

CLEARFIELD CITY COUNCIL MEETING MINUTES  
7:00 P.M. POLICY SESSION  
June 26, 2018

PRESIDING:	Nike Peterson	Mayor Pro Tem
EXCUSED:	Mark Shepherd	Mayor
PRESENT:	Kent Bush Vern Phipps Tim Roper Karece Thompson	Councilmember Councilmember Councilmember Councilmember
STAFF PRESENT:	JJ Allen Summer Palmer Brie Brass Rich Knapp Trevor Cahoon Wendy Page	City Manager Assistant City Manager Assistant City Attorney Finance Manager Communications Coordinator Deputy Recorder
EXCUSED:	Scott Hodge Greg Krusi Eric Howes Spencer Brimley Nancy Dean	Public Works Director Police Chief Community Services Director Community Development Director City Recorder

VISITORS: Jared Hadley

Mayor Pro Tem Peterson called the meeting to order at 7:00 p.m.

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

Councilmember Roper led the opening ceremonies.

APPROVAL OF THE MINUTES FROM THE MAY 22, 2018 POLICY SESSION AND THE JUNE 14, 2018 NEIGHBORHOOD PARTY

Councilmember Phipps mentioned the policy session minutes from May 22, 2018 needed a correction on page seven in the last paragraph. He stated the word *adherently* should be changed to *inherently*.

**Councilmember Roper moved to approve the minutes from the May 22, 2018 policy session, as amended and the June 14, 2018 neighborhood party as written, seconded by Councilmember Thompson. 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 FISCAL YEAR 2017/2018 BUDGET

Rich Knapp, Finance Manager, reviewed the proposed amendments for the Fiscal Year 2018 (FY18) budget. He explained the first proposed amendment recognized the Mabey Place Redevelopment Bond proceeds of about \$6.5 million and the corresponding expenses of about \$5.5 million.

He indicated the other amendment was for completion of the energy project and upgrades to the HVAC at City Hall. Mr. Knapp explained the original loan for the energy project was over 2.4 million in 2017 but because the project was not completed as anticipated in 2017, \$56,000 of the remaining money needed to roll over into the FY18 budget for its completion which required a budget amendment. He stated in addition Curtis Dickson, Community Services Deputy Director, proposed an additional energy project to the Council during a work session in August 2017. Mr. Knapp continued the proposal was to upgrade the City Hall HVAC system with the unused contingency funds of \$30,000 and rebate savings from Rocky Mountain Power of \$69,000. He acknowledged the budget amendment totaled \$155,554 which accounted for the funds which had not yet rolled over from FY17 and the HVAC upgrade to City Hall.

Mayor Pro Tem Peterson opened the public hearing at 7:05 p.m.

Mayor Pro Tem Peterson asked for public comments.

There were no public comments.

**Councilmember Phipps moved to close the public hearing at 7:06 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.**

OPEN COMMENT PERIOD

There were no public comments.

APPROVAL OF RESOLUTION 2018R-09 AUTHORIZING AMENDMENTS TO THE FISCAL YEAR 2017/2018 BUDGET

**Councilmember Thompson moved to approve Resolution 2018R-09 authorizing amendments to the fiscal year 2017/2018 budget 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.**

APPROVAL OF RESOLUTION 2018R-10 CORRECTING THE PREVIOUSLY SET REAL AND PERSONAL PROPERTY TAX RATE FOR FISCAL YEAR 2018/2019 TO THE ACTUAL TAX RATE OF 0.001607

Rich Knapp, Finance Manager, stated on June 12, 2018, the City Council adopted Resolution 2018R-07 setting the City's certified tax rate at 0.001547 for all real and personal property located within Clearfield for fiscal year 2019. He commented the rate was recommended by Davis County and the Utah State Tax Commission. He explained on June 21, 2018 he went to enter the City's adopted rate on the State website and noticed many of the numbers had changed including the adjusted value and certified tax rate. Mr. Knapp stated he was originally provided a coded and complex explanation from the Utah State Tax Commission for the change in rate. He continued he received additional insight from Davis County. He noted the total assessed value had not changed; however, the adjusted value was different than originally provided.

Mr. Knapp acknowledged the change had resulted from a reduction to the City's total assessed value because of the tax increments from redevelopment projects. He stated the County discovered Economic Development Area 3 (EDA 3) was not included originally in the calculations; therefore, when the State Tax Commission recognized EDA 3 there was more increment value to accept which reduced the assessed value. Mr. Knapp commented the miscalculation happened at the State level and the County was not aware of the change; consequently, it did not notify the City before the changes were discovered. He anticipated the State and County would try to correct the issue in the future so there would be better notifications when changes were made.

He clarified the corrected certified tax rate for fiscal year 2019 was 0.001607. Mr. Knapp indicated Resolution 2018R-10 accurately reflected the corrected tax rate. He mentioned the new certified tax rate would still be a reduction in taxes from the previous year; consequently, the difference would likely be an average savings of about \$11 per household.

JJ Allen, City Manager, asked if there would be a change in the revenue generated by the rate. Mr. Knapp answered the change in revenue was the same, but there would be approximately an additional \$1,000 from new growth revenue.

Councilmember Phipps asked what office in the State made the adjustments. Mr. Allen responded it was the Office of the Utah State Tax Commission.

**Councilmember Thompson moved to approve Resolution 2018R-10 correcting the previously set real and personal property tax rate for Fiscal Year 2018/2019 to the actual tax rate of 0.001607, and authorize the Mayor's signature to any necessary documents, seconded by Councilmember Phipps. The motion carried upon the following vote: Voting AYE – Councilmembers Bush, Peterson, Phipps, Roper and Thompson. Voting NO – None.**

APPROVAL OF GROUND LESSOR'S CONSENT, NONDISTURBANCE, ATTORNMENT AND ESTOPPEL AGREEMENT BETWEEN CLEARFIELD CITY, CLEARFIELD 888, LLC, AND KEYBANK NATIONAL ASSOCIATION RELATING TO THE PROPERTY LOCATED AT 888 SOUTH UNIVERSITY PARK BOULEVARD

Summer Palmer, Assistant City Manager, stated 888 Associates, LLC owner of the office building at 888 South University Park Boulevard was in the process of selling the property. She explained that the City and CDRA lease property to 888 Associates, LLC that is used for additional parking. She continued Section 4 of the original agreement with the City allowed the lease to transfer if the property were sold. Ms. Palmer explained the City's attorney had reviewed the documents from KeyBank and recommended approval. She acknowledged staff also recommended approval to authorize the signatures on the documents and asked if there were any questions.

Councilmember Phipps stated he had some questions about the language of the document. He expressed his desire to refrain from asking the questions in an effort to save the Council's time for his benefit of further understanding what some of the language meant. He commented he would trust that those who understood it had accepted it.

Mayor Pro Tem Peterson requested a brief description about the terms of the agreement in relation to the transfer of ownership. Ms. Palmer responded the lease agreements were for land the City and CDRA owned that currently had a parking lot used by the tenants of the building at 888 University Park Boulevard. She indicated the ability for the agreement to remain in force was an important part of the property's marketability and a key component for the lender to ensure the lease option would continue with new ownership. Mr. Allen added if the lender had to foreclose on the property owner, that lender wanted to know it would continue to have rights to the leased property which was currently a parking lot to serve the building. He continued the lender also wanted assurances that those rights would also be transferrable to a new property owner and thus required the documents from both the City and CDRA as the ground lessors.

Ms. Palmer concluded the CDRA would be considering approval of the same document during its meeting following the City Council meeting.

**Councilmember Roper moved to approve the Ground Lessor's Consent, Nondisturbance, Attornment and Estoppel agreement between Clearfield City, Clearfield 888, LLC, and KeyBank National Association relating to the property located at 888 South University Park Boulevard, and authorize the Mayor's signature to any necessary documents, seconded by Councilmember Thompson. The motion carried upon the following vote: Voting AYE – Councilmembers Bush, Peterson, Phipps, Roper and Thompson. Voting NO – None.**

COMMUNICATION ITEMS

*Mayor Pro Tem Peterson* – thanked staff in advance for its efforts with the City's Fourth of July celebration. She recognized it was a busy time of year for staff and expressed her appreciation for all the time and hard work which went into the celebration.

***Councilmember Bush***

1. Reported attending the Community Leader's Lunch on June 19, 2018. He stated the information presented by the Davis County Health Department representative was very interesting, informative and useful.
2. Attended the neighborhood pop up parties on June 14, 2018 and June 21, 2018. He expressed his opinion each was successful and the kids seemed to enjoy the activities.

***Councilmember Phipps*** – nothing to report.

***Councilmember Roper*** – nothing to report.

***Councilmember Thompson*** – nothing to report.

**STAFF REPORTS**

***JJ Allen, City Manager***

1. Announced he would be out of town the second week in July 2018 and Summer Palmer would be the acting City Manager in his absence.
2. Reported staff was seeing good progress with the Clearfield Junction project and the library relocation plans. He anticipated a discussion about the library would be planned for a work session in August 2018.
3. Requested the Council plan to attend a mid-year retreat which would include lunch on Thursday, August 23, 2018 and after the meeting spouses would be invited to attend dinner.

***Trevor Cahoon, Communication Coordinator*** – reviewed the events associated with the City's Fourth of July celebration:

- Patriotic Concert with the Clearfield Community Band would be on Monday, July 2, 2018 at City Hall beginning at 7:00 p.m.
- The Pool Bash would be held on July 3, 2018 at the Clearfield Aquatic and Fitness Center beginning at 7:30 p.m. Mr. Cahoon stated if anyone was interested in getting tickets for that event they should be directed to the Aquatic Center for assistance and there were still spots for the watermelon drop that evening which started at 9:00 p.m. He noted there would also be a movie, Despicable Me 3, shown at Fisher Park beginning at dusk.
- The Fourth of July celebrations on July 4, 2018 included a variety of activities.
  - Pancake Breakfast – set up and preparations would begin at 6:00 a.m. in the Kent's Market parking lot. Mr. Cahoon encouraged the Council to arrive early to help and family members were also invited to assist. He indicated there could be a large crowd and the proceeds were being donated to the City's Veterans Memorial project.
  - Freedom Run 5K – registrations would begin at 6:00 a.m. at City Hall and the race would start at 7:00 a.m. Mr. Cahoon acknowledged anyone that made a donation for the run would be given a swag bag containing a ticket to attend the pancake breakfast.
  - Hometown Parade – would begin at 9:30 a.m. and there would be a shuttle for the Council from the breakfast to its parade float. Mr. Cahoon stated there were 56 float entries.
  - Festival at Fisher Park – held during the afternoon and even hours would include free bounce houses; many food trucks and other vendors; a coloring wall and interactive art; giant blow up toys and beach balls; five local bands performing; and the fireworks display. Mr. Cahoon indicated there would be a VIP tent for the Council and other dignitaries set up at the park for dinner. He explained the tickets for the VIP dinner and seating would be distributed later in the week based on the RSVP responses.

*Wendy Page, Deputy Recorder* –reviewed the Council’s schedule:

- **No meeting on July 3, 2018**
- **Work Session on July 10, 2018; however, Policy Session would be cancelled if no business items were needed.**
- **No meeting on July 17, 2018**
- **No meeting on July 24, 2018**
- **Joint Work Session with the Planning Commission; Special Session and Work Session for the City Council on July 31, 2018**
- **Work Session on August 7, 2018**

There being no further business to come before the Council, **Councilmember Roper moved to adjourn as the City Council and reconvene as the CDRA in policy session at 7:28 p.m., seconded by Councilmember Phipps. The motion carried upon the following vote: Voting AYE – Councilmembers Bush, Peterson, Phipps, Roper, and Thompson. Voting NO – None.**

*\*\*The minutes for the CDRA are in a separate location\*\**

**APPROVED AND ADOPTED  
This 31<sup>st</sup> day of July, 2018**

**/s/Mark R. Shepherd, Mayor**

**ATTEST:**

**/s/Nancy R. Dean, City Recorder**

I hereby certify that the foregoing represents a true, accurate, and complete record of the Clearfield City Council meeting held Tuesday, June 26, 2018.

**/s/Nancy R. Dean, City Recorder**