

**RICHMOND CITY COUNCIL**

**DECEMBER 15, 2010**

The regular meeting of the Richmond City Council was held at the Richmond City Community Building located at 6 West Main, Richmond, Utah on Wednesday, December 15, 2010. The meeting began at 7:00 P.M.; Mayor Michael Hall was in the Chair. The opening remarks were made by Jeff Young.

The following Council members were in attendance: Brad Jensen, Paul Erickson, Terrie Wierenga, Allen Lundgreen and Jeff Young.

\*\*\*A motion to approve the November 16, 2010 City Council meeting minutes was made by Terrie, seconded by Jeff and the vote was unanimous.\*\*\*

**DEPUTY REPORT**

**DEPUTY KERR:** Lots of calls in the last month. Some winter vehicle issues; Had one last night in fact. People parking their vehicles in the road in the winter is against ordinance. Right now we have been just warning them. At some point we will need to start issuing citations if it keeps up. I don't have much else to add as that seems to be the biggest issue right now.

**AUDIT PRESENTATION FOR THE FISCAL YEAR JULY 1, 2009 – JUNE 30, 2010**

**JUSTIN:** Diana Cannell from the firm Jackson Allred will be presenting the results of the audit this evening. I appreciate her help as well as those in her firm. They are always willing to meet and help us with any questions. Diana is a tremendous asset to the City.

**DIANA CANNELL:** Thank you so much for the effort in making this a successful audit. I appreciate the help of Chris, Marlowe and Justin. I will just highlight a few quick points and after you have a chance to review, please call me with questions at anytime. It is a lot of information to absorb in a short amount of time. On Page 13, you will see a summary of the assets and liabilities of all of the funds combined. There is a significant change in the accounts receivable and that is due to the amount of funds collected from the Army Corp on the sewer project. You will also see a large decrease in accounts payable as well. This was also due to the payment of invoices regarding the sewer plant. Liabilities decreased from 5,427,021 to 4,765,452, a decrease of 661,569. Long term debt also decreased by \$230,000 as well. Page 14 is a statement of activities, it shows revenues and expenses individually. It shows the RAPZ tax funds received as well as other grant revenues received. Total business type activities have a loss of \$255,668. Page 17 shows a breakdown of the expenses but does not include depreciation. There was a slight increase in revenues from \$977,389 to \$1,015,785. That is pretty good, I have seen a lot of other municipalities that have had a decrease in revenues. You also had a slight increase in expenses from \$879,887 to \$882,212. Page 19 shows actual revenues and expenditures versus budgeted revenues and expenditures. As you can see you were within budget. Just a reminder that you can adjust the budget as much as is needed. Every department was within budget so there was no finding this year so that is a good job by all. Very good job for the year. You have to make budget estimates and I get to see it after everything is recorded and you guys did a good job of staying within budget. Page 21 is a summary of the Water and Sewer Enterprise funds. There was a positive change in net assets in the water fund of \$43,402 and a decrease in the net assets of the sewer fund of \$288,774. The big loss in the sewer fund is because of depreciation. There will be a significant amount of depreciation each year in the sewer fund because of the new sewer plant. Keep in mind that depreciation is not cash so you are not losing money. Those are just some of the financial highlights of the year. On page 49 you will find the findings for the year. There were three but only two apply to the financial side. There were some adjusting entries that had to be made and they were different from last year so I am not worried about them. Last year had to do with sewer revenues and this year the entries had to do with fixed assets. The second finding is that you are required to have between 5-18% in your unreserved fund balance and you had only 4% or short about \$14,000 of where it needs to be. I have talked to Justin about making this up over the course of the year. The third finding is for the court filing a report after the due date. This is a lot of info so please call me with any questions.

**MAYOR:** We appreciate the work you do for the City.

**DIANA:** We appreciate being able to work with and serve the City.

#### **ORDINANCE 2010-4**

**MAYOR:** This is a stop gap ordinance for establishing source protection zones for our well and springs until we can officially address it again after the UGS survey work is completed. This complies with an end-of-year deadline to which we must adhere. It is the same ordinance as in the past and also talks about testing and monitoring of the springs as well.

*\*\*\*Mayor Hall read proposed Ordinance 2010-4.\*\*\**

**MARLOWE:** When passed, I will submit a cover letter with it to the State explaining that it is temporary and explaining why. The next time we do this it will include all the springs and wells that we have.

**MAYOR:** What deadline did we have on the UGS report?

**MARLOWE:** They told me that they would be done around the end of January or so.

**MAYOR:** It would be nice to have them come to the February Council meeting and make a presentation.

\*\*\*A motion to adopt Ordinance 2010-4, AN ORDINANCE ENTITLED “DRINKING WATER SOURCE PROTECTION ORDINANCE” TO INSURE THE PROVISION OF A SAFE AND SANITARY DRINKING WATER SUPPLY FOR THE CITY BY THE ESTABLISHMENT OF DRINKING WATER SOURCE PROTECTION ZONES SURROUNDING THE NATURAL SPRINGS, DEVELOPED SPRINGS, AND WELLHEADS FOR ALL WELLS WHICH ARE THE SUPPLY SOURCES FOR THE CITY WATER SYSTEM AND BY THE DESIGNATION AND REGULATION OF PROPERTY USES AND CONDITIONS WHICH MAY BE MAINTAINED WITHIN SUCH ZONES was made by Brad, seconded by Terrie and the vote was unanimous.\*\*\*

## **DISCUSSION REGARDING ELECTRONIC MEDIA AND SERVICES POLICY FOR RICHMOND CITY EMPLOYEES**

**MAYOR:** This would become an addendum in our personnel manual. It would cover all electronic devices used by City employees.

**JEFF:** Basically there are so many electronic devices used by City employees that allow them to do their jobs better and more efficiently. This would just be a guideline on how we monitor them and what precautions we as a City are taking. We want to be proactive in this regard.

\*\*\**Jeff read the proposed Electronic Media and Services Policy*\*\*\*

**JEFF:** I want the insight of the Council. I don't want to miss anything. The point of this is we want to be proactive and help to make sure our employees are not making bad decisions with City owned equipment. Justin (Lewis) had a question regarding if this also applied to employees where we reimburse a portion of their cell phone bill but they own the cell phone. This would not apply. It only applies to items owned by Richmond City. Nothing personal by the employees.

**TERRIE:** It should also include volunteers who are unpaid. There are people in the Library and Fire Department that file reports on behalf of the City on our equipment.

**MAYOR:** Good idea.

**PAUL:** What about including elected and appointed officials?

**JEFF:** It is City equipment so it should apply to everyone. We are part of that group. There is even a higher standard for us as Council members. I will change the wording and include volunteers and Council members.

**TERRIE:** It should cover employees, volunteers and the Council.

**PAUL:** There could be some debate on what is considered “X” rated. How about sexually oriented instead?

**JEFF:** Good idea, I am fine with that.

**PAUL:** It is a good policy.

**JEFF:** It is a compilation of a lot of other cities. I read other cities that were as short as two pages and as long as thirty-five pages. We then developed our own from there.

**MARLOWE:** I would consider using sexually explicit rather than sexually oriented.

**TERRIE:** Yes, that is better.

**JEFF:** So we will change some wording and then each person that this applies to will need to read and sign it?

**MAYOR:** Yes and a copy will be put in their personnel file.

**TERRIE:** Once it is signed it is binding and agreed too.

**JEFF:** Basically it applies to anyone with access to City equipment.

**TERRIE:** Please send Lyle Bair a copy as well to review.

**MAYOR:** This will be a decision item at the January Council meeting.

**MARLOWE:** So it will require an ordinance to be included?

**MAYOR:** Yes.

**JEFF:** In January, we will be redoing the wireless setup in this building. There are some conflicting router issues. There will be a new router that will separate us and the police station. Up to ten guests in the building can use the basic internet as well. We will fix/repair some damaged wires as well.

## **PRESENTATION AND REPORT ON EASEMENT MAP FOR EXISTING WATER LINE**

**MAYOR:** There was never a formal easement agreement on the culinary water line that comes from the springs through some private property up Cherry Creek. I have asked Tim (Christensen) and Darek to help get this resolved. We need to get a formal agreement signed between the City and the landowners.

**TIM CHRISTENSEN:** Darek asked me to pass along the information I have gathered this evening regarding the property owners and the water line. The proposed ski resort is kind of what started this project so it is something we have been working on since April or early summer. It has been a process just to find the water line itself. I started with Robert Bair and he has a lot of knowledge of the area but did not know the exact location of the line. I then went to Marvin Traveller as he said he for sure knew where the line was but after getting him up there he said the area had changed too much and he did not know. I looked at the original drawings from Sunrise Engineering and that did not help either. We were able to use a water line locator loaned to us by Smithfield City and we located the line. It is accurate. We marked the land with blue paint to indicate where the line runs. The water line runs through seven different private parcels. There are two springs there as well, not just one. There is main spring one and two. Two of the parcels have the same owner so there are seven parcels and six landowners. I have provided all of the legal descriptions. The easement is for ten feet on either side of the water line.

**PAUL:** So there was not an official easement when the line was run?

**TIM:** No. Just word of mouth. Whether they agree to sign now is up to them. I would have an attorney make the actual deeds for the easement.

**PAUL:** Is any of this on the Forest Service property?

**TERRIE:** Yes.

**PAUL:** Is ownership even possible then?

**TIM:** Spring 1 is on the Robert Daines property. You don't want storm water running into the spring so there is a diversion as well.

**PAUL:** We might need to get a right-to-use agreement?

**MAYOR:** No, we don't have to deal with the Forest Service as it is on the Daines property.

**PAUL:** Where is the cabin in relation to the water line?

**TIM:** Here is the line and where it crosses. Here is the deep ravine crossing. Here is the location of a second very dilapidated cabin. I don't know if all of these people will sign the easement agreement. I would suggest telling them we need a written easement agreement.

**MARLOWE:** There was an agreement with the original landowners back in 1980. Bruce (Jorgensen) is currently working on this. We complied with all the landowner requests when we ran the line. I have talked to three of the landowners and they are willing to sign an agreement.

**MAYOR:** At this point we will get the formal document produced and then start to visit with the landowners.

**TIM:** If some of them won't sign you can still file the record without a signature. On the tax records this is shown as two parcels with the same owner. Maybe we ask them to combine it.

**TERRIE:** If it is separate they must want it separate.

**MAYOR:** This is property tax ID specific so it is not an issue.

**PAUL:** Are there any impediments for access? Bad access points?

**TIM:** No. There are no fences or gates. There are some steep areas and rattlesnakes. Here are all the descriptions and parcels. This is the paperwork that needs to be given to Bruce.

**MAYOR:** We will get this document to Bruce.

**PAUL:** Do you have it saved in a PDF format?

**TIM:** Yes.

**PAUL:** Let's send it to him electronically.

**MAYOR:** I appreciate your service and work on this. It will be nice to get an old issue from the past resolved.

## **FINANCIAL REPORT**

**JUSTIN:** We had our annual Cemetery Board meeting last week and they asked that I thank you for your help in making the Cemetery look like it should. A special thanks to Justin (Gilbert), Scott and the rest of the crew for their help up there. I have talked with Jeff and we are going to add the Cemetery into the tree trimming when Brad Deffinger does it for the City. The Cemetery Chairman is Kip Panter and the other board members are Albert Purser and Denise Allen. They are sorry that you have to take phone calls in their behalf as not many people know that the Cemetery is separate from the City but they appreciate that you do take them. They want to especially thank Terrie and Jeff for their help on the Cemetery mapping. They admit that it would have not been done without their help as well as the many other volunteers. As for the audit, overall I feel pretty good about how it turned out. Still working and learning on how they

want things done and how things should be done correctly. Diana and her staff are very good to work with and helpful.

**MAYOR:** What is our agreement with them?

**JUSTIN:** We are in year one of our new five year agreement with them. Not anything out of the ordinary in November in regards to the financials. Pretty quiet, just normal monthly bills. I would like to have you approve the following transfer/payment. I would like to pay \$2,452.50 in interest and \$10,000 in principal on the loan from the Capital Projects Fund to the Water Enterprise Fund. This would be the interest on the loan for July 2010 through December 2010.

\*\*\*A motion to transfer \$12,452.50 from the Restricted Water Enterprise Fund to the Capital Projects Fund was made by Terrie, seconded by Paul and the vote was unanimous.\*\*\*

**PAUL:** What are the current impact fee amounts?

**JUSTIN:** Sewer is \$5,500, water is \$4,351 and the water meter connection is \$525.

**MARLOWE:** By ordinance the water impact fee increases on January 1<sup>st</sup>. The sewer impact fee stays the same.

**JUSTIN:** We should be receiving the majority of our yearly property tax in this month and next month.

**PAUL:** Line Item 4364, Fines to State, what is this?

**JUSTIN:** That is the amount that we owe to the State of Utah that is part of citations issued through the court. We owe a different percentage of each citation depending on what the citation is for. It is not a fine that Richmond City is paying for something we have done or not done.

## **COUNCIL MEMBER REPORTS**

**BRAD:** Fire and EMT wages were distributed this month. There will be no drills in the month of December so money will not be paid for that. Fire Chief Bair is currently getting the construction plans done for the proposed Fire Station building remodel. He is looking for the original Fire Station plans as it would be easier for the designer to input those numbers from the plans than to actually go and physically measure the building. I believe we have them easily accessible as I viewed them not to long ago. The last time I saw them they were in Chris's office, not upstairs. I will help look for them.

**MAYOR:** When was the Fire Station built?

**PAUL:** In the 1980's I believe.

**BRAD:** The intent is to remove a restroom, add some storage and make a meeting room as well as do some painting and flooring work.

**PAUL:** It is needed, there has not been any maintenance on that building since it was built.

**BRAD:** We will be able to use the revenue received from the Herriman fire to pay for the majority of the project. The new engine has brought us in some nice revenue. Not much happening with water and sewer as you know the water tank is now to the funding portion. As for maintenance, we are currently getting some trucks repaired and still looking to purchase a newer ten-wheeler. We are going to be spending around \$3,000 this month on the orange truck. There are no new nuisance complaints this month.

**MAYOR:** The job done by the employees in removing the snow has been great. Good job!

**JEFF:** Black & White Days will have our first meeting in January. Shane Larsen has agreed to help publicize the event. I know that it is a pet peeve of some people that the dates of the celebration are not changed on the billboard sign and that is something we are currently working on with Regan Sign Company. We are wanting them to make the change in the winter but they don't come up to the valley until the spring of the year. We are trying to get the sign updated for the next celebration. We are thinking about having an art contest for the youth and some of the selected paintings could be displayed on the banner. Regan (Sign Company) does this for free so we have guidelines we have to work within. I think it would be a fun idea, something different. The Youth Council wants to have a more active role in Black & White Days.

**MAYOR:** Please contact Tucker Thatcher's wife as she wants to help with the youth Council. She helped on the Lewiston youth Council when they lived there and wants to be involved in ours.

**ALLEN:** I know with the recent wind storms that a lot of the light pole banners were destroyed. What is the status of those?

**SCOTT BALL:** The majority of them are ruined.

**TERRIE:** Where are they now?

**SCOTT:** I will get them for you. There are some here and there. Most of them have been ripped to pieces.

**JEFF:** They were a cheap banner but they were about 600% cheaper than the other option.

**SCOTT:** When we reorder some, please make them a little longer.

**JEFF:** I know, we have not had any that fit right yet.

**TERRIE:** I know, I oversaw and helped to stitch them together in the past.

**JEFF:** We got the current banners for \$30 each and the other bid was \$200 each. That is a very significant difference. They are supposed to easily slide on as well. The poles have very limited space as well. We saved money on the poles but they also have a very limited banner area on them. They are small enough that they are hard to see from the road and the wording is limited. It is very nice to be able to use the boom truck to install them. That works great.

**MAYOR:** I appreciate Jeff undertaking the trailer project at Cache Trailer and helping to get them moved and the intersection line of sight restored.

**JEFF:** I talked to Brian Fife, Cache Trailer and Repair owner, and he has agreed that the trailers should be parked against the fence not stacked all the way out to the road. This is especially an issue in the winter. In the spring, he has agreed to do some major cleaning behind the building so he can start to park them back there again like we originally agreed too. He has also agreed to move any new trailer that is dropped off to its proper location within two business days after it is dropped off.

**ALLEN:** I have supplied each of you the City building permit list for 2010. As you can see permits are down from years past. Since February there have only been six new residences. The economy is still slow as you can see. Hopefully it will start to turn around. Jon White came to Planning & Zoning with his concept map for the new subdivision. The concept that he presented for the area from 300 North to 500 North and 300 East to 400 East was passed and sent to the

Council for review. He will be coming before the Council in January. He knows that one of the conditions of the approval is that a water study be conducted.

**MAYOR:** Jon (White) will be working with Darek and J-U-B for the water modeling for the subdivision and this is at Jon’s expense.

**ALLEN:** Yes, to clarify, this is all on Jon’s dime, nothing from the City.

**DAREK:** Jon did call me and we will be having a meeting very soon. The modeling people will be reviewing the water and sewer as well as the sewer collection system.

**PAUL:** Could J-U-B have Jon sign a simple waiver that the City is not liable for anything in regards to that subdivision? That the modeling does not obligate the City to do anything?

**DAREK:** I am not sure. I will have ask. Do you want us to bill him direct or bill to the City and the City can bill him?

**MAYOR:** Bill him direct as this is not a City issue.

**PAUL:** He is employing you for his own interest not the interest of the City.

**DAREK:** I will check with the Office Manager and see what we can do.

**MAYOR’S REPORT**

**MAYOR:** You have the approved Planning & Zoning meeting minutes from the November meeting and a draft copy of the December meeting minutes. You also have the Welcome Schedule for the Council meetings for next year. The next Council meeting will be on January 18<sup>th</sup>. The employee appreciation dinner will be on January 7<sup>th</sup> at 6:00 P.M. at the Coppermill. Judge Funk was recently selected to be Providence City’s new Judge as well. Matt does a great job and we submitted a letter of recommendation for him. He will do a good job there like he does here. The Providence City Council officially approved him last night.

**ALLEN:** On the Jon White subdivision that we were just discussing. I want to clarify that he brought just a concept of the subdivision before Planning & Zoning not the actual proposal. There will be public hearings and the proper course of action taken when he officially wants to proceed.

**MAYOR:** I have presented each of you a copy of an article regarding funding issues that Santaquin City is currently going through on their new wastewater facility to give you an idea of what we might be looking at funding wise. I would like to say Merry Christmas and Happy New Year to everyone. I talked to Diana (Cannell) recently and she said that she was very pleased with how things are being done financially in the City and to commend everyone for staying in budget as it is very hard to do in some cases. It is nice knowing that we can stay within budget so we don’t have to cut items like Easter egg hunts and snow plowing like other communities have done. I appreciate the effort of everyone in keeping us within our financial means. I appreciate the effort of everyone throughout the community for making it what it is for all of us to use and enjoy.

\*\*\*A motion to pay the following bills was made by Terrie, seconded by Jeff, and the vote was unanimous.\*\*\*

A&D Landscaping	2490.28
AA Hudson & Assoc	9,490.00

Aflac	244.18
Altius	1,601.85
Assoc of Public Treasurers	135.00
Atco	380.40
Bair Auto	4,841.08
Bear River Health	40.00
Bestsellers Audio	156.00
Brent Webb Excavating	403.20
Buzz Electric	1,625.00
Cache Chemical	137.68
Cache County Service Area	16,787.84
Chevron	140.45
Dwyers Communications	1,442.50
Ecosystems	517.00
Ferguson	161.20
Fleet Services	33.85
HACH	95.35
Harris	1,824.31
IFA	159.99
Industrial Tool & Supply	11.67
Instructional Media	100.85
Intermountain Hydraulics	510.70
IPACO	213.23
Itty Bitty	520.31
Jardine Petroleum	1,147.73
JUB	14,731.69
Larsen Asphalt	11,683.95
Lee's	13.68
Logan Memorials	297.50
Lyle Bair	177.19
Maverik	1,010.43
Nextel	188.76
Olson & Hoggan	3,469.50
Parsons	647.27
PC's Unlimited	19.95
PEHP	160.68
Pitcher Propane	2,896.25
Questar	1,115.87
Qwest	437.84
Randy's	657.79
Rocky Mountain Power	3,955.55
Safety Supply & Sign	1735.2

Scott Ball	104.00
Six States	38.31
Smithfield Auto	39.60
Smithfield Imp	46.74
Square One	186.00
Staples	19.99
Tamara Hardy	36.00
Teledyne	402.00
Terracon	8,100.00
The Herald Journal	31.94
The Logo Shop	883.56
UEN	86.56
USDA Forest Service	48.94
Utah Division of Finance	99,371.39
Utah Local Gov Trust	87.22
Verizon	60.07
VISA	499.99
Wells Fargo	28.00
Xerox	193.64
Zoll	105.00

\*\*\*A motion to adjourn was made by Terrie, seconded by Jeff, and the vote was unanimous.\*\*\*

Adjournment at 8:20 P.M.

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Michael E. Hall, Mayor

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Justin B. Lewis, Recorder