

MINUTES of the regular City Council meeting of Wellsville City held Monday, November 18, 2013, at the Wellsville City Offices at 75 East Main. City officials present were Mayor Thomas G. Bailey, Councilwoman Glenna Petersen, Councilmen Gary Bates, Ron Case, Colin Harrison, and Carl Leatham. City Manager/Recorder Don Hartle was also present. A copy of the Notice and Agenda was mailed to the Mayor and Council members and emailed and faxed to the Herald Journal on November 14, 2013. The meeting was called to order at 7:00 p.m. by Mayor Thomas G. Bailey.

Others Present: Jennifer Leishman Peter Boyer Wilma Hall
Dave Bell Jonathan Cook Tom Maughan
Perry Maughan Karen Higley Rachel Fry

Opening Ceremony: Mayor Thomas G. Bailey

The Council reviewed the agenda. Glenna Petersen made a motion, seconded by Carl Leatham, to approve the agenda as presented.

YEA 5 NAY 0
Gary Bates
Ron Case
Colin Harrison
Carl Leatham
Glenna Petersen

The Council reviewed the minutes of the November 6, 2013 regular City Council meeting. There were word changes on lines 18, 90, 96, 163, and 167. After discussion, Ron Case made a motion, seconded by Colin Harrison, to approve the minutes of the November 6, 2013 regular City Council meeting with the changes.

YEA 5 NAY 0
Gary Bates
Ron Case
Colin Harrison
Carl Leatham
Glenna Petersen

No one was in attendance for citizen input.

Peter Boyer met with the City Council for a business license. Mr. Boyer stated that he would like to sell firearms and ammunition out of his home. It will all be interest sales. There will be no storefront. Mr. Boyer stated that an ATF agency has inspected his home. Mr. Boyer does have his FFL, Federal Firearms License. Carl Leatham stated that there were some questions raised from the Planning Commission. Mr. Leatham asked if Mr. Boyer had discussed this business with the Fire Chief. Mr. Boyer stated that he did. They reviewed the regulation, which apply mostly to reloading. They also discussed storage of explosives. Mr. Boyer stated that he is focusing on firearms, with ammunition being second. Mr. Leatham stated that there was some question as to if this business is in compliance with a home occupation. Mr. Leatham asked if Mr. Boyer had checked with his home owner's insurance concerning this business. Mr. Boyer stated yes. It is basic liability insurance because no type of home owner's insurance covers this type of business. Mayor Thomas G. Bailey asked about background checks. Mr. Boyer stated that the background checks are completed through the FBI. Mr. Leatham asked about deliveries to Mr. Boyer's home. Mr. Boyer stated that UPS and FedEx are authorized to deliver firearms. Only UPS is authorized to deliver ammunition. Mr. Boyer stated that all deliveries to his home must be signed for. Mayor Bailey gave an example of someone from Las Vegas purchasing a firearm through Mr. Boyer. Mayor Bailey asked if the gun would be shipped to Mr. Boyer or the customer. Mr. Boyer stated that the gun would be shipped to him, and then he would ship it to an FFL in Las Vegas. The customer would then pick up the gun from the FFL in Las Vegas. Mr. Leatham stated that the guns would be stored in a safe. Mr. Boyer showed a picture of the safe that he owns. Ron Case asked what the number of guns Mr. Boyer would be selling at a time. Mr. Boyer

stated that the maximum would be 10. Mr. Case asked how Mr. Boyer knows that the person on the other end is who they say they are. Mr. Boyer stated that he wouldn't know. The goods would have to be paid for upfront. The whole idea is based on trust, and that is why the guns are sent to an FFL. There has to be an actual face to face transfer with firearms. Mr. Leatham stated that the Planning Commission voted 4 to 1 to approve the home occupation permit. Mayor Bailey asked if there was any comment from the public at the Planning Commission meeting. Mr. Leatham stated that Wilma Hall made a statement that she didn't want this type of business in her neighborhood. Ruth P. Maughan didn't seem to think that this type of business fit under the current code. Paul Egbert made a statement that this business is not any different than any other internet business. Mr. Leatham stated that there are many safeguards built in. Mr. Case asked if there is anything that prohibits the sale of guns. Mr. Leatham stated no. Colin Harrison asked Mr. Boyer's address. Mr. Boyer stated that it is 163 South Center Street. Mr. Harrison asked if there was any problem with the proximity to an elementary school. Don Hartle stated that he didn't know if any type of regulation. After discussion, Carl Leatham made a motion, seconded by Glenna Petersen, to approve the business license for Peter Boyer.

YEA 5

NAY 0

Gary Bates
Ron Case
Colin Harrison
Carl Leatham
Glenna Petersen

The Sidewalk Committee met with the City Council to give them an update on their progress. Dave Bell stated that the reason for this meeting is to review the information, receive input and comments, and receive recommendations and approval from the City Council. Jonathan Cook assembled an inventory map concerning sidewalks. The green color is for existing new sidewalks, the yellow color is for older sidewalk in good condition, the orange color is for older sidewalk in poor condition, and the red color is for no sidewalk on either side of the street. The sidewalk committee showed red lines for first priority sidewalks and black lines for second priority sidewalks. The regional trail concept was reviewed, which is neon yellow for third priority sidewalks, and the trail heads are neon green dots. Each phase will take many years to complete. Carl Leatham asked if anyone had approached the Bureau of Reclamation about asphaltting the trail along 200 West. Mayor Thomas G Bailey stated that some years ago, someone tried to build a trail from Hyrum to Mendon using the canal right-of-way and the Bureau of Reclamation would not allow them to do it. Ron Case stated that the canal company also opposed the trail. Mr. Leatham stated that it was suggested to take advantage of the canal along 200 West for a sidewalk. It has been done in other communities with benefits to both parties. Mayor Bailey stated that someone would need to develop a plan and present it to the Bureau of Reclamation. Mr. Case asked Mr. Bell his feelings towards the requirement of sidewalks installed in front of a new home. Mr. Bell stated that we all share the sidewalks and we all need to help pay for them. Mr. Case asked about improvement districts for sidewalks. Mr. Bell agrees with developing improvement districts for sidewalks. Mayor Bailey thanked the sidewalk committee for their time and effort that has been put into this project.

The Mayor, Council members and the City Recorder conducted the official canvass of the 2013 Wellsville City General Municipal Election. At the conclusion of the canvass, Colin Harrison made a motion, seconded by Ron Case, that the City Council approves the 2013 General Election Canvass as per the attached Exhibit "A", consisting of a total of 4 pages and made a part of these minutes.

YEA 5

NAY 0

Gary Bates
Ron Case
Colin Harrison
Carl Leatham
Glenna Petersen

The City Council considered for possible approval an Inter-local Agreement with Cache County for fire inspections. Mayor Thomas G. Bailey stated that each council member was mailed a copy of the

agreement. Mayor Bailey asked if there were any concerns. Colin Harrison asked if Wellsville City Fire Department still feels that this is the best way to proceed. Don Hartle stated yes. Ron Case asked how many fire inspections were completed last year. Mr. Hartle stated that there were about 10 fire inspections last year. Mr. Hartle stated that City Attorney Bruce Jorgensen has reviewed this agreement and has made one addition on page 3. Mayor Bailey stated that the Wellsville City Fire Department would like the county to do the inspections because of the relationships that they have with the businesses in Wellsville. The Wellsville City Fire Department had no expertise in order to inspect Sherwood Hills Recovery Resort. After discussion, Gary Bates made a motion, seconded by Carl Leatham, to approve an Inter-local Agreement with Cache County for fire inspections.

YEA 5

Gary Bates
Ron Case
Colin Harrison
Carl Leatham
Glenna Petersen

NAY 0

The City Council considered for possible approval the participation in the South Cache Unplugged program. Gary Bates stated he reviewed this program that was presented 2 weeks ago. Wellsville City will make a \$500 donation, recommend businesses to sponsor this program, and a member of the community would participate on the committee. Mayor Thomas G. Bailey asked if there is \$500 in the budget for this program. Don Hartle stated that the budget would allow for a \$500 donation for a youth program. Mr. Hartle suggested that the City Council allow up to \$700 for a donation. Colin Harrison stated that his thoughts about this program is that it is great for kids, and great for busy parents, but the parents will be extra busy running the kids around to the various activities. This program will help keep businesses in business because since the kids are there, they hope that you will shop there. Because Wellsville City doesn't have many businesses, it is not of great benefit to Wellsville City. Mr. Harrison asked if Wellsville City participates, does Wellsville City sign the businesses up or does the committee sign the businesses up. Ron Case stated that he got the impression that if Wellsville City approves the funds, someone from the community will be on the committee. Mr. Harrison believes that this program is perfect for the size of a community such as Heber. Mr. Harrison stated that if friends for other communities are participating and Wellsville City doesn't, it would be good for the kids from other communities and not so much for the kids from Wellsville. Gary Bates stated that Stephanie Miller, who presented this program, may become overwhelmed with being the Mayor of Hyrum and this program won't be as important as others. Glenna Petersen stated that if this program is just for the south end of the valley, she could think of 30 to 40 things to do. If the program includes all of Cache Valley, it could really take off. Mr. Case stated that it would be up to the committee to get a list of activities together, and if it is not enough, it may have to be expanded. Mayor Bailey stated that this program is like the boys and girls club that Wellsville City used to have, but a different name. Mr. Case stated that he thinks of the dog tags as merit badges. Mr. Bates stated that kids ages 12 to 15 have a hard time finding jobs and they just hang out during this summer. After discussion, Colin Harrison made a motion, seconded by Gary Bates, to approve up to \$700 donation to join in with Hyrum and possible other communities to participate in the South Cache Unplugged program.

YEA 5

Gary Bates
Ron Case
Colin Harrison
Carl Leatham
Glenna Petersen

NAY 0

The City Council considered cancelling or rescheduling the first City Council meeting in January 2014, which is on January 1, 2014. Don Hartle stated that the last City Council meeting for 2013 is December 18, 2013. If the meeting on January 1, 2014 is cancelled, the first City Council meeting of 2014 will be held on January 15, 2014. By law, the new City Council officials have to be sworn in by January 7, 2014. Mr. Hartle gave suggestions on different dates to hold the first City Council meeting of 2014. After discussion, Glenna Petersen made a motion, seconded by Gary Bates, to reschedule the City Council meeting that

is scheduled on January 1, 2014 to January 2, 2014.

YEA 5

NAY 0

Gary Bates
Ron Case
Colin Harrison
Carl Leatham
Glenna Petersen

The City Council continued the discussion, with possible action by the City Council as it relates to the recent wage & benefit study, including paid holidays, bonuses, annual sick leave earned, and the amount of sick leave that can be accumulated. Mayor Thomas G. Bailey stated that this has been discussed numerous times, and it needs to be completed by December 31, 2013. Don Hartle handed out information concerning vacation and sick leave that has been accumulated. Gary Bates asked if vacation is accumulated. Mr. Hartle stated no. The maximum is 160 hours and anything in excess of that is paid out in December. Mr. Bates asked if the bonuses are in the same check as their regular pay. Mr. Hartle stated yes because the software only allows Wellsville City to issue 2 payroll checks per month. Changes can be made only to the first payroll check of each month. Mayor Bailey asked if the bonus could be in a separate check. Mr. Hartle stated no because of the payroll system. Mr. Bates asked if the bonuses for the City Manager and Treasurer were higher because they were implemented when there was only 1 employee in the office. Mr. Hartle stated that bonuses have been part of the budget for almost 20 years. Colin Harrison asked who determined what employees receive a \$500 bonus and what employees receive a \$1,000 bonus. Mr. Hartle stated that the City Manager and Treasurer received \$1,000 and all other employees receive \$500. Mr. Hartle stated that the City Council set the rates, and that is the way it is in the current budget. Mayor Bailey stated that he thinks the employees would feel better if the bonuses were all the same. Glenna Petersen stated that she didn't like having bonuses. Ron Case stated that it isn't a bonus because it is already in the budget. Mr. Hartle stated that is correct. Mr. Case stated that the bonus could be considered deferred compensation. Mr. Hartle gave an example of someone earning \$1,000 every month, which would be \$500 per pay check. The employee receives a \$500 bonus in December, so the first check in December would be \$1,000. The bonus is given in December in addition to their regular paycheck. Ms. Petersen stated that she would rather get the extra money throughout the year because of the hit in taxes. Mr. Harrison stated that the idea of a bonus is based on what has been accomplished during the year, not a guarantee. Mr. Bates stated that it is not a bonus, but more like a Christmas Club. Mr. Hartle stated that all changes to the payroll are done on the first pay period, and the second pay period stays the same. Mr. Bates stated that there is \$4,000 in the budget for bonuses and 6 employees. If the bonus amount is distributed evenly, the amount of a bonus for each employee is \$666. All options for the bonus money were discussed. After discussion, Gary Bates made a motion, seconded by Colin Harrison, to distribute the \$4,000 in bonus money evenly among the 6 employees.

YEA 5

NAY 0

Gary Bates
Ron Case
Colin Harrison
Carl Leatham
Glenna Petersen

The City Council discussed paid holidays. Other cities compared to Wellsville City have 12 paid holidays; Wellsville City gives 11 paid holidays. Gary Bates stated that Wellsville City is not a production business, so a paid holiday doesn't cost Wellsville City anymore in wages. Don Hartle stated that Wellsville City is no different than any business, and that Wellsville City can only afford so many paid holidays. After discussion, Ron Case made a motion, seconded by Gary Bates, to approve 12 paid holidays for Wellsville City employees.

YEA 5

NAY 0

Gary Bates
Ron Case

Colin Harrison
Carl Leatham
Glenna Petersen

The City Council discussed annual sick leave earned. Don Hartle stated that each employee receives 6.7 hours per month, which equals to 80 hours per year. Mr. Hartle stated that 8 hours per month came from the study that was completed. Ron Case stated that Wellsville City is different than businesses because of the small group of employees. After discussion, Gary Bates made a motion, seconded by Colin Harrison, to retain the current standard of 80 hours of sick leave earned per year.

YEA 5
Gary Bates
Ron Case
Colin Harrison
Carl Leatham
Glenna Petersen

NAY 0

The City Council discussed sick leave accumulation. Gary Bates stated that this is a liability for Wellsville City and a nice benefit for employees. Mr. Bates used the example of sick leave being accrued when the employee makes \$10 per hour. The employee retires and is making \$25 per hour at the time. Wellsville City is responsible to pay out sick leave accrued at \$25 per hour. Mr. Bates stated that it is pushing a wave ahead and the wave is growing. If an employee has accrued 2,500 hours of sick leave and retires, that is 1 ¼ years of outstanding salary that Wellsville City has to pay. That is an example of pushing the wave ahead. Ron Case stated that the purpose of sick leave is to not come to work when you are sick and yet still be paid. Colin Harrison stated that the incentive is to come to work. Carl Leatham stated that the positions in Wellsville City necessitate to someone being here. Mr. Case agrees with allowing an employee to carry at least 1 year of sick leave, but doesn't agree with paying the employee out. Mr. Bates suggested that the new policy going forward should be that an employee uses the sick leave or loses it. Mr. Harrison stated that a cap should be placed on the sick leave accrued with no pay out. Mayor Thomas G. Bailey asked what was wrong with building up the sick leave and using it as insurance. Is there if an employee needs it. Mr. Bates stated that Wellsville City carries short-term and long-term disability insurance. Mr. Bates asked how long someone has to be sick before the insurance kicks in. Don Hartle stated that he didn't know. Wellsville City pays \$125 per month for employees to have short-term and long-term insurance. Mr. Bates stated that sick leave should not be accrued, but used or lost. Mr. Bates stated that a good employee will work and lose the sick leave. A not-so-good employee will use the sick leave. Mr. Harrison stated that he thinks that sick leave accrued should be capped. Mr. Bates stated that he thinks it should be capped also. Mr. Harrison stated that the cap should be 160 hours of sick leave. Mr. Case asked about the employees that are over 160 hours and if they should continue to accrue sick leave. Mayor Bailey suggested leaving the current sick leave on the books. When an employee retires, the sick leave accrued will be paid out. A line has been drawn. Every employee starts over beginning January 1, 2014. Mr. Bates asked if the sick leave accrued could be put in the books. Mr. Hartle stated that it will take time to author a resolution. After discussion, Gary Bates made a motion, seconded by Glenna Petersen, to change sick leave to allow the current accrued sick leave to remain in the account. Up to year 2013, sick leave will be paid out upon retirement or termination. The employee may use as much sick leave that has been accumulated from their account as they wish. Beginning in 2014, sick leave will be accrued at the same rate, and a maximum of 160 hours will be accrued in an account. That will also be paid out at retirement or termination.

YEA 5
Gary Bates
Ron Case
Colin Harrison
Carl Leatham
Glenna Petersen

NAY 0

Don Hartle stated that a decision for the resolution needs to be made concerning when to pay an employee benefits. Mr. Hartle asked if the employee should be paid benefits at 28, 30, or 40 hours. Ron Case

stated that he raised the question. Mayor Thomas G. Bailey stated that his feeling is to maintain the benefits to the 2 employees that work 28 hours. If Wellsville City has to hire someone to replace either of the two, they will be considered part-time employee and the insurance will be reduced to single coverage or no insurance at all. Mr. Hartle stated that he will need a policy written for that change. Gary Bates asked if those employees working 28 hours per week accrue vacation at the same rate as those who work 40 hours per week. Mr. Hartle stated that those employees working 28 hours per week accrue vacation at 4.7 hours per paycheck. Perry Maughan stated that if the benefits for the part-time employee are taken away, the quality of employees will go down. Mayor Bailey stated that Wellsville City will have to make a decision as to leaving the employee at part-time or raising the employee to full-time. Mr. Bates stated that a lot has been discussed, and asked if the number of hours for a full-time employee should be discussed at a later date. Ron Case stated that he thinks the number of hours for a full-time employee should be set now. After discussion, Ron Case made a motion, seconded by Carl Leatham, to leave the benefit eligibility program for current employees as is. In the future, 40 hours is considered a full-time employee.

YEA 5

NAY 0

Gary Bates
Ron Case
Colin Harrison
Carl Leatham
Glenna Petersen

Don Hartle updated the City Council on the scheduled workshop with the Division of Water Quality. Mr. Hartle stated that December 4, 2013 was discussed. The Division of Water Quality has another commitment. The workshop has been scheduled for December 18, 2013 at 5:00 p.m.

Department Reports:

Glenna Petersen – 1) Received an email concerning training for new City Council members – will forward it on.

2) Suggestions concerning sidewalks – discuss with sidewalk committee.

Ron Case – 1) Discuss certified tax rates - add to agenda of the December 4, 2013 City Council meeting.

2) Thought new road by Wellsville Reservoir would have a stop sign – discussed with Public Works & City Council – feels that a yield sign would be better.

Gary Bates – 1) Diane Beeton worked an additional 4 hours on the Employee Wage & Benefit Review – decided \$20 per hour. Gary Bates made a motion, seconded by Ron Case, to pay Diane Beeton and additional \$80 for work on the Employee Wage & Benefit Review.

YEA 5

NAY 0

Gary Bates
Ron Case
Colin Harrison
Carl Leatham
Glenna Petersen

Carl Leatham – 1) Sherwood Hills Recovery Resort – attended Planning Commission to report – article in the Herald Journal – will return April 2014. Reported that this is the first year since 1999, other than the 2 weeks during the 2002 Winter Olympics that Sherwood Hills has been profitable.

2) Emergency Plan with LDS Church – Ron Case stated that it has slipped. M Kent Larsen was going to put together a meeting with all of the emergency specialists. It has dropped and nothing has been done since then.

City Manager/Recorder's Report:

Don Hartle – 1) Christmas Party – December 13, 2013 – 7:00 p.m. – The Lodge at Maddox.

At 9:46 p.m., Colin Harrison made a motion, seconded by Glenna Petersen, to adjourn the meeting.

YEA 5

Gary Bates

Ron Case

Colin Harrison

Carl Leatham

Glenna Petersen

NAY 0

Thomas G. Bailey

Mayor

Don Hartle

City Manager/Recorder