

Naples City Council

December 10, 2020

Minutes

The regularly scheduled meeting of the Naples City Council was held December 10, 2020, 7:30 p.m., at the Naples City Office, 1420 East 2850 South, Naples, Uintah County, Utah.

DATE, TIME & PLACE OF MEETING

Council members attending were Dean Baker, Robert Hall, Gordon Kitchen, Dennis Long, Dan Olsen and Kenneth Reynolds.

COUNCIL MEMBERS ATTENDING

Others attending were Kevin Devoll, Fernando Rivera, Andrew Cox, Stephanie Cox, Kim Kay, Scott Gray, Reid Merrick, Brett Reynolds, Joshua Bake, and Nikki Kay. Attending remotely was Douglas Morrill.

OTHERS ATTENDING

Mayor Dean Baker welcomed everyone and called the meeting to order at 7:30 p.m. Mayor Baker opened the meeting with the pledge of allegiance. Councilman Dan Olsen offered the invocation.

OPENING CEREMONY

Mayor Baker presented the agenda for approval. Joshua Bake asked the Council if Reid Merrick could have just a moment on the agenda. Mayor Baker said they could add him after item five. Robert Hall **moved** to approve the agenda as amended. Kenneth Reynolds **seconded** the motion. The motion passed with all voting aye.

AGENDA APPROVED

The minutes of the regular city council meeting of November 12, 2020 were presented for approval. Dan Olsen **moved** to approve the minutes as presented. Dennis Long **seconded** the motion. The motion passed with all in attendance voting aye.

MINUTES APPROVED

Mayor Baker asked if anyone had anything they wanted to follow up on from the previous meeting. Councilman Hall asked about the signs at the park for the bike trail. Joshua said the road department got right on that and have looked into the signs and what is needed. He said they may wait to place the signs when the ground is not frozen. It was discussed having Dean John come back after the signs are up and take a picture with him at the park.

FOLLOW UP ITEMS FROM PREVIOUS MEETING

Nikki Kay presented the bills in the amount of \$12,845.74 and asked for an additional \$763.94 for credit card charges that need taken care of before the Council meets again. The total presented was \$13,609.68. Dennis Long **moved** to approve the amount presented. Dan Olsen **seconded** the motion. The motion passed with the following roll call vote:

Robert Hall	Aye
Dan Olsen	Aye
Dennis Long	Aye
Kenneth Reynolds	Aye
Gordon Kitchen	Aye

APPROVAL OF THE BILLS

A business license application was received from **Ashley Acres Lights** located at 2236 S 1500 E. Joshua Bake stated this would be a fireworks stand that Mr. Devoll is doing. He said the stand would be open on a limited basis for New Years, July 4th, July 24th, and Chinese New Year. Joshua said the recommendation is to treat this like a regular business license and get it approved and the Planning Commission might want to include something in the Land Use Ordinance to address temporary structures. The requirements listed for the license included sanitary facilities for any employees approval to see fireworks only on the days allowed by law, and to provide parking for three vehicles. Joshua reported that Mr. Devoll is leasing the land and does have permission to use it, the Fire Marshall has been in contact with Mr. Devoll and the oilfield business located next door has also been contacted. Councilman Kitchen questioned the three parking spots and if those would be marked and stated he thought they could have more than three vehicles there at any one time. Joshua said it would be a minimum of three spots and the whole lot would be open for parking. Dennis Long **moved** to approve the business license. Dan Olsen **seconded** the motion. The motion passed with all voting in the affirmative.

APPROVE BUSINESS LICENSE

A business license application was received from **Timberlane Pumps** at 721 South 1500 East. Joshua told Council this business was located in Vernal and the owner has bought the property at this location. He stated the business sells new and refurbished pumps and will also be selling decorative stones in the future. The business was recommended for approval. Dan Olsen **moved** to approve the license for Timberlane Pumps. Robert Hall **seconded** the motion. The motion passed with all voting in the affirmative.

Mayor Baker recognized Reid Merrick. Mr. Merrick stated he is part of a group of amateur radio operators. He said they meet together to train and wanted to ask the Council about using the upcoming fireworks show to offer their services to provide communication for that night and to help keep things moving smooth. Mr. Merrick said this would also give them an opportunity to do a little training. He explained they usually have a mobile unit base station and then others in the field. Mr. Merrick said they would try and provide one radio operator with each person that is helping with the parking. Joshua Baker gave Mr. Merrick the date and time for a safety meeting they will be holding to discuss the fireworks and invited him to attend.

CITIZEN COMMENTS

Council members received a copy of the one and five year lists for CIB projects. Joshua said it was not his intention to update those this night but for the Council to look them over and to come back with their project ideas in January. Mayor Baker explained how the CIB is changing the way they do things and how they consider projects. He said the entities now need to identify how the project alleviates impact on infrastructure, land, employment, and safety. How would it ease burdens? Who are the prime beneficiaries of the project? Mayor Baker said the entities need to be aware of assets and know what they have. He stated the Board will be sending out a self inventory check list to help determine the priority of projects. He also reported that once a list is finalized it can't be amended. Mayor Baker encouraged the Council members to reach out to the citizens and find out what they think is needed in the city. Joshua pointed out that two of the projects on the City's list could be crossed off this year.

CIB PRIORITY PROJECTS ONE AND FIVE YEAR LISTS

Joshua brought back information he received from talking with Dennis Judd about the health insurance buyout for Leonard Isaacson that was presented at a previous meeting. Joshua stated Mr. Judd believed the City could choose to reimburse Mr. Isaacson's current employer, they could wait to see if the need arises from loss of employment, or they could offer the buyout. Joshua stated he had not talked any more with Mr. Isaacson to see what an agreeable amount would be and Nikki also was not exactly sure how many payments had been made for the insurance. Joshua said he would bring this back to the next meeting with the correct amounts. No action was taken.

PROPOSED HEALTH INSURANCE BUYOUT

Doug Morrill, with Crossroads Accounting, joined the meeting remotely to give the Council the audit report for fiscal year ending June 30, 2020.

***FY 2019/2020 AUDIT
REPORT***

Portions of Mr. Morrill's report included that the City's total revenues decreased about \$529,000 or 18% over the prior year's revenues. This is primarily due to a decrease in sales tax revenue. Expenses increased about \$399,000 or 11% over the prior year. He also read some of the statements that are included with the financial report that stated:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of the governmental activities, and each major fund of the City of Naples, Utah (the "City"), as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 10, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Naples, Utah's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention

by those charged with governance. Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Naples, Utah's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Council members thanked Mr. Morrill for the report. Dan Olsen **moved** to accept the audit report for the year 2019/2020. Kenneth Reynolds **seconded** the motion. The motion passed with all voting in the affirmative.

Robert Hall **moved** to open a public hearing to consider amending the FY 2020/2021 budget. Dennis Long **seconded** the motion. The motion passed with all voting aye. Joshua explained the purpose of opening and amending the budget would be to take care of the Cares Act funding (CRF) received and to budget for those expenditures. Joshua explained the money received in the last fiscal year (\$60,790) would need to be carried forward to this year and also the third allotment of the money needs to be brought into the budget. The last amount received was \$54,264. He said the revenue and expenditure both need to be added. Mayor Baker asked if there were any questions from the public. With no questions or comments from the public, Kenneth Reynolds **moved** to go out of the public hearing. Dennis Long **seconded** the motion. The motion passed with

***PUBLIC HEARING TO
OPEN AND AMEND THE
2020/2021 FISCAL YEAR
BUDGET***

all voting aye. Nikki stated she would have the Resolution with the correct amounts ready for the first meeting in January.

Mayor Baker said he felt like it was time to have an acting Chief and wanted to bring that discussion to a public meeting. He said his proposal was to appoint Andrew Cox as the acting Chief of Police. Mayor said there were a few stipulations and asked Joshua to cover those. Joshua also added that he felt Drew has done a fantastic job. He said the department has gone through a hard time with a lot of changes. Joshua said they have the best officers in the country and feels that Drew has done a great job. He said they would like to propose appointing him as the new police chief of Naples with the added process of drawing up a contract and address the salary changes in January. Joshua said it was a good time to appoint him as Chief knowing the contract will be ready in January. Councilman Hall said he would love to hear from Drew and see why he wants the job. Drew said he feels like he is ready for this position and has been groomed by Mark Watkins for quite a while. He said he has worked here for fourteen years and loves the community and the people here. He said this is his home and he likes working here. Drew said he has some of the best people to work with. Mayor Baker wanted to make sure Drew was willing to accept the position. He stated he was. Mayor Baker said he appreciated Drew stepping up when Chief Watkins left. Drew said it was the officers that stepped up that made a difference. Dan Olsen **moved** to appoint Andrew Cox as the Chief of Police. Robert Hall **seconded** the motion of appointment. The motion passed with the following roll call vote:

Robert Hall	Aye
Dan Olsen	Aye
Dennis Long	Aye
Kenneth Reynolds	Aye
Gordon Kitchen	Aye

Nikki Kay gave the oath of office to Andrew Cox.

Joshua Bake said the City changed from a board of adjustment to an appeal officer to hear land use appeals. He said Uintah County and Vernal City have done the same thing. Joshua said in a recent discussion it was brought up to combine the three entities and get their own appeal officer. He said the discussion was to serve as each others

P O L I C E C H I E F D I S C U S S I O N A N D A P P O I N T M E N T

A P P E A L S O F F I C E R D I S C U S S I O N

appeal officer. Joshua said they might save on expenses this way. He said they discussed keeping a running tab on the cost of the appeals and if one entity was doing more than the others then there would be a payout. Joshua said Vernal City decided not to participate and so it would just be between Uintah County and Naples. He said it would involve an MOU that would be reviewed by Mr. Judd. He said there are some pitfalls in doing something like this and it would work better if they could get Vernal City on board. Councilman Long wanted to know the reasoning for Vernal City not wanting to do it. Joshua said he is not exactly sure but it could be the scale of how many appeals are heard by the County. Councilman Kitchen wanted to know when the dollar amount would kick in because the County does have so many more than the City. Joshua said that is something that could be worked out in the MOU. Mayor Baker wanted to know if there were certain qualifications for an appeals officer. Joshua said currently there are not. He said most entities hire an attorney. Joshua said Mr. Judd has not seen the MOU but Joshua wanted to present the idea and have them think about it. Mayor Baker said they could look at it but would have to see the MOU before making any decision. Mayor Baker wondered how much it would pull Joshua away from the City. Councilman Kitchen wondered why the County was proposing it, he said there would have to be a benefit to them. Councilman Reynolds and Councilman Hall both said the politics of it would be very tricky. Councilman Long wanted to know why Uintah County didn't approach Duchesne County with this? Joshua said that might be a good idea. Mayor Baker said he can look into it and come back with the information.

Council members received the proposed 2021 meeting and holiday schedules. Joshua noted the change for the Planning Commission to move their meetings from the third Tuesday to the third Thursday. Joshua also pointed out the way the holiday schedules for the New Year next year, the holiday would be on the 31st of December so that shows two New Year holidays in 2021. Mayor Baker wanted to know if Nikki could change the wording on the meeting schedule to note that the Council only holds one meeting in November and December, that way they wouldn't have to cancel a meeting in December. Dennis Long **moved** to accept the meeting and holiday schedules. Dan Olsen **seconded** the motion. The motion passed with all voting in the affirmative.

***APPROVE 2021 MEETING
AND HOLIDAY
SCHEDULE***

Joshua discussed the after Christmas employee party they usually hold at the ice-skating rink. He wanted Council to know they have reserved the rink but could cancel it if needed. After some discussion it was decided that if there was enough staff that wanted to get together, then keep the reservation.

***OTHER MATTERS -
FUTURE COUNCIL
MATTERS***

Councilman Kitchen wanted Council members to know there is a meeting on Monday at 11:00 regarding the Special Service District. He also wanted them to know, unless they change it, it is being set up as a taxing District. Mayor Baker said they are saying they are not going to do that. Councilman Kitchen said he understands that, but the way it is written and the way it was posted, it is to be a taxing District. Joshua said he discussed it with Mr. Judd and said they put it in there but then they can go back in and state they won't be a taxing District. Councilman Kitchen thought maybe someone should be there.

With no other business before the Council, Gordon Kitchen **moved** to adjourn the meeting at 9:00 p.m. Kenneth Reynolds **seconded** the motion. The meeting was adjourned by all voting in favor of the motion.

MOTION TO ADJOURN

APPROVED BY COUNCIL ON THE 14th DAY OF JANUARY 2021

BY: _____

ATTEST: _____