

MINUTES OF THE VERNAL CITY COUNCIL REGULAR MEETING HELD ,2025
MINUTES OF THE VERNAL SPECIAL CITY COUNCIL MEETING HELD
MAY 28, 2025 at 5:00 p.m. in the Planning Conference room, Second Floor, 374 East Main, Vernal, Utah 84078.

PRESENT: Councilmembers Edward Long, Robin O'Driscoll, Ted Munford, Randel Mills, and Mayor Doug Hammond. Corey Foley was excused from the meeting.

WELCOME: Mayor Doug Hammond welcomed everyone to the meeting. Councilmember Ted Munford moved to declare the meeting as a second special budget meeting. Councilmember Randel Mills seconded the motion.

Quinn Bennion, City Manager, welcomed all in attendance and reminded everyone of the importance of asking questions and thoroughly reviewing the details of the proposed budget. Mr. Bennion stated that this year's budget process is unique, and in his tenure as City Manager, he has not previously encountered a process quite like this one. He explained that due to a vacancy in a key position, it has been challenging to maintain functionality. He acknowledged that although corrections were intended, they did not occur as planned. He commended Carl Morton for stepping in to assist when needed. Mr. Bennion emphasized that the direction for this year's process is to treat it as a simple budget renewal, with a goal to keep it as consistent and streamlined as possible with the prior year's budget.

IT

Alyx Larsen reported that the IT budget was maintained as close as possible to the Fiscal Year 2025 levels, with the primary change being an increase in email expenses due to a new contract, now locked in for three years. Positive feedback continues on the City's use of Google platforms, which are heavily utilized by the Police Department and have become essential to operations. Quinn Bennion noted the City's increasing reliance on Google, stating it would be difficult to revert to previous systems. Councilmember Randel Mills asked about storage capacity, and Alyx confirmed the system supports multiple terabytes of data which are most used by the Police Department.

Alyx noted a modest increase in website costs and explained that some billing inconsistencies may account for actual expenses exceeding budgeted amounts. Quinn Bennion added that website costs are shared between IT and Utility departments, and the discrepancy may stem from how the expenses were recorded.

The computer replacement program has improved the condition of City equipment, allowing for budget reductions this year. No major IT projects are planned. Cameras were installed at the Lamplighter building and funded through the current year's budget.

Councilmember Ed Long asked about the increase in software and upgrade expenses, which Alyx attributed to new programs like Bitwarden, new mapping tools, virtualization, and licensing updates. Alyx noted the City is working to reduce costs by transitioning to more affordable licensing and virtualization software. Although costs are expected to stabilize, they are unlikely to return to 2023 levels. Alyx provided historical figures, stating that Fiscal Year 2023 software costs were approximately \$16,000, Fiscal Year 2024 dropped to \$10,000 after server upgrades, and the Fiscal Year 2025 budget is approximately \$11,000, with reductions made to offset email cost

MINUTES OF THE VERNAL CITY COUNCIL REGULAR MEETING HELD ,2025 increases.

INNOVATION HUB

Sydney Millett presented the proposed budget for the Innovation Hub, stating that all budget lines remained unchanged with no increases. She confirmed that Uintah County continues to provide financial support to the Hub. Quinn Bennion noted that utility expenses were not reflected in this year's actuals and questioned whether they were being billed elsewhere, something that would be clarified with the Finance Department. It was explained that the Dev Pipeline and the Rise and Thrive Business Speed Pitch Competition were county-funded grants that passed through Vernal City, while the teen app project was managed directly through the Innovation Hub. The Rise and Thrive Business Speed Pitch Competition is reimbursed by the county. Sydney also addressed ongoing confusion between the Vernal and Roosevelt hubs, emphasizing efforts to differentiate the two and strengthen Vernal's distinct branding. She noted that unlike Roosevelt, Vernal maintains an active social media presence and efforts will continue to show the difference between the two businesses.

FINANCE

Councilmember Ted Munford observed that the budget appeared to have decreased slightly and asked for clarification. Michael Harrington explained the reduction was due to lower training costs, decreased fuel expenses, and no hardware purchases. Councilmember Munford expressed hope that those areas would increase again next year. Quinn Bennion added that the largest expense under professional services was the annual single audit, which is required because the airport consistently exceeds the federal funding threshold. Councilmember Munford noted that, based on prior years, the budget appeared reasonable and suggested they continue with the next item.

JUSTICE COURT

Quinn Bennion explained that the court officer wages represent Vernal City's portion of the cost for county deputies who serve as bailiffs. Councilmember Ted Munford asked why City officers aren't used instead, and Mike Gledhill noted it was tried in the past but wasn't cost-effective. Ray mentioned the current bailiff does a good job, and switching would require staff changes.

They discussed why court utility costs were high, especially phone bills. Quinn said the City pays the County for phones, and the current budget didn't match actual spending. The group agreed that some desk phones could be removed to cut costs, and Quinn recommended budgeting \$4,500 for phones. Ray said his phone could be dropped, but court staff still need desk phones to answer calls. Ray brought up media reports from KSL that incorrectly claimed Vernal had one of the highest ticket revenues in the state. Quinn explained that KSL used flawed data that counted all court revenue under Vernal, not separating out Naples or the County. Michael Harrington stated that letters would be sent to the proper agencies to correct the record, and Quinn noted the real numbers were much lower.

Clerks also requested cubicle partitions to improve the office layout. Wayne Smith agreed to investigate options. They also discussed the potential of replacing the outdated courtroom projector, which is expensive and hard to fix. While it's still in use, any upgrades will likely wait for a better budget year. If the phone budget is reduced, Quinn said the savings could be used to

MINUTES OF THE VERNAL CITY COUNCIL REGULAR MEETING HELD ,2025

purchase the cubicles.

FACILITIES

Councilmember Ted Munford asked about travel and training costs, noting they stayed the same as last year even though past spending was low. Wayne Smith said his department often misses training and carries funds over, but Ted suggested lowering the budget to \$1,000 and adding more if needed. Wayne gave an update on the walking park, saying the fountain is running, trees are being trimmed, and money is budgeted for replacements. He's also looking into a drip system to help keep the trees healthy.

Wayne noted that professional services costs have gone up due to aging infrastructure, with \$23,000 spent this year. He proposed increasing the budget and explained issues with the City building's parapet walls on the roof, which are leaking. He's budgeting \$2,000 for a temporary fix to get through until a better year financially.

Wayne stated that parking lot repairs will continue and that the community room's dimmable lighting system is failing. Replacing it would cost \$30,000, so he suggested buying parts to keep the current system running for now. Lamplighter building costs are being paid with rental income. The pink Dinah project is nearly done, with grass going in and boulders being added for safety. Wayne confirmed there are no new capital projects this year.

MOTORPOOL

Shawn Rasmussen reported that the motorpool did not use the floor epoxy last year in order to save money, and that project has now been removed from the budget. Fuel costs went over, so the budget was increased by \$2,000. He noted that most training has remained local since COVID, with occasional one-day sessions in Salt Lake City. Councilmember Ted Munford asked if the full \$3,500 travel budget was needed and suggested lowering it to \$2,500. Shawn agreed.

STREETS

Clint Morton proposed adding a seasonal employee funded through the SAA to assist with cleanup at the Zions Block and parking lots. The position is similar to other temporary roles and budgeted at \$15,000. Councilmember Ed Long questioned higher budget figures, and Carl Morton explained they were based on 2024 data and will be reviewed. Lower payroll costs may be due to reduced snowfall and overtime.

Clint requested \$15,000 for pedestrian flashing signs at two mid-block crosswalks on South Vernal Avenue. The Council agreed to fund one sign this year and one next year. Curb and gutter funding was increased to continue ADA compliance work. Ed asked why it was re-budgeted, and staff clarified that ongoing improvements require continued funding.

Four trucks are being replaced as part of the City's equipment rotation plan. The street sweeper has been ordered, with funds rolling over into next year. Xeriscape projects were scaled back after limited progress last year. The budget will be reduced, allowing for one project this year.

Speed check signs are being installed on 500 South and Aggie Boulevard in response to complaints. A new speed trailer was acquired, and a demo of license plate reader cameras showed high traffic volumes on Vernal Avenue. Speeding remains a concern, particularly near the high school.

MINUTES OF THE VERNAL CITY COUNCIL REGULAR MEETING HELD ,2025

WATER

Ivan Merrell reported a major increase in water treatment costs, rising to \$60,000–\$80,000 per month due to chemical changes. The budget was adjusted to \$950,000. New state testing mandates are adding \$4,000 annually for additional sampling. Other parts of the water budget remain steady.

Quinn Bennion and Carl Morton explained that the City charges indirect service fees to the water and sewer funds to help cover administrative support. These charges have been reduced from \$900,000 in past years to \$450,000 for water and \$260,000 for sewer. The group agreed to keep reviewing the numbers to ensure accuracy and fairness.

Capital improvement planning was discussed, with a focus on valve upgrades and system isolation. Depreciation was budgeted at \$95,000 this year, though it's only an accounting entry and not actual spending.

Other items include \$45,000 for fencing, \$25,000 for security cameras, and continued replacement of radio-read meters. Bond payments for water projects were previously paid by the general fund but will now be covered by the water fund. Grant money for water projects must stay within the water budget, though funds often pass through CIP for payment efficiency.

SEWER

Ivan Merrell stated that a new sewer camera is needed, as the current one is old and heavily used. A basic replacement costs \$15,000, while a more advanced model with rotating capability would cost an additional \$10,000, allowing for better visibility inside lines. He has tested a demo model and recommends the upgrade. Quinn Bennion asked about the camera's lifespan, and Ivan estimated around 20 years. Currently, \$18,000 is budgeted, but Ivan requested increasing that to \$26,000 to cover the full cost. Carl Morton added they will check with auditors on whether depreciation must be recognized for the purchase.

SOLID WASTE

Quinn Bennion noted that the professional services budget should be increased, as the City is nearing the end of a five-year contract with G&H. Only two local firms are capable of handling the workload, and the contract, valued over \$400,000, is significant for either firm. If the City puts it out to bid, rates will likely increase. The current contract could be extended for two more years, but doing so may upset the competing firm. Quinn suggested raising the budget to \$450,000 mid-year in anticipation of increased costs. Councilmember Ted Munford and Councilmember Ed Long acknowledged rates are likely to rise, with Ed noting that while RDT may charge more, some argue it offers better quality. Quinn said a final decision will be made later.

PLANNING AND ZONING

Braeden Christofferson reported that only a few budget adjustments are needed. Travel and training will be restored to \$15,000, returning to 2024 levels. An additional \$5,000 is requested

MINUTES OF THE VERNAL CITY COUNCIL REGULAR MEETING HELD ,2025

for sales tax tracking software, which would help identify missing or underpaid taxes more effectively than relying solely on state reports. Quinn Bennion explained the software could detect discrepancies and unpaid taxes earlier, noting the current system is limited and often delayed. The tool would allow the City to cross-reference business licenses and spot irregularities, particularly among hotels and retail businesses. Councilmember Ted Munford and Braeden agreed it would help catch issues before they escalate, and Ted emphasized the need to assess its value after a trial year. Quinn confirmed the software could generate alerts and trend reports to identify unusual drops in tax payments. The cost is \$5,000 annually, with the expectation that it will recover more than its cost in additional sales tax revenue. The budget will reflect the addition, raising the software line to \$20,000. To offset the increase, professional services will be reduced to \$18,000 to stay consistent with previous years.

AIRPORT

Ken Campbell explained that the airport is largely funded through federal subsidies, with City and County contributions totaling \$800,000. Surplus funds are used for capital improvements, including terminal upgrades and covering costs before federal reimbursements arrive, which are sometimes delayed for over a month. He and Quinn Bennion are working on a plan to improve cash flow without burdening the City's general fund.

Airport expenses reached \$6.3 million for Fiscal Year 2025. Revenue has grown by 16 percent due to updated terminal rental rates and better enforcement of existing rules. Some budget errors, such as miscategorized expenses, are being corrected for the next fiscal year. A failed flight service to Salt Lake City through Redtail was briefly attempted but saw low demand.

Live fire training costs fluctuate every three years as cities rotate hosting. Runway maintenance and wetland property upkeep in Jensen are ongoing responsibilities, with modest funding added for both. Security gate maintenance and the replacement of fire foam are also included in upcoming expenses.

Major projects include the north ramp replacement, valued at \$5.6 million, which must be contracted by mid-July or delayed to 2026. Additional funds are requested to renovate cramped office space and create instructional areas for a potential pilot training program, for which the possibility is already generating community interest.

Two hangars approved for 2025 were delayed and will carry over to 2026. Recent upgrades include new taxi lanes, terminal improvements, and TSA equipment. Current flights to Denver and Phoenix average 18–22 passengers, with projected annual revenue of \$1.3 million. Ken encouraged council members to visit and see the progress firsthand.

ADMINISTRATION

Quinn Bennion reviewed the administrative budget, noting that staffing remains consistent with the City Manager, City Recorder, Deputy Recorder, and an occasional intern. Training expenses have decreased slightly. One noticeable overage was in public notices, but this was due to misallocated expenses; some of which should have been charged to departments like water and sewer. Roxanne Behunin suggested some of the overage may have been from published bond notices, which also should have been charged elsewhere.

Carl Morton asked if advertising costs are separated by department, and Roxanne confirmed they are not—all come from the same budget line. Quinn stated that many of the public notice costs

MINUTES OF THE VERNAL CITY COUNCIL REGULAR MEETING HELD ,2025

were miscoded and should have been tied to other projects, such as the downtown improvement effort. Once corrected, the budget should be under the allocated amount, and overall, the numbers are in good shape.

Insurance premiums for property and general liability are expected to rise by 5%, but current funding should be sufficient, and some reduction in those lines may be possible. Some budget lines serve as placeholders and may be adjusted. Carl noted that CDL testing, a new item categorized under training, is managed through Human Resources. Quinn added that while this cost wasn't used this year, it was last year, and overall, the budget is mostly the same, with room to reduce where appropriate.

MAYOR AND COUNCIL

Quinn Bennion explained that election costs are budgeted every other year, with \$10,000 set aside for the County contract. Sponsorships, such as for Holly Days, are tracked separately. Councilmember Robin O'Driscoll noted a slight decrease in Holly Days expenses. Quinn clarified that the \$102,000 shown was from the amended budget and not the original. He emphasized the need for closer tracking, as actual spending exceeded what was planned. Of the \$85,000 total for events, only about \$15,000–\$20,000 comes from tax dollars, with the remainder covered by sponsorships and donations.

Quinn noted that the Neighborhood Outreach Program hasn't been active due to limited staff capacity, but the City wants to keep it available for future use. Activities like Clean-Up Day or block parties could help strengthen social connections in neighborhoods.

He also mentioned a new approach to the Visitor Center, which previously received \$55,000 annually without clear reporting. The City has now designated a space next to the gift shop as a visitor information area.

Training costs were tight this year, and Quinn asked if the current budget level was still appropriate. Robin confirmed it was, and Quinn noted any increase would reflect rising costs for travel, food, and lodging.

SPONSORSHIPS

Quinn Bennion explained that some events are regularly budgeted while others fall under a miscellaneous category for new or one-time sponsorships. Over time, many of these miscellaneous events have become recurring and may be moved into the regular budget. He suggested adjustments, including moving Grad Night to the Police Department's budget and removing River Fest, which is no longer held. The City will continue the paddle pond portion if needed.

The group discussed improving tracking of reimbursements, such as for the County's puzzle competition, which the City funds upfront and the County repays. The Mayor's Walk was identified as a low-cost, high-participation event that may warrant continued support with a reduced budget.

Concerns were raised by Councilmembers Ted Munford and Ed Long about sponsoring for-profit or non-qualifying events, like the rodeo, without a clear policy. They agreed the City needs firm guidelines on what qualifies for funding, especially when using tax or TRT funds. Michael Harrington confirmed TRT money must be tied to tourism, and a new policy will be developed to guide decisions. To avoid long-term dependency, the Council discussed gradually reducing funding for certain events.

MINUTES OF THE VERNAL CITY COUNCIL REGULAR MEETING HELD ,2025

CITY ATTORNEY

Michael Harrington. reported that most areas of his department's budget remain steady, with notable cost savings achieved through the use of free or low-cost software tools. About \$12,000 was saved in technology subscriptions, and employee evaluations, typically costing around \$6,000, are now conducted in-house using Google tools at no cost. While some free services may eventually require payment, the current budget maintains funds for that possibility. Travel and training costs increased slightly due to rising expenses, while office supplies and postage were reduced. Professional services in 2023 reached \$25,000 primarily due to early payments made to former attorney Dennis Judd. Currently, those funds are used for project-based support, including a CPA who helped overturn a \$45,000 IRS penalty.

On the revenue side, Mike confirmed that the City receives payments for legal services provided to three special service districts. These are billed annually based on time spent, apportioned accordingly. However, the current \$85,000 revenue estimate is likely too high. Quinn Bennion noted the original figure was based on prior spending with separate attorneys, but actual usage has been far less. Quinn and Councilmember Robin O'Driscoll agreed the revenue projection should be lowered, settling on a more realistic estimate of \$70,000 while still reflecting the value and accessibility the in-house legal team brings.

CAPITOL IMPROVEMENT TRANSFER

Quinn Bennion, Keith Despain, and Eric Dilworth met for several hours and, while progress has been made, they are not yet ready to present a final plan. A \$2 million transfer from the General Fund to the Capital Improvement Plan is proposed, less than in past years due to weaker revenues. Quinn noted they will return with a more complete plan once a new finance director is in place. Projects include finishing the Cobble Rock block and beginning the Sage block. Carl Morton added that the transfer could increase if the General Fund exceeds the 35% reserve threshold, but Quinn is comfortable with the current \$2 million amount.

PERSONNEL, TIER 2 HYBRID CHANGE

Quinn Bennion reported that URS retirement rates are decreasing, but for those affected by a small 0.11% increase this year, he recommended the City continue its past practice of covering the cost rather than passing it on to employees. This approach was previously used when rates increased by 0.7%, and most cities found ways to offset the impact through salary adjustments. Roxanne Behunin clarified that this change does not apply to public safety employees, as the City is already allowed to cover their portion.

Quinn also announced the City is officially switching health insurance providers from United Healthcare to Select Health, with a signed termination letter in place. Open enrollment meetings will be held on June 5. The change will take effect July 1 and will save the City approximately \$123,000.

SALARIES & PAY ADJUST DISCUSSION

Quinn Bennion recommended a flat dollar increase to employee wages this year to support lower-paid staff, with \$1 per hour for most employees and \$1.50 for Police Department staff, provided performance ratings are above a 3. This would bring the starting police wage to \$26.91.

MINUTES OF THE VERNAL CITY COUNCIL REGULAR MEETING HELD ,2025

Department heads with salaries significantly below market would receive a 4% increase to begin addressing long-standing pay gaps. Overall, this would represent about a 3% citywide salary increase.

Ed Long expressed concern that 4% is too small to make meaningful progress, especially for key positions, and urged a more aggressive approach. The Council agreed to review specific numbers in a closed session before making final decisions. Approximately \$228,000 is needed to fund the increases, but \$170,000 in savings from lower URS and benefit costs leaves about \$50,000 in available funding. The Council agreed to revisit the issue at the second June meeting, with implementation targeted for August 1. A public hearing on the budget is tentatively planned for July 2.

There was also brief discussion about a budget increase for victim advocate services, which Quinn explained was due to the consolidation of line items, with more information to come.

ADJOURN: There being no further business; *Councilmember Randel Mills moved to adjourn. Councilmember Robin O'Driscoll seconded the motion. The motion passed with a unanimous vote and the meeting was declared adjourned.*