

CLEARFIELD CITY COUNCIL MEETING MINUTES
7:00 P.M. POLICY SESSION
May 10, 2022

City Building
55 South State Street
Clearfield City, Utah

PRESIDING:	Mark Shepherd	Mayor
PRESENT:	Kent Bush	Councilmember
	Nike Peterson	Councilmember
	Vern Phipps	Councilmember
	Tim Roper	Councilmember
	Karece Thompson	Councilmember
STAFF PRESENT:	JJ Allen	City Manager
	Summer Palmer	Assistant City Manager
	Stuart Williams	City Attorney
	Allison Barnes	Assistant Attorney
	Kelly Bennett	Police Chief
	Adam Favero	Public Works Director
	Braden Felix	City Engineer/PW Deputy Director
	Eric Howes	Community Services Director
	Curtis Dickson	Community Services Deputy Dir.
	Spencer Brimley	Community Development Director
	Brad McIlrath	Senior Planner
	Rich Knapp	Finance Manager
	Lee Naylor	Accountant
	Shaundra Rushton	Communications Manager
	Nancy Dean	City Recorder
	Joannie Strong	Deputy City Recorder

VISITORS: Nadene Davis, Lauren DeSpain, Chad Mortensen, Zach Gaines, Camree Marsden, Abby Maass, Kolby Jackson, Fred Jackson, and Jenna Nelson

Mayor Shepherd called the meeting to order at 7:00 p.m.

Mayor Shepherd informed the audience that if they would like to comment during the Public Hearing or Open Comment Period there were forms to fill out by the door.

Councilmember Bush led opening ceremonies.

Councilmember Phipps arrived at 7:07pm.

APPROVAL OF THE MINUTES FROM THE NOVEMBER 9, 2021, WORK SESSION

Councilmember Thompson moved to approve the minutes from the November 9, 2021, work session as written, seconded by Councilmember Peterson. The motion carried upon the following vote: Voting AYE – Councilmembers Bush, Peterson, Phipps, Roper, and Thompson. Voting NO – None.

SWEARING-IN OF NEW CLEARFIELD POLICE OFFICERS BRAYDEN JACKSON AND MITCH PARKER

Police Chief Kelly Bennett introduced the officers and provided information regarding the department's motto; Service, Honor, Integrity, Excellence, Leadership and Dedication (SHIELD). He mentioned National Police Officer's would take place the week of May 15, 2022, through May 21, 2022, and provided information related to the week.

Nancy Dean, City Recorder, administered the Oath of Office to the new Clearfield Police Officers Brayden Jackson and Mitch Parker.

PUBLIC HEARING TO RECEIVE PUBLIC COMMENT ON THE 2022/2023 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ONE-YEAR ACTION PLAN

The One-Year Action Plan is necessary for Clearfield City to qualify for Community Development Block Grant (CDBG) funds through the Department of Housing and Urban Development (HUD). The plan covers the program year July 1, 2022, to June 30, 2023. A 30-day comment period commenced March 22, 2022, and residents were given the opportunity to review and comment. No public comments had been received.

Allison Barnes, Assistant Attorney, reviewed the Community Development Block Grant (CDBG) Action Plan. She expressed that it was expected Clearfield City would receive approximately \$199,497 in CDBG funds for July 1, 2022, to June 30, 2023, and highlighted the following funding summary for the 2022/2023 plan year:

- Open Doors - \$9,974.85; Circles Program for low-income families to obtain job skills.
- Davis Community Learning Center - \$9,974.85; Helps to fund two part-time Family Support Specialists (FSS) at Holt and Wasatch Elementary. The FSS work directly with school principals and families in need or crisis to address needs and provide assistance.
- Safe Harbor - \$9,974.85; Case management, self-sufficiency support, educational and supportive groups, life skills classes, and connections to other resource agencies.
- Housing Rehabilitation - \$94,673.20; Funds would be used towards a housing rehabilitation program for Clearfield residents.
- Down Payment Assistance - \$35,000; Funds would be used towards the down payment assistance program for Clearfield residents.
- Administration - \$39,899.40; Funds would be used for administrative expenses for staffing, noticing, and advertising of programs.

Mayor Shepherd opened the public hearing at 7:16 p.m.

Mayor Shepherd asked for public comments.

There were no public comments.

Councilmember Thompson moved to close the public hearing at 7:17 p.m. seconded by Councilmember Roper. The motion carried upon the following vote: Voting AYE – Councilmembers Bush, Peterson, Phipps, Roper, and Thompson. Voting NO – None.

PUBLIC HEARING TO RECEIVE PUBLIC COMMENT ON AMENDMENTS TO THE MASTER DEVELOPMENT AGREEMENT (MDA) FOR THE CLEARFIELD STATION PROJECT LOCATED AT APPROXIMATELY 1250 SOUTH STATE STREET (TINS: 12-0066-0138, 12-882-0001, 12-882-0004, AND 12-882-005)

The Master Development Agreement (MDA) for the Clearfield Station project located at approximately 1250 South State Street was adopted in 2020. It set forth the terms under which the development would proceed and the responsibilities of each party. One of the first major steps for the project would be the installation of the underground utilities and surface improvements in the rights-of-way to make the development pad sites ready for immediate construction. The amendments to the MDA outline a phased approach to the installation of the public infrastructure consistent with available funding.

Spencer Brimley, Community Development Director, reviewed the proposed amendment to the Master Development Agreement (MDA) for the Clearfield Station project. The amendment outlined a phased approach to the installation of the public infrastructure. Mr. Brimley stated the proposed phased approach had been vetted and was determined to be the best approach to allow for the continuation of the project due to the funding constraints. The amendment acknowledged the insufficient funds for the design and construction of the public infrastructure as originally planned, and stated that as additional funding was obtained, it would be applied to the continued construction of the public infrastructure in a prioritized order. The amendment included Ordinance 2022-12.

Mr. Brimley stated that on April 20, 2022, the Planning Commission unanimously forwarded a recommendation of approval to the City Council to amend the Master Development Agreement between Clearfield City, Utah Transit Authority (UTA), and Clearfield Station Partners, LLC for the project as outlined.

Mayor Shepherd opened the public hearing at 7:20 p.m.

Mayor Shepherd asked for public comments.

There were no public comments.

Councilmember Roper moved to close the public hearing at 7:21 p.m. seconded by Councilmember Peterson. The motion carried upon the following vote: Voting AYE – Councilmembers Bush, Peterson, Phipps, Roper, and Thompson. Voting NO – None.

OPEN COMMENT PERIOD

Nadene Davis, a Clearfield City resident, commented on code enforcement stating she was ashamed of the appearance of the City. She mentioned how residents weren't informed of their responsibilities and how the City Code wasn't being enforced. She expressed the need for Code Enforcement to post a note on residents' doors informing them of the issue, a deadline to correct the issue, and a consequence for not following through. Ms. Davis mentioned her concerns regarding the weeds surrounding walkways along with the water shortage.

APPROVAL OF AND CONSENT TO THE MAYOR'S PROPOSED APPOINTMENTS TO FILL THE VACANCIES ON THE PLANNING COMMISSION

The Planning Commission had several vacancies needing to be filled and the City Council interviewed individuals to fill the vacancies on April 26, 2022. Mayor Shepherd recommended appointing Lauren DeSpain to fill the regular member vacancy and Chad Mortensen and Zach Gaines to fill the remaining term for the alternate member vacancies.

Councilmember Phipps moved to approve and consent to the Mayor's proposed appointment of Lauren DeSpain as a regular member of the Planning Commission with a term expiring February 2026, Chad Mortensen as an alternate member of the Planning Commission with a term expiring February 2027, and Zach Gaines as an alternate member of the Planning Commission with a term expiring February 2027; and authorize the Mayor's signature to any necessary documents, seconded by Councilmember Bush. The motion carried upon the following vote: Voting AYE – Councilmembers Bush, Peterson, Phipps, Roper, and Thompson. Voting NO – None.

Nancy Dean, City Recorder, administered the Oath of Office to the new Planning Commission members Lauren DeSpain, Chad Mortensen, and Zach Gaines.

Spencer Brimley, Community Development Director, gifted the commissioners a notebook and a book about the basics of land use in Utah.

Mayor Shepherd thanked Ms. DeSpain, Mr. Mortensen, and Mr. Gaines for their willingness to serve.

APPROVAL OF THE 2022/2023 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ONE-YEAR ACTION PLAN

Councilmember Thompson commented on his desire to see the community reach out to congress to do more to help the community.

Councilmember Thompson moved to approve the 2022/2023 Community Development Block Grant (CDBG), and authorize the Mayor's signature to any necessary documents, seconded by Councilmember Roper. The motion carried upon the following vote: Voting AYE – Councilmembers Bush, Peterson, Phipps, Roper, and Thompson. Voting NO – None.

APPROVAL OF ORDINANCE 2022-12 AMENDING THE MASTER DEVELOPMENT AGREEMENT (MDA) FOR THE CLEARFIELD STATION PROJECT LOCATED AT APPROXIMATELY 1250 SOUTH STATE (TINS: 12-066-0138, 12-882-0001, 12-882-0004, AND 12-882-0005)

There were no additional comments regarding Ordinance 2022-12.

Councilmember Roper moved to approve Ordinance 2022-12 amending the Master Development Agreement (MDA) for the Clearfield Station Project located at approximately 1250 South State (TINS: 12-066-0138, 12-882-0001, 12-882-0004, and 12-882-0005), and authorize the Mayor's signature to any necessary documents, seconded by Councilmember Bush. The motion carried upon the following vote: Voting AYE – Councilmembers Bush, Peterson, Phipps, Roper, and Thompson. Voting NO – None.

ADOPTION OF THE TENTATIVE BUDGET FOR FISCAL YEAR 2023 AND SETTING A PUBLIC HEARING FOR AUGUST 9, 2022, TO RECEIVE PUBLIC INPUT ON THE BUDGET

The Tentative Budget as presented to the Council for adoption was a balanced budget for all funds. Presently, the certified tax rate had not been received from Davis County; however, the City was anticipating maintaining its certified tax rate so the truth-in-taxation process was required.

Rich Knapp, Financial Manager, presented the tentative budget for Fiscal Year 2023 (FY23) to the Council. He explained State law required the adoption of a tentative budget; however, the following items were still unknown:

- Certified tax rate and assessed valuation
- Final Property and Liability Insurance
- Fiscal Year 2022 projects that might need to be reallocated to Fiscal Year 2023
- Several staff requests not included
- Beginning fund balances

Mr. Knapp highlighted the City's revenue sources and how the funds were spent. He reviewed the revenues, operating expenditures, capital expenditures, and the changes in available cash for the General Fund, Community Development Renewal Agency (CDRA), Capital Projects, Water, Sewer, Storm Water, and Garbage.

Mr. Knapp reviewed the following changes from the Fiscal Year 2022 budget to Fiscal Year 2023:

- Increase to sales tax budget - \$845,000

- Increase to property tax - \$142,000
 - Staff recommended the City maintain the same property tax rate as last year
- Ten to twelve percent increase in health insurance premiums
- Personnel market/merit increases
- Removal of a vacant part time Court Clerk position

He summarized the major projects that were included in the FY23 budget as follows:

- New water, sewer, storm projects - \$1.7 million
- New street reconstruction projects - \$1.5 million
 - Has money from dedicated sources and set aside from prior years
- Street surface treatment - \$515,000
- Facility projects - \$400,000
- New park projects - \$223,000
 - Replacement of Thornock Park Playground - \$70,000
- Arts Center landscaping - \$80,000

Government Finance Officer Association (GFOA) recommended the City maintain two months of operation expenditures in its unrestricted funds. Mr. Knapp noted the available General Fund cash was projected to be 24 percent by the end of FY23 which would maintain 91 days of operation expenditures. He pointed out that the City's measure for sustainability ensured the General Fund ongoing revenue minus operating expense had a net surplus of \$115,000. Mr. Knapp announced the plan to approve the final budget in late August.

With the sustainability number (ongoing revenue over ongoing expense) was over \$100,000 in the positive. JJ Allen, City Manager, noted his intention to have a discussion with the Council regarding the personnel requests and come back with a recommendation soon. He thanked Rich Knapp, Lee Naylor, and the department heads for their work on pulling together a sustainable budget.

Councilmember Phipps expressed his objection to maintaining the certified tax rate and his concern that revenue gained by paying off the General Obligation bond was now serving the General Fund. He noted the reason he was originally in favor of continuing to receive that revenue was the understanding the revenue would be restricted to one-time capital expenditures not ongoing expenses. He expressed his opinion it was a troublesome approach. He expressed concern for the ongoing cost of personnel and that his term for sustainability was long term budgeting. He commented the budget did not address the personnel impact of the long-term effects of growth and the difficulties of being asked to do more work with fewer resources.

Councilmember Thompson referred to Councilmember Phipps comment that maintaining the certified property tax rate was not a viable engine to fund operations. He noted residents were taxed on 55 percent of their property value, which did not even keep up with the impact of inflation on City services. He asked how to approach personnel needs without looking at the revenues that funded operations rather than underserving residents.

Councilmember Phipps explained the philosophy associated with property tax as related to fairness. He commented the tax was based on the value of something that the owner had no

control over and varied from year to year. He recently learned there were some methods that did work to protect the elderly from that challenge. He did not want to see property taxes become a detriment to those on fixed incomes remaining in their homes.

Councilmember Peterson moved to adopt the Tentative Budget for Fiscal Year 2023 and set a public hearing for August 9, 2022, to receive input of the budget, seconded by Councilmember Bush. The motion carried upon the following vote: Voting AYE – Councilmembers Bush, Peterson, Roper, and Thompson. Voting NO – Councilmember Phipps

UPDATE ON THE FISCAL YEAR 2022 FINANCIAL STATUS

Rich Knapp, Finance Manager, provided an overview of the financial status for the third quarter of Fiscal Year 2022. He reviewed the revenues, operating expenses and money spent on capital projects for the water fund, and mentioned that revenues were down four percent from last year due to water usage being down. Mr. Knapp provided a summary of the General Fund listing all the sources that comprised its revenue sources. Councilmember Phipps recommended clarification on the Miscellaneous portion of the General Fund in which Mr. Knapp stated it that number reflected proceeds from the bond to pay for the Clearfield Station.

Mr. Knapp highlighted the following key revenues:

- Sales Tax for July through March - 12 percent higher than last year and 26 percent higher than two years ago
- Energy Tax - seven percent higher than last year, but not back to prior years
- Building Permits - not as high as last ¾ of year but still over budget at 138 percent
- Excavation Permits - \$125,000 less than last year (UTOPIA)
- Federal grants and transfers high \$2.76 million
 - Part of bond pay off
- Clearfield Aquatic and Fitness Center (CAFC) – year end projection higher than any prior year actual
- Water Charges down four percent
- Water use down four percent from last year; slightly higher than two years ago

He reviewed the summary for all funds including personnel, materials & services, capital outlay, debt service, and transfers. Mr. Knapp noted that everything on the expense side was tracking as projected or lower than expected. He highlighted some key expense numbers including the following:

- Bond payoff
- Part time wages overall had only spent 55 percent of budget through April

Mr. Knapp mentioned an 8.5 percent inflation rate in March for the economy which was the highest inflation since 1981 and that wage growth wasn't chasing inflation. He reviewed the quarterly point of sales taxes and trend in Clearfield and noted it was positive.

Councilmember Thompson inquired about the impact on the budget if building permits tapered down. JJ Allen, City Manager, and Mr. Knapp concurred that other relatable aspects of the

budget would decrease with the tapering of the building permits to help offset. Mr. Knapp added that the budget was conservative regarding the building permit revenue.

COMMUNICATION ITEMS

Mayor Shepherd

1. Summarized his attendance at the Defense Alliance Meetings in Connecticut which focused on nuclear deterrence.
2. Mayor Shepherd mentioned an invitation to the Dirty Bird opening.
3. Reported on his opportunity to welcome home the 388th squadron from their deployment.

Councilmember Bush provided information on the North Davis Kiwanis Club pickleball tournament on Saturday May 21, 2022 at Steed Park and noted he had the link and registration was \$30 per person.

Councilmember Peterson reported on the positive feedback received from the green arrow left turning light at 193 and 1000 East.

Councilmember Phipps

1. Attended the Centennial Committee Meeting and announced that on July 17, 2022, there would be a significant celebration at the City building.
2. Reported on his attendance at the Restoration Advisory Board meeting and noted the methane issue in Clearfield was decreasing.

Councilmember Roper

1. Reported on the Wasatch Integrated board retreat. He mentioned a community concern that the landfill had approximately 20 years of service left, and the board was looking at ways to extend its service availability. Councilmember Roper mentioned a survey that Wasatch Integrated had put out to evaluate the interaction with each City. He encouraged touring the facility.
2. Announced that Dave Thomas would be virtually speaking to the Youth Commission on May 11, 2022, and extended an invitation to join.

Councilmember Thompson attended a conference about the Economic Social Governance (ESG) and proposed changes to its credit rating system. He stated it was an important matter to follow because of the impact it could have on Utah by making it necessary to borrow money at higher rates.

STAFF REPORTS

JJ Allen, City Manager

1. Congratulated new officers and new Planning Commission members.
2. Announced National Public works week next week.
3. Mentioned 500 West and the Clearfield Station demolition.
4. Noted that the Top 5 report was moved to next week and wanted to include a Centennial update for the Council.

Nancy Dean, City Recorder –reviewed the Council’s schedule:

- Work Sessions on May 17, 2022, May 24, 2022, June 7, 2022 (may change), and June 14, 2022
- Policy Sessions on May 24, 2022, June 14, 2022, and June 28, 2022 (CDRA budget hearing needed to be set for June 28, 2022)
- No meeting on 5/31

Councilmember Bush moved to adjourn as the City Council and reconvene as the CDRA in work session at 8:31 p.m., seconded by Councilmember Phipps. The motion carried upon the following vote: Voting AYE – Councilmembers Bush, Phipps, Roper, Peterson, and Thompson. Voting NO – None.

The minutes for the CDRA are in a separate location

**APPROVED AND ADOPTED
This 24th day of May 2022**

/s/ Mark R. Shepherd, Mayor

ATTEST:

/s/ Nancy R. Dean, City Recorder

I hereby certify that the forgoing represents a true, accurate, and complete record of the Clearfield City Council meeting held Tuesday, May 24, 2022.

/s/ Nancy R. Dean, City Recorder