

**ST. GEORGE CITY COUNCIL MINUTES
REGULAR MEETING
NOVEMBER 14, 2019, 4:00 P.M.
ADMINISTRATION CONFERENCE ROOM**

PRESENT:

**Mayor Jon Pike
Councilmember Jimmie Hughes
Councilmember Ed Baca
Councilmember Bryan Smethurst
City Manager Adam Lenhard
City Attorney Shawn Guzman
City Recorder Christina Fernandez (left the meeting at 4:50 p.m.)
Deputy City Recorder Annette Hansen (arrived at 4:50 p.m.)**

EXCUSED:

**Councilmember Michele Randall
Councilmember Bette Arial**

OPENING:

Councilmember Pike called the meeting to order and welcomed all in attendance. The invocation was offered by Reverend Alex Wilkie and the Pledge of Allegiance to the Flag was led by Mayor Pike.

City Manager Adam Lenhard mentioned that he recently travelled to Ibigawa, Japan as a delegate for the St. George Marathon; it was an amazing experience. He then presented Mayor Pike with a gift from Mayor Tomida.

CONSENT CALENDAR:

- a. Consider approval of a Professional Services Agreement with Alpha Engineering for the Little Valley Irrigation Pump Station and Piping Project.**
- b. Consider approval of a Professional Services Agreement with Alpha Engineering Company for the design and construction management of the Ft. Pierce Wash Sewer Outfall Line Replacement Project.**
- c. Consider approval of a Reimbursement Agreement for the Upsize of a Waterline in the Desert Canyon Subdivision.**

MOTION: A motion was made by Councilmember Baca to approve the consent calendar.

SECOND: The motion was seconded by Councilmember Smethurst.

VOTE: Mayor Pike called for a vote, as follows:

Councilmember Hughes - aye
Councilmember Baca - aye
Councilmember Smethurst - aye

The vote was unanimous and the motion carried.

CANVASS OF THE 2019 MUNICIPAL GENERAL ELECTION:

Melanie Abplanalp with Washington County noted the City had a 36% voter turnout for the 2019 General Election after which she presented the results as follows:

Jimmie B Hughes	7,717	19.47%
Gregg McArthur	7,647	19.29%
Dannielle Larkin	6,714	16.94%
Ed Baca	6,331	15.97%
Greg Aldred	5,792	14.61%
Bette O Arial	5,432	13.71%

MOTION: A motion was made by Councilmember Hughes to certify the election results as presented.

SECOND: The motion was seconded by Councilmember Smethurst.

VOTE: Mayor Pike called for a roll call vote, as follows:

Councilmember Hughes - aye
Councilmember Baca - aye
Councilmember Smethurst - aye

The vote was unanimous and the motion carried.

PRESENTATION REGARDING THE BIKE LANE ON MAIN DEMONSTRATION:

Kye Nordfelt with the Active Transportation Committee presented a PowerPoint presentation covering the following topics: Why Main Street?; What are benefits?; and For mental health.

Jay Aguilar with the Active Transportation Committee presented a PowerPoint presentation covering the following topics: Kids benefit; Parents benefit; Seniors benefit; Community feedback; and Things to consider.

City Recorder Christina Fernandez left the meeting and Deputy City Recorder Annette Hansen arrived.

The Council discussed the need to educate the public for safety reasons.

PRESENTATION OF THE CITY CAMPUS AND POLICE DEPARTMENT REMODEL:

Support Services Manager showed display boards comparing 1980 to 2019 for both the City Hall and Police Department buildings.

Jim Child with JRCA presented a PowerPoint presentation covering the following topics: Objectives; Aerial map outlining phases; Floor Plan for Dispatch; Rendering; Anticipated schedule; 2b Parking Expansion; Rendering; Slope; Anticipated schedule; Phase 2 City Hall Expansion and Remodel; Floor plans; Anticipated schedule; Phase 3 Police Headquarters Expansion and Remodel; Aerial map of building; Floor plan; and Anticipated schedule.

Mr. Mortensen explained employees in City Hall will be relocated during construction. He outlined the square footage increases and costs associated with each phase and

the cost associated with each phase as follows: Phase 1a: \$1.8 million; Phase 1b: \$1.6 million; City Hall \$8.8 million; and the Police Department \$6.9 million for a total of \$19.2 million.

Financial Planning and Budget Manager Deanna Brklacich provided and outlined a draft of the project's combined funding sources and uses. Funding sources include the Dispatch Center Reserve Fund, Capital Projects Fund; Enterprise Funds; and a CIB Bond. She stated that the City was recently approved for a loan from the CIB Board. This will be financed through the Municipal Building Fund – the fund will act as the landlord/owner of the projects; the City pays the fund back. She explained the interest on the loan is 2.5 %, over a 20-year period outlined the sources of bond payments.

Jason Burningham with Lewis Young Robertson and Burningham mentioned the City can “pay as you go”. He spoke about the types of bonds that could have been used; the CIB Bond was the best option. This structure is not secured by a revenue, rather it is secured by the physical facility, similar to a mortgage. Two resolutions are required – a City Council resolution and a Municipal Building Authority resolution.

MASTER LEASE AGREEMENT / RESOLUTION:

Consider approval of a resolution of the City Council of the City of St. George, Utah (the “City”) authorizing and approving the execution and delivery of a Master Lease Agreement, by and between the City of St. George and the Municipal building Authority of the City of St. George, Utah (the “Authority”); authorizing the execution and delivery of ground lease agreement; authorizing the issuance and sale by the authority of not more than \$15,000,000 aggregate principal amount of lease revenue bonds, series 2020; and related matters.

Financial Planning and Budget Manager Deanna Brklacich explained this resolution, agreements, and indentures are the documents which outline the parameters and provide the authority for the City and the MBA to issue bonds to fund the City Offices and Police Building Headquarters remodeling and expansion projects. The bonds parameters are: 1) bond limited to \$15 million; 2) term no more than 25 years; 3) interest rate not to exceed 5%; and 4) bonds not to be sold at less than 97% of principal amount. The City is currently approved for a CIB 20-year CIB Bond at 2.5% rate.

Mr. Burningham explained the reason for the not to exceed 5% interest rate.

City Manager Adam Lenhard stated that he believes this expansion gives the building another 20 years, 10 years for the Police Department building with a satellite building. Changes in technology will change the way the City does business; it will help gain efficiencies in staffing – technology helps fewer people to do more.

Councilmember Hughes commented that it is important to recognize the amount of money being spent but the City is doing what is needed for employees and customers. He likes the fact that the project is not tied to a specific fund.

Mayor Pike added that the City is in good shape, financially. If “belts need to be tightened” the City has the wear withal to do so.

Mr. Burningham commented that it is important to note that historically, the City is highly rated – AA. Going the CIB route vs. AA capital market saves approximately \$1 million in interest costs.

Ms. Brklacich noted if approved, a public notice will be posted, starting a 30-day contest period. After which there will be a public hearing on December 5 through the Municipal Building Authority.

City Manager Adam Lenhard commented about lead certification, it will not be attainable for this project. The cost would have been millions more.

Mr. Child noted anything new with the building meets a much higher level of sustainable and energy efficiency.

MOTION: A motion was made by Councilmember Hughes to approve the resolution to approve the Master Lease Agreement.

SECOND: The motion was seconded by Councilmember Smethurst.

VOTE: Mayor Pike called for a roll call vote, as follows:

Councilmember Hughes - aye
Councilmember Baca - aye
Councilmember Smethurst - aye

The vote was unanimous and the motion carried.

ADJOURN TO THE MUNICIPAL BUILDING AUTHORITY MEETING:

MOTION: A motion was made by Councilmember Baca to adjourn to the Municipal Building Authority Meeting.

SECOND: The motion was seconded by Councilmember Hughes.

VOTE: Mayor Pike called for a roll call vote, as follows:

Councilmember Hughes - aye
Councilmember Baca - aye
Councilmember Smethurst - aye

The vote was unanimous and the motion carried.

DEVELOPMENT AGREEMENT:

Consider approval of a Development Agreement for Partial Occupancy of the Zion Brewery - Station II, located at 142 North Main Street

City Manager Adam Lenhard explained this agreement is for the developer's request to occupy the first floor of Zion Brewery - Station II. The agreement allows occupancy of the first floor, upon fulfillment of life-safety requirements.

Deputy City Attorney Paula Houston noted this item needs to be subject to final review by the Legal Department.

MOTION: A motion was made by Councilmember Hughes to approve the Development Agreement for partial occupancy of the Zion Brewery – Station II subject to review by the Legal Department.

SECOND: The motion was seconded by Councilmember Smethurst.

VOTE: Mayor Pike called for a vote, as follows:

Councilmember Hughes - aye
Councilmember Baca - aye
Councilmember Smethurst - aye

The vote was unanimous and the motion carried.

REPORTS FROM MAYOR, COUNCILMEMBERS, AND CITY MANAGER:

Councilmember Hughes reported on the State Homelessness Board meeting he attended as well as the Housing Authority Board meeting and SwitchPoint Board meeting.

Councilmember Smethurst noted that golf revenues and participation are up.

Mayor Pike requested that the last meeting of year be held on Wednesday, December 11th rather than the 12th. The Council agreed. He then reported on a special event request from the Jewish community to celebrate Hanukah. They would like to use Town Square and leave a Menorah there for the eight (8) days. Waiving of fees should be discussed so that its fair for all groups. For now, the Council agreed to have the Menorah there and charge a \$75 fee for the event but not to charge fees for Menorah being at the Town Square.

City Manager Adam Lenhard noted the building inspectors went out with record number of inspections today; they completed 240.

ADJOURN:

MOTION: A motion was made by Councilmember Smethurst to adjourn.

SECOND: The motion was seconded by Councilmember Hughes.

VOTE: Mayor Pike called for a vote, as follows:

Councilmember Hughes - aye
Councilmember Baca - aye
Councilmember Smethurst - aye

The vote was unanimous and the motion carried.