

MINUTES OF THE VERNAL CITY COUNCIL REGULAR MEETING HELD
MAY 1, 2013 at 7:00 p.m. in the Vernal City Council room, 374 East Main, Vernal,
Utah 84078.

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

WELCOME: Mayor Showalter welcomed everyone to the meeting.

INVOCATION OR UPLIFTING THOUGHT: The invocation was given by Councilmember Ted Munford.

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

APPROVAL OF CITY COUNCIL MINUTES OF APRIL 17, 2013: *Councilmember JoAnn Cowan moved to approve the minutes of April 17, 2013 as written. Councilmember Ted Munford seconded the motion. The motion passed with Councilmembers Munford, Cowan, Everett, Norton and Clark voting in favor.*

UINTAH HIGH SCHOOL GRADUATION NIGHT ACTIVITIES REQUEST FOR SPONSORSHIP: KayLynn Barton explained that the City has been a great supporter of this event in the past, and expressed her appreciation for their help. She gave the Council a list of activities scheduled for this year's event and the budget to show where the funds go. Councilmember Ted Munford asked if this was a for-profit event. KayLynn Barton assured him it is not. Councilmember Norton agreed that this is a great program. Councilmember Clark asked where the event will be held this year. KayLynn Barton stated it was scheduled for the high school. A stage is needed for part of the event, and the small theater at the high school works well. Mayor Showalter asked how many large sponsors are participating. KayLynn stated there are approximately two or three with a lot of smaller ones. Councilmember Cowan asked how many seniors attend. Ms. Barton stated that last year they had 70% with a goal of getting all of them. Councilmember Everett asked if it will still go from dusk till dawn. KayLynn stated that the dance will start at 9 pm to 11 pm for the entire high school. The seniors will then check into the school and the others students leave. The seniors stay until 5 am. *Councilmember Sonja Norton moved to approve a \$2500 sponsorship for the senior graduation night activities. Councilmember Ted Munford seconded the motion. The motion passed with a unanimous vote with Councilmembers Norton, Munford, Clark, Cowan and Everett voting in favor.*

HEALTH AND FITNESS EXPO EVENT REQUEST FOR SPONSORSHIP - CHRIS GAMBLE: Mr. Chris Gamble explained that his group would like to help people in the Ashley Valley be healthier and decided to promote a health and fitness expo. The Chamber of Commerce suggested they join with their Health Fair to promote both events together. The expo will consist of participants from fitness groups competing against each other with traditional body building and cross fit training events. Councilmember Cowan asked if the competition will include only local participants or if people come in from out of town. Chris Gamble responded that they are expecting a lot of contestants and spectators from as far away as

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Idaho. Councilmember Cowan asked if all three local fitness centers had been invited. Chris Gamble answered yes that Freedom Fitness, Uintah Recreation, Vernal Cross Fit and Roosevelt’s Highway 44 gym will all be participating. Over 100 contestants are expected to compete. Several local hotels have blocked rooms for people coming for this event. The vision for the future is to add more sports activities to make it more of a sporting festival including the triathlon, cycling, softball, judo etc. Mr. Gamble indicated that if any funds were left, they will be donated to a local charity. Councilmember Munford asked how much money they are requesting from the City. Chris Gamble stated that Uintah County gave \$2000 and asked the City to match their contribution. After further discussion, *Councilmember JoAnn Cowan moved to be a platinum sponsor in the amount of \$1500 to support the health and fitness expo this year and have this group keep track of the number of out-of-town participants to justify the contribution. Councilmember Ted Munford seconded the motion.* Ken Bassett reminded the Council that for a sponsorship like this there has to be a guarantee that not any of the money goes to a for-profit group. He asked if there were any paid employees of the Universal Fitness Group. Chris Gamble assured the Council that they are all volunteers. *The motion passed with the following roll call vote:*

- Councilmember Ted Munford.....aye;*
- Councilmember JoAnn Cowanaye;*
- Councilmember Dave Everett.....aye;*
- Councilmember Sonja Norton.....aye;*
- Councilmember Bert Clark..... aye.*

REVIEW OF BIDS AND AWARD OF CONTRACT FOR RAW WATER LINE PROJECT:

Ken Bassett reminded the Council that this project will replace five miles of the water line that transports raw water from Ashley Springs to the treatment plant. Part of the line goes through private property belonging to Mr. Johnson and Mr. Murphy before going down the Dry Fork Canyon road. The Community Impact Board approved a \$4.3 million dollar loan for this project. A pre-bid meeting and site visit was held to explain this project to potential contractors. Mr. Quinton Johnson, representing the Johnson property in Ashley Canyon, stated that there is a thirty 30 foot right-of-way down his property for this line which is a very narrow space to work in. Most of the contractors did not inspect the entire project; however, three contractors returned and inspected the project more thoroughly. He noted that those three contractors, Hubes Construction, Counterpoint, and BHI, understand what they will be dealing with. Mayor Showalter asked how much area will be needed on the private property to complete this project. Quinton Johnson stated that he believes twice the amount of space will be needed for the construction. Dr. Murphy, property owner, stated that this is a scenic and pristine area with rough terrain that should not be disrupted any more than necessary and put back after the project is complete. He asked if there would be any compensation for the added traffic and disruption. Mayor Showalter asked if the bid specifications require the terrain to be restored considering the uniqueness of the area. Keith Despain, engineer for this project, stated yes, the specifications include details for different types of terrain that the project will cross and specifies what surfaces need to be restored in each area as well as clean-up. He noted that as the engineering began on this project, it was apparent that that there are two different types of terrain

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that has to be dealt with. The upper level is included in Phase 1 of the project which takes in 4 miles of pristine, beautiful landscape. The lower section is more like a City project, running along the roadway. Because of the distinctness, it was thought that a better bid would be received if it were split. Ken Bassett explained that there were six contractors that submitted bids for phase I and eight that submitted bids for phase II. J.B. Gordon Construction is the apparent low bidder on both phases, however, when the bids were tabulated, there were concerns. Keith Despain stated that he had concerns regarding two of the five crossings where the bid from J.B. Gordon is not high enough to even cover the materials. Also, the bid price on the gate valve for Ashley Creek, Highland Canal and Dry Fork Canyon road is \$10,500 which does not cover the material cost let alone the labor. When these concerns were conveyed to the contractor, he verified he was good with the price of the bid, although he may not fully understand how payment will be received for those items. He noted that the references spoke highly of this contractor. Councilmember Cowan asked that additional entities be contacted that this contractor has worked for in the past to make sure he is a good contractor. She asked what his intended work schedule would be. Keith Despain stated that the timing is listed in the documents for each phase and must be followed because the existing line will be shut down. Another telephone conversation was held with J.B. Gordon Construction which did not go well. Mr. Despain recommended the City not go with this bidder. Ken Bassett explained that the bid from J.B. Gordon Construction is considered an “unbalanced” bid where the contractor for some reason puts money in one unit item that is not consistent and decreased another item that should be there. In this project, the contractor will be paid by units completed, not by percentage of the project that has been done. An unbalanced bid is a technical reason to reject a bid. He suggested this issue be tabled and referred to the City Attorney before bringing a recommendation to the Council. Another item that is critical is the time frame for this project because of the cost to pump from Red Fleet while the raw water line is off-line. *Councilmember Bert Clark moved to table this item, remain aware of the time frame, have the necessary staff review it, and conduct a phone poll of the Council for a decision. Councilmember Dave Everett seconded the motion. The motion passed with the following roll call vote:*

- Councilmember Ted Munford.....aye;*
- Councilmember JoAnn Cowanaye;*
- Councilmember Dave Everett.....aye;*
- Councilmember Sonja Norton.....aye;*
- Councilmember Bert Clark..... aye.*

REQUEST TO REZONE PROPERTY LOCATED AT 251 EAST, 260 EAST, 292 EAST AND 308 EAST ON 100 NORTH FROM R-4 (RESIDENTIAL) TO CC-1 (COMMERCIAL) - ORDINANCE NO. 2013-05: Ken Bassett reminded the Council that Russ Henderson requested to rezone his property on 100 North. The Council previously held a public hearing and spoke with Mr. Smith, representing the owner, regarding the plans for this property. After that discussion, the decision was made to proceed with the rezone request without a development agreement. Councilmember Cowan reminded Mr. Smith to keep the property neat. Mr. Smith stated they recently got a letter about a camper that was parked in

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front of their property. Ken Bassett suggested he contact the zoning compliance officer. Brock Smith stated they will keep the property up to Best Western standards. *Councilmember JoAnn Cowan moved to approve Ordinance No. 2013-05 rezoning property from R-4 residential to CC-1 commercial. Councilmember Ted Munford seconded the motion. The motion passed with the following roll call vote:*

- Councilmember Ted Munford.....aye;*
- Councilmember JoAnn Cowanaye;*
- Councilmember Dave Everett.....aye;*
- Councilmember Sonja Norton.....aye;*
- Councilmember Bert Clark.....aye.*

WATER COMMITMENT FROM UINTAH WATER CONSERVANCY DISTRICT VIA

CIB: Ken Bassett handed out a table showing the City’s current water rights from different sources. He stated that the water rights issue is complicated, especially when it is transferred through the use of exchanges. In 1980 the City was involved in legal action which converted the stock water into primary rights of the City. The main source of water for Vernal City comes from Ashley Springs. If Steinaker Reservoir fills, the City has an additional 5 cubic feet of water for winter use. The City also owns water from the four high reservoirs, and water from Red Fleet Reservoir at a cost of \$84,000 a year. The total amount of water being used varies from year to year and in a dry year, there is less reserve left. As the City and the valley grow, more water is going to be needed and there could be a time when water has to be rationed or require outside watering restrictions. Councilmember Clark stated that the Water Conservancy District sets the water allotments. Mr. Quinton Johnson stated they evaluate the available water and set the allotment yearly. Ken Bassett stated that the City has the opportunity to purchase more Red Fleet water in conjunction with the Uintah Water Conservancy District and the other water entities in the valley. However, the concern is when the City initially purchased 1000 acre feet of Red Fleet water, the subscription was based on a 50 year payment schedule, and the Central Utah Project paid 1/3 of the cost. The City has been paying for that water for approximately 25 years at a cost of \$84.77 an acre foot per year. If the City purchases water now, the cost will be \$222.05 an acre foot annually for 25 years. The Uintah Water Conservancy District (UWCD) went to the Community Impact Board a few years ago and asked for funding to help buy 3300 acre feet of Red Fleet water that is still available. They received a loan to buy the water, but did not know how to administratively cover the loan payment unless the water entities signed an agreement to pay a proportionate share. Due to technical problems with the funding, the water was not purchased. UWCD is willing to go back to the Community Impact Board to ask for funding if the water entities will consider, again, purchasing a specific amount of water and agreeing to the payment. Councilmember Cowan asked how much additional water is needed. Ken Bassett stated that the City no longer has the most connections or growth, however, there has been significant commercial growth. The question is the fairness to the residents who are here now, and will have to pay for future water when it doesn’t look like right now it is needed. One option is to use the impact fees charged to developments to help offset the annual bill. Councilmember Clark stated that if the City does not purchase the water, some other entity may purchase it. Ken Bassett agreed and stated that, in fact, the Bureau of Reclamation has told the

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water entities that if they do not want the culinary water, they will sell it to entities out of the area. He noted that if oil shale development becomes a reality, more water may be needed for culinary use. After discussion, Councilmember Clark suggested the City buy another 1000 acre foot of Red Fleet water. There was some discussion on who would have to pay for the water shares. Councilmember Munford noted that over the past five years the water usage has increased by 604 acre feet and the water will not get cheaper to purchase. Quinton Johnson stated that Las Vegas and St. George would like to purchase the water. Councilmember Cowan asked if the City can sell or lease the unused water to another entity such as Ashley valley Water and Sewer. Ken Bassett stated that AVWSID is considering how much water to purchase as well. He stated that there has to be a way to deliver the water if it is leased to someone else. After further discussion, *Councilmember Cowan moved to pursue joining the Uintah Water Conservancy District submission of an application to the Community Impact Board to purchase Red Fleet Water and ask for a better loan / grant mix.* Ken Bassett stated that a specific number of acre feet is needed for the application. Councilmember Dave Everett suggested the City purchase another 750 acre feet as an insurance policy. He stated it is hard to say what will happen over the next 20 years, but if the City does not have enough water, the area will be in serious trouble. Councilmember Munford agreed and stated that the reality is if there is no water, there is no life. *Councilmember Cowan amended her motion and moved to pursue joining the Uintah Water Conservancy District submission of an application to the Community Impact Board to purchase 750 acre feet of Red Fleet Water and ask for a better loan / grant mix.* *Councilmember Ted Munford seconded the motion. The motion passed with the following roll call vote:*

- Councilmember Ted Munford.....aye;*
- Councilmember JoAnn Cowanaye;*
- Councilmember Dave Everett.....aye;*
- Councilmember Sonja Norton.....aye;*
- Councilmember Bert Clark..... aye.*

PRESENTATION OF FY2014 TENTATIVE BUDGET AND SETTING PUBLIC HEARING: Ken Bassett explained that the Council Committees met with the department heads and reviewed their budget needs for the upcoming budget year. A tentative budget has been drafted as a starting point for the Council to consider during the upcoming budget workshops. The public hearing for the budget has also been set for May 15th with the Council’s approval. *Councilmember Ted Munford moved to accept the FY2014 tentative budget and set the public hearing for May 15th.* *Councilmember Dave Everett seconded the motion. The motion passed with Councilmembers Munford, Everett, Norton, Clark and Cowan voting in favor.*

ADMINISTRATIVE REPORTS

Fireman’s Breakfast:

Councilmember Cowan reminded the Council that the Fire Fighters will host their annual breakfast on May 18th.

Vernal Excitement:

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Councilmember Sonja Norton explained that the Vernal Excitement Association will be hosting smaller events on Thursday evenings at 7 pm. Most of the musical events will be held at Cobblersrock Park. An old fashioned shoot-out will also be done in conjunction with the rodeo. Posters will be printed and the notices placed in the local hotels.

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.

Mayor Gary Showalter

ATTEST:

Roxanne Behunin, Deputy Recorder

(S E A L)