

## NORTH OGDEN CITY COUNCIL MINUTES

October 22, 2013

The North Ogden City Council convened in an open meeting on October 22, 2013 at 6:30 p.m. 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 October 17, 2013. Notice of the annual meeting schedule was published in the Standard-Examiner on January 30, 2013.

PRESENT:	Richard Harris	Mayor
	Kent Bailey	Council Member
	Wade Bigler	Council Member
	Justin Fawson	Council Member
	Cheryl Stoker	Council Member
	Brent Taylor	Council Member
STAFF PRESENT:	Ronald F. Chandler	City Manager
	S. Annette Spendlove	City Recorder/ H.R. Director
	Jon Call	City Attorney
VISITORS:	Mike Carter	Jim Suhr
	Blake Welling	Joan Brown
	Don Brown	Charles Crippen
	Jim Urry	Brian Russell
	Bob Campbell	Joe Horne
	Tyrell Horne	Bob Buswell
	Michael Dufrene	Gary Attebery
	Tom Baguley	Rachel Trotter
	Brianna Avendano	Chelsea Schuster
	Gayle Harris	Brent Chugg
	Kevin Burns	

Mayor Harris welcomed those in attendance.

Council Member Taylor offered the invocation and led the audience in the Pledge of Allegiance.

### **CONSENT AGENDA**

- 1. Consideration to approve the minutes of the September 24, 2013 City Council Meeting**
- 2. Consideration to approve the minutes of the October 8, 2013 City Council Meeting**
- 3. Consideration to approve business licenses**

Mayor Harris announced there are a number of changes to be made to the minutes of September 24 and October 8, 2013; therefore, he pulled items one and two from the consent agenda.

**Council Member Bailey moved to approve item three of the consent agenda (business licenses). Council Member Taylor seconded the motion.**

**Voting on the motion:**

**Council Member Bailey     aye**  
**Council Member Bigler     aye**  
**Council Member Fawson    aye**  
**Council Member Stoker     aye**  
**Council Member Taylor     aye**

**The motion passed unanimously.**

**AGENDA**

**1. PUBLIC COMMENTS**

Michael Dufrene, 587 E. 3600 N., approached the Council.

Mayor Harris stated Mr. Dufrene has addressed the Council several times regarding the same issue and he is not sure what public purpose is being served by his comments; the issue is between Mr. Dufrene and Council Member Bigler and it is not necessary to continue to discuss it during a Council meeting. Mr. Dufrene stated the issue has grown and tonight will be the last time that he will address the Council. Mayor Harris cautioned Mr. Dufrene to keep his comments civil and brief.

Mr. Dufrene stated just when he thinks that the issue is going to die down, Council Member Bigler continues to provide him with more items that he would care to talk about. He stated he has prepared a written statement and he read from the statement (see attachment A).

Council Member Bigler responded to Mr. Dufrene's comments and stated that he has no ill will or bad feelings towards Mr. Dufrene. He noted Mr. Dufrene stated that he had sent six emails to him with no response, yet a previous Standard-Examiner article referenced emails back and forth between Mr. Dufrene and Council Member Bigler. He stated that Mr. Dufrene claimed that Council Member Bigler had sent an email to all Council Member's with the exception of Council Member Taylor, but that is actually what Mr. Dufrene did and he does not know why Council Member Taylor was excluded. He stated that is why his response said that he was sending the email to everyone that Mr. Dufrene had sent it to. He also asked City Manager Chandler to explain how the documents provided to the Council and the appellants differed. Mr. Chandler explained that there were 102 total documents; for the City Council 1 thru 74 were sent in one batch and the second batch included documents 75 thru 102. He noted the documents were delivered in smaller batches to the appellants. Council Member Bigler then stated that all documents were required and have been retained for the legal appeal proceeding. He added he is finished addressing the issue with Mr. Dufrene and he apologized to those that have witnessed its evolution.

Mayor Harris stated State Law declares that minutes of a City Council meeting shall be a summary of what was said during the meeting. He noted the City has gone further than that in the past as a result of some contention and it has almost gotten to the point that staff was providing a verbatim copy of what was said during a meeting. He noted it is important to be careful when considering minutes because it is

natural for someone to say “you” or “you guys” during a meeting and the person transcribing the minutes will use the person’s name that was being addressed as “you” or “you guys” in order to offer clarity for those reading the minutes. He reiterated minutes of a meeting are meant to be a summary and staff is going to get back to providing more of a summary because the City does not have the resources to provide verbatim minutes of meetings that typically last two or three hours; State Law requires that the audio recording of a meeting be available to the public two days after the meeting and that law will be complied with. He added eventually the audio recordings will actually be available on the City website and they will give the public the ability to understand the actions taken by the Council. He noted the recordings of the meetings are not the official record, instead the minutes are the official record and they are not official until approved by the City Council. He reiterated in the future the minutes will be a summary of what was said during a meeting; it is unfortunate that these types of controversies arise, because they are typically misunderstandings. He stated it is important to do things correctly and that is what the City has always strived to do. He added the Council is grateful for the citizens of the City and is always mindful of listening to what they have to say, but sometimes that can be taken too far and it is necessary to end the problem.

Charles Crippen, 3576 N. 575 E., stated he has also provided a written copy of his statement and he then read from the statement (see attachment B).

Mr. Chandler stated that he received an email today from a resident, Dan Nixon, pertaining to the upcoming election and Public Works Committee meetings. He asked that his statement be read during the meeting and included in the minutes; after a discussion with the City Attorney a decision was made to provide a copy to each Council Member and attach it to the minutes of the meeting (see attachment C).

Council Member Fawson asked if all Council Members were copied on the email. Mr. Chandler answered yes and noted the members of the Public Works Committee were also copied.

## **2. DISCUSSION REGARDING REFINANCING THE AQUATIC CENTER BONDS**

A memo from the Finance Director explained City Administration has been considering refunding the current bond on the Aquatic Center. The current bonds are not callable (cannot be bought back from bondholders) until November of 2014, but a new bond can be issued now to capture today’s low interest rates but with a cost. Alan Westenskow from the Zion’s Bank Public Finance department will make a presentation on the subject.

City Manager Chandler summarized the staff report and turned the time over to Mr. Westenskow. Mr. Westenskow used the aid of a PowerPoint presentation (see attachment D) regarding the process of bond refinancing. The presentation indicated that if the Aquatic Center bond is refinanced the City will realize annual savings of \$18,121 for a total savings of \$199,000 over the life of the bond – or the next 11 years. In today’s dollar, that would equate to \$172,000.

Council Member Taylor asked for clarification of the coupon rate mentioned in the presentation. Mr. Westenskow stated a coupon rate is the weighted average of the various rates applied to the bond over the life of the bond.

Council Member Bailey asked if the anticipated savings take into account things like loan origination and all other types of fees associated with the refinance. Mr. Westenskow answered yes and briefly highlighted the various fees associate with the refinance. He then continued reviewing his PowerPoint presentation and focused on the reasons why the City could potentially opt to not refinance the bonds.

Council Member Taylor clarified he believes the actual savings would be closer to \$150,000, due to the fact that the \$50,000 in arbitrage fees would be deducted from the anticipated \$199,000 in savings and he asked if that amount is based on today's financial information. Mr. Westenskow answered yes and noted that if the City could refinance without encountering any negative arbitrage, the savings would actually be \$250,000. He clarified that the \$199,000 in anticipated savings actually already takes into account the \$50,000 in negative arbitrage. He added that it would be possible for the City to lock in the refinance at the interest rate included in the PowerPoint presentation and the City would realize \$245,000 in savings. He added he has been conservative in his projections, but all of his projections are based on actual dollar amounts and interest rates. There was a brief discussion regarding the elimination of arbitrage charges offsetting a higher interest rate, after which Mr. Westenskow continued reviewing his PowerPoint presentation. He focused on the details of the process to complete a bond refinance.

City Manager Chandler noted the City was recently assigned a bond rating and he asked if that will help the City avoid further steps to rate the bond to be refinanced. Mr. Westenskow stated it will still be necessary to get the bond rated, but the process will only cost approximately \$7,000 to \$8,000.

Council Member Taylor asked for an explanation for Mr. Westenskow's claim that the bond refinance will not be a new City debt, even though the old bond will not be paid off for another year. Mr. Westenskow stated that since the bond will be reinvested in securities that are going to be paid off, the liability is offset by a reinvestment that cancels out the new debt. He explained the money will not be used for a new project, instead it will be used to pay off an old bond. He continued reviewing his PowerPoint presentation.

Council Member Bigler stated the bond will be called next November and he asked if the City has leeway to lower the term as well as look at different interest rates. Mr. Westenskow answered yes. Council Member Bigler stated he would prefer to keep the payment amount the same and pay the bond off faster. Mr. Westenskow stated that is definitely a possibility and he provided an explanation of other options that are also available to the City.

Mr. Chandler inquired as to the call provisions for a 10 or 11 year bond. Mr. Westenskow stated that the bond market would typically require another 10-year bond provision and the bonds will be non-callable. He stated the City would have more flexibility with a private placement bond and the City could even have the option to pay off a bond early or refinance again. He then completed his review of the process and next steps to take in the event the Council chooses to refinance the bond, with a few questions from Mr. Chandler regarding preparation to begin the refinance process. Mr. Westenskow stated the City will not be charged for any services provided by Zion's Bank until the refinance is finalized.

Mr. Chandler addressed the Council and stated staff would like some direction from the Council regarding whether to proceed with the process to refinance the bond. Council discussion regarding the request commenced with the outcome being that the Council and Mayor directed staff to proceed with the initial steps in the process to refinance the bond.

Council Member Bigler stated that the original bond is not callable and he asked if the City will be paying two bond payments – one on the original bond and one on the new bond – until it is legal to pay off the original bond. Mr. Westenskow stated the City will be paying the payment for both bonds in one payment. He also provided a brief explanation regarding why some bonds are not callable in response to a question from Council Member Bailey.

### **3. DISCUSSION AND/OR ACTION TO CREATE A CULTURAL COUNCIL**

A memo from the Parks and Recreation Director provided the RAMP guideline for a cultural organization required to apply for arts/museum RAMP grants as follows:

"Cultural Organization" means a private nonprofit organization or institution or administrative unit thereof having as its primary purpose the advancement and preservation of natural history, art, music, theater, dance, literature, motion pictures or storytelling. Cultural Organization also includes a municipal or county cultural council having as its primary purpose the advancement and preservation of history, natural history, art, music, theater or dance. "Cultural organization" does not include any agency of the state, any political subdivision of the state, or any educational institution whose annual revenues are directly derived more than fifty percent from state funds, any radio or television broadcasting network or station, cable communications systems, newspaper, or magazine (U.C.A. § 59-12-702(4)).

Jon Call, City Attorney stated that he has reviewed and stated that if the City Council chooses to appoint its members as the Cultural Council it is within the guidelines.

Ms. Staheli summarized her memo and Council discussion of the staff recommendation to appoint the Council as the Cultural Council ensued. Ms. Staheli noted it is fairly common for cities to appoint their City Council as their Cultural Council members. City Attorney Call stated that it is necessary to first create the Cultural Council before appointing members. He added that after each election it will be necessary to appoint the new members of the Governing Body as Cultural Council members. He noted the Cultural Council will be bound by the Open and Public Meetings Act as a public body.

Discussion of the relationship between the Cultural Council and those currently working to secure RAMP funding for North Ogden City ensued, with Council Member Bigler stated he would like for those people to continue to be involved with the Cultural Council based on their success in the past.

**Council Member Bailey made a motion to create a North Ogden City Cultural Council and appoint the sitting members of the City Council as the Cultural Council Members. Council Member Taylor seconded the motion.**

#### **Voting on the motion:**

<b>Council Member Bailey</b>	<b>aye</b>
<b>Council Member Bigler</b>	<b>aye</b>
<b>Council Member Fawson</b>	<b>aye</b>
<b>Council Member Stoker</b>	<b>aye</b>
<b>Council Member Taylor</b>	<b>aye</b>

**The motion passed unanimously.**

A brief discussion regarding potential RAMP grant applications to be received in the coming fiscal year took place.

#### **4. DISCUSSION AND/OR ACTION REGARDING BOOTH FEES AT CHERRY DAYS**

A memo from the Parks and Recreation Director explained that in researching the procedures of other cities and town festivals, it appears that most charge a higher registration fee for vendors who plan to sell food products than for vendors who sell wares.

Vendors who sell food products require more of our staff time to accommodate their booth placement, dispose of waste, and cleanup after the festival.

Electricity at North Ogden Park is available only in certain areas of the park. It requires extra time and staffing to accommodate electrical needs, and the current electrical fee is not regulated as to the amount of electricity provided.

#### **FEES**

Basic Booth	\$60.00 (already on fee schedule)
Food Booth	\$80.00
Electricity (1 outlet, 110 volt)	\$15.00 (current fee \$10)
Extra Electricity (1 outlet, 110 volt)	\$15.00 Subject to Availability

The memo concluded this information is being presented for Council consideration for our fees for the Cherry Days 2014 celebration.

Ms. Staheli summarized her memo and Council discussion of the proposal ensued and Council Member Fawson proposed that the fees be waived for civic organizations whose proceeds will eventually be given back to the City. Council Member Bigler agreed. Ms. Staheli provided the Council with an update regarding continuing discussions she has been having with the Civic League in order to ensure they are still interested in participating in the Cherry Days celebration.

Mayor Harris expressed his concern regarding providing fee waivers or exceptions to certain organizations and he asked Mr. Call if he could provide a recommendation to the Council at a future date regarding how to address fees for service organizations.

**Council Member Fawson made a motion to approve the proposed amendment to the North Ogden City Consolidated Fee Schedule. Council Member Bailey seconded the motion.**

#### **Voting on the motion:**

**Council Member Bailey     aye**  
**Council Member Bigler     aye**  
**Council Member Fawson     aye**  
**Council Member Stoker     aye**  
**Council Member Taylor     aye**

**The motion passed unanimously.**

**5. DISCUSSION AND/OR ACTION TO CONSIDER AN ORDINANCE AMENDING THE NORTH OGDEN CITY PURCHASING POLICY**

A memo from the Finance Director explained it has been 10 years since the last Purchasing Policy update. Here are a couple of the reasons for the update:

- In the current purchasing policy the capitalization threshold is \$500. In the proposed purchasing policy the new threshold is \$5,000
- The current threshold requiring the City Manager’s signature approving invoices is \$500. We are proposing increasing that amount to \$2,500.
- Increasing the amount before formal competitive bidding is required. The amount is currently \$12,000. We are proposing increasing that limit to \$25,000. We are also increasing the limit of when three (3) informal bids must be obtained from \$2,500 to \$3,000.
- Added as a factor in the Choosing by Advantage decision making process when analyzing competitive bids, is whether a business has an operation in North Ogden City.

Mr. Steele summarized his staff memo.

Council Member Bailey asked for an explanation of the difference between formal competitive bids and informal bids. Mr. Steele explained when gathering informal bids an employee can call three vendors and ask for a bid while in a formal bid it is necessary to publish an advertisement in the newspaper asking for sealed bids for a project or service.

Council discussion of the proposal ensued with a focus on how the proposed changes compare to policies used in other cities and Mr. Chandler provided some examples of how some of the policies would be employed by staff. There was extensive conversation regarding concerns expressed about the proposed changes relating to informal and formal bidding requirements. Council Member emphasized his concerns that the informal bid process does not provide for as many contractors or companies to submit a bid on a given project due to the fact that the employee gathering the bid can select the three companies he or she will obtain a bid from. Council Member Bailey suggested the implementation of an intermediate bid threshold amount and when a project or supply purchase reaches that amount the City will take additional steps to advertise the project or solicit bids, such as advertising the project or potential purchase on the City’s website. Council Members Taylor and Bigler agreed and asked Mr. Chandler to research the proposal.

Council Member Bailey ultimately recommended that the item be tabled to give staff additional time to research the suggestion from Council Member Bigler.

**Council Member Bailey moved to table consideration of an ordinance amending the North Ogden City Purchasing Policy. Council Member Stoker seconded the motion.**

**Voting on the motion:**

**Council Member Bailey     aye**  
**Council Member Bigler     aye**  
**Council Member Fawson    aye**  
**Council Member Stoker    aye**  
**Council Member Taylor    aye**

**The motion passed unanimously.**

**6. DISCUSSION AND/OR ACTION TO CONSIDER AUTHORIZING FUNDS TO CONSTRUCT A STORM DRAIN LINE THAT WILL COLLECT WATER FROM A SHALLOW WELL AND CONVEY IT TO NORTH OGDEN'S STORM DRAIN SYSTEM ON PLEASANT VIEW DRIVE**

A memo from the City Manager explained the Public Works Facility Committee recommends that the City Council authorize funding to construct a storm drain line that will collect water from a shallow well and convey it to North Ogden's storm drain system on Pleasant View Drive. The estimated cost for this project is \$35,500. A map was included in the Council packet to identify the approximate location of the pipe.

Mr. Chandler reviewed his memo.

Council Member Taylor inquired as to the timeframe of the project. Mr. Chandler explained bid documents have been prepared and the bid opening will likely be held in approximately two weeks. Council Member Bailey stated his understanding is that the project is somewhat urgent. Mr. Chandler agreed. Council Member Bailey asked if it will be possible to use Public Works employees to do the project. Mr. Chandler stated that he has considered proceeding in that fashion, but there are many factors to consider. Council Member Bigler stated he would like the Administration to seriously consider using City employees to complete the project, especially if the cost savings could be significant.

**Council Member Bailey moved to authorize up to \$35,000 to construct a storm drain line that will collect water from a shallow well and convey it to North Ogden's storm drain system on Pleasant View Drive. Council Member Taylor seconded the motion.**

**Voting on the motion:**

**Council Member Bailey     aye**  
**Council Member Bigler     aye**  
**Council Member Fawson     aye**  
**Council Member Stoker     aye**  
**Council Member Taylor     aye**

**The motion passed unanimously.**

Council Member Bigler asked that the Council be notified of the ultimate decision made by the Administration.

**7. PUBLIC HEARING TO RECEIVE PUBLIC COMMENT ON AMENDMENTS TO THE 2013 2014 FISCAL YEAR BUDGET**

A memo from the Finance Director explained each year amendments to the current fiscal year budget are necessary to cover expenditures not accounted for in the original budget. The City Council packet for the meeting included a detailed explanation of the proposed budget amendments.

Mr. Steele reviewed his staff memo and the list of budget amendments included in the Council packet and addressed brief questions from the Council throughout his review.



Council Member Fawson inquired as to the overall impact to the City's general fund. Mr. Steele stated the general fund balance is \$1.2 million, which is a reserve of 22 percent. He stated the water, sewer, and storm water funds each have a balance exceeding \$1.5 million, while the solid waste fund has a balance of approximately \$100,000. Council Member Fawson asked if staff believes the fund balances are healthy. Mayor Harris answered yes and noted that the City's fund balance last year was limited at 18 percent, but recent legislation provides for the fund balance to be up to 25 percent. He stated the fund balance is 22 percent.

Council Member Bigler asked if the balance is at 22 percent after the deduction of \$2.2 million for the Public Works Facility project. Mr. Steele answered yes.

Mayor Harris opened the public hearing at 8:27 p.m. There were no persons appearing to be heard and he called for a motion to close the public hearing.

**Council Member Fawson moved to close the public hearing. Council Member Stoker seconded the motion.**

**Voting on the motion:**

**Council Member Bailey     aye**  
**Council Member Bigler     aye**  
**Council Member Fawson     aye**  
**Council Member Stoker     aye**  
**Council Member Taylor     aye**

**The motion passed unanimously.**

**8. DISCUSSION AND/OR ACTION TO CONSIDER AN ORDINANCE AMENDING THE 2013-2014 FISCAL YEAR BUDGET**

**Council Member Fawson moved to approve ordinance 2013-15 amending the 2013-2014 Fiscal Year Budget. Council Member Bailey seconded the motion.**

**Voting on the motion:**

**Council Member Bailey     aye**  
**Council Member Bigler     aye**  
**Council Member Fawson     aye**  
**Council Member Stoker     aye**  
**Council Member Taylor     aye**

**The motion passed unanimously.**

**9. DISCUSSION AND/OR ACTION TO CONSIDER CANCELING DECEMBER 24, 2013 CITY COUNCIL MEETING**

**Council Member Bailey moved to cancel the December 24, 2013 City Council Meeting. Council Member Stoker seconded the motion.**

**Voting on the motion:**

<b>Council Member Bailey</b>	<b>aye</b>
<b>Council Member Bigler</b>	<b>aye</b>
<b>Council Member Fawson</b>	<b>aye</b>
<b>Council Member Stoker</b>	<b>aye</b>
<b>Council Member Taylor</b>	<b>aye</b>

**The motion passed unanimously.**

**10. PUBLIC COMMENTS**

Jim Urry, 1615 N. Mountain Road, requested that staff have a laser pointer at future Council meetings in order to direct citizens' attention to the items being reviewed by the Council on the overhead screen.

**11. CITY COUNCIL, MAYOR, AND STAFF COMMENTS**

Council Member Taylor thanked staff for making the Zion's Bank presentation available for viewing on the overhead screen.

Council Member Bigler thanked Mr. Steele and Ms. Staheli for the items they presented this evening and for the work they have been doing for the City.

Council Member Fawson thanked staff for adding signage informing voters that early voting started today. He asked for a report regarding the voter turnout so far. City Recorder Spendlove stated there were more early voters today, on the first day of early voting, than during the entire early voting period for the Primary Election.

Council Member Bailey stated the voting signs have created some confusion because people are not aware of the early voting period. He stated that the signs have created some excitement in the least.

Mayor Harris stated early voting will run the rest of this week and then Monday thru Friday next week; the hours of voting are from 9:00 a.m. to 4:00 p.m. Council Member Fawson stated the hours are not very accommodating to residents that work a full time job and he suggested that there be some consideration given to changing the hours for future elections. Ms. Spendlove stated she will review the Election Code to determine if that is possible. Mayor Harris reported that the hours on General Election Day will be from 7:00 a.m. to 8:00 p.m.

Mayor Harris reported there will be a ribbon cutting event for the new Quail Meadow Assisted Living Facility on Thursday at 5:00 p.m. He provided a few details about the event and encouraged the City Council Members to attend.

**12. ADJOURNMENT**

**Council Member Bigler moved to adjourn the meeting. Council Member Fawson seconded the motion.**

**Voting on the motion:**

**Council Member Bailey     aye  
Council Member Bigler     aye  
Council Member Fawson     aye  
Council Member Stoker     aye  
Council Member Taylor     aye**

**The motion passed unanimously.**

**The meeting adjourned at 8:40 p.m.**

---

Richard Harris, Mayor

---

S. Annette Spendlove, MMC  
City Recorder

---

Date Approved