

MINUTES OF A REGULAR CITY COUNCIL MEETING HELD DECEMBER 4, 2014
AT THE CIVIC CENTER, 83 WEST MAIN, HYRUM, UTAH.

CONVENED: 6:30 p.m.

CONDUCTING: Mayor Stephanie Miller

ROLL CALL: Councilmembers Scot M. Allgood, Jared L. Clawson, Martin Felix, and Paul C. James present.

EXCUSED: Councilmember Aaron Woolstenhulme

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 seventeen citizens. City Recorder Stephanie Fricke recorded the minutes.

WELCOME: Mayor Miller welcomed everyone in attendance.

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

INVOCATION: Councilmember Allgood

APPROVAL OF MINUTES:

The minutes of November 20, 2014 were approved as written.

ACTION Councilmember James made a motion to approve the minutes of November 20, 2014 as written. Councilmember Allgood seconded the motion and Councilmembers Allgood, Clawson, Felix, and James voted aye. The motion passed.

AGENDA ADOPTION: A copy of the notice and agenda for this meeting was faxed to The Herald Journal, mailed to each member of the governing body, and posted at the Civic Center more than forty-eight hours before meeting time.

ACTION Councilmember Clawson made a motion to approve the agenda for December 4, 2014 as published. Councilmember Allgood seconded the motion and Councilmembers Allgood, Clawson, Felix, and James voted aye. The motion passed.

AGENDA

8. PUBLIC COMMENT

9. PUBLIC HEARING:

- A. To receive public comment on potential projects for which funding may be applied under the CDBG Small Cities Program for Program Year 2015. Suggestions for potential projects will be solicited, both verbally and in writing, from all interested parties. The expected amount of CDBG funds for this program year will be discussed along with the range of projects eligible under this program and a review of previously funded projects.

10. SCHEDULED DELEGATIONS:

- A. Fred Burr, Wiggins and Associates - To present the 2013-2014 Audit Report.
- B. Dan Larsen, Kartchner Homes - To request final plat approval for Phase V of Southridge Subdivision consisting of 19 single family lots located at approximately 1110 East 180 South.
- C. Dan Larsen, Kartchner Homes- To request issuance of building permits before acceptance of final inspection of subdivision for Rolling Hills Phase II located at approximately 400 South 400 East.
- D. Friend Weller - To report on low power radio service in Hyrum.

11. INTRODUCTION AND ADOPTION OF AN ORDINANCE:

- A. Ordinance 04-13 - An ordinance amending Title 3, Chapter 3.04 (the Purchasing Ordinance) of the Hyrum City Municipal Code to increase the amount to \$5,000 for purchases requiring two verbal quotes; and to increase standing purchase orders to one year.

12. OTHER BUSINESS:

- A. Appointments to the Hyrum Library Board.
- B. Consideration and award of bid for a fire truck.
- C. 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.

No public comment was given.

PUBLIC HEARING:

TO RECEIVE PUBLIC COMMENT ON POTENTIAL PROJECTS FOR WHICH FUNDING MAY BE APPLIED UNDER THE CDBG SMALL CITIES PROGRAM FOR PROGRAM YEAR 2015. SUGGESTIONS FOR POTENTIAL PROJECTS WILL BE SOLICITED, BOTH VERBALLY AND IN WRITING, FROM ALL INTERESTED PARTIES. THE EXPECTED AMOUNT OF CDBG FUNDS FOR THIS PROGRAM YEAR WILL BE

DISCUSSED ALONG WITH THE RANGE OF PROJECTS ELIGIBLE UNDER THIS PROGRAM AND A REVIEW OF PREVIOUSLY FUNDED PROJECTS.

Mayor Miller this hearing is being called to consider potential projects for which funding may be applied under the 2015 Community Development Block Grant Program. It was explained that the grant money needed to be spent on projects benefitting primarily low and moderate income persons. The Bear River Region of which Hyrum City, Cache County is a member, is expecting to receive approximately \$650,000 in this new program year. All eligible activities which can be accomplished under this program are identified in the CDBG Application Policies and Procedures Manual and interested persons can review it at any time. Mayor Miller read several of the eligible activities listed including construction of public works and facilities, ie: water and sewer lines, fire stations, acquisitions of real property, provision of public services such as food banks or homeless shelters. Also eligible are loan programs for private businesses which would then hire low income persons and the program can also pay for housing rehabilitation or down payment assistance for low income homeowners. Mayor Miller said in the past Hyrum City has received six CDBG Grants: 1982 construction of 1.0 million gallon culinary water reservoir; 1984 piping of a large irrigation ditch on 800 East in Hyrum; 2000 to buy computers for Lincoln Elementary; 2012 purchase land for a Child Family Support Center satellite location; 2013 to build transitional housing for Community Abuse Prevention Services Agency (CAPSA); 2014 improvements to Hyrum Senior Center; and 2014 purchase and upgrade equipment for the Child Family Support Center in Hyrum. The city has a capital investment plan as part of the regional "Consolidated Plan". This list shows which projects the city has identified as being needed in the community.

Mayor Miller asked that representatives of the public and non-profit organizations that are in attendance specifically for this hearing please sign the attendance roll, including your name, address, and telephone number. If you have questions or comments, we would like to invite you to share them. Please identify yourself by name before you speak.

ACTION

Councilmember James made a motion to open the public hearing at 6:35 p.m. to receive public comment regarding consideration of potential projects for which funding may be applied under the Community Development Block Grant Program (CDBG) CDBG Small Cities Program for Program Year 2015. The expected amount of CDBG funds for this Program Year will be discussed along with the range of projects eligible under this program and a review of previously funded

projects. Councilmember Clawson seconded the motion and Councilmembers Allgood, Clawson, Felix, and James voted aye. The motion passed.

Leigh Dean said she was with the Child and Family Support Center and it was help from a CDBG Grant three years ago that a satellite location for the Child and Family Support Center was able to open in Hyrum. Since opening the Hyrum location has already provided service to over 300 parents at the Hyrum Center. The Hyrum Child Family Support Center is expanding its building and is asking Hyrum City to sponsor a CDBG Grant for them to apply for funding for a security system and installation, landscaping around the building, and purchase and installation of an electronic sign outside the building. She is grateful to Hyrum City for its ongoing support of the Child and Family Support Center. The Child and Family Support Center is here to help and strengthen families. She hopes the City Council will continue to support the center.

Tony Johnson said he purchased an old wood granary in Hyrum and is trying to figure out what to do with the building. It is an old historic building that should be preserved. He is speaking with nonprofit groups to determine if there is any funding available to help preserve and/or restore the building.

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

ACTION

Councilmember Clawson made a motion to close the public hearing at 6:42 p.m. Councilmember Allgood seconded the motion and Councilmembers Allgood, Clawson, Felix, and James voted aye. The motion passed.

SCHEDULED DELEGATIONS:

FRED BURR, WIGGINS AND ASSOCIATES - TO PRESENT THE 2013-2014 AUDIT REPORT.

Fred Burr, Wiggins & Company, presented the 2013-2014 audit report. He reviewed revenues and expenses for the general fund and the enterprise funds.

The total net position of Hyrum City increased by \$1,442,248 totaling \$34,059,579. The governmental net position increased by \$595,455 and the business-type net position increased by \$846,793.

The total net position of governmental and business type

activities is \$34,059,579 and is made up of \$23,684,600 in capital assets net of related debt, such as, land, infrastructure and equipment, and \$10,374,979 in other net position. The \$10,374,979 in other net assets is made up of \$746,636 which is restricted for capital projects; \$555,970 is restricted for debt service items related to the library, sewer system and water project; and \$39,208 is restricted for library purposes, and the remaining \$9,033,165 is unrestricted.

Total long-term liabilities for the City decreased by \$556,992. The long-term debt for governmental activities decreased by \$118,436, due mainly to a \$93,000 decrease in bonded debt. The business type activities long-term debt decreased by \$438,556 with a decrease in bonded debt of \$359,000 and a \$79,556 decrease in obligations for compensated absences.

The results of the audit process disclosed immaterial instances of noncompliance with the United States Government Auditing Standards. The City did not have any state funding classified as a major program during this audit year, however, there were four other matters.

OTHER MATTERS:

1. REVIEW OF JOURNAL ENTRIES - Found many journal entries did not have the required accompanying supporting documentation to help the reviewer understand why the entry was being made. The documentation was located, but it was not with the entry when the reviewer approved it. We also proposed audit adjustments to accounts that had incorrect journal entries posted to them. This is a continuing finding.

RECOMMENDATION: City policy be followed and the required supporting documentation accompanies each journal entry for submission for approval. The reviewer should be familiar with the City's accounts to determine the entries are appropriate. The preparer and reviewer should review the accounts after the entries are posted to see that they were corrected as intended.

RESPONSE: The City Treasurer will make sure that all documentation is in the General Journal book to review by the City Administrator.

2. BANK RECONCILIATIONS - There were many checks outstanding that were more than one year old. There were also a few large checks that were replaced during the current year, that had not been voided in the records.

RECOMMENDATION - When a check is replaced the paperwork to

void it through the accounting system should be processed immediately. This will prevent a duplicate or fraudulent payment. Any outstanding checks more than six months old should be investigated and dealt with appropriately.

RESPONSE: The City Treasurer will void the check immediately when a duplicate check is issued. The City Treasurer will also review checks every 6 months and send to unclaimed property.

3. PURCHASE ORDERS - Many purchase orders are not prepared or approved on the date of the order. Most are dated at the date of the invoice or later.

RECOMMENDATION: The City provide training to City staff for the purchasing policy. The levels where purchase orders are required should be adequate to protect the City without causing undue paperwork for the staff involved.

RESPONSE: City Administration will train all department heads and make sure they are writing purchase orders at the time of purchase. It will also be a topic of discussion and review in meetings with department heads at least quarterly.

4. UTAH PUBLIC FINANCE WEBSITE - The City did not report the revenues and expenditures data for the fourth quarter to the Utah Public Finance Website in a timely manner.

RECOMMENDATION: The City upload the required financial information as quickly as possible.

RESPONSE: City Treasurer will submit the report in a timelier manner so as to not be in violation.

ACTION

Councilmember Felix made a motion to approve the 2013-2014 Audit Report. Councilmember Allgood seconded the motion and Councilmembers Allgood, Clawson, Felix, and James voted aye.

DAN LARSEN, KARTCHNER HOMES - TO REQUEST FINAL PLAT APPROVAL FOR PHASE V OF SOUTHRIDGE SUBDIVISION CONSISTING OF 19 SINGLE FAMILY LOTS LOCATED AT APPROXIMATELY 1110 EAST 180 SOUTH.

Dan Larsen with Kartchner Homes said this is the last Phase of South Ridge Subdivision. The original plat had 17 lots but two additional lots were added making 19 lots in Phase V. Curb and gutter will be installed on all streets with sidewalks running in front of all homes.

ACTION Councilmember James made a motion to approve the Final Plat for Phase V of Southridge Subdivision consisting of 19 single family lots with the recommendations made by the Hyrum Planning Commission. Councilmember Clawson seconded the motion and Councilmembers Allgood, Clawson, Felix, and James voted aye.

DAN LARSEN, KARTCHNER HOMES- TO REQUEST ISSUANCE OF BUILDING PERMITS BEFORE ACCEPTANCE OF FINAL INSPECTION OF SUBDIVISION FOR ROLLING HILLS PHASE II LOCATED AT APPROXIMATELY 400 SOUTH 400 EAST.

Dan Larsen with Kartchner Homes said all of the utilities have been installed in Rolling Hills Phase II and the road should be paved on Monday, December 7, however, due to bad weather there might be some minor issues that need to be finished before Hyrum City approves the subdivision. These issues may not be able to be completed until spring and he asked the City Council if it would consider issuing building permits even though the subdivision has not been accepted. He understands no occupancy permits will be given until all improvements have been accepted by the City.

ACTION Councilmember James made a motion to allow Hyrum City to issue some building permits for Rolling Hills Phase II with the condition that no occupancy permits are given until the subdivision improvements have been accepted by the Hyrum City Council. Councilmember Allgood seconded the motion and Councilmembers Allgood, Clawson, Felix, and James voted aye.

FRIEND WELLER - TO REPORT ON LOW POWER RADIO SERVICE IN HYRUM.

Friend Weller said after 370 days and a donation of \$5,000 from a consultant engineer to help apply for a low radio frequency, the Federal Communication Service granted a permit for a tower in Hyrum. When he met with the City Council in April 2012 the City Council said when he received FCC approval to come back to the City Council to discuss costs, locations, and logistics. He would like to meet with the City Council to discuss these items and come up with a plan to implement a radio service in Hyrum.

The City Council will hold a workshop on Thursday, January 15 at 5:00 p.m. to discuss this issue.

INTRODUCTION AND ADOPTION OF ORDINANCES:

ORDINANCE 04-13 - AN ORDINANCE AMENDING TITLE 3, CHAPTER 3.04 (THE PURCHASING ORDINANCE) OF THE HYRUM CITY MUNICIPAL CODE TO

INCREASE THE AMOUNT TO \$5,000 FOR PURCHASES REQUIRING TWO VERBAL QUOTES; AND TO INCREASE STANDING PURCHASE ORDERS TO ONE YEAR.

Mayor Miller said the proposed amendments to the Purchasing Ordinance were recommended by Hyrum City's Auditor Fred Burr. Increasing the amount to \$5,000 for two verbal quotes will alleviate some of the time spent getting bids on smaller purchases by City Staff.

ACTION

Councilmember James made a motion to approve Ordinance 14-13 amending Title 3, Chapter 3.04 (the Purchasing Ordinance) of the Hyrum City Municipal Code to increase the amount to \$5,000 for purchases requiring two verbal quotes, and to increase standing purchase orders to one year. Councilmember Clawson seconded the motion and Councilmembers Allgood, Clawson, Felix, and James voted aye. The motion passed.

OTHER BUSINESS:

APPOINTMENTS TO THE HYRUM LIBRARY BOARD.

Councilmember Clawson recommended appointing Hyrum residents Shilo Winn and Kathryn Fielding to serve on the Hyrum Library Board.

ACTION

Councilmember James made a motion to appoint Shilo Winn and Kathryn Fielding to the Hyrum Library Board. Councilmember Clawson seconded the motion and Councilmembers Allgood, Clawson, Felix, and James voted aye. The motion passed.

CONSIDERATION AND AWARD OF BID FOR A FIRE TRUCK.

Fire Chief Kevin Maughan said the Fire Department has been putting money aside to purchase a new fire truck for over five years. In October he sent out a specific list of specifications for the type of fire truck and equipment he wanted on the truck. He sent the bid request to four qualified bidders and only two out of the four companies submitted bids: Rosenbauer \$362,984; and Pierce \$399,945. Ferrera ignored the bid request and EOne sent a letter declining our request due to it couldn't build the type of truck specified at a competitive rate.

Fire Chief Kevin Maughan said they contacted several fire departments to find out information on the two different companies and the trucks they build. Rosenbauer was recommended highly by every fire department he contacted. He is recommending the City accept the lowest bid Rosenbauer in the amount of

\$362,984. It will take one year to build the truck and the City can receive an \$8,000 discount if its pays for 90% of the truck within 50 days of the contract being signed. Rosenbaum has an excellent history of 200 years of making fire trucks.

ACTION

Councilmember James made a motion to waive the open bid process in lieu of awarding the bid to contract and award the fire truck bid to a qualified bidder; and award the fire truck bid to Rosenbauer in the amount of \$362,984 minus \$8,000 discount for paying for the fire truck within 50 days of contract being signed. Councilmember Allgood seconded the motion and Councilmembers Allgood, Clawson, Felix, and James voted aye. The motion passed.

MAYOR AND CITY COUNCIL REPORTS.

Councilmember Felix reported on the IPA meeting he attended earlier this week.

Councilmember James reminded the city Council of Hyrum's Holiday at Hardware Ranch on December 6 from 11:00 to 2:00. Hyrum City is hosting a Ski the Beaver Night on January 6. Ski passes will be available for \$12 a person and ski rentals are \$12 per person. The City had to guarantee 90 tickets and it has already generated enough response to meet that minimum.

Councilmember Allgood said he will send a letter out to business to determine if there is enough interest to hold a business fair at the same time of the Hot Wheels and Hot Dogs. If the businesses are interested then he will make arrangements for it.

City Administrator Ron Salvesen asked the City Council if it wanted the name on the Left Hand Fork Property to be named Rendezvous Park or Left Hand. The City Council agreed the sign should say Left Hand Park - Hyrum City, since that it is the name people know it as.

Mayor Miller said the City has had a soccer club inquire about renting the Elite Hall starting next October to hold soccer practices all winter long. The Hyrum City Christmas Party in on December 18 at 6:30 p.m.

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: January 15, 2015
As written