

**SPECIAL MEETING OF THE
BRIGHAM CITY COUNCIL
JULY 22, 2015
5:30 PM**

PRESENT:	Tyler Vincent	Mayor
	DJ Bott	Councilmember
	Alden Farr	Councilmember
	Ruth Jensen	Councilmember
	Tom Peterson	Councilmember
	Mark Thompson	Councilmember

ALSO PRESENT:	Joseph Bach	Fire Chief
	Rick Bosworth	Human Resource Coordinator
	Dave Burnett	Public Power Director
	Mary Kate Christensen	City Recorder
	Jared Johnson	Building Official
	Paul Larsen	Economic Development Director
	Kristy Law	CAS Manager
	Kirk Morgan	City Attorney
	Michael Nelsen	Interim Police Chief
	Derek Oyler	EMS Director
	Tyler Pugsley	Public Works Director
	Diane Reichard	City Treasurer
	Jason Roberts	Finance Director
	Dennis Vincent	Police Lieutenant

Mayor Vincent called the meeting to order. The Pledge of Allegiance was recited.

Employee Appointment

Mayor Vincent stated that this has been a long process. He said as the Mayor, and those who sat on the panels, everyone learned a lot and enjoyed the process. He announced that Mike Nelsen has been chosen to fill the position of Chief of Police for Brigham City, with the consent of the City Council.

MOTION: Councilmember Jensen made a motion to appoint Interim Chief Mike Nelsen to fill the position of Chief of Police. The motion was seconded by Councilmember Bott. Voting was unanimously in favor.

Administration of Oath of Office to Newly Appointed Police Chief

Ms. Christensen administered the Oath of Office to newly appointed Police Chief Mike Nelsen.

Mayor Vincent presented him with his chief badge and stars. Chief Nelsen said he appreciated the opportunity to step up to this position. The Mayor has set the City's goal as "Brigham City is me, this is my City, this is my responsibility, it is my legacy." He felt strongly that Brigham City is his City and has been for 36 years and he takes it as his responsibility. It is also his legacy because his grandfather was the Chief of Police in Brigham City. When he started as a police officer it was always his goal to become Chief. He added that Brigham City has the greatest group of officers and staff. They make the department run. He expressed appreciation to them.

He also expressed appreciation to his family for all their support in the last 36 years. He thanked the Mayor and Council for their support, and Mr. Leonard for all his support.

Mayor Vincent thanked Chief Nelsen for his many years of service with the City and for the great job he did as Interim Chief.

Discussion on the Baron Woolen Mill Fire

Chief Bach reported that at 2:07 AM the alarm came in for a structure fire at the Woolen Mills. The Fire Department responded with 28 people, 15 of which were from the Brigham City Fire Department. The rest came from Willard, Corinne and Honeyville. The Power and Public Works Departments were also on scene, as well as the Community Development Department. When he arrived on scene the Police Department was already there and had secured the area. It was a fully engulfed structure fire.

The immediate concern was for the property to the north. There were embers blowing onto a wood shake roof and the roof was catching on fire. Crews immediately started putting out the roof fire and in the yard around this residence to protect that structure, then they started putting water directly on the fire.

At some point, it became evident that they were not going to be able to penetrate all the fire debris in the building, even with the heavy water streams from the ladder truck. The decision was made that some of the walls needed to be torn down and they would need to try to dig through it with a track hoe in order to get to the seed of the fire. By about 5:00-6:00 in the morning there was some debris smoldering that they needed to dig through, but most of the fire was out.

The cause of the fire is under investigation by the Brigham City Police Department.

Mr. Pugsley said he and Derek Oyler, as well as the City Engineer Brett Jones and Judd Hamson from Whitaker Construction met at the site to determine what it would take to clean up the property and the potential cost. Whitaker Construction estimated it would cost \$279,450. This estimate does not include any environmental hazardous material abatement. Mr. Jones' estimate was \$324,000. If the environmental process and abatement needs to be done it would add another \$65,000.

Mr. Pugsley said they also received estimates for the Planing Mill. The estimated cost for demolition and to haul everything off the site was \$78,000. If environmental abatement needed to be done it would be an estimated \$25,000.

Mayor Vincent asked if City crews helped with the excavation how it would affect the cost. Mr. Pugsley said City crews are capable of doing it, but they would have to rent bigger equipment and their daily routines and street maintenance would have to be put aside. He estimated it would take five months.

Councilmember Jensen asked what is being done on the other historical properties that were burned a few years ago. Mr. Morgan said only the owners of the Baron Woolen Mill and the Merrill Planing Mill have appealed the process. All these buildings as well as the Twin Pines Motel have been noticed. City staff is currently going through the Utah Code for the Abatement of a Nuisance process. The intent of the City is to clean up the site and put a lien on the property, as previously directed by the Council. Then when the property sells the City can recoup a portion of the costs.

Councilmember Jensen asked where the money would come from. Mr. Roberts said if the City had to absorb it, it might set the City's cash position back 1-2 years.

Councilmember Jensen expressed concern with setting a precedent. Nobody gets in trouble, the City cleans up the mess, and will get the property that will not be worth as much as the debt.

There was discussion on the possibility of using the property for a training burn for the Fire Department. It was determined that this should not be done.

Public Hearing on Interfund Loan from the Brigham City Public Utility Fund to RDA #1 for the Funding of a Portion of the Academy Building Project

Mr. Roberts explained that the funding for the Academy Building Project has been set up so that it will be paid back through tax increment from the hotel. The hotel tax increment and room tax are being used to pay for the Academy Building and the conference portion of the building. From the beginning of this project it has been known that the restaurant portion of the project would have to be funded through anticipated revenue from the lease of the restaurant space. Now that it is known what the lease revenue will be, along with expected sales tax revenue from both the restaurant and hotel, he recommended using this funding to pay for the remainder of the project. This would include a parking lot, furniture, fixtures and equipment. The identified funding will pay for a large portion of the fixtures and equipment, but there may not be enough for furniture. This resolution is for a loan from the City utility funds to the RDA which will be paid back with the lease revenue over 20 years.

Councilmember Peterson asked if staff has firmed the bids on the proposed costs and if there was more than one bid received. Mr. Leonard explained that when they had the 95% design plans Mr. Johnson was able to get the contractor that is under contract to give him a price based on the 95% design plans. When the 100% design plans were received, the numbers had gone up. Staff wanted to bring this back to the Council before rebidding because rebidding will take some time. Councilmember Peterson felt that according to State Code, it needs to go out to bid.

Mr. Leonard said he would check and see if change orders can be done on the original contract and review the prices with them and try to remove some of the items he has listed if the City acts as the general contractor.

Mr. Morgan added that time is of the essence. The City is already going to have to renegotiate the starting time of the first lease agreement. They want to open up as soon as possible. Mr. Leonard said it could take six weeks if it goes out to bid.

Councilmember Peterson asked if the renter has reviewed all the plans and signed a statement that the plans are adequate for their needs. Mr. Leonard said his understanding was that the City would finish the building and they would accept it. Mr. Roberts added that they have had input, but did not think a signed statement had been received. Councilmember Peterson recommended the City get a signed statement. Mr. Leonard said most of the things the City has discussed with the renter was on the grade and quality of the appliances. The rest of the building will be completed per the specs and the renter will not have input on how it is completed. It was not the City's intent to let the renter say what he wanted changed.

A motion to open the public hearing was made by Councilmember Jensen, seconded by Councilmember Farr and unanimously carried.

Don Dunbar, Brigham City – Mr. Dunbar opposed the fund transfer from the utility funds. If there is any surplus citizens are being over charged. The government should not be in the business to make money. The Academy Building has cost \$7,570,000. He proposed the position of Economic Development Director be eliminated. It is not the proper role of government and has not created one job. Instead of spending money on the Academy Building, the City should be using that money to build a generator.

Lee Johnson, Brigham City – Mr. Johnson said most of the people in this community are trying to walk the straight and narrow path. When he looks around he sees more than that, he sees buildings going up. It reminds him of Lehi's dream of the great and spacious building. How many more great and spacious buildings is the Council going to build before they realize they are going down the wrong path?

There were no further comments from the public. A motion to close the public hearing was made by Councilmember Farr, seconded by Councilmember Jensen and unanimously carried.

Councilmember Thompson suggested approving the Interfund loan with constraints to bid it out. Councilmember Farr said even if the loan is approved, there will not be enough money to cover everything. Mr. Roberts explained that if the Council approves the Interfund loan a public hearing would have to be held and he would have to bring a resolution to the Council for approval.

Councilmember Peterson said the loan could be approved but only for the alternates, with bids coming back to the Council.

MOTION: Councilmember Thompson made a motion to approve the Interfund loan from Brigham City public utility funds to the Redevelopment Agency and complete the portions of the building that the City has received bids on; the remaining portions will be bid out and no money should be spent on these portions until a bidder has been awarded. The motion was seconded by Councilmember Peterson. A roll call vote was taken:

Councilmember Bott – aye
Councilmember Farr – aye
Councilmember Peterson – aye
Councilmember Thompson – aye
Councilmember Jensen – nay

The motion carried 4-1.

Mr. Roberts said if it is the Council's intent that the public hearing to be held on August 6 will be the last one for this project, the issues are that the funding sources that have been identified are projected to be approximately \$360,000 short. Of that, \$235,000 is for the parking lot improvements and an additional \$100,000 for the furniture fixtures and equipment. He was not sure where this money could come from.

Councilmember Peterson suggested developing the parking lot on the northeast corner so it could be sold as a developed site.

Councilmember Thompson recommended waiting on the parking lot.

Councilmember Farr suggested petitioning the County for some of the tourism tax from the Hampton Inn to be applied to this project. Mr. Roberts said the City is currently getting approximately 52% of the County's portion of the tourism tax from the Hampton Inn. There is an additional 48% that is used for tourism purposes.

Mr. Larsen explained that there are two kinds of transient taxes – transient room tax (TRT) and restaurant tax. Approximately 40% of the restaurant tax is generated by Brigham City restaurants; 25% by Perry; 25% by Tremonton. A fair amount of this is spent on County operations of the tourism program. Approximately 20% of this tax goes toward the Tourism Tax Advisory Board Grants. These are usually small grants from \$1,000-\$5,000.

Most of the TRT comes from Brigham City and Tremonton. The interlocal agreement with the County allows for 52.9% of the TRT from the Hampton Inn to go toward this project. It's possible they could go up to 100%. Councilmember Farr felt that the City should pursue this, because it will benefit the entire county. Mr. Roberts added that if the County would go up to 100% it would cover everything. Councilmember Thompson added that the intent is that the Academy Project pay for itself and the Hampton Inn is part of the Academy Project. If the City can use the TRT to pay for this, then the project will be paying for itself.

Mayor Vincent, Mr. Leonard and Mr. Larsen will talk to the County about the City getting 100% of the TRT to use on the Academy Building.

Mr. Roberts will bring a resolution to the Council on August 6 to amend the 2015-16 budget.

The Council discussed other options for funds, such as money earmarked for the sports complex or fund balance. Mr. Roberts said the fund balance is at the State limit so it is highly possible the City will be required to spend or transfer money from the general fund. This will be a significant amount, probably six figures.

The Council adjourned to an RDA meeting at 7:10 PM.