

MINUTES OF THE VERNAL CITY COUNCIL SPECIAL BUDGET WORK
SESSION HELD MAY 8, 2019 at 5:30 pm in the Vernal City Planning Commission
conference room, 374 East Main, Vernal, Utah.

PRESENT: Mayor Doug Hammond, Councilmembers Samantha Scott, Ted Munford, Dave Everett, Bert Clark and Travis Allan.

ACKNOWLEDGMENT AND APPROVAL OF SPECIAL MEETING:

Councilmember Bert Clark moved to acknowledge and approve this special meeting. Councilmember Ted Munford seconded the motion. The motion passed with Councilmembers Clark, Munford, Scott, Everett and Allan voting in favor.

FY2020 BUDGET WORKSHOP:

Quinn Bennion explained that he created a list from the last meeting and will add to it during this meeting of items that the Council would like to review before final cuts are made to the budget.

GENERAL FUND

IT Department

Councilmember Samantha Scott asked GJ Searle, the IT Manager, to explain the computer replacement request. GJ Searle stated that the City needs to start replacing computers on a rotational basis. The plan is to replace ten workstations each year for a five year period. Councilmember Ted Munford asked if this item should come out of the IT budget. Quinn Bennion stated there are two approaches, either out of each department or the IT budget. Since it is not known which ten computers should be replaced until GJ assesses then, it is easier to budget the replacement out of the IT budget. Quinn Bennion asked the age of the computers that need to be replaced. GJ stated most of them were purchased in 2010 – 2011. There was some discussion regarding replacing the monitors and adding software. Quinn Bennion questioned if \$12,000 is the right number. The consensus of the Council was to leave the budget at \$12,000.

Justice Court:

Councilmember Ted Munford questioned why the travel budget went up. He suggested the travel budget be set at \$5000 and the postage to \$4500. Quinn Bennion stated the Judge did mention during the budget reopener that he needed to put more emphasis on training. Councilmember Travis Allan suggested the travel be kept at the same amount since they did not know the necessity.

Motor pool

Councilmember Ted Munford asked why the equipment and supplies line item fluctuates so much. Rick Green stated there are many things that affect that budget and this year it was the weather causing more equipment to break down. Councilmember Munford asked about the request for a truck. Rick Green stated that the small truck needs a transmission and the regular truck has started to burn oil. He stated he thought possibly the City could keep the police truck instead of turning it back over once the lease is up. Mike Davis stated there is one more year before the first police truck is traded back. Councilmember Munford suggested the City wait one more year on this request and see if it is possible to keep the police vehicle.

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Court:

Judge Richards stated that he has mandatory training in the fall and spring for a total of 30 hours. The clerks also must attend one training per year with the head clerk having to attend the tack conference to access the FBI database. Councilmember Ted Munford suggested the travel be changed to \$5500 and if the mandatory trainings are higher the budget be adjusted. Ray Richards stated that the office supply budget should be lower as they do a lot of things electronically now. Quinn Bennion stated it was cut back to \$3000 for the reopener. Councilmember Munford suggested this budget be at \$3000. Councilmember Clark asked how the court was doing on collecting fines. Judge Richards stated that they work on it however his focus is more on accountability. He stated that he instigated a new program to have the offenders come in and speak with him if they are not able to make a payment or miss something without penalty to get them back on track. There was some discussion regarding recent legislation that failed this year and will be presented again possibly next year.

Streets:

Councilmember Ted Munford noted that the travel is double what it was from last year. Glade Allred stated that the cost depends on where the training is being held and who needs to recertify. Most of the training is in the spring so it may not all show up yet for this fiscal year. Councilmember Munford asked if the equipment and supplies budget could be \$80,000 based on current numbers. Glade Allred stated he had to up that budget to replenish supplies after the bad weather year. Quinn Bennion stated the City is paying \$400,000 of chip and seal work through the Transportation District. Councilmember Munford asked about the snow plow blade. Glade Allred stated they would get by without it. Quinn Bennion stated that he is recommending the street sweeper be purchased out of the equipment reserve fund with the water fund paying 40% of the cost. Councilmember Travis Allan asked how many employees are in this department. Glade Allred stated that he is down one position in this department and one in the parks department. He noted that it is hard to handle the flowers with two employees and he has to move a third person over to help. He stated that he could stockpile the sweepings from the street rather than paying \$40 at the landfill. Also, the professional services line item could be left at \$3000 and the streets could be striped once rather than twice. Councilmember Ted Munford stated the striping is a public safety issue and needs to be done. Glade Allred stated that the street enhancements such as decoration repairs could be lowered and put the emphasis on street repair. Quinn Bennion stated there are nine employees in streets and two in parks. There was some discussion regarding the street sweepers. Councilmember Travis Allan stated that the biggest complaint he receives is the sand on the street. He asked what the policy is to plow snow or sand. Glade Allred stated that the policy has been to drop the plows when there is 4" of snow with more expected. If the weather is going to drop drastically with less snow then the streets are plowed to help prevent them from icing up. He stated that plowing takes more overtime than sanding. Councilmember Bert Clark asked what the employee cost is for events. Quinn Bennion stated he would have to look at each event and there is more cost in the police department. Councilmember Travis Allan stated that there is money spent on wages for Holly Days already. Glade Allred answered that the letters have to be sent out to sponsors and the crew starts planning. Councilmember Allan stated there are wages spent the day of the event as well. Mike Davis stated it is overtime except for a few members of the police department who are scheduled to work anyway. There was some discussion regarding why the event is held the day after Thanksgiving. Councilmember Samantha Scott stated that the community needs to be asked

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about this event to see if there is a group that will run it to minimize the City's cost. Glade Allred stated it will be dropped within five years. Mike Davis showed the Council that the City collects around \$66,000 for the event and spends \$76,800 plus wages. Councilmember Travis Allan stated that the first priority is to provide essential services then pay for items such as Holly Days and flowers. The Council discussed cutting back on the area for flowers. Glade Allred stated the flowers are already growing for this year.

Parks:

Councilmember Bert Clark asked if the cost for maintaining the lawn on West Main was split with the County. Quinn Bennion answered yes, and USU handling their own landscaping maintenance. He stated that the walking park has been a challenge to mow and it is being bid out. Councilmember Ted Munford asked about Cobblestone Park. Glade Allred stated that Danny's department does most of the maintenance there and there is the cost of the portable toilet. The Council determined they need to talk about the banners further as man hours are the concern with putting them up.

UTILITY FUNDS

Water:

Councilmember Ted Munford asked if security at Ashley Springs is being taken care of. Quinn Bennion stated that they met with a company for an estimate that is double the expected cost. Mike Davis, water superintendent, stated that they have to run almost a mile of overhead power to the site. Quinn Bennion stated that a meeting was held with Central Utah Water and Ashley Valley Water and they are both very interested in this project although the City will get the most benefit. The cost to the City is projected to be \$40,000 and \$20,000 for each of the other entities. Councilmember Munford asked what security measures will be installed. Mike answered only cameras. He stated that once power is installed they can modernize the facility. Councilmember Ted Munford asked about the travel line item. Mike Davis answered that he has five employees that must maintain their certifications.

Sewer:

Mike Davis stated that he needs to replace the camera that is used to inspect the sewer lines. The cost is \$70,000. Councilmember Munford asked if the insurance company requires the lines to be inspected. Mike Davis answered yes. He stated that the professional services line item went up dealing with the 33% water loss so leak detection services could be expanded. The special sewer supplies line item is mostly for tree root chemicals. Councilmember Ted Munford suggested that line item be reduced to \$18,000. Mike Davis stated the tire replacement line item can be changed to \$5000. There was some discussion regarding the use of flow fill material over road base and the warranty issues. Ryan Blackburn commented that road base is only \$300 while flow fill is \$1000. Mike Davis informed the Council that they thought there was a water leak up Dry Fork Canyon, but the water is not coming from the City's line. Councilmember Travis Allan asked how many employees are in the utility funds. Mike Davis stated there are five in water and two in sewer.

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GENERAL FUND

Mayor & Council

Councilmember Samantha Scott suggested the Vernal Excitement budget be dropped as this is not that large of an event and Alive after Five starts in July. Councilmember Munford agreed it is not essential. Quinn Bennion suggested he discuss this with the Tourism office first. Councilmember Samantha Scott suggested the Council only attend the Utah League of Cities and Towns conference every other year with the staff and the Mayor still attending every year. She stated that if they are asking staff to cut down on travel they should be willing to cut down as well. The Council's travel budget was dropped to \$5000. Councilmember Samantha Scott asked when the event sponsorship started and why. Councilmember Ted Munford stated there is value in bringing events into the area; however, the amount that government is spending should be decreased each year until they are self-supporting. Councilmember Clark stated they are getting money from more than one entity. Councilmember Travis Allan stated that he has a problem helping some of these events set up a rainy day fund when the City is struggling to pay for essential services. Councilmember Samantha Scott suggested the budget be cut in half. Mike Davis stated some of these events should be kept whole. There was some discussion in which events were run by for profit businesses. Quinn Bennion suggested that a policy be drafted to outline who can receive sponsorship. He noted that some of the events are for safety such as graduation night or they build community pride. Councilmember Dave Everett agreed that is a small amount to pay to save lives. He noted that the Special Service Districts are doing the same thing. Quinn Bennion stated that when the City adopted the transient room tax the agreement was to use those funds for the visitor's center. However, the museum is using those funds to pay an employee in State Parks. The Council asked Quinn to let State Parks know about the tight budget situation and that the funding will no longer be available to them. Quinn suggested the City put \$5000 into the visitor's center to as purchase materials or update pictures. Councilmember Travis Allan stated that the City does not have complete numbers of the cost for Holly Days activities and although it is a great event, the cost needs to go down. The Council asked the staff to consider having someone take over organizing Holly Days. Danny Anderson stated that one of the the challenges is most of the equipment belongs to the City. The Council discussed the cost of the Chamber of Commerce and agreed to drop it by \$5000 this year and eventually drop it to \$25,000. Quinn Bennion explained that the safety incentive program is working and eventually the workers compensation insurance premiums will drop drastically. He suggested the program be expanded to the police department.

Finance:

Mike Davis explained that his department will be going to training for Caselle, business licensing, treasurer's conference and GFOA. Councilmember Ted Munford asked about the bank fees. Mike Davis stated that amount fluctuates based on the amount of money in the account.

City Attorney:

Quinn Bennion stated that professional services were lumped into one line item and have now been split out. The civil attorney costs \$18,000 and the prosecuting attorney costs \$84000. The public defense attorney costs \$36,000 a year with additional expenses when he cannot do a specific case. Councilmember Travis Allan stated that at one time the City was contemplating

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hiring a full-time attorney. Mike Davis stated that the City would have to pay not only the attorney but a legal secretary.

Administration:

Quinn Bennion stated that social media has been built up with the use of the public information line item. The cost was substantially less than expected and that budget has been dropped by \$9000. He stated that the travel budget can also be dropped to \$6000. Quinn stated that what is being proposed is to change Sherri from part-time to full-time for two reasons. The City agreed to handle the Transportation District and although the finance department will not have any trouble adding that extra work, the HR department is already stretched. Also, Roxanne and Sherri are taking the lead on social media. Councilmember Ted Munford stated that with the increase in the workload there needs to be an increase in hours. Quinn Bennion stated that there are a lot of things that go through Roxanne’s office and although other departments have asked for employees, this one is less with the addition of hours and no additional benefits. Councilmember Travis Allan stated she needs to go to 40 hours.

Benefits:

Quinn Bennion stated that the health insurance increased 5.82% for this next fiscal year. He presented the cost for just the family plan for the City and employees. He noted that the County only offers a high deductible plan. Roxanne Behunin explained why some employees are still fearful of changing to the high deductible plan. Councilmember Travis Allan asked what the cost would be to only offer one plan. Quinn Bennion stated he did not know if the cost would go up for the HDHP and he would check. Quinn Bennion explained the motion program that will be added this year at no cost to the City.

The consensus of the Council was to have two Councilmembers get with staff and come up with a policy for sponsorships then schedule another day to review the list of items that have not been fully funded. After discussion, the Council decided to meet on May 15th at 5:30 p.m. to finish the budget workshops.

CLOSED SESSION: *Councilmember Ted Munford moved to convene into closed session to hold a strategy session to discuss the sale of real property including any form of water right or water shares and return to open session once the discussion is concluded. Councilmember Travis Allan seconded the motion. The motion passed with the following roll call vote:*

- Councilmember Munford.....aye;*
- Councilmember Allanaye;*
- Councilmember Everettaye;*
- Councilmember Scottaye;*
- Councilmember Clark..... aye.*

RECONVENE INTO OPEN SESSION: The meeting reconvened into open session.

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

Mayor Doug Hammond

ATTEST:

Roxanne Behunin, Deputy Recorder

(S E A L)