

Minutes of the West Bountiful City Council meeting held on **Tuesday, February 18, 2014** at West Bountiful City Hall, 550 N 800 West, Davis County, Utah.

Those in attendance:

**MEMBERS:** Council members James Ahlstrom, James Bruhn, Kelly Enquist, Debbie McKean, Mark Preece. Mayor Ken Romney was excused.

**STAFF:** Duane Huffman (City Administrator), Heidi Voordeckers (Finance Director/Recorder), Ben White (City Engineer), Chief Todd Hixson, Paul Holden (Golf Director), Steve Maughan (Public Works Director), Steve Doxey (City Attorney)

**VISITORS:** Alan Malan, Corey Sweat, Renate Allen, Ron Dunlop, Wendy Green, Jason Meservy, Conrad Jenson, Trisha Davis, Josh Davis, Ron Crandall, Mark Larson

Mayor Pro-Tem Mark Preece called the meeting to order at 7:32 pm. Scout Josh Davis gave the scout oath, and the Pledge of Allegiance was led by Council Member Enquist.

**1. Accept Agenda**

**MOTION:** James Bruhn moved to approve the agenda as written. Debbie McKean seconded the Motion which **PASSED** by unanimous vote of all members present.

**2. Public Comment**

Corey Sweat (1078 W 600 N) commented on agenda item 9, the discussion on a three-year budget plan for Lakeside Golf Course. Mr. Sweat has attended several council meetings and reviewed the presentations on golf course operations. He expressed the desire to see future planning of golf capital expenditures taken from net profit from the course now that the bond is paid off. He would like the golf course to repay the City, but only after some reinvestment has been made into the course for carts and other items that have been neglected.

**3. Expansion Presentation by Holly Frontier –Conrad Jenson**

Mr. Jenson presented a power point to the city council and members of the community regarding the Holly modernization project that began in 2008. The goal of the presentation was to illustrate the long range planning at the refinery, particularly for the newer council members. Holly last presented an update in 2012, and had expected that the project would be completed by winter of 2014. Due to permitting issues, the completion date has now been pushed out to October 2015.

The modernization project consists of two phases. Phase 1 increases production from 31,000 barrels per day of wax crude to 45,000 barrels per day. The project is underway and involves installing a new crude unit, an FCC Unit, and a poly unit. In addition, the frozen earth propane storage unit was closed last month and additional tanks and loading bays will be constructed this spring. Mr. Jenson

presented a plot map of the additions and changes to the refinery infrastructure that are part of the first phase. He explained that, while there will be upgrades to the water treatment facility, Holly anticipates having a neutral impact on water discharge rates.

Phase 2 includes the addition of smaller tanks so the refinery can take advantage of the lube oil market. The product would be a high quality synthetic-like lube. The refinery is also reviewing the potential for adding a hydrogen facility. The second phase would increase production of wax crude from 45,000 barrels per day to 60,000 barrels per day.

Mr. Jenson displayed profile pictures of the new infrastructure, including views of the improvements from the NE, E, and SE. Of particular interest was a new pipe rack and cooling tower, which will emit water vapor/steam. These improvements are related to new emissions control regulations from the state and will provide two systems so there will be some redundancy in emissions control.

Construction trailers are now beginning to show up on the refinery property, and there is increased activity in the north east corner as they are digging and creating a staging area. The dirt is being tested as it is moved and they have not found any hydrocarbon contamination. It will be used to create sound berms. They have also started modifying the tanks on the east tank farm where they process crude. Conrad has been working closely with Ben White and Duane Huffman on permitting for this project.

Council member Enquist asked if there was a rail spur connected to the west side, which Mr. Jenson confirmed.

Council member Ahlstrom questioned if the refinery owned the dirt road between 800 and 1100, just north of Millcreek. Conrad explained that they do not have a road that connects 800 and 1100 in their facility.

Council member Enquist then requested an explanation of how the project would reduce particulate matter and SO<sub>2</sub>. Mr. Jenson explained that both NO<sub>x</sub> and SO<sub>2</sub> would be reduced by retrofitting older sections of the refinery as well as the addition of new sulfur reducing equipment. Mr. Enquist questioned whether the refinery has air monitoring equipment onsite, and Mr. Jenson responded that they do monitor onsite and then send the results to the state.

There was some discussion on the total height of the new structure. Conrad explained new flares/stacks will be about 150 feet, 70 feet shorter than their tallest stack. The stack at the scrubber unit will be about 200 feet. Council member Enquist asked if the refinery has enough water to run the new equipment, and Conrad explained that they are doing internal studies with the plan of being net even on water impact.

#### **4. Annual Training for Open Meetings Act**

Duane Huffman presented a power point reviewing Utah open meeting requirements. He expressed appreciation to the City Council for placing the item early on the agenda so that EmPAC members could participate.

Mr. Huffman explained that the meetings of any public body are intended to conduct the business of the people. State law requires that deliberations and actions be taken openly so that members of the public are included in the process. The Open Meetings Act applies to all bodies created by statute or ordinance, consisting of two or more people that are funded by tax revenue. Mr. Huffman presented a list of all of the public bodies in West Bountiful.

A quorum is a meeting of three or more council members, in person or electronically, where city business is discussed. This does not mean a chance meeting at a social event or similar circumstance.

All public meetings must be properly noticed (agendized) and recorded. Electronic meetings may be allowed if approved by ordinance, however noticing requirements still apply. West Bountiful currently allows electronic participation by telephone, and may want to consider updating the ordinance to include new technologies, such as Skype.

A meeting may be closed in order to discuss specific items, as defined by state statute. The public body requires a 2/3 vote of its members in order to go into a closed meeting. While in the closed meeting, members may not stray from allowed stated purpose of discussion.

In addition, violations of the Open Meetings Act may void any action taken at the meeting and make the City subject to any attorney/legal fees.

Council member Ahlstrom noted that it is expressly stated in Utah Code that members of a public body may email each other without violating the Open Meetings Act, but should avoid deliberating electronically.

## **5. Discussion on Draft Meeting Procedures**

Mr. Huffman reviewed a memo explain that state law requires that the City Council adopt rules and procedures for meetings. These must include parliamentary order, ethical behavior, and civil discourse. Planning commission adopted bylaws a few years back that provided a fairly good set of procedures, which Mr. Huffman summarized with the intent of getting council feedback.

Council member Ahlstrom commented that he would like the council to have some input on setting the agenda. They typically do not see the agenda until it is already posted. Circulation of a draft agenda and individual ability for council members to request agenda items would be helpful. He also commented that the planning commission's requirement for recusal if there is a conflict of interest is stricter than state statute. Council members McKean and Preece agreed that recusal isn't a necessary requirement, and suggested that they abide by the provisions of the Municipal Officers and Employees Ethics Act.

Mr. Huffman asked if the council was interested in making the public comment period an official part of the meeting by way of these rules. Right now it is the practice, but they could make it a formal element of future meetings. Council member McKean responded that she liked the idea of making it a required part of the meeting.

Council was then asked how often and at what level they would like staff reports to be part of the meeting. Council member Ahlstrom suggested that facts and findings be included with staff reports when appropriate when a decision is brought before them. Steve Doxey explained that as a practical point, staff reports would need additional time for his review if we were to change the format. Mr. Huffman will look at some different options for staff reports.

Other points of discussion included electronic participation, and whether the council desired a quorum to be physically present in order to hold a meeting. Mr. Huffman will draft a set of meeting rules and procedures for discussion at a future meeting, including some options for presentation of staff reports.

**6. Consider approval of interlocal agreement with Bountiful City to provide water service to West Bountiful City**

Ben White explained that staff has incorporated the clarifications that were suggested at the last meeting. The agreement involves West Bountiful purchasing up to 200 acre feet of water from Bountiful City during the off season (October through April). Bountiful would like to keep the cap at 200 annually because they are only interested in selling their excess capacity. Mr. White has spoken with Bountiful and Weber Basin regarding the possibility of running water purchased from Weber Basin through Bountiful pipes and into our tank. It seems that this is a viable option for the City; however, Bountiful did not want to include it as part of this agreement. There are some finer points to work out as far as how the water would be metered.

Council member Ahlstrom has reviewed the agreement and is recommending a few other items of clarification that will be easy to incorporate, subject to review by the City Attorney.

**MOTION:** Debbie McKean moved to approve an interlocal agreement with Bountiful City to provide water service to West Bountiful City subject to review by City Attorney. James Bruhn seconded the Motion which **PASSED**.

The vote was recorded as follows:

James Ahlstrom – Aye  
James Bruhn – Aye  
Kelly Enquist – Aye  
Debbie McKean – Aye  
Mark Preece – Aye

**7. Consider Notice of Award to Kapp Construction & Development Inc. for the 900 W Reconstruction Project in the amount of \$322,781.75, and set a Project Budget of \$350,000**

Mr. White presented a memorandum recommending Kapp Construction as the lowest responsible bidder on the 900 West reconstruction project. Council member Preece asked which

projects Kapp has done for us in the past. Mr. White responded that they completed a storm drain project on 400 North in 2012, and privately constructed the Ranches at Lakeside Subdivision, and has also worked on the subdivision in Bountiful City right below our water tank.

Council member Enquist suggested approving the project for the bid amount only, excluding any overage. He feels it sends the wrong message to contractors and that the City Council meets often enough that any change orders can be approved at the next meeting.

Mr. White explained that if we add anything to the project (asphalt square footage or a hydrant, for example) the cost will change. We don't always know what is underground and sometimes have to loop around, using additional fittings and parts. Oftentimes things come up while the project is under construction.

Council member Ahlstrom recommended a smaller contingency, with a project budget of \$330,000 or \$335,000.

Council member Preece had no issues with the \$350,000 requested by staff.

Council members Enquist and McKean stated that staff should not be overlooking items during the bid process. Mr. Huffman explained that it would be far more expensive to have bid specs engineered to the level of detail that would guarantee no small changes, and Steve Maughan commented that you would have to pot hole every service to be exact.

Council member Enquist agreed that a 5% contingency, or a \$335,000 project budget, is more appropriate.

**MOTION:** **James Ahlstrom** moved to award to Kapp Construction & Development Inc. the 900 West Reconstruction Project in the amount of \$322,781.75 and set a Project Budget of \$335,000. Debbie McKean seconded the Motion which **PASSED**.

The vote was recorded as follows:

James Ahlstrom – Aye  
James Bruhn – Aye  
Kelly Enquist – Aye  
Debbie McKean – Aye  
Mark Preece – Aye

## **8. Discussion on Draft Grazing Policy on City Property**

Mr. Huffman gave a brief history and explained the request from city council to review leasing City properties for grazing. There are currently three potential areas the City could lease: along 1200 N, non-developed portions near Birnam Woods Park, and the nature park at Jessi's Meadows. There is some difficulty with the way the properties are designated on the subdivision plats (specifically with the designation of the Jessi's Meadow Park).

Council member Bruhn questioned how the City would determine when the policy applied, and if there are other potential areas the City should consider leasing. He also considered the possibility of leaving the property open to the public even though it is leased.

Council member McKean suggested leasing preference be given to adjoining property owners. Mr. Huffman recommended that the City use an equal opportunity process by providing some type of inexpensive advertisement (newsletter, marquee, etc.). He also suggested that it be limited to West Bountiful residents only as it's not primarily a revenue generating proposition.

There was some discussion on how the bid process would work. Would it be an all or nothing proposition regarding acreage? Would the City allow multiple owners to lease the same parcel? Council member Ahlstrom recommended that the city administrator determine bidding units based on his discussion with interested lessees.

Council member Enquist felt that the Birnam Woods property does not qualify/fit this type of use. Because it is next to a park it might not be appropriate to have animals grazing. Mr. Huffman explained that there are already some interested property owners in Birnam Woods, and they would like to see grazing for weed control. Council member McKean reminded the Council that those property owners were promised that the City would come up with a solution for maintaining the property. Council member Bruhn stated that we still need to grade and fill the area, whether or not we decide to lease it.

Council member Bruhn questioned who would own the fencing and if it is removable. Mr. Huffman responded that these issues could be addressed in the lease document. Council member Bruhn's main concern is that the property could be left in worse condition than when it was leased.

Mr. Huffman stressed that he recommends the process be as simple as possible. Rent would need to be paid in advance and the lessee would be required to comply with animal and nuisance ordinances. In addition, the agreement should contain a clause that the property must be vacated with thirty days notice from the City. Council member Ahlstrom suggested that in addition to the lessee indemnifying the City that there also be insurance requirements and Steve Doxey agreed. Staff will take tonight's comments into consideration and prepare a draft resolution for recommendation at the next city council meeting.

## **9. Discussion on Draft 3-year Budget Plan for Lakeside Golf Course**

Mr. Huffman presented options for a 3 year budget for the golf course for fiscal years 2015, 2016, and 2017. Bottom line figures were calculated using revenue projects of 2% growth, which is conservative but above average for the last 15 years. Operating expenses include minimal inflation for fuel, employees, etc. If the City did not make investments or repay any debt over the next three years, golf course net profit is estimated at \$144,000, \$150,000, and \$156,000 respectively.

Paul Holden and Marcus Fenton prepared a list of upcoming golf course needs, including carts, an assistant pro position, a mechanic position, gates, updates to the cart staging area, irrigation, maintenance equipment, cart paths, and trees. Three payback options were listed as well.

Using the spreadsheet, Mr. Huffman illustrated how different payback options would impact the bottom line. He then plugged in Golf Course Staff's operating and capital recommendations for the next three years and the council reviewed what the bottom line would look like (prior to any payback).

Council member Ahlstrom asked if we had properly assessed all of the outstanding needs at the course, and also if there was a portion of the debt that the Council would consider forgiving. Council member McKean questioned what projects would have to be given up in the other funds while the funds loaned to the golf course are tied up.

Mr. Huffman explained that the most pressing item on the list was the golf carts. Decisions on the other items could wait until the budget process, and the repayment resolution redrafted at a later time.

Council member Ahlstrom asked Council members Preece and Bruhn how the payback resolution was drafted. For example, how did they select a percentage of gross revenues as opposed to other methods? He prefers a process that would delay repayment to allow the golf course to resuscitate and then consider an option that is a percentage of net profit. Council member Bruhn explained that the decision was made to use gross revenues as a basis because there hasn't always been a net profit. If managed improperly the course could still lose money. He does not feel that the expenditure recommendations made by Paul are overly aggressive.

Council member Bruhn asked Paul if expenditures would be lower at the end of three years, or would they continue at the same level for the next few years. Mr. Holden explained that some of the items are one-time expenditures, and others are ongoing.

Council member McKean questioned the need for a mechanic if we have newer equipment and a shorter lease rotation on the carts.

Council member Enquist stated he is concerned that we are already a little behind for the upcoming season and that we really need an assistant pro down there. Council member Preece agreed.

Council member Ahlstrom said that, considering the outstanding needs, it would make sense to give the golf course a three-year reprieve on pay back. Council member Preece supported that and Council member Bruhn wouldn't be opposed some level of a reprieve so long as he understands the spending. Council member Enquist suggested the repayment be delayed by a year and revisited once we have a year under Paul's management and appropriate staffing levels.

Mr. Huffman explained that a recommendation for the carts and position could be presented at the next meeting, which would still leave a margin of \$68k to allocate as part of the budget process. In addition, the one year repayment reprieve could be included in the 2015 budget resolution, leaving the current agreement intact but delayed.

Council member Bruhn expressed concern with the budget impact of ordering the carts now. Mr. Huffman explained that it would be budget neutral this year because we would trade in some old carts against the first year's payment; however, there would be the ongoing cost of the lease. The

question would be how we would hire and pay for an assistant before July 1 (the money would have to be transferred from somewhere). Council member Ahlstrom suggested the money could come from RAP tax. Alternately, the budget could be amended to increase the subsidy to the golf course from the General Fund for the current year. Heidi Voordeckers stated that the cost for bringing the position on in April could be estimated at an additional \$15,000 this year.

Mr. Huffman wrapped up by explaining he would bring forward a cart lease proposal for approval at the first meeting in March, as well as a proposal for hiring an assistant pro (with the assumption that we would hold a public hearing in the near future and amend the budget). Last, we would look at options for providing a one-year repayment reprieve on the outstanding golf course debt as part of the FY 15 budget process.

## **10. Engineers Report**

- Ben White - The owners of the Wood Haven trailer park have come to the City requesting a change in zoning to some-type of mixed use. We are not yet sure what mixed use means to them. Council member Preece asked how many trailers there are in the park and Mr. White responded that there are less than 100. Council member Bruhn questioned how far the property is from the refinery and the blast zone. Council member Ahlstrom stated that additional density would not fit what the refinery has requested (low traffic, low density).
- The agreement between the City and UDOT for improvements to the drainage at 1200 N will come before the City Council at a future meeting, totaling \$125,000. The amount was determined by figuring the amount of pipe that was required from point A to point B.
- We have received a request from South Davis Sewer District to vacate a portion of 1200 N street where it was bisected by Legacy Highway on the west side. They have included documentation on who paid for the road and waterline and how the road became the city's property. Council member Bruhn questioned whether or not the City would be compensated for releasing the road. Mr. Huffman stated that if the council wished, he would begin negotiations with the district. We do get the benefit of no longer having to service that portion of the road. Steve Maughan had some concerns with the City's waterline being in the road, though we wouldn't necessarily have to give up the easement to our line. It is a main line with a fire hydrant on it so we need to be careful how we approach it.

## **11. Planning Commission Report**

The planning commission is now caught up with their review of various ordinances. Staff has suggested that they now look at processes for rezone requests, vacating easements, and lot-line adjustments as the City currently refers to State code to handle these processes. Council member Ahlstrom indicated that council might not want to require additional regulation of some of these issues. Lot line adjustments, for example, are not required to come before city council per state code. The Planning Commission also discussed basements and flag lots. Right now flag lots are a conditional use but no criteria has been set for approval.

## **12. Police Report**

- Todd Hixson - The reserve officer program is in gear and the department is looking to open up a few more reserve positions now that we are fully staffed. The department only has one reserve officer now. The program is great because we get more guys on the street and it gives our officers the opportunity to teach. We are also looking for alcohol enforcement officers.
- Our crossing guards are incredible and the most reliable around.
- Officer Wilkinson and Jacobson have both been released off of FTO.
- The EMPAC board has now filled all open seats. They are learning the budget process and will be working on it at tomorrow night's meeting. They talked about touring some emergency operation centers as part of their last meeting, but that has been difficult to arrange.
- The vehicle use policy was implemented February 1<sup>st</sup>. In addition, the newly leased vehicles are in and the trades have been returned.
- Chief Hixson expressed appreciation for the Council presence and support at the police officer swearing in last week. Council members responded that they felt it was a nice event and enjoyed being a part of it.

## **13. Finance Report – January 2014**

Heidi Voordeckers presented the budget report for January. Revenues and expenditures are in-line with expectations and there is little change from last meeting's report. She explained that the budget process is well under way and much effort has been put in to getting feedback from all of the departments. The golf course will begin hiring seasonal help shortly, requiring additional HR time.

## **14. Administrative Report**

Duane Huffman had no additional items to report.

## **10. Mayor/Council Reports**

Debbie McKean – The arts council is looking for a new chair person and has requested the mayors help in recruiting someone. They would like to see if Carmack's would be our vendor at the Fourth of July celebration. We are still waiting to hear if the Youth Council will be running the games in the park – they did a great job last year. Mr. Huffman is working on making the arts council official and meeting with them on March 6<sup>th</sup>. The spring newsletter has been delayed as we are trying to pare down to five issues a year. Debbie is also working on gathering names for the historic commission – she is hoping to gather ten total members. There is some interest in including former long-time residents as part of the commission. She

went to the mosquito abatement conference in Seattle and she would like 10 minutes on the next agenda to show a video. She would also like to include some information for scouts on citizenships in the community related to West Bountiful on the City website.

Kelly Enquist – Attended the DUED meeting today. The discussion focused on Layton city with a presentation by commercial realtors. He attended the Planning Commission meeting as well.

James Bruhn – Attended the Wasatch Integrated Waste board meeting. Nine of their 19 members are new this term. They have a board retreat coming up where they will be receiving open meeting training. They reviewed the Waste District budget and everything is in line.

Mark Preece – Attended a sewer board meeting and youth city council meeting.

James Ahlstrom – Received an email from the Wasatch Front Regional Council presenting a couple of proposals that might be of interest to West Bountiful. He will forward info to both Mr. White and Mr. Huffman.

**11. Approval of Minutes from the February 4, 2014 City Council Meeting.**

**MOTION:** James Bruhn moved to approve the minutes from the February 4, 2014 meeting as presented. James Ahlstrom seconded the Motion which **PASSED** by unanimous vote of all members present.

**12. Adjourn**

**MOTION:** James Bruhn moved to adjourn this meeting of the West Bountiful City Council at 10:35 pm. Kelly Enquist seconded the Motion which **PASSED** by unanimous vote of all members present.

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*The foregoing was approved by the West Bountiful City Council by unanimous vote of all members present on Tuesday, March 4, 2014.*

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HEIDI VOORDECKERS (CITY RECORDER)