

PERRY CITY COUNCIL MEETING
PERRY CITY OFFICES
AUGUST 25, 2011

7:00 PM

OFFICIALS PRESENT: Mayor Nelson presided and conducted the meeting.
Tom Peterson, Karen Cronin, Boyd Malan, Marci Satterthwaite, Bill Walker (attended electronically from 7:59pm to 8:25pm)

OFFICIALS EXCUSED: Bill Walker

CITY STAFF PRESENT: Duncan Murray, City Administrator
Shanna Johnson, Chief Deputy Recorder
Dale Weese, Interim Chief of Police

OTHERS PRESENT: Zach Harris, Tyler Jensen, Bridgett Clark, Lani Braithwaite, Clint Biesinger (Crossroads Investment), Mindy Burnett, Sharon Fairbourn, Valerie Neslen, Ryan Smith, Dillon Smith, Jay Newman, Jim Hartvigsen, Gloria Crouch, Tyson Knudson (Sunrise Engineering), Lorin Gardner (JUB Engineering), Steve Pettingill

ITEM 1: CALL TO ORDER

Mayor Nelson called the meeting to order.

A. INVOCATION

Council Member Satterthwaite offered the invocation.

B. PLEDGE OF ALLEGIANCE

Duncan Murray led the audience in the Pledge of Allegiance.

ITEM 2: NEW BUSINESS LICENSES, PROCEDURAL ISSUES, AND APPOINTMENTS

A. CONFLICT OF INTEREST DECLARATION

Council Member Cronin recused herself from the discussion regarding Charter schools due to her other elected duties for the Box Elder School Board.

B. NEW BUSINESS LICENSES

Mayor Nelson presented business license applications for All Basin Reclamation Monitoring LLC and Taz Net Tech. He advised there would be no visiting clientele at either of the businesses. Council Member Cronin asked Tax Net Tech representatives if the computer support provided was for personal computers or companies. Zach Harris stated it was for personal computers. Council Member Cronin asked Duncan Murray for details on the reclamation business. Duncan Murray advised the owner counts plants and performs biological studies.

MOTION: Council Member Cronin made a motion to approve the business license application for Taz Net Tech Computer Support and All Basin Reclamation Monitoring LLC. Council Member Malan seconded the motion.

ROLL CALL: Council Member Peterson, Yes Council Member Malan, Yes
 Council Member Cronin, Yes Council Member Satterthwaite, Yes

Motion Approved. 4 Yes, 0 No.

C. PASS OUT WARRANTS TO COUNCIL MEMBERS (AND POSSIBLE DISCUSSION)

Shanna Johnson passed out the warrants.

ITEM 3: PRESENTATIONS

A. YARD OF THE MONTH AWARD FOR JULY

Mayor Nelson presented the yard of the month award for August to Mindy Burnett; this award included a \$25 gift card to Alpine Gardens. He thanked Mindy for her efforts to beautify the city.

Mayor Nelson recognized Dylan Smith for his Eagle Scout Project work. Dylan Smith explained that he refurbished the basketball court at Perry Park. He said they removed all of the weeds from the cracks in the court, pressure washed it, and hung new nets. Mayor Nelson thanked Dylan for his work.

B. PRESENTATION BY CLINT BEISINGER AND OTHERS REGARDING THE NEW CHARTER SCHOOL REVENUE BONDS

Clint Beisinger advised that the Promontory Charter School has asked the City for assistance with obtaining a bond anticipation note (temporary financing designed to provide short term funding, which would be replaced with longer term funding through tax exempt investors) for the school. The City would act as the conduit to tax exempt funding and would issue bonds to the school. The City would not have any monetary obligation, although participating could result in the City not being able to obtain any other bonds for the rest of the 2011 calendar year. He said all costs for the financing would be passed to the school. He said the Resolution presented tonight is just sets forth the parameters and explains what they are proposing. They are not asking the city to vote on this tonight. Mr. Beisinger stated that before the city takes a lot of time researching this, the school wants to ensure they have a potential investor for long term financing. When the school feels like they have a strong potential investor, they will come back to a future meeting and take the next step in the process. Jason Burningham (City Financial Advisor from Lewis Young Roberts and Burningham) stated Duncan Murray asked his organization to review this as financial advisors. He said Clint Beisinger's explanation was accurate. He stated the investor market for these endeavors is very narrow and it is challenging to obtain funding. He advised that the City would need to know the school has a purchaser/investor. He stated that if the city participates in this bonding and the bonding hits the max of \$10 million, the city would not be able to obtain bonding within that calendar year. Jason said the city would want to evaluate this and ensure that they will not require bonding within the near future for any other purpose. Jason stated the city would want to review the bond documentation to ensure that there is no legal or monetary obligation for the city. He said the City would also want to ensure that all compliance issues are taken care of by the school. He stated the City would want to consider the community rationale and said the City may want to adopt a policy in reference to conduit bond issuance. He advised the city would want to research bank qualification and analyze the impact of participating as a conduit issuer. The City would also want to ensure within that the agreement the school is required to pay all the city's costs for researching this bond and or participating as the conduit issuer. Jason said the city would also want to look at quid pro quo benefits such as an agreement allowing the opportunity for residents to use school facilities such as ball fields during certain available times. (See attached documents provided by Clint Beisinger and Jason Burningham in reference to this issue.)

ITEM 4: PUBLIC COMMENTS AND/OR PUBLIC HEARINGS

A. PUBLIC COMMENTS

Jay Newman stated that a neighbor asked that he deliver some paperwork to some of the elected officials and staff. He delivered that paperwork to various officials and staff.

He stated there is talk that the City may require a new business to place red paint along the highway. He asked if this will require all businesses along the highway to have red paint in front of them. Mr. Newman thanked emergency services including Officer Mike Colvin for their work the night his granddaughter died. He said they did everything they could to save her and they were very professional.

Gloria Crouch thanked the City for installing a light at Mt. View Park. She said it really helps and the police are doing a great job patrolling the area.

ITEM 5: LAND USE ISSUES

A. DISCUSSION REGARDING AUGUST 4, 2011 PLANNING COMMISSION MEETING

No discussion regarding the planning commission meeting.

ITEM 6: FINANCIAL, PUBLIC UTILITY, AND TECHNOLOGY ISSUES

A. DISCUSSION AND/OR ACTION REGARDING RESOLUTION 11-21 DECLARING PERRY CITY'S INTENT TO ISSUE CHARTER SCHOOL REVENUE BONDS

Mayor Nelson asked the next step for this. Jason Burningham stated the parameters resolution will be the next step and will require a public hearing. He stated the resolution will set the maximum parameters for funding and does not obligate that the City issue anything but establishes the City's intent to assist the school. He said they will come with final terms at some point and that would obligate the issuance along with bond documents. He said the parameters resolution is benign and just states the city is willing to look at this and research the bond issuance. Clint Beisinger stated they would like to have a parameter resolution ready for City review by the next Council meeting he said he will get an updated resolution to Duncan Murray prior to the meeting.

Approx. 8:04PM

B. REPORT AND OR ACTION REGARDING THE WASTEWATER TREATMENT FACILITY

Steve Pettingill reported that plant is functioning well and advised that he has encouraged Perry City to find influent leaks and get them repaired. He said they are currently working on coatings. He reported the Vactor Truck building is complete. Tyson advised he met with Shanna Johnson last Thursday and reviewed all finances for the construction of the plant. He advised all state funds have been expended he said there was \$31,000 in shortfalls. The City received \$28,000 from Sunrise Engineering for inspection work and the City is about at a wash with finances and revenues. He said there is \$81,000 in escrow for Spindler Construction and \$18,000 in escrow for Johansen Construction. He said the plan is to close out two contracts, closing out the contract for Spindler Construction and any bid items for Johansen construction in preparation for final acceptance later this month. Tyson advised action items presented tonight include Change Order 16 for Spindler Construction which is a decrease to the contract in the amount of \$40,953 and Change Order 9 for Johansen Construction for a decrease in contract in the amount of \$28,813. He reported Johansen has completed all work. Paul Nelson and Sunrise Engineering have reviewed it and he recommended the release of all retainage. He said Johansen is to provide some placards and he is recommending holding the check until these have been installed. He asked if Shanna Johnson if she had anything to add. Shanna stated that later in the meeting the city will approving warrants. Shanna advised one of the warrants is for engineering of the Vactor Truck Building. She explained that when sunrise originally presented a cost estimates for the building in February the engineering was presented and approved by the Council. When final pricing was received in March the Council approved a not to exceed amount for the building of \$62,000, Scott Archibald stated this included everything but electrical. Electrical was then approved and now Sunrise is requesting approval for engineering work completed on this project. Shanna pointed out the State did require Sunrise Engineering engineer the building. She reported that the building is not complete. Shanna also reported that although State funding has been exhausted, the City has collected impact fees and other revenues in the Sewer Fund that will cover debt reserve and other system improvements. She stated that the project is coming to a close and is pretty much at a wash. She said the project was successful as the city was able to not only complete the plant with available funds, but also complete the construction of the Vactor Truck storage building, which was not part of the original plan.

Council Member Cronin said she has had citizens contact her in reference to the coatings at the plant and asked for a status report on this. Tyson Knudsen reported that the engineers have worked with Tnemec Robert Bebee and Bruce Howard on this work. He said everyone is happy with the work completed thus

far and they predict that all coating repairs will be complete by the middle of September. Council Member Cronin asked if monies are being released prior to this being corrected. Tyson said that no monies are being released to Spindler at this time. Council Member Cronin questioned the warrant up for approval in the amount of \$9,705.08. Tyson advised credits due to Perry City were found and this warrant is no longer due and should be voided. Shanna advised she would void this on Monday and recommended the Council exclude this warrant from approval. Council Member Cronin stated that the not to exceed amount (\$62,552) approved by the Council on March 25, 2011 for the Vactor truck building was to include all construction and engineering costs except for electrical and Scott Archibald of Sunrise Engineering agreed to the not to exceed amount. Council Member Cronin advised if this additional amount for engineering is approved it would be done as a good will effort. Tyson recognized that this was the case. Council Member Walker said he felt this is the same old situation where Sunrise presents one amount and then comes back for more money.

MOTION: Council Member Cronin made a motion to approve Change Order 9 for Johansen Construction (with a decrease of \$28,813 in the City's favor), Change Order 16 for Spindler Construction (with a decrease \$40,953.73 in the City's favor), and give a Final Notice of Acceptance to Johansen Construction. Council Member Satterthwaite seconded the motion.

ROLL CALL: Council Member Peterson, Yes Council Member Malan, Yes
 Council Member Cronin, Yes Council Member Satterthwaite, Yes
 Council Member Walker, Yes
Motion Approved. 5 Yes, 0 No.

C. APPROVAL OF WARRANTS

MOTION: Council Member Malan made a motion to approve the warrants except for the \$9705.08 to Spindler Construction. Council Member Satterthwaite seconded the motion. Council Member Cronin had a question on the warrants.

ROLL CALL: Council Member Peterson, No Council Member Malan, No
 Council Member Cronin, No Council Member Satterthwaite, No
Motion Approved. 0 Yes, 4 No.

Council Member Cronin questioned the negative amount on the warrant list of -\$4,199.50 under Sunrise Engineering. Shanna Johnson advised this represents a voided check. She said the invoice originally included \$416.50 in training on the GIS system. Sunrise Engineering sent over revised invoices separating the training from the Vactor Truck Engineering, the check was voided and payments were reissued for \$416.50 (training on GIS system) and \$3783.00 (Vactor Truck Building project management).

MOTION: Council Member Malan made a motion to approve the warrants except for the \$9705.08 to Spindler Construction. Council Member Satterthwaite seconded the motion.

ROLL CALL: Council Member Peterson, Yes Council Member Malan, Yes
 Council Member Cronin, Yes Council Member Satterthwaite, Yes
Motion Approved. 4 Yes, 0 No.

D. REVIEW AND SELECT BID REGARDING THE MADDOX LANE PROJECT (WEST OF HWY 89)

Duncan Murray advised a bid opening took place on Tuesday for asphalt improvement work on a portion of Maddox Lane (a non-dedicated street in Perry City). He stated that four construction companies picked up bid packets and only three submitted bids for consideration. He said the apparent low bidder is Staker Parsons coming in at little under \$50,000. He advised the Council is tasked with awarding a bid for the project. Duncan stated that we may also use the contractor selected to complete parking lot work at the Centennial Soccer Park. Lorin Gardner said he has been working with both landowners (Alpine

Meadows & Maddox Ranch House), they are responsible for the concrete work and they are working to secure contractors with this work. Council Member Malan said this is not dedicated at this time. Duncan said correct, but we feel this will be dedicated in the future and the work will be compliant with city standards. Mayor Nelson questioned if there were funds available to complete the dedication. Duncan said we he would include an agenda item on the next agenda and research if funds are available. Council Member Malan stated if we can't dedicate the entire road at this time, then he would suggest dedicating the portion of the road being considered for these improvements now. Council Member Peterson asked how large the improvement area is. Lorin stated he believed it was about 575 feet. Council Member Peterson said he has a problem with completing these improvements because the business owners are the only ones benefiting from this, not the citizens.

MOTION: Council Member Malan made a motion to accept the bid from Staker Parsons in the amount of \$49,538.05 for work to be completed on the Maddox Lane road project. Council Member Satterthwaite seconded the motion.

ROLL CALL: Council Member Peterson, Yes Council Member Malan, Yes
 Council Member Cronin, Yes Council Member Satterthwaite, Yes
 Motion Approved. 4 Yes, 0 No.

E. MONTHLY FINANCIAL REPORT

Shanna Johnson reviewed a budget update for July of Fiscal Year ending 2012 (8% through Fiscal Year). She reviewed collected revenues stating: the General Fund has collected 7%, the Utility Fund has collected 11%, the Sewer Fund has collected 6% and 17.79% of non-operating revenues have been received. Shanna reviewed expenses advising the 9.7% of the General Fund budget has been expended, 6% of the Utility Fund budget has been spent, and 1.6% of the Sewer Fund budget has been expended. Shanna reported sales tax revenue was up in July by 3.51%. Shanna advised that some revenues and expenses in this report belong to fiscal year 2011 and after year-end accruals take place these numbers may change. She said McEwan and Associates have completed their accounting work at this time and Davis & Bott will now begin working on our year end accruals, and audit prep. Shanna Johnson stated she has tracked all expenses made at the wastewater treatment plant and has a spreadsheet she can send to the Council that will show all finances for the project and remaining revenues in the fund.

ITEM 7: PERSONNEL ISSUE

A. CONSIDER A MOTION TO EXTEND THE APPOINTMENT OF DALE WEESE AS INTERIM CHIEF UNTIL A CHIEF OF POLICE IS HIRED

Mayor Nelson advised the Council's previous appointment of Dale Weese as Interim Chief has elapsed and he would like to extend the appointment until a permanent Chief of Police is hired. Council Member Peterson asked how long an extension the Mayor would like. Mayor Nelson recommended 6 months or until the end of the calendar year. Duncan Murray recommended until the end of January so new council members are prepared to make final decision on the position.

MOTION: Council Member Cronin made a motion to extend the appointment of Dale Weese at Interim Chief for 6 months. Council Member Peterson seconded the motion.

ROLL CALL: Council Member Peterson, Yes Council Member Malan, Yes
 Council Member Cronin, Yes Council Member Satterthwaite, Yes
 Motion Approved. 4 Yes, 0 No.

B. RESOLUTION 11-22 APPROVING AN INTERLOCAL AGREEMENT WITH BOX ELDER COUNTY FOR JUSTICE COURT SERVICES

Mayor Nelson stated this is just up for discussion at this time and not up for final approval. Duncan Murray stated he drafted the Resolution after meetings with the Judge, Court Clerks and our Prosecuting attorney. He said the next step is to get feedback from the County and then gain final approvals. Council

Member Peterson asked if 55% of collected fines is negotiable. Duncan said he thinks this is all we will be able to get because this is what Brigham City was able to get through their recent agreement with the County. Duncan said this agreement will also ensure better tracking and reporting from the County, which should result in more money; he feels that some citations have been miscoded in the past. He said the agreement also allows the city to increase the cost of traffic school.

MOTION: Council Member Malan made a motion to table the Resolution until final changes have been received from the County. Council Member Cronin seconded the motion.

ROLL CALL: Council Member Peterson, Yes Council Member Malan, Yes
 Council Member Cronin, Yes Council Member Satterthwaite, Yes
Motion Approved. 4 Yes, 0 No.

ITEM 8: APPROVAL OF MINUTES, CITY COUNCIL & MAYOR REPORTS

A. APPROVAL OF MINUTES FOR:

1. AUGUST 11, 2011 CITY COUNCIL MEETING

- **Page 2, Line 11:** Council Member Malan requested “unknown citizen” be changed to Doyle Russell.
- **Page 1, Line 47:** Council Member Cronin requested this be reworded to read: ‘Council Member Cronin advised the Mayor she had invited Japanese exchange students who were staying with host families living in Perry to the meeting to be recognized and welcomed.’
- **Page 2, Line 38:** Council Member Cronin requested that the following be added: ‘...or it would revert to the zoning and land use chart in place at that point.’
- **Page 3, Line 25:** Council Member Cronin requested this be reworded to read: ‘The City is not completely recuperating the costs for the traffic school.’
- **Page 4, Line 31:** Council Member Cronin requested Steve Pettingill be added to the committee as a Planning Commission member and requested Matt Hansen is identified as a business owner in that area.

MOTION: Council Member Peterson made a motion to approve the minutes for the August 11, 2011 City Council Meetings, as amended. Council Member Malan seconded the motion.

ROLL CALL: Council Member Peterson, Yes Council Member Malan, Yes
 Council Member Cronin, Yes Council Member Satterthwaite, Yes
Motion Approved. 4 Yes, 0 No.

B. BOYD MALAN: None.

C. MARCI SATTERTHWAITE: None.

D. KAREN CRONIN: Council Member Cronin said the BEAR Program is getting reports back from interviews that have taken place. Two businesses reported issues with police response times on alarms. She said she spoke to Interim Chief Dale Weese and he has assured her that those were calls from a year ago and response time has since improved. She requested that any businesses in Perry that could benefit from the BEAR program be referred.

E. BILL WALKER: Absent.

F. TOM PETERSON: Council Member Peterson stated he has been thinking about what needs to be done to improve our City. He said he feels we need to make our City more business friendly. He said in order to achieve this he would like to the Council to consider eliminating impact fees for businesses and doing away with the sign ordinance and have these be approved by design review. He felt the money lost in impact fees would be made up in jobs and sales tax in the community. Mayor Nelson agreed with Council Member Peterson.

G. MAYOR NELSON: Mayor Nelson reported that the area by the sewer lagoons, which has been used in the past by the public for hunting and shooting, has now been closed. He said there has been vandalism at the site. He explained the police have set up an obstacle course for the police to use, someone went and shot up the building and equipment at the site and ran over it with a vehicle. There

has also been fencing stolen. He said some of these items and equipment was being used for funding through a matching grant. He stated the area has been shut down, the combination lock has been removed and a key lock has been installed.

H. ITEMS FOR NEXT CITY NEWSLETTER:

- Mayor Nelson requested something be placed in the next newsletter regarding the Eagle project that took place at the basketball courts at Perry Park.

ITEM 9: ADJOURNMENT (NEXT REGULAR MEETING ON SEPTEMBER 8, 2011)

A. MOTION TO ADJOURN

MOTION: Council Member Cronin made a motion to adjourn. Council Member Peterson seconded the motion.

ROLL CALL: Council Member Peterson, Yes
Council Member Cronin, Yes

Council Member Malan, Yes
Council Member Satterthwaite, Yes

Motion Approved. 4 Yes, 0 No.

The meeting adjourned at 9:33PM.

Susan Obray, City Recorder

Jerry Nelson, Mayor

Shanna Johnson, Chief Deputy Recorder