

MINUTES OF THE VERNAL CITY COUNCIL REGULAR MEETING HELD
ON JUNE 19, 2013 at 7:00 p.m. in the Vernal City Council room at 374 East Main St,
Vernal, Utah 84078.

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

WELCOME: Mayor Showalter welcomed everyone to the meeting.

INVOCATION OR UPLIFTING THOUGHT: The uplifting thought was given by Councilmember JoAnn Cowan.

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

APPROVAL OF CITY COUNCIL REGULAR MEETING MINUTES OF JUNE 5, 2013: Councilmember Bert Clark asked if there was any follow up regarding line 74. Ken Bassett explained that a provision will be added to the Planning and Zoning Code. He added that the application, permission of the property owner, and any deposit will be submitted to the City as one package, before there are any approvals. Councilmember Bert Clark asked who Mr. Hawkins is on Page 9, Line 187. Councilmember JoAnn Cowan explained that he was a gentleman that Allen Parker met in Las Vegas at the ICSC Convention. *Councilmember Bert Clark moved to approve the minutes of June 5, 2013 as written. Councilmember Dave Everett seconded the motion. The motion passed with Councilmembers Munford, Cowan, Everett, Norton and Clark voting in favor.*

VERNAL YOUTH BASEBALL UPDATE – STACY WILLIAMS, CAM POPE, AND RACHEL CAROL: Stacy Williams reported that the Vernal youth baseball league is coming to a close, and the all-stars are starting their tournaments. Vernal is hosting the Pacific Southwest Regional Tournament for the 11 and 13 year olds. There will be boys from Nevada, California, Hawaii, and Guam. The tournament for the 11 year olds will begin on July 22, 2013 and run for approximately five to six days. There will be 11 teams, not including the local Vernal team. There will be approximately 15 boys per team, totaling 165 boys, 660 people including their families, and 825 hotel nights. The tournament for the 13 year olds will begin the following week on July 28, 2013 with nine teams, not including the local Vernal team. There will be approximately 125 boys, 540 people including their families, and 674 hotel nights. Both of these tournaments combined will bring in around 1,200 to 1,500 people to the area. Ms. Williams stated that Vernal hosted the tournament two years ago for the 13 year olds, and it was a huge success. She added that Vernal is very fortunate to have such a great facility to host these tournaments. The tournaments will include a banquet night for the teams and their families. Councilmember Bert Clark asked how many Utah teams they anticipate participating in the tournament. Cam Pope explained that there will be three Utah teams. The Northern Utah champions, the Southern Utah champions, and the Vernal team. He added that if Vernal wins, they will be the State runner up. Councilmember Bert Clark asked if there is an alternate team available if a team cancels. Cam Pope answered yes. Stacy Williams asked the Council for their consideration in donating the same financial support as last year to help pay for the

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trophies, banquet, coaches breakfast, and miscellaneous items. Mr. Pope explained that the two tournaments combined will cost around \$32,000 to host. The Marriott hotel is donating four rooms a night for both tournaments for the umpires. 711 Ranch Restaurant is donating the coaches' breakfast. Mr. Pope stated that they are asking Vernal City to contribute \$5,000. Councilmember JoAnn Cowan asked if the economic development fund could be used for this type of event. Councilmember Sonja Norton explained that this is no longer available, but the County has a fund. Councilmember Sonja Norton asked what the County is donating. Mr. Pope reported that the County is contributing \$5,000. Councilmember Ted Munford asked if this event is considered for-profit. Mr. Pope stated that they are nonprofit. The Council commended the baseball committee for all their hard work in bringing these types of activities to the area. Mayor Gary Showalter mentioned that the tournaments will bring additional money into the City. Councilmember JoAnn Cowan asked if the \$5,000 donation is for both tournaments. Mr. Pope answered yes. ***Councilmember JoAnn Cowan moved to support the youth baseball activities in the amount of \$5,000. Councilmember Ted Munford seconded the motion. The motion passed with the following roll call vote:***

Councilmember Clark.....aye;
Councilmember Everettaye;
Councilmember Munford.....aye;
Councilmember Nortonaye;
Councilmember Cowan.....aye.

DINOSAUR ROUNDUP RODEO – ERIC MILLER: Eric Miller gave a report of last year's Dinosaur Roundup Rodeo, as well as the schedule for this year's rodeo. Last year, 71 Utah contestants participated in the Dinosaur Roundup Rodeo, five of which went on to the National finals, and seven participants are currently in the world standing. Locals can come in for open barrel racing and compete against professional cowgirls that are here for the rodeo. Councilmember Bert Clark asked what time the barrel racing is on Saturday. Mr. Miller answered 10:00 a.m. The Chamber of Commerce is helping with the horseshoe tournament that will be held on Saturday. There is a trade fair that runs concurrently with the rodeo, as well as the one on Main Street. Thursday night is "Tough Enough to Wear Pink" night. In the past, some of the money collected was donated to the Wrangler's Initiative for breast cancer awareness. This year, they will be highlighting Sarah Young who has terminal cancer and presenting her family with a check from a portion of the ticket sales and from a special raffle for her family to help with medical bills and funeral expenses. Councilmember Bert Clark added that Mrs. Young spent over 20 years working with the Special Olympics. Mr. Miller added that Dale Allred filmed an interview with Mrs. Young that will be played on the jumbo screen Thursday night. Councilmember JoAnn Cowan complimented the rodeo committee on their decision to choose someone local to make a donation to, instead of on a National level where most of the money is spent on overhead instead of helping people. She added that she knows Mrs. Young personally, and she is a wonderful choice to help. Mr. Miller stated that Saturday night will be military night, and the local National Guard and their families get into the rodeo free of charge, as well as a tribute paid to them.

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Mr. Miller reported that last year the sponsorship donations were down, and the ticket sales were up. This year, the sponsorship donations are trending the same way as last year. National sponsors have trouble contributing compared to local companies. Councilmember Bert Clark asked if the ticket prices would be the same as last year. Mr. Miller explained that the tickets will remain the same, but the alcohol prices will increase. Mayor Gary Showalter asked what National sponsors they have this year. Mr. Miller stated that Wrangler, Justin, Dodge Ram, Pendleton whiskey, and Montana Silversmith have committed to being sponsors. Mr. Miller expressed his gratitude to the Council, and stated that without Vernal City and Uintah County, there would not be a rodeo. Councilmember Bert Clark asked if they would still be having slack for team ropers. Mr. Miller answered yes, at 8:00 a.m. on Thursday. Councilmember Bert Clark asked if the concession stand would be open during the slack. Mr. Miller explained that they do not typically have the concession stand open during that time, because of the attendance in the past. Councilmember Sonja Norton commended the rodeo committee for all of their hard work and time spent on this event. *Councilmember JoAnn Cowan moved to support the Dinosaur Roundup Rodeo in the amount of \$30,000 and the Special Rodeo in the amount of \$2,000. Councilmember Sonja Norton seconded the motion. The motion passed with the following roll call vote:*

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

A PUBLIC HEARING TO RECEIVE INPUT FROM THE PUBLIC WITH RESPECT TO THE ISSUANCE OF TAXABLE WATER REVENUE BONDS, (THE “BONDS”) AND THE ECONOMIC IMPACT THAT THE ISSUANCE OF THE BONDS WILL HAVE ON THE PRIVATE SECTOR. THE BONDS TO BE ISSUED IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN \$5,400,000, ISSUED FOR THE PURPOSE OF FINANCING IMPROVEMENTS TO THE CITY’S WATER SYSTEM, INCLUDING LINE REPLACEMENTS AND RELATED IMPROVEMENTS AND PAYING ISSUANCE EXPENSES: Mayor Gary Showalter opened the public hearing for this item. Ken Bassett explained that the action of the City Council formalizes through a public hearing the intent of the City to issue bonds with the State of Utah, specifically the Community Impact Board. The \$5,400,000 is the maximum amount, and the actual amount is \$5,216,000. The reason the maximum amount is a little higher is so any additional expenses can be paid without having to go through this whole process again. This was originally set at \$4,300,000 a few months ago. The City bid out this project, and the bids came in high. The lowest bid was even higher than the engineer’s estimate. There were issues dealing with the low bidder, and subsequently they withdrew their bid. After discussion, the City went with the next two lowest bidders for Phase I and Phase II. Those bidders were BHI for Phase I and Counterpoint Construction for Phase II. However, the City was short \$900,000. Therefore, this required the City to go to the Community Impact Board to request additional funding of \$900,000 at 0% over 30 years, which they approved. The City has awarded the bids with Council’s approval. One

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of the concerns with the project is the need to move quickly, as one part of the project is to shut down the raw water line completely. At this time, the City will purchase water from the Ashley Water and Sewer District, and they can only do that when they have water available in the fall. Therefore, time is of the essence, and this is a public hearing for public comment in regards to the issuance of the bonds. This is the raw water line and source of water for the treatment plant and culinary system of the City. The current line in place is 60 years old and needs to be replaced. Mayor Gary Showalter reaffirmed that the purpose of this public hearing was due to the increase in the monetary amounts from the original hearing. Mr. Bassett explained that there is no action needed for this item, and there will be a final resolution prepared for these bonds at the special meeting on June 26, 2013 for the budget reopener. There being no comments, Mayor Gary Showalter closed the public hearing for this item.

REQUEST TO APPROVE FY2014 BUDGET - ORDINANCE NO. 2013-18 – KEN BASSETT:

Mayor Gary Showalter stated that the City has met with all the departments and advertised the public hearings for the FY2014 budget. Ken Bassett explained that Mike Davis, Finance Director, has prepared a brief summary of the budget. In the general fund, the City is looking at a \$10,500,000 budget and in the utility funds, the City is looking at a \$4,600,000 budget. Mr. Bassett stated that he appreciates all the time the City Council has taken to go through all the expenditures by department of the City. There is one addition to the Police Department budget. In the last year, the State legislature became more vigilant of the alcohol funds that the local governments received based on the number of outlets in the community. Vernal has received approximately \$36,000 in funding. Over the years, there has not been a lot of required accounting for this money. Last year was the first year the City had to be careful of how the funds were spent. The Chief of Police was required to submit a plan for the expenditure of the funds to the Finance Director and then a report was submitted to prove that if in fact those plans had been met. In this case, approximately \$8,400 in capital expenditures was associated with this fund, and the same is anticipated this year. The \$8,400 needs to be in the Police Department’s budget shown as expenditures for the alcohol funding in order to meet the guidelines of the State of Utah. Councilmember JoAnn Cowan asked why the City attorney’s budget went from \$500,000 last year to \$176,000 this year. Mr. Bassett explained that it was the legal issue with U.S. General. *Councilmember JoAnn Cowan moved to adopt the FY2014 Budget – Ordinance No. 2013-18 with corrections as noted. Councilmember Ted Munford seconded the motion. The motion passed with the following roll call vote:*

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

REQUEST TO AMEND THE CONTRACT FOR ED ZURBUCHAN – KEN BASSETT:

Ken Bassett explained that this is a request to amend the contract for Ed Zurbuchan who maintains the walking park. This has been discussed before, but not formally placed on the agenda for approval. The consensus of the City Council was to increase the monthly amount from \$500 a month to \$650 a month. Mr. Bassett added that Mr. Zurbuchan has been a blessing

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to the City. *Councilmember Dave Everett moved to approve the amendment to the contract for Ed Zurbuchan from \$500 a month to \$650 a month. Councilmember Bert Clark seconded the motion. The motion passed with the following roll call vote:*

*Councilmember Clark.....aye;
Councilmember Everettaye;
Councilmember Munfordaye;
Councilmember Nortonaye;
Councilmember Cowan.....aye.*

DISCUSSION ON VOTE BY MAIL – KEN BASSETT: Ken Bassett explained that at the last City Council meeting, the upcoming election was briefly discussed which led to how the City can encourage people to register to vote as well as vote in the election. There is a new provision in the Utah State law that allows 100% vote-by-mail. This is not much different than an absentee ballot. Vote-by-mail requires the City to send out a ballot to all registered voters, along with an envelope to mail the ballot back to the City. Mr. Bassett stated that this is a great way to increase the voters for a municipal election by bringing the ballot right to the mailbox of a registered voter and reminds them to vote. Mr. Bassett stated that he appreciated Councilmember JoAnn Cowan bringing to his attention an article in the Salt Lake Tribune last week where the positives and negatives were discussed about the vote-by-mail. Weber County and Duchesne County have both done vote-by-mail with good results. There are added costs to get ballots out to registered voters. Vernal City has had approximately 4,800 active registered voters in the last two general elections and 700 inactive voters. Therefore, the City is looking at sending out 5,000 ballots to registered voters. Mr. Bassett stated that he contacted Duchesne County who stated that they use Carr printing, the voting service company in the State of Utah, to send out all their ballots due to the good bulk rate they received. There is a question on whether it is required to include a prepaid return envelope for the ballots or if the voter must supply their own stamp. Mr. Bassett explained that this is something the City needs to determine if they would like to try or continue with the same efforts as in the past. Councilmember JoAnn Cowan stated that she would like to see more voter participation; however, she also feels that the people who come out to vote are more invested and make better decisions. She added that the Mayor and City Council who are voted in need the support of the community, which is hard to get with less than 1,000 voters. Vote-by-mail might be something to try.

Mayor Gary Showalter asked how the administration work load would be different. Mr. Bassett stated that the last several elections have mostly been the responsibility of the County, because they handle the electronic machines. He added that this has been a blessing in the past due to the votes not being counted by hand, especially if there was a recount. The vote-by-mail would be more work for the City due to the preparation of the envelopes for all registered voters and comparing the signatures on the mail in ballot to the registration form. Currently, the judges compare the signatures at the polling place. Mr. Bassett stated that the decision needs to be made on if the increased work load is worth the increase in voters. Councilmember JoAnn Cowan asked if the money spent on election judges could be used to pay those same people who are trained to be election judges to check the signatures instead of staff. Mr. Bassett answered

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yes, that would be a reasonable way of doing it. Councilmember JoAnn Cowan asked if the ballots that come back to the City are paper ballots that would be run through a scanner. Mr. Bassett answered yes; they would be run through an electronic scanner. Councilmember Ted Munford asked if the City runs an ad encouraging people to vote, study the issues, and check out the candidates. Mr. Bassett explained that by law, certain notices prior to the election must be published, as well as the media helps by getting the word out by radio or through a story in the newspaper. Mayor Gary Showalter reminded the Council that a decision is not needed at this meeting, but to think about and consider both sides of this issue. Councilmember JoAnn Cowan suggested getting a cost comparison of the traditional voting versus the vote by mail.

REQUEST TO APPROVE 2013 TAX RATE – ORDINANCE NO. 2013-17 – KEN BASSETT: Ken Bassett referred to the information in the packet from the clerk auditor’s office that has been confirmed by the State Tax Commission regarding the evaluation, new growth, and certified tax rate allowed by the State of Utah. The adjusted evaluation has gone up 15 million dollars, and new growth in 2013 was 24 million. This is new and not reassessment or reevaluation of property in place. It is the actual value of new development in Vernal as compared to the 2 million in 2012. The certified tax rate is given to the City by the clerk auditor’s office and is mandated by the State of Utah. Mr. Bassett explained that if the City Council wants more property tax revenue than what the certified tax rate will produce, than the City must go through a series of public hearings. The certified tax rate will give the City what they received the previous year, not including new growth. As you can see, the certified tax rate will generate \$361,000. In 2012, the certified tax rate was \$349,000. Last year, the City adopted the certified tax rate of .000663. The 2013 certified tax rate is .000624, which is a drop in rate due to the increase in values, not including new growth. *Councilmember Sonja Norton moved to approve the 2013 tax rate of .000624 – Ordinance No. 2013-17. Councilmember Bert Clark seconded the motion. The motion passed with the following roll call vote:*

- Councilmember Clark.....aye;*
- Councilmember Everettaye;*
- Councilmember Munfordaye;*
- Councilmember Nortonaye;*
- Councilmember Cowan.....aye.*

REQUEST TO APPROVE WATER FILL STATION BIDS – KEN BASSETT: Ken Bassett explained that this is the third time that this project has been bid. The first time the two bidders had both made mistakes in the tabulation of their bid; therefore, they had to be rejected. It was rebid last November during the colder months, and the bid was substantially higher - around \$147,000. This project was bid again this year with Hube’s Construction as the low bid of \$132,991. There has been money allocated in this year’s budget, as well as next year’s budget in the amount of \$170,000 for this project. This includes \$25,000 for the engineer’s fee. Mr. Bassett stated that he recommends that the Council accept the low bid and award it to Hube’s Construction. Councilmember JoAnn Cowan voiced her concern over the previous bids being public information when the project is bid again. Mr. Bassett explained that the bidding process is fairly set, and if you reject a bid for whatever reason, that bid is public knowledge.

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Councilmember JoAnn Cowan moved to approve Hube's Construction bid for the water fill station in the amount of \$132,991. Councilmember Ted Munford seconded the motion. The motion passed with the following roll call vote:

*Councilmember Clark.....aye;
Councilmember Everettaye;
Councilmember Munfordaye;
Councilmember Nortonaye;
Councilmember Cowan.....aye.*

SALE OF PROPERTY: Ken Bassett explained that he needs information on the sale of two properties that have been discussed previously. These properties are located east of kid's canal in the subdivision south of where Vernal Gardens is located. One lot is on the east side, and the other lot is on the north side of the Vernal Gardens subdivision. The City Council discussed this previously and agreed to go ahead with the sale of the properties. Mr. Bassett stated that he has received two calls already from interested buyers. There is a public hearing scheduled in July for the public to address comments regarding the City selling the properties. Mr. Bassett has asked Councilmember Sonja Norton to address her opinion as a real estate professional on the value of these properties. Councilmember Sonja Norton explained that she has pulled the information on these properties from the County records. The County has these properties assessed high, which is not uncommon. Ms. Norton explained that she has pulled some comparables and has come to the conclusion that these properties are worth approximately \$30,000 to \$40,000. Mr. Bassett stated that he has confirmed that these properties have water, but could not find the sewer. Councilmember Sonja Norton explained that the sewer is usually stubbed in, but not connected until ready to build. Mr. Bassett recommended that the Council consider setting the minimum amount for these lots, so they sell. Mayor Gary Showalter mentioned that we need to rely on the information from our realtor. Councilmember JoAnn Cowan asked if someone has offered a set amount on these lots. Mr. Bassett answered no, and he explained to the individuals that there has to be legal public hearings on this issue. Councilmember Bert Clark explained that when the City sold property adjacent to the golf course, the bids the first time around were extremely low. He recommends on these properties to go with a minimum of \$28,500. Councilmember Ted Munford agreed. Mr. Bassett stated that no motion was needed at this time.

MISCELLANEOUS: Mayor Gary Showalter shared with the Council his visit to Estonia last week and some of the things he observed. Enefit is indeed engaged in big scale both electrical and crude oil production all from oil shale, and the plans they have for this project here in the Uintah Basin are even bigger than what they have in Estonia. Their processes are proven, and one of the most significant things about them is the water usage, which is much less than other attempts to produce oil shale has been, as well as combined with their expertise. It will be a few years down the road before we will see anything; however, should it come to production, it could be a huge boom with steady employment much like the phosphate plant, but on a larger scale.

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Councilmember Bert Clark asked about the noise complaint regarding the “Thunder Rocks” concert. Ken Bassett explained that when you live next to an area with outdoor concerts, you are more vulnerable to this kind of noise. Councilmember JoAnn Cowan stated that the Council approved the “Thunder Rock” event. Councilmember Ted Munford asked if there is an ordinance that keeps the event from going until 12:00 p.m. Mr. Bassett explained that they must get a waiver that allows the decibel level, which is needed for the quality of music and for the time to go until 12:00 a.m. However, the City Council can prohibit loud music after a certain time. Councilmember JoAnn Cowan stated that it is horrible to ask the Police Department to ask them to turn it down at 11:00 p.m. Councilmember Dave Everett mentioned that the handful of people objecting it compared to the people who paid to see the concert is low. Councilmember Ted Munford stated that Western Park has been there a long time, so if you live there, you know what you are dealing with.

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)