

RICHMOND CITY COUNCIL

JUNE 11, 2019

The regular meeting of the Richmond City Council was held at the Park Community Center located at 90 South 100 West, Richmond, Utah on Tuesday, June 11, 2019. The meeting began at 7:00 P.M.; Mayor Jeffrey Young was in the Chair. The opening remarks were made by Lyle Bair.

The following Council members were in attendance: Paul Erickson, Tucker Thatcher, Cheryl Peck, Lyle Bair and Kelly Crafts.

City Administrator Jeremy Kimpton, City Engineer Darek Kimball, City Recorder Justin Lewis, and City Treasurer Christine Purser were also in attendance.

VISITORS: Lora Smith, Terrie Wierenga, Tamara Hardy, Holly Jo Karren

APPROVAL OF CITY COUNCIL MEETING MINUTES FROM MAY 21, 2019

A motion to approve the May 21, 2019 City Council meeting minutes was made by Tucker, seconded by Cheryl, and the vote was unanimous.

Yes Vote: Erickson, Thatcher, Peck, Bair, Crafts

No Vote: None

DEPUTY'S REPORT

MAYOR: The sheriff's department has been doing some training in this building. This is the second time they have used this building for training. They hope to continue to use the building in the future. The building works well for what they are trying to accomplish.

YOUTH COUNCIL UPDATE

TAMARA HARDY: This is my last report for the youth council. I am done. I wanted the council to know Black & White Days was a success. There were 30 different kids who helped out. They helped out with the race, movie, and hamburger stand. We even had a cousin of one of the kids who helped because he wanted to be involved, and he did not even live in the city. We need to turn our efforts to the youth. We are going to lose them. They are very concerned now I have stepped down. They are worried the program will fall on its face. I don't want the kids to be lost. We need to make sure effort is put forth to keep the program going. They talked to me, and they are concerned. We need to get someone in there who will step up and keep the program going.

MAYOR: We will get something posted asking for volunteers to help. All of us appreciate what you have done. How long have you been doing this?

TAMARA: Four years.

MAYOR: Not only have you continued the program going, but you have built it up. You have good participation. There are many positives. We need to continue the process. We will put out an advertisement and see who responds. We will ask for a few volunteers. I know we considered a committee in the past, so the time commitment was not as much from each person. It is a big commitment to keep it going.

TAMARA: It does take a lot of time. Black & White Days went well. The kids loved it. I kept track of everything we did. The kids need something to do. It makes them feel valuable. One young man was very quiet when he started on the youth council four years ago. Now he will be on the Sky View High School executive council his senior year.

MAYOR: It is nice to hear things like that. We will advertise it. I would ask that you continue to help out until a replacement can be found.

DISCUSSION AND POSSIBLE VOTE ON PAYING OFF THE LOAN FROM THE SEWER ENTERPRISE FUND TO WATER ENTERPRISE FUND.

JUSTIN: Several years ago, the city purchased a well and water rights from the Gibbons and Skabelund family. At that time, the sewer fund loaned the water fund some money to complete the transaction. Payments have been made on the loan for several years. The water fund has been able to save some funds over the last few years. I would like to recommend the loan be paid-in-full as of June 30, 2019. The remaining principal balance is \$215,739.83 and accrued interest is \$844.98. The total amount due is \$216,584.81.

A motion to approve paying off the loan from the Sewer Enterprise Fund to the Water Enterprise Fund on June 30, 2019 in the amount of \$216,584.81 which includes \$215,739.83 in principal and \$844.98 in interest was made by Paul, seconded by Tucker, and the vote was unanimous.

Yes Vote: Erickson, Thatcher, Peck, Bair, Crafts

No Vote: None

UPDATE ON UPCOMING MUNICIPAL ELECTION.

JUSTIN: The municipal general election sign up period was last week. There are three open council seats. Three candidates signed up. Terrie Wierenga, Tucker Thatcher and Kelly Crafts submitted a Declaration of Candidacy. Since there are three candidates and three open seats, an election will not be held.

MAYOR: I would like to personally thank you three for signing up and being willing to serve.

JUSTIN: The election cannot be cancelled until the October council meeting and will be cancelled by a resolution adopted by the council.

CHERYL: How much will be saved by not having the election?

JUSTIN: I would estimate around \$1,000.

CHRIS: Can write-in candidates still apply?

JUSTIN: Up until September 3rd. Their name would not be on the ballot. A sticker is not allowed. They would have to notify people by word of mouth to fill them in on the ballot if they choose to do that.

MONTHLY FINANCIAL REVIEW WITH DISCUSSION AND DECISIONS AS NECESSARY.

JUSTIN: I need to make sure each of you come in on either June 27th or June 28th and sign off on the bills for your department since it is the end of the budget year. We want to get as many bills paid as possible for yearend. We received our fifth allocation of Class "C" Road Funds for the year. The total collected last month was \$22,961, and the year to date total is \$113,361. Revenue collected from Black & White Days activities such as the breakfast, race, and horse pulls totaled \$11,991. Sponsorship fees collected for Black & White Days totaled \$6,450 through the end of May. I know more funds have come in this month. A resident purchased some of the dirt from the trail project on 300 East and paid the city \$1,000 for the dirt and transport of the dirt. Richmond and Lewiston each paid \$2,000 in May which will be used towards the purchase of a new lawnmower for the sports complex in July. The loan payment on the water tank project is due this month in the amount of \$232,556. The annual payment on the MBR plant was made last month in the amount of \$168,000.

COUNCIL MEMBER REPORTS

CHERYL: The summer reading program began on Thursday, June 6th. There are 409 people registered. At the opening kickoff there were 265 people in attendance. The coding club began on June 6th and there were 31 children involved. Two classes have been created. The city received 10 new Chromebooks which can be used.

TERRIE WIERENGA: The kids range in age from 8 to 18. The class teaches coding which includes information about building websites, apps, and even video game design. There will be one million coding jobs which will go unfilled next year. There are not enough places teaching coding. There are many places coding is done such as in the entertainment industry, factoring, research, and even something such as creating a website for a small company. Around a half dozen different coding languages are reviewed as part of the class. The kids are self-taught. They use Chromebooks for the class. There were 39 kids in attendance today. There were six to eight kids who attended last week but could not this week. The class is open for the kids to attend when they can.

HOLLY KARREN: Do the kids have to bring their own Chromebooks?

TERRIE: They can bring their own if they have one. The library purchased ten. We are working with White Pine Elementary to see if we can borrow eight or nine for the summer for this class.

LORA SMITH: The program will continue into the fall. All of the technology we have at the library worked well.

TERRIE: One parent is actually attending and learning with his son. This is a good program.

MAYOR'S REPORT

MAYOR: The construction project in this building for Spartan Company is almost done. We are waiting for the fireproof door to arrive. It is on order. We are hoping the project will be finished in the first couple of weeks of July. Spartan has decided they are going to replace all of the carpet as part of the project.

JEREMY: The outside entrance door was installed today.

MAYOR: We are going to install security cameras in this building. We have discussed it many times. We are going to use some remaining funds in this budget year to pay for the project. Next budget year, we will install a key fob system in this building as well. The building is so large it can be hard to manage sometimes. We are now experiencing vandalism issues. We need to properly maintain and watch over this building as best we can. I have asked Paul to provide an update on the 300 East trail project.

PAUL: Phase 1 of the trail project is being worked on now. This is the area from Main Street to 300 North. All of the utilities have been relocated except for some guy wires.

DAREK: None of those have been moved yet.

PAUL: There is also a high cost to relocate one utility pole.

DAREK: We are working with Rocky Mountain Power and Comcast to relocate the guy wires.

PAUL: There was a good amount of support last night from volunteers on the project.

MAYOR: Were there around 50 who helped out?

PAUL: Probably, as people were coming and going. Gravel has been put down everywhere but the existing driveways which have not yet been dug up. There is still some leveling to do in some areas.

DAREK: Such as at Brian Fife's property. The sidewalk is trying to be matched to the yards where possible. I have set the stakes for the sidewalk. The sidewalk cannot be lower than the stakes which were set.

PAUL: The form setter has not yet shown up?

DAREK: Correct.

PAUL: They are ready to start pouring concrete. Some driveways still need to be removed so the concrete can be poured. We will work with each property owner to make sure they can still access their property while the project is being completed. We received a letter from a resident who has some concerns. The width of the trail is dictated by the terms of the grant. From Main Street going north the trail will be eight feet wide. From Main Street going south the trail will be six feet wide.

CHERYL: How wide is the sidewalk by White Pine Elementary?

MAYOR: It is eight feet wide except for one small piece.

PAUL: We agreed to the width for the project. All of the trail is on city property. We do not have to give notice to do work in the city right-of-way. It is not required; however, we talked to everyone on 300 East about this project. I have talked to many residents about their concerns. Curtis Dent, who is overseeing the project, has daily conversations with some of the residents. We are doing the best we can. Because of weather and timing, the budget for Phase 1 of the project will over budget. The overage is not because of the concrete part of the project. Originally, the city staff was going to relocate the water meters, but we had to pay KCA Construction to do it. They got them all done. We did not have the manpower to do the project in the allotted time. There are many other projects going on in the city the staff had to attend to. The excavation portion of the project is going to be about \$20,000 higher than we budgeted for. Residents are willing to help out. We are now into June and still have yet to pour any concrete. We also need to complete from Main Street to the horse arena and have not even started that part of the project. We need to discuss starting the south part of the project now, or we might not get it finished before the deadline.

MAYOR: We are going to formally apply for an extension on the project. Zac Covington is going to help out with this. We wanted to be well into construction on the project before formally making this request. There have been some unexpected issues such as having to relocate the natural gas lines to several homes. This has put the project behind schedule. If not allowed, then we need to move forward with Phase 2 now. If the extension is not granted, we need to start Phase 2 no later than July to meet the September deadline.

PAUL: The intent of the extension would be to ask to complete Phase 1 this year and do Phase 2 next year?

MAYOR: Yes. Zac said sometimes extensions are granted and sometimes they are denied, so he is unsure what will happen.

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PAUL: Another item delaying the start of the project was not receiving the environmental study until May of this year.

MAYOR: Our RAPZ tax application for \$55,000 to help pay for the trail project was approved. A decision will need to be made on Phase 2 no later than the start of July.

JEREMY: Starting in July will still be really close on finishing the project in September.

PAUL: There are fewer utilities to relocate going south, so that will help.

DAREK: I know some water meters need to be relocated and possibly one fire hydrant. I am hoping we can avoid relocating the fire hydrant.

MAYOR: I received a letter from a resident and would like to read it.

Richmond City Board Members

To Whom It May Concern:

This letter is to express my disgust at the treatment of a few citizens of Richmond about the installation of a sidewalk. I'm wondering why it only has to be four feet wide past the White Pine Subdivision between 5th and 3rd South, and six feet wide going south from Main Street to parts going south on 300 East, and other sidewalks going west from 300 East are smaller, yet it has to be a ridiculously 8-foot wide sidewalk going from 500 North to Main Street on 300 East.

The notion that it has to be 8 feet wide for strollers to pass going to the White Pine Elementary, Wouldn't it have to be 8 feet wide on other sidewalks for strollers to pass? Also, it would seem that strollers would all be going the same way to get to and from the school at the same time, and wouldn't have to "pass". It seems purely political to me.

I'm glad that Ruth Lundgreen isn't alive to see the rape of her yard.

Sincerely disgusted,

Donna S Carlson

MAYOR: I receive several letters on various topics. I have to decide to respond or not. Normally, I don't comment. In this case I would like to. There are not many historical buildings left in town. Several have been renovated or remodeled. Trees have been planted, matured, and removed and new ones planted. Sidewalks were installed and in some cases removed or covered with dirt. The idea of a trail on 300 East is the right thing to do. There are safety concerns with not having a sidewalk on 300 East. The city has spent hundreds of thousands of dollars on sidewalk projects over the course of many years. Our code calls for sidewalks to be five feet wide. This sidewalk is designated as a trail, so it needs to be eight feet wide for a certain area. I hope people won't dwell on how the project looks while under construction but will move forward and enjoy it when complete. Residents take ownership of the park strip or city right-of-way. In many cases, residents have maintained and cared for this area for many years or decades, so when the city disturbs the area, they get frustrated. They feel some of their rights have been taken away or violated. We have allowed the residents to use the right-of-way, and now, we have other plans for it and are completing the project. I am happy to see the letter was signed. The sender at least had the decency to sign it. I don't agree with her comments. I will contact her and go and meet with her where she was willing to sign the letter. I have received other letters, and I won't address them if they are not signed. There is not a place in the city for those types of letters. I am willing to meet with or talk to anyone if they sign the letter they send.

PAUL: I would like to update the council on the vendors who now occupy the station property. Has the sewer been unplugged?

JEREMY: I told Gary Dent it would be a month or so before we could work on it. We have located a vendor who might be able to remove the rock in the pipe. I sent the video footage of the issue to the vendor to review. The vendor thinks he has a way to get something around the rock and pull it out. We just need some time to make it happen. Gary is aware of what is going on. We cannot dig the area up and then leave a big hole until it is repaired.

MAYOR: I have received several positive comments on the corner.

PAUL: I think it is a good use of the parcel, and it looks nice. Several people have asked me if the vendors are paying rent to be there. Both vendors are paying a rental fee. There is room for one more vendor if the council approves the request. I had a contractor pour three cement pads which are 11 feet by 11 feet. They are all located in shady areas. There have not been any improvements to the park in that area for decades. We have two tables we are

going to put there. We need to purchase one more table. They are not cheap. They are around \$1,400 to \$1,500 each, and that includes a \$400 discount.

JEREMY: The supplier said they would honor the price of \$1,400 no matter how many we purchase.

MAYOR: I think we need to buy one.

PAUL: The price will do nothing but increase. The nature park was built in approximately 2014, and the tables have increased \$400 since that time.

JEREMY: The supplier said the price will most likely increase soon because of the tariffs which were recently implemented.

PAUL: Let's order one table. We will pay for the materials for the cement slabs. Gary Dent did the labor for free. The slabs will be easy to mow around. A location was picked for the slabs which would keep them away from any new bathrooms or a pavilion which might be installed. The Church of Jesus Christ of Latter Day Saints is considering expanding and adding a parking lot on the west side of their stake center. We might want to apply for RAPZ tax funds in the future to pay for a pavilion or restroom facility for that area of the park.

MAYOR: I have had lots of people ask about the possibility of having pickle ball courts in the city. I think we look at the tennis court area. I see limited use of the tennis courts. Pickle ball courts could go in that area. We would also want to include some lighting as well. Pickle ball courts would add to our expansion of the park like we have done over many years. The horse shoe pits at the park are used regularly.

PUBLIC HEARING, NO SOONER THAN 7:30 P.M., FOR THE PURPOSE OF DISCUSSING AMENDMENTS TO THE FISCAL YEAR 2019 BUDGET (JULY 1, 2018 THROUGH JUNE 30, 2019) AND THE NEW BUDGET FOR FISCAL YEAR 2020 (JULY 1, 2019 THROUGH JUNE 30, 2020).

JUSTIN: For the current budget, I will highlight some of the larger proposed changes. General fund revenue would have increases for sales tax, franchise tax, Black & White Days activities and Black & White Days sponsorship fees. There would be a large decrease to Line Item 3693 "Rent – City Buildings". We allocated a large amount of funds for renovation projects to this building. We put the vast majority of them on hold. The water and sewer funds each pay 1/3 of this cost, so there is a decrease to their expense line items as well. A resident purchased \$1,000 worth of overburden from the 300 East trail project and those funds were included in the sundry line item. One of the larger increases in the Administration fund is for the engineering line item. Some of the Building fund changes are for maintenance and repair but a large decrease for the Park Community Center renovation line item. Streets shows an increase for Mass Transit Tax. This is the exact same amount on the revenue side as well. The Parks fund would show a large increase for engineering for the 300 East trail project. We are still working with Chief Downs and the fire department on what the city pays for and what Smithfield pays for. There are some line items in the fire budget which are decreasing. Specifically the line item for the Smithfield contract is decreasing. We budgeted for the contract to start sooner than it did, but it took longer to complete than expected. We adjusted to the actual amount paid. There is an increase to the amount transferred to the sports complex mainly for the new lawnmower which will be purchased in the new budget year. Increases to water fund revenue for the monthly utility fee as well as interest earned. Expense increases for utilities, engineering, and samples. A decrease for rent paid to the general fund. Sewer increase for the monthly utility fee, as well as interest earned. Increases to expenses for wages, travel and training, engineering, and supplies. A decrease for rent paid to the general fund. Increases to the sports complex for the amount paid by Lewiston and Richmond which will help pay for the new lawnmower in the future. Not many changes to the new proposed budget. I did add \$12,675 for a new roof on the Relic Hall. Slight increases to the credit and debit card processing line item. Finalized the pricing on the new equipment. As far as I am aware, we were able to accommodate all of the requests which were made. A cost of living wage adjustment in the amount of 3.00% was included for all employees who did not have a change to their wage during the fiscal year. Employees receiving a mid-year or any type of wage change during the fiscal year will not get a 3.00% increase. The biggest change to the proposed budget is the property tax line item. The council stated they want to hold the same rate as last year. Last year the rate generated \$175,000 in property tax revenue. This year the city would collect about \$180,000 if the rate is not held the same. As a reminder if values increase then the rate decreases. If the rate is held the same as last year, the amount received would be \$200,066. This will show as a property tax increase. I was told by the county all property values in the valley were increased this year. An increased value being charged the same rate will generate more revenue for the city. I specifically talked to the county to make sure I understood the formula correctly. If the value of a property did not change and the rate stayed the same, then the property owner would pay the exact same, and that is correct. The fact is values are increasing, so the amount paid is increasing. The average residence in the city is valued at \$242,000. By holding the rate, the amount paid on this property would result in a yearly increase of \$17.70.

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MAYOR: It looks like an increase in the way it is presented. By holding the rate, this helps growth to pay their way. It can be confusing to understand. I am adamant about holding the rate the same. By holding the rate, we will have small increases and not be required to implement a large increase. Holding the rate will help the city long term. I hope we approve holding the rate this year and moving forward. Holding the same rate as last year is what is proposed.

A motion to close the regular council meeting and open the public hearing was made by Paul, seconded by Lyle, and the vote was unanimous.

Yes Vote: Erickson, Thatcher, Peck, Bair, Crafts
No Vote: None

The public hearing opened at 7:58 P.M.

TERRIE WIERENGA: Are the monthly sewer and water utility base rates going up \$1.00 per month in July?

MAYOR: Yes.

TERRIE: There was some discussion a long time ago about having to raise the water rate higher down the road. What is happening on this?

MAYOR: Nothing. We are not planning on making any changes to the water rates other than the \$1.00 per month increase in July of each year.

JUSTIN: We are doing an impact fee study for water and sewer. This will be presented to the council at a future date. As part of that project, we have asked for a sewer rate analysis to be completed as well.

DAREK: I think Terrie is asking if the third proposed rate increase to the water fund would be implemented. It was discussed there would be three rate increases as part of the water tank project.

JUSTIN: No, we don't plan on implementing any more changes to the water rate at this time.

MAYOR: We are having to review costs associated with the MBR plant. The costs of operating the plant are increasing, and this is one of the reasons we are completing the rate study.

PAUL: This year, we spent approximately \$100,000 on maintenance and repair to the plant and equipment in the plant.

TERRIE: At one time, there was talk the sewer plant could be expanded to accommodate possibly Lewiston City as well as growth from town. Is there any plan to do this?

MAYOR: The plant is currently at about 50% of capacity. If the city keeps growing fast, we could use up that capacity in a hurry. The plant was also designed to be expanded as well, if needed. Lewiston is doing extensive upgrades to their lagoon system. I think the improvements are being done this year. They do not have any requests to the city for help with their sewer system.

TERRIE: We are below grade for Smithfield, so we won't have any requests from the south.

A motion to close the public hearing and reopen the regular council meeting was made by Tucker, seconded by Kelly, and the vote was unanimous.

Yes Vote: Erickson, Thatcher, Peck, Bair, Crafts
No Vote: None

The public hearing closed at 8:02 P.M.

DISCUSSION AND POSSIBLE VOTE ON ADJUSTMENTS TO THE FISCAL YEAR 2019 BUDGET.

A motion to approve adjustments to the Fiscal Year 2019 budget was made by Paul, seconded by Lyle, and the vote was unanimous.

Yes Vote: Erickson, Thatcher, Peck, Bair, Crafts
No Vote: None

DISCUSSION AND POSSIBLE VOTE ON APPROVING THE FISCAL YEAR 2020 BUDGET.

A motion to adopt the Fiscal Year 2020 budget was made by Lyle, seconded by Kelly, and the vote was unanimous.

Yes Vote: Erickson, Thatcher, Peck, Bair, Crafts

No Vote: None

FISCAL YEAR 2020 BUDGET

GENERAL FUND

Revenue 1,485,412

EXPENSES

Administration 131,434
Building 120,894
Public Safety 171,178
Streets 575,298
Parks 229,329
Fire Department 76,592
Library 82,787
Cub River Sports 10,000
Capital Projects Fund 87,900
Total Expenses 1,485,412

WATER ENTERPRISE FUND

Revenue 718,000

Expense 682,019

SEWER ENTERPRISE FUND

Revenue 545,000

Expense 873,347

CUB RIVER SPECIAL REVENUE FUND

Revenue 35,000

Expense 35,000

CAPITAL PROJECTS FUND

Revenue 96,900

Expense 0

TUCKER: So, we are now down to only two loans? The sewer loan balance is \$1,845,000?

JUSTIN: That is correct. We have a loan on the water tank project with a remaining loan balance of \$3,028,179 and the MBR plant loan.

TUCKER: The MBR plant is paying off relatively quickly.

JUSTIN: Yes, it is. The loan is interest free and we pay between \$150,000 and \$200,000 per fiscal year on the loan.

MAYOR: We are trying to do things right. Other local cities are having water and sewer issues. I want to thank former council members and mayors for having the foresight to proceed on those large projects.

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PAUL: They did not kick the can down the road like some other cities have done.

MAYOR: Usually, people wait on projects like that until there is no other option. I was involved in both the big sewer and water projects in town. I want to personally thank everyone who was involved. They are the reason the city can grow without issues.

PAUL: I am aware of some small community issues. I know a developer did a development in another city two years ago and asked about whether or not they should install a sewer line at that time as the city is on septic tanks. The contractor would do the labor for free, and the city only had to pay for the pipe. The city elected to pass on this option. Now the city is being forced by the state to comply. The city will have to pay to dig up two-year-old roads to install the piping which could have already been installed. The sewer issue in that city has been kicked down the road for decades, and now there are consequences. The sewer system in Richmond was done in 1973 if I recall correctly. My dad was a council member at that time. The council had to convince a lot of residents it was the right thing to do at that time, as it was not unanimously endorsed. It cost us a lot of money at that time but has saved us millions now. It was a simple but hard decision that had to be made at that time for what was best for the city.

A motion to adjourn and pay bills was made by Paul, seconded by Lyle, and the vote was unanimous.

Yes Vote: Erickson, Thatcher, Peck, Bair, Crafts

No Vote: None

Adjournment at 8:07 P.M.

RICHMOND CITY CORPORATION

Jeffrey D. Young, Mayor

ATTEST:

Justin B. Lewis, City Recorder