Naples City Council
August 13, 2026
Minutes

DATE, TIME & PLACE OF MEETING

A meeting of the Naples City Council was held August 13, 2026, 7:30 p.m., at the Naples City Office, 1420 East 2850 South, Naples, Uintah County, Utah.

COUNCIL MEMBERS ATTENDING

Council members attending were Nate Zilles, Dan Olsen, Kenneth Reynolds and Jonathan Beede. Mayor Arnold joined the meeting electronically and Ross Morton was absent.

OTHERS ATTENDING

Others attending were Lori Haslem, Bret Reynolds, Grant Hatch, Gay Lynn Hatch, Becky Richards, Ryan Richens, Davis Smuin, Brooks Jones, Bret Reynolds, Szeth Simmons, Micheal Davis and Nikki Kay.

OPENING CEREMONY

Mayor Arnold welcomed everyone and began the meeting with the pledge of allegiance. Nate Zilles offered the invocation.

APPROVAL OF THE AGENDA

Mayor Arnold asked for approval of the agenda. Nate Zilles **moved** to approve the agenda. Dan Olsen **seconded** the motion. The motion passed with all in attendance voting aye.

MINUTES APPROVED

The minutes of the regular council meeting of July 9, 2026 were presented for approval. Kenneth Reynolds **moved** to approve the minutes. Jonathan Beede **seconded** the motion. The motion passed with all voting aye.

PUBLIC COMMENT PERIOD

Mayor Arnold asked for a motion to open the public comment period. Dan Olsen **moved** to enter the public comment period. Nate Zilles **seconded** the motion. The motion passed with all voting aye. Nothing was brought forward from the public. Kenneth Reynolds **moved** to close the public comment period. Jonathan Beede **seconded** the motion. The motion passed with all voting in the affirmative.

FRAUD RISK ASSESSMENT FOR 2026

Council members received for their approval a copy of the Fraud Risk Assessment for 2026. Micheal stated this was something the City does every year to be compliant with State reporting requirements. He said the score for the assessment was 335, which places the city in the low risk area. Mayor Arnold said they could bring the score up a little if all of the Council were to fill out the ethical behavior statement. Jonathan Beede **moved** to approve the fraud risk assessment for 2026. Kenneth Reynolds **seconded** the motion. The motion passed with all voting in the affirmative.

DISCUSSION ON 2000 EAST CONSTRUCTION PROJECT COSTS

Bret Reynolds with CIVCO Engineering was at the meeting to discuss the 2000 East project and the costs to date. Micheal referred to the current cost estimate sheet submitted by CIVCO and pointed out the total cost for the project of 1.8 million and the budgeted cost of 1.65 million and noted that was $145,000 over budget. Mayor Arnold asked what that means from a budget standpoint. Micheal stated the City would have the money, if needed. He said the projections are over budget but they really won't know for sure until it is put out for bid. Mayor Arnold shared that he has expressed some hesitation about putting sidewalk in front of one of the residents' home, but after walking the project and reviewing it, he feels like they need to reconsider that. Mayor Arnold said that not having a continuous sidewalk down the west side would potentially be a safety hazard by forcing people to cross the street near the top of a blind hill. Mayor Arnold said he was not asking anyone to make a decision tonight but asked the Council to reconsider the matter for safety reasons. Councilman Zilles said he agrees, if you look at the blueprint of the project it would have people crossing the road at the blind hill. Bret Reynolds said, from an engineering standpoint, they should put the sidewalk in. Councilman Reynolds asked for clarification about the property they were referring to. It was stated the property being discussed for the sidewalk would be in front of the Dean Baker residence. Bret Reynolds said they are currently working on right-of-way documents and property acquisition and that will probably take until the end of the year. Councilman Olsen asked them to bring back the costs for the full sidewalk on the west side and present that at the next meeting. Mr. Reynolds said he could do that and stated the bids should go out this year and construction would begin in the spring.

PUBLIC HEARING TO RECEIVE INPUT ON THE ISSUANCE OF STREET IMPROVEMENT REVENUE BONDS FOR 2500 SOUTH STREET PROJECT

Mayor Arnold asked for a motion to enter a public hearing to receive input with respect to the issuance of street improvement revenue bonds for Naples City and any potential impact to the private sector from the construction of the 2500 South street improvement project. Dan Olsen **moved** to go into a public hearing to discuss the 2500 South road bonds. Nate Zilles **seconded** the motion. The motion passed with all in attendance voting aye.

Gay Lynn Hatch was recognized. Ms. Hatch said they came to meetings about the project in the beginning but then never heard what was decided. She also wanted to know when it would be happening. Micheal explained the City had to obtain the funding source for the project and that didn't happen until June. He said the City received a grant and a loan and these bonds are for the loan portion. He explained the bonds require a public hearing and that is what they were doing tonight. Ms. Hatch asked about where the City decided to put sidewalk. It was explained that sidewalk would go down both sides of the street. Ms. Hatch expressed that would require a lot of work for the south side of the road. Micheal stated the bid for the project should go out in November or December and construction will begin next spring. Ms. Hatch said she wanted to know when there would be an end to the dust and also asked if the street light could stay in front of their house because that is where the children catch the bus for school. Micheal asked Ms. Hatch to give her address to the engineer for the project so they could make sure to include that on the plans.

With no other comments from the public, Nate Zilles made the **motion** to reconvene back into regular council meeting. Dan Olsen **seconded** the motion. The motion passed with all voting aye.

DISCUSSION REGARDING WORKING WITH UTAH INLAND PORT AUTHORITY FOR ECONOMIC DEVELOPMENT

Mayor Arnold asked Lori Haslem with the Utah Inland Port Authority to introduce herself to the Council and explain what the Utah Inland Port Authority (UIPA) does. Ms. Haslem shared that she has five years in state and local government within the economic development sector and started with the UIPA about three months ago. Ms. Haslem says she recognizes how much the Inland Port is key in helping communities accomplish their goals. Ms. Haslem stated their core objectives are to support regional economies, enhance logistics efficiency, safeguard environmental integrity, and uphold transparency and compliance. She stated that they are directly told through legislation that they need to be for the public good, public benefit, economic feasibility, and follow statutory alignment.

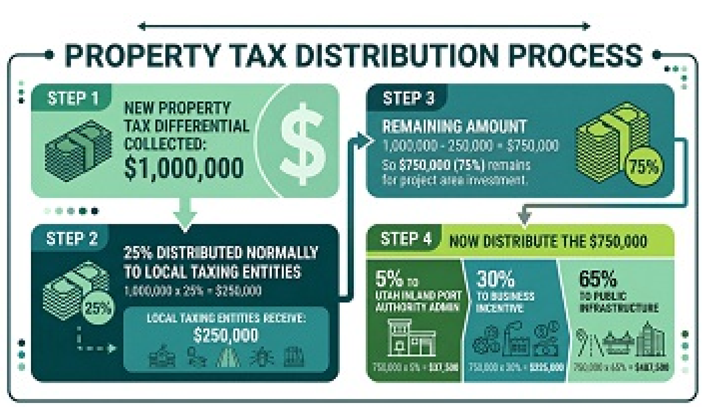
Ms. Haslem said they have fifteen project areas throughout the state of Utah and if Naples decided to join they would become part of the Black Gold project area.

Ms. Haslem said people are often concerned, when they say they are going to do a project area, that they will be bringing a trans loading station to the City. She said the UIPA does a lot more than logistics. They also do infrastructure development in rural cities. Ms. Haslem said they currently have forty resolutions with communities throughout the State.

Ms. Haslem said what sets the UIPA apart is their tool set, what they can offer the City when they join them with a project area. She said they can offer a tax differential, which can be used to leverage toward bonds and financing. She said another tool is being able to create Public Infrastructure Districts (PID) to help pay for projects. Ms. Haslem said they have an authority infrastructure bank with funds to help with projects, almost like a revolving loan. She stated that all of the tools are stackable. Ms. Haslem said the UIPA does not have any type of land use authority, they do not deal with permitting or zoning and don't have authority to move money outside of a project area.

Mayor Arnold said what is being proposed tonight is to join in the Black Gold project area and then discuss the City's own project area. Mayor Arnold wanted to make sure it was understood that any money for the City's project area would stay with the City and not be spread throughout the Black Gold area. Ms. Haslem stated that was correct.

Ms. Haslem stated they come in and freeze the existing property tax value and then when the project starts the property is assessed again and that increased value is what they call the "differential." She said the differential is then captured to go back into the community, into whatever infrastructure they would like it to go into. Ms. Haslem gave the break down for what goes back to taxing entities and what goes to development.



Ms. Haslem gave the above visual example of how the process works. She said the City would need to do a Resolution inviting the UIPA in and then it would be presented to their board which goes through a two-board cycle for approval. Ms. Haslem said, after the approval, that is when they would discuss areas and find out what goals Naples City has. The City would hold a public hearing for final approval of the project area. Ms. Haslem said the Resolution being presented is not a final decision but is the first step in starting the process of mapping out a project area.

She wanted to know if there were any questions from the Council. Mayor Arnold wanted to know if the Council agrees to move forward and then changes their mind, can they get out of it? Ms. Haslem said, after the Resolution is passed inviting the UIPA in, they enter into several discussions on what projects they are interested in, and if the City chooses to do nothing, then it would be finished. She said it's only after they allocate parcels to the project area and it goes through the board process that things are triggered. Ms. Haslem said the City could even have areas that have been designated as possibilities but it's when actual infrastructure is developed that the parcels are triggered.

Councilman Zilles thought this was a really interesting idea and works similar to times when the City sets money aside for a certain purpose. He said he understands the 25/75 but wonders where the funds come from to add the infrastructure to the property to increase the value. Ms. Haslem said the City will identify a project area, what infrastructure needs to be added, and what the cost would be and then the UIPA looks into the different options, like the PID. She said the City would go the investors with the costs and then they can bond and the payment for that comes from the differential.

Councilman Zilles asked if the investors are banking on the fact that there will be improvements and that will provide a certain amount back based on the differential. Ms. Haslem said that was correct. Councilman Zilles asked if it was the differential paying the investors back. Ms. Haslem said yes.

Mayor Arnold said instead of going to the CIB with a request the City would approach the UIPA with their request for help in installing the infrastructure for the purpose of a commercial development. The UIPA would loan funds, based on the valuation of the property, and that increased property tax value would be what helps pay the loan back. Ms. Haslem stated that once the City enters into that partnership through the Resolution, they have an entire support team to help. She said they have GIS teams, finance teams, and marketing teams.

Mayor Arnold asked what the City's exposure would be in the worst case scenario, like if the investor defaulted or the valuation doesn't come back high enough. Ms. Haslem said it would not fall back on the City.

Councilman Zilles asked about collateral? He said a City or Town doesn't really have collateral to offer. Ms. Haslem stated she is not the finance person and would rather they answer those questions, she was not sure how that works with a governmental entity. He said he would like more information on how that works.

Councilman Zilles asked to go back to the property tax distribution slide and questioned if the City would have to pay back the original PID before getting any more infrastructure built. Ms. Haslem shared a couple of examples of what other groups did to help facilitate that growth without using the property tax differential.

Councilman Zilles questioned the wording in the Resolution about the UIPA encouraging the retention and expansion of housing needs and wondered about that. Ms. Haslem stated the UIPA doesn't have anything to do with housing. Mayor Arnold noted that the wording for the Resolution was taken from another entities resolution and that portion might need to be removed.

Ms. Haslem stated the UIPA feels their strength lies in the industrial and manufacturing areas and bringing the higher paying jobs associated with those businesses, but she feels that Naples City already has both of those and would benefit from the expansion of retail business. Ms. Haslem says developers do contact the UIPA because they love the tools available for lower interest rates for financing and the incentives of tax credits.

Councilman Zilles asked what the UIPA's definition of infrastructure is? Ms. Haslem stated it has to be tied to economic development like roads, water, sewer, or power. She says they like to term it the horizontal development. Councilman Zilles stated that he really likes what he's heard, and it offers a different avenue for affordable infrastructure development. He said he would like to learn more about the financial side of it and how that affects the City. He also wanted to know if there has been any business interested in coming to Naples. Ms. Haslem said yes. Councilman Zilles wanted to know what the City was lacking for them to come in. Ms. Haslem stated it is water. Councilman Zilles wanted to know if the purchase of water shares is something that the UIPA would consider. Ms. Haslem said she was not sure she could answer that. She said they would have to discuss that with the Board. Councilman Zilles said a developer wouldn't be able to develop, even with infrastructure in place, unless they can bring those water shares with them.

Councilman Zilles asked if the UIPA ever works with existing buildings and updating infrastructure for those. Ms. Haslem said they have worked with existing buildings. Councilman Zilles said he appreciates the discussion they've had and the potential opportunities for Naples City. He asked what the steps would be to identify a project area. Ms. Haslem said they like to meet with those who are over planning and zoning and with those over building permits. She said they can usually help identify where there is potential for growth and development.

With no other questions, Nate Zilles **moved** to adopt Resolution 26-379 to create a UIPA project area in Naples City, with the removal of the reference to housing. Dan Olsen **seconded** the motion. The motion passed with the following roll call vote:

Jonathan Beede	Aye
Kenneth Reynolds	Aye
Ross Morton	Absent
Dan Olsen	Aye
Nate Zilles	Aye

DISCUSSION REGARDING SOCIAL MEDIA POLICY

Mayor Arnold stated he had a resident approach him about Naples City's social media and wanted to help promote Naples and get more and better information out there. Nikki asked what kind of information they were wanting to put out. She wanted to know if it was just that more information needed to go out or were they wanting to have a stronger social media presence to somehow promote the City? She said she felt a better social media policy was a good idea but not having someone else take over what is being put out. Mayor Arnold said he didn't want to give someone else control over that, just wanted to know what council members thought.

Councilman Zilles agreed that a good social media policy would be helpful but not necessarily the idea of someone else having that control. No action was taken on the matter.

OTHER MATTERS OR FUTURE COUNCIL MATTERS

Micheal wanted the Council to know the parking lot by the park has gone out to bid and that the lights at the park are on back order so there will be a little delay with those.

Micheal also asked the Council if they wanted to have flowers in the planters next year because those need to be ordered now. Szeth stated he waters the flowers and the water use is minimal. Council members decided they still want to do the flowers next year.

MOTION TO ADJOURN

With no other business before the Council, Dan Olsen **moved** to adjourn the meeting at 9:00. Kenneth Reynolds **seconded** the motion. The motion passed with all voting aye.

APPROVED BY COUNCIL ON THE 10TH DAY OF SEPTEMBER 2026

BY: ______________________________ ATTEST: __________________________