bids can be solicited. Councilmember Ted Munford moved to approve Mayor Showalter signing the grant agreement with the CIB. Councilmember Sonja Norton seconded the motion. The motion passed with the following roll call vote:

Councilmember Munfordaye;
Councilmember Cowan..... aye.
Councilmember Everettaye;
Councilmember Norton.....aye;
Councilmember Clark aye.

REQUEST TO APPROVE ENGINEERING SERVICES CONTRACT FOR MAIN STREET WATERLINE REPLACEMENT:

Ken Bassett explained that Engineering Services has agreed to complete the engineering for the water line / intersection project as previously mentioned, at a cost of \$38,550 for the design and construction engineering. Councilmember JoAnn Cowan moved to approve the contract with Engineering Services in the amount of \$38,550. Councilmember Dave Everett seconded the motion. The motion passed with the following roll call vote:

Councilmember Munfordaye;
Councilmember Cowan..... aye.
Councilmember Everettaye;
Councilmember Norton.....aye;
Councilmember Clark aye.

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REQUEST TO APPROVE COOPERATIVE AGREEMENT WITH UDOT FOR 500 SOUTH PROJECT: Ken Bassett explained that this project includes a complete overlay of 500 South Street from Vernal Avenue to 1500 West. A new sewer line was placed under this roadway by the Sewer Management Board which left the road in a rough condition. Vernal City is eligible for federal funding for projects on collector roads, or main arterial roads, and 500 South qualifies as that type of road. However, the funding would not be available until the year 2016. The Uintah Transportation District approached the City to see if they would request the State Transportation Commission approve the District paving the roadway sooner and reimburse the Uintah Transportation District with the federal funding of \$1 million dollars once it is available. Ken reported that he contacted the State Joint Highway Committee and the Small Urban Road Committee, and they presented this request to the State Transportation Commission for the City. The State Transportation Commission is willing to approve this request. The total estimated cost of the project is \$1.27 million dollars. Councilmember Clark indicated that the Sewer Management Board approved paying \$600,000 toward this project. Ken Bassett explained that the intent is to use funds from the Special Transportation District to do a total reconstruction of 500 South Street from 1500 West to 2500 West. Councilmember Clark asked if the entire intersection of 1500 West will be rebuilt. Ken Bassett stated that it will be done. Councilmember Clark stated that the contract with UDOT states the local agency will pay within 30 days. Ken Bassett stated that the Uintah Transportation will cover the cost until the funds are received in 2016. Councilmember Munford asked what will happen if the City does not receive the funding. Ken Bassett stated that the Transportation District understands that responsibility and will be responsible for the cost if the federal funding does not come through. Councilmember Sonja Norton asked who will pay the remaining \$207,000. Ken Bassett stated that the District will cover that cost. Councilmember Bert Clark moved to approve the cooperative agreement with UDOT for the 500 South Street repair. Councilmember Ted Munford seconded the motion. The motion passed with the following roll call vote:

- Councilmember Munford*aye;
- Councilmember Cowan*..... aye.
- Councilmember Everett*aye;
- Councilmember Norton*.....aye;
- Councilmember Clark* aye.

COMMUNITY DEVELOPMENT AREA DISCUSSION: Mayor Gary Showalter reminded the Council of the meeting held with the Gardner Development Group who is planning on developing the property in front of Lowes. This development includes 25 acres which already has a significant amount infrastructure in place, but looks unsightly. Now Rulon Gardner is asking the City to consider establishing a Community Development Area to help with this development. He expressed concern for existing businesses and decided that equally important are new businesses attracting more people who will spend more and pay more sales tax. The City uses mostly sales tax for operating and maintenance, so this development would be a good prospect. The main request from Gardner Development Group is to allow them to recoup a

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portion of the property tax that will be charged based on the increased value of the property which can be done through a Community Development Area. The developer would use the tax incentive to entice major retail anchors to locate on their property. The plan includes bringing in a name brand retail store, a hotel, restaurants, and smaller retail shops. The bonding attorney, Eric Johnson, was also at that meeting and answered many questions concerning how the City would establish a CDA and how it works. The City would actually be a minor player in the tax incentives since the School District and Uintah County receive significantly more property tax. Ken Bassett stated that he would like to clarify a few things for the Council before they make a decision on this issue.

1. The term “Community Development Area” should actually be referred to as “Community Development and Renewal Agency” (CDRA), which would be established City-wide, and the agency would then be the applicant who considers projects that can receive consideration from the taxing entities within that area.
2. In Uintah County, the entities that would be involved with the Community Development and Renewal Agency would be the School District, Uintah County, the City and any taxing Special Service Districts. Based on the type of development being considered, the Agency has three different tools that can be used.
 - A. A Community Development Area (CDA);
 - B. An Urban Renewal Area (URA) which anticipates there is blight that needs to be cleaned up and is generally used for retail; or.
 - C. An Economic Development Area (EDA) which cannot have any retail and is generally used for industrial development etc.

Ken Bassett stated that the bond attorney is recommending the URA which requires a study to show whether or not the property meets the standard for blight. There may be the possibility that a CDA could also be used. Once a Community Development and Renewal Agency is formed, a taxing committee is appointed consisting of two members from the City, one member from Uintah County, one member from Uintah School District, one member representing the other Special Service Districts, and one member from the State School Board. The taxing committee as well as the entities they represent will have to be convinced that each project is worthwhile and important enough to use the property tax incentive for that development. Ken Bassett informed the Council that it could take between six and nine months to complete the process. Mayor Showalter asked who would bear the legal and administrative costs. Ken Bassett stated that the City would enter into a cooperative agreement with the developer to reimburse the City for any legal costs. Councilmember Clark asked who determines if it is a blighted area and what would happen if the developer goes bankrupt or sells the property. Ken Bassett answered that the definition of blight is provided for in State law, and a study has to be completed to prove it meets that definition. The question regarding bankruptcy or sale of the property will need to be addressed in the agreement between the agency and the developer after a budget is determined. Councilmember Everett asked if the down town area wanted to do a URA, would they need to show blight as well. Ken Bassett answered yes if that is the tool that is determined would best fit

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their situation. Councilmember Munford clarified that after the agency is established, each project is looked at individually. Ken Bassett stated that is correct with each project standing on its own merit. Mayor Showalter asked the Council if this is something they are interested in pursuing. The consensus of the Council was to move forward with the Community Development and Renewal Agency.

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

ATTEST:

Roxanne Behunin, Deputy Recorder

Mayor Gary Showalter

(S E A L)