MINUTES OF A REGULAR CITY COUNCIL MEETING HELD NOVEMBER 21, 2019, AT THE HYRUM CITY COUNCIL CHAMBERS, 60 WEST MAIN, HYRUM, UTAH.

CONVENED: 6:30 P.M.

CONDUCTING: Mayor Stephanie Miller

ROLL CALL: Councilmembers Steve Adams, Kathy Bingham, Jared Clawson, Paul C. James, and Craig L. Rasmussen.

EXCUSED: Councilmember Kathy Bingham

CALL TO ORDER: There being four members present and four members representing a quorum, Mayor Miller called the meeting to order.

OTHERS PRESENT: City Administrator Ron Salvesen, and fourteen citizens. City Recorder Stephanie Fricke recorded the minutes.

WELCOME: Mayor Miller welcomed everyone in attendance and invited audience participation.

PLEDGE OF ALLEGIANCE: City Administrator Ron Salvesen led the governing body and the citizens in the Pledge of Allegiance.

INVOCATION: Councilmember Rasmussen

APPROVAL OF MINUTES:

ACTION **Councilmember James made a motion to approve the minutes of a special meeting held on November 13, 2019 as written. Councilmember Clawson seconded the motion and Councilmembers Adams, Clawson, James, and Rasmussen voted aye. The motion passed.**

AGENDA ADOPTION: A copy of the notice and agenda for this meeting was emailed to The Herald Journal, posted on the Utah Public Notice Website and Hyrum City's Website, provided to each member of the governing body, and posted at the City Offices more than forty-eight hours before meeting time.

Mayor Miller said items 11. A. <u>Resolution 19-22</u> A resolution authorizing the Sewer Revenue Bond Anticipation Notes, Series 2019 in the aggregate principal amount of $2,402,000 for interim financing for sewer system improvements, and related improvements; to provide for a purchaser of the Series 2019 Notes; approving a note purchase contract; and related matters. and B. <u>Resolution 19-</u>

23 A resolution authorizing the $2,402,000 Sewer Revenue Bonds, Series 2021 for sewer system improvements, and related improvements, and to refund and retire the issuer's Sewer Revenue Bond Anticipation Notes, Series 2019; and related Matters. have been combined into one Resolution 19-22.

ACTION **Councilmember James made a motion to approve the agenda for November 21, 2019 as amended. Councilmember Clawson seconded the motion and Councilmembers Adams, Clawson, James, and Rasmussen voted aye. The motion passed.**

AGENDA

9. PUBLIC HEARING:
   - A. A public hearing to receive input from the public with respect to the issuance of Hyrum City Sewer Revenue Bonds (the "Bonds") and its sewer revenue bond anticipation notes (the "Notes"), in one or more series, in the aggregate principal amount not to exceed $3,000,000 for sewer improvements, and related matters.
10. SCHEDULED DELEGATIONS:
    - A. Shaun Bushman - To report on the Cache Valley Transit District.
    - B. Friend Weller - To request funding for radio station software upgrades.
    - C. J.D. Rhea, West Point Dairy - To request site plan approval for expansion of their existing milk product processing plant at 570 North 500 West.
    - D. Randy Godfrey, Sunray Properties - To request site plan approval for a light manufacturing building at 42 West 300 North.
11. INTRODUCTION AND APPROVAL OF RESOLUTIONS:
    - A. Resolution 19-22 A resolution authorizing the Sewer Revenue Bond Anticipation Notes, Series 2019 in the aggregate principal amount of $2,402,000 for interim financing for sewer system improvements, and related improvements; to provide for a purchaser of the Series 2019 Notes; approving a note purchase contract; and related matters.
    - ~~B. Resolution 19-23 A resolution authorizing the $2,402,000 Sewer Revenue Bonds, Series 2021 for sewer system improvements, and related improvements, and to refund and retire the~~

~~issuer's Sewer Revenue Bond Anticipation Notes, Series 2019; and related Matters.~~

C. Resolution 19-24 - A resolution setting sewer service rates.

D. Resolution 19-25 - A resolution declaring certain Hyrum City Equipment (a large capacity generator) as surplus and ordering the sale or disposal thereof.

E. Ordinance 19-12 - An ordinance amending Chapter 5.20 Dog Kennels of the Hyrum City Municipal Code to define "Dog Boarding Business" and allowing dog boarding businesses in the Manufacturing M-2 Zone, and setting a kennel fee for dog boarding businesses and other miscellaneous items.

12. OTHER BUSINESS:
    A. Mayor and City Council reports.
13. ADJOURNMENT

PUBLIC COMMENT:

Mayor Miller said if a citizen has a question or would like to make a comment to please keep it under three minutes.

Frank Kemmer said he was there on behalf of the residents in Green Meadow Villas. Yesterday they received a letter that stated their HOA fees were being increased by 40% and it wasn't even voted on by the association. There is an $8,000 deficit in the HOA fees and the members have never seen a financial statement. The current management company is going to turn it over to the homeowners in January and there are serious concerns from the homeowners in Green Meadow Villas as to where the money from their HOA fees went.

Pete Carillo said he lives in Green Meadows and just received notice today that the HOA was $8,000 in the debt and that HOA Fees were being increased from $60.00 to $85.00 per month. When they contacted the HOA management company they were told that it was from the ground keeping costs. There are still matters that haven't been fixed on some of the units and he hopes the City will require the developer to complete all improvements before the City accepts the project.

Councilmember Rasmussen said he appreciated the residents of Green Meadow Villas informing the City Council of these matters, but the City has nothing to do with management of the HOA. He suggested the residents meet with the management company and review the HOA covenants, and they could look at their legal rights as members of the HOA.

Elizabeth Ryan said she also lives in Green Meadow Villas and she said the residents of Green Meadow Villas are looking into the process of taking over the HOA and has asked for legal advice on how they should operate it. There are still construction problems with some of the units, like her unit has a problem with the air conditioner and she wants the developer to fix it before walking away from the project. She doesn't want there to be structural problems that have been caused because of the air conditioning unit. She too is very concerned about the in 40% increase in HOA fees and that there was no notice to the residents.

Laurie Meacham said she is over the management company that is over seeing the Green Meadow Villas HOA. She was hired by Direct Homes to market and sale the properties in Green Meadow Villas and then later Direct Homes asked her to manage the HOA. She has copies of all invoices and receipts for expenses associated with Green Meadow Villas that the members can review. This has not been an easy place to manage there have been complaints and demands for services. It has taken a lot of her time and she had to increase the number of ground keeping hours because HOA members were complaining about it. She also had to hire a parking enforcement company because HOA members complained about cars parked illegally in the development. She has had continual complaints about bad neighbors, noise problems, animals, landscaping, etc. She will be very happy and relieve when this HOA gets turned over to the residents and she is no longer involved. There are still items that the developer needs to complete but she hopes the HOA will be turned over to the residents in January 2020. The HOA fees were set very low the average HOA fee in Cache Valley is $115 a month and Blackhawk which is similar is at $140 and will soon be 160 a month. Without an increase in HOA fees there is no way to take care of the issues with only $60 a month per unit.

Rod Thompson, developer of Green Meadow Villas said they are working on installing the playground equipment and because originally it was planned on a smaller level him and his son Jake decided to upgrade the playground area and because of that and contractors being so busy it has delayed the installation. He appreciated the patience of the owners in Green Meadow Villas and hopefully soon the owners can manage the HOA.

There being no public comment, Mayor Miller moved to the next agenda item.

PUBLIC HEARING:

A PUBLIC HEARING TO RECEIVE INPUT FROM THE PUBLIC WITH RESPECT TO THE ISSUANCE OF HYRUM CITY SEWER REVENUE BONDS (THE "BONDS") AND ITS SEWER REVENUE BOND ANTICIPATION NOTES (THE "NOTES"), IN ONE OR MORE SERIES, IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $3,000,000 FOR SEWER IMPROVEMENTS, AND RELATED MATTERS.

Attorney Eric Blaisdell with Blaisdell, Church & Johnson, LLC. explained that Hyrum City was making improvements to its sewer plant and it is a $5.1 million dollar project. The City has 1.2 million in reserves, and is receiving a 1.569 million dollar grant, but will still have to borrow $2,402,000 to complete the project. The City will have to form a pricing committee to finalize Exhibit B and C of Resolution 19-22.

Mayor Miller called for a motion to open the public

ACTION **Councilmember James made a motion at 7:00 p.m.to open the public hearing to receive input from the public with respect to the issuance of Hyrum City Sewer Revenue Bonds (the "Bonds") and its sewer revenue bond anticipation notes (the "Notes"), in one or more series, in the aggregate principal amount not to exceed $3,000,000 for sewer improvements, and related matters. Councilmember Clawson second the motion and Councilmembers Adams, Clawson, James, and Rasmussen voted aye.**

Mayor Miller asked for public comment, there being none she called for a motion to close the public hearing.

ACTION **Councilmember Clawson made a motion at 7:01 p.m.to close the public hearing to receive input from the public with respect to the issuance of Hyrum City Sewer Revenue Bonds (the "Bonds") and its sewer revenue bond anticipation notes (the "Notes"), in one or more series, in the aggregate principal amount not to exceed $3,000,000 for sewer improvements, and related matters. Councilmember Adams second the motion and Councilmembers Adams, Clawson, James, and Rasmussen voted aye.**

SCHEDULED DELEGATIONS:

SHAUN BUSHMAN - TO REPORT ON THE CACHE VALLEY TRANSIT DISTRICT.

Shaun Bushman said he has served as Hyrum City's representative on the Cache Valley Transit District for 14 years. He has enjoyed representing Hyrum but is asking to be replaced. He said there are 13 votes on the CVTD Board even though there are 21 members. Hyrum City shares a vote with Nibley and Millville. In order for a vote to be case there has to be at least two out of the three municipalities there for Hyrum, Nibley, and Millville's vote to count. There are approximately 65,000 riders or 4% of all riders that are picked up in Hyrum or dropped off on a route in Hyrum. The largest number of riders are early in the morning and then when school gets out. Most riders are picked up at Hyrum Senior Center, South Cache, Mountain Crest, and JBS Swift.

Mayor Miller thanked Shaun for his service to Hyrum City by being Hyrum's representative on the Cache Valley Transit District Board. She explained that this position will be filled by a City Council Member as an assignment.

FRIEND WELLER - TO REQUEST FUNDING FOR RADIO STATION SOFTWARE UPGRADES.

Friend Weller was not in attendance. This item will be placed on a future agenda

J.D. RHEA, WEST POINT DAIRY - TO REQUEST SITE PLAN APPROVAL FOR EXPANSION OF THEIR EXISTING MILK PRODUCT PROCESSING PLANT AT 570 NORTH 500 WEST.

Mayor Miller said on November 14, 2019 the Hyrum City Planning Commission recommended approval of West Point Dairy's Site Plan for expansion of their existing milk product processing plant at 570 North 500 West with the following conditions: 1. The annexation is finalized before any construction begins; and 2. The City allow a reduced road setback for existing scales on 4600 South.

Councilmember Rasmussen said he is concerned about truck traffic on 4600 South since the road is currently gravel. The road would not last long and would need constant maintenance if it was used heavily for semi-truck traffic. He recommended requiring West Point Dairy to pay its portion of any improvements to 4600 South when demands from development or use require road to be paved or when the City or County deems necessary.

J.D. Rhea with West Point Dairy said 4600 South will not be used that frequently by semi-trucks coming to West Point Dairy. The semi-trucks coming to West Point will enter off of the corner of

500 West. This entrance/exit pattern aligns the semi-trucks with the weight scales that will have to be passed by majority of semi-trucks.

ACTION **Councilmember Rasmussen made a motion to approve the Site Plan for West Point Dairy for extension of its existing milk product processing plant at 570 North 500 West with the following conditions: 1. Annexation of ground is finalized before any construction begins; 2. The City allow a reduced road setback for existing scales on 4600 South; 3. West Point Dairy will pay its portion of any improvements to 4600 South when demands from development or use require road to be paved or when the City or County deems necessary; and 4. The annexation agreement requirements of extending the water line on the south side of 4600 South be extended to the east property line of West Point Dairy prior to or at the time improvements to the 6400 South Road are made, or when future development to the east requires it. Councilmember Clawson second the motion and Councilmembers Adams, Clawson, James, and Rasmussen voted aye.**

RANDY GODFREY, SUNRAY PROPERTIES - TO REQUEST SITE PLAN APPROVAL FOR A LIGHT MANUFACTURING BUILDING AT 42 WEST 300 NORTH.

Randy Godfrey with Sunray Properties was not in attendance.

Mayor Miller said on November 14, 2019 the Hyrum Planning Commission recommended approval of the site plan for Sunray Properties for a light manufacturing building at 42 West 300 North with the following conditions: 1. A 70' privacy fe4nce be added along west side of property that borders residential lot; 2. A utility easement be obtained from Kelton Wilcox; and 3. A final storm water drainage system be approved by the City Engineer.

ACTION **Councilmember James made a motion to approve the Site Plan for Sunray Properties for a light manufacturing building at 42 West 300 North with the following conditions: 1. A 70' privacy fe4nce be added along west side of property that borders residential lot; 2. A utility easement be obtained from Kelton Wilcox; and 3. A final storm water drainage system be approved by the City Engineer. Councilmember Adams second the motion. (Motion was never voted a substitute motion was made instead).**

Councilmember Rasmussen said he has questions concerning parking and would like to speak to the property about how he plans on addressing parking or regulating businesses that won't require more than one or two parking spaces.

ACTION **Councilmember Rasmussen made a substitute motion to continue this discussion, until next City Council Meeting when the property owner can be present, on the Site Plan for Sunray Properties for a light manufacturing building at 42 West 300 North with the following conditions: 1. A 70' privacy fe4nce be added along west side of property that borders residential lot; 2. A utility easement be obtained from Kelton Wilcox; and 3. A final storm water drainage system be approved by the City Engineer. Councilmember James second the motion and Councilmembers Adams, Clawson, James, and Rasmussen vote aye.**

INTRODUCTION AND APPROVAL OF RESOLUTIONS AND ADOPTION OF ORDINANCE:

RESOLUTION 19-22 A RESOLUTION AUTHORIZING THE SEWER REVENUE BOND ANTICIPATION NOTES, SERIES 2019 IN THE AGGREGATE PRINCIPAL AMOUNT OF $2,402,000 FOR INTERIM FINANCING FOR SEWER SYSTEM IMPROVEMENTS, AND RELATED IMPROVEMENTS; TO PROVIDE FOR A PURCHASER OF THE SERIES 2019 NOTES; APPROVING A NOTE PURCHASE CONTRACT; AND RELATED MATTERS.

Mayor Miller said this item was discussed earlier in the public hearing. She reminded the City Council that the two resolutions sent with the original packet had been combined as Exhibits B and C to Resolution 19-22.

ACTION **Councilmember Clawson made a motion to approve Resolution 19-22 A resolution authorizing the Sewer Revenue Bond Anticipation Notes, Series 2019 in the aggregate principal amount of $2,402,000 for interim financing for sewer system improvements, and related improvements; to provide for a purchaser of the Series 2019 Notes; approving a note purchase contract; and related matters. Councilmember Rasmussen second the motion and Councilmembers Adams, Clawson, James, and Rasmussen voted aye.**

Councilmember Rasmussen asked Mayor Miller when the Pricing Committee meets if anything unusual or if there are questions to bring it back to the City Council for its approval.

RESOLUTION 19-24 - A RESOLUTION SETTING SEWER SERVICE RATES.

Mayor Miller said Resolution 19-24 will set increase the monthly rate for customers on the sewer service. Sewer rates have not increased in almost ten years.

Councilmember James said the City Council had asked for a statement to be included in the Resolution that before the automatic $1.00 per year rate increase took place that the City Council would annually review the sewer utility fund to determine if a rate increase was necessary.

ACTION **Councilmember Clawson made a motion to approve Resolution 19-24 A resolution setting sewer service rates with the following amendment: Under "Sewer Rate Increases Starting January 1, 2021 - January 1, 2025 after the second paragraph"9 add "The annual rate increase will be reviewed by the City Council prior to the City implementing the automatic rate adjustment.". Councilmember Adams second the motion and Councilmembers Adams, Clawson, James, and Rasmussen voted aye.**

RESOLUTION 19-25 - A RESOLUTION DECLARING CERTAIN HYRUM CITY EQUIPMENT (A LARGE CAPACITY GENERATOR) AS SURPLUS AND ORDERING THE SALE OR DISPOSAL THEREOF.

Mayor Miller said Hyrum City purchased a large generator in 1999 with the intent that if there was a large power outage the City would be able to use this generator to provide power to critical buildings. However, the generator is extremely costly to operate because it uses diesel fuel so quickly. If the City were to use this generator it would go through the fuel so quickly that the City would have to have semi-trucks with fuel on-site to keep it running. The other problem is it is not feasible for the City to install the equipment necessary to run power only to the buildings the City deemed critical. Rather than having the generator sit at the irrigation ponds City staff would like the generator declared surplus. City staff will try to find a buyer through contacting people that may or may know of someone who is interested in purchasing it.

ACTION **Councilmember Clawson made a motion to approve**

Resolution 19-25 - A resolution declaring certain Hyrum City Equipment (a large capacity generator) as surplus and ordering the sale or disposal thereof. Councilmember Adams seconded the motion and Councilmembers Adams, Clawson, James, and Rasmussen voted aye.

ORDINANCE 19-12 - AN ORDINANCE AMENDING CHAPTER 5.20 DOG KENNELS OF THE HYRUM CITY MUNICIPAL CODE TO DEFINE "DOG BOARDING BUSINESS" AND ALLOWING DOG BOARDING BUSINESSES IN THE MANUFACTURING M-2 ZONE, AND SETTING A KENNEL FEE FOR DOG BOARDING BUSINESSES AND OTHER MISCELLANEOUS ITEMS.

Mayor Miller said Ordinance 19-12 will allow for a dog boarding business in the Manufacturing M-2 Zone. There is a maximum of 30 days of continuous 24 hour a day boarding per dog.

Councilmember James said the City Council had discussed that the ordinance should have a restriction that all boarding dogs shall be kept inside between the hours of 10:00 p.m. and 7:00 a.m. to help with noise issues that could potentially arise.

ACTION **Councilmember Clawson made a motion to adopt Ordinance 19-12 - An ordinance amending Chapter 5.20 Dog Kennels of the Hyrum City Municipal Code to define "Dog Boarding Business" and allowing dog boarding businesses in the Manufacturing M-2 Zone, and setting a kennel fee for dog boarding businesses and other miscellaneous items with the following amendment to 5.20.015 Definitions after the last paragraph add, "All dogs shall be kept inside between 10:00 p.m. and 7:00 a.m." Councilmember James seconded the motion and Councilmembers Adams, Clawson, James, and Rasmussen voted aye.**

OTHER BUSINESS:

MAYOR AND CITY COUNCIL REPORTS.

Mayor Miller said Hyrum City has hired Matthew Holmes as the City Engineer/Zoning Administrator. She asked Matt to introduce himself.

City Engineer Matt Holmes said he lived in California where he worked for Riverside County and Ontario City. He is a Civil Engineer and also has experience with stormwater and land surveying. Him and his wife have five boys and they have already bought a home in Hyrum.

Mayor Miller said she wants to meet with each City Councilmember next month to discuss City Council Assignments. Millville City wants to move forward with connecting to Hyrum City's wastewater treatment facility. However, Millville does not have the money to buy into the facility and be a part owner at this time. Millville asked if Hyrum City would allow them to be customers of Hyrum City until they have enough money to become a partner of the sewer plant or create a sewer district with Hyrum City. With the upgrades the City is making at the sewer plant there will be plenty of room to treat the wastewater from Millville and the additional revenue would help Hyrum pay for the bond. Mike Pekstein the owner of the trailer park in Hyrum is asking for Hyrum City to allow him to rent the empty trailer pads as temporary RV parking with a maximum of 30 days. He has really cleaned up the trailer park and allowing him to use empty pads for temporary rentals will give him an incentive to continue to removing trailers that are collapsing and are in poor living conditions. Logan City has given official notice to Cache County that it will no longer be e member of SIMS. Cache County is working with the cities on the south and north side of Logan to find a solution for ambulance service. Cache County is hiring a consultant to conduct a Service Study to review finances, and equipment owned and needed to provide ambulance service.

Councilmember Adams said the Utah Highway Patrol has committed to attend next year's National Night Out Against Crime.

Councilmember Rasmussen said Hyrum's Holidays at Hardware Ranch is on Saturday, November 30, 2019. He asked for the City Council's help that day as in year's past. New York New Years Eve at the Elite Hall will be focused more on adult activities rather than child activities this year. The Committee decided that they would change focus every other year from children to adults. Families are still invited to attend there just won't be as many activities for young children.

City Recorder Stephanie Fricke said she was contacted by a couple of young adults wanting to hold a Christmas For Our Community Charity event at the Elite Hall on November 23, 2019 from 4 to 7:30 p.m. They are asking for new/used winter clothing, holding a bake sale, and a silent auction. All proceeds will be donated to families in our community that need help and any excess will be taken to a homeless shelter. She asked if the City Council would consider waiving the Elite Hall rental fee for them.

Councilmember James said he would be in favor of waiving the Elite Hall rental fee for this group since all proceeds were being donated to charity. Councilmember Rasmussen, Adams, and Clawson also agreed to waive the rental fee.

ADJOURNMENT:

ACTION **There being no further business before the City Council, the Council Meeting adjourned at 8:40 p.m.**

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Stephanie Miller
Mayor

ATTEST:

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Stephanie Fricke
City Recorder

Approved: December 5, 2019
As Written