

MINUTES OF THE REGULAR CITY COUNCIL MEETING HELD MAY 5, 2016, AT THE HYRUM CITY COUNCIL CHAMBERS, 60 WEST MAIN, HYRUM, UTAH.

**CONVENED:** 6:30 P.M.

**CONDUCTING:** Mayor Stephanie Miller

**ROLL CALL:** Councilmembers Kathleen Bingham, Jared L. Clawson, Paul C. James, and Craig L. Rasmussen were 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 eleven citizens. City Recorder Stephanie Fricke recorded the minutes.

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

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

**INVOCATION:** Mayor Miller

**APPROVAL OF MINUTES:**

The minutes of a regular meeting on April 21, 2016 were approved as written.

**ACTION** Councilmember James made a motion to approve the minutes of April 21, 2016 as written. Councilmember Bingham seconded the motion and Councilmembers 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 May 5, 2016 as written. Councilmember Bingham seconded the motion and Councilmembers Bingham, Clawson, James, and Rasmussen voted aye. The motion passed.

## AGENDA

9. PUBLIC HEARING:
  - A. To discuss the project determined to be applied for in the 2016 CDBG Small Cities Program as follows: Bear River Head Start, under sponsorship of Hyrum City, plans to construct a new playground at the Hyrum Head Start Center located at 80 West 100 South, Hyrum, Utah 84319. The CDBG in the amount of \$30,304 will be used for the removal of the existing playground and installation of the new playground as well as reinstalling wood fibers.
10. SCHEDULED DELEGATIONS:
  - A. Lisa Swing - To request a Home Occupation Business License at 58 North Center for the growing and selling fruits and vegetables, flowers, and herbs.
  - B. Lisa Swing - To request a Home Occupation Business License at 58 North Center for the raising and breeding of registered dairy goats.
  - C. Jason Watterson, Utah Local Governments Trust - To present Hyrum City with its Trust Accountability Program Award.
  - D. Ryan Reeves, Blacksmith Fork Villas - To discuss waiving and/or reducing impact fees for Blacksmith Fork Willows Assisted Living Center.
  - E. Stewart Lamb, Kilgore Company - To discuss the conditions and requirements to be included in the annexation agreement for Kilgore Company.
11. INTRODUCTION AND ADOPTION OF RESOLUTIONS:
  - A. Resolution 16-11 - A resolution amending the bail schedule for Title 6 the Animal Ordinance of the Hyrum City Municipal Code.
  - B. Resolution 16-12 - A resolution amending and adopting the Canyon Lodge Rental Fee and Deposit Schedule and Rental Agreement.
  - C. Resolution 16-18 - A resolution granting to Questar Gas Company a Franchise for the construction, operation and maintenance of a gas distribution system in Hyrum City, Cache County, State of Utah.
12. OTHER BUSINESS:
  - A. Certification of Annexation Petition (Kilgore Company).
  - B. Presentation of the 2016-2017 Operating Budgets.
  - 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.

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

***PUBLIC HEARING:***

**TO DISCUSS THE PROJECT DETERMINED TO BE APPLIED FOR IN THE 2016 CDBG SMALL CITIES PROGRAM AS FOLLOWS: BEAR RIVER HEAD START, UNDER SPONSORSHIP OF HYRUM CITY, PLANS TO CONSTRUCT A NEW PLAYGROUND AT THE HYRUM HEAD START CENTER LOCATED AT 80 WEST 100 SOUTH, HYRUM, UTAH 84319. THE CDBG IN THE AMOUNT OF \$30,304 WILL BE USED FOR THE REMOVAL OF THE EXISTING PLAYGROUND AND INSTALLATION OF THE NEW PLAYGROUND AS WELL AS REINSTALLING WOOD FIBERS.**

Mayor Miller said she would accept a motion to open the second public hearing for the Community Development Block Grant program. This hearing is being called to allow all citizens to provide input concerning the projects awarded under the 2016 CDBG program.

Hyrum City has agreed to apply on behalf of the Bear River Head Start Program and has amended its regional Capital Improvement List to include this project. The application was successful in the regional rating and ranking process and Bear River Head Start will receive \$30,304 to purchase and install new playground equipment.

Jane Despain with Bear River Head Start said this application for Bear River Head Start will help pay for the replacement of playground equipment and safety bark around the playground. The current playground equipment is old and is no longer safe for the children and the bark needs to be replaced.

**ACTION**

**Councilmember Bingham made a motion to at 6:35 p.m. to open the public hearing to discuss projects determined to be applied for in the 2016 CDBG Small Cities Program as follows: improvements for the Bear River Head Start Program in the amount of \$30,304 to purchase and install new playground equipment and reinstalling wood fibers. Councilmember Clawson seconded the motion and Councilmembers Bingham, Clawson, James, and Rasmussen voted aye. The motion passed.**

Mayor Miller said copies of the Capital Improvement List will be

available on the Hyrum City Website or by request. She then asked for any public comment.

There being no public comment Mayor Miller called for a motion to close the public hearing.

**ACTION**

Councilmember Clawson made a motion to at 6:36 p.m. to close the public hearing discussing projects determined to be applied for in the 2016 CDBG Small Cities Program as follows: improvements for the Bear River Head Start Program in the amount of \$30,304 for the purchase and installation of new playground equipment and reinstalling wood fibers. Councilmember James seconded the motion and Councilmembers Bingham, Clawson, James, and Rasmussen voted aye. The motion passed.

***SCHEDULED DELEGATIONS:*****LISA SWING - TO REQUEST A HOME OCCUPATION BUSINESS LICENSE AT 58 NORTH CENTER FOR THE GROWING AND SELLING FRUITS AND VEGETABLES, FLOWERS, AND HERBS.**

Lisa Swing said she wants to grow and sale fruits, vegetables, flowers, and herbs from her home at 58 North Center. She will be mainly selling these items at farmers markets. She has to have a business license to attend these events.

Lisa Swing said she also has 3 registered dairy goats that she breeds and then sales the kids. The kids are in great demand from people who choose or can only drink goat milk. The goats are kept in the pasture behind her home. Her property is large enough for her to keep 3 goats and some kids. She only wants to keep the kids until they are at a point they can be weaned from their moms. In order to sale the kids as registered goats she needs a separate business license from the vegetables, fruits, flowers, and herbs business.

**ACTION**

Councilmember James made a motion to approve two Home Occupation Business Licenses for Lisa Swing at 58 North Center: 1. Belly Acres Farm for fruits, vegetables, flowers, and herb sales; and 2. Katsikostas Livestock for the breeding and selling of goats with the condition that the goats remain fenced in the back yard. Councilmember Rasmussen seconded the motion and Councilmembers Bingham, Clawson, James, and Rasmussen voted aye. The motion passed.

**LISA SWING - TO REQUEST A HOME OCCUPATION BUSINESS LICENSE AT 58 NORTH CENTER FOR THE RAISING AND BREEDING OF REGISTERED DAIRY GOATS.**

This item was discussed and approved earlier in the meeting under Lisa Swing - To request a home occupation business license at 58 North Center for the growing and selling of fruits, vegetables, flowers, and herbs.

**JASON WATTERSON, UTAH LOCAL GOVERNMENTS TRUST - TO PRESENT HYRUM CITY WITH ITS TRUST ACCOUNTABILITY PROGRAM AWARD.**

Jason Watterson with Utah Local Governments Trust said Utah Local Government Trust provides Hyrum City with its employee life insurance policies, workers compensation policy, and its personal and real property liability insurance policies. Automobile accidents are the biggest claims and sewer back-ups are the second largest claims against cities. A few years ago the Trust developed a program to help its insured clients reduce risks and limit liability which is called Trust Accountability Program (TAP). Hyrum City is a participant of the TAP Program and receives reduced rates for it. Hyrum City has an active safety committee that meets monthly, it reviews employees' driver license records to ensure there are no employees with excessive citations, and it conducts annual inspections of the sewer systems including manholes. He then presented Hyrum City with the Utah Local Government Trust's Trust Accountability Program Award for its participation in the program.

Mayor Miller thanked Jason for his help and training he provides to City Staff.

**RYAN REEVES, BLACKSMITH FORK VILLAS - TO DISCUSS WAIVING AND/OR REDUCING IMPACT FEES FOR BLACKSMITH FORK WILLOWS ASSISTED LIVING CENTER.**

Ryan Reeves with Blacksmith Fork Villas said he is excited to get started building the Blacksmith Fork Willows Assisted Living Center. The assisted living center will provide 36 living units that will hold one single adult. He asked the City Council to consider reducing impact fees for the assisted living center by 67%.

Councilmember James said Hyrum City has already agreed to reduce the park impact fees by 85%. The only two other impact fees would

be water and sewer.

City Administrator Ron Salvesen said he contacted North Logan and a few other cities and reducing impact fees for assisted living centers are very common.

**ACTION**

**Councilmember Rasmussen made a motion to reduce Blacksmith Fork Willows Assisted Living Center's impact fees for water and sewer by 67%. Councilmember Clawson seconded the motion and Councilmembers Bingham, Clawson, James, and Rasmussen voted aye. The motion passed.**

**STEWART LAMB, KILGORE COMPANY - TO DISCUSS THE CONDITIONS AND REQUIREMENTS TO BE INCLUDED IN THE ANNEXATION AGREEMENT FOR KILGORE COMPANY.**

Lee Anderson said he is the General Manager for the Logan area of Kilgore Company. He has asked Stewart Lamb the engineer for the relocation of the concrete plant and annexation of the property in Hyrum to be here tonight along with Kilgore's Attorney Graden Jackson. Graden is here to get the information needed to compile an annexation agreement addressing the City's concerns and requirements that are necessary by Hyrum City to annex its property into Hyrum.

Stewart Lamb said in order to expedite the annexation process of the Kilgore property Kilgore wants to move ahead with the annexation agreement so that Kilgore understands what the City is willing to provide and its expectations. Kilgore does not want to get to the end of the annexation process only to find out there are things that the City will not provide that would be necessary for Kilgore to annex into the City. The following are items that Kilgore is asking for: 1. A \$500,000 sales and property tax refund/credit over the next five years; 2. Utilities be brought by the City to the location of the new concrete plant; 3. To allow Kilgore to provide the 3 acre feet of water per acre of ground requirement for all additional property being annexed at the time of development of the ground; 4. Zoning of the property be Manufacturing M-2; and 5. Waive parks, sewer, and water impact fees.

Stewart Lamb said rough estimates of property and sales tax generated by Kilgore over a five year time period should be around \$500,000. It is estimated that property tax revenues will be around \$18,000 and \$79,000 in sales tax.

A lengthy discussion ensued on the requests made by Kilgore Company and the requirements the City will place on Kilgore.

1. Sales/Property Tax: The City is concerned about guaranteeing a refund/credit of \$500,000 in sales and property tax over the next five years. After five years Kilgore could move its plant and the City would not receive any tax benefit. There is also no guarantee that Kilgore will bring in that much sales tax revenue over the next five years. The City Council recommended the annexation agreement include the City will refund/credit Kilgore 50% of Hyrum City's portion of taxes paid by Kilgore in Hyrum over the next 10 years with no minimum or cap on the tax credit/refund.

2. Utilities: Sewer - Hyrum City does not have the equipment or equipment operators to install a sewer line across Kilgore's parking lot, since Kilgore has the equipment and experienced operators the City and Kilgore agreed that Kilgore will install and pay all costs associated with extending a lateral sewer line from the sewer manhole to the site. The sewer line will need to be installed to Hyrum City's standards and be approved by the City Engineer. Water - Hyrum City will pay and install the water line from the main line to the site approximately 250'. Kilgore will provide an excavator and an operator if one is necessary to install the water line. Electric - Hyrum City will meet with its Electric Superintendent to determine costs associated with extending an electric line to the existing Kilgore building and a 400 amp transformer. If the cost is reasonable Hyrum City will provide equipment and install electric line. This will be determined at the next City Council meeting. Rocky Mountain is currently serving Kilgore's building so Hyrum City will need to contact Rocky Mountain to determine a price for the City to take over the electrical service.

3. Water Rights/Shares: Hyrum City will require Kilgore to provide Hyrum City 3 acre feet of water per acre of ground for the three acres of ground (a total of 9 acre feet of water) that is including in this first annexation. The second property being annexed will not be required to submit water as required by the Code until such time as the property is developed, at which time water will be required for the property.

4. Zoning: Zoning for the property will be Manufacturing M-2.

5. Impact Fee: The City will waive the impact fee for culinary water, sewer, and parks for this 3 acre piece for the uses of the property that are being approved at this time.

6. All Other Property: The City will require Kilgore to annex all adjacent property (Kilgore owns) to the proposed annexation as a second annexation. This property will also be zoned Manufacturing M-2.

Attorney Graden Jackson said he would have a rough draft of the annexation agreement for the next City Council Meeting.

**INTRODUCTION AND APPROVAL OF RESOLUTIONS:**

**RESOLUTION 16-11 - A RESOLUTION AMENDING THE BAIL SCHEDULE FOR TITLE 6 THE ANIMAL ORDINANCE OF THE HYRUM CITY MUNICIPAL CODE.**

**ACTION**

Councilmember James made a motion to approve Resolution 16-11 amending the bail schedule for Title 6 of the animal control ordinance of the Hyrum City Municipal Code. Councilmember Clawson seconded the motion.

Councilmember Rasmussen suggested lowering the dog bite from \$500 to \$200 for the first offense and \$400 for all subsequent offenses. There are some occasions when a dog bite is provoked or when it is only a nip and a \$500 ticket is a substantial amount for a dog owner to pay, plus there are usually other citations issued for a bite.

Councilmembers James and Clawson did not accept the amendment to the motion.

A vote was taken on the original motion and Councilmembers Bingham, Clawson, and James voted aye; and Councilmember Rasmussen voted nay. The motion passed.

**RESOLUTION 16-12 - A RESOLUTION AMENDING AND ADOPTING THE CANYON LODGE RENTAL FEE AND DEPOSIT SCHEDULE AND RENTAL AGREEMENT.**

**ACTION**

Councilmember Rasmussen made a motion to approve Resolution 16-12 amending and adopting the Canyon Lodge Rental Fee and Deposit Schedule and the Rental Agreement with the following amendments: Canyon Lodge Rental Fee



and Deposit Schedule 1st line delete "use" before "overnight use of the building."; Canyon Lodge Rental Agreement 1<sup>st</sup> paragraph, last sentence add "." After "... you are only renting"; Canyon Lodge Rental Agreement number 9. Change "used" to "use"; last paragraph, 2<sup>nd</sup> sentence after "...rent said facility" change "at the" to "and shall not"; and Canyon Lodge Rental Agreement last paragraph, 3<sup>rd</sup> sentence change "retaining" to "pertaining". Councilmember James seconded the motion and Councilmembers Bingham, Clawson, James, and Rasmussen voted aye. The motion passed.

**RESOLUTION 16-18 - A RESOLUTION GRANTING TO QUESTAR GAS COMPANY A FRANCHISE FOR THE CONSTRUCTION, OPERATION AND MAINTENANCE OF A GAS DISTRIBUTION SYSTEM IN HYRUM CITY, CACHE COUNTY, STATE OF UTAH.**

**ACTION**

Councilmember James made a motion to approve Resolution 16-18 granting Questar Gas Company a franchise for the construction, operation and maintenance of a Gas Distribution System in Hyrum City, Cache County, State of Utah. Councilmember Clawson seconded the motion and Councilmembers Bingham, Clawson, James, and Rasmussen voted aye. The motion passed.

***OTHER BUSINESS:***

**CERTIFICATION OF ANNEXATION PETITION (KILGORE COMPANY).**

City Recorder Stephanie Fricke said she worked with City Attorney Jon Jenkins to ensure that the Kilgore Company Annexation Petition met the requirements of State Law. It was determined the annexation petition met such requirements and a copy of the Certification of Annexation Petition was given to Mayor Miller and each City Councilmember. Now it will go through the public notice and protest period. The earliest the public hearing will be held is June 16, 2016. An annexation agreement needs to be written during this time.

**ACTION**

Councilmember Rasmussen made a motion to accept the Certification of the Annexation Petition for Kilgore Company. Councilmember Clawson seconded the motion and Councilmembers Bingham, Clawson, James, and Rasmussen voted aye. The motion passed.

**PRESENTATION OF THE 2016-2017 OPERATING BUDGETS.**

Mayor Miller distributed a copy of the 2016-2017 Operating Budgets proposal. If the City Council has any questions on the budget they can contact City Administrator Ron Salvesen. A Budget Workshop will be held in a special meeting on May 19, 2016 at 5:30 p.m.

**MAYOR AND CITY COUNCIL REPORTS.**

Councilmember Rasmussen said Central Milling is considering merging its sprouted flour division with another company. This has the potential to grow substantially if the merger goes through. At the last City Council Meeting Armored Combat League asked the City Council about holding a medieval tournament as part of the 4<sup>th</sup> of July Celebration. He has spoken with the Soda Springs, Idaho Mayor and his wife about this event since an event like this is held and they said their community loves it. They have never had any major injuries. He suggested the City allow Armored Combat League to use Salt Hollow Park for a tournament during the 4<sup>th</sup> of July. The fighters would have to sign a waiver and the League would have to provide a liability insurance policy. The City Council agreed to include the Armored Combat League on its posters for the 4<sup>th</sup> of July and to allow them to use Salt Hollow Park. A masonry test is being conducted on the Elite Hall in the next couple of weeks. The posters are being hung up for Hot Wheels and Hots Dogs and it should be a great activity.

Councilmember James said softball and baseball teams started practicing and games should begin the end of May. He is working on the July 4<sup>th</sup> Celebration.

Councilmember Bingham said she has been busy with redecorating Hyrum City's float.

Councilmember Clawson said booth applications for the 4<sup>th</sup> of July are starting to come in.

Mayor Miller said the cabins will open June 7 and will be open on Tuesdays, Thursdays, and Saturdays from 11:30 to 2:30. The Blacksmith Park splash pad should be finished by the end of May.

**ADJOURNMENT:**

**ACTION**

**There being no further business before the City Council,  
the Council Meeting adjourned at 8:50 p.m.**

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Stephanie Miller

Mayor

ATTEST:

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Stephanie Fricke  
City Recorder

Approved: May 19, 2016  
as written