

CLEARFIELD CITY COUNCIL MEETING MINUTES
6:00 P.M. WORK SESSION
January 17, 2012

PRESIDING:	Don Wood	Mayor
PRESENT:	Kent Bush	Councilmember
	Mike LeBaron	Councilmember
	Kathryn Murray	Councilmember
	Mark Shepherd	Councilmember
	Bruce Young	Councilmember
STAFF PRESENT:	Adam Lenhard	City Manager
	Brian Brower	City Attorney
	JJ Allen	Assistant City Manager
	Greg Krusi	Police Chief
	Mike Stenquist	Assistant Police Chief
	Adam Malan	Police Lieutenant
	Scott Hodge	Public Works Director
	Eric Howes	Community Services Director
	Randy Goodnight	Parks & Building Superintendent
	Gary Cohen	Recreation Manager
	Curtis Dickson	Recreation Supervisor
	Natalee Flynn	PR/Special Events Coordinator
	Bob Wylie	Administrative Services Director
	Sean Montierth	IT Manager
	Summer Palmer	Human Resource Manager
	Jessica Hardy	Accounting Technician
	Brian Hogge	Accountant
	Nancy Dean	City Recorder
	Kim Read	Deputy City Recorder
EXCUSED:	Valerie Claussen	Development Services Manager

VISITORS: Steve Rush– Rocky Mountain Power

Mayor Wood called the meeting to order at 6:05 p.m.

DISCUSSION ON A ROCKY MOUNTAIN POWER EASEMENT

Mayor Wood introduced Steve Rush, Rocky Mountain Power, to the Council. He explained the substation located along 1000 West was in need of expansion for further electricity capacity for western development. He stated approximately three years ago meetings took place to determine how best to provide not only the needed electricity but the desired wattage. He emphasized there were challenges in providing the wattage of needed power and complying with required clearances mandated by code.

Councilmember Shepherd arrived at 6:10 p.m.

Mr. Rush reported Rocky Mountain Power worked with the property owner, Property Reserve Inc. (PRI), in conjunction with UDOT for use of the proposed SR 193 extension right-of-way to solve the clearance issue. He continued once the power lines passed the transmission corridor, the Davis County Canal property would be accessed continuing the power corridor to the proposed new substation located further west. He mentioned a new power corridor would eventually be used to connect into the canal corridor for the transmission line to the proposed new substation. He stated the new power corridor would eventually continue north from the western substation to 12th street. He emphasized Rocky Mountain Power was not expanding its power corridors in anticipation of growth; rather, the corridors were expanded because growth had already taken place and the power demand was evident.

Councilmember Bush inquired if the existing power poles located along 1000 West would be used or if new poles would be installed. Mr. Rush responded there were power poles along 1000 West currently which would be removed and new ones would be installed.

Mayor Wood commented about extending the power corridor further to the west and wondered about the possibility of burying the power corridor. He believed Syracuse City would have aesthetic concerns regarding the overhead power lines in conjunction to raw land. He expressed his concern the new corridor could negatively impact further development and suggested the new power corridor go directly west from Clearfield's existing substation, taking advantage of the existing power corridor and then turn further west.

Mr. Rush responded Syracuse City was aware of Rocky Mountain Power's proposed plan and had not expressed concern. He continued the cost to bury the new power corridor would be prohibitive because of the high voltage of electricity it would carry and expressed his opinion the proposed corridor wouldn't negatively impact future development. He pointed out one major amenity of an industrial park was electricity transmission and believed it wouldn't affect future development. He also stated the proposed route at this time wouldn't impact any homes or trees along 1000 West and the extension of SR 193 would act as a buffer.

There were no additional questions from the City Council and Mr. Rush left the meeting at 6:21 p.m.

DISCUSSION ON THE FOURTH OF JULY FESTIVITIES

Councilmember Shepherd stated he had completed some research from neighboring municipalities specific to allowing beer at city sponsored events and stated he was prepared to report on the findings. He reported both Layton City and Bountiful City didn't allow beer sales in conjunction with city sponsored event. He stated he had spoken to Doolie's restaurant to

determine its willingness to participate in a wing fest without the sale of alcohol and indicated it had responded in the affirmative. He indicated other wing selling establishments had also agreed to participate without alcohol being sold at the event.

He reported Wing Coop had pointed out if alcohol were not available on the premises in conjunction with the wing fest, patrons would bring it with them; thereby, the City would have no control over consumption. He continued it was suggested the beer garden be located at the center of the wing fest with vendors located on the outer perimeter to discourage patrons from attempting to bring in their own alcohol. He believed the wing fest would be successful without the sale of alcohol and expressed his opinion the beer sales would significantly help fund the event. He stated Doolie's and Bogey's had expressed an interest in providing the beer sales; leaving the City out of it. Councilmember Shepherd announced a national wing selling establishment had officially decided to locate in Layton City and believed it would be interested in participating in a wing fest.

Adam Lenhard, City Manager, requested the Council's feedback on having the wing fest take place during the day in conjunction with the City's Fourth of July celebration.

Councilmember LeBaron was excused at 6:30 p.m.

Councilmember Young inquired how the City would allow for the sale of beer within the City park. Councilmember Shepherd expressed his opinion beer and alcohol was already in the park during the Fourth of July. Chief Krusi commented there was a significant police presence in the park on the Fourth of July and when an officer became aware of alcohol, usually when someone became inebriated, a citation was issued. He expressed confidence the police department could manage the crowd if beer sales were allowed. He also believed the beer garden would be easier to monitor and control the participants.

Councilmember Murray asked if the wing fest would be in place of other food vendors. Councilmember Shepherd remarked it would be in conjunction with the other food vendors and believed they would like the idea.

Mr. Lenhard requested clarification from the Council on whether it would like the wing fest event to take place at Fisher Park during the Fourth of July. He commented if that were the Council's desire, the City's alcohol ordinance would need to be considered. He pointed out the City's current ordinance prohibited a special beer permit for use in a City park.

Councilmember Bush believed the ordinance could include verbiage which specified the beer could be purchased and consumed at the wing fest. Chief Krusi pointed out the beer garden would only allow the purchase of two beers per person.

Mayor Wood asked what would be the City's goal and objective by having the wing fest. He believed the City's Fourth of July celebration had traditionally been promoted as a "family" event and expressed concern the introduction of a beer garden would change the character of the event. Councilmember Shepherd didn't believe people would avoid the Fourth of July activities due to the addition of a beer garden. He continued there would be other entertainment which would be a draw for patrons in addition to individuals participating in an amateur wing contest event which would be extremely family oriented.

Brian Brower, City Attorney, inquired if the ordinance amendment would allow alcohol for any special event permit within the park. Mayor Wood expressed concern about amending the ordinance to accommodate a specific event when other organizations could desire the same concession and didn't believe the City would want to weigh the merits to determine if a concession was warranted. Mr. Brower agreed with Mayor Wood's concerns and suggested the City consider allowing a concession specific to the Fourth of July event. He expressed concern the City could incur negative perceptions from the public if the ordinance were amended to benefit the City. Mayor Wood pointed out if neighboring communities weren't allowing beer sales in their parks for events, the City might gain the reputation for offering a special event permit with the beer sale allowance. He additionally commented an amendment such as that would negatively impact the police department.

Councilmember Shepherd inquired if the amendment could include verbiage requiring a police presence. Mr. Brower commented that would be appropriate to include in special event beer permit requirements. He emphasized his previous comments were specific to amending the ordinance.

Mayor Wood pointed out if neighboring cities had successful events without the allowance of alcohol sales why would the City want to consider amending its current ordinance. He stated he was not in favor of making the allowance given the possibility of experiencing unforeseen consequences in addition to creating a negative image for the City.

Councilmember Young stated he would want a controlled environment specific to allowing alcohol within the City park and inquired how much park space would be eliminated from the public for the firework display in exchange for the wing fest. Mr. Lenhard responded the south side of the park seemed to have the space he believed would be conducive to a wing fest event.

Councilmember Murray stated she would not be in favor of a wing fest event if it couldn't be done without allowing alcohol. Councilmember Bush stated the wing fest was a good idea. He said he would be in favor of having the event either with or without beer sales and believed the City could modify its ordinance in such a way as to offer beer sales in a controlled environment.

Mayor Wood continued to express his concern about negative perceptions of the City. Councilmember Murray stated she emphatically wouldn't be in favor of the event if it required that beer/alcohol be available; however, she was in favor of having a wing fest. Mayor Wood also stated the wing fest would be a great event and believed it could be successful without the availability of beer/alcohol and would better serve the community.

Councilmember Shepherd believed allowing beer/alcohol would enhance the event and suggested the event could be held near the holiday but not on the Fourth. He suggested the wing fest be named the Rocky Mountain Wings Fest because once the event was successful another organization might want to partner with the City's success.

Councilmember Shepherd emphasized the City wouldn't be involved with an alcohol festival; rather the City was allowing patrons of the wing fest a place to have beer in a designated area and shared examples of eating at other establishments in which beer was served or attending sporting events and believed patrons wouldn't be drinking in excess. Mayor Wood pointed out in both examples an ordinance should not be amended to only benefit one organization. Councilmember Shepherd pointed out the Oktoberfest and Fair Grounds allowed beer sales and believed Salt Lake City must have some allowance in its ordinance providing for it.

Councilmember Young cautioned the Council it wouldn't want to establish precedent specific to alcohol sales by amending its ordinance because of potential negative publicity. Mayor Wood believed the community as a whole would be supportive of the event without allowing beer sales. Councilmember Shepherd suggested the wing fest go forward this year without beer sales to determine if it would be necessary to allow for beer sales to make the event successful. Mayor Wood pointed out events such as this had to grow from year to year and believed it would take time to recognize a "successful" event. The Council agreed to proceed with the wing fest this year without allowing for alcohol sales.

DISCUSSION ON AMENDMENTS TO TITLE 11, CHAPTERS 3 AND 13, DEFINITIONS AND SUPPLEMENTARY REGULATIONS

Brian Brower, City Attorney, reported during the December 7, 2011 Planning Commission Meeting it recommended approval of text amendments to Title 11 specific to payday lending establishments. He stated the Commission, over several months, made some particular findings regarding the specific establishments. He indicated the City didn't have an excess of these establishments based upon population compared to neighboring cities. He reported the proposed language had been provided in the Council's packet and reviewed the following:

- Minimum distance requirement of one-half mile from another same establishment
- Per capita restriction of one per 5,000 residents.

He commented many of the other cities had adopted a per capita restriction of one per 10,000 residents and indicated based on the City's population this would allow for three payday lending businesses. He reported the City currently had seven payday lending

establishments. He recommended the Planning Commission adopt the 5,000 resident per capita standard so as not to be more restrictive. JJ Allen, Assistant City Manager, pointed out that one of the seven businesses was no longer in operation. Mr. Brower mentioned the proposed amendment was based on the State's adopted definition for payday lending establishments and conformity with the State statute was desired.

He commented it had been suggested the City also consider regulating tattoo and body piercing establishments and stated these establishments involved first amendment implications and believed it would be difficult to restrict these establishments and withstand constitutional scrutiny. He reported it was staffs' recommendation to not regulate those types of establishments.

Councilmember Bush inquired about pawn shop and secondhand establishments. Mr. Brower pointed out neither of those would be included as a payday lending establishment unless already operating in that capacity.

Mayor Wood inquired about the need to establish a moratorium until the amendments could be adopted eliminating businesses from locating within the City prior to the new regulations. Mr. Brower responded there was a process for that but believed the City's current ordinance didn't allow for the acceptance of new business applications once the issue came before the Planning Commission for discussion and consideration.

Mayor Wood pointed out several members of the Planning Commission expressed a desire to increase the per capita requirement from 5,000 to 10,000 residents. He believed the City's small geographic area should be considered in designating a population cap and suggested the distance be carefully considered as to avoid "clustering" of the lending establishments. Mr. Brower responded the Planning Commission had been advised it would need to justify the regulation and believed the proximity regulation would be easier to defend than the per capita regulation. He suggested if the City desired a per capita regulation it would be safer to adopt a 5,000 resident per capita and reported most neighboring cities had adopted the restriction of 10,000 residents.

Councilmember Young believed the one-half mile was too small based upon the City's small geographic and travel distance. Mr. Brower pointed out that facts would need to be identified and articulated when the Council considered the ordinance and its possible amendments.

Mayor Wood inquired if other cities had been challenged on the 10,000 per capita restriction. Mr. Brower responded he was not aware of any; but he had not yet completed research specific to that issue. He pointed out the payday lenders were highly organized and currently had an attorney in place should any ordinance be deemed too restrictive. Councilmember Young inquired what other municipalities had adopted as proximity language within their ordinances. Mr. Brower commented he didn't have that information with him but was confident Valerie Claussen, Development Services Manager, had that information.

Councilmember Bush argued based on the 5,000 resident per capita regulation, the City would allow six payday lending establishments and suggested the businesses could regulate themselves based on that regulation. Mr. Brower commented he understood Councilmember Bush's logic; however, believed proximity arguments would be stronger in any legal challenge. Mayor Wood didn't believe these establishments could regulate themselves and shared examples.

Councilmember Murray asked what would be restricted if the one-half mile proximity were included with no per capita requirement in the proposed amendment. Mr. Brower responded there would be zoning regulations which would need to be followed and believed six or seven establishments would then be allowed along State Street alone. Mayor Wood added if the City only regulated for proximity without a per capita regulation it would be at a disadvantage because of the City's rental and economic demographic. He believed the per capita regulation would be a key point in limiting the clustering of the businesses.

Councilmember Bush commented some of the provided documentation reflected designating a distance from residential use. Mr. Brower reported the Planning Commission discussed that issue and one commissioner believed there could be an argument regarding that restriction. Mr. Brower expressed concern about limiting this type of business as opposed to a fast food restaurant and indicated a municipality had attempted to do that based on a possible increase in crime or police calls; however, its results had not been conclusive. He requested the Council give direction to staff regarding the amendments.

Mayor Wood suggested the one-half mile proximity and 8,500 residents per capita verbiage be adopted in the amendment. Councilmember Bush inquired why the City would want to regulate the businesses if they weren't increasing crime or had an excessive number of police calls. Councilmember Murray responded payday lending institutions preyed on low-medium income residents and the military which was a significant demographic within Clearfield City. Councilmember Young believed the legal argument would be the businesses would not encourage other reputable businesses to locate within the City. He believed the width of the street in conjunction with the speed limit should also be considered when determining distance proximity.

Mr. Brower suggested the Planning Commission's proposed ordinance come before the Council for approval and the Council could make any changes it so desired during the City Council meeting.

DISCUSSION ON PLANNING COMMISSION REAPPOINTMENTS

JJ Allen, Assistant City Manager, reported Randy Butcher and Lance Brown's appointments to the Planning Commission would soon expire in February 2012 and stated staff was

recommending both be reappointed. He read a statement from Valerie Claussen, Development Services Manager, to the Council.

Brian Brower, City Attorney, pointed out Randy Butcher had recently been nominated as Vice-Chair of the Planning Commission. Councilmember Murray mentioned she had also heard of another recent resignation. Mayor Wood reported he had not received any letter of resignation. Adam Lenhard, City Manager, suggested the Council consider these reappointments at this time and address the other resignation at a later date.

Mayor Wood asked Councilmember Murray for her opinion regarding the reappointments as she attended the Planning Commission meetings. Councilmember Murray expressed her opinion Mr. Butcher was an asset to the Commission and pointed out Mr. Brown had recently been appointed within the past three months to fill a vacancy. The Council expressed agreement with staffs' recommendations.

DISCUSSION ON PARTICIPATION IN A BACKHOE TRADE-IN PROGRAM

Scott Hodge, Public Works Director, stated there were currently two backhoes for use by the public works department. He noted until recently the City had participated in an annual rotating trade-in program, resulting in the City always receiving a new backhoe. He explained a few years ago when the economy declined the trade-in company could no longer offer that program. He reported the company recently contacted him and was now prepared to implement the trade-in program again. He indicated if the City wanted to participate in the program it would need to appropriate approximately \$18,000 this year to begin the trade-in program and \$9,000 every year after. He reported no funds had been appropriated in the current budget for this purpose. He explained how the trade-in program functioned specific to costs incurred by the City.

Mr. Hodge informed the Council the oldest backhoe was a 2007. He indicated other dealers had been contacted in order to provide numbers and a similar scenario with another company was \$24,000 to buy into the program. He believed Maw Equipment was giving the City a good deal by offering the program for \$18,000. He indicated if the City waited until July the cost would increase another \$4,500.

Councilmember Murray inquired where the funds would be recognized in order to participate in the trade-in program. Mr. Hodge responded funds had previously been appropriated from the utility accounts specific to the backhoe use. He reported the cost for a new backhoe was approximately \$80,000. He stated he didn't know the life expectancy of a backhoe because the City had always participated in a trade-in program which allowed the City's participation in a warranty schedule.

Mayor Wood clarified the City hadn't participated in a program for four years and inquired about the incurred failures or maintenance specific to the backhoes. Mr. Hodge responded the City hadn't experienced a significant amount of failure and reported the required maintenance had

been minimal. He stated he couldn't think of any significant repairs being required for the units and indicated the usage hours were not significant. He commented the backhoe work completed by private construction companies consisted of far more wear and tear to the backhoes compared to how the backhoes were used by the City.

Councilmember Bush expressed his opinion the City should proceed with participating in the trade-in program.

Mayor Wood inquired about the City's experience prior to participating in a trade-in program. Mr. Hodge responded the City had been participating in the trade-in program for approximately ten years and couldn't recall the City's previous experience. Councilmember Murray inquired about the life expectancy of a backhoe. Mr. Hodge responded there were many still in use that were significantly old but suggested the City wouldn't want them in its fleet. He expressed his opinion it would be a better benefit to participate in a trade-in program as the City experienced less break downs and the equipment was more dependable and affordable.

Mayor Wood inquired if there were other equipment on a trade-in program. Mr. Hodge stated the backhoes were the only equipment on a trade-in program. He pointed out the parks and recreation department's backhoe was on a lease program.

Councilmember Young stated he would like to see the estimated costs associated with purchasing as opposed to the trade-in program compared to purchasing used units, etc. Mr. Hodge emphasized the City would be trading in a piece of equipment for a new piece of equipment. He believed the trade-in program was win-win for everyone involved. A discussion took place specific to the trade-in program. Mayor Wood requested Mr. Hodge provide Councilmember Young with his requested information specific to all options for the City.

The Council took a break at 7:43 p.m.

The meeting resumed at 7:53 p.m.

Brian Hogge, Accountant, arrived at 7:53 p.m.

BUDGET 101

Mayor Wood expressed appreciation to staff for its work with the Budget 101 presentation. He explained the need for the City to establish a strategic plan specific to the City's RDA's and EDA's regarding the revenues and expenses.

Adam Lenhard, City Manager, expressed appreciation to the staff for their attendance. He explained it was his goal for them to better understand the large picture of the City budget which would allow the budget retreat to focus on goals, projects and priorities in more details. He distributed two handouts and introduced the presentation.

Councilmember LeBaron arrived at 8:00 p.m.

He reviewed the agenda and read the City's current mission statement to the Council. He explained the Fund Accounting concept and pointed out the City's main three types of funds: governmental, proprietary and fiduciary. He then reviewed the other fifteen funds which were included in the three types of funds. He emphasized no fund had higher priority than another during the budget process.

Jessica Hardy, Accounting Technician, reviewed the eight different revenue sources specific to the budget and identified the top revenue sources regarding all funds. Bob Wylie, Administrative Services Director, reviewed the City's fund balance and debt with the Council. He explained the general fund, otherwise known as the operating fund, of the City with the Council. He mentioned almost fifty percent of the general fund was received in the form of taxes and shared an illustration identifying expenditures specific to revenues. He explained the importance of the City's policies regarding revenue and debt in relation to the City's bond rating specific to Standard and Poor's and pointed out the City had an excellent rating. He pointed out the City's outstanding debt per capita had decreased every year since 2002.

Mr. Lenhard distributed a handout reflecting statistics specific to Clearfield in relation to those of other cities within a "cluster" which were similar in nature for comparison. He reviewed the data and pointed out comparisons. He also reviewed Fund 20, the CDRA fund, with the Council pointing out the eight project areas. He shared the revenue forecast with the Council and the current debt obligations and reviewed each project area and its specific data. He pointed out there were funds in the CDRA accounts which would need to be used to complete projects in the respective project areas. He continued the Council would need to identify projects for each project area which would be discussed during a future work session. He pointed out the advantages in using CDRA funds to promote economic development within the City as opposed to using a sales tax rebate.

Mayor Wood inquired if the proposed TOD (Transit Oriented Development) site were located within an EDA (Economic Development Area). He expressed his opinion it would be in the best interest of the City to designate it as a project area. Mr. Lenhard responded the property currently was not in a designated project area; however, he stated the developer had requested the City designate the area as a CDA, Community Development Area, as opposed to an EDA. Mr. Lenhard explained the difference between the two was the CDA would allow more flexibility. He believed it would be in the best interest of the City to wait until information was available specific to the number of jobs, the square footage of development and the nature of the development prior to asking the taxing entities to approve the project area.

He introduced a new planning and budgeting tool which would be used during the budget process and pointed out the advantage to planning long term for the CDRA. Tabletop graphs were distributed identifying each project area and the proposed increment projections associated with each. The graph also illustrated when the project areas would expire resulting in the ceasing

of the tax increment and suggested the City would want to plan ahead as it would still be responsible to make payments toward debt. Mr. Lenhard proposed strategies for the Council to consider specific to how RDA funds could be used. He distributed another handout reflecting the designated areas and the budget years extending out to 2028. The handout reflected those areas which would be expiring and he explained some of the areas were eligible for requesting an extension. A discussion took place specific to the number of designated project areas within the City. He emphasized the City would want to strategically plan to optimize the benefit of revenue received from the project area.

Mr. Wylie reviewed Fund 21, the Municipal Building Authority and stated it had been established for constructing the current municipal building and pointed out there was nothing in the fund. He also reviewed Fund 31, G.O. Debt Service with the Council and explained how it was used in conjunction with property taxes and the enterprise funds.

JJ Allen, Assistant City Manager, reviewed Fund 40, Park Capital Improvements and explained how the funds were acquired. He emphasized they must be used for new improvements and not towards maintenance or replacement. He pointed out there were funds which needed to be expended for park projects and emphasized the time constraints associated with this fund. Mr. Lenhard commented West Park Village Park and the last phase of Barlow Park were two projects which could be considered.

Mr. Allen also reviewed Fund 45, Capital Projects which could be assigned to specific projects identified during the budget process. He reported the fund balance was approximately \$665,000. He reviewed the proposed identified street projects with the Council. He pointed out the revenues associated with Fund 45 were recognized from general fund transfers.

Ms. Hardy reviewed Fund 50, Utility Administration, and Fund 51, Water and Capital Projects, regarding both revenues and expenditures and emphasized the utility administration fund was not allowed to make a profit. She reviewed Fund 52, Sewer and Capital Projects, and shared specifics regarding revenues and expenditures of the fund; in addition to Fund 53, Storm Sewer and Capital Projects.

Mr. Allen reviewed Fund 54, Solid Waste, and pointed out the fund balance was healthy enough to offset any increase for service within the next few years. He added the cost increase would not be passed on to the residents.

Ms. Hardy reviewed Fund 60 specific to offsite improvements and explained how it would be used to complete infrastructure improvements associated with new development. She emphasized this was the City's only fiduciary fund.

Mr. Wylie reviewed Internal Service Funds (ISFs) with the Council and explained the advantages to the City for their implementation. He stated the common uses of this fund were the Fleet Fund, Risk Management and IT. He then reviewed Fund 61 – Fleet ISF and Fund 63 – Risk

Management with the Council. He also reviewed Fund 70 – Perpetual Cemetery and explained how the account was funded and how the funds could be spent.

Ms. Hardy explained the Budget Process currently in use to the Council.

Mr. Lenhard requested the Mayor and members of the Council determine their goals, priorities and projects for the next fiscal year. He suggested Vision 2020 be reviewed and considered when determining their priorities. He reminded the Council of the budget retreat which would be held on Friday, January 27, 2012, at the University of Phoenix. He reported more specific information would be forthcoming.

The meeting adjourned at 9:50 p.m.

APPROVED AND ADOPTED
This 14th day of February, 2012

/s/Don Wood, Mayor

ATTEST:

/s/Nancy R. Dean, City Recorder

I hereby certify that the foregoing represents a true, accurate, and complete record of the Clearfield City Council meeting held Tuesday, January 17, 2012.

/s/Nancy R. Dean, City Recorder