

MINUTES OF A REGULAR CITY COUNCIL MEETING HELD JUNE 15, 2017, 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 L. Clawson, Paul C. James, and Craig Rasmussen.

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

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

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

PLEDGE OF ALLEGIANCE: Councilmember Rasmussen led the governing body and the citizens in the Pledge of Allegiance.

INVOCATION: Councilmember Adams

APPROVAL OF MINUTES:

The minutes of a regular meeting of June 1, 2017 were approved as written.

ACTION

Councilmember Clawson made a motion to approve the minutes of a regular meeting on June 1, 2017 as written. Councilmember Bingham seconded the motion and Councilmembers Adams, Bingham, Clawson, James, and Rasmussen voted aye. The motion passed.

AGENDA ADOPTION: A copy of the notice and agenda for this meeting was FAXED and 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.

ACTION

Councilmember Clawson made a motion to approve the agenda for June 15, 2017 as written. Councilmember Adams seconded the motion and Councilmembers Adams, Bingham, Clawson, James, and Rasmussen voted aye. The motion passed.

AGENDA

8. PUBLIC COMMENT
9. SCHEDULED DELEGATIONS:
 - A. John Green - To request site plan approval for a metal storage building at 1700 East Anvil Road.
10. INTRODUCTION AND ADOPTION OF RESOLUTIONS AND ORDINANCES:
 - A. Resolution 17-05 - A resolution amending the 2016-2017 General Fund, Water Fund, Sewer Fund, Electric Fund, Irrigation Fund, Storm Water Fund, Capital Projects Fund, and Library Trust Fund Operating Budgets.
 - B. Resolution 17-06 - A resolution establishing the Municipal Certified Tax Rate for Fiscal 2017-2018.
 - C. Resolution 17-07 - A resolution approving and adopting the Fiscal 2017-2018 Operating Budgets for Hyrum City's General Fund, Culinary Water Fund, Sewer Fund, Electric Fund, Irrigation Water Fund, Storm Water Fund, Capital Projects Fund, and Library Trust Fund.
 - D. Ordinance 17-09 - An ordinance amending Chapter 2.12, Section 2.12.010 of the Hyrum City Municipal Code, to provide for adjustments in the salaries of officers and employees of Hyrum City.
 - E. Resolution 17-08 - A resolution setting dog license fees, late fees, and impoundment fees.
 - F. Resolution 17-09 - A resolution authorizing the Hyrum City Council and Planning Commission to convene, participate, and conduct electronic meetings in accordance with Utah Code 52-4-207.
 - G. Ordinance 17-10 - An ordinance amending Chapter 5.04 Business Licenses General of the Hyrum City Municipal Code by adding Section 5.04.180 Food Trucks, and amending Section 5.04.200 Home Occupation Business License to allow certain types of Home Occupation Businesses to not be licensed.
11. OTHER BUSINESS:
 - A. Delinquent utility accounts.
 - B. Consideration and approval of a Power Purchase Agreement with Richmond Irrigation Company.
 - C. Mayor and City Council Reports.
12. 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.

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

SCHEDULED DELEGATIONS:

JOHN GREEN - TO REQUEST SITE PLAN APPROVAL FOR A METAL STORAGE BUILDING AT 1700 EAST ANVIL ROAD.

City Administrator Ron Salvesen said on June 8, 2017 the Hyrum City Planning Commission recommended approval of a metal storage building at 1700 East Anvil Road for John Green with the conditions that dark sky lighting be installed, and maintaining a weed control plan.

John Green said he want to construct a 36' x 60' metal building to store materials, such as, snow removal equipment, hardware, and miscellaneous building repair items.

ACTION Councilmember Rasmussen made a motion approve John Green's site plan request for a metal storage building at 1700 East Anvil Road with the following conditions: 1. Dark sky lighting be installed; and 2. For weeds to be cut down and maintained. Councilmember Bingham seconded the motion and Councilmembers Adams, Bingham, Clawson, James, and Rasmussen voted aye. The motion passed.

INTRODUCTION AND ADOPTION OF RESOLUTIONS AND ORDINANCES:

RESOLUTION 17-05 - A RESOLUTION AMENDING THE 2016-2017 GENERAL FUND, WATER FUND, SEWER FUND, ELECTRIC FUND, IRRIGATION FUND, STORM WATER FUND, CAPITAL PROJECTS FUND, AND LIBRARY TRUST FUND OPERATING BUDGETS.

Mayor Miller said the Hyrum City Council held a Public Hearing on June 1, 2017 to receive public comments on the 2016-2017 budget amendments, establishing the tax rate for 2017-2018, the 2017-2018 proposed budget, and setting the salaries of officers and employees of Hyrum City. There was no public comments made during the Public Hearing and the City Council didn't recommend any changes be made to the proposed budget.

ACTION Councilmember James made a motion to approve Resolution 17-05 amending the 2016-2017 General Fund, Water Fund, Sewer Fund, Electric Fund, Irrigation Fund, Storm Water Fund, Capital Projects Fund, and Library Trust Fund

Operating Budgets. Councilmember Clawson seconded the motion and Councilmembers Adams, Bingham, Clawson, James, and Rasmussen voted aye. The motion passed.

RESOLUTION 17-06 - A RESOLUTION ESTABLISHING THE MUNICIPAL CERTIFIED TAX RATE FOR FISCAL 2017-2018.

ACTION

Councilmember Clawson made a motion to approve Resolution 17-06 establishing the Municipal Certified Tax Rate for Fiscal 2017-2018. Councilmember Bingham seconded the motion and Councilmembers Adams, Bingham, Clawson, James, and Rasmussen voted aye. The motion passed.

RESOLUTION 17-07 - A RESOLUTION APPROVING AND ADOPTING THE FISCAL 2017-2018 OPERATING BUDGETS FOR HYRUM CITY'S GENERAL FUND, CULINARY WATER FUND, SEWER FUND, ELECTRIC FUND, IRRIGATION WATER FUND, STORM WATER FUND, CAPITAL PROJECTS FUND, AND LIBRARY TRUST FUND.

ACTION

Councilmember James made a motion to approve Resolution 17-07 approving and adopting the Fiscal 2017-2018 Operating Budgets for Hyrum City's General Fund, Culinary Water Fund, Sewer Fund, Electric Fund, Irrigation Water Fund, Storm Water Fund, Capital Projects Fund, and Library Trust Fund. Councilmember Bingham seconded the motion and Councilmembers Adams, Bingham, Clawson, James, and Rasmussen voted aye. The motion passed.

ORDINANCE 17-09 - AN ORDINANCE AMENDING CHAPTER 2.12, SECTION 2.12.010 OF THE HYRUM CITY MUNICIPAL CODE, TO PROVIDE FOR ADJUSTMENTS IN THE SALARIES OF OFFICERS AND EMPLOYEES OF HYRUM CITY.

ACTION

Councilmember Clawson made a motion to adopt Ordinance 17-09 amending Chapter 2.12, Section 2.12.010 of the Hyrum City Municipal Code to provide for adjustment in the salaries of officers and employees of Hyrum City. Councilmember Adams seconded the motion and Councilmembers Adams, Bingham, Clawson, James, and Rasmussen voted aye. The motion passed.

RESOLUTION 17-08 - A RESOLUTION SETTING DOG LICENSE FEES, LATE FEES, AND IMPOUNDMENT FEES.

Mayor Miller said Hyrum City contracts with Blacksmith Fork Veterinarian Clinic to board stray dogs. Blacksmith Fork Veterinarian Clinic has raised its fees and this resolution will change the fees to match the increase from the vet clinic. Resolution 17-08 is increasing the fee from \$15 to \$20 per day for the keeping and boarding of strays; and from \$25 to \$30 per day for those dogs that have been previously impounded within the last 24 months.

ACTION Councilmember James made a motion to approve Resolution 17-08 setting dog license fees, late fees, and impoundment fees. Councilmember Clawson seconded the motion and Councilmembers Adams, Bingham, Clawson, James, and, Rasmussen voted aye. The motion passed.

RESOLUTION 17-09 - A RESOLUTION AUTHORIZING THE HYRUM CITY COUNCIL AND PLANNING COMMISSION TO CONVENE, PARTICIPATE, AND CONDUCT ELECTRONIC MEETINGS IN ACCORDANCE WITH UTAH CODE 52-4-207.

Mayor Miller said Utah State Code allows a public body to convene and conduct a public meeting through electronic devices, but in order to do so the City Council has to approve a resolution allowing electronic meetings to be conducted. This resolution allows the Mayor, Councilmembers, and Planning Commission members to participate in the meeting by any electronic device if he/she is unable to attend the meeting at the physical location of the meeting.

ACTION Councilmember Clawson made a motion to approve Resolution 17-09 authorizing the Hyrum City Council and Planning Commission to convene, participate, and conduct electronic meetings in accordance with Utah State Code 52-4-207. Councilmember Adams seconded the motion and Councilmembers Adams, Bingham, Clawson, James, and, Rasmussen voted aye. The motion passed.

ORDINANCE 17-10 - AN ORDINANCE AMENDING CHAPTER 5.04 BUSINESS LICENSES GENERAL OF THE HYRUM CITY MUNICIPAL CODE BY ADDING SECTION 5.04.180 FOOD TRUCKS, AND AMENDING SECTION 5.04.200 HOME OCCUPATION BUSINESS LICENSE TO ALLOW CERTAIN TYPES OF HOME OCCUPATION BUSINESSES TO NOT BE LICENSED.

Mayor Miller said Hyrum City Municipal Code does not currently set licensing or regulations for food trucks doing business in Hyrum City limits. Utah State Code allows for Cities to require a valid business license, fire safety inspections, and a current health

department food truck permit. Also Utah State Code has been drastically amended to no longer require certain types of businesses to have a Home Occupation Business License. Ordinance 17-10 will set requirements for food trucks and also amend the Home Occupation Business License to no longer require business licenses for certain types of home occupation businesses.

ACTION

Councilmember James made a motion to adopt Ordinance 17-10 amending Chapter 5.04 Business Licenses General of the Hyrum City Municipal Code by adding section 5.04.180 Food Trucks, and amending Section 5.04.200 Home Occupation Business License to allow certain types of Home Occupation Businesses to not be licensed. Councilmember Clawson seconded the motion and Councilmembers Adams, Bingham, Clawson, James, and, Rasmussen voted aye. The motion passed.

OTHER BUSINESS:**DELINQUENT UTILITY ACCOUNTS.**

Mayor Miller reviewed the list of delinquent utility accounts. The total proposed write-off is \$8,425.63 for the Fiscal Year 2016-2017.

ACTION

Councilmember James made a motion to approve the list of Fiscal Year 2016-2017 Delinquent Utility Accounts, in the amount of \$8,425.63 as a write-off. Councilmember Clawson seconded the motion and Councilmembers Adams, Bingham, Clawson, Clawson, James, and Rasmussen voted aye. The motion passed.

CONSIDERATION AND APPROVAL OF A POWER PURCHASE AGREEMENT WITH RICHMOND IRRIGATION COMPANY.

Mayor Miller said the Hyrum City Council discussed purchasing hydropower from Richmond Irrigation Company at it June 1, 2017 City Council Meeting. The City Council had instructed Hyrum City's Electric Superintendent Matt Draper to contact UAMPS about writing a power purchase agreement.

Councilmember James said after reviewing the contract he has concerns about purchasing power at .055 per kWh. When this rate was discussed on June 1, 2017 he was under the assumption that it included wheeling costs. However, that rate doesn't include the cost of wheeling the power which Hyrum City would have to pay an

additional fee for. Since the City has to pay for the wheeling cost he suggested offering Richmond Irrigation Company 10% above Hyrum City's blended power cost.

Councilmember Clawson said he also is concerned about paying almost double for the hydropower from Richmond Irrigation Company and he suggested the City offer the same cost as its blended power costs.

Brett Christiansen with Richmond Irrigation Company said Richmond Irrigation Company cannot sale the hydropower at a rate that low. Richmond Irrigation Company was working with Utah State University and it was very interested in purchasing its power, because it was green power. Richmond Irrigation Company is ready to sale power and has been waiting for Hyrum City to write and approve an agreement.

City Administrator Ron Salvesen recommended the City Council offer a purchase price to Richmond Irrigation Company and it isn't an acceptable price then Richmond Irrigation Company could go back and work with Utah State University.

ACTION

Councilmember James made a motion to approve the Power Purchase Agreement with Richmond Irrigation Company with the following amendment to the Pro Forma Proposal for the Upper High Creek Hydropower Project dated January 2017, Revised March 2017 prepared by Franson Civil Engineer on Page 2, under Proposed Contract Term and Pricing Provisions the first sentence should state "RIC proposes a contract with Hyrum City for 20 years at \$.05/kWh for 20 years". Councilmember Clawson seconded the motion.

Councilmember James recommended amending his motion to include that the price could be renegotiated every five years. Councilmember Clawson accepted the amendment to the motion.

Brett Christiansen with Richmond Irrigation Company said it was his understanding that the Hyrum City Council agreed upon the .055 per kWh at its last meeting. This was not the price nor terms that Hyrum City's Electric Department Superintendent Matt Draper had agreed upon several months ago.

Councilmember James said the City Council never approved the .055 per kWh nor did it approve the contract, it only reviewed the contract at its last meeting. After further research on the

proposed price of the Richmond Irrigation Company power at .055 kWh it is almost 20% higher than the cost of what Hyrum City is currently buying power for. If Richmond Irrigation Company can get more money than what Hyrum City is willing to pay then he understands if Richmond Irrigation Company sales the power to another entity.

Brett Christiansen said Richmond Irrigation Company stopped looking and discussions with other businesses regarding purchasing its power because Hyrum City's Electric Superintendent Matt Draper had installed a meter at the Richmond Irrigation Company plant a couple of months ago, which led Richmond Irrigation Company to believe that Hyrum City agreed to its sale price of .055 per kWh.

Councilmember Rasmussen said Hyrum City's blended energy costs are much lower than the proposed Richmond Irrigation Rate of .055 per kWh. However, this is considered green power and is more reliable than solar power. Hyrum City entered into power purchase agreements many years ago that provides Hyrum City with inexpensive power. But Hyrum City also needs to look at new power sources and new power sources are going to be at a higher rate per kWh than past power contracts.

Councilmember Rasmussen recommended amending Councilmember James' motion to approve the Power Purchase Agreement with Richmond Irrigation Company with the following amendment to the Pro Forma Proposal for the Upper High Creek Hydropower Project dated January 2017, Revised March 2017 prepared by Franson Civil Engineer on Page 2, under Proposed Contract Term and Pricing Provisions the first sentence should state "RIC proposes a contract with Hyrum City for 3 years at \$.0525/kWh after three years the cost of the power is to be reviewed and renegotiated if needed." Councilmember James and Councilmember Clawson accepted the Councilmember Rasmussen's amendment to the motion. Councilmember Adams, Bingham, Clawson, James and Rasmussen voted aye. The motion passed.

MAYOR AND CITY COUNCIL REPORTS.

Councilmember Adams said he has been working on July 4th Parade and it is coming together nicely. He is also working on National Night Out Against Crime and should have flyers printed in the next couple of weeks.

Councilmember Rasmussen said the Armor Combat League will have its Medieval Tournament at the Rodeo Grounds on Saturday, July 1 at 4:00 p.m. Service day at Hardware Ranch is on Saturday, June 17. He is hoping to get residents throughout Hyrum to come to Hardware Ranch and work on numerous projects that day.

Councilmember James said attendance at this year's Patriotic Program is expected to be higher than in year's past due to the American Festival Choir and Children's Choir and Speaker Craig Jessop. He has arranged for the entertainment on the City Square during the day and Soccer Fields at night on the 4th of July.

Councilmember Clawson said location for the 4th of July booths will be completed by the end of June. There is a new application for knockerball that will be south of the old City Office parking lot and they also want to have a space at the Soccer Fields the night of the fireworks.

Councilmember Bingham reminded the City Council of helping cut watermelon after the parade.

ADJOURNMENT:

ACTION

**There being no further business before the City Council,
the Council Meeting adjourned at 8:10 p.m.**

Stephanie Miller
Mayor

ATTEST:

Stephanie Fricke
City Recorder

Approved: July 20, 2017
As Written