

RICHMOND CITY COUNCIL

APRIL 19, 2011

The regular meeting of the Richmond City Council was held at the Richmond City Community Building located at 6 West Main, Richmond, Utah on Tuesday, April 19, 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 and Jeff Young. Allen Lundgreen was excused

A motion to approve the March 15, 2011 City Council meeting minutes was made by Paul, seconded by Terrie and the vote was unanimous.

DEPUTY REPORT

DEPUTY KERR: Still making DUI arrests. There were two in the last thirty days. We are averaging about two per month. That is quite high for this area. Most of the arrests have been in pulling people over on 200 West.

PAUL: Typically, what do you find? Where have they been? Where are they going?

DEPUTY KERR: In almost all cases they are coming from a party or have had a domestic dispute at home and are trying to get away from the situation. We see people from all walks of life that are guilty of this crime. There were several calls for service last month, over sixty. What do you need us to do for Black & White Days?

JEFF: We are pretty much doing the same thing as the last two years. I think it worked really well in the past to have a drive-by presence around 10:00 P.M. and then again around midnight. Just the appearance of the officer in town helps. Thursday night after the livestock sale is a good time to try and keep all of those that like to drink in a centralized area. We would like to keep them in the area of LD's Café or around the Black & White Days pavilion area. Friday night is movie in the park night. It is at about 200 West 100 South. It usually starts between 6:00-7:00 P.M. and the movie starts at dark. It is great to just have a couple of officers walking around the park as your presence alone helps deter problems. This is a family type environment.

MAYOR: I think it is good to have a couple of people walking around and monitoring things.

TERRIE: As for the parade, we would like to close 600 South again like last year. It was good to have the Deputies close the road but we need to make sure that everyone associated with the Sky View band is allowed through.

JEFF: The CVTD bus was stopped and sent elsewhere and that worked out very well.

TERRIE: I have a map of the parade route if you need a copy.

DEPUTY KERR: Is it the same as in the past?

TERRIE: Yes. It made a very big difference keeping traffic from being able to go south.

DEPUTY KERR: We will make sure we stop it at the North Cache area again.

PAUL: On Saturday, I noticed some kids driving unlicensed motorcycles. I think they reside in the south east portion of town. I am concerned about them speeding and having little kids in the road. They are noisy and unsafe.

DEPUTY KERR: What time did this occur?

PAUL: Between 4:00 – 5:00 P.M.

DEPUTY KERR: I will send an e-mail to the Patrol Division to please monitor this.

MAYOR: The breakfast will be on the morning of May 21st. Please have you and your coworkers attend. We are having skate boarder issues on the roads again.

DEPUTY KERR: Have you thought about adopting an ordinance in this regard?

MAYOR: Judge Funk is speaking with City Attorney Kelly Smith to come up with a plan of how to handle this issue.

DEPUTY KERR: The State of Utah code is unclear in this regard. It would be best to have a specific ordinance to keep them off of the roadway. It would be good to just cite them and send them on their way.

MAYOR: Do you know if any other local communities have one in place?

DEPUTY KERR: I am not sure but can research and let you know.

MAYOR: We are willing to consider about anything. Right now it is about the same five kids that are an issue.

DEPUTY KERR: When I have talked to them in the past they are decent with me but they continue to be a problem. It is hard to warn them with the existing laws but a specific ordinance would take care of that and make it very simple.

BRAD: The three-way stop at 500 North 300 East has been installed and it would be good to monitor that on occasion.

MAYOR: I am not sure of the rules but if we could warn people for the first month or so that would be good.

CACHE COUNTY SHERIFF'S OFFICE UPDATE

LIEUTENANT BRIAN LOCKE: Cache County Sheriff Lynn Nelson is out of town this evening and I am here in his behalf. If you are interested in supplying me your e-mail address, we will be e-mailing out some information about two to three times per month. I have a report for the Mayor as well as the annual report that I will be discussing with you this evening. I have spent the last seven years as a jail commander and have fifteen years of experience in patrol previous to that. Deputy Jensen has been moved into support services which consists of things like flooding issues and investigations. Deputy Bilodeau has been moved into the jail as the commander. I am excited to be back out working with people like the Council that appreciate the service that we offer. If you will turn to Page 3, you can see that the national average of Deputies per 100,000 people is 1. In our area it is 0.88 per 100,000 people and we are comfortable with that. As you can see there is an average of 27.14 incidents per day and 10 arrests per day on average. On average twenty-five citations are issued per day and fourteen people are booked into the jail per day. We also average delivering twenty civil papers per day. The population of the valley is estimated at 118,000. On Page 22, you can see information regarding our Patrol Division. It gives information for the last ten years and you can see that incidents over the last four years have leveled off. The lowest incident rate per year was 2002 and this is mainly attributed to the Olympics and people being on their best behavior as there was more of a police patrolling aspect for that time period. About 10,000 incidents per year are investigated. On Page 23, you can see that arrests have increased a little bit and that DUI's have

increased as well. I attribute the increase in DUI arrests to the new training that the Deputies have received and they are now better qualified to identify this issue. We are also better at recognizing drug abuse as well. Please turn to Page 27, this is something I am very happy to report about. Part 1 crimes are the worst of all crimes and are tracked by the FBI. That is how the rate is determined for the crime index. We have been the safest metro area for the last several years. We average 11.9 Part 1 cases per year. Salt Lake City is around 86 and Ogden is at about 56 per year. Logan City is around 16 per year. In the Mayor's report, you can review your local calls of service. Also, it shows we have about 250 day shift patrol hours per year, 377 swing-shift hours and 270 grave yard shift hours. It mainly goes along with when the population is home, they work during the day and are gone and then home at evening. Also, review the directed patrol versus self initiated activity. Look at about 50/50 hours contracted with the community. We are showing a projection of 2,766 hours which is about 248% above the contracted hours. This is something that we might need to bring in line for what we are providing the community. I have personally patrolled Black & White Days in the past. What questions do you have for me? Do you have any animal control questions?

MAYOR: We are thrilled with the animal control service and that contract has worked out very well for us.

LIEUTENANT LOCKE: It is nice to have the burden off of the Council and Mayor as animals can be very touchy subjects to certain people. I am glad it is working out.

MAYOR: We are glad that you work with us and handle all of those issues.

LIEUTENANT LOCKE: I am going to make this presentation to Lewiston City tonight and will be speaking with them about animal control as well. Mendon and Paradise recently have decided to contract with us for animal control as well.

MAYOR: I am always impressed with the county in regards to patrol and everything you offer. I am thrilled with the service you provide to the community.

LIEUTENANT LOCKE: I appreciate that and we like the relationship we have with the community as well. I will provide you with my contact information if any of you ever need to reach me.

EMT QUARTERLY REPORT

TERRIE: Coltin Larsen has resigned as Battalion Chief over EMS Operations but is going to stay on as a trainer. He has a new job that has a lot more responsibilities. Fire Chief Bair is going to advertise the position and get a recommendation to us for review.

BUSINESS LICENSE

PRECISION SOLUTIONS, INC.

MAYOR: Robert Jones has come in this evening to discuss a machine shop business that he would like to put in the building currently occupied by Cove Auto.

ROBERT JONES: I would like to obtain a business license to operate a machine shop here in town. I currently have a machine shop business in Cache Pines, formerly known as Ox Springs, in Logan. I have been in business there since 2000. My partner is from Smithfield and I am from

Logan. The price for the property and building is better here than in Logan. I want to get approved for the license before I agree to purchase the building.

MAYOR: You will be doing metal machining?

ROBERT: Yes, milling and turning. We do not do any plating and nothing will be going into the sewer system. The only discharge we have is the coolant from the machines. There are many different ways to dispose of that. Safety Kleen or someone like that can be used to dispose of it. It cannot go into the drains and we know that. We work with it every day and it is non-toxic.

MAYOR: Are there floor drains in that building?

MARLOWE: No.

BRAD: Are you going to buy the building?

ROBERT: Yes, if we can be licensed to operate there.

BRAD: We would want to be able to inspect the plumbing.

ROBERT: There is a floor drain that runs the length of the building and dumps into a grease trap. I assume the gray water then goes into the sewer system. I have not checked for sure.

MARLOWE: It goes into a sump. The main sewer line is above the level of that building. They must have a French drain or sump.

BRAD: Metal filings in the system will easily tear our membranes in the system and they cost several hundred thousand dollars. We can only accept sanitary waste.

MAYOR: The drains could be cemented over if needed. Scott Ball can oversee the inspection of the building.

BRAD: When can you meet? We will have you work with our sewer system operator Scott Ball.

ROBERT: I don't want any issues and we can do what we need to do to be in compliance.

MAYOR: Any other chemicals on site?

ROBERT: No.

BRAD: Will anything be stored outside of the building?

ROBERT: Not really. Maybe some steel racking but it would have to be covered. There would not be any vehicles or machinery stored there other than the vehicles we drive each day. There are two co-owners and one employee. Everything we do will easily fit in that building.

MAYOR: It sounds like there will be less stuff there after he moves in than now.

PAUL: What is your typical customer, taxable or non-taxable?

ROBERT: Wholesale and retail both. It is all in how the customer wants it invoiced. There will be taxable and tax exempt sales.

MARLOWE: So, how do you want to handle this?

MAYOR: It could be approved pending inspection.

A motion to approve the business license request for Precision Solutions, Inc. based upon approval and inspection of the sewer system discharge was made by Terrie, seconded by Brad and the vote was unanimous.

ORDINANCE 2011-3

Mayor Hall read proposed Ordinance 2011-3.

MAYOR: This is the final step in the annexation request from Jack Nixon. This does not include the road, it is the property only. The road can be addressed with Cache County at a later time. This request has been reviewed and discussed over the last several months. The zoning of the property would be A10. The annexation request is for about seven acres and the total property owned by Jack is just over eight acres. There is not a full ten acres there.

BRAD: I have gone down and looked at the property and see no ill effects for Richmond City or Cache County.

JEFF: I agree.

A motion to adopt Ordinance 2011-3, AN ORDINANCE TO ANNEX CERTAIN DESCRIBED LAND INTO THE CORPORATE LIMITS OF RICHMOND CITY, COUNTY OF CACHE, STATE OF UTAH, was made by Terrie, seconded by Jeff and the vote was unanimous.

ORDINANCE 2011-4 DISCUSSION

Mayor Hall read proposed Ordinance 2011-4.

MAYOR: This is the first step in the process of adjusting the City water utility rate.

PAUL: In Part 2, Section "C" and "D", where did those numbers come from?

MARLOWE: Myself and the Mayor discussed and reviewed and put in those numbers as a starting point. We need to have a figure that won't kill the local dairy farmers.

PAUL: Do we have any comparative stats from other communities?

MARLOWE: We are low. Smithfield just adjusted their rate for the first time in many years but they start charging for use above 1,000 gallons, we start charging for use above 10,000 gallons.

MAYOR: As far as countywide, we are in the middle of the pack. Smithfield's base rate increase was the first in many years but we need to make sure we are comparing apples to apples. After talking with people from the State of Utah we will not be low with the new projects that are coming about.

JEFF: Do we expect these numbers to go up or down based on what projects we do?

MAYOR: This proposed ordinance is just a place to start and discuss. In talking with the CIB our first annual payment will not be due until 2013. We are required to have 125% debt coverage for the current year payment. Our base rate will have to increase over three years to meet this obligation.

TERRIE: Our rate will be based on the funding we get, whether from CIB, State of Utah or even private financing.

JEFF: So what base amount are we talking of going to on July 1st?

MAYOR: The base amount would be \$40.00 per month starting on July 1st, the first day of the new budget year.

MARLOWE: It would be a \$12.00 per month increase from the current base rate.

MAYOR: The majority of the City users are in the "A" and "B" category, very few in category "C" as far as monthly consumption goes. We have stair stepped the increase to help discourage wasting of water. There will be a second rate schedule for commercial users. It is the same base

rate but the tiered rate is higher for commercial users. This will only affect about three entities. We don't want to hurt the agricultural industry. They use the water up front and we don't have to deal with it on the back end as far as sewer goes. Is this where we want to be on the commercial fee side?

PAUL: I think we need to do a survey of other local communities and see how they are charging. We only want to make this change once.

TERRIE: I agree, we need to contact other entities and see their numbers.

JUSTIN: I will get some comparisons and e-mail to everyone to review.

JEFF: I would like to see them as well. This is a count wide issue that other communities are dealing with as well.

MARLOWE: Keep in mind that other communities are not doing massive improvements like we are either.

BRAD: Yes, we need to compare apples to apples.

TERRIE: This is not just for a water tank either, it is for other significant improvements to the water system as well.

MAYOR: Let's get some new data and review. We need the new numbers for review for the May Council meeting.

PAUL: Can I get a summary use of our ten biggest consumers, I would like to see how this will affect them?

MAYOR: We will have a public hearing in May and a possible vote in June.

BRAD: The Water Enterprise Fund is completely separate from the General Fund and other City utility funds.

MAYOR: It would be nice to have some people attend the public hearing in May and give their input and comments. We had very few people attend the public hearings on the MBR Plant.

FINANCIAL REPORT

JUSTIN: As previously stated we received a \$4,414 library grant from the State of Utah and I will be working with Juliene to make sure it is taken care of from an accounting perspective. As a note for Paul, at this point last year we had received \$58,591 in Class C Road Funds, currently we have received \$61,840 this year so we are \$3,249 ahead of last year at this point. We will be discussing the new and current budget at the next two Council meetings. The new budget must be passed no later than June 22nd. We spent another \$1,041 in attorney fees at the Cub River Sports Complex in regards to the land swap. So far year-to-date we have spent \$3,520 in attorney's fees on the proposed land swap. Now that the weather is improving I will be getting the donation plaques made for the benches at the new City park playground. All the benches were paid for with donations.

PAUL: What about the Post Office lease agreement?

JUSTIN: We renewed it within the last couple of years and it has a small yearly increase. Currently, the monthly rent is \$770 per month. We received a letter from the State of Utah regarding the amount we pay to our Justice Court Judge and it states the range of pay that Judge Funk should receive. We are already paying him within the stated guidelines and are in compliance.

DISCUSSION REGARDING INTEREST RATES AT LOCAL LENDING FACILITIES

JUSTIN: Last month you asked me to gather some information regarding interest rates on investment accounts from local lending institutions. I contacted Lewiston State Bank and Cache Valley Bank. I dealt with Bruce Rigby at Cache Valley Bank and Tess Rasmuson at Lewiston State Bank. They provided me with the following information.

CACHE VALLEY BANK

Normal Savings	0.50%
12 Months	1.10%
18 Months	1.35%
24 Months	1.60%
36 Months	1.85%
48 Months	2.35%
60 Months	2.60%

www.bankrate.com
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5 Star Rated "Superior"

LEWISTON STATE BANK

Normal Savings	0.30%
CD Rates for over \$100,000	
12 Months	0.85%
18 Months	1.10%
24 Months	1.26%
36 Months	1.56%
48 Months	2.06%
60 Months	2.37%

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3 Star Rated "Performing"

JUSTIN: Cache Valley Bank currently has funds from the following local entities to name a few: Smithfield, Nibley, Cache County, Logan and Utah State University. Lewiston State Bank has funds from Nibley and Smithfield City to name a couple. The current interest rate we earned with the State of Utah on the investment fund accounts for last month was 0.5173%. As you can see, the current regular savings percent with CVB is 0.50% and with LSB is 0.30%. If we were to put the funds in a CD we would earn a higher interest rate as you can see. Bruce Rigby also stated that he would be willing to write the paperwork establishing that we could on a one-time basis withdraw from the CD if needed.

JEFF: I think Cache Valley Bank is the obvious choice.

MAYOR: If we are going to do something, I would like to use a local bank.

PAUL: I must state that I am a stakeholder in Cache Valley Bank and must abstain from anything in this matter but Cache Valley Bank has made a point to want to work with all local communities. From my past experience, I would not recommend a term of longer than twenty-four months.

JEFF: Is there any reason not to go with Cache Valley Bank?

PAUL: With LSB or CVB the money would be insured up to \$250,000.

JEFF: To me, CVB is the logical choice and makes the most sense.

PAUL: If either lending facility were to fail, the principal amount would be covered up to \$250,000 but not any of the interest.

*** A motion to approve the transfer of \$250,000 from the Capital Projects Fund Public Treasurers Investment Fund and put into a twenty-four month CD with Cache Valley Bank with it established in writing that the funds can be withdrawn if needed was made by Terrie, seconded by Jeff and the vote was unanimous. (Paul abstained from the vote.)***

PAUL: Has Sokun Dy ever contacted you regarding the brick work at the library?

TERRIE: No, I have been waiting and nobody has contacted me.

PAUL: Any news on the RAPZ tax applications?

MAYOR: We should know by May 1st, the County Council meets again next week. I know there were a lot of applications.

RDA PRESENTATION BY RAY WINN

RAY WINN: I have given a packet of information to each Council member. Randy Sant put Smithfield's together. He specializes in putting them together. He would like to come up if you are interested.

MAYOR: In speaking with the Council, we would like him to come up and give a presentation with some actual numbers. Smithfield's numbers look good. We need to know if Richmond did this what our cost would be and what benefit we would get out of it. We need to see a cost analysis.

RAY: I am not sure if Randy Sant would know the administrative costs but Dean Clegg from Smithfield City would. Logan City runs several RDA's.

MAYOR: Smithfield shows just over \$2,000 per year in administrative costs for the cost of the audit and associated attorney fees. Alan (Lower) mentioned that you guys would be willing to front some of those costs.

RAY: We are willing to put up front money to get it established.

MAYOR: This is something we would consider. I don't think any of us are opposed to it but we need more information on how it works in the short and long term. I would like Randy Sant and Dean Clegg to attend and give us some information.

RAY: Dean might not be willing to attend as he does not like to attend meetings.

PAUL: I would be interested to see the information.

MAYOR: I think that Randy Sant would be able to give us some ballpark numbers.

JEFF: Smithfield is much bigger into business than Richmond is. Is this beneficial to Richmond or just to one or two groups? I think it is good if it helps the community.

PAUL: Incentives do help to attract business.

MAYOR: Eventually you could see a store back in town. Basically you take the appraised value of Lot "X" now, and then you take the new appraised value after a business goes on that

parcel and we would get a percentage of the increase only. The time to review is now but it might not actually help the City for five plus years.

TERRIE: It is seed money to help attract new business.

RAY: In Smithfield there were two or three families that did not want to be part of the RDA because of imminent domain concerns. Which turned out to be a non-issue.

JEFF: Is it possible for Randy to attend? This is something that is new to me and I want to hear from an expert in the field to help me understand.

RAY: When Alan (Lower) and I met with him (Randy Sant) he wanted to see a map of the potential areas like Maverik, Lower's, the old milk plant and even Cache Valley Counter Tops were possible areas. He has reviewed the area in general.

MAYOR: Ray, we are asking you to contact Randy and see if he can attend the City Council meeting on either May 17th or June 8th.

TERRIE: I have a sixty-six page report you can review on RDA's.

MAYOR: Randy Sant was an employee of the State of Utah that helped to oversee the RDA program and then he went and established his own business to consult and help municipalities.

JEFF: He is probably the best source for information gathering.

MAYOR: I know that Smithfield and Logan have worked with him.

COUNCIL MEMBER REPORTS

BRAD: Fire Chief Bair said the Fire Department has received an additional grant but I don't know the specifics about it. They have obtained a lot of new equipment over the last three years with grant funds. As for the fire station remodel. The old walls have been removed and restudded and the electrical work is now done. All of the exterior walls are now lit for the first time ever. The next step will be to finish the heating and cooling systems then insulate and sheetrock. The amount of volunteer hours is exceptional. Everyone has been a great help and we are saving a lot of money in labor. As for water, the Mayor will discuss the water tank funding later in the meeting. There are some maintenance issues at the well and PRV. The main thing is securing the water tank funding. The Mayor is helping to oversee that process. In regards to sewer, we recently met with a couple of large industrial users and the meetings went well. There are some agreements that have been put in place for flow monitoring and sampling points. We will meet again with them in June and see how things are being implemented. Both businesses have been great to work with and understand the costs of the MBR plant and how nothing bad can go into the system. Very positive meetings. Maintenance, the sand bagging truck is at the fire station if needed.

SCOTT: There were three hundred to four hundred sand bags that were made ready last night. They are behind the fire station in the Quonset.

BRAD: We used the old fire squad truck and Robert Bair made a contraption to help fill the sand bags. It is mobile and can be taken where needed.

SCOTT: Ben and some of the others helped last night.

BRAD: Please thank Rob, Ben and anyone else that helped.

PAUL: In regards to flooding, what happened in front of Bruce Traveller's residence?

SCOTT: We were trying to divert some water and sank the backhoe. It might be a place we need to put a man hole. We can do all the work that is needed there. All of the damage is in the City right of way.

JEFF: I was able to secure 1,100 Fat Boy Juniors to give to the parade participants. Some will be used at the cow-a-bunga race as well. They will be distributed to the parade participants as they finish up the parade. Everything for Black & White Days is in motion or in place. We will be advertising in several places this year. The Library is doing a drawing contest. A committee will pick the winner and the winner will be featured on a billboard next year. I have talked with Brad about overseeing the breakfast again this year. The movie in the park will be on Friday night again.

TERRIE: Same breakfast menu, so I can get the food handler's permit?

BRAD: Yes.

JEFF: The parks are looking very good and are mowed and very green. The employees have done a good job of cleaning things up and I am happy with the progress that is being made. Brad Deffinger will be doing some tree trimming at the cemetery and City park.

PAUL: Make sure he does not take the big equipment onto the park grounds until it is dry.

JEFF: One thing we are going to start doing with Brad (Deffinger) is getting on a yearly tree trimming maintenance schedule based on our yearly budget. We have received four new cell phones as part of our maintenance program. They are replaced every two years or so. They are a military grade phone from Sprint. The four phones cost around \$200 and we will keep the old ones for a backup if needed. Previously, we were spending \$300 - \$800 per year on replacement phones. We will continue on with this phone plan as it is much more cost effective on a government plan. We should never have to buy a new phone. All of the phones are a military grade phone which means they are water and dust proof.

BRAD: What about the Youth Council?

JEFF: I will be meeting with the Youth Council to discuss the movie at the park that they will be overseeing.

BRAD: I think we need to make sure they each get a new t-shirt.

JEFF: Yes, we will. They are getting redesigned for this year.

BRAD: I know that some of the kids were being asked for funds to purchase the shirts.

JEFF: We have always just supplied them in the past, we purchase 15-20 per year. The Logo Shop in Logan has made them for us in the past. I will follow up with Wendy in this regard since she is overseeing the Youth Council.

TERRIE: The Youth Council is the Grand Marshal for this year's parade.

MAYOR: I think we should invite the Youth Council to the May Council meeting and have them introduce themselves. I know they have all been assigned to a specific task. It is growing and building and I am glad for that.

JEFF: The Rebecca Thatcher, originally from Lewiston that is helping out is a huge asset. The Youth Council will be involved in Black & White Days and the City wide clean up.

MAYOR: I have asked Paul to take a minute and give us an update of the Master Plan that is being revised.

PAUL: We are working on a major upgrade to the Master Plan. Terrie has worked with a few others and developed a survey that will go out to everyone in the City. There will be three

options to get it, a mailer that will be mailed separate of the monthly utility bill, coming into the City office or on-line. The on-line survey is helping to be developed by J-U-B and will be hosted by surveymonkey.com. The intent of the survey is to gather critical information from the residents of the community. There will be growth area questions, land use questions, demographics, and affordable housing questions. The survey is in the final stages of being developed. I think with a couple of minor updates it will be ready to go. We might even be able to get people to fill the out during the City wide clean up or at Black & White Days. The only restriction is that the person must live in the City. Approximately 400 people responded on the last survey in 1999. I would like to be able to get 600 – 800 to respond but don't know if that is realistic. The Committee is very cohesive and doing a great job. For the April meeting, there will be a tour of the City water sources and the MBR Plant. There will also be a discussion regarding roads and the cities responsibility in regards to roads. The meeting will be on April 28th at 6:30 P.M. and then go touring from there. I will be out of town so Mayor Hall will conduct that meeting.

MAYOR: Scott (Ball) will give the tour of the MBR plant and Norton (Thurgood) will cover the road issues and I will cover the water discussion.

MARLOWE: It will be hard to get to the water source areas.

MAYOR: We won't be going to the source areas, just the site of the new tank.

MAYOR'S REPORT

MAYOR: I will give an update on the water runoff situation. We are monitoring all the culverts as much as possible. The biggest key is to keep the culverts clear of debris. Myself, Scott Tripp, Brooks Skidmore and Scott Pratt cleaned a bunch of debris from the stream north of Karla Tripp's residence and in front of Don Winters residence. We need to monitor the area down by the Don Winter residence to make sure we don't have issues like before. We will monitor around the clock. We had to take the City backhoe up to the deep ravine between Wynn Ward and Karla Tripp's and remove a large stump that had come loose as it was almost causing the water to run over the road and it is a very deep canal from the roadway to the canal. This will be a newsletter item. We need help from the citizens to monitor and report anything they see. The local LDS stake said they will help if needed.

JEFF: I don't have contact info for everyone and it would be nice to have in case of emergency.

MAYOR: President Wayne Henderson will be the contact for the LDS Church and I will be the contact for the City. The Irrigation Company is monitoring the situation as well. All of the flow in the canals right now is from runoff, nothing has been turned into the canals yet.

TERRIE: Rick Williams, Cache County Emergency Manager, will be here in this building on the second Wednesday of May at 7:00 P.M. to give some information to the CERT group regarding flood response and sand bagging. All citizens are welcome to attend as well.

MAYOR: Yesterday, Darek, Marlowe, myself and Alex Buxton met with Keith Barnett of the CIB board. It was a good meeting. They have the funds to lend for projects. I am very hopeful we will get approved by them. We do have some things to prepare for the May meeting before the CIB board. We will know by June if we are approved by the CIB. They approve projects on a quarterly basis and May is their next approval meeting.

PAUL: If awarded some funds, how long do we have to use them?

MAYOR: As long as it takes to get the project completed. Once approved, the bond attorneys will handle the paperwork and Keith Barnett will handle the paperwork for the CIB as he is a non-voting member of the Board. At that point we could go to bid. Plus, we can apply for the maximum amount but we don't have to use all the funds if we don't want too. The only requirement is that we have 125% annual debt payment coverage. The first payment would be due in 2013. It would give us time to ease into the new payment. If approved we would then go through the entire project and decide what to do and how much is going to need to be spent to do it. We can stop at any point and say that is enough. We are requesting from the CIB \$5,140,000, originally we requested \$5,400,000. We already have about \$300,000 invested so far. Per their guidelines, the minimum interest rate they can go is 2.50%. That would put us at an annual payment of about \$307,500 to maintain the required 125%. The monthly billing would have to go up \$37-\$40 to meet the requirements for this loan obligation. The CIB does not want a big presentation. They have been given the documents and we will introduce ourselves and answer any questions that they may have. Myself, Alex Buxton, Marlowe and Justin will be attending this meeting on May 5th in Salt Lake. Darek, Alex and I will make the presentation and we will answer any questions at that point. They have told us that usually they don't have a lot of questions. They have said they will throw us out a proposal. The interest rate has not been over 4.00% historically. Alex has given us three proposals with some numbers. At 2.50% the monthly increase would need to be \$37.00, at 4.00% the increase would be \$44.00 per month and at 3.50% the increase would be \$40.00 per month. I would be surprised if the rate is 4.00%, I think it will be less. Realistically, I think it will be in the three percent range. They like the project and normally they don't want to be involved in projects over five million. They also fund many little projects as well. They have to loan funds each year per their own guidelines. The money will be loaned to the mineral producing county communities first and then to others after that. A certain amount of their funds must be loaned to interest bearing projects. We will present our proposal and then tell them what we have to do to pay for it.

PAUL: What is the latest we could start this Fall and still feel comfortable about moving forward?

DAREK: Ideally the loan documents could all be taken care of by the end of July. The bidding process will take 30 – 45 days. We could start in the fall but it would be late in the fall. Most likely we will not start until next Spring. We could wait and bid again in the Winter as well and hope prices have come down.

PAUL: So the intent is not necessarily to start this Fall?

DAREK: The last two projects like this I have overseen we started in the Fall and finished in the Spring.

BRAD: I want to be very clear that this loan is not just for just a water tank. The water tank will not cost five million dollars to build. It is for a major water system improvement project. Also, we can pay off the loan early if we can and without penalty and we don't have to use all of the approved funding if we choose not to.

PAUL: Interest will never be better.

BRAD: I just think it is important to make sure everyone knows that the tank alone is not five million.

MAYOR: There will be many looping projects as part of the improvements to the system.

DAN MILLER: What is an estimate on the tank?

DAREK: Around two million dollars

MAYOR: A chlorinator, SCADA system, a monitoring system, some piping and looping projects are all part of this entire plan.

TERRIE: Our current infrastructure is very old and needs repair.

MAYOR: We would just go through and prioritize the projects and see what we can accomplish. I would need a motion from the Council to accept an offer from the CIB board of 2.50 – 4.00%, if they present it. We can put everything on hold if they present an offer over 4.00%. Also, we don't have to disclose to the CIB what interest rate the Council has approved.

A motion to approve Mayor Hall to accept an interest rate offer of between 2.5 to 4.00% from the CIB board was made by Paul, seconded by Terrie and the vote was unanimous.

MAYOR: Our next Council meeting will be on May 17th and the June meeting has been moved to June 8th. We will also have a short fifteen minute meeting on June 30th to approve year end payables. The May Planning & Zoning Commission meeting will be the last training session from Jay Baker.

BRAD: I do have one more sewer item I forgot to mention earlier in my report. Darek is developing some budget numbers to complete a sewer master plan like we just did for the water fund. There are so many benefits from having a plan and especially it will help with undeveloped lots and new subdivisions. Darek, please present what you have for us this evening in this regard.

DAREK: It would be very similar to the water system plan. Some of the needs that need to be addressed are flow issues and monitoring of flows. We need a better hand on flow issues to help resolve some of our current issues. There would be a lot of data collection and we would rent some meters for the flow testing and then do some system mapping. We would continue to build this onto the water model. It would all be computerized. It would include a capital facilities plan, a current plan, a five year plan and a build out model. It would take about the same time as the water model. Impact fees would be coordinated as well to make sure that new growth is paying for itself. I have come up with a cost estimate so we can prepare a grant application for this project. The CIB has 50% matching funds for planning activities. We would be applying for 50% of the costs associated with a new sewer master plan and the new City general master plan. I have a detailed scope of what J-U-B would be doing for the sewer model as well as a fee schedule. There are eight separate tasks and it would cost \$50,500 for all of the work to be done. The water project was around \$45,000. It is the same type of fee. I have made some assumptions with things like traffic control. I have programmed in for our surveyors to do the survey work but you could have the City surveyor do the work and save a bunch of money since my surveyors would be travelling from the Salt Lake area. I was concerned about starting the project before the CIB can approve or not approve it and they said it was not a problem to start now before approval.

PAUL: The City is still scoping out the costs of the general plan. Cindy Gooch from J-U-B will write the grant proposal for both projects.

DAREK: They have a quarterly application process.

JEFF: This is something that really needs to be done. We are spending millions of dollars all around us but don't know about the entire process of the system.

DAREK: Had we had this plan we would not have missed the parallel line opportunity on the highway widening project. We would have known why the flow issues in the last month occurred. This model will fix all of that. As you move forward it is also good to have a plan of how to proceed as well.

BRAD: I would like to review this again next month and make it a decision item.

PAUL: Please include the master plan discussion in there as well.

BRAD: This plan could possibly pay for itself in just one project.

MAYOR: There will be an upcoming CIB presentation that will show the entire process from applications to disbursements, the entire process.

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

Altius	1601.85
Americal Water Works Assoc	190.00
Aqua Environmental Services	400.00
ATCO	242.95
Badger Screen Printing	519.20
Bear River Health	40.00
Beazer Lock and Key	8.75
C.V. Fire Chiefs Assoc.	100.00
Cache Chemical	282.00
Cache County Service Area	15358.15
Cache Valley EMS	2100.00
Cantwell Brothers	401.53
Central Valley Machine	120.33
Darrell's Appliance	775.00
Dennys	93.62
Electrical Wholesale Supply	9.25
ERA	366.28
Findaway World	14.99
Fleet Services	161.56
Highsmith	544.80
Holophane	3599.64
IDEXX	1105.02
Industrial Tool and Supply	145.46
Intermountain Workmed	108.00
IPACO	554.13
Jardine Petroleum	446.33
JUB	8386.37

Librarians Book Express	114.65
Lloyd Facer Trucking	152.50
Maverik	1176.84
Nelson Brothers Const	2251.00
Nextel	190.46
Oldcastle	3783.5
Olson & Hoggan	1228.50
PEHP	160.68
Pitcher Propane	2279.18
Prosource Specialties	43.50
Questar	1940.14
Qwest	449.68
Randys	746.44
Remote Control Systems	650.00
Rockmount	173.09
Rocky Mountain Power	13319.77
Sign This	698.00
Smithfield Auto	178.85
Smithfield Imp	184.88
Spector	395.00
Standard Plumbing	118.15
Staples	291.46
Symbiotics	909.00
Thatcher	2215.05
Tamara Hardy	134.66
Thatcher	5480.01
The Home Depot	419.74
UEN	86.74
Upstart	65.60
Utah Communications	401.50
Utah Local Government Trust	2153.89
Utah Water Users Assoc	100.00
UVU	125.00
Verizon	76.15
Visa	564.38
Water Environment Federation	296.00
Watkins	172.00
Wimmers	66.70
World Book	549.00
Xerox	404.12

A motion to adjourn was made by Brad, seconded by Terrie, and the vote was unanimous.

Adjournment at 9:05 P.M.

Michael E. Hall, Mayor

Justin B. Lewis, Recorder