

MINUTES OF THE VERNAL CITY COUNCIL REGULAR MEETING HELD
APRIL 6, 2016 at 7:00 p.m. in the Vernal City Council room, 374 East Main, Vernal,
Utah 84078.

PRESENT: Councilmembers Dave Everett, Samantha Scott, Bert Clark, Travis Allan, and Mayor Sonja Norton. Councilmember Ted Munford was excused.

WELCOME: Mayor Sonja Norton welcomed everyone to the meeting.

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

PLEDGE OF ALLEGIANCE: The pledge of Allegiance was led by Councilmember Travis Allen.

APPROVAL OF MINUTES OF MARCH 16, 2016 REGULAR MEETING: *Councilmember Bert Clark moved to approve the minutes of March 16, 2016. Councilmember Travis Allan seconded the motion. The motion passed with Councilmembers Allan, Everett, Scott, and Clark voting in favor for a unanimous vote.*

TRUST ACCOUNTABILITY PROGRAM AWARD PRESENTATION – ULGT – DOUG FOLSUM: Mr. Doug Folsom, loss control consultant with Utah Local Governments Trust, explained that he would like to recognize Vernal City for completing the loss control program. The Trust is a municipal insurance pool that covers 500 local government entities and instigated a three year program to help reduce accidents and liability that impact insurance costs. The primary focus of this program is having an active safety committee, proactively identifying risks and hazards, and returning employees to work quickly when injured. The TAP program also helps the City make sure they have safe drivers behind the wheel, and the sewer and water systems are maintained. Mr. Folsom congratulated Vernal City, particularly Ken Bassett, for completing this program which is a significant accomplishment. He presented an award to the City. Mayor Sonja Norton asked Ken to accept the award for the City. Ken Bassett stated the City has been with ULGT for many years and the greatest benefit is the training and constant reminders of how to reduce liability and be safe. The Mayor and Council thanked Mr. Folsom for his presentation.

REQUEST TO DECLARE SURPLUS PROPERTY – DANNY ANDERSON: Danny Anderson explained that over time the City has collected worn out equipment and machinery that needs to be disposed of. According to City policy, the Council must declare the old items as surplus in order to put them in an auction. Some of this equipment has not been used for many years. A list of old property was presented to the Council. Danny Anderson explained that one item that was left off the list is an old overhead door. Councilmember Bert Clark asked the staff to contact the Uintah Recreation District to see if they could use any of these items before they are sold. Ken Basset stated that policy does allow the City to donate items to the Districts as the value back to the City is the services they provide. *Councilmember Bert Clark moved to approve the surplus property list for disposal and allow the Recreation District to acquire any of the items they may need before the auction. Councilmember Dave Everett seconded the motion. The motion passed with Councilmembers Clark, Everett, Allan and Scott voting in favor.*

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PUBLIC HEARING: FY2016 BUDGET REOPENER #1 – ORDINANCE NO. 2016-05 –

KEN BASSETT: Ken Bassett explained that this budget reopener is the result of meetings held with departments and the Council. This budget reopener was more challenging with the decrease in revenues equaling over \$1,000,000 in the general fund. The optional sales tax which the Council approved goes into effect this month which is projected to add \$272,000. The streets and highways tax is down \$338,000. The departments cut around \$253,000, however, in order to balance the budget with the loss in revenues, he suggested funds be moved from three capital project funds. Mr. Bassett suggested transferring \$250,000 from the Parking Lot fund, \$100,000 from Emergency Preparedness fund and \$200,000 from the Green Space fund for a total of \$550,000 to balance the budget. Councilmember Bert Clark asked if the sponsorship of the Chamber of Commerce reduced again this year. Ken Bassett answered no, there was a three year reduction built into the contract and then the amount stayed the same which is a \$50,000 contribution and dues of \$6000. The Chamber is in need of that revenue especially now with businesses finding it difficult to pay dues. Mr. Bassett complimented the department heads for making cuts in their budgets so a balanced budget can be presented as required by law. At the end of June a final budget reopener will be presented to bring expenses and revenue together. Mayor Norton opened the public hearing. Jeremiah Coondunt asked for an explanation of the change to the sales tax. Mayor Norton explained that the City imposes a sales tax along with the State of Utah and the County for a total tax rate of 6.35%. Of that amount the City received 1.25%. Ken Bassett explained the City will collect an additional .2% based on legislation that changed how sales tax was distributed among cities and counties, causing the City to lose a significant amount of sales tax. There being no further comments, the public hearing was closed. Councilmember Samantha Scott moved to approve Ordinance No. 2016-05 approving the FY2016 Budget Reopener as presented. Councilmember Travis Allan seconded the motion. The motion passed with the following roll call vote:

- Councilmember Cowan.....aye;*
- Councilmember Everettaye;*
- Councilmember Scott.....aye;*
- Councilmember Clark.....aye.*

POLICE VEHICLE LEASE PROGRAM: Ken Bassett explained that the police vehicle lease program is coming due this month so a decision is needed by the Council if the program should be continued, altered, or stopped. Mike Davis explained the payment for the lease comes out of the Equipment Replacement fund, but there is no revenue going into that fund. Ken Bassett stated that there is approximately \$600,000 in that fund. Keith Campbell clarified that this upcoming lease is for \$125,000 which is half the fleet and represents one of the two leases. There is another parallel document that is close to the same amount for the other half of the fleet. The department is working with vendors in an effort to reduce the cost of the police equipment which is installed into the vehicles as well. He explained that the Council can extend the lease for an additional year, which drops the lease payment about \$1200 per vehicle per year, but when the vehicles are returned the trade in value is dropped by \$4800 per vehicle. The City can also pay the lease payment for the entire five years, and at the end of the lease the City owns the vehicles. However, the warranty would be over, and the City would be responsible for all repairs on vehicles that may not be safe. Councilmember Bert Clark asked if the department is using the Dodge Charger. Keith Campbell answered yes as there were issues with the Fords. The

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mileage has to be under 36,000 for this program to work including the unmarked vehicles. Mayor Norton asked for an explanation of the lease. Mike Davis stated that the lease is set up for five years. At the end of the second year there is a buyout clause for the last 3 years. The dealership takes the vehicles back and pays off the lease. The City signs a new lease for new vehicles. The options are to continue to make the lease payment, paying off the vehicles in 5 years or using the buyout clause and entering into a new lease. Councilmember Travis Allan asked why the police department is using Ken Garff Auto dealership. Keith Campbell stated they have the State contract which is a competitive process by vendors in the State who agree to sell their products at a certain price. Ken Bassett stated that if a vendor is awarded the State bid, they do have an advantage because of the quantities. In this case, there are not a lot of dealers interested. After further discussion, *Councilmember Travis Allan moved to continue the lease program as is. Councilmember Samantha Scott seconded the motion. The motion passed with the following roll call vote:*

Councilmember Cowan.....aye;
Councilmember Everettaye;
Councilmember Scott.....aye;
Councilmember Clark.....aye.

Mayor Norton explained that Lt. Campbell is here to also discuss the possibility of hiring an officer to fill a vacant position. Councilmember Bert Clark asked when the position opened. Ken Bassett stated the officer terminated in February. Normally, if a position is included in the normal budget process, the position is filled. With the downturn in the economy, the Council might be asked why the City is hiring. The Public Safety Committee reviewed crime rates, officers needed to cover all the shifts, and number of supervisors and is recommending this position be replaced. Councilmember Travis Allan stated the City does need to be careful with the current economy, however, this is not an additional officer, simply replacing a vacant position that is needed to keep the community safe. Councilmember Clark agreed that it is critical to keep the same number of officers for scheduling and police protection. Councilmember Everett also recommended the position be filled. Keith Campbell stated that last year the police handled 3450 cases and this year they are already over 930 and are seeing an increase in thefts, domestic violence etc. After further discussion, the consensus of the Council was to fill the vacant position.

A RESOLUTION AUTHORIZING NOT MORE THAN \$750,000 TAXABLE SEWER REVENUE BONDS IN ONE OR MORE SERIES FOR SEWER SYSTEM IMPROVEMENTS; PROVIDING FOR THE PUBLICATION OF A NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED; FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT, MATURITY, INTEREST RATE AND DISCOUNT OF THE BONDS; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; AND RELATED MATTERS. – RESOLUTION NO. 2016-04 – KEN BASSETT:

Ken Bassett explained that these two resolutions are associated with the bonds issued through the Community Impact Board to fund improvements to the sewer and water systems. The funding was approved as ½ grant and ½ loan, with the loan portion being \$933,000. The first resolution is for a \$673,000 loan for the sewer relining project. The bond is for \$750,000. The reason the bond attorneys suggest an issuance higher than the loan is to make sure the bond amount will

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exceed the necessary funding so additional bonds are not needed. Councilmember Clark asked when the payment will start. Mike Davis answered 2018 for 30 years. Councilmember Clark asked for a report of bonds and payoff dates. Ken Bassett explained one element in these documents is the sinking fund which is really not necessary so the staff is working out the wording with the attorney. Mike Davis explained the City has to put money into a debt reserve fund setting aside one payment. The current loan documents also require the current payment be put into a sinking fund. The Community Impact Board only requires one payment be set aside. Ken Bassett noted that if the State attorney insists on it, then the City will have no choice, and will put an extra payment aside. *Councilmember Dave Everett moved to approve Resolution No. 2016-04 with wording and language necessary for the reserve fund. Councilmember Bert Clark seconded the motion. The motion passed with the following roll call vote:*

Councilmember Cowan.....aye;
Councilmember Everettaye;
Councilmember Scott.....aye;
Councilmember Clark.....aye.

A RESOLUTION AUTHORIZING NOT MORE THAN \$400,000 TAXABLE WATER REVENUE BONDS IN ONE OR MORE SERIES FOR WATER SYSTEM IMPROVEMENTS; PROVIDING FOR THE PUBLICATION OF A NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED; FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT, MATURITY, INTEREST RATE AND DISCOUNT OF THE BONDS; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; AND RELATED MATTERS - RESOLUTION NO. 2016-05 - KEN BASSETT:

Ken Bassett explained this resolution is for the funding from the Community Impact Board for the water meter radio read system. The actual loan is \$260,000 even though the bond is for \$400,000. *Councilmember Bert Clark moved to approve Resolution No. 2016-05 with language for the reserve fund. Councilmember Samantha Scott seconded the motion. The motion passed with the following roll call vote:*

Councilmember Cowan.....aye;
Councilmember Everettaye;
Councilmember Scott.....aye;
Councilmember Clark.....aye.

STIPEND APPROVAL FOR ASHLEY VALLEY SEWER MANAGEMENT BOARD – KEN BASSETT:

Ken Bassett explained that some of the Districts pay a stipend to their Board members for serving, and State law requires the City to approve it. Presently both Councilmember Everett and Clark serve on the Sewer Management Board. *Councilmember Dave Everett move to approve the stipend. Councilmember Samantha Scott seconded the motion. The motion passed with the following roll call vote:*

Councilmember Cowan.....aye;
Councilmember Everettaye;
Councilmember Scott.....aye;
Councilmember Clark.....aye.

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CONCRETE BIDDING DOCUMENTS AND BIDDING – KEN BASSETT: Ken Bassett explained the City would like to solicit bids from concrete contractors to do sidewalk work throughout the City such as replacing sidewalks that are cracked or to correct ADA issues. CRS Engineering submitted a proposal to prepare the bid specifications and bid documents for this work. Mayor Norton expressed her hope that contractors will submit lower prices. Ken Bassett stated this contract is for professional services which usually does not go down, however they have not increased over the 12% that is customary for engineering work. *Councilmember Bert Clark moved to accept the proposal from CRS Engineering in the amount of \$7000 for this project. Councilmember Samantha Scott seconded the motion. The motion passed with the following roll call vote:*

Councilmember Cowan.....aye;
Councilmember Everettaye;
Councilmember Scott.....aye;
Councilmember Clark.....aye.

REQUEST FOR APPROVAL TO CONSIDER AMENDING THE VERNAL CITY MUNICIPAL PLANNING AND ZONING CODE – CHAPTERS 16.04, 16.20, 16.26, 16.48, 16.50, AND 16.52 – ADDING “DATA CENTER” AS A USE – ORDINANCE NO. 2016-03 – ALLEN PARKER:

Allen Parker reminded the Council that a public hearing was held on this Ordinance at the last meeting where the Council asked for more information. The main concern seemed to be the noise that might be created by a data center and its generators. He explained that he did research for code regulations for this type of use, and there are few examples available. This type of business would not cause a lot of problems compared to other uses in commercial and industrial centers except for the noise which could be significant. This Ordinance can mitigate those impacts. The section that required a 300 foot separation from a residential structure was taken out as a barrier will have the same effect if it has mass such as a concrete block wall. The code can specify the type of material the wall is made out of to make sure it will absorb sound. Also, the barrier should be four feet higher than the generator to focus the noise upward. If the Council is really concerned about noise as a factor, Section C can be approved which would require a noise mitigation plan if a data center abuts a residential zone or a hotel or motel or an additional section can be added through another ordinance. Mayor Norton suggested there be more of a general statement in the code that applies to businesses where they submit a noise test for anything built in specific zones. Allen Parker suggested the study only be required for the commercial zones not the industrial zone where noise is expected. Councilmember Clark asked about the smell from the generators. Allen Parker stated he could not find good solutions for diesel smoke. This could be listed as a potential impact or require them to locate in a location where smoke is fairly compatible with adjoining uses. Mayor Norton stated she would rather see a more general statement if a business is omitting noise or odors so there is more latitude to mitigate those impacts by zone rather than use. She noted that developers are not familiar with the codes and there needs to be a way for them to find the codes that apply to them. Allen Parker stated most agencies do not want to hand out a form as there might be some regulation that is left out. There was more discussion regarding keeping the regulations more general dealing with noise emitters rather than being specific to this use or specific material as new products could be used to absorb noise. Ken Bassett recommended the code have the elements in place for an odor or noise mitigation plan

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before that language is placed in the code. He asked if there is a time frame that this is needed. Allen Parker answered no. He stated another public hearing would be needed if another section is added. Ken Bassett agreed. Councilmember Travis Allan asked what will happen if a data center wants to open before these regulations are finished. Allen Parker stated there is not anything new planned, and they will be made aware of pending regulations. There was some discussion regarding the Strata Network building. The consensus of the Council was to take no action on this Ordinance and wait for additional wording.

ADMINISTRATIVE REPORTS:

Street Lights:

Councilmember Clark asked the staff to get with Rocky Mountain Power regarding three street lights that are out on 1000 West Main. Also, there are junk vehicles being stored at the home behind True Value.

Irrigation Line:

Councilmember Bert Clark announced that the irrigators are planning on piping the ditch along 500 North from Venal Avenue going east and may need signs or cones for traffic control.

Planning Conference:

Councilmember Dave Everett stated he is planning on attending the Planning conference scheduled in May at the conference center.

Joint City / County Meeting:

Mayor Norton stated that the County Commission has asked us to meet with the City to discuss their storm water project. That meeting has been scheduled for April 18th at 4 pm.

Appeal Hearing:

Ken Bassett informed the Council that an employee was recently terminated and has appealed that decision which requires the Council to sit as the Appeals Board. Dennis Judd is the counsel for the Board and Mike Harrington will represent the City. A quorum will be needed to hear the appeal possibly the week of April 25th. The consensus of the Council was to try to hold the hearing the April 28th or 29th at 5 pm.

Banners:

Ken Bassett explained the City receives requests to put up signs next to the T-Rex Dinosaur or on the grassy area on 500 North. However, the signs create a problem when they try to mow making it a burden. The consensus of the Council was to stop placing signs on public property where this problem could occur.

Budget Hearings:

Mike Davis asked the Council to schedule dates for the upcoming budget Committee meetings. After discussion, the meetings were scheduled the week of April 11th.

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

Mayor Sonja Norton

ATTEST:

Roxanne Behunin, Deputy Recorder

(S E A L)