

## **NOTICE OF PUBLIC MEETING**

**TO THE RESIDENTS OF UINTAH COUNTY AND VERNAL CITY:** Notice is hereby given that the Vernal City Council and the Uintah County Commission will hold a Special Joint Meeting on *Monday, November 25, 2019 at 4:30 p.m. in the Vernal City Planning and Zoning Conference Room, 2<sup>nd</sup> Floor - 374 East Main St, Vernal, Utah.*

# **A G E N D A**

**4:30 P.M.**

### **STANDING BUSINESS**

1. ACKNOWLEDGMENT & APPROVAL OF SPECIAL MEETING
2. APPROVAL OF THE MINUTES OF SEPTEMBER 23, 2019

### **SCHEDULED PUBLIC BUSINESS**

1. DISCUSSION ABOUT THE AIRPORT
2. DISCUSSION ABOUT THE CONFERENCE CENTER
3. DISCUSSION ABOUT PROPOSED LEGISLATION REGARDING SALES TAX EXEMPTION

### **ADJOURN**

**TO THE RESIDENTS OF UINTAH COUNTY AND VERNAL CITY:** Notice is hereby given that the Vernal City / Uintah County Interlocal Agency will hold a Special Joint Meeting on *Monday, November 25, 2019 after the above meeting in the Vernal City Planning and Zoning Conference Room, 2<sup>nd</sup> Floor - 374 East Main St, Vernal, Utah.*

1. ACKNOWLEDGMENT & APPROVAL OF SPECIAL MEETING
2. DISCUSSION AND APPROVAL TO COMBINE LIABILITY INSURANCE WITH VERNAL CITY

### **ADJOURN**

\*NOTE: In compliance with the Americans with Disabilities Act, individuals needing special accommodations during this meeting should notify Quinn Bennion at 374 East Main St, Vernal, Utah 84078, telephone: (435) 789-2255.

1 **M**INUTES OF THE VERNAL CITY COUNCIL AND UINTAH COUNTY  
2 COMMISSION SPECIAL MEETING HELD SEPTEMBER 23, 2019 at 4:30  
3 p.m. in the Uintah County Conference Room at 147 East Main Street, Vernal, Utah  
4 84078.

5  
6 **PRESENT:**

7  
8 **VERNAL CITY:** Councilmembers Dave Everett, Bert Clark, Samantha Scott and  
9 Mayor Doug Hammond. Councilmembers Travis Allan and Ted Munford were excused.

10  
11 **UINTAH COUNTY:** Commissioners Bill Stringer, Brad Horrocks and Bart Haslem.

12  
13 **STAFF:** Quinn Bennion, Mike Davis, Sylvia Wilkins and Sherri Montgomery.

14  
15 **GUESTS:** Cheryl Meier, Jeremy Raymond, Robin O'Driscoll, Lesha Coltharp, Nick  
16 Porter, Sam Passey, Doug Brown, Naples City Mayor Dean Baker and Ballard Mayor Bob  
17 Abercrombie.

18  
19 **WELCOME:** Mayor Hammond welcomed everyone to this meeting.

20  
21 **ACKNOWLEDGMENT & APPROVAL OF SPECIAL MEETING:** *Councilmember Bert*  
22 *Clark moved to acknowledge and approve the special meeting. Commissioner Brad Horrocks*  
23 *seconded the motion. The motion passed with Commissioners Horrocks, Stringer and Haslem*  
24 *and Councilmembers Clark, Everett and Scott voting in favor.*

25  
26 **APPROVAL OF THE MINUTES OF AUGUST 26, 2019:** *Mayor Doug Hammond moved to*  
27 *approve the minutes of August 26, 2019 as presented. Commissioner Bart Haslem seconded the*  
28 *motion. The motion passed with Commissioners Horrocks, Stringer and Haslem and*  
29 *Councilmembers Clark, Everett and Scott voting in favor.*

30  
31 **DISCUSSION REGARDING JOINT SHARED CITY / COUNTY SERVICES AND**  
32 **COSTS:** Quinn Bennion reported that this is a follow up to the discussion at the last meeting as a  
33 reference as to what funds will come from which entities into the shared services. Mr. Bennion  
34 gave an update on the innovation center and indicated that today they received notice regarding the  
35 \$2.4 million dollar grant that was submitted statewide from different entities. Mr. Bennion stated  
36 that there was \$500,000 available to the Vernal area, and Vernal City submitted a request for  
37 \$390,000 and received \$223,000. This is good news. Mr. Bennion noted that there is a lot of  
38 work that will need to be done in order to make sure this project is done appropriately.

39  
40 **DISCUSSION REGARDING TRANSFER OF AIRPORT MANAGEMENT:** Cheryl Meier  
41 explained that in regards to the transfer of the airport management, it has been discussed that the  
42 easiest time frame is to become effective January 1, 2020. Ms. Meier stated that there needs to be  
43 a discussion at some point regarding the airport employees in regards to their personal time off  
44 (PTO). When the few employees moved from the County to the District, the District only wanted  
45 them to transfer over with 80 hours of PTO, so the County paid out the remainder. Ms. Meier  
46 explained that the same scenario would need to occur to transfer the employees back to the County.  
47 Ms. Meier reported that she met with Doug Brown and the County regarding the budget hearing to  
48 discuss what the budget would entail. Ms. Meier stated that currently Vernal City and Uintah

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49 County are the owners of the airport with the Transportation District managing the airport. Ms.  
50 Meier explained that at some point, there needs to be a discussion on the airport having only one  
51 owner. Commissioner Stringer asked Ms. Meier if there is a transition plan with milestones on  
52 when the transfer will happen or will it just be effective January 1<sup>st</sup>. Ms. Meier indicated that  
53 there needs to be steps to get agreements in place; however, it is not feasible to start transferring  
54 employees over during this year due to the different budgets. Ms. Meier mentioned that the years  
55 of service for these employees needs to be addressed. Doug Brown may be the only employee  
56 affected; however, it is not fair to move him from the County to the District and now back to the  
57 County by starting over as a year one employee. Commissioner Stringer indicated he was  
58 thinking more of the transfer of property and what inventory is included in that transfer. Ms.  
59 Meier stated that she will put together what is included and what is going to happen moving  
60 forward. Ms. Meier mentioned that the general liability insurance has been paid by the  
61 Transportation District for the fiscal year from July 1, 2019 to June 30, 2020. Therefore, the  
62 District will receive a credit for January through June and the new owner of the airport will pay  
63 those first six months of 2020 out of their budget. Ms. Meier stated that it is important to make  
64 sure none of the liability or property insurance lapses. Commissioners agreed that they need to  
65 look at either staying with the Utah Local Government's Trust (ULGT) or whether to go with  
66 another company soon. Doug Brown mentioned that all of the vehicles were part of the County  
67 fleet insurance, and the \$50 million dollar airport liability insurance was with ULGT.  
68 Councilmember Clark asked if the renters of the hangers at the airport carry their own liability  
69 insurance and are there documents for proof of insurance. Doug Brown explained that they are  
70 required to carry insurance as part of their lease agreement.

71  
72 Doug Brown mentioned that he has had a discussion with Commissioner Horrocks regarding  
73 setting up an Airport Advisory Board. Mr. Brown reported that he found the old bylaws and  
74 advertisement from the Vernal Express from several years ago when they had a Board.  
75 Councilmember Clark and a few others have shown interest in the Advisory Board. Quinn  
76 Bennion asked if there needs to be more discussion regarding the ownership of the airport which  
77 currently is 25% Vernal City and 75% Uintah County. There are options and now would be a  
78 good time to change if there is going to be a change. Mr. Bennion explained that the City has  
79 been paying \$200,000 a year for the Conference Center for the past five years in lieu of paying into  
80 the airport, and it is now time to reevaluate the agreement as the commitment has been fulfilled.  
81 Mr. Bennion asked if now is a good time for the County to take on the airport 100%. There was a  
82 discussion on the airport budget being around \$860,000. Cheryl Meier stated that the main reason  
83 to have one entity own the airport instead of multiple entities is the difficulties it creates for the  
84 District as manager of the airport to go through multiple entities. Commissioner Haslem agreed  
85 that as a user and a Commissioner, it is more difficult to go through multiple entities for many  
86 reasons and agreed that either Vernal City or Uintah County need to take ownership. Mr. Brown  
87 explained that he did talk to the Federal Aviation Administration (FAA), and the paperwork with  
88 FAA shows dual ownership without the percentages. Mr. Brown stated that the FAA indicated  
89 that if the decision is made to move forward transferring from a dual ownership to a single  
90 ownership, the County would have an easier transition. However, if the City was to be the owner,  
91 the FAA would have to look more into the City's finances and make sure they meet the agreements  
92 that were signed and put into place. This would be a more lengthy process and could take up to 12  
93 months. If Naples City were to take ownership, there would be more of an audit review of their  
94 finances as well. The County is a larger entity in the financial pool with Vernal City being the

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95 second largest. Commissioner Horrocks asked what Vernal City would like to see happen. Mr.  
96 Bennion explained that the Mayor and City Council have discussed the issue; however, there has  
97 been no vote. The City has a desire to remain involved and be included on the Advisory Board.  
98 Everyone agreed that there should be representatives from Vernal City, Naples City, and Uintah  
99 County on the Advisory Board. Commissioner Horrocks mentioned that the County will find the  
100 old documents on setting up the Advisory Board again. Mayor Hammond stated that he believed  
101 that the County should own 100% of the airport and then discussed what the role of the City would  
102 be. Commissioner Horrocks stated that if that is the City's position, then the County needs to start  
103 moving forward by first making sure they have the authority and rights to accept it.  
104 Councilmember Clark mentioned that during the time of transition for the airport to go from the  
105 County to the Transportation District, legislation at the State passed a new bill on the point of  
106 origin on collected taxes, and the County was the beneficiaries of the extra \$980,000 when it was  
107 all complete. Councilmember Clark stated that the money used to come to the City, and it really  
108 cut into the City's budget. The City has discussed how can they pay for the airport, and asked if  
109 the County could pay for it with the extra money they receive after the legislation change.  
110 Commissioner Horrocks explained that the new funding that just passed will help fund it.  
111 Councilmember Clark asked what the percentage is that will be received. Quinn Bennion noted  
112 that the County would receive \$800,000 and the City would receive \$300,000. Councilmember  
113 Clark asked if it has been decided how the percentage is broke down, and how much the Uintah  
114 Basin Association of Government (UBAOG), the City, and the County would each receive. Mr.  
115 Bennion explained that it was just voted on today, and one of the challenges that the  
116 Commissioners had was establishing the amount given to UBAOG and then the balance forwarded  
117 on to BTA. Mr. Bennion stated that the entities and attorneys all have a different view and  
118 interpretation from the State Tax Commission on how the funds should be distributed. The  
119 County approved two percentages. One, if that portion of the tax has to be shared with the  
120 Wasatch Front, then 63% of the middle portion and not the entire tax would be granted to UBAOG  
121 in the amount of \$520,000. If the funds get to remain with the local entities within Uintah County  
122 and does not have to be distributed to the Wasatch Front, then it is 53% and UBAOG will receive  
123 \$496,000. Mr. Bennion noted that these are rough estimates at this time. Mr. Bennion explained  
124 that if some of the money goes to the Wasatch Front, the estimated numbers to the other entities  
125 would be Uintah County \$858,000, Vernal City \$330,000, Naples City \$120,000, Ballard \$37,000  
126 and the other localities \$225,000. Councilmember Clark asked how the County know if they get  
127 to keep it or not, and is there another process to go through. Mr. Bennion explained that the State  
128 is responsible for determining it.

129  
130 Commissioner Horrocks stated that the County will move forward to decide if they will accept the  
131 airport, and then create a Memo of Understanding (MOU), an Airport Advisory Board and  
132 Bylaws. Councilmember Clark mentioned that in the past it was a seven person Advisory Board,  
133 and the meetings were held in the County building, so the minutes could be taken.  
134 Councilmember Clark noted that those minutes should be filed somewhere in the County.  
135 Commissioner Horrocks indicated that he has sent a text to Mike Wilkins to find those files.  
136 Councilmember Clark suggested finding people that have some knowledge from the previous  
137 Advisory Board. Commissioner Horrocks stated that there will need to be an advertisement for  
138 the positions out in the public. Doug Brown mentioned that he has reached out to Josh Bake, Jim  
139 Harper, Matt Cazier and Allen Parker and indicated that their involvement would also be helpful  
140 with the Advisory Board. Cheryl Meier mentioned that a zoning person from one of the entities

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141 would be effective with their knowledge. The consensus was that it is necessary to have a  
142 representative from Vernal City, Naples City, Uintah County and a four at large sit on the  
143 Advisory Board. Commissioner Haslem asked if Ballard had any interest in participating on the  
144 Board. Mayor Abercrombie stated that he did not know if Ballard could contribute much to the  
145 Board being that the airport is so far away; however, they are willing to help if needed.  
146 Commissioner Horrocks stated that the County will need to move forward quickly to be able to  
147 create a Board by December 1<sup>st</sup>. Mayor Baker mentioned that Robert Hall represented Naples  
148 City on the last Advisory Board. Commissioner Horrocks explained that they will let the entities  
149 pick their representatives for the Board. Commissioner Horrocks also mentioned the need to  
150 move forward and coordinate the insurance with the FAA. Mr. Brown indicated that the most  
151 important issue is to notify the FAA as to the ownership decision. Ms. Meier asked for  
152 confirmation on what items need to be addressed in a public meeting concerning the airport  
153 transfer. Commissioner Stringer explained that the transfer of ownership needs to be approved in  
154 a public meeting. Everything else will be approved by the transfer. Councilmember Clark  
155 asked if MOU's need to be approved annually. Ms. Meier indicated that it is just once.  
156 Commissioner Stringer stated that there is a periodic review process to make sure the MOU is still  
157 pertinent.  
158

159 **DISCUSSION REGARDING MINERAL LEASE MONEY:** Commissioner Haslem gave a  
160 report on the mineral lease money. The hope was to have \$12 to \$12.5 million dollars this year;  
161 however, it is looking more like it will be in the \$10 to \$10.5 million dollar range, which affects  
162 our Districts that take care of our local services. Commissioner Haslem reported that the  
163 Directors of the Districts and the Commissioners have been meeting over the last six to eight  
164 months to come up with a plan without losing services that the Districts provide. The Districts  
165 have cut their budgets and not refilled positions as employees have left. Commissioner Haslem  
166 stated that a solution was agreed upon today that may accomplish what is needed if the Boards and  
167 the Commission approve. The Districts would pay off \$20 million dollars in debt, which will  
168 lower the expenses each year. This would take the \$13 million dollars needed a year to operate to  
169 around \$9.5 million dollars to operate and keep the Districts in the black spending the same  
170 amount of money. Commissioner Haslem mentioned that paying off low interest loans is tough;  
171 however, the payments are \$3 to \$3.5 million dollars a year. The first year will be a hardship on  
172 the Districts; however, after the first year, the Districts would be in good shape. Councilmember  
173 Clark asked if the County will be keeping the same percentages of mineral lease money given to  
174 the Districts. Commissioner Haslem answered no, they will be changing them. Cheryl Meier  
175 mentioned that there are three Districts with a set amount of money and three Districts with a  
176 percentage. By paying off the debt, it will allow five Districts to receive a set amount and one  
177 District to receive what is left, which would be the Transportation District. Commissioner  
178 Stringer indicated that all Districts use to receive a percentage in 2014 when there was a lot of  
179 money. When the Animal Control District started to become insolvent, they had to change the  
180 percentage to a fixed amount, because they were not able to function with the money they  
181 received. Commissioner Stringer explained that when the mineral lease money continued to  
182 decline, some of the other Districts started struggling as well, and the money had to be fixed to  
183 guarantee functionality. Commissioner Haslem stated that after the first year of paying off the  
184 debt, it will give all of the Districts a little more money than they are receiving right now.  
185 Commissioner Stringer mentioned that in 2014, the Transportation District was receiving between  
186 \$16 to \$18 million dollars from mineral lease money compared to maybe \$3.5 million dollars this

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187 year. The debt payment for the Transportation District is \$2 million dollars a year on the bond.  
188 Ms. Meier noted that the Board needs to approve the plan knowing that for a year or two as they are  
189 rebuilding, that projects may be nonexistent. Ms. Meier stated that she is hoping the Board is  
190 willing to make the sacrifice to make all of the Districts complete and on the same page.  
191 Councilmember Scott asked what will happen if the Boards do not agree with the plan. Ms. Meier  
192 explained that the Boards get to tell the Districts how they get to spend the money; however, the  
193 Commission determines how much money the Districts receive. Councilmember Clark asked if  
194 they will receive the money on a monthly basis or quarterly. Ms. Meier answered monthly.  
195 Robin O'Driscoll indicated that she could not see the Boards not approving the plan.  
196 Commissioner Haslem explained that the Districts are running in a deficit now and depleting their  
197 savings. This plan will reverse it and still leave the Transportation District with some money for  
198 maintenance. Ms. Meier stated that it just will not allow for the Transportation District to have  
199 money in the bank for other projects for a while. Ms. Meier explained that the Directors will  
200 continue to meet regularly next year to review the fixed fees and percentages to determine if the  
201 numbers need adjusted. Councilmember Clark noted that the plan is to not jeopardize safety of  
202 the public. Councilmember Clark and Quinn Bennion thanked the Boards for all the time spent to  
203 come up with a resolution and not cut any essential services.  
204

205 **DISCUSSION ON EVENTS GENERAL PERMIT:** Commissioner Stringer explained that  
206 the reason for the discussion on events permits is due to the buses. There have been several  
207 occasions this year where an event came into town and needed transportation and there are no third  
208 party buses that can be used. The event coordinators asked about using BTA buses and indicated  
209 their willingness to pay for the buses; however, there is no mechanism to pay BTA directly.  
210 Commissioner Stringer suggested that there be a permit and fee for people that come in to the area  
211 for a marathon or a small event to pay for the buses. The permit fee would not be intended to  
212 generate money. It would be used to pay for the buses and for picking up trash. Commissioner  
213 Stringer mentioned that Lesha Coltharp made a good point that if there is a permit fee from  
214 \$25-\$100, people are more inclined to show up. Commissioner Horrocks stated that there needs  
215 to be an effort made to follow through with how it is set up and make sure that there are  
216 agreements. Lesha Coltharp noted that these are for-profit events. The money for the buses  
217 would be given to BTA and the rest would go into an event funding account for any future event  
218 needs. Councilmember Clark mentioned that recently the City operated and supported an event  
219 through the School District and asked about those expenditures. Mr. Bennion explained that  
220 particular event was organized through the City with half the buses being used from the School  
221 District and the other half of the buses through BTA. The City had an agreement with the School  
222 District, and the event was reimbursed to the City for the costs to cover the insurance. They paid  
223 for the bus rentals themselves, which was around \$300-\$350 a bus for seven buses.  
224 Commissioner Horrocks mentioned that it is not what the School District charges; however, there  
225 is an intense process to go through. Ms. Coltharp indicated that this permit fee process would  
226 only be for the BTA buses and picking up trash in the park; however, she mentioned that it would  
227 be a good idea to have that discussion with the School District to see if there is a way to stream line  
228 the process by having insurance with the City or the County already in place for their buses. Ms.  
229 Coltharp stated that this specific fee schedule would be a fee depending on the number of buses  
230 and the amount of time they need to be used. Ms. Coltharp reiterated that this would be only  
231 for-profit events, not for Holly Days, Paddle Fest, etc. that are free to the public. Those events are  
232 already paying taxes for BTA and outside companies are not paying the transportation tax that is

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233 funding BTA. Commissioner Horrocks suggested there be guidelines set in place, so it does not  
234 get out of hand. Commissioner Stringer explained that the reason this is being discussed is so  
235 there is consistency and to defray costs. Mayor Baker mentioned that part of the reason the BTA  
236 does not take payments is due to the Federal funding not allowing rental and charging of fees.  
237 Mayor Baker also suggested using the word “transportation” and not “buses”. Mr. Bennion stated  
238 that it is a good idea, and he also likes the idea of it going through the Travel and Tourism  
239 Department. Ms. Coltharp noted that she will work on the guidelines and send them out to all the  
240 entities involved. Commissioner Stringer suggested not reinventing the wheel and using other  
241 cities and agencies as examples with minimal standards. Commissioner Stringer suggested a  
242 proposal by resolution to amend the fee schedule in January. Councilmember Clark suggested  
243 using BTA as a secondary transportation to the School District. Ms. Coltharp stated that the  
244 School District is not interested and only helps when really needed due to the difficult process to  
245 get through. The consensus was to move forward with creating guidelines with a permit and fee  
246 for-profit events that come into the area. Mr. Bennion suggested adding an out of County  
247 provision.

248  
249 Councilmember Clark brought up the seven county coalition in hopes that their not just focused on  
250 the railroad and being diversified in helping all of the counties they represent. Commissioner  
251 Horrocks reported that the coalition is working on several projects in Emery County, Sevier  
252 County and Daggett County. Commissioner Stringer also mentioned the project on Sheep Ridge  
253 Road and power lines to Green River. Commissioner Stringer stated that the coalition is trying to  
254 balance all seven counties. Commissioner Haslem indicated that there are a lot of projects in the  
255 works with the cities, counties and Economic Development. Commissioner Horrocks mentioned  
256 that there is not a contract signed yet; however, it is looking promising that the State will hire 15  
257 employees to work out of the County building. Commissioner Haslem noted that they will hire  
258 local people. Councilmember Everett asked how Balance Utah is coming along as he gets asked  
259 that a lot. Commissioner Haslem reported that it is moving along. The committee interviewed  
260 one airline last week, and they have received a grant to do a feasibility study with the RFP going  
261 out tomorrow. The project looks very promising; however, there are several hurdles to go  
262 through along with more interviews. Commissioner Haslem stated that he believed they could fill  
263 a plane with 50 to 100 people tomorrow. Councilmember Everett mentioned that he gets asked if  
264 there are empty seats on the plane, can people purchase tickets to fly out of Vernal to Salt Lake.  
265 Commissioner Haslem indicated that it would depend on the charter. Commissioner Stringer  
266 stated that it is a security issue depending on private versus commercial. Mr. Bennion noted that  
267 the service that was interviewed last week reported that an average flight from Vernal to Salt Lake  
268 would be around 23 minutes.

269  
270 **ADJOURN:** There being no further business; Mayor Doug Hammond moved to adjourn.  
271 Councilmember Dave Everett seconded the motion. The motion passed with a unanimous vote  
272 and the meeting was declared adjourned.

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Mayor Doug Hammond

275 ATTEST:

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Quinn Bennion, City Recorder

( S E A L )