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NORTH OGDEN CITY COUNCIL MINUTES

January 8, 2013

The North Ogden City Council convened in an open meeting on January 8, 2013 at 6:30 pm in the North Ogden City Council Chambers at 505 East 2600 North. Notice of time, place and agenda of the meeting was delivered to each member of the City Council, posted on the bulletin board at the municipal office and posted to the Utah State Website on January 4, 2013. Notice of the annual meeting schedule was published in the Standard-Examiner on January 30, 2013.

- PRESENT:**
- | | |
|-------------------|----------------|
| Richard G. Harris | Mayor |
| Kent Bailey | Council Member |
| Wade Bigler | Council Member |
| Justin Fawson | Council Member |
| Cheryl Stoker | Council Member |
| Brent Taylor | Council Member |
- STAFF PRESENT:**
- | | |
|-------------------|--------------------------------|
| Ron Chandler | City Manager |
| Annette Spendlove | HR Director/City Recorder |
| Bryan Steele | Finance Director |
| Jon Call | City Attorney |
| Craig Barker | Community Development Director |
| Mel Blanchard | Public Works Director |
| Bill Bernard | City Treasure |
- VISITORS:**
- | | |
|------------------|------------------|
| Lyle Adams | Spencer Reynolds |
| Kent Christensen | Terry Reynolds |
| Derrick Hadley | BJ Johnson |
| Kenneth Hubbard | Brent Chugg |
| Joshua Mackley | Phillip Swanson |
| Orion Walters | Kenny Ross |
| Blake Welling | Brian Russell |
| Rachel Trotter | Dan Nixon |

Mayor Harris welcomed those in attendance.

Mayor Harris offered the invocation and Derrick Hadley led the audience in the Pledge of Allegiance.

CONSENT AGENDA

- 1. Consideration to approve the minutes of the September 18, 2012 City Council meeting.**
- 2. Consideration to approve the minutes of October 2, 2012 City Council meeting.**
- 3. Consideration to approve the minutes of December 11, 2012 City Council meeting.**
- 4. Consideration to approve the business licenses.**

51 Council Member Bailey moved to approve the Consent Agenda. Council Member Stoker
52 seconded the motion.

53
54 **Voting on the motion:**

55
56 Council Member Bailey aye
57 Council Member Bigler aye
58 Council Member Fawson aye
59 Council Member Stoker aye
60 Council Member Taylor aye

61
62 The motion passed unanimously.

63
64 **ACTIVE AGENDA**

65
66 **1. PUBLIC COMMENTS:**

67
68 There were no public comments.

69
70 **2. DISCUSSION AND/OR ACTION TO ACCEPT THE NORTH OGDEN CITY AUDIT.**

71
72 Kent Christiansen, City Auditor, reviewed the North Ogden City Audit. He explained page one
73 and two of the report represents their opinion on the financial statements. He said they were able
74 to issue the City a clean opinion. He said the Management Discussion and Analysis (MD & A)
75 on pages three to 16 are prepared and presented by City staff. He said they do not audit the
76 financial statements, but they do render an opinion on the remainder of the financial statements.
77 He stated page 17 is the government wide financial statements, which list a full accrual concept.
78 He said it shows you have a combined unrestricted fund balance of almost 11 million dollars. He
79 said 3.5 million dollars of that is in the government funds and 7.2 million dollars is in the
80 enterprise funds. He said page 18 is designed to show what City activities cost and how they are
81 funded. He said it breaks the activities and functions into government type activities and
82 business type activities. It shows the net cost of those activities and how they are financed. He
83 went over those figures in the City Audit (included in the packet).

84
85 | ~~Kent Bailey~~ Kent Christiansen said the RDA has enough funds so it could pay back the loans. He
86 pointed out the general fund balance is under the 18% requirement. He said each of the
87 enterprise funds has a substantial cash balance, which gives operating assets for the future. He
88 said from a net operating perspective the water fund had a loss of about \$200,000, sewer utility
89 had a loss of about \$100,000, storm water fund had a loss of about \$158,000, and solid waste had
90 a net increase of about \$100,000. Kent Bailey asked where those numbers are. Kent
91 Christiansen replied on page 24.

92
93 Kent Christiansen said although the numbers were showing operating losses, the water utility,
94 storm water utility, and solid waste utility fund each had an increase of cash during the year. It is
95 primarily due to depreciation not being a cash consuming resource; it is a cost allocation entry
96 that is made into the books. He said although it shows some operating cost deficiencies you still
97 have some growth in your cash balances.

98

99 Kent Christiansen said the note disclosures are designed to provide additional information
100 concerning the financial statements. It tells you about depth, fixed assets, and those types of
101 things. He said the remainder of the report is the budget to actual comparisons. He said even
102 though it shows a net decrease it exceeded your budget by an addition \$450,000.

103
104 Kent Christiansen said page 49 is a report on internal controls on financial reporting and he
105 found no significant control weaknesses. He said page 50, 51, and 52 deals with State
106 compliance issues. There was one finding this year, which was a couple of departments in the
107 General Fund and in the RDA that exceeded spending that was budgeted.

108
109 Mayor Harris asked for a general statement for how things are going. Kent Christiansen said the
110 City's finances are in A shape. He said there are a couple of areas with operating losses, but
111 there is no significant concern. The City is in good financial state. He stated again their opinion
112 is an unqualified opinion.

113
114 **Council Member Fawson moved to accept the North Ogden City Audit. Council Member Bailey**
115 **seconded the motion.**

116
117 **Voting on the motion:**

118
119 **Council Member Bailey** aye
120 **Council Member Bigler** aye
121 **Council Member Fawson** aye
122 **Council Member Stoker** aye
123 **Council Member Taylor** aye

124
125 **The motion passed unanimously.**

126
127
128 **3. CONSIDERATION AND/OR ACTION TO CONSIDER AN ORDINANCE TO AMEND**
129 **THE ACCESSORY BUILDING SETBACKS IN THE RE-20 ZONE.**

130
131 Craig Barker reviewed the staff report. He explained that agriculture is allowed in the RE-20
132 zone. He said there has been some concern with the use of accessory buildings in a lot of the
133 other zones. He said the minimum lot size for an RE-20 zone is twice as big as any other zone in
134 the City except for the HP-3 zone. Craig Barker reviewed the proposed ordinance. He said the
135 second page has been left off the ordinance. It states if the accessory building was going to be up
136 to 25 feet high it would need to have the same set back as a home, which is 10 feet. He said that
137 second part needs to be put in the ordinance before you pass it.

138
139 Craig Barker said there were two citizens who spoke at the Planning Commission's public
140 hearing. He said Mr. Stowers will be able to build his accessory building.

141
142 Council Member Bailey asked if it is possible for a building, for a lot in an RE-20 zone to have
143 an adjacent lot where we would have a building set three feet from the property line which could
144 be causing line of sight issues or view issues from the adjacent property. Craig Barker replied it
145 certainly is. He said they have never taken into account site issues. He said when the Planning
146 Commission first started looking at this the City had people putting buildings close to the

147 property lines. He said the City didn't have complaints so much about the bulk of the buildings,
148 it was mainly the height. He said that is why the Planning Commission said if homeowners want
149 to go up in height at least have it setback the same as a house. He said many cities do regulate
150 height because of site issues, but North Ogden City never chose to do so.

151
152 Council Member Bailey commented that he appreciates the work the Planning Commission has
153 done on this. He said he is a little frustrated by zoning issues of this type because it is so difficult
154 to foresee every possible situation. He said it would be nice as they are passing something that
155 they do not create a new problem. He said if they create a new problem they will deal with it.

156
157 Craig Barker said he expects they will have some requests for changes in the smaller zones. He
158 said the smaller zones are harder to deal with.

159
160 Council Member Bigler said if he understands it correctly the ordinance, in past allowed
161 accessory buildings to be 3 feet from the property line unless they were higher than 15 feet He
162 said this takes care of the problem the way the ordinance was written from 2011. Craig Barker
163 said this amendment clarifies the ordinance. Council Member Bigler said the ordinance is not
164 changing from what it has been other than if the building is taller it will need to be away from the
165 property line. He said they are helping the neighbors out more.

166
167 Craig Barker said most people who want the bigger accessory buildings seem to understand that
168 if you go up in height the accessory building needs to be farther away from the property line.

169
170 Council Member Bailey clarified that this amendment only applies to the RE-20 zone. Craig
171 Barker replied that is correct and said they did not want to amend all the other zones again. He
172 said if people have issues they can make a request.

173
174 Council Member Bailey clarified that there is part of the ordinance that is not here. Craig Barker
175 replied the part of the ordinance is missing that requires accessory buildings over 15 feet to have
176 the same setbacks as a dwelling.

177
178 Ron Chandler asked if that part of the ordinance that has blanks spaces. Craig Barker said this
179 ordinance needs to be revised and thinks staff has the wrong ordinance in the packet. Ron
180 Chandler asked if there is a number they should include in that blank. Craig Barker replied no
181 and said that the Planning Commission decided not to do that. Ron Chandler asked how that
182 should be amended. Craig Barker replied they will need to bring back the correct ordinance at
183 the next City Council meeting.

184
185 Council Member Bigler stated the large accessory building ordinance not only pertains to the
186 RE-20. Craig Barker stated it pertains to all the zones. Council Member Bigler said if this
187 amendment only pertains to RE-20 they need to correct how that ordinance is written and how it
188 reads with the other ordinances. He said when it was written the ordinance stated if the
189 accessory building was taller than 15 feet then you would need to move it away from the
190 property line. He said this pertained to the 15 feet building height regardless of its square
191 footage, Council Member Bigler said Craig Barker has stated there has been no changes.
192 Council Member Bigler said when the ordinance came back this year you are now saying it is the

193 square footage. The ordinance contradicts itself. He said his understanding is he thought they
194 were doing it across the board, if not it needs to be changed. Craig Barker said there was an
195 immediate issue with Mr. Stowers. He said they will clean the other ordinances up. He said in
196 this ordinance they want to make clear the set back is three feet for any building that is less than
197 15 feet high. He said buildings over 15 feet high have the same setbacks as a dwelling.
198

199 Council Member Bailey said it is possible for two accessory buildings to be six feet apart on
200 adjacent lots. Craig Barker said the Building Codes requires at least six feet away from
201 buildings.
202

203 **Council Member Bailey moved to table this item until staff returns with a complete amendment to**
204 **the ordinance. Council Member Bigler seconded the motion.**
205

206 **Voting on the motion:**
207

208	Council Member Bailey	aye
209	Council Member Bigler	aye
210	Council Member Fawson	aye
211	Council Member Stoker	aye
212	Council Member Taylor	aye

213

214 **The motion passed unanimously.**
215
216

217 **4. DISCUSSION AND/OR ACTION TO CONSIDER AN AGREEMENT WITH DIGIS.**
218

219 Bryan Steele stated there was one addition made to the contract which is page three of the
220 agreement. It was discovered the City has an easement to access the water tanks that goes
221 through different properties. He said Digis would like to put the power for the tower along that
222 easement. It will also be how they would access their tower on City property. He said the City
223 has added an addition clause requiring Digis to work out an easement with the affected property
224 owners before they can proceed with the construction of the tower.
225

226 Ron Chandler stated the easement they have is very specific to the water line that comes down to
227 the water tank and it gives the City the ability to access the property and maintain the water line.
228 He said it does not give us the ability to grant that easement to others. He said a property owner
229 contacted him recently and they are interesting in developing the property. He said they spoke
230 with the people from Digis and had the City Attorney add some language to the contract that
231 would allow City Council to pass this agreement if desired. He said it also provides the City
232 with some protection and it also allows Digis to obtain the easement they need to move forward
233 with their project.
234

235 Kent Bailey asked where this is located. Bryan Steele replied it is by the Rice Creek water tanks.
236 Ron Chandler added it is above the Mason Cove subdivision.
237

238 Council Member Bigler clarified they are only approving their easement and Digis will still need
239 to negotiate with the residents. Ron Chandler confirmed that Digis will need to come to a
240 resolution with the property owners. He said he had met with the property owners and they are

241 pretty agreeable with things. He thinks they will be good working partners, but the City cannot
242 overstep its boundaries on this.

243
244 Council Member Bailey said they have other leases on towers in the area and asked if this lease
245 is on a comparable basis with those. Bryan Steel replied yes, it is \$500 a month and increases
246 3.5% yearly.

247
248 Council Member Taylor commented that he appreciates the change in the contract. It is the best
249 way to put it in the lessee's court to work out an agreement for the easement and not have the
250 City overstep their boundaries. He complimented the staff on a good job for catching that and
251 doing it in a way that respects the property rights of those owners.

252
253 Council Member Bigler said he wanted to make sure they were not forcing the hand of the
254 property owners. Ron Chandler replied no, it will be up to Digis. It is also meant to protect the
255 City so that we don't get into hot water. Mayor Harris added this is also so the City does not
256 have to pay the easements.

257
258 Ron Chandler said there is a typo on the handout that was provided. On 6.3 it states "cause" and
259 should state "caused". Mayor Harris noted that and said it will be changed.

260
261 **Council Member Fawson moved to approve agreement A-2013-1 with the changes made to section**
262 **VI. Council Member Bailey seconded the motion.**

263
264 **Voting on the motion:**

265
266 **Council Member Bailey** aye
267 **Council Member Bigler** aye
268 **Council Member Fawson** aye
269 **Council Member Stoker** aye
270 **Council Member Taylor** aye

271
272 **The motion passed unanimously.**

273
274
275 **5. DISCUSSION AND/OR ACTION TO CONSIDER A TIMELINE FOR THE PUBLIC**
276 **WORKS PROJECT.**

277
278 Council Member Taylor said he wanted to bring this item to the City Council regarding the
279 Public Works project as currently being worked on. He said he has attending the Public Works
280 Committee meeting and a financing question has come up and it will be the City Council's
281 responsibility to make some decisions. He said tonight he would like to share a few points on
282 this and see if there is any discussion. He said he hopes to discuss a time line, funding options,
283 and bonding. He said he hopes they can develop some items for staff to research and bring back
284 additional information. He said he is hoping they can give staff some guidance on what things to
285 research and to provide more options.

286
287 Council Member Taylor said there are two items in the memo included in the City Council
288 Packet. He referred to page 4. He said this is a basic draft on the time line. He said if they have

289 a time line for the project that shows the date they are hoping to accomplish different tasks it can
290 guide what the City Council and the Public Works Committee are doing. He said his suggestion
291 is for City Council to come up with a general time line and forward it to the Public Works
292 Committee to refine it. He said it needs to be a collaborative project with the City Council
293 looking at the financial aspects and the Public Works Committee looking at the site, building
294 issues, etc. He said another reason he put this together is it is good to learn from past
295 experiences and mistakes. He said one of the things he felt last year is toward the end of the
296 process things were compressed and hurried. He said as a member of the Public Works
297 Committee last year things felt very rushed, which led to how the project was received. He said
298 he hopes that by having a timeline earlier in the year they will be able to start the project this
299 year. A timeline will allow them to think of the things they need to be doing ahead of time. He
300 said he included a draft showing where some of the tasks may fall, such as the Committee
301 pursuing real estate, identifying the top properties, and sending that to the City Council. He said
302 meanwhile the City Council would be discussing potential bonding options or financial
303 solutions. Council Member Taylor continued going through the time line.

304
305 Council Member Taylor brought up that there is a timeline to file for a bond election. He said
306 they would need to file by a certain date and he would like staff to research that date so it can be
307 included on the timeline. If there is going to be a public vote there is an option for a special
308 election in June.

309
310 Council Member Bigler said he thinks for sure they need a timeline. Any project you have of
311 any considerable size would have that. He said he would prefer to take the idea of the timeline
312 and include the entire Public Works Committee. He said the bonding issues are strictly the
313 Council's issues. He said the timeline will directly affect the Public Works Committee. He said
314 those helping to develop the timeline should be those that have been asked to complete the
315 project. He said he wouldn't want to go back to them with a timeline. They should involve the
316 Public Works Committee in developing it.

317
318 Council Member Bailey said he agrees with Council Member Bigler. He commented that they
319 have an excellent Public Works Committee and there have been some really nice things that have
320 happened there already. He said he doesn't feel a great urgency. He said he knows they need to
321 get a Public Works project underway. He said he thinks it is important for us to develop a
322 timeline, but it is really important for the Public Works Committee to have input. He said there
323 are some areas in which the City Council and the Public Works Committee may have some
324 parallel tasks. He said it would be incumbent on the City Council to identify what those are so
325 that they can be dealing with those.

326
327 Council Member Bailey said bonding is a completely different discussion and he proposes that
328 staff provide them with funding options including bonding. He said he would much preferring
329 doing this process without borrowing, if they could do that. He said it may be with some
330 creativity that they can. He said he knows in the past the City has been able to take on some
331 tasks by borrowing from the enterprise funds. He said the discussion as to how they are going to
332 pay for the project needs to come with the Council better informed on what all the options are.
333 He said he proposes that staff prepare the options and alternatives and educate the City Council
334 as to what the pros and cons of each of those are in a future meeting. He said as far as the

335 timeline he supports Council Member Bigler's suggestion that they give this to the Public Works
336 Committee to help establish a timeline that is doable within the resources they have and they will
337 factor in those parallel activities in the process.

338
339 Mayor Harris said this timeline is general enough he would think the City Council can adopt it
340 and leave room for the Public Works Committee to look it over and see if there are any concerns
341 and it can be amended.

342
343 Council Member Bigler said he would prefer the Public Works Committee look at it first so they
344 are included in it. He said he thinks the Council needs to be careful and doesn't want any of the
345 Public Works Committee Members to feel they are just there as window dressing because they
346 are very valuable and they have great expertise in these areas. He said he agrees with the things
347 in the timeline, but he would prefer the Public Works Committee take a look at it and make the
348 decision before Council adopts it. He said chances are many may remain quiet if it is already
349 done.

350
351 Council Member Fawson said he agrees with Council Member Bigler and Council Member
352 Bailey. He said whether the Public Works Committee wants to use this as a timeline or develop
353 something on their own depends on the Committee but he would rather the recommendation be
354 given by the Committee which has been put together for that purpose. He echoed the things that
355 have been said before. He is not opposed to anything that will help him to be better educated and
356 well informed; anything that staff can put together to help them make a decision is great.

357
358 Council Member Stoker also agreed with allowing the Public Works Committee the chance to
359 look at the timeline objectively and not have so much City Council input. She said she also
360 would like to be educated on all the ways to pay for this. She said she is hoping there is a way to
361 do some funding that will not cost the City and residents a lot of money and they will not have to
362 do bonding on this.

363
364 Council Member Taylor suggested the City Council begin creating a timeline in the next few
365 meetings and the Public Works Committee create a timeline of their own for the project side.
366 Once they are both completed they can create an overall larger timeline.

367
368 Mayor Harris said the notion that they will have parallel activities taking place is well founded.
369 He said he appreciates Council Member Taylor bringing this up so they are taking care of these
370 kinds of things instead of realizing later on they have missed a step.

371
372 Council Member Fawson commented they are all eager to see it (Public Works Facility) move
373 forward and doesn't think any of us want to see this delayed for any reason.

374
375 Council Member Bigler asked if they could put on their next agenda to discuss different
376 financing options. He said last year the administration chose the utility bond. He said he would
377 like to discuss with current Council as to why that was deemed best and what the pros and cons
378 are.

379

380 Ron Chandler said there are several different types of debt instruments such as the general
381 obligation bonds, utility rates, and sales tax revenue bonds. He said there are experts that go
382 beyond his expertise and they have talked about inviting them to come to a City Council
383 meeting. These experts can talk about the mechanics of each option and discuss the advantages,
384 disadvantages, and timelines associated with them. He said there are things as far as how you
385 are going to do this whether it will be done through a competitive bid or a private bond
386 placement. Ron Chandler said they have already talked about a couple of people they think can
387 give them some outstanding education without the feeling they are being pushed into a sale of a
388 certain type. Council Member Bailey said that would be his concern; that they need to make sure
389 it is someone who is objective. Ron Chandler said there is one firm in particular and they have
390 even identified who in that firm would be a good person because they are very low key and they
391 will not be high pressure on a sales type of thing.
392

393 Ron Chandler said the other thing Bryan Steele can work on is a general discussion of where
394 they are financially. He said there was much that came out of the audit report that was not
395 touched on that needs to be discussed, not only with this project but with other capital projects.
396 He said for example Kent Christiansen mentioned the ability they have to pay the amount that
397 was borrowed from the City's other funds for the RDA. He said the RDA borrowed money from
398 all the funds, but mostly the general fund. He said they have not been paying on that for the last
399 three or four years, but they have been able to accumulate enough cash to cover the RDA
400 expenses, which is the debt service on the pool plus the ability to use the cash to pay back those
401 loans. He said there is a lot of discussion Bryan Steele can lead us in as far as where the City is
402 financially.
403

404 Council Member Bailey said he felt the discussion on where the City is financially is irrelevant
405 to Kent Christiansen's discussion of the audit. He said he felt they would be able to take care of
406 those issues as they meet in the budget retreat.
407

408 Council Member Fawson said from his perspective, the public perception of the utility bond
409 option was that the utility bond was being used because there was no public involvement, there
410 was no bond election. He said they need to be careful when they are sending this message out to
411 the public. They need to be very clear on why they are choosing that bonding option. The
412 equalization of how the expense hits North Ogden residents as well as the people in the County
413 area that live within the City limits is one thing they have to consider. He said not only do they
414 need to be educated; they need to clearly convey that message to the public.
415

416 Council Member Bigler agreed and said he thinks discussing the different types of bonds should
417 be done in a City Council meeting rather than a budget retreat.
418

419 Council Member Taylor said what Council Member Bigler said makes a lot of sense. He asked
420 if it would be possible to have the bonding discussion in two weeks. He asked if that is
421 adequate time to prepare. Ron Chandler said he thinks so and will follow up and make sure they
422 can get someone here. He said they can get into the details of the budget retreat in the following
423 week, but that still enables them to create a draft timeline by the end of January for the financial
424 side. He said they can ask Brent Chugg when the Public Works Committee will have the project

425 timeline ready. He said the financial side has impact on things that would have to be done
426 depending on the type of financing that would be use.

427
428 Mayor Harris said he thinks the Council needs to understand the original proposal was on a fast
429 track. He said it was felt that interest rates were low and construction costs were low and it was
430 an optimal time to build a much needed new facility. He said they had no idea there would be a
431 recession or the interest rates, bonding rates, construction rates would stay as low as they were
432 for as long as they have. He said they had a professional financial advisor and he was the one to
433 go with utility bonds. He said they always knew they did not have to have an election to do that
434 and that was intended because they were on a fast tract. He said there was never any intention to
435 keep information from the public or to avoid public involvement. He said they made a huge
436 effort in his mind to involve the public and what he has heard from a lot of folks talking are
437 things they tried to do. He said it is easy to talk about public involvement it is a lot harder to get
438 it accomplished. He said he thinks they need to go forward, they need to be positive and
439 understand why some things happened in the past and they did not work for various reasons. He
440 said the underlying cause of this whole thing was the fact that they wanted to take advantage of
441 low interest rates and low construction costs. He said it was felt that it was urgent they do that at
442 the time.

443
444 Council Member Bigler said the Public Works Committee is moving forward and it is going very
445 well. He said there are great Committee members and they are brainstorming and coming up
446 with some great things. He said it is moving and taking shape regardless of the issues last year.
447 He said they are moving forward and it will be done for the best possible price.

448
449 Council Member Taylor mentioned on page 3 of the timeline he put what the options were. He
450 said after today's discussion there is a fourth option they could add. He said last year in one of
451 the Public Works Facility Committee meeting he had asked if they could use some of the excess
452 funds from the enterprise funds as a loan to the Public Works Facility to reduce the amount of
453 the bond or potentially eliminate the need for a bond entirely. They would have to raise the
454 utility rates to rebuild the fund status but it would be for a shorter time period than paying back a
455 bond and there would be no interest. He asked staff to research the options of a general
456 obligation bond, a utility revenue bond, a savings program, and using funds in the utility funds as
457 a loan and raising utility rates to pay it back. He said borrowing from the utility funds would be
458 paid off a lot sooner and with a lot less interest than a bond.

459
460 Council Member Bailey said it seems Ron Chandler has some other options in mind and
461 suggested they listen to those as well.

462
463 Council Member Bigler said they want to look at every possible option. He suggested anything
464 they discuss as far as financing this project they discuss it in a public City Council meeting rather
465 than in the budget retreat. Council Member Bailey and Council Member Fawson agreed.

466
467 Mayor Harris said they need to have this timeline on the next Public Works Committee meeting
468 agenda and they will discuss various financial tools they can use in their next City Council
469 meeting.

470

471 Council Member Bigler said as far as the financial tools, it is great when they can get it, but he
472 realizes that Bryan Steele and Ron Chandler are busy with tasks for the budget retreat. He said
473 he would be fine if they discussed the financial options at the City Council meeting after the
474 retreat. He said they have so much to do he would hate to add more unless they feel they can do
475 it. Ron Chandler said as far as the types of debt instruments they will be fine inviting someone
476 to come to the City Council meeting. He said the other items will come up during the budget
477 retreat.

478
479 **6. DISCUSSION AND/OR ACTION REGARDING HOLDING A BOND ELECTION FOR**
480 **THE PUBLIC WORKS PROJECT.**
481

482 Mayor Harris stated this agenda item was covered with agenda item 5.
483

484
485 **7. CONSIDERATION TO ENTER INTO A CLOSED MEETING TO DISCUSS THE**
486 **PURCHASE OF REAL PROPERTY, AND THE CHARACTER AND PROFESSIONAL**
487 **COMPETENCE OF AN INDIVIDUAL. §UTAH CODE 52-4-205.**
488

489
490 Council Member Bailey moved to enter into a closed meeting to discuss the purchase of real
491 property and the character and professional competence of an individual § Utah Code 52-4-205.
492 Council Member Bigler seconded the motion.
493

494 Voting on the motion:
495

496 Council Member Bailey	aye
497 Council Member Bigler	aye
498 Council Member Fawson	no
499 Council Member Stoker	aye
500 Council Member Taylor	aye

501
502 The motion passed 4 to 1.
503

504 The City Council recesses at 7:41pm and convened in a closed session.
505

506 The City Council reconvened in an open session at 8:37pm.
507

508
509 **8. DISCUSSION AND/OR ACTION TO CONSIDER EXPENDITURES RELATING TO**
510 **THE PROPOSED PUBLIC WORKS FACILITY.**
511

512
513 | Council Member **Bailey** moved to approve \$4000 to be used for earnest money and up to \$25,000
514 for due diligence on properties they would be making offers on and to authorize the Mayor to
515 negotiate up to \$556,000 on behalf of the City. Council Member Bigler seconded the motion.
516

517 Council Member Taylor asked if they can give an explanation for the motion to let the public know what
518 they are doing and there are safeguards in place.
519

520 Council Member Bigler agreed and said he would ask Dan Nixon to do the same so it is not misconstrued
521 that they are obligated in buying property because they are not.
522

523 Dan Nixon said they are attempting to buy two properties with due diligence for periods that allow us to
524 exclude one of the properties after a period of time. He said the way they are structuring it is so they can
525 due diligence on two properties instead of one to better find the best property. He said they will be able to
526 take care of due diligence at that time.
527

528 Council Member Bigler added the due diligence includes the prep work for the property itself to see if
529 there are any problems that would cost the City more. He clarified that they are not purchasing any
530 property at this time. Dan Nixon confirmed and stated that he represents the Public Works Committee.
531 He said he is a licensed realtor and his brokerage is representing the City on a volunteer basis. He said
532 legally he wanted to declare that and divulge. He said having two properties under contract instead of one
533 is an advantage to the City in having an opportunity to look at them and have a hard number and a good
534 comparison. He said both sites are in his opinion feasible and will be functional in building this building.
535

536 Cheryl Stoker asked if once a decision has been made on a property, they will lose any of that money.
537 Dan Nixon replied no, not up through the first due diligence period. He said both property owners know
538 that and they know the City can withdraw their offer and have the City's money refunded during that first
539 period of time no matter what the reason. He said that keeps it so the City can have the property tied up
540 to prevent it from being sold out from under the City.
541

542 Council Member Bigler clarified the City will be putting \$2000 on each of the properties just so they
543 don't sell them and it will allow the City to take 60 days to look at them and evaluate the land and so
544 forth. If they decide not to purchase it they will get the entire \$2000 back. Dan Nixon confirmed and
545 added it is similar to an option agreement. Council Member Bigler clarified the City Council will need to
546 vote on any expenditures in a public meeting. Dan Nixon confirmed and added that he would like the
547 City Council to know the Public Works Committee is not finished looking at other properties. He said
548 they will continue to due diligence on other properties besides the two they would like to go into contract
549 with.
550

551 Council Member Taylor thanked Dan Nixon and said it is important to have this discussion to note they
552 are being careful in how they look at property. He said in the way this is put together the City will be able
553 to do that work to see what the other costs may be while still having the option to get that property. He
554 said this is a wise approach and thanks to Dan Nixon, Council Member Bigler for working on this
555 property piece.-
556

557 **Voting on the motion:**
558

559 **Council Member Bailey** **aye**
560 **Council Member Bigler** **aye**
561 **Council Member Fawson** **aye**
562 **Council Member Stoker** **aye**
563 **Council Member Taylor** **aye**
564

565 **The motion passed unanimously.**
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568 **9. PUBLIC COMMENTS.**
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570 There were no public comments.

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10. CITY COUNCIL, MAYOR, AND STAFF COMMENTS.

Council Member Bailey said he would like to thank Dan Nixon for his service on the Public Works Committee and for volunteering his professional services and expertise on behalf of the City. He said he spoke with Brett Chugg and he had spoken with a number of others who have volunteered their time and professional services to help the City.

Council Member Fawson said he thinks Dan Nixon and Council Member Bigler have done some awesome work. He said he is really excited about the options the City has and thinks residents will be also. He mentioned that he had been talking to Tiffany Staheli about the option of having a ski program for the youth that is part of their recreation program. He said she has reached out to some of the local resorts. He said many of their neighboring cities and some of the cities along the Wasatch front partner with resorts to offer this type of ski or snowboard education to their youth. He said they typically do it on a short school day and bus them to resorts to give them lessons. He said obviously they negotiate pricing with the resort to offer a reduced rate to the kids. He said Tiffany Staheli has done some research on that and he would like to present that to the City Council at a future date.

Council Member Bigler thanked Dan Nixon and everyone. He said in different steps along the way there will be different expertise that will be shown. He said he appreciates working with Dan Nixon on this. He said they are not prepared at this time to talk about everything that is in the works but it is exciting and moving along. He said there are some in the community they have talked to that are willing to use their expertise to help the City with various parts of the project, which will save the City money in various areas as well; it is exciting and it is moving along and he said he appreciates the cooperation of everyone in doing that. He said he wanted to mention that both his 7th grade and his 9th grade daughters have said their new principal is awesome, he is young and he understands them. He said about a week later they told him that their new principal is Mayor Harris's son. He said he thought that was pretty cool and wanted to pass that along and congratulate Mayor Harris and his wife for raising a good boy. Mayor Harris thanked him and said he thinks that is one reason he is where he is because he can get along with kids. He said he is a good kid and thanked Council Member Bigler.

Council Member Stoker said she thinks they had a good discussion tonight and things are moving forward with the Public Works Committee. She said it is exciting and they are moving forward. She thanked Dan Nixon and Council Member Bigler.

Council Member Taylor commented on the audit and said they have it done once a year by an outside auditing firm. He said it is good to know they have an outside professional looking at their procedures and accounts. He said North Ogden City is in good financial shape and given the economic conditions he would say the City is in excellent financial shape. He said that is attributed to staff, Mayor, City Council, and many years of staff and Council who have gotten North Ogden City to this point. He said it is important they have that audit and it shows the City is in good financial shape, which is great to know because it leaves a lot of options open for their future.

Mayor Harris echoed the thanks that have already been stated.

11. ADJOURNMENT.

Council Member Fawson moved to adjourn the meeting. Council Member Stoker seconded the motion.

Voting on the motion:

622 Council Member Bailey aye
623 Council Member Bigler aye
624 Council Member Fawson aye
625 Council Member Stoker aye
626 Council Member Taylor aye

627
628 The motion passed unanimously.
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630 The meeting adjourned at 8:50 pm.
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632
633 _____
634 Richard G. Harris, Mayor
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636
637 _____
638 S. Annette Spendlove, MMC
639 City Recorder
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641 _____
642 Date Approved

NOT APPROVED