

MINUTES OF THE VERNAL CITY COUNCIL SPECIAL BUDGET MEETING
HELD, MAY 11 2022 at 5:30 p.m. in the Vernal City Planning Conference room, 374
East Main, Vernal, Utah 84078.

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

WELCOME: Mayor Doug Hammond welcomed everyone to the meeting.

ACKNOWLEDGEMENT AND APPROVAL OF SPECIAL MEETING: *Councilmember Dave Everett moved to acknowledge and approve this special meeting. Councilmember Corey Foley seconded the motion. The motion passed with a unanimous vote.*

FY23 BUDGET WORKSHOP:

IT DEPARTMENT: Alyx Larsen explained that he would like to update the internet service for City Hall so it will have a higher speed. Quinn Bennion stated that is a challenge with the cost of Spillman which is the software used by the police department. Alyx Larsen stated there is a constant need for training to stay up on new technologies so he is requesting funds for training and travel. All the servers are running on old software creating a security vulnerability so they need to be updated. He reported that new audio video equipment is also needed. Quinn Bennion stated that the IT Department will take over buying all hardware to make sure it is compatible. Alyx Larsen stated the camera system has had half of it replaced so the rest needs to be replaced, and the email system will be changed to Gmail. Councilmember Nick Porter asked how he will handle backups. Alyx Larsen stated there is a vault and multiple cloud servers. Carl Morton stated some of the Microsoft licenses will be eliminated as the City moves toward Google. Roxanne Behunin stated there will be a cost for software to capture social media posts. Alyx Larsen stated he put in \$10,000 for licenses and support.

AIRPORT: Ken Campbell displayed a diagram of the revenue available for the airport and explained that each funding source has a different set of rules. Some of the funds can be used for operational expenses only which will allow the operational funds from the City and the County to be used for other item and hopefully in the future there will be funds for a new terminal ramp and taxiway. The budget has been expanded from fourteen line items to nineteen line items to show more detail of the expenses and more finely tune what is needed. The major increases are fuel costs and paint striping. The total budget is \$1.56 million dollars. Quinn Bennion pointed out that some of that funding is being put into a capital fund and will be used for the five year plan. Councilmember Corey Foley stated the federal funding will fade off. Carl Morton agreed that the \$1.5 million federal funds will be gone in three years. There was some discussion regarding the 10,000 enplanements. Ken Campbell reported that SkyWest is dropping to one flight a day which will affect the enplanements. There is software to capture the number of enplanements and the State will provide the funding for that software. Councilmember Robin O’Driscoll questioned if SkyWest could drop even more flights. Ken Campbell stated there is a chance although the federal Department of Transportation will step in. Quinn Bennion asked if cargo can be counted toward enplanements. Ken Campbell stated it

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can if there is a cargo ramp. Mayor Doug Hammond asked if Air Med flights count. Ken Campbell answered yes, if there is a patient.

WATER DEPARTMENT: Keith Despain, Public Works Director, stated there are not any major significant changes to this budget. The parts line item has been increased along with fuel. In the past the City contracted for line repairs and that contract has expired. Devin McKee stated they added \$5000 for training and certifications. Councilmember Corey Foley asked if there was a stipulation that if the City pays for their certifications and they leave employment, do they have to pay it back. Quinn Bennion answered there is no policy for standard trainings. He suggested a policy be added for POST and CDL training. Keith Despain stated the new concept of water banking may add to the revenue of the City. It allows agencies that have water rights to lease them to someone who needs water such as an irrigator. The water bank handles all the paperwork and transactions. Quinn Bennion stated the City does not use all the Red Fleet water or Ashley Springs. He recommended budgeting \$50,000 this year for water banking. Councilmember Corey Foley stated he would like to know what the excess water is worth. Councilmember Robin O'Driscoll thought this program would show the City is forward thinking and being productive. Quinn Bennion noted this is a venture that does have some risk to it. Councilmember Nick Porter stated he thought it was a great idea. Devin McKee stated with inflation the cost of special water supplies, pipe and asphalt has increased. Carl Morton stated the ARPA funds will be used for the GIS system. Devin McKee explained the current leak system has a lot of distortion and an upgraded system will have a better microphone. The cost is around \$18,000. Quinn Bennion suggested that amount be budgeted, continue to research different options, and if it is determined to be the best option then purchase it. Keith Despain stated there has been significant funds put into new meters and recommended the replacement program be continued as there are still a lot of meters that are suspect.

SEWER DEPARTMENT: Keith Despain explained that the sewer system needs to be cleaned City-wide. Carl Morton stated there is \$20,000 budgeted for maintenance. Councilmember Nick Porter suggested that amount be left in the budget and if it is not enough to readdress it. Quinn Bennion stated the sewer treatment plant costs have increased to \$1 million dollars. Carl Morton stated that cost can be paid with ARPA funds. Keith Despain explained the costs from the Sewer Management Board went up and the City did not raise rates to the public. He suggested the fees be raised by \$1 a month. Quinn Bennion presented a comparative chart of the five utility systems in the Vernal area and the City is the lowest. The consensus of the Council was to do small incremental increases. Quinn Bennion suggested the City apply for a grant / loan through the Community Impact Board to specifically replace the old cast iron lines with lead fixtures. Keith Despain reported that the CIB looks at the medium adjusted gross income for the County and bases a fair water bill to be 1.75% of that amount. Vernal City has a \$46,200 median gross income level so if the rates are higher than the 1.75% of that amount the City receives a more favorable grant / loan mix. After further discussion, the consensus of the Council was to split an increase to the utility fees to both water and sewer. Keith Despain

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explained that Central Utah Water is also increasing their water fees and the \$1 increase may not be enough.

STREETS: Clint Morton stated he is proposing adding another employee this budget year. Quinn Bennion explained that there are less full-time employees in this department than four years ago and with the additional work to maintain parking lots another employee may be need this winter. Councilmember Nick Porter pointed out that things have been put off because of manpower and the community needs to be maintained, specifically Main Street. Councilmember Corey Foley asked about the repairs to Cobblestone Park. Clint Morton answered that they are asking for \$13,000 in the budget to fix the cap stones and do some cement work. Councilmember Foley noted there is \$55,000 for flowers. Clint Morton stated this budget was combined with parks so that cost is now in this department. The number of pots has been reduced to cut costs. Quinn Bennion suggested the Council wait until all the changes are made to the budget, including salary, before making a decision to add more employees. Keith Despain stated the markings on the streets were completed in house last year. Clint Morton reported that even though it was a learning experience it worked out well with thermal plastic paint. Councilmember Nick Porter stated his priority for this department is the flowers as the City's reputation for them far outweighs the cost. He noted that other cities based their program on Vernal. Quinn Bennion stated they will install a drip irrigation system this year for the flowers on the fences. Clint Morton stated the travel budget increased by \$500. Quinn Bennion explained that the street enhancements are for banners that need attention. Councilmember Robin O'Driscoll asked how many hangers there are. Clint Morton answered there are 100 small banner holders downtown and there are 80 large ones on the West side and 20 on the East side. He explained that they need a new ATV for weed and traffic control and a crack sealer. Quinn Bennion reported that the fund raiser for the green dinosaur is over \$15,000. The City has \$10,000 budgeted that can be used for the island. Clint Morton stated he is also asking for \$5,000 for the GIS maintenance management program.

CAPITAL PROJECTS: Quinn Bennion stated the City has drafted a five year capital improvement plan and projects will be budgeted as revenue sources are found. Carl Morton stated a separate capital improvement fund will be set up. There is a safe sidewalk project, funded mostly by UDOT that is on the plan. Also a street overlay and the downtown projects that include utilities and a walkway. Funds for the utilities will be requested through the Community Impact Board and the street improvements will come from UDOT who has committed \$300,000. The discovery trail will be 100% funded through grants. The cost to the City for the pickle ball courts is projected to be \$20,000 as other agencies have committed funds. There are plans for bike lanes, drainage, and the completion of the protection project at the Springs. Carl Morton explained that the other capital funds will be transferred to this fund with a balance of \$1.8 million dollars.

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Quinn explained there is a new concept of a geogrid. The first step is the planning stage to see if the program is valid. The concept is to provide energy for heating and cooling similar to the heating at City Hall that connects 30, 300 feet deep wells that pump water out into a geothermal system. Very few buildings in Vernal have this technology. Usually the more wells, the more efficient the system is. If the streets are going to be torn up downtown, potentially wells could be drilled and lines placed under the streets to provide heating and cooling that feed multiple buildings. There are plenty of anchor buildings that can use this type of system with an energy saving of 50% to 60%. There are large grants for this right now for energy efficiency and lower emissions. After further discussion, the consensus was to pursue this plan and ask for funding from the CIB Board for the planning stage.

PLANNING: Allen Parker stated they are requesting another full-time employee to help with the current inspection workload. This position will need new books, training and a vehicle. Councilmember Dave Everett suggested the stipend for the Planning Commission be in this department. Councilmember Corey Foley noticed the fuel line item increased.

MAYOR & COUNCIL: Quinn Bennion noted there is no election in this budget. Roxanne Behunin suggested a small amount be put in that line item for necessary noticing. Quinn Bennion stated the visitor's center dropped from \$50,000 to \$5,000. Councilmember Corey Foley asked about Holly Days. Quinn Bennion stated this is the line item for what is collected in donations and spent for events. Councilmember Nick Porter asked about the Chamber contribution. Quinn Bennion stated it keeps decreasing and is currently at \$45,000. Councilmember Porter asked why the City donates more than other agencies. Allen Parker stated the City has the majority of the retail businesses. After further discussion, the consensus of the Council was to contribute \$40,000 to the Chamber.

CITY ATTORNEY: Quinn Bennion noted that the cost for the prosecuting attorney and civil attorney have increased and those amounts have been added to this budget.

ADMINISTRATION: Quinn Bennion indicated that he will not be hiring an intern this year. Roxanne Behunin requested the travel line item be increased to cover training for the new administrative clerk. Quinn Bennion agreed it needed to be increased for training. Councilmember Corey Foley asked what was covered by uninsured repairs. Roxanne Behunin answered that line item is used to pay for deductibles or other accidents where it is decided to cover the entire cost instead of having the insurance company cover it. Personnel testing is used for drug screening and recruitment costs.

FINANCE: Carl Morton stated the professional services line item increased for the audit. Also the training has increased to complete the Certified Government Finance Management course that is equal to a CPA license that helps with the state auditor. It will take a few years to complete. One big change could be the software package being used for accounting. Five

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bids were received with two of them being reasonable. Both companies will make presentations before a final recommendation is made.

JUSTICE COURT: Quinn Bennion explained the office expenses have increased along with professional services and IT hardware. Councilmember Corey Foley asked why Naples City does not pay any of the expenses for the court. Quinn Bennion stated that is the way it was set up with the County so they pay the expenses for Naples. Carl Morton stated one savings for the City is no bailiff cost. Quinn Bennion stated the City and County have saved \$120,000 from the previous year by combining the courts.

FUTURE PERSONNEL POLICIES: Quinn Bennion stated the staff is looking at a cell phone policy that will be cost neutral with a smarter use of resources. Once the policy is drafted it will be presented to the Council. Another item is the recently approved holiday by the Federal and State called Juneteenth (June 19th). This holiday celebrates the emancipation from slavery. Some agencies are trading this holiday for another holiday while other agencies are adding a holiday.

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

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Mayor Doug Hammond

ATTEST:

Roxanne Behunin, City Recorder

(S E A L)