

SOUTH WEBER CITY CITY COUNCIL MEETING

DATE OF MEETING: 26 March 2019

TIME COMMENCED: 6:01 p.m.

LOCATION: South Weber City Office at 1600 East South Weber Drive, South Weber, UT

PRESENT: MAYOR:

Jo Sjoblom

COUNCIL MEMBERS:

**Blair Halverson
Kent Hyer (excused)
Angie Petty
Merv Taylor
Wayne Winsor**

FINANCE DIRECTOR:

Mark McRae

CITY RECORDER:

Lisa Smith

CITY MANAGER:

David Larson

Transcriber: Minutes transcribed by Michelle Clark

ATTENDEES: Peter Matson, Kim McKinley, Brad Dopp, Tammy Long, and Tim Grubb.

Mayor Sjoblom called the meeting to order and welcomed those in attendance and excused Councilman Hyer.

PLEDGE OF ALLEGIANCE: Councilwoman Petty

PRAYER: Councilman Winsor

CONFLICT OF INTEREST: None

CONSENT AGENDA:

- **Minutes of 12 March 2019**
- **Minutes of 19 March 2019**

Councilwoman Petty moved to approve the consent agenda. Councilman Halverson seconded the motion. Mayor Sjoblom called for the vote. Council Members Halverson, Petty, Taylor, and Winsor voted aye. Councilman Winsor abstained from the minutes of 19 March 2019. The motion carried.

PUBLIC COMMENTS: Mayor Sjoblom said anyone who would like to participate in public comment may come to the pulpit, state name and address, and keep comments to three minutes. There was no public comment.

UTOPIA Presentation by Roger Timmerman, UTOPIA Executive Director

Mayor Sjoblom stated in the City Council Meeting held on January 8, 2019, the City Council directed City Manager, David Larson, to reach out to UTOPIA in an information gathering activity. David met with UTOPIA Executive Director, Roger Timmerman, on March 13, 2019, and reviewed the service delivery model UTOPIA employs. Roger was scheduled to present that information directly to the City Council.

Roger introduced himself and Kim McKinley (Marketing Director), and Laurie Harvey (CFO) from UTOPIA. He stated UTOPIA is not a “for profit” business but a political subdivision of the State of Utah. It was created in 2002. They just finished with Woodland Hills and they are starting negotiations with Morgan City. He said they have 20 other cities who are in the early stages of adopting their service. He said the network extends from northern Utah down to St. George. Fiber runs through I-89 which makes it convenient for our City. He reported that in the last ten years all the projects have fully funded with no cost to the city. He explained that there is UTOPIA and UIA which are related but separate. UTOPIA is not internet, but a system which allows internet, video surveillance, air quality sensor, etc. to operate on their network. He compared street infrastructure that can be shared by all vehicles. UTOPIA supports dedicated capacity per customer so there are no band width issues. 10 Gbps is now available across UTOPIA Fiber for residences and 100 Gbps for businesses. Roger said they have the highest customer satisfaction in Utah. He explained how UIA provides up front funding for installation. The agreement terms include:

- City backstops financing
- \$30/mo. per subscriber pays for financing costs, decreasing any potential cost to city for every subscriber on system
- 100% of City services revenue is allocated towards obligations (estimated at \$1,000/mo.) reducing effective take-rate needed to 35%
- Revenues from businesses, schools, city offset needed subscribers
- Cost overruns are covered by UIA
- City growth expense covered by UIA
- New homes/businesses count toward obligations without increased risk to City
- Effective take-rate obligation decreases over time as household numbers increase
- Accumulated revenues before payments are counted toward obligation effectively giving 2 ½ years or more to build sales base
- Any shortfall that impacts the city is a loan paid back as revenues exceed necessary take-rate

Roger clarified that South Weber City is near the UTOPIA Fiber backbone which makes it more accessible. UTOPIA will bring top speeds, low price, improved service, and added value to the City. Residential property values could increase by over 3%. He requested the City conduct a survey to assess citizen demand. He estimated the project would take approximately one year for full installation.

Mayor Sjoblom asked if any city has run into a deficit not reaching the 40% requirement. Roger said the only a short fall was for the first year. Councilman Winsor asked about the \$65 fee with \$30 going to capital. Roger clarified that the estimated \$65 includes the \$30 capital and the fee will not fluctuate although the providers using the infrastructure may change their rates. Councilman Winsor inquired about the history of the rate increase. Some of the providers have increased fees by a few dollars. Councilman Winsor asked who pays the franchise tax for fiber in city roads. Roger said UTOPIA pays 3.5% for phone service and 0% for internet as required by law. David Larsen asked if the lines are placed in the public roads. Roger explained they are located in the public utility easement between the road and sidewalk when possible. He said it is a clean install. Brandon Jones, City Engineer, asked who pays if something needs to be moved. Roger said their franchise agreement is the same as every other franchise so they would be responsible for relocation and any associated fees as permitted by the City. Councilwoman Petty asked about the length of the contract. Roger replied the contract is tied to the financing so lasts until the bond is paid off. Councilman Halverson said 40% take-rate seems high with the location of our city. Roger said the take-rate can be adjusted based on infrastructure. Mayor Sjoblom directed the city staff to move forward with a city-wide survey. UTOPIA may provide the survey and a link to it.

RESOLUTION 19-13: Award of the Contract for the 2019 SR-60 Sidewalk Project: South Weber City's Engineer, Brandon Jones, reviewed the submitted bids as well as the qualifications of each contractor and based upon that information recommended to the City to award the contract to Leon Poulsen Construction Co., Inc. with a bid of \$292,598.55. The following bids were received:

- | | |
|--|--------------|
| 1. Leon Poulsen Construction Co., Inc. | \$292,598.55 |
| 2. Morgan Asphalt | \$304,849.20 |
| 3. Triple J Concrete LLC | \$305,000.50 |

Councilman Winsor asked if the bid is within budget. David Larsen said it is within budget and was less than projected by the City Engineer.

Councilman Halverson moved to approve Resolution 19-13 and award the contract for the 2019 SR-60 Sidewalk Project to Leon Poulsen Construction Co., Inc. with a bid of \$292,598.55. Councilman Winsor seconded the motion. Mayor Sjoblom called for the vote. Council Members Halverson, Petty, Taylor and Winsor voted aye. The motion carried.

Councilman Halverson thanked the Mayor and City Staff for their efforts in applying for available grants for this project.

RESOLUTION 19-14: Approval of Final Plat & Improvement for Freedom Landing Phase 3: Mayor Sjoblom stated an application for subdividing 3.87 acres at approximately 6500 S. 425 E. into 34 building lots was offered by Aspire Homes. The City Planner and the City Engineer have analyzed all forms presented and found all conditions of City Code met and relayed their findings to the Planning Commission. The South Weber City Planning Commission held a public hearing for the entire subdivision on the 13 July 2017, and the Planning Commission reviewed all the supporting documents of phase 3 in an open public meeting on the 14 March

2019 and gave a favorable recommendation for approval by the City Council at the same hearing.

Councilman Halverson moved to approve Resolution 19-14: Approval of Final Plat & Improvement for Freedom Landing Phase 3. Councilman Taylor seconded the motion. Mayor Sjoblom called for the vote. Council Members Halverson, Petty, Taylor and Winsor voted aye. The motion carried.

NEW BUSINESS: (None)

REPORTS:

Mayor Sjoblom:

- Council of Governments meeting last week discussed the Third Quarter Local Option Transportation Sales Tax
 - Tax takes effect July 1 – generates approximately \$6.5M for use in 2020 – funds will be awarded to projects in January 2020 and available for distribution
 - Tax collection from January to December 2020 will generate approximately \$13M for use in 2021
 - Any transportation service is eligible and would also include an intelligent transportation system: streetlights, technology, as well as a debt or bond issuance cost related to a transportation system
 - Stipulation: regionally significant transportation facility, for new capacity or congestion mitigation; It can't be for operations and maintenance.
 - Council of Governments will evaluate and award grants
- She thanked Brandon Jones concerning the Safe Sidewalk Program and all his hard work and efforts to obtain that grant.

Councilman Taylor: He said the Public Safety Committee met and are in negotiations with Davis County Sheriff's Department and Layton City concerning service for our City.

Councilman Winsor: He said the Municipal Utilities Committees will be looking at an RFP for city street lights. He said there are also concerns about garbage collection with a scheduled increase of \$2.00 per can. They are looking at options with regards to a new Public Works Facility. He suggested the public be made aware of the street construction that will be taking place beginning April 1st.

Davis Larsen, City Manager: He outlined the breakdown of the two separate grants for the sidewalks. He said one was unanticipated in the budget, but the cost of the grant should take fully cover it. He said there will be a budget amendment showing the amount of grant coming in.

CLOSED EXECUTIVE SESSION—UTAH CODE 52-4-205(1) (D) DISCUSSION OF THE PURCHASE, EXCHANGE, OR LEASE OR REAL PROPERTY.

Councilman Winsor moved to close the public session and open a closed executive session. Councilman Taylor seconded the motion. Council Members Halverson, Petty, Taylor, and Winsor voted aye. The motion carried.

Closed Session Commenced at 7:17 pm.

In Attendance: David Larsen (City Manager), Brandon Jones (City Engineer), Lisa Smith (City Recorder), Michelle Clark (Transcriber), Council Members Halverson, Petty, Taylor, and Winsor.

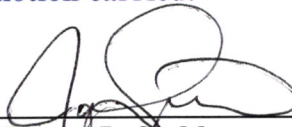
Councilman Taylor moved to adjourn the closed session at 7:40 p.m. Councilman Halverson seconded the motion. Council Members Halverson, Petty, Taylor, and Winsor voted aye. The motion carried.

City Council meeting reconvened at 7:42 p.m.

Councilman Winsor moved to open the public session. Councilman Taylor seconded the motion. Council Members Halverson, Petty, Taylor, and Winsor voted aye. The motion carried.

ADJOURNED: Councilman Winsor moved to adjourn the Council Meeting at 7:42 p.m. Councilman Taylor seconded the motion. Council Members Halverson, Hyer, Petty, Taylor and Winsor voted yes. The motion carried.

APPROVED:



Mayor: Jo Sjoblom

Date

4/9/19



Transcriber: Michelle Clark

Attest:



City Recorder: Lisa Smith