

MINUTES OF THE VERNAL CITY COUNCIL REGULAR MEETING HELD
JUNE 15, 2022 at 7:00 p.m. in the Vernal City Council room, 374 East Main, Vernal,
Utah 84078.

PRESENT: Councilmembers Nicholas Porter, Robin O’Driscoll, Dave Everett, Ted Munford, and Corey Foley and Mayor Doug Hammond.

WELCOME: Mayor Doug Hammond welcomed everyone to the meeting. He read a short message explaining how to get an item on the agenda.

INVOCATION OR UPLIFTING THOUGHT: The invocation was given by Councilmember Dave Everett.

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was led by Councilmember Nicholas Porter.

APPROVAL OF CITY COUNCIL SPECIAL BUDGET WORKSHOP MEETING MINUTES OF JUNE 1, 2022: *Councilmember Robin O’Driscoll moved to approve the minutes of the June 1, 2022 special budget meeting. Councilmember Nick Porter seconded the motion. The motion passed with Councilmembers Everett, O’Driscoll, Munford, Foley and Porter voting in favor.*

APPROVAL OF CITY COUNCIL REGULAR MEETING MINUTES OF JUNE 1, 2022: *Councilmember Corey Foley moved to approve the minutes of June 1, 2022 regular meeting. Councilmember Dave Everett seconded the motion. The motion passed with Councilmembers Everett, O’Driscoll, Munford, Foley and Porter voting in favor.*

REQUEST FOR APPROVAL OF SALARY SCHEDULE UPDATE - RESOLUTION NO. 2022-13: Quinn Bennion stated that this resolution relates to the FY2023 budget. Modifications are being recommended to the salary schedule of the City by increasing the ranges by 5%. This does not translate to 5% increase to the employees, just the range. It will affect newly hired employees or someone at the top of their scale to give them the opportunity to increase. The staff conducted a market study using sixteen similar entities and based on that study some grade changes were made. For example positions that were out of market such as police officers, the grade was changed and that does require a wage change. One item that was added at the last minute was the salary for the judge. The City received a letter from the State Court Administrator advising what the salary and range needs to be for that position. Also, the Council did discuss, at length, , a small stipend for the Planning Commission members and that has been added to the salary schedule. *Councilmember Ted Munford stated that a lot of research went into this topic and adjustments need to be made where the salaries are low. He moved to approve Resolution No.*

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2022-13. *Councilmember Nickolas Porter seconded the motion. The motion passed with the following roll call vote:*

Councilmember Munford.....aye;
Councilmember O’Driscoll.....aye;
Councilmember Everettaye;
Councilmember Porteraye;
Councilmember Foley.....aye.

CONSIDER APPROVAL OF WATER / SEWER FEE INCREASE - RESOLUTION NO. 2022-14: Keith Despain explained this is a proposal to increase the water rate for City customers by \$1 a month. The water system is very aged and the revenue is not quite enough to keep up with the needs. The staff has been looking for grants to help with needed upgrades and has recently applied for a \$5 million dollar funding package with the CIB. Councilmember Ted Munford asked how the City’s utility rates compare to other cities of similar size. Quinn Bennion stated the City is in the middle of the pack. Keith Despain stated the rates along the Wasatch Front are quite high. Councilmember Ted Munford asked if the overage cost was being increased. Quinn Bennion answered not at this time although the Council may want to look at that in the future for water conservation. Keith Despain commented that the State Board of Drinking Water recommends a tiered structure for usage. Carl Morton stated the City Treasurer is also recommending a tiered structure that will help citizens such as the elderly who use less water. Councilmember Nick Porter agreed it makes sense to charge those that are using the system the most. Quinn Bennion explained the comparison of water and sewer rates is difficult as some use property tax rates as well as their fees to pay for their systems. After further discussion, *Councilmember Ted Munford moved to approve Resolution No. 2022-14. Councilmember Robin O’Driscoll seconded the motion. The motion passed with the following roll call vote:*

Councilmember Munford.....aye;
Councilmember O’Driscoll.....aye;
Councilmember Everettaye;
Councilmember Porteraye;
Councilmember Foley.....aye.

PUBLIC HEARING: REQUEST APPROVAL OF MINOR SUBDIVISION, FOR PROPERTY LOCATED AT 1089 EAST HWY 40 DAVID AND ANNETTE HAAKINSON, NLW INC: Allen Parker provided a copy of the plat to split the property located at 1089 East Highway 40 into two parcels. One parcel is the former Cracked Pot restaurant and the other lot is the vacant land off the back. The purpose of the lot split is so the back parcel can be sold. The Planning Commission held a public hearing where there were no public comments. The Planning Commission is forwarding a positive recommendation. Councilmember Ted Munford asked if the property taxes are current on this property. Allen Parker answered that he does not know, however, the County Treasurer must sign off on the plat. Mayor Doug Hammond clarified that the zoning remains commercial on both parcels. Allen Parker answered yes. Mayor Doug

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Hammond opened the public hearing to receive public comments. There being no public comments the public hearing was closed. *Councilmember Nick Porter moved to approve this minor subdivision request from David and Annette Haakinson. Councilmember Corey Foley seconded the motion. The motion passed with the following roll call vote:*

Councilmember Munford.....aye;
Councilmember O’Driscoll.....aye;
Councilmember Everettaye;
Councilmember Porteraye;
Councilmember Foley.....aye.

PUBLIC HEARING: REQUEST TO CONSIDER REZONING PROPERTY AT 395 SOUTH VERNAL AVENUE FROM CP-2 TO R-3 - GREG & MARY WALKER – ORDINANCE NO. 2022-09: Mayor Doug Hammond opened the public hearing for this item.

Allen Parker explained the City received a request to rezone property from the CP-2 planned commercial zone to a R-3 residential zone. A map was presented showing the location of the property and the different zones surrounding it. The property is actually along 400 South Street. The address has created confusion although it is in the process of being changed with a reconfiguration of the property line. This parcel adjoins both the CP-2 zone and the R-3 zone and is designated in the general plan as mixed use. The Planning Commission reviewed this request and is forwarding a positive recommendation. Councilmember Ted Munford asked why the property owner is making this request.

Brad Walker, property owner, explained he purchased the property with the bus garage to the north and that is where his business base is. He would like to live next to it and the R-3 zone allows him to build either a single family home or a 4-plex. Allen Parker stated there were a few negative comments during the Planning Commission hearing, and those concerns were addressed. Councilmember Nick Porter noted that there are several 4-plex’s in that area. Quinn Bennion stated this request is actually a down zone.

George Walker stated his son has been storing items in his backyard and this will allow him to work and live in the same area. Right now this is an empty lot collecting weeds. Councilmember Dave Everett expressed that this would be a win-win for the neighborhood.

There being no further public comments, Mayor Doug Hammond closed the public hearing. *Councilmember Dave Everett moved to approve Ordinance No. 2022-09 approving the rezone request. Councilmember Ted Munford seconded the motion. The motion passed with the following roll call vote:*

Councilmember Munford.....aye;
Councilmember O’Driscoll.....aye;
Councilmember Everettaye;
Councilmember Porteraye;
Councilmember Foley.....aye.

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PUBLIC HEARING: COMMUNITY IMPACT BOARD FUNDING APPLICATION FOR PLANNING GRANT: Quinn Bennion reminded the Council of the application being submitted to the Community Impact Board (CIB) for funding to complete a feasibility study for a district heating and cooling system. This public hearing is to inform the community of the financial commitment that is being contemplated. Planning grants from the CIB are smaller in scale and require a 50% match. The cost to the City for this project is \$40,000 and no loans are needed. This study is exciting and unique with the Basin being considered the energy leaders in the State, and this project is the next generation for energy using a geothermal system. This idea came up to explore as the City is making many downtown improvements and will include tearing up many streets to install new water and sewer lines so it would be a good time to add geothermal lines. The City Hall building has a geothermal system that uses ground source wells with fluid and heat pumps to transfer heat or cold. It is a more efficient system that has been around for decades. The initial concept for the study is to see if that type of energy system can be used on a larger scale. There are other Universities that use this type of system; however, this study will be to determine the feasibility of using these lines for entire blocks with anchor sites such as the hospital, government buildings and data center. The main goal is to reduce heating and cooling costs by 50% and reduce energy use during peak times. Mayor Doug Hammond opened the public hearing to receive public comments.

Uintah County Commissioner Bart Haslem endorsed this project. He stated the County has been working with Quinn Bennion on this project and would like to see if this type of system will reduce energy costs in buildings in the downtown area. He noted that the oil and gas industry are big players in the community, however, this would be a good project to help with the revitalization of downtown.

Councilmember Ted Munford clarified that this grant does not go toward implementation, and will help the Council make a decision if this concept is financially promising. Quinn Bennion agreed and stated this may be interesting to other communities across the State and nation.

Councilmember Corey Foley stated the \$40,000 investment is a good idea. He asked if there were any other groups willing to join in the planning stage. Quinn Bennion answered that the City is the applicant for the grant and has to commit the funding. Councilmember Nick Porter agreed there is enough potential to be worth the investment. Commissioner Bart Haslem stated he would put this on the agenda for the County Commission meeting and talk about participating in the cost.

Councilmember Robin O'Driscoll asked when there will be an answer from the CIB if the funding is approved. Quinn Bennion answered it should be about a month.

Keith Despain, Vernal City Public Works Director, indicated this is a new concept for a municipality. With the improvements to downtown, tearing up roads and upgrading utilities, the timing is good right now to be visionary to provide more efficient energy for high use buildings.

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Brad Walker, Vernal resident, expressed his support for geothermal energy. He noted that these types of projects are usually considered by engineers that are close minded and asked the Council to think outside the box such as adding electric car stations along with HVAC systems. He commented that \$40,000 seems like a lot of money for a research project. Quinn Bennion reported that it is anticipated the cost of the study will be split into four different areas of expertise including geothermal civil engineering to look at flows and size of pipes, drilling expertise, solar component to reduce costs of the pumps, and back-up systems.

Brad Walker pointed out that with a geothermal envelope, those systems can also be used for new construction and the planning should look at future development.

There being no further public comment, Mayor Doug Hammond closed the public hearing.

REQUEST TO ADOPT FY23 BUDGET - ORDINANCE NO 2022-10: Carl Morton reminded the Council that a public hearing was held to receive public comment on the upcoming budget. The numbers are basically the same except for a few small items. Councilmember Ted Munford expressed his appreciation to the staff as this reflects a lot of hard work over the years to be diligent to save funds. Councilmember Corey Foley acknowledged there has been a lot of tough decisions in the past to provide services to the community. He asked everyone to consider shopping locally as this affects the budget. Councilmember Dave Everett stated this has been a refreshing budget session compared to the last few years. Councilmember Nick Porter agreed stating it has been very painful in the past and it is good to see more funds. *Councilmember Robin O’Driscoll moved to adopt the budget and approve Ordinance No. 2022-10. Councilmember Nick Porter seconded the motion. The motion passed with the following roll call vote:*

Councilmember Munford.....aye;
Councilmember O’Driscoll.....aye;
Councilmember Everettaye;
Councilmember Porteraye;
Councilmember Foley.....aye.

CONSIDER APPROVAL OF NOTICE OF AWARD FOR 500 WEST SAFE SIDEWALK PROJECT: Keith Despain explained to the Council that unfortunately this project needs to be adjusted as there were no bids submitted. A pre-bid meeting was held and 3 contractors attended and others expressed interest. The contractors were contacted to see why they did not bid and the main concern is the uncertainty of getting concrete and the quick timeline. Also, the City requires a two-year warranty which is an issue. Councilmember Ted Munford asked what they are recommending. Keith Despain stated the industry standard is one year. Under City procedures, when this happens the staff is able to negotiate directly with a contractor. However, because this project is funded through UDOT, there may be other steps that need to be taken. Quinn Bennion stated the options are to wait for a more favorable time, rebid, or negotiate directly with an

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available contractor. He suggested the City go with the contractor that is doing another project for the City. Councilmember Dave Everett asked if there was a timeline to spend the funds. Keith Despain answered yes, although UDOT has acknowledged that the project is moving forward.

DISCUSSION REGARDING THE SAFE STREETS AND ROADS FOR ALL (SS4A) GRANT APPLICATION: Keith Despain explained that the USDOT is allocating \$1 billion dollars over the next five years for transportation projects. Applicants have to have an action plan which the City does not currently have an entire plan, only pieces of it. The allocation includes 40% of the funding to develop the action plan. A good strategic move would be to apply for implantation funding over planning. However, the City will need to hire a firm to complete the plan in order to apply for project funding in the fall. Quinn Bennion stated the hope is to get funding for alternate modes of transportation, such as the downtown walkways. Councilmember Corey Foley stated that \$60 million dollars could enter the State of Utah. He asked what the cost could be for the plan. Keith Despain answered there is no firm number yet, although it is estimated to be \$30,000 to \$40,000. Councilmember Nick Porter stated he liked the approach to be a step ahead of other cities. Quinn Bennion stated although these funds are geared toward larger cities, they do encourage rural and tribes to apply. Councilmember Robin O’Driscoll agreed it would be a smart move to apply for implementation. Keith Despain noted that UDOT is excluded. Quinn Bennion stated he will report back after getting information form firms that are able to complete the plan.

CONSIDER APPROVAL OF SOFTWARE LICENSE & SUPPORT CONTRACT WITH PELORUS METHOD: Carl Morton reminded the Council that five bids were received for financial software and two of the five were invited to give presentations. Those two companies are Caselle and Pelorus. The City currently uses Caselle which is more costly while Pelorus seems to have more of what is wanted and needed. He recommended the City contract with Pelorus. *Councilmember Ted Munford moved to approve the software license and contract with Pelorus. Councilmember Robin O’Driscoll seconded the motion. The motion passed with the following roll call vote:*

- Councilmember Munford.....aye;*
- Councilmember O’Driscoll.....aye;*
- Councilmember Everettaye;*
- Councilmember Porteraye;*
- Councilmember Foley.....aye.*

CONSIDER APPROVAL OF AGREEMENT WITH ATTORNEY FOR DEFENSE COUNSEL SERVICES: Allen Parker reminded the Council that the City provides defense services for those in the justice court who cannot provide their own legal defense. Currently Jordan VanOostendorf provides those services. He requested an increase to his fee last year and

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the Council approved a partial one. This contract is the same as last year and he has not indicated yet if that amount is acceptable. The contract expires the end of June. Councilmember Corey Foley asked who determines who can afford an attorney and who cannot. Allen Parker answered it is the Judge’s discretion. After further discussion, *Councilmember Nick Porter moved to approve the contract for defense services. Councilmember Ted Munford seconded the motion. The motion passed with the following roll call vote:*

- Councilmember Munford.....aye;*
- Councilmember O’Driscoll.....aye;*
- Councilmember Everettaye;*
- Councilmember Porteraye;*
- Councilmember Foley.....aye.*

REQUEST TO AMEND THE VERNAL CITY PERSONNEL POLICIES AND PROCEDURES SECTION 4.01.030 -PAY FOR PERFORMANCE - RESOLUTION NO. 2022-12:

Quinn Bennion explained this is a small change to clarify the pay for performance policy. The current policy requires the wage change to happen in July and this year that is not possible. This simpler wording will not be so confusing. *Councilmember Ted Munford moved to approve Resolution No. 2022-12 as presented. Councilmember Corey Foley seconded the motion. The motion passed with the following roll call vote:*

- Councilmember Munford.....aye;*
- Councilmember O’Driscoll.....aye;*
- Councilmember Everettaye;*
- Councilmember Porteraye;*
- Councilmember Foley.....aye.*

CONSIDER APPROVAL OF MOU FOR CONSTRUCTION AND MAINTENANCE OF PICKLEBALL COURTS:

Quinn Bennion reported that this contract has not been finalized between the attorney’s yet so it will be brought back to the Council later. Proposals will be requested to get this project moving forward. There are no lights included in the project although conduit will be installed so they can be added later. Commissioner Bart Haslem stated there may be a way to get more funding and suggested the lights be included. Keith Despain stated they can issue an addendum for the lights. Adriane Larsen with the Vernal Express asked if they would accept funds from the pickle ball community and name one after a dinosaur. Quinn Bennion answered private donations would be great.

DISCUSSION OF IMPACT FEES: Allen Parker explained that impact fees are a one-time charge that have to be used to mitigate infrastructure costs created by new development. The City charges these fees for water and sewer only although they are allowed for infrastructure such as roads, parks, power and public safety facilities. The fee is based on what it would cost to maintain

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the same level of service as the system grows. In 2004 the fee was set and after a study was completed. The methodology is complex, the fees are out of date, and there is an expected surge in development. Councilmember Ted Munford agreed the impact fees are important, however, he would like to be on the lean side and not discourage development. Allen Parker stated if there is significant growth it could take a lot of money to upgrade the systems. The consensus of the Council was to not discourage growth. Carl Morton stated that this study has not been budgeted and he asked if it could be put off for a year. Keith Despain reported that the study usually recommends a minimum and maximum allowable impact fee, and the Council sets the final fee. Councilmember Corey Foley stated he would like to see what other entities are charging before moving forward.

ADMINISTRATIVE REPORTS

T-Rex Repairs.

Quinn Bennion stated he would like to see a Councilmember be on the T-Rex committee. The consensus was to have Corey Foley serve on that committee.

Ashley Springs tour:

Quinn Bennion invited the Council to tour Ashley Springs on June 30th from 11 am to 1:30 pm.

Outlaws Treasure Hunt:

The outlaws treasure hunt is being sponsored with a \$10,000 loot in conjunction with River Fest. The first post has had 600 subscriptions.

ADJOURN: There being no further business; *Councilmember Nick Porter moved to adjourn. Councilmember Corey Foley seconded the motion. The motion passed with a unanimous vote and the meeting was declared adjourned.*

Mayor Doug Hammond

ATTEST:

Roxanne Behunin, City Recorder

(S E A L)