

CLEARFIELD CITY COUNCIL MEETING MINUTES
6:00 PM WORK SESSION
July 30, 2024

City Building
55 South State Street
Clearfield City, Utah

PRESIDING: Mayor Mark Shepherd

PRESENT: Councilmember Nike Peterson, Councilmember Tim Roper, Councilmember Megan Ratchford, Mayor Mark Shepherd, Councilmember Dakota Wurth

ABSENT: Councilmember Karece Thompson

STAFF PRESENT: Community & Economic Development Director Spencer Brimley, Community Services Director Eric Howes, City Attorney Stuart Williams, Police Chief Kelly Bennett, City Manager JJ Allen, Public Works Director Adam Favero, Finance Manager Rich Knapp, Senior Accountant Lee Naylor, City Recorder Nancy Dean, Deputy City Recorder Chersty Titensor

NEW NATIONAL OPIOID SETTLEMENT WITH KROGER CO. (SMITH'S GROCERY IN UTAH)

Stuart Williams, City Attorney, said the City had previously signed a similar settlement agreement on the National level. This proposed agreement was another that was coming to Utah for a different entity. The State will receive all settlement money.

DISCUSSION OF AN AMENDMENT TO THE LAKESIDE APARTMENTS DEVELOPMENT AGREEMENT

Spencer Brimley, Community & Economic Development Director, said the request was for an amendment to the Development Agreement for Lakeside Apartments. Chuck Cowley had reached out to request a change in the language for successors but did not change any other elements of the Development Agreement. It did not change anything in the project other than giving the ability to assign within their organization appropriately for them to move forward with the project. He said the red lines in the amendment were suggestions from the Planning Commission which were minor changes.

Mayor Shepherd said the developer's plan set was completely done. Mr. Brimley said the developer had just resubmitted for final land use approval. Mayor Shepherd said they were wrapping up their money and were hoping to break ground by the end of the year. He told the Council that he had given their money man a tour of the City. Councilmember Ratchford asked if he had expressed any concerns. Mayor Shepherd said his only concern was getting retail in the main level space.

DISCUSSION TO AUTHORIZE A RESOLUTION FOR 2024 UTAH STATE INFRASTRUCTURE BANK LOAN

Rich Knapp, Finance Manager, explained a resolution was needed as the next phase in obtaining the State Infrastructure Bank Loan. The resolution was written as if it were worst case scenarios. The resolution said they were borrowing \$11M, but would likely be \$9.5M, it stated 4% but the interest rate would be closer to 3.59%. The term was stated as 30 years, but it would be 15 years instead. It was presented as worse case parameter. He explained the money was for the water/sewer projects and covered costs of issuance. He said the resolution would be presented at the August 13, 2024, policy session because the next meeting with the State for loan approval was August 16, 2024. He said they would have to wait for a 30-day period to notice the intent. He said the debt service was approximately \$800k.

DISCUSSION ON PROPOSED FY25 BUDGET CHANGES

Rich Knapp, Finance Manager, reviewed the proposed changes to the Tentative Budget. He explained the increases in bank and software fees but explained that the interest earnings at the bank had increased even more. He said the Express Bill Pay Service fees increased and Staff needed to update the numbers since more data was available. Councilmember Peterson asked about the Public Defender contractor and thought it had been a flat fee. Stuart Williams, City Attorney, the contract was a per case fee and had not changed, but more cases were being assigned to them.

Mr. Knapp said most of the changes were because the City was pursuing Truth in Taxation, which delayed the finalization of the Budget. The delay allowed more expense information to be included. He said the rates for natural gas had increased. Previously he had not been sure how to project it until they had gotten more data. A new line item added to the budget was an increase to the Facilities budget. JJ Allen, City Manager, explained that now that the Facilities department was fully staffed, they felt they could have a rotating stand-by person, designated for a week at a time. Eric Howes, Community Services Director, said it gave employees some stability knowing when they were responsible so they could make plans outside of work. Councilmember Peterson said she appreciated there was compensation for that coverage. Mr. Allen said they had been doing it with Public Works and Parks and found it successful.

Mr. Knapp pointed out an addition to the budget for a trailer for the Police Department and explained there had been a miscommunication and money had been removed and it should not have been. Kelly Bennett, Police Chief, said the trailer allowed them to load all equipment in the trailer when called to a crime scene. Mr. Knapp pointed out the non-cash charges for Internal Water had increased due to the increase in water rates. He pointed out the increase for Sewer – Misc Services from North Davis Sewer District and explained it was a high number, but it would be offset by revenues. He said it was just the pass-through portion and not the portion that the City charged for sewer and used for projects. He said it was the North Davis portion only and increased to \$3,350,000 because it had not been updated for growth.

Mr. Knapp reviewed the increase to the Risk Management budget item which was due to rate increases for automobile coverage and the additional active shooter coverage. He indicated that

most of the increase was in the General Fund. Councilmember Ratchford asked for the reason for the increase. Mr. Knapp explained most of the increase was due to the cost of replacement for automobiles.

Mr. Knapp showed the items that had not been completed in the FY24 budget that were rolled over into 2025. He reviewed the Park projects and explained that due to a project that came in under budget, had reallocated funds from that budget for other projects. He said the net effect was zero. Mr. Howes explained that the Slide Project at the Aquatic Center had been bid at a higher amount, but then actual cost came in lower than anticipated.

Mr. Knapp showed the effect of the proposed changes on the Measure of Sustainability which had decreased. He explained he would be communicating the available General Fund cash by the end of FY25 was 18% of revenues and 66 days of operating expenses at the upcoming Policy Session.

Councilmember Wurth moved to adjourn and reconvene as the Community Development and Renewal Agency at 6:23 p.m., seconded by Councilmember Peterson.

RESULT: Passed [4 TO 0]

YES: Councilmember Wurth, Councilmember Peterson, Councilmember Ratchford, Councilmember Roper

NO: None

ABSENT: Councilmember Thompson

The minutes for the CDRA are in a separate location

**APPROVED AND ADOPTED
This 13th day of August 2024**

/s/ Mark R. Shepherd, Mayor

ATTEST:

/s/ Nancy R. Dean, City Recorder

I hereby certify that the forgoing represents a true, accurate, and complete record of the Clearfield City Council meeting held Tuesday, July 30, 2024.

/s/ Nancy R. Dean, City Recorder