

**CACHE COUNTY COUNCIL MEETING
FEBRUARY 11, 2003**

The Cache County Council convened in a regular session on 11 February 2003 in the Cache County Council Chamber at 120 North 100 West, Logan, Utah.

ATTENDANCE:

Chairman: H. Craig Petersen
Vice Chairman: **Cory Yeates - excused**
Council Members: Brian Chambers, Paul Cook, Darrel Gibbons, John Hansen, and
Kathy Robison,
County Executive: M. Lynn Lemon
County Clerk: Jill N. Zollinger

The following individuals were also in attendance: Attorney George Daines, Diane Dahlmain, Darrell Erickson, Lorene Grenhalgh, Wendi Hassan, Lisette Miles, Sheriff Lynn Nelson, Dave Nielsen, Sue Olsen, Evelyn Palmer, Pat Parker, Kelly Pitcher, Jim Smith, Auditor Tamra Stones, Justin Taylor,
Media: Joe Rowley (Herald Journal) Jennie Christensen (KNVU)

CALL TO ORDER:

Chairman Petersen called the meeting to order at 5:00 p.m.

INVOCATION:

The invocation was given by Brian Chambers.

PLEDGE OF ALLEGIANCE:

Chairman Petersen lead those present in the Pledge of Allegiance.

REVIEW AND APPROVAL OF AGENDA:

Chairman Petersen suggested that during the Executive Session a real estate issue would also be discussed.

The agenda was approved as amended.

REVIEW AND APPROVAL OF MINUTES:

Minutes of Council Meeting for January 28, 2002, were reviewed, corrected and approved.

The minutes were approved as amended.

County Council
FEBRUARY 11, 2003

REPORT OF COUNTY EXECUTIVE: LYNN LEMON

Executive Lemon's recommendations and items of concern to the Council:

APPOINTMENTS:

(Reappointment)	Kathleen Howell	Cache County Boundary Commission
(Reappointment)	Michael Gleed	Cache County Boundary Commission

ACTION: Motion by Council member Gibbons to approve the appointments recommended by Executive Lemon. Hansen seconded the motion. The vote was unanimous, 6-0. (Yeates absent)

WARRANTS: The warrants for the periods of 12-10-2002 to 12-10-2002; 12-26-2002 to 12-31-2002; 01-17-2003 to 01-23-2003; 01-24-2003 to 01-30-2003 and 01-31-2003 to 02-06-2003 were given to the Clerk for filing.

Executive Lemon requested to have a second CDBG public hearing set for the next council meeting at 5:15 p.m.

ACTION: Motion by Council member Gibbons to set the second CDBG public hearing for the 25th of February at 5:15 p.m. Cook seconded the motion. The vote was unanimous, 6-0. (Vice Chairman Yeates absent)

OTHER ITEMS:

1. **Road Department Surplus Vehicles.** The Road Department had two used vehicles that Kelly Pitcher had suggested to donate to Bridgerland Applied Technology College (BATC) - Truck-driving Inspection Department. This would be a donation of \$3,000.00. If the transaction takes place, the Truck-driving Department had agreed to haul 2,000 tons of slug from the Newport Center to the County's Fire-training Center just north of Hyrum.

ACTION: Motion by Council member Gibbons to donate two surplus vehicles from the Road Depart. to the BATC Truck-driving Inspection Department. Robison seconded the motion. The vote was unanimous, 6-0. (Yeates absent)

2. **RAPZ COALITION.** The Coalition would be meeting on April 1st thru Dec. 31st. Another meeting was planned in February to develop guiding language for the County Council review. The State Tax Commission had been notified of the adoption of the RAPZ tax. The RAPZ Tax will be implemented beginning April. The County would collect the tax from April 1, 2002 to December 31, 2002 and then go through a process to receive application after the first of the year and allocate that by April 1, 2003. Allocation recommendations would be given to the Council; however, final decision of allocation would rest with the Council.

3. **House Bill 112. - County Correctional Facility Reimbursement.** Cache County supports this legislation. Council members were encouraged to talk to Senators and Legislative representatives about this bill. Executive suggestion to the Legislature was to have the Attorney's Office collect the fee rather than the State. This legislation amends the Utah Code and allows the County to charge a fee to individuals up to \$1,000.00 for the cost of housing them in the County Jail.
4. **Bond Rating.** The County had received a rating on its 3.3 million dollar sales-tax revenue bond rating. It is a "AA- Stable" rating.
5. **North American Weather Consultant Report.** The report had been received; however, there were not many storms in January.

EMPLOYEE OF THE MONTH: SUE OLSEN

Jim Smith introduced Sue Olsen as the "Employee of the Month" for February 2003.

JIM SMITH: Twenty-five years ago Sue left the sunshine and warmth of Florida and moved to cold and snowy Utah. In June of 1993 she joined the Cache County team as an employee of the motor-vehicle group in the Assessor's Office. After five years of registering cars and trucks and recreation vehicles, Sue felt the urge to move and transferred to the Road Department.

Since October of 1998 she has been responsible for providing administrative duties and support to the manager of the Road Department. Sue's duties include purchasing, monitoring the department budget, keeping records of all department activities, providing records for air-quality and MSHA the "Mine Safety and Health Administration" program which monitors the County's gravel pit and crusher operations. During the past four-and-a-half years she has learned about weed control, road construction, loaders, graders and plowing snow.

Sue mentioned that she has three terrific children and a beautiful daughter-in-law. In her spare time she enjoys hiking in the Moab area, camping, reading and playing scrabble. One of Sue's peers wrote of her: "Sue does far more than her job duty calls for. She is always trying to do her paper work the proper way. She tries to make sure that the Road Department is following the proper procedures to meet the requirements for each job. She really keeps the road and weed shop in line. She has been such a great help to our Department by following policy and (has been) willing to do whatever to make our job easier."

Jim Smith offered his congratulation to Sue. **Executive Lemon** presented Sue with the Employee of the Month Award and expressed his appreciation for the great job she does in meeting and helping those people who get upset about their roads. **Darrell Erickson**, County Road Manager, presented her gift certificate and noted that Sue really was indispensable. Sue Olsen, also a member of the Awards Committee, realized how much time and effort that went into the process of selecting the Employee of the Month. She was honored to have been selected. She thanked her peers, the committee and the County.

CAPITAL ARTS ALLIANCE QUARTERLY REPORT:

County Council
FEBRUARY 11, 2003

Lisette Miles, Executive Director: There had been a name change this year from the “Capitol Arts Alliance,” to “Cache Valley Center for the Arts” (CVCA). The CVCA was celebrating its 10th Anniversary of the restoration of the Ellen Eccles Theatre, the success of their second annual free “Cache Valley Arts Festival” and the kick-off of their spectacular “Ellen Eccles Theatre Presents” season. It had been a rich, fulfilling year for the CVCA with many wonderful performances and events.

There were two quarterly reports prepared by Lisette Miles, Executive Director, CVCA and the financial reports attached were prepared by Morris Hansen of Cook, Dorigatti & Associates. Wendi Hassan presented, as part of the second CVCA quarterly report, an economic impact study submitted by Dr. L. Dwight Israelsen, Professor of Economics, at Utah State University.

(See Attachment No. 1.)

First quarterly report dated July 1, 2002 - September 30, 2002. The first quarter of operations produced an increase in net assets. Total revenues and gains exceeded the total budgeted amount for the quarter. Total expenses were below budgeted amounts.

Second quarterly report dated October 1, 2002 - December 30, 2002. Total people attending various public and private events at the Center numbered 18,026. Lisette Miles covered the activities of the Ellen Eccles Theatre, the Bullen Center and the Thatcher-Young Mansion. The CVCA hired a new full-time box office manager, Keri Hostetler, on October 21st of 2002. A letter was mailed out by the CVCA to inform the public of the RAPZ proposition, Resolution No. 2002-28. (The purpose of the tax is to enhance public financial support of publicly owned and operated recreational facilities and botanical, cultural and zoological organizations.) Also a grant application had been submitted October 1, 2002, to the Utah Arts Council. In November, 519 letters for an Annual Fund Campaign were mailed

Wendi Hassan: “An economic impact study is the process of seeing the impact on the wealth of the citizens of this valley that is brought about by the presence of the Center for the Arts.”

“The Cache Valley Center for the Arts, encompassing the Ellen Eccles Theatre, the Bullen Center, and the Thatcher-Young Mansion, plays a major role in the cultural life of Cache Valley and the surrounding region. In addition to its cultural contribution to the community, the Cache Valley Center for the Arts (CVCA) generates a significant, measurable effect on the local economy. The wide variety of cultural events sponsored by CVCA attracts patrons from Utah, southern Idaho, and western Wyoming, visitors whose expenditures enhance incomes in the valley. In addition, the availability of CVCA-sponsored cultural activities in the Cache Valley increases the percentage of income valley residents expend locally. It is the purpose of this analysis to quantify the impact of the Cache Valley Center for the Arts on the economy of Cache Valley.”

“An economic impact study is not a way of measuring how we compete against recreation events or other performing-arts events within the valley. The only thing that we are measuring is what new monies we bring from outside, people who would travel to Cache Valley to see performances in the theatre, or money that we retain of people that would otherwise go outside of the County to spend it.”

County Council
FEBRUARY 11, 2003

Funding to complete the economic impact study had been received from the "Nation Endowment to the Arts."

"Using standard economic impact analysis and a conservative multiplier, based on the "outside" expenditure drawn to the valley by the CVCA, and the "inside" expenditure kept in the valley by the CVCA, the economic impact on Cache Valley incomes attributable to the Cache Valley for the Arts was approximately \$1.9m for FY 2001-2002. Projections based on past spending on cultural activities in Cache Valley, detailed in Israelsen (2002), suggest that the impact of CVCA on the valley incomes is likely to increase to at least \$2.9m in FY 2004-2005, and \$4.5m by FY 2007-2008."

"I think that we can all be satisfied with the results. The economic impact study cannot measure the results of the pride of the citizens of having such a beautiful building downtown, a magnet for the downtown and a piece that it is in the puzzle that allows businesses to attract qualified, talented, educated employees who want to raise their children where they can obtain arts instruction in addition to the recreation opportunities that they have and where we have performances that they can attend, in addition to movies, things that are national and internationally renowned where they can come and, for an evening or two, perform. It is an economic measure of the addition of wealth. The theory is that every dollar spent in the valley does not immediately dissipate outside the valley but is then re-spent in the valley to some extent."

BUDGET TRANSFERS:

There were no budget transfers brought forward.

ACTION: Motion by Council member Cook to move into the Board of Equalization. Robison seconded the motion. The vote was unanimous, 6-0. (Yeates absent)

COUNCIL MOVED INTO BOARD OF EQUALIZATION

REQUEST FOR PENALTIES AND INTEREST TO BE WAIVED ON 530 BOULEVARD PROPERTY:

Executive Lemon explained that on property newly acquired by Justin C. Taylor at 530 Boulevard had a tax liability attached plus penalty and interest charges for which the new owner was legally responsible to pay. A proposal was brought before the Council to petition for a waiving of the penalty and interest charges in lieu of getting the taxes because the house had burned and was not usable for at least a year's period of time.

(See Attachment No. __.)

Justin Taylor: "The request was for 2001 and 2002. The house actually burned down in

County Council
FEBRUARY 11, 2003

February of 2002. We were just proposing that they waive the penalty and interest because the owner of that property died in the fire and we went through all kinds of processes to purchase that property. We just closed on it in December.”

Discussion:

Council member Cook: Why the previous owner’s estate did not pay the tax and penalty of interest.

George Daines: The home, I believe, was actually foreclosed; or it was sold by the estate subject to the lean taxes. It was within that time period that the man, who lived there, died in the fire. It had accrued taxes on it at that point. The estates had no obligation to pay the taxes. It’s the property that had the obligation to pay the taxes.

Craig Peterson: It is also possible, George, that the estate had no assets.

Daines: I don’t think that was the case here. I think there was a mortgage on the property. Whoever would have bought the property was aware that there were taxes along with penalties and interest. Frankly under these circumstances, it is not unusual to waive penalty and interest.

ACTION: Motion by Council member Gibbons to waive the penalties and interest on 2001 and 2002 taxes on this parcel and collect taxes that are due. Chambers seconded the motion. The vote was unanimous, 6-0. (Yeates absent)

ACTION: Motion by Council member Robison to move out of BOARD OF EQUALIZATION. Hansen seconded the motion. The vote was unanimous, 6-0. (Yeates absent)

COUNCIL MOVED OUT OF BOARD OF EQUALIZATION.

PUBLIC HEARING: OPEN 2003 BUDGET

Auditor Tamra Stones took the Council through the proposed changes to the 2003 budget and recommended approval:

Fund 10 General Fund: *Net adjustment increase of \$18,042.00.*

Additional revenue of \$6,042 had come in to the Roads Department because of a road grader accident settlement. Also, \$12,000.00 was saved from the 2002 budget allocation for the Cody Nelson trial which was extended into 2003. (Money to be re-appropriated to pay expenses of that trial.)

Fund 24 Council on Aging Fund. *Net adjustment increase of \$9,170.00*

Budget adjustment of appropriated surplus of \$9,170 for RSVP 01-02 contract/UDOT Van Grant Match to restore funds transferred out of line items in order to increase budget line items to pay debits.

Fund 29 Children’s Juvenile Justice Fund. *Net adjustment decrease of \$2,360.00*

A contract with the Children’s Juvenile Justice had been amended and thus reduced the fund..

Fund 40 Capital Projects Fund Revenues - Project Length Budget. *Net adjustment increase of \$243 735.00*

Federal grant money had now been received for building of the jail and the amount in the Federal Grant line item was adjusted to reflect the exact money amount. Project donations

County Council
FEBRUARY 11, 2003

created increase revenue to be added to the line items for Contribution - Kitchen and the Contribution - Chapels. Separate line items were added for the Public Safety Building and Jail and the Administration building in order to better tracking for GASBE -34.

Executive Lemon commented that he was uncomfortable with the \$1,265 that was taken out of the Building and Jail Complex. Ms. Stones agreed to leave the money in and to make a cleaner transfer.

Chairman Petersen opened the hearing to Public Comments.

Hearing no public comments motion to close was extended..

ACTION: Motion by Council member Gibbons to close the Open 2003 Budget Public Hearing. Hansen seconded the motion. The vote was unanimous, 6-0. (Yeates absent.)

ADMINISTRATION BUILDING UPDATE:

The work was going along fine. At the request of USU Extension the County would provide space in the building for distant learning because there were some programs that could not be given on campus. The last change order said the contractor would be finished by May 22. As soon as everybody is moved, demolition of the Chamber/Court building was planned and the beginning of the parking-lot project.

Salvage of usable material was discussed. One suggestion was a Public Auction and another suggestion was to have the cities and principalities look at what was being salvaged and either donate items to them or sell the items at a low price.

Blinds were to be installed on all windows and most of the new furniture had been ordered. The project was still under budget.

JAIL UPDATE:

Sheriff Nelson related that the building permit had now been issued. Contractors had pored the cement floor had started laying the blocks for the cells. They had started to erect the steel in the administration building and had begun pouring some of the sheer walls. Also, the contract was signed and in the mail regarding the kitchen project and equipment.

PUBLIC HEARING: CONSIDER THE ISSUANCE OF SALES TAX REVENUE BONDS IN AN AMOUNT NOT TO EXCEED \$3,700,000.00.

As a review, Sheriff Nelson related that on the admin. building site the third floor was to be completely finished for rental space to the State. Plus there would be an addition to that site of approximately 8,000 sq ft. This would bring the total bed number up to 360 beds.

County Council
FEBRUARY 11, 2003

Chairman Petersen opened the Public Hearing for public comment.

There was no response.

ACTION: Council member Hansen made the motion to close the Public Hearing. Robison seconded the motion. The vote was unanimous, 6-0.

CHILDREN'S JUSTICE CENTER UNDER THE SUPERVISION OF THE COUNTY ATTORNEY'S OFFICE:

At the suggestion of the Attorney General's Office, Executive Lemon recommended that the supervision of the Children's Justice Center be under the supervision of the County Attorney's Office.

Council member Chambers left the Council Chamber at 5:55 p.m.

Discussion:

Kathy Robison: How will that work with the proposal from the Child and Family Support Center?

Lynn Lemon: They (the Child and Family Support Center) had a proposal that we would contract with them for that purpose (the purpose of legal services). Rather than to do that, we would put it under the County Attorney.

Robison: So they would have no connection with that?

Lemon: They are located right next to the Children's Justice Center currently but no, we wouldn't contract with them for that. George, I don't know if you have any comments about that.

George Daines: I don't really have any comments; I think this is really the best choice for the Children Justice Center and its purposes. It really ties in with the County Attorney in particularly with making advocates in their work with children. I think there is a lot of opportunity to improve our performance in that area and I'm going to be working closely with those at the Center to do that. I am sure we will be able to do that and I am sure we will have some more reports for you as the year progresses.

Lynn Lemon: Mr. Chairman, Diane Dahleman, who is the Chair of our Children's Justice Center Advisory Board, is here. Diane, do you have any comments?

Diane Dahleman: If anyone had any questions, I could answers those.

Paul Cook: Are you supportive of the change.

Dahleman, Chairman of the Children Justice Center: Yes. The Advisory Board has voted and we are supportive of whatever the County wants to do. We had entertained both proposals but ultimately we would support what the County would feel comfortable with.

ACTION: Made by Council member Gibbons to put the Children's Justice Center directly under the Attorney. Robison seconded the motion. The vote was 5-0. (Yeates and Chambers were absent.)

Further Discussion:

Darrel Gibbons: If the Attorney's Office is comfortable with the additional responsibility of surprising, it seems to me they (the Children's Justice Center) have a much more compatible relationship with the Attorney's Office than it does with the Executive. It makes good sense.

Council member Chambers returned to the Chamber at 6:05 p.m.

UPDATE TV TRANSLATOR DISCUSSION:

Executive Lemon had spoken with Andrew Morris who is the legal council on this matter last Thursday. Hearing no response thus far, Executive Lemon wondered if he was not able to resolve it. The technicians have said that Mt. Pisgah is the best site but if the issues can not be resolved then other options needed to be looked at.

Discussion:

Paul Cook: What is the expiration date of our current contract?

Lemon: June of 2004. We are in court on that right now. This will be going to trial on April of this year.

Paul Cook: Would you explain to me what the legal issue is of why we are going to court in the first place?

Lemon: In 1994 there was a settlement and this Body agreed to the settlement issues. The settlement was that we would turn over the property because there was a problem with the deed on the property that we own at Mt. Pisgah. We agreed as part of that settlement that we would turn over the property on Mt. Pisgah but we would receive a 10-year lease on that property. This was in June of 2000 and June of 1994 that we reached that agreement. So, we would have a 10-year lease on that property and then we were subject to market rents; whatever that was. The County claimed that we owned it prior to that time and the Beus group also had it. It was property that was owned at the summit and the deeds for Cache County had been recorded in Cache County; they had not been recorded in Box Elder County. Beus's property had been recorded in Box Elder County but not in Cache County.

We made a payment on that property in December of 1994 for July of 1994 - December of 1994. On April 10, 1994, we were given notice that we had not been paying rent on that property monthly. Even though the agreement says the rent is due monthly, there was no date that it is due. It just says that we are to pay a monthly rent and we had not been paying that monthly. So, we immediately processed that and the check was dated April 20th but it was not postmarked until April 21st. The property owner has claimed that we have breached the agreement and that we paid the rent one day late. We have been trying to resolve it ever since. We maintain that we paid it timely. The breach was not material; we did pay the rent. We have paid the rent ever since that time. In fact, we have paid it in advance. That was what we are going to court on whether or not we actually have the right to be there at the current time. Regardless of that, in June of 2004, our 10 years will be up and we'll have to pay the market rents.

We had tried on two prior occasions to try and resolve this and the Beus group has wanted us to pay a rent that we felt was unreasonable. The last time we had an estimate; it was \$1,200.00 per television station. Because we provide this as a public service, we didn't feel that was proper. That would be \$7,200.00 a month or \$84,000.00 a year. We are not willing to settle it. My fear is that because Andrew has not been able to get back with me is that he has not been able to reach what we basically gave him as a goal. I think it was in December when you (the Council) said that we'll give you (the Executive) until February 1st to get this resolved or if you (the Executive) can't we (the Council) are going to move forward with it. I had given him (the Attorney) that deadline. Because we have not gotten there, I thought maybe we ought to extend it; I just honestly don't know whether to tell you to extend it a little further or not. We are going to go to trial the first week in April.

Cook: If we loose this trial, the consequences would be that they would want us off immediately?

Lemon: Yes.

Cook: I say we start looking for an alternative site now. What else are they going to do with that land up on top of that mountain? I just don't see any other use for it.

Lemon: I think it to their advantage to keep us there.

Cook: Do we have enough money in the budget to do that (look for an alternative site)?

Lemon: We have \$25,000.00 that has been encumbered to develop a road and to install electricity at a site in Clarkston; however, we think that it is going to be more expensive than that. We have been holding a contract on another site.

Cook: Let's move forward; Let's at least get bids on what it will take on the various sites that you have in mind to start developing.

Lemon: Actually the Clarkston site is a great site for receiving an incoming signal but it is not as good a site to reach as many people in the valley as the Mt. Pisgah site is. Because of the mountain there and the terrain, it actually shades Trenton and Cornish and probably part of Lewiston.

County Council
FEBRUARY 11, 2003

Darrel Gibbons: I think we need to pursue an alternative site. I've set close enough to Craig to know that he has some concerns and I think technology is still going to change extremely rapidly in the future. I'm not right sure that it is going to be dollars well spent. I don't know what the answer is.

Lemon: We have had people come in and say whether you use those or not you need to maintain them. They are worth something; they are going to be valuable.

Cook: They are actually very valuable right now. If we were to take those licenses and sell them on the open market, we could get a substantial amount of money for them. They are our licenses. We could even broadcast on the flip side of the frequencies that we are using for our TV to service other areas and those have value. If we stop transmitting, as you know, we could lose the licenses outright. We don't even have to transmit a good-quality signal; we just have to transmit. We could do that from almost any building that we have just so long as we are transmitting.

Lemon: In Clarkston, two years ago we were really pursuing developing a road and an electrical line to a site there. What happened was that Franklin County and Caribou County and Bear Lake County came and said "If you put the site where you intend to put it, it would cause problems for us and we are going to protest that." So, we just said: "We don't want to create problems." So, we didn't make it a priority. We really do need to decide.

Robison: Haven't we received testimony that is not true?

Lemon: If we were to broadcast from the Clarkston site, Preston would get some of our signal and it would cause problems.

Cook: They would get our signal but as I understand it the way the FCC even licenses it, there should be no cross-connect. They are on a different frequency and we are on a different frequency. That guy, who was here back in December, kind of had the same feeling about that; it was not a legal claim.

Lemon: That was Kent Parsons who was there but their technicians say that it definitely would.

Cook: So those two are the are in disagreement, right?

Lemon: Norm Yazzie, who is the technician, and all the County Commission from those three counties said: "You're going to cause problems." I need to spend more time on that.

Craig Petersen: I'm going to raise the three concerns I've always had: **1)** Whether or not translator technology really is the technology we ought to be investing in the future. **2)** There may be higher-value uses for those spectrums of frequency that we could sell them for in the future if there are other technologies that would be cheaper and more efficient. There may be higher-value uses for those spectrums of those frequencies that we could sell them for. **3)** We still have no idea of how many people we are serving. We just don't know how many people we are accommodating and how much we would be willing to spend of somehow being related to the number of people we are serving.

Lemon: We did ask BRAG to do that survey for us. You're just saying even based on that, we are not really comfortable with how many people are really using it. Maybe we need to do a survey for that purpose only. It would cost a little money though.

Petersen: I think that would be useful.

Gibbons: I'm not sure it would have to cost that much. If we were to cooperate somehow with the municipalities in the valley and they could just include in their monthly billing a questionnaire that their people could fill out and just return to us. We might get a pretty good idea. We may have to fashion the survey but it would only have to be two questions.

Petersen: Including at the university, there are offered classes of statistics that class projects could do that. Students could do it under the direction of the professor; so, it would be done right.

Hansen: What did the first survey indicate in the terms of numbers?

Lemon: I thought it was around 32 or 33% of the people, who answered those surveys in Cache County, used the TV translator site. It was divided into 5 categories and there were always, sometimes, seldom, etc.

Petersen: I remember it was a lot lower. I thought it was like 10% at the most and even then there was some ambiguity as to what the terms were in it.

Cook: High definition is becoming an issue. The Cable Co. does not have the means to do it. That is true. And the Satellite companies will not be broadcasting local-channel high definition. That doesn't mean that you won't be able to pick up some but they have to launch more satellites up there before that is even available. So, if we as Cache Valley residence want the high definition, it is going to have to come through our translators. Will that increase the usage of the service? I believe so. How do we judge what future demand will be? The Cable Co. will have to considerably change how they do their delivery system to be able to do that.

Petersen: They will also have to do that to remain competitive. They can't just not do that.

Cook: I've done a little research on this, Craig. What they are planning to do is, to offset that competition and to delay that further out, they are going to change their interactive services so that you can get more movies on demand

County Council
FEBRUARY 11, 2003

off from a hard-drive basis movie delivery system. They believe that is going to keep them competitive so that you are not going to Blockbuster, etc and so that you will use and keep it so that you will get movies on demand, which is in direct competition with high definition TV. It will be a different service for another reason. They are actually starting to come out with boxes now that are planned for next year that will allow you incorporate you local- broadcast high definition TV into a better system so that you can pick it up over the air and easily add it on to that thing. To replace the infrastructure they have would be in the millions of dollars to do.

Gibbons: Mr. Chairman, I would recommend that if this is scheduled to go to trail in April, we extend our deadline from the 1st of February to the 1st of May; and we get a better feel during that period of time where we are headed with respect to the site. In the meantime that we pursue through the Mayor's Association perhaps and the University putting together a survey that can be circulated to the citizens in the valley to determine the usage. I don't know that we can do this by the end of May but we can certainly put those wheels in motion.

Petersen: We ought to be able to do it; the survey is not rocket size.

Cook: I think we ought to look at developing a new site. That has got to come into play

ACTION: by Council member Gibbons to move ahead with the survey. The motion was properly seconded and passed.

Further Discussion:

John Hansen: It sounds like they (the Beus group) are really playing hardball. Unless I'm missing something here. If we're not there, they don't have anything, do they?

Lemon: I think they have thought that it (the Mt. Pisgah site) would be very valuable. If you remember, one of the reasons that we entered into this settlement agreement was because of our agreement with Cellular One. Cellular One has since left the site and said: "We no longer want to be there." One of the reasons is the road; the road is terrible to that site. We actually entered into a 10-year agreement to protect ourselves because we had signed a 10-year agreement with Cellular One.

Brian Chambers: What are we currently paying per month?

Lemon: Total of \$500.00 a month. I had indicated to our attorneys that if the Beus group would agree some figure like \$1,000.00 a month, we would probably consider that or even \$1,200 per month but not \$1,200.00 per station.

RESOLUTION NO. 2003-03: Adjustments to 2003 Budget

(See Attachment No. 2.)

ACTION: Motion by Council member Gibbons to waive the rules and to adopt Resolution No. 2003-03 with the change that the Executive made with the respect to the County Office Project line item of the \$1,265 in the building jail complex. Hansen seconded the motion. The vote was unanimous, 6-0. (Yeates absent.)

RESOLUTION NO. 2003-04: Consideration for Adoption of a Resolution Authorizing the Issuance and Sale of Cache County, Utah Tax and Revenue Anticipation Notes, Series 2003 in the Aggregate Principal Amount of \$1,500,000.00; Awarding and Confirming Sale of the Notes; Entering into Certain Covenants and Making Certain Representations in Connection therewith; Approving the Form of the notes; and Related Matters.

(See Attachment No. 3.)

Chairman Petersen said that two meetings ago, the Council approved a principle of concept of issuing tax anticipation notes to make up for revenues that were not yet collected. This is really a cash flow issue was done. This resolution would actually put that into force and formally

County Council
FEBRUARY 11, 2003

authorizes the sale of the bonds.

ACTION: Motion by Council member Robison to waive the rules and approve Resolution No. 2003-04. Hansen seconded the motion. The vote was unanimous, 6-0.

REVIEW OF RESTAURANT TAX APPLICATION FOR 2003:

Chairman Petersen stated that the discussion at this time was simply to look at the application form and see if there should be any adjustments made to the form. This is the form entities use to apply for funds from the Restaurant Tax.

(See Attachment No. 4.)

Policies that have been established:

1. The County would fund no more than 10 projects per fiscal year. **(This had not been adhered to and would be stricken for the new application form.)**
2. The applicant requesting funds must be a public owned or operative facility that would adhere to that. **(No change)**
3. It must be of economic benefit to Cache County. **(No change)**
4. Funds being allocated only to the capitalization of the evert-day maintenance and operation. **(Basically the County has provided funds for construction, capitalization and maintenance.)**

Procedure:

1. Every year the County would impose a restaurant tax. **(This is accomplished in August.)**
2. The applicant submits to the Executive the application. **(No change)**
3. The closing date for the application will be April 1, unless it falls on a weekend.
4. The Executive screens the applications and makes recommendations to the Council. **(The State law had changed this procedure a-couple-of-years ago and required that a committee for the screening and recommendation of the applicants. Now there is a committee in the County to do this, which is made up of 4 members of the Council and a representative of the restaurants, the hotels and motels, and parks and recreation.)**
5. Funds not applied for expended by October 1st should be carried over and added to the fund for the following year to be available for a new request. **(This had not been adhered to and it was decided that if it goes beyond two years and because it was a budgetary decision, it would be brought back for review before the Council and worded to that effect.)**

Discussion:

Auditor Tamra Stones requested that there be a time limit on how long to carry the application. Executive Lemon said that community participation had been encouraged and there had been no pushed to have the entity spend the money even if they were not ready to do it. He also agreed with Ms. Stones that five years was to long to carry the money. Council member Gibbons suggested to have written into the application that there would be a review after

County Council
FEBRUARY 11, 2003

two years.

Pat Parker: From this office, we encourage those towns to try and use those funds within the year they are issued. We have been very conscious to do that and sometimes it takes the towns a while to accumulate the funds, especially if they are small like Amalga, in order to pay the invoices before they ask for the reimbursement.

Council member Gibbons felt that if the project wasn't started 4 years after then I think it should be subject to review.

Paul Cook: On Page 2 in the application portion under Item 4, Public Purposes. I want to draw this back to the initial goal which is to encourage the recreation and tourism development.

Darrel Gibbons: One of the reasons though that we perhaps didn't incorporate that language in that portion is that we wanted to have the latitude to utilize these funds in assisting smaller communities who realistically would not be involved in promoting tourism.

Cook: Wasn't that the reason for the tax in the first place.

Gibbons: Part of the reason.

Petersen: "Recreation, tourism and cultural convention"
(Tape Change)

Gibbons:

Lemon: I think that it is applicable, especially with this particular tax, that in order to keep support for it that we do fund the smaller community projects.

Gibbons: We have been convinced also from the very beginning that a fairly substantial percentage of these dollars were raised by were raised by people within the Community.

Lemon: Seventy percent.

Cook: Then I will withdraw.

George Daines. I don't really have a comment toward that issue but I think there are a couple of things that we probably ought to do to tighten up the procedure. I think most of the time when you get these kinds of applications, you get a budget; basically, what are you going to spend that money on. This form the way it is presently designed tells us how much they want but it doesn't give us an idea of where the money is going. Most of the times these kind of grants will provide something like a pro-form of budget so that you have a sense of where the money is going. This is an application. Once the application is approve, is there some kind of an additional document that kind of ties the money to the project with a budget so that Tamra can approve it is approaching that budget or do we only use the application form?

Lemon: We have only used the application form. We do require that they submit either purchase orders or invoices showing that they have actually spent the money for that project.

Daines: This is very similar to a grant proposal generally and most of the people who approve these kinds of grants want a pro-form of budget and some kind of a form where the entity agreed to use the funds for the purpose outlined in accordance with the budget and a thing where if they change the budget, they have to come back and have a sign-off procedure.

Petersen: Look at No. 3 on the second page.

Daines: Okay, excuse me. There is a copy of an overall budget but I think you need something more than the application tying the budget back to the project. There should really be an addition form. That would help you administer. I can't imagine why one of these is remaining for five years.

Gibbons: I think one of the reasons we have that is because we have not said: "Complete your project or lose the funds."

Hansen: Is there a utility to say: "If funds are not spent by a certain period of time, you are not eligible as a community to apply for these funds until that is taken care of?"

For this year, Chairman Petersen suggested modification of the acceptance letter, which is sent upon approval to the applicant, with an attachment to be sent to the applicant in order to reflect what the County Attorney was asking for.

SEMI ANNUAL LUNCH MEETINGS WITH ELECTED OFFICIALS/DEPARTMENT HEADS:

The suggestion was to have luncheon meetings between members of the Council and the

County Council
FEBRUARY 11, 2003

elected office and the department heads. This would promote better interaction with these individuals. The question was if it was a good idea and how often should this take place.

Discussion:

Kathy Robison: I do think it is good one. I would like to have it a little smaller and separate it a little bit so we could maybe get a chance to actually talk to somebody instead of having 40 people out there all at once.

Darrel Gibbons: I think that it is a positive approach to extend a hand from the Council to those elected offices indicating that we are concerned about we work in a partnership arrangement rather than in an adversarial role. Sometime I think the feel like we are functioning in an adversarial role.

Craig Petersen: If we met with each of those groups semi-annually, that would essentially mean quarterly meetings for us. Every three months we would be with one of the two groups. Is that too frequently or not frequently enough?

Gibbons: Let's ask the elected officials what their take is.

Tamra Stones: Quarterly.

Lynn Nelson: I would say at least twice a year.

George Daines: Are you going to run a foul of the Open Meetings Law?

Pat Parker: Didn't you decide in you preliminary discussion on this that there would only be three Council members and you would rotate so that we didn't go into the "Open Meeting" violation.

Petersen: We talked about that as a way not

Daines: I believe the rule is that you can not have a majority of the Council without making it a public meeting and advertising it. Frankly, that is problematic. You will have a good discussion with them if you break up and three of you met with and elected official. You would probably have a better discussion that we all seven of you meeting with them anyway. Then you wouldn't have that problem.

Chairman Petersen suggested the luncheons be set on Wednesdays at 12:30 p.m. the first week of every month. The first one will be set up for the fist week in March.

Council member Gibbons commented that it would also be beneficial if a meeting was scheduled again with Logan City to discuss ambulance issues and other various issues that we might have. Pat Parker reported that the initial contact for this meeting had been made through Lois Price to Karen Borg, who is the Chairman of Logan City Council and was waiting for response.

COUNCIL MEMBER REPORTS:

John Hansen: I was just going to say the same thing. I spent some time with the Mayor in Smithfield on the same issue and wondered where we were at and were we were headed.

Paul Cook: Just so you know, we have had our second group of meetings with the various department heads throughout the County on our website. We have gotten the material that they

County Council
FEBRUARY 11, 2003

would like to have posted. In some cases we will be having further followup meetings but that is progressing nicely.

Darrel Gibbons: Lynn, Kathy and I went to the State Legislature this last week and visited with our local legislators. I just want to publicly go on record of expression appreciation for the work that they are doing in a difficult circumstance this year, trying to balance the budget and trying to keep people happy. I complement those individuals for the work that they do and I appreciated the opportunity to meet with them.

Lynn Lemon: (In reference to the meeting Executive Lemon attended in Washington last week.) I think it went well. The proof will really be in the year if we get the funding for it. We met with the FAA and then we met with Congressman Rob Bishop and then to Bob Bennett's Office. Bob Bennett serves on the Appropriations Committee. The biggest argument that I think we have in our favor is the fact that sometime prior to 1987, the FAA promised us that we would get a microwave landing system. It went a couple years and we hoped to get a microwave landing system and then it was a GPS system and then it was a transponder landing system and now we are back to an ILS (Instrument landing system). The ILS is really the instrumentation system on the ground. We were really hoping that we could get instrumentation with a GPS which is satellite but the military is not been willing to share that so that with their flight aviation. He (Bob Bennett) said that he would make that a top priority.

EXECUTIVE SESSION:

The Council retired to an executive session at 6:50 p.m. to discuss a real estate issue and PERSONNEL ISSUES of the Council and County Executive. Those invited to attend were members of the Council, the Executive and the Sheriff.

ADJOURNMENT:

Council meeting was adjourned from the Executive Session.

ATTEST: Jill N. Zollinger
County Clerk

APPROVAL: H. Craig Petersen
Council Chairman