

MINUTES OF THE VERNAL CITY COUNCIL REGULAR MEETING HELD
JUNE 20, 2012 at 7:00 p.m. in the Vernal City Council Room, 374 East Main,
Vernal, Utah 84078.

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

WELCOME: Mayor Showalter welcomed everyone to the meeting.

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

INVOCATION OR UPLIFTING THOUGHT: Councilmember Sonja Norton gave an invocation.

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

APPROVAL OF THE CITY COUNCIL MEETING MINUTES OF JUNE 6, 2012:
Councilmember Bert Clark moved to approve the minutes of June 6, 2012. Councilmember Dave Everett seconded the motion. The motion passed with Councilmembers Everett, Norton, and Clark voting in favor. Councilmember JoAnn Cowan abstained.

REQUEST TO LIFT MORATORIUM ON 600 SOUTH STREET AND VERNAL AVENUE – STRATA NETWORK: Ron Farnsworth, representing Strata, explained that Strata is trying to keep up with building by installing laterals across roadways before they are repaired. However, a phone cabinet needs to be installed on south Vernal Avenue to provide service to Ashley Creek Village subdivision. The hope is to bore under the road by the Recreation District, except for the area where there is a gas line. That area will have to be excavated to verify the line goes underneath the roadway. Mayor Showalter asked when the roadway will be repaired. Ron Farnsworth stated they will put the asphalt back the next day. Ken Bassett stated that the gas company has had good success with the application of good compaction and heated asphalt, and that process should be required as part of any encroachment permit. After further discussion, *Councilmember Dave Everett moved to approve the request of Strata to lift the road moratorium on south Vernal Avenue and require the new repair application. Councilmember Sonja Norton seconded the motion. The motion passed with Councilmembers Everett, Norton, Clark and Cowan voting in favor.*

REQUEST TO VACATE ROADWAY – BART HYDE ET AL: Ken Bassett explained that the City received a petition to vacate a piece of property that has been set aside for a roadway. This petition was signed by the property owners who own property adjacent to this area. There is a State statute that governs the process of vacating a street, and is generally done if it is a street or right-of-way that is not being used or creates a negative impact to the community. Mr. Bassett continued that if the Council decides to proceed with the process to vacate the right-of-way, a public hearing will have to be advertised and the neighboring property owners notified. The

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right-of-way was platted in the 60's or 70's, but the road has never been developed. The main adjoining property owner, Mr. Hyde, intends to use the land for a neighborhood garden or park. Mayor Showalter asked who would maintain the property. Ken Bassett stated that the property would be deeded to the adjacent property owners, and they will be responsible to maintain it. Councilmember Clark asked if any of the property would be land locked. Allen Parker stated that some of the property would go to the property owners to the north and would have access across their own property. There was some concern that the property would end up being developed. Councilmember Norton questioned if access is needed to get to Vernal Avenue for this subdivision. Ken Bassett stated that the Council can consider that issue during the vacation process. However, this development is not required to have another access. Allen Parker stated that the City may want to create a 750 North street in the future. Councilmember Cowan stated that she would like to see an updated map of this area with the road structure at the public hearing. After further discussion, *Councilmember Cowan moved to set a public hearing for July 18th to discuss this issue further. Councilmember Sonja Norton seconded the motion. The motion passed with Councilmembers Cowan, Norton and Everett voting aye and Councilmember Clark voting nay.*

REQUEST FOR APPROVAL OF MINOR SUBDIVISION AT 1818 WEST 750 SOUTH FOR KARLEE BOYLES: Allen Parker explained that the planning department received an application to split a single parcel of land containing .23 acres into two lots. The property is in the MH (manufactured home) zone, and the lots will meet the requirements to develop in that zone. The Planning Commission reviewed this request and is forwarding a positive recommendation. *Councilmember JoAnn Cowan moved to approve the minor subdivision request of Karlee Boyles for 1818 West 750 South. Councilmember Sonja Norton seconded the motion. The motion passed with Councilmembers Cowan, Norton, Clark and Everett voting in favor.*

REQUEST FOR APPROVAL OF COBBLEROCK PARK CONCRETE PROJECT BIDS AND AWARD: Ken Bassett explained that this project has been discussed for years with the intent of making a safe walkway between the park and the parking areas to the south. A bid was received from Stearns Construction who is able to complete this work in such a confined area. The funding for this project will be taken from the park fund. Mayor Showalter asked how far south the walkway will go. Ken Bassett stated that it will go past the theatre and tie into the pavement in the parking lot to the south. Mayor Showalter asked if it will be heated. Ken Bassett answered yes as it will be tough to keep that area clear of snow and ice. The owners of the Quarry Restaurant are willing to pay for the electricity to heat the sidewalk. Councilmember Norton asked if lighting will be added. Ken Bassett stated that the restaurant owners are willing to pay for lighting as well. *Councilmember JoAnn Cowan mentioned that she was glad to see this project finally completed, and moved to approve the contract with Stearns Construction. Councilmember Bert Clark seconded the motion. The motion passed with Councilmembers Cowan, Clark, Everett and Norton voting in favor.*

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REQUEST TO DECLARE PROPERTY SURPLUS: Ken Bassett explained that the Current Topics Club donated polygraph equipment to the police department which was used by a trained officer. However, that police officer has left City employment, and the cost of training another officer to be a certified polygraph examiner is very expensive. The department contacted the Attorney General’s office, and they are interested in purchasing the equipment for \$2875, and they will provide an examiner for the PD when necessary. Also, the Current Topics Club has been contacted, and they are agreeable. Councilmember Everett asked if the examiner will travel to Vernal or will the suspect have to be taken to Salt Lake City. Ken Bassett stated it will probably depend on timing and availability. Mayor Showalter questioned that it may be appropriate to return the proceeds to the Current Topics Club so they can use the money for another project. Councilmember JoAnn Cowan agreed and asked that the staff contact the Current Topics Club. After further discussion, *Councilmember JoAnn Cowan moved to declare the polygraph equipment as surplus, sell it and hand deliver the proceeds to the Current Topics Club. Councilmember Dave Everett seconded the motion. The motion passed with the following roll call vote:*

Councilmember Clark.....aye;
Councilmember Norton.....aye;
Councilmember Everettaye;
Councilmember Cowanaye.

REQUEST FOR APPROVAL OF AGREEMENT WITH HEALTH EQUITY AS HSA ADMINISTRATOR: Ken Bassett reminded the Council about the decision to offer a high deductible health plan as part of the health insurance program effective July 1, 2012. As part of that program, there is an accompanying health savings account that will be administered by a 3rd party administrator – Health Equity. The City’s insurance broker, Tim King, recommended this company. Mr. Bassett recommended the Council approve the agreement with Health Equity which will then be executed on-line. There is a fee to the employee for the use of the account, and the fee schedule was presented to the Council. *Councilmember Bert Clark moved to approve the agreement with Health Equity. Councilmember Sonja Norton seconded the motion. The motion passed with the following roll call vote:*

Councilmember Clark.....aye;
Councilmember Norton.....aye;
Councilmember Everettaye;
Councilmember Cowanaye.

HSA AND FSA PROVISIONS IN PERSONNEL POLICY - RESOLUTION NO. 2012-13: Ken Bassett explained that this resolution amends the personnel policies and procedures adding provisions for the health savings account and the flex spending account. The policy simply allows employees to participate in accordance with IRS guidelines. Also, there is a section that refers to the employer contribution to the health savings account which will be made on a quarterly basis, however, the Council is not bound to participate. Councilmember Clark asked

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the staff to monitor the quarterly payment, and if that is not working, it can be changed to monthly. After further discussion, *Councilmember Clark moved to approve Resolution No. 2012-13. Councilmember Sonja Norton seconded the motion. The motion passed with the following roll call vote:*

Councilmember Clark.....aye;
Councilmember Norton.....aye;
Councilmember Everettaye;
Councilmember Cowanaye.

REQUEST FOR APPROVAL OF 2012-2013 TAX RATE - ORDINANCE NO. 2012-25:

Ken Bassett presented the certified tax rate to the Council. State law requires the county clerk / auditor to calculate a certified rate which provides the same property tax amount to the City as the previous year, except for new growth. The certified rate will generate \$349,655. The adjusted property values for 2011 were \$512 million, and is expected to be \$527 million in 2012. After further discussion, *Councilmember Bert Clark moved to accept the certified tax rate of .000663 for 2012 and adopt Ordinance No. 2012-25. Councilmember Sonja Norton seconded the motion. The motion passed with the following roll call vote:*

Councilmember Clark.....aye;
Councilmember Norton.....aye;
Councilmember Everettaye;
Councilmember Cowanabsent for the vote.

Mayor Showalter noted that the sales tax to the City has increased significantly over 2011 and the hope is that it will continue to increase.

REQUEST TO APPROVE FY2013 BUDGET - ORDINANCE NO. 2012-24 :

Ken Bassett explained that the Council has spent considerable time preparing the final FY2013 budget by holding Committee meetings, budget workshops and a public hearing. He expressed his appreciation to Mike Davis, Finance Director, who has to do the majority of the work for the budget. The projected revenue for fiscal year 2013 is \$10,308,500. The last revenue deposit of sales tax showed a 40% increase over last year, and the hope is to see the sales tax continue to increase. Some minor changes in personnel requests are included in the FY2013 budget along with a 3% cost-of-living increase. The unappropriated fund balance for FY2012 is \$729,000, and the staff is recommending \$329,000 be placed in the Building Fund to purchase the Hansen property, and place the remaining \$400,000 in the Equipment Replacement Fund to cover the police vehicle leases. These funds cannot be kept in the general fund. Councilmember Norton asked the staff to clarify that the general fund is over the required amount by \$700,000, not that the total balance is \$700,000. Mike Davis answered that the total unappropriated amount is \$1.5 million dollars. Councilmember Norton voiced her appreciation of the time spent on the budget to ensure that the funds are spent appropriately. After further discussion, *Councilmember Bert Clark moved to approve Ordinance No. 2012-24 accepting the FY2013 final budget and*

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transferring \$729,000 into the Building and Equipment Replacement special funds. The motion passed with the following roll call vote:

Councilmember Clark.....aye;
Councilmember Norton.....aye;
Councilmember Everettaye;
Councilmember Cowanaye.

REQUEST FOR APPROVAL OF EMPLOYEE HEALTH BENEFIT & WAGE SCALE - RESOLUTION NO. 2012-12:

Ken Bassett advised the Council that as part of health insurance benefit plan, the City will be making contributions into the health savings account for employees on the high deductible health plan. That quarterly payment has been added to the benefit schedule for the employees. Also, the Administrative Committee reviewed the latest salary survey and duties of employees and is recommending five positions be adjusted. The first position, the accounting clerk, is currently a G-4 which was established when a high school student was filing and doing clerical work for the accounting assistant. Now this person is handling more accounting duties with the special service districts. He recommended this position be brought up to a G-8 grade. The next positions, deputy recorder and carpenter assistant, based on the salary survey results should be increased from a G-10 to a G-11. If the facility manager is not available, the carpenter assistant has to step in and take care of any problems requiring him to have a greater level of understanding of technical aspects of the buildings. The next position, the facility manager, is being recommended to increase one level from a G-15 to a G-16. Although this position was increased by 5% last year, after reviewing the salary survey and looking at what Uintah County is paying their facilities manager, this position still needs to be increased. The last position, the victim advocate director, needs to be increased 5% based on the survey data. Councilmember Cowan suggested the name of the carpenter and assistant carpenter be changed. Ken Bassett agreed. He stated that in the past the salary schedule was changed to reflect cost-of-living increases and a newly hired employee would benefit from that increase. This causes a moral problem when new employees are paid the same as employees who have been here a while. This year, Mr. Bassett suggested the salary schedule remain the same except for the maximum amount be increased by the cost-of-living so employees are not stuck at the higher end and not be eligible for a merit increase. Councilmember Norton asked if the Council would be discussing a merit increase. Ken Bassett stated that Councilmember Cowan has looked at the merit program and has a suggestion for the Council. *Councilmember Cowan moved to approve Resolution No 2012-12 making adjustments to the salary scale and grades for employees for the upcoming year. Councilmember Sonja Norton seconded the motion. The motion passed with the following roll call vote:*

Councilmember Clark.....aye;
Councilmember Norton.....aye;
Councilmember Everettaye;
Councilmember Cowanaye.

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ADMINISTRATIVE REPORTS:

Merit Increase:

Councilmember Cowan explained that typically 80% of employees receive some type of merit increase whether it is deserved or not. She presented a proposal to the Council to consider offering merit increases in the form of bonuses for outstanding service instead of a merit increase. A nominating system can be set up with a committee reviewing the nominations. The applications will then be ranked and a system set up to award cash bonuses. The same employees will not be eligible every year. She suggested the department heads have an opportunity to review this recommendation and give their input before a final program is implemented. The Mayor agreed and thanked Councilmember Cowan for her recommendation.

Use of Community Room:

Councilmember Cowan noted that there has been a lot of discussion regarding the use of the Community Room, and policies do need to be in place. She explained that she reviewed policies from other organizations and the type of events being held in that room. The majority of the organizations using the room are either governmental (43%) or non-profit (30%) with only 23% of the events being personal use. She suggested that only the personal use events be charged for the use of the room. Councilmember Clark noted that most of the private events serve food, and the other events want chairs and tables set up. Councilmember Cowan agreed that it is logical to charge for clean-up if food is being served. Also, some events tie up the room more than other events. She suggested a deposit be charged for large private events, and it would be wise to charge for the use of the kitchen. Mayor Showalter thanked Councilmember Cowan for this study and noted that it is not the intent of the City to make money, but to simply cover additional janitorial expense. Councilmember Norton stated that if the event involves children, a supervisor needs to be available. Councilmember Cowan suggested that a sample form with rules be developed that is given to organizations and individuals who wish to use the room. Ken Bassett stated he will draft a policy and fee schedule for review.

Street Lights:

Councilmember Clark advised the staff that he noticed street lights out. Ken Bassett stated that he will have the parks employees identify where the lights are not working so Rocky Mountain Power can be notified.

Water Station Update:

Councilmember JoAnn Cowan asked for an update on building a water station for trucks to fill-up. Ken Bassett stated that a draft agreement has been sent to the property owners' attorney and the City is waiting for a response.

City Manager vehicle:

Ken Bassett reported that he had selected a vehicle at Perry Motor for his use. The Mayor suggested a price of \$22,700 be paid for this vehicle.

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Vernal Excitement Events:

Councilmember Norton announced that two events have been planned for Friday and Saturday night including an outdoor concert at the park and a music fest in True Value's parking lot. Letters have been sent to area businesses to participate. Another outdoor event is being planned for July 21st and a movie in the park will be offered in September.

Joint City/County meeting:

Ken Bassett stated that the County Commissioners have requested to change the traditional day for the joint City / County meeting from Friday to Thursday to better fit their schedules. Councilmember Clark asked that the meeting time be changed to 3:30 p.m.

Youth City Council:

Grayson Massey noted that the Youth Council wrapped up this year by helping with the National Guard barbeque. He thanked the Council for providing a budget for the Youth Council and allowing him to serve as Mayor.

ADJOURN: There being no further business, *Councilmember Bert Clark moved to adjourn. Councilmember Sonja Norton 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)