

MINUTES of the regular City Council meeting of Wellsville City held Wednesday, July 7, 2010, at the Wellsville City Offices at 75 East Main. City officials present were Mayor Thomas G. Bailey, Councilmen Ron Case, Carl Leatham, and Jackie D. Orton. City Manager/Recorder Don Hartle and City Planner Jay Nielson were 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 July 2, 2009. The meeting was called to order at 6:00 p.m. by Mayor Thomas G. Bailey.

Others Present:

Jennifer Leishman	Randy Wall
David Fell	Kim V. Shurtleff
Sam Winward	Natalie Moser
David Stevenson	Arlyn Brenchley
Karen Carbaugh	Frank Carbaugh
Art Smith	Roy Parkinson
Larry Parker	Kay Mitton
Tom Jewkes	Teresa Jewkes
Chris Breinholt	Marcene Parker
Ruth P. Maughan	Mark Edminster

Opening Ceremony: Jackie D. Orton

Councilmen Gary Bates and Colin Harrison were excused from this meeting.

The Council reviewed the agenda. Ron Case made a motion, seconded by Jackie D. Orton, to approve the agenda as presented.

<u>YEA 3</u>	<u>NAY 0</u>
Ron Case	
Carl Leatham	
Jackie D. Orton	

The Council reviewed the minutes of the June 16, 2010 meeting. There were word changes on lines 94 and 340. Jackie D. Orton made a motion, seconded by Carl Leatham, to approve the minutes of the June 16, 2010 meeting with the changes.

<u>YEA 3</u>	<u>NAY 0</u>
Ron Case	
Carl Leatham	
Jackie D. Orton	

Don Hartle gave the Council a copy of the Warrant Register showing bills submitted to the Council for approval. After review and discussion, Ron Case made a motion, seconded by Carl Leatham, to approve the City's bills for payment, represented by check number 11850 through 11973.

<u>YEA 3</u>	<u>NAY 0</u>
Ron Case	
Carl Leatham	
Jackie D. Orton	

No one was in attendance for citizen input.

Tom and Teresa Jewkes met with the City Council for a business license. Mrs. Jewkes stated that a majority of their business is completed on-line and out-of-state. They do not have a lot of business that comes in through their office. They make log and rustic furniture. Mayor Thomas G. Bailey stated that there were many concerns from the Planning Commission. There were many stipulations put on this business. Anything that needs to be stored has to be stored behind the building. The building that they are renting is located at 390 East Main Street, which is the main entrance into Wellsville City. Mr. Jewkes stated that

they are still getting organized, but will move everything behind the building as soon as possible. Mayor Bailey stated that the code doesn't allow for any signs in front of the building. Don Hartle stated that he will give Mr. and Mrs. Jewkes a copy of the sign code, and they have to make an application to the Planning Commission. Carl Leatham stated that anything stored to the side or behind the building has to be screened. Ron Case stated that he sat on the City Council when the Jewkes moved out of Wellsville City, and left owing a utility bill. Mrs. Jewkes stated that she apologized, and will pay it with her other fees. Mayor Bailey stated that if the front entrance of the building is not cleaned up and kept cleaned up, the business license will be pulled. Mr. Leatham stated that they need to review the concerns that the Planning Commission had concerning the business, and asked if Mr. Hartle will give a copy of the minutes of the Planning Commission meeting to Mr. & Mrs. Jewkes. Mr. Hartle stated that he will give a copy of the Planning Commission meeting minutes to Mr. and Mrs. Jewkes. After discussion, Carl Leatham made a motion, seconded by Jackie D. Orton, to approve the business license for Mr. and Mrs. Jewkes, pending the completion of the stipulations imposed by the Planning Commission, and the utility bill issue is resolved.

YEA 3

Ron Case
Carl Leatham
Jackie D. Orton

NAY 0

The City Council met with Jay Nielson, Wellsville City's Zoning Consultant, to review the proposed revised/updated General Plan. Jay Nielson stated that the City Council has a copy of the latest draft of the General Plan. Mr. Nielson stated that he is here tonight to accept any changes to the General Plan from the City Council. Mr. Nielson suggested that the City Council add this document to the website as the public version, print enough copies of the General Plan for the Planning Commission and the City Council, and print a few extra that people can purchase for the cost of printing. Ron Case stated that he would like more time to read through the document in detail. Mr. Case would also like to get input from Councilmen Gary Bates and Colin Harrison who are not in attendance tonight. Mr. Case stated that the document reads well and he likes the tone of the document. Mr. Nielson stated that he has taken the basic frame work and updated it. He has also added major sections, such as street patterns, block patterns, and maps. There are also many photographs included in this document to illustrate what is important to Wellsville City Jackie D. Orton stated that he has been out of town for the past week and would like to take some more time to read the General Plan. Mr. Case asked about changing zoning titles. Mr. Nielson stated that the land uses in the General Plan are difference than the zoning map. Mr. Nielson stated that the General Plan is a future picture and the zoning map is what is there today. Mr. Case pointed out that on page 29, the text ends and doesn't finish. Mr. Nielson stated that he also added an implementation map. Don Hartle stated that he recommends that the City Council schedule a final public hearing concerning the revised/updated General Plan. Mr. Nielson stated that he could accept any changes from the City Council and have the public hearing on the same night. Mr. Hartle will schedule a public hearing for the revised/updated General Plan on July 21, 2010. After discussion, Jackie D. Orton made a motion, seconded by Carl Leatham, to continue this discussion on July 21, 2010.

YEA 3

Ron Case
Carl Leatham
Jackie D. Orton

NAY 0

Daniel Summit was to meet with the City Council to discuss business license requirements. Mr. Summit was out of town. Don Hartle stated that Mr. Summit operates the concession stand at Darley Field. Mr. Summit would like to go around town selling pop, candy, and ice cream, and would like to know if he needs a business license. Both Mr. Summit and his wife have food handler's permits. Carl Leatham asked if this was similar to the roadside fruit stands and jerky stands that are out on Highway 89/91 in Wellsville. Mr. Hartle stated that is the reason he brought this issue to the City Council. Jackie D. Orton stated that he would like to know more about how Mr. Summit is going to do this operation, but he doesn't see a problem with it. Mr. Hartle stated that he will have Mr. Summit attend the next City Council meeting.

The City Council continued the discussion of the Red Slide subdivision proposed West Park and open space agreement. Mayor Thomas G. Bailey stated that Wellsville City sent a document from City Attorney Bruce Jorgensen to Mr. Randy Wall and Mr. David Fell. Mayor Bailey asked if there were any questions concerning this document. Randy Wall asked about the due date to pay the entire fee. Don Hartle stated that it is on page 4 of the document, and it has been left blank. Mr. Hartle stated that he has discussed this document with Mr. Jorgensen, and they would like to attach Exhibit E, a copy of the code as it reads today concerning open space. David Fell asked about assuming regular mowing and sprinkler system on page 5 of the document. Mr. Hartle stated that this park will be treated like any other park within the city limits. Mr. Hartle stated that John Panos will have to sign some documents. Mr. Hartle stated that he spoke with Mr. Panos today, and he has no problem signing the documents. Mr. Wall asked about paying back property taxes on the open space. Mr. Hartle stated that he will check on it. Mayor Bailey stated that Cache County Assessor Kathleen Howell was going to check on it. Mr. Wall stated that he will contact Ms. Howell. Mayor Bailey asked if there were any other questions. There were none. Mayor Bailey stated that the City Council will wait to hear from the Red Slide subdivision West Park committee. Mr. Wall stated that the committee will come to an agreement, and asked to be put on the agenda for the next City Council meeting.

The City Council discussed awarding the contract for the 2010 asphalt work. Don Hartle stated that the bid opening was held yesterday. The bids are as follows:

<u>Company Name</u>	<u>Price per ton</u>
Consolidated Paving	\$61.82
LeGrand Johnson	\$54.70
Staker Parsons	\$49.00

Mr. Hartle stated that he recommends that Wellsville City award the 2010 asphalt work contract to Staker Parsons. After discussion, Jackie D. Orton made a motion, seconded by Carl Leatham, to approve awards the 2010 asphalt work contract to Staker Parsons.

<u>YEA 3</u>	<u>NAY 0</u>
Ron Case	
Carl Leatham	
Jackie D. Orton	

At 7:00 p.m., Jackie D. Orton made a motion, seconded by Ron Case, to go into public hearings:

<u>YEA 3</u>	<u>NAY 0</u>
Ron Case	
Carl Leatham	
Jackie D. Orton	

First, a presentation shall be made, then a discussion, and then public input received on the possible need to increase culinary water rates for the purpose of constructing a 1,000,000 gallon reservoir. Said hearing shall allow for the adoption of a code amendment increasing the monthly culinary water rates. Don Hartle introduced Mark Edminster representing Lewis, Young, Robertson, & Burningham, and is the financial consultant on this project. Mr. Hartle stated that they need to discuss both public hearings at the same time, because they relate to each other. Mr. Hartle stated that Wellsville City received 9 bids for the 1,000,000 gallon reservoir, which were opened yesterday. They are as follows:

<u>Company Name</u>	<u>Bid Amount</u>
Gerber Construction	\$998,011.00
Jacobsen Construction	\$1,048,974.00
COP Construction	\$915,885.00
Brubaker Construction	\$998,062.00
Darrell W Anderson Construction	\$900,759.53
Whittaker Construction	\$944,194.00
Raymond Construction	\$864,404.97
Spindler Construction	\$851,155.14
ABC Construction	\$869,139.05

The lowest bid came in at \$851,155.14 from Spindler Construction. The bids were very competitive. Mr. Hartle stated that he has met with the State of Utah. In order to borrow the money for this project from the water resources department, Wellsville City would have to raise culinary water rates to \$49.50 per month, and there could be no outside watering from 10:00 a.m. to 6:00 p.m. The State of Utah has a program that is an interest buy-down loan, so the maximum interest that would be paid is 4%. A survey was sent out in the utility bill. Mr. Hartle received 20 responses, 19 of them were in favor, and 1 was opposed. Mr. Hartle stated that 1 ½ weeks ago, it looked like Wellsville City would have to raise culinary water rates by \$8.50 per month, which is something that Mr. Hartle couldn't support. Wellsville City took out a loan in 1994 for \$670,000 for water improvements. Wellsville City currently owes \$167,000 on this loan. The last payment will be January 1, 2013 in the amount of \$30,000. Mr. Hartle has been putting money into a Capital Facilities account in order to build a public works facility. The City is very frugal, and has been able to purchase different items with cash. The City has saved \$569,000 towards a public works facility. Mr. Hartle stated that the next 2 years will be tough financially. Mr. Hartle recommended that Wellsville City raise culinary water rates \$2.50 per month, have the Capital Facilities fund contribute \$100,000 towards the existing loan, and use \$67,000 that is in reserve to pay off the existing loan. Mark Edminster stated that when taking out a loan, it is required that a debt service bonds test be performed. A coverage test is also required in that for every \$1.00 of debt, \$1.25 of revenue is required. Mr. Edminster stated that the 1994 bonds loan can be pre-paid at any time without a penalty. Mayor Thomas G. Bailey asked why Wellsville City is financing \$1,000,000 when the bid came in at \$851,155.14. Mr. Hartle stated that he estimated inspections at \$50,000, closing costs on the loan at \$20,000, and Wellsville City has already spent \$77,000. The total is \$997,000, which Mr. Hartle rounded up to \$1,000,000. Roy Parkinson asked why Wellsville City was paying 4% in interest when they were getting a loan from the State of Utah at 0%. Mr. Edminster explained how the bonds worked for this loan. Mr. Parkinson asked about legal fees. Mr. Hartle stated that he estimated it at \$20,000, which is part of the closing costs. Art Smith asked if in the next 15 years there would be any more major projects concerning water. Mr. Hartle stated yes. Mr. Smith asked if Wellsville City could float another bond. Mr. Hartle stated that he didn't know. Arlyn Brenchley asked if there were be a water line from the Lindley reservoir to the new reservoir. Mayor Bailey stated that there was already a line, it just needs to be upgraded. Mr. Brenchley asked about development higher up than it already is. City Engineer Chris Breinholt stated that water can't be pumped much higher than it already is being pumped without an additional booster pump. Mr. Brenchley stated that when he served on the City Council, they discussed installing a pressurized secondary water system. David Fell asked if there would be any further development on the upslope. Mr. Breinholt stated that Wellsville City would have to have a water line from the Lindley reservoir to feed further development on the upslope. Larry Parker asked what the current condition of the reservoirs are. Mr. Hartle stated that they are all run by computer, and they talk to each other as to when to send water and when to shut off. Sam Winward asked how many water connections there were. Mr. Hartle stated that there are 1120 connections. Mayor Bailey stated that Wellsville City hoped that they could build this reservoir without raising culinary water rates, but there have been some stipulations put on Wellsville City by the State of Utah. Mr. Smith asked why the letter that was sent in the utility bill didn't include more information. Mr. Hartle stated that the bids weren't opened until yesterday, and the State of Utah required the letter be sent. Marcene Parker asked if there would be any restrictions from the State of Utah, such as outside watering hours. Mr. Hartle stated no, because if there were, Wellsville City would not build another reservoir.

Second, receive public input and consider for approval the Capital Facilities Fund making a contribution of \$100,000 to the Water Fund to be used for the construction and/or financing of the proposed 1,000,000 gallon reservoir, which was discussed in the first public hearing.

At 7:43 p.m., Ron Case made a motion, seconded by Carl Leatham, to close the public hearings.

YEA 3

Ron Case

Carl Leatham

Jackie D. Orton

NAY 0

Jackie D. Orton made a motion, seconded by Carl Leatham, **ADOPT CODE AMENDMENT 2010-02** adopting **AN AMENDMENT AMENDING THE WELLSVILLE CITY CODE, TITLE 8, PUBLIC**

UTILITIES, CHAPTER 1, WATER USE AND SERVICE TO INCREASE THE MINIMUM MONTHLY RATES BY 9.26%, WHICH WOULD INCREASE THE BASE FEE TO \$29.50 FOR A ¾” OR 1” METER.

YEA 3

Ron Case
Carl Leatham
Jackie D. Orton

NAY 0

Ron Case made a motion, seconded by Jackie D. Orton, to approve the Capital Facilities Fund making a contribution of \$100,000 to the Water Fund to be used for the construction and/or financing of the proposed 1,000,000 gallon reservoir.

YEA 3

Ron Case
Carl Leatham
Jackie D. Orton

NAY 0

Department Reports:

Carl Leatham – 1) The walking trail around the dam has been started – feels that it is an asset and improvement to Wellsville City – concerned that there are no motorized vehicles on it – suggested installing some posts.

Ron Case – 1) He was informed by a citizen of Wellsville City that a slide on the playground at the Wellsville Dam Park is broke. Mr. Case stated that he looked at it and couldn't see where it was broken, but thought he would pass on the information.

Jackie D. Orton – 1) The sidewalk on the east side of the Wellsville City Square has been completed. The sprinklers are back in place, and the sod will be completed next week.

2) Asked to have a discussion about continuing to replace the sidewalk around the City Square, and have it completed by Founder's Day. There has been 720 feet of sidewalk installed, and another 1340 feet of sidewalk is needed to complete the project. Would like to see it completed instead of piece-milled together. Would like to have Don Hartle find the money somewhere to finish the sidewalk. The LDS Church may help with funds for the sidewalk around their property. Mr. Orton figures it would cost roughly \$35,000. Mayor Bailey stated that it all comes back to money. Don Hartle is not willing to commit any money tonight. Wellsville City needs to be realistic about the bridge on 400 North that the State of Utah says is a hazard. Mayor Bailey stated that he sits on a committee that ¼% of 1% of sales tax is to improve roads. There have been many projects funded with this money. Mayor Bailey stated that Wellsville City wants to submit the bridge as a project for this money. Jeff Gilbert says that the money is used to alleviate congestion. Ruth P. Maughan asked if Mayor Thomas G. Bailey has discussed this project with the other mayors that sit on that committee. Mayor Bailey stated no. Ms. Maughan stated that Wellsville City needs to go after this money because other small town mayors may support it. Mr. Orton asked for approval to obtain another bid from Steve Kerr. Ron Case stated that Wellsville City needs a bid, but they also need to know where the money is coming from. Mr. Hartle stated that he will review the budget. Mayor Bailey stated that his concern is that obtaining another bid will send a message that Wellsville City is going to complete the sidewalk around the City Square. Mr. Hartle stated that Wellsville City has no man power right now to remove cement. Mr. Orton will discuss this issue with Steve Kerr.

Mayor Thomas G. Bailey – 1) Earlier today, Wellsville City held a meeting concerning the water pressure in the Red Slide subdivision. Those in attendance to that meeting were: City Engineer Chris Breinholt, Perry Maughan, Carl Leatham, City Manager/Recorder Don Hartle, and Mayor Thomas G. Bailey. There is a 6-inch water line that runs to the pump house, and an 8-inch water line that makes the loop through the Red Slide subdivision. Running a line from the new 1-million-gallon reservoir, according to City Engineer Chris Breinholt, would make a difference to the lower residents, but not the upper residents. There is a 50-foot fall in the subdivision, which works out to about 30 pounds of pressure. Mr. Breinholt thinks turning

up the pressure on the pumps would help the situation. Mayor Bailey asked Perry Maughan to take water meter readings, turn up the pressure on the pumps, and in 3 to 4 days, take water meter readings again. A discussion was held about installing another pump house, but Wellsville City would have to break the water line loop that runs through the Red Slide subdivision.

City Manager/Recorders Report:

Don Hartle – 1) City Attorney Bruce Jorgensen wrote a letter to Dave & Ann Bell concerning their trees on the corner of 100 North 200 East. They wrote a letter back to Wellsville City as their response. Mr. Hartle sent a copy of the letter in the packet. They would like time to visit with the City Council before a decision is made. Mr. Hartle will add them to the next City Council meeting agenda. Mr. Hartle will also invite the Shade Tree & Beautification Committee to the City Council meeting.

2) Poo Gloos – still working on this project. Dr. Kraig Johnson is up every week to take samples. He is very satisfied with the results. They have seen a reduction in phosphorus. Don Hartle contacted the State of Utah for approval to land-apply the phosphorus-enriched water on the 18 acres of property that Wellsville City owns. Approval was given by the State that the City can land-apply it to City-owned property, on crops that are not consumed directly by people.

At 8:12 p.m., Carl Leatham made a motion, seconded by Ron Case, to adjourn the meeting.

YEA 3

Ron Case
Carl Leatham
Jackie D. Orton

NAY 0

Thomas G. Bailey
Mayor

Don Hartle
City Manager/Recorder