

CLEARFIELD CITY COUNCIL MEETING MINUTES  
7:00 P.M. POLICY SESSION  
May 12, 2020

*No physical meeting location was available. The meeting was held electronically via Zoom Meeting address:*

Zoom Meeting  
<https://zoom.us/j/81818479430>  
Meeting ID: 818 1847 9430

PRESIDING VIA  
ZOOM MEETING: Mark Shepherd Mayor

PRESENT VIA  
ZOOM MEETING: Kent Bush Councilmember  
Nike Peterson Councilmember  
Vern Phipps Councilmember  
Tim Roper Councilmember  
Karece Thompson Councilmember

STAFF PRESENT  
VIA ZOOM MEETING: JJ Allen City Manager  
Summer Palmer Assistant City Manager  
Stuart Williams City Attorney  
Kelly Bennett Police Chief  
Adam Favero Public Works 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  
Trevor Cahoon Communications Coordinator  
Nancy Dean City Recorder

VISITORS: Ron Snow

Mayor Shepherd called the meeting to order at 7:01 p.m.

Mayor Shepherd informed those present via the Zoom Meeting if they wanted to comment during the Open Comment Period they could do so through the Zoom Meeting chat option as outlined on the agenda from 7:00 p.m. until 7:10 p.m. He explained all comments would be shared during the meeting after the public had been allowed sufficient time to participate.

Councilmember Peterson presented an inspirational thought.

APPROVAL OF THE MINUTES FROM THE FEBRUARY 18, 2020 WORK SESSION, MARCH 3, 2020 WORK SESSION, MARCH 10, 2020 WORK SESSION, MARCH 10, 2020 POLICY SESSION, MARCH 17, 2020 WORK SESSION, APRIL 7, 2020 WORK SESSION, APRIL 14, 2020 WORK SESSION, AND THE APRIL 21, 2020 WORK SESSION

Councilmember Bush mentioned he had found a correction necessary for the March 10, 2020 policy session because it did not have anyone listed for seconding the final motion to approve Ordinance 2020-09 amending Title 11, Chapter 11, Article D, Section 11 – Manufacturing Zone, Other Requirements; and Chapter 18 – Design Standards, by amending design standards for the M-1 (Manufacturing) Zone. Ms. Dean commented Councilmember Roper had seconded the motion and it was missed in error, so the minutes for March 10, 2020 policy session had been corrected.

**Councilmember Bush moved to approve the minutes from the March 10, 2020 policy session, as amended; and the minutes from the February 18, 2020 work session, March 3, 2020 work session, March 10, 2020 work session, March 17, 2020 work session, April 7, 2020 work session, April 14, 2020 work session, and the April 21, 2020 work session, as written, seconded by Councilmember Peterson. The motion carried upon the following vote: Voting AYE – Councilmembers Bush, Peterson, Phipps, and Roper. Voting NO – None.** Councilmember Thompson was not present for the vote.

APPROVAL OF THE FINAL SUBDIVISION PLAT FOR THE HILLSIDE ESTATE SUBDIVISION LOCATED AT APPROXIMATELY 293 SOUTH STATE STREET (TINS: 12-003-0051 AND 12-003-0050)

Brad McIlrath, Senior Planner, stated the applicant was requesting to consolidate the properties located at approximately 293 South State Street for a residential and commercial mixed-use development. He noted the site plan and preliminary subdivision plat were approved on November 6, 2019. He reviewed the final subdivision plat. He pointed out the item had been discussed with the Council during work session on May 5, 2020.

Mr. McIlrath indicated as part of the development, the applicant was required to combine the properties and provide public utility easements and road dedication for improvements along State Street. He stated the Planning Commission heard the request on April 15, 2020 and recommended approval contingent upon the three conditions included in the staff report.

Councilmember Bush questioned if the applicant had already completed the site plan process and received approval. Mr. McIlrath responded it had been completed and approved in November of 2019. Councilmember Bush wondered if the development was subject to the previous version of the Form Based Code recognizing amendments were recently adopted. Mr. McIlrath explained the development was approved under the previous version of the Form Based Code; however, the developer had made some concessions to add a few things not required before that staff felt were important for the project.

Councilmember Thompson joined the meeting at 7:08 p.m.

Ron Snow, developer, expressed his desire to redevelop the property and create something positive for the City.

Councilmember Thompson wondered how many parking spaces there were per residential unit. Spencer Brimley, Community Development Director, responded staff would get back to the Council with that number because Mr. McIlrath appeared to be currently having some technical difficulty and unable to respond via the Zoom meeting. He added the number of parking stalls would not be pertinent to the subdivision approval. Councilmember Bush indicated the parking would have been worked out during the site plan approval process and should be fine.

**Councilmember Bush moved to approve the Final Subdivision Plat for the Hillside Estate Subdivision located at approximately 293 South State Street subject to the conditions set by the Planning Commission and authorize the Mayor’s signature to any necessary documents, 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

Mayor Shepherd acknowledged time had been provided for the open comment period and asked if any comments had been submitted. Trevor Cahoon, Communications Coordinator, replied there had been no comments received.

There were no public comments.

APPROVAL OF THE ENCROACHMENT AGREEMENT WITH THE UTAH DEPARTMENT OF TRANSPORTATION AND THE DAVIS AND WEBER COUNTIES CANAL COMPANY

Adam Favero, Public Works Director, stated the Utah Department of Transportation (UDOT) was reconstructing the overpass on the I-15 freeway over the 200 South roadway. He explained UDOT would be relocating utility lines, installing additional utilities, and improving the cross section of the roadway in the area. He mentioned the Davis and Weber Counties Canal Company (DWCCC) was requiring an encroachment license agreement to encroach upon the company’s property located at approximately 750 East 200 South.

Mr. Favero pointed out the agreement between UDOT, DWCCC, and the City would allow UDOT to construct a 15-inch storm drain line in the area and it also detailed the City’s long term maintenance responsibilities of the property once the project was completed. He noted it was discussed with the Council during work session on May 5, 2020.

**Councilmember Peterson moved to approve the Encroachment Agreement with the Utah Department of Transportation and the Davis and Weber Counties Canal Company 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.**

ADOPTION OF THE TENTATIVE BUDGET FOR FISCAL YEAR 2021 AND SET A PUBLIC HEARING FOR AUGUST 11, 2020 TO RECEIVE PUBLIC INPUT ON THE BUDGET

Rich Knapp, Finance Manager, presented the Tentative Budget to the Council for its adoption. He reviewed the following changes made to the preliminary budget:

- Transfers to Capital - \$(50,000)
  - City Hall West Entrance - \$250,000 added
  - City Hall Paint Common Area - \$150,000 removed
  - Skate Park Lighting - \$150,000 removed

Mr. Knapp highlighted the following items were unknown amounts as of the tentative budget adoption:

- Property and liability insurance costs
- Indirect cost allocation
- FY20 projects that might need to be reallocated to FY21
- Beginning fund balances

He pointed out where the percentage of funds came from and were spent by the City for general government operations. Mr. Knapp highlighted the following major changes in the FY21 tentative budget:

- Decreased sales tax revenue projection by 15 percent - \$420,000 due to COVID-19 shutdown
- Increased general property tax revenue - \$498,000
  - Decreased property tax overall for GO Bond portion - \$345,000
- Increase of seven percent in health insurance premiums
- Personnel market/merit increase included, but would not take effect July 1, 2020
- Move utility billing function from the Customer Service Center to the finance division
  - Resulted in one new position
- Since last year, one part-time position was reduced in the Court

Mr. Knapp highlighted the following major projects of the FY21 budget:

- Street surface treatment was budgeted for \$500,000 which was increased by \$100,000 from FY20 and steadily increased over prior years
- Street reconstruction future project set aside - \$435,000
- Arts Center renovation set aside - \$150,000
- Restroom in Central Park - \$90,000
- Replace Kiwanis Park playground - \$65,000
- Kiwanis and Fisher Park basketball courts resurface
- Streetlights added along 1800 South, by Island View Park

Mr. Knapp reviewed the budget summary of revenues, expenditures, and changes to available cash for the governmental funds and enterprise/utility funds. He pointed out the prepared budget included measures of security and sustainability. He indicated the available General Fund cash by the end of FY21 was budgeted at 20 percent of revenues. Mr. Knapp continued the General

Fund cash by the end of FY21 was two months of operating expenditures plus an additional \$619,000. He stated the General Fund ongoing revenue minus operating expense had a net surplus of \$50,000 which was a measure of sustainability.

He noted the certified tax rate had not yet been received from Davis County; however, the City was anticipating maintaining at least a portion of its certified tax rate so the truth-in-taxation process was required. Mr. Knapp mentioned it had been proposed to hold the truth-in-taxation hearing on August, 11, 2020; however, there could be more time if necessary before the final budget adoption was required. He asked if there were any questions.

Councilmember Phipps noticed one of the budget accounts had a note about the sale of mixed assets for \$1.9 million and wondered what was expected. JJ Allen, City Manager, responded it was in anticipation of the sale of a portion of the land to Lotus for its downtown development project.

Councilmember Peterson thanked staff for its work with the budget in spite of all the unknown data in uncertain times. She expressed her appreciation for the cautiousness of the tentative budget. There was a discussion about the budget adoption timetable, the noticing requirements and outreach efforts, and how any drastic changes in numbers over the next few months could impact the final budget.

**Councilmember Roper moved to adopt the tentative budget for fiscal year 2021 and set a public hearing on the budget for August 11, 2020 at 7:00 p.m. and authorize the Mayor's signature to any necessary documents, seconded by Councilmember Peterson. The motion carried upon the following vote: Voting AYE – Councilmembers Bush, Peterson, Phipps, Roper, and Thompson. Voting NO – None.**

#### FINANCIAL UPDATE ON THE 2020 FISCAL YEAR BUDGET

Rich Knapp, Finance Manager, reviewed the Fiscal Year 2020 (FY20) third quarter results which ended March 31, 2020. He summarized the net changes in fund balance through March were better than prior years. He pointed out the energy tax revenue was tapering off and dropped in February and March for a \$66,000 reduction. Mr. Knapp mentioned the year end projection for energy tax revenue was \$100,000 less than budgeted.

He announced the sales tax revenue numbers had been provided by the State earlier than normal. He indicated the combined totals year over year for February and March had decreased by 4.3 percent. Mr. Knapp pointed out the Clearfield point of sales revenue was six percent lower and Utah point of sales were 3.3 percent lower. He noted the Aquatic and Fitness Center revenues came to a halt in March.

Mr. Knapp reviewed the historical differences in General Fund revenues and expenditures for third quarter. He noted the revenues were lower for third quarter in FY20 due to decreases in energy and sales taxes and expenditures were also less than the prior year. He explained the FY20 year beginning available balance was \$7,172,917 or 40 percent of revenues; consequently,

the budget was planned to spend down \$3,053,427 on capital projects to reduce the excess reserves.

Mr. Knapp highlighted the total General Fund revenues which were tracking at 69 percent of budget and all fund expenditures which were lower than prior years for the third quarter. He mentioned the US economy last recession had 8.7 million jobs lost from February 2008 to February 2010; but in April of 2020, there were 20.5 million jobs lost in one month. He reviewed some of the national statistics related to employment reductions. He indicated the consumers comfort level would be a key factor to the economic recovery.

Mr. Knapp reviewed historical data for the City's point of sales tax revenue. He mentioned third quarter in FY20 was slightly lower than last year, but first and second quarters had been significantly higher than prior years for the same time periods. He explained February sales tax revenues were down \$30,000 from last year, but March was higher even though many businesses had shut down during half of March. Mr. Knapp reported combining February and March sales tax revenue numbers for a more accurate reflection of the data so in total there had been a 4.3 percent decrease from prior years. He pointed out the April sales tax revenue numbers would be more telling of the impacts on the local economy due to the pandemic and those would not be available until June.

Mr. Knapp reported the Public Treasury Investment Fund (PTIF) had been internally projected and the yields were declining by 10 to 20 basis points per month over the near term and expected to remain low. He stated the City's other investment returns would also take a hit and be lower than expected. Mr. Allen added since interest rates were lower it was a good time to borrow money and staff was looking into refinancing its bonds from two years ago. He indicated the City's financial advisor was currently in the process of reviewing financial options and bonding for the infrastructure of Clearfield Station. Mr. Knapp stated with the current rates the City could save close to a half million dollars if it refinanced the bonds from two years ago.

He updated the Council on the CARES Act approved by Congress which allocated \$562 million to Utah. He commented \$314 million of it was allocated to Utah and Salt Lake counties. Mr. Knapp indicated the State Legislature intended to distribute the remaining \$245 million to counties and cities for necessary expenditures and it was not intended to be for revenue replacement. He stated the City's biggest impact due to COVID-19 would be in sales tax revenue. He noted there was some potential for a fourth stimulus package advocating more direct assistance to states and local governments.

Mayor Shepherd pointed out that the current economic downturn was different than economic recessions of the past. He indicated consumer confidence and overcoming fear were key to rebuilding the economy.

Mr. Allen commented there was the possibility for the City to tap into the remaining \$245 million reserved for State distribution for COVID-19 related expenditures. He stated there had been some discussions that cities might not have much yet in the way of expenditures, but some cities were exploring options for creating programs that would support local businesses to tap

into the funding. He indicated it might be too early to tell, but he was paying close attention to those discussions.

## COMMUNICATION ITEMS

**Mayor Shepherd** – nothing to report.

**Councilmember Bush** – nothing to report.

**Councilmember Peterson** – nothing to report.

**Councilmember Phipps** – nothing to report.

**Councilmember Roper** – nothing to report.

### ***Councilmember Thompson***

1. Reported on the measures the Mosquito Abatement District – Davis were taking to enhance safety related to COVID-19.
2. Participated in the virtual Town Hall for COVID-19 with the Minority Health Institute.
3. Working to become certified through John Hopkins University on contact tracing for COVID-19.
4. Wondered if the police department was taking measures outside of mask protective equipment such as eyewear to offer additional protection for the officers. Kelly Bennett, Police Chief, responded personal protective eyewear had been purchased and distributed to every officer and there were extras if more were needed.

## STAFF REPORTS

### ***JJ Allen, City Manager***

1. Forwarded an email to the Council last week that was sent out to staff regarding COVID-19 to keep the Council updated and informed on the internal communications.
2. Planned to resume in-person Council meetings in June.
3. Recognized it was currently Law Enforcement Week.
4. Reported last week was a recognition week for Municipal Clerks and it was also Public Service Recognition Week. He noted next week would be National Public Works Week.
5. Recently distributed the monthly report.
6. Appreciated the patience of staff and residents that was needed during the recent water overnight shutdown for the project at 1450 South.

### ***Eric Howes, Community Services Director***

1. Updated the Council on the status of the playgrounds. He mentioned they would be re-opened when the State's risk level for coronavirus turned yellow. He commented appropriate signage would be placed to remind the public of the social distancing policies that would remain in place.
2. Reported the Aquatic and Fitness Center had been opened with restrictions. He explained some "corona passes" had sold, but staff would be evaluating and making any necessary adjustments after the first week. Councilmember Peterson requested more information about how patrons would access the Aquatic Center. Mr. Howes answered reservations were not necessary but restrictions limited capacity. He explained if there were concerns people could call in advance to learn current conditions. Councilmember Peterson wondered how passes purchased online were verified at the center. Mr. Howes responded the point of sale system had been updated with the pass information, but pass holders would

come to the window at the counter to be verified and answer COVID-19 questions. Mr. Allen reminded the Council that only the lap pool was currently open and could be used for lap swimming.

3. Updated the Council on the progress of the pickleball courts at Steed Park. He noted staff desired to hold some sort of grand opening depending on which the State's identified risk level at the time. He commented it was anticipated to be completed in June and extended an invitation to the Council to participate in a pickleball tournament if the restrictions would allow it once it was completed.

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

- Joint Work Session with Parks and Recreation Commission on May 19, 2020
- No discussion items so meetings would be cancelled for May 26, 2020
- Work Session on June 2, 2020
- Policy Session on June 9, 2020

*Adam Favero, Public Works Director* – thanked staff for its professional nature in handling the major water shutdown in assisting to resolve the disruption of services and answering calls from residents.

There being no further business to come before the Council, **Councilmember Peterson moved to adjourn at 8:05 p.m., seconded by Councilmember Bush. The motion carried upon the following vote: Voting AYE – Councilmembers Bush, Peterson, Phipps, Roper, and Thompson. Voting NO – None.**

**APPROVED AND ADOPTED  
This 9<sup>th</sup> day of June, 2020**

**/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, May 12, 2020.

/s/Nancy R. Dean, City Recorder