

MINUTES OF A REGULAR CITY COUNCIL MEETING HELD APRIL 21, 2016 AT THE CIVIC CENTER, 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 about 25 citizens were present. Deputy City Recorder Keesha Rinderknecht and Margaret Poppleton recorded the minutes.

WELCOME: Mayor Miller welcomed everyone in attendance.

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

INVOCATION: Councilmember Jared Clawson

APPROVAL OF MINUTES:

The minutes of a regular meeting on March 17, 2016 were approved as written.

ACTION

Councilmember James made a motion to approve the minutes of a regular City Council Meeting on March 17, 2016 as written. Councilmember Clawson 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 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.

Councilmember James said agenda items 11. A. Resolution 16-11 and 11.B. Resolution 16-12 needed a few corrections and need to be removed from the agenda. These two resolutions will be placed on the next City Council meeting agenda.

ACTION

Councilmember James made a motion to approve the agenda for April 21, 2016 as amended above. Councilmember Bingham seconded the motion and Councilmembers Bingham, Clawson, James, and Rasmussen voted aye. The motion passed.

AGENDA

8. PUBLIC COMMENT
9. PUBLIC HEARING:
 - A. To receive public comments regarding a proposed amendment to the Final Plats for Phases 1 and 3 of Blacksmith Fork Villas Retirement Community Planned Unit Development to change six single building lots to two triplex lots. This property is located at approximately 650 East Main.
10. SCHEDULED DELEGATIONS:
 - A. Cache County Councilmember Jon White - To discuss the process and formation of a Cache Water District.
 - B. Cache County Sheriff Chad Jensen - To discuss the 2015-2016 Law Enforcement Contract between Hyrum City and Cache County.
 - C. Dayton Crites, Cache County Trail Coordinator - To introduce himself and to discuss the trails in Cache County, future projects, and the services his office offers.
 - D. Kelly Calderwood - To request a Home Occupation Business License at 236 South 1130 East for a preschool.
 - E. Jackson Meats, Arnoed Combat League - To discuss holding a Medieval Tournament as part of the July 4th Celebration.
 - F. Jeff Covert, Car Service - To request Site Plan approval for an automobile repair shop at 40 West 300 North.
 - G. Ryan Reeves, Blacksmith Fork Villas - To request approval to amend the final plat for Phases 1 and 3 of Blacksmith Fork Villas Retirement Community Planned Unit Development located at 650 East Main Street to change six single family building lots to two triplexes.
 - H. Dan Larsen, Rolling Hills Estates - To request Preliminary Plat approval for Phase III of Rolling Hills Estates located at approximately 450 South 400 East consisting of 10 single family building lots.
 - I. Roy Savage, Hidden Valley Subdivision - To request Preliminary Plat approval for Hidden Valley Subdivision located at 30 North 650 West consisting of 43 single family building lots.

11. INTRODUCTION AND ADOPTION OF RESOLUTIONS AND AN ORDINANCE:
 - 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 16-13 - A resolution accepting a petition for annexation of certain real property under the provisions of Section 10-2-405, Utah Code Annotated, 1953, as amended (*Kilgore Companies, AKA Legrand Johnson Construction, Annexation - 3 Acres*).
 - D. Resolution 16-14 - A resolution accepting the Municipal Wastewater Planning Program and reviewing the self-assessment report for 2015.
 - E. Resolution 16-15 - A resolution approval of, and authorization to execute and deliver the renewal offer documents with Intermountain Power Agency (IPA).
 - F. Resolution 16-16 - A resolution approval of, and authorization to execute and deliver agreement for sale of renewal excess power with Intermountain Power Agency (IPA).
 - G. Resolution 16-17 - A resolution declaring certain Hyrum City Equipment as surplus and ordering the sale or disposal thereof.
 - H. Resolution 16-18 - A resolution to initiate the creation of the Cache Water District.
 - I. Ordinance 16-02 - An ordinance amending Chapter 6.08 Unlawful Acts of Title 6 (Animals) of the Hyrum City Municipal Code by adding Sections 16.08.100 Disturbing the peace prohibited, and 16.08.110 Attacking, chasing or worrying.
12. OTHER BUSINESS:
 - A. To approve sponsorship and use of the Elite Hall for a Mountain Crest FFA dance.
 - B. Consideration and appointment to the Hyrum Senior Center Board.
 - C. Consideration and approval of the 2016-2017 Law Enforcement Contract with Cache County.
 - D. Budget Report.
 - E. 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 RECEIVE PUBLIC COMMENTS REGARDING A PROPOSED AMENDMENT TO THE FINAL PLATS FOR PHASES 1 AND 3 OF BLACKSMITH FORK VILLAS RETIREMENT COMMUNITY PLANNED UNIT DEVELOPMENT TO CHANGE SIX SINGLE BUILDING LOTS TO TWO TRIPLEX LOTS. THIS PROPERTY IS LOCATED AT APPROXIMATELY 650 EAST MAIN.

ACTION

Councilmember Clawson made a motion to open the public hearing at 6:33 p.m. to receive public comments regarding a proposed amendment to the Final Plats for Phases 1 and 3 of Blacksmith Fork Villas Retirement Community Planned Unit Development to change six single building lots to two triplex lots. This property is located at approximately 650 East Main. Councilmember Rasmussen seconded the motion and Councilmembers Bingham, Clawson, James, and Rasmussen voted aye. The motion passed.

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

ACTION

Councilmember Clawson made a motion to close the public hearing at 6:34 p.m. Councilmember Rasmussen seconded the motion and Councilmembers Bingham, Clawson, James, and Rasmussen voted aye. The motion passed.

SCHEDULED DELEGATIONS:

CACHE COUNTY COUNCILMEMBER JON WHITE - TO DISCUSS THE PROCESS AND FORMATION OF A CACHE WATER DISTRICT.

Cache County Councilmember Jon White said he is requesting the Hyrum City Council approve a resolution allowing the citizens of Hyrum to vote to form a water district by putting this on the ballot in November. Other communities around the County have supported this idea to form a water district. It is a critical time to do this to preserve the water we have.

Councilmember James said it will cost to form the water district but the county council will revert the tax that is placed for our water portion back to the water district.

Cache County Councilmember Jon White said for the first four years Cache County will allocate money for water no tax money going into it. The water district would consist of an elected official from each community involved, Paradise, Hyrum, Wellsville and Mendon, 3 elected at large, and also one appointed official from agriculture. Cache County will pay for the formation and get it going.

Councilmember Rasmussen said paragraph 3 of the Resolution follows state code and provides the authority for this special service district to essentially do whatever it wants to do with water.

Cache County Councilmember Jon White said that is true. The water district will have unlimited authority, but will not have authority to take someone's water right.

Councilmember Rasmussen said he understood that and commented that preserving our reserve in the Bear River. Having a vote is very important to him and he agrees with this idea. He is a little hesitant to open up an unlimited authority. He would rather see a limited authority for now for the current needs and then as the needs grow, expand authority as needed. He thinks there will be a lot of resistance from the public for a complete authority district being set up.

Bob Fotheringham said they have a diverse work group who have put together a limited purpose statement. He said more information about water conservation can be found at cachewatersystem.com. He said he agrees with Councilmember Rasmussen that limited power is a good idea. The new district will have limited power and will work with communities and cities. Based on the by-laws some changes would have to be changed by a super majority. An elected board is different than any that is currently set up and this will be a leader and a model in the State.

Cache County Councilmember Jon White said that if the local communities don't take responsibility the state will take control of the water.

Councilmember James said that this water district would give us a voice instead of just an opinion.

Bob Fotheringham said the way things are now, we have a voice, but it is lacking authority. Having a water conservancy district enables the county to levy taxes for water planning and development.

Cache County Councilmember Jon White gave each Councilmember a Meeting Schedule Option outlining the specific dates and process that needs to be followed to form a water district.

CACHE COUNTY SHERIFF CHAD JENSEN - TO DISCUSS THE 2015-2016 LAW ENFORCEMENT CONTRACT BETWEEN HYRUM CITY AND CACHE COUNTY.

Cache County Sheriff Chad Jensen thanked the City Council for the opportunity to give the Sheriff Department's report for last year and its goals for this upcoming year. Cache County Sheriff's Office wants to provide the best public safety at a rate that all can afford. He is excited about the level of communication he has with the community. He said communication has been really good and they plan on continuing to improve that. Cache County Sheriff's office has changed the patrol schedule from a 10 hour shift to an 8 hour shift which has increased the patrol coverage capacity. Hyrum City has three dedicated cars. Having dedicated cars increases the ability to address needs and provide better service. Restructuring the office has enabled them to keep costs down and provide better public safety. Turnover rate has improved which helps cut costs. Interest in law enforcement has decreased which makes it difficult to find and keep good employees. Long term budget planning has enabled them to make changes in equipment purchasing and adding additional patrol personnel. Cache County Sheriff's Office has been able add a K-9 unit. This K-9 is an apprehension dog as well as a detection dog. The Sheriff's office will also be adding another resource officer that will be assigned at Ridgeline High School in the fall.

Cache County Sheriff Chad Jensen said for the contract year which runs through June 2016 Hyrum City will receive 8,250 hours of service. Calls for service will be approximately 1,750; traffic citations will be approximately 1,120; and arrests approximately 475. The calls for service indicate that the public trust law enforcement. He likes the calls and said that is what keeps them informed.

Mayor Miller said the contract price is same as last year and she appreciates the job Cache County Sheriff's department does for Hyrum. The officer's assigned to Hyrum are outstanding and do a wonderful job.

DAYTON CRITES, CACHE COUNTY TRAIL COORDINATOR - TO INTRODUCE HIMSELF AND TO DISCUSS THE TRAILS IN CACHE COUNTY, FUTURE PROJECTS, AND THE SERVICES HIS OFFICE OFFERS.

Dayton Crites said he is the new Cache County Trails Planner. He plans trails to benefit the community. Just as communities plan

infrastructure to ensure clean water, and other utilities, communities need to plan trails to benefit citizens and stitching our communities together. As the community grows, Bonneville shoreline, canal trails, and protected bike ways on streets shouldn't just be limited to one community. It should be something that connects through all communities, providing a safe access for people to move around.

Dayton Crites said he works for Cache County but is a circuit writer, which means he works for Hyrum, or any other community who wants him to work for them. There are many grants available for trail development through UDOT. He is currently working with Hyrum City Administrator Ron Salvesen on the Blacksmith fork project which would connect Bonneville shoreline all the way North to Millville and Providence. He said he will protect property owner's rights and has been working with land owners.

City Administrator Ron Salvesen said Dayton has spent a considerable amount of time in Hyrum working on projects and said Hyrum City appreciates the time spent.

KELLY CALDERWOOD - TO REQUEST A HOME OCCUPATION BUSINESS LICENSE AT 236 SOUTH 1130 EAST FOR A PRESCHOOL.

ACTION

Councilmember James made a motion to approve Kelly Calderwood for a Home Occupation Business License at 236 South 1130 East for a preschool. Councilmember Clawson seconded the motion and Councilmembers Bingham, Clawson, James and Rasmussen voted aye. The motion passed.

JACKSON MEATS, ARNORED COMBAT LEAGUE - TO DISCUSS HOLDING A MEDIEVAL TOURNAMENT AS PART OF THE JULY 4TH CELEBRATION.

Jackson Meats said Arnored Combat League is requesting to hold a regional tournament in Hyrum City. If approved Arnored Combat League will provide its own insurance policy for the event.

Ryan Weaver of the Arnored Combat League said the space needed to have a tournament would need to be 40 feet by 60 feet with a 10 foot buffer zone to keep spectators at a safe distance from the fighting. They are hoping to hold it at the Hyrum Rodeo Grounds. Rodeo arena's work really well. It is beneficial to have an event like this after a parade to keep people in town.

Mayor Miller asked how many participants are usually involved and if admission is charged.

Ryan Weaver said it varies but usually in a regional tournament there are 7-9 fighters. There would not be an admission charge. This is a great opportunity to get publicity for an event like this. A tournament can last between 1-3 hours and then if the city allowed extra time they can turn into a practice session for the fighter and give the public an opportunity to interact and talk to the fighters.

James asked about serving alcohol and if it would be a problem if no alcohol would be available at an event like this.

Ryan Weaver said no alcohol would be served or consumed. The fighters are engaging in full contact. Some of the fighters are trained medical staff in the league and usually have them at the fights. If the county has an ambulance available he would request an ambulance be on site. Injuries range from flesh wounds, concussions and stitches, but the worst he has ever seen is an amputation of a finger.

Councilmember James has concerns with the City sponsoring this type of activity. He is also concerned about liability to the City and does not think the City should sponsor or rent its park or facilities to an activity with fighting and injuries. He said he wouldn't recommend having this activity as part of the Hyrum City July 4th Celebration.

Mayor Miller said they are welcome to rent the Rodeo Grounds and do their own advertising but the city would not sponsor this as part of the July 4th Celebration.

Mayor Miller and Councilmember Rasmussen will review information and speak with a contact person with the City of Soda Springs, Idaho and get back with Arnoed Combat League.

JEFF COVERT, CAR SERVICE - TO REQUEST SITE PLAN APPROVAL FOR AN AUTOMOBILE REPAIR SHOP AT 40 WEST 300 NORTH.

Mayor Miller said the council has had an opportunity to look at the site plan approval and asked if there are any questions. No questions.

ACTION

Councilmember Clawson made a motion to approve Jeff Covert, Car Service's Site Plan for an automobile repair shop at 40 West 300 North. Councilmember James seconded the motion and Councilmembers Bingham, Clawson, James, and Rasmussen voted aye. The motion passed.

RYAN REEVES, BLACKSMITH FORK VILLAS - TO REQUEST APPROVAL TO AMEND THE FINAL PLAT FOR PHASES 1 AND 3 OF BLACKSMITH FORK VILLAS RETIREMENT COMMUNITY PLANNED UNIT DEVELOPMENT LOCATED AT 650 EAST MAIN STREET TO CHANGE SIX SINGLE FAMILY BUILDING LOTS TO TWO TRIPLEXES.

Brett Rigby of Blacksmith Fork Villas they are asking to change the six single family building lots to two triplexes which will allow for more green space.

ACTION

Councilmember James made a motion to approve the final plat of Blacksmith Fork Villas as amended Phases 1 and 3 of Blacksmith Fork Villas Retirement Community Planned Unit Development located at 650 East Main Street to change six single family building lots to two triplexes. Councilmember Bingham seconded the motion and Councilmembers Bingham, Clawson, James, and Rasmussen voted aye. The motion passed.

DAN LARSEN, ROLLING HILLS ESTATES - TO REQUEST PRELIMINARY PLAT APPROVAL FOR PHASE III OF ROLLING HILLS ESTATES LOCATED AT APPROXIMATELY 450 SOUTH 400 EAST CONSISTING OF 10 SINGLE FAMILY BUILDING LOTS.

Councilman Rasmussen said where the canal turns from an open ditch to a canal pipe there will be a need to maintain that area. Will Hyrum City have access to maintain the pipeline?

City Administrator Ron Salvesen said there is an existing right of way and that is what would be used to access that area.

Dan Larsen said they own up to the canal. They don't own the canal although they have offered to pipe the canal. He said the lots end before the canal.

Councilmember Rasmussen asked if there is a canal easement or a canal right of way? He said he thinks there is a need to clarify who owns the property. He said there is a gap between the Leo C. Nielsen subdivision and the canal. He said to clarify who owns the property.

Councilmember Clawson asked Dan if they are planning on putting up a fence along canal to define the property line.

Dan Larsen said they have no plans on putting up a fence. Fencing would be up to the homeowners.

Dayton Crites suggests having clarity on what to do with the canal and who owns it.

ACTION

Councilmember Rasmussen made a motion to approve the Preliminary Plat for Phase III of Rolling Hills Estates located at approximately 450 South 400 East consisting of 10 single family building lots with a condition that ownership of canal be clear on the plat and established as an easement. Councilmember Clawson seconded the motion and Councilmembers Bingham, Clawson, James, and Rasmussen voted aye. The motion passed.

ROY SAVAGE, HIDDEN VALLEY SUBDIVISION - TO REQUEST PRELIMINARY PLAT APPROVAL FOR HIDDEN VALLEY SUBDIVISION LOCATED AT 30 NORTH 650 WEST CONSISTING OF 43 SINGLE FAMILY BUILDING LOTS.

Roy Savage said this is a new version of an old plan. He said they have made a few changes to accommodate the new road width requirements. He said this is not a PUD and has no HOA fees in this proposal.

Councilmember Rasmussen asked in the north end of the development how the roads will come together from Mt. Sterling Farms and this development.

Roy Savage said the road coming from Mt Sterling Farms and this proposed development have been designed to match up and will come together.

Councilmember Rasmussen asked how many lots are in the development.

Roy Savage said there are 43 lots.

Councilmember Rasmussen said the sewer lift station lot is shown as an easement and needs to be dedicated to the city.

Mayor Miller said one of the future issues that needs to be discussed is where will the sewer lift that is required be located.

Roy Savage said he has been in discussion with Trent at Lifestyle Homes about where to put a lift station. He said he doesn't have all of the elevations engineered yet and doesn't know at what depth it would work that is cost effective. He said he would be interested in sharing a lift station with Mt. Sterling Farms, but doesn't know if it will work out.

Councilmember Rasmussen said what is the storm water plan for phase 1?

Roy Savage said he would pipe it to the retention area or pipe it over to another area of our property.

Councilmember Rasmussen asked if the planning commission discussed anything about piping this canal. It was also discussed if a fence was required to be put up along the canal for safety issues.

Councilmember James referred to the letter from the attorney for the canal company requiring a fence be put in along the canal.

Roy Savage said putting a fence along the canal prohibits being able to maintain the canal. He said it is also somewhat of a safety concern if people try and climb the fence and fall into the canal. He also said many homeowners don't want a chain-link fence but would prefer a vinyl fence.

Ron Salvesen said that the letter from the canal company's attorney is a somewhat of "wish list". The state law doesn't require a fence be installed. The city's responsibility is to ensure it is marked on a plat and that there is a right of way.

Councilmember Rasmussen asked if it would be marked as a right of way or an easement.

Ron Salvesen said it is an easement.

Councilmember Rasmussen asked about the width of easement.

Roy Savage said the canal company has never accessed it from the east side. He said it has always been maintained from the west side.

Ron Salvesen said surveyor Jeff Nielsen said ownership ran just to the east side of the canal.

Councilmember Rasmussen asked if the lots show ownership to the center of the canal.

Roy Savage said yes that is correct. He said planning and zoning talked about including requirements to protect canal owners right to maintain in CCR's. Those requirements are yet to be determined.

Councilmember Rasmussen said the requirements and canal width easements needs to be on the plat. He also asked if Roy Savage would be willing to change property lines for the lots that edge the canal.

Roy Savage said he wouldn't be opposed to changing the property lines on the lots that edge the canal.

Leon Savage said he had canal surveyed years ago. The county's maps show the canal width.

Roy Savage said if they were to change the property line then it will leave an open space where the canal is.

Councilmember Clawson suggested leaving the property lines where they are and ensuring the canal company's rights by putting the requirements in the CCR's and the easement on the plat.

Councilmember Rasmussen said on the plan it shows a detention system with an outlet into the canal. The canal company is not likely going to allow this.

Ron Salvesen said the planning commission put this as one of the conditions to approval.

Roy Savage said he has 3 scenarios for this detention pond. First, he will have the soil tested to see if it would hold as a retention pond. Second, he said he would contact the canal company, or third, he would put it on to some other future property.

Ron said drainage into the canal was a concern of the planning commission and they put this as a condition on approval. He also mentioned that planning and zoning didn't put in the motion to include the easement and requirements to protect the easement area.

Kevin Maughan asked about access to the retention pond.

Roy Savage said if it is a retention pond that Hyrum City will have access to the pond. Roy said there will be a dedicated right of way to the retention pond.

ACTION

Councilmember James made a motion to approve the Preliminary Plat for Hidden Valley Subdivision located at 30 North 650 West consisting of 43 single family building lots with the recommendations of the planning commission and the final plat to have no trees planted on the side of the canal bank and that an easement be established and recorded on the plat and also a dedicated right of way to the retention pond and the lift station be on property dedicated to the city. Councilmember Bingham seconded the motion and

Councilmembers Bingham, Clawson, James and Rasmussen voted aye. The motion passed.

INTRODUCTION AND APPROVAL OF RESOLUTIONS AND AN ORDINANCE:

RESOLUTION 16-13 - A RESOLUTION ACCEPTING A PETITION FOR ANNEXATION OF CERTAIN REAL PROPERTY UNDER THE PROVISIONS OF SECTION 10-2-405, UTAH CODE ANNOTATED, 1953, AS AMENDED (KILGORE COMPANIES, AKA LEGRAND JOHNSON CONSTRUCTION, ANNEXATION - 3 ACRES).

Stewart Lamb of Kilgore Companies said Kilgore purchased Le Grande Johnson last year and wants to improve the concrete plant currently located in Logan by moving it to Hyrum. He said would like to seek a long-term business relationship with Hyrum City. He said they want to hire people here and generate a tax base.

Councilmember James asked what is the height of current batch plant in Logan.

Stewart Lamb introduces Lee Andersen and asked him to answer the question.

Lee Andersen said the batch plant in Logan is 90 feet. Lee said that the new plant in Hyrum isn't going to be that high, it will be close to 80 feet.

Councilmember James asked how the plan to deal with traffic turning onto highway 165.

Steward Lamb said there will likely be a decrease in traffic due to bringing the batch plant to Hyrum.

Councilmember James asked if Kilgore is planning to move the office space to Hyrum.

Steward Lamb he doesn't know at this point. He said eventually there is a good chance everything will move to Hyrum. He said there is a lot to discuss about the future of LeGrand Johnson and Hyrum City.

Councilmember Rasmussen thanks Kilcore Companies for the efforts in cleaning up the property at the industrial park. Councilmember Rasmussen said Kilcore Companies is requesting the zoning be changed to a manufacturing M-1 zone. He asked if they meant to ask to change to M-2 zone instead.

Ron Salvesen clarifies that it is a request for M-2 zone.

Councilmember Rasmussen asked what they project is the life of gravel source.

Steward Lamb said reserves are long term. He said as Hyrum grows the need for the plant increases. He said they have plenty of Ag reserves.

Councilmember Clawson asked if they planned on annexing the rest of the property.

Steward Lamb said they have had discussions and they are open to annexing the entire property.

Councilmember James said they should just annex the entire property now so it is done for future development. He said in the past Hyrum City has waived some fees on undeveloped areas.

Councilmember Clawson said he isn't opposed to waiving some fees to help future development but for the cement plant the fees would be required.

Stewart Lamb said Kilgore Companies own water rights and wouldn't be opposed to bringing some of those rights upon annexation, but they utilize that water for manufacturing.

Councilmember Clawson asked if Kilgore Companies acquired all the water rights from the purchase of Legrand Johnson.

Stewart Lamb said they bought everything. He said they want to work with the city and do business and he wants it to be clear about where business is going.

Councilmember Rasmussen said Kilgore Company is asking for tax base incentives that seem quite high. He said he feels like Hyrum City could work with Kilgore on utilities and getting utility lines to the batch plant, but that he would favor tax base incentives more if the entire property is being annexed at this time instead of just this 3 acre. He said then Hyrum City would have addition tax revenue from the asphalt plant.

Mayor Miller said they have an urgency to get this through and annexing the entire property would set them back.

Stewart Lamb said he knows what he is asking for is a lot and he wouldn't be opposed to coming right back around behind it with the rest of the proposal but that he doesn't want to hold up this batch plant. He said he thought the sales tax benefit would be 1% but then after talking with Ron realized it is only ½%.

Councilmember James asked how much of the product is sales tax exempt.

Stewart Lamb said on the concrete they did an analysis and they were conservative. He said the concrete sold isn't so much sales tax exempt.

City Administrator Ron Salvesen said the ready mix is taxed, except for the delivery portion of it. He said close to 70% of what is sold will be taxed and then the City would get about ½%.

Councilmember James asked if the council approves this annexation and then another proposal was submitted for the rest of the property.

Steward Lamb said he doesn't have the plan in front of him but would take the plan straight across the property. He said if we took that line straight across that wouldn't be a struggle for Kilgore.

Councilmember Clawson asked if the air quality permits would need to be redone.

Stewart Lamb said air quality permits through the ADQ are location specific. He said Kilgore Companies would need to continue to work on them.

Councilmember Rasmussen asked when they plan to move the batch plant to Hyrum.

Lee Andersen said they would like to be in production by October of 2016. He said they realize it is a tight schedule, but it is just one building 50 X 40 building 40 feet high.

Councilmember James asked if they are building a new building.

Lee Andersen said yes they would be building a new building that is brought in pieces and just bolts together and then bring in the utilities.

Stewart Lamb said they are planning to submit the building permit next week depending on how tonight goes.

Ron Salvesen said they would submit a site plan with a condition of annexation and then take it to the county to see what the county will allow them to do.

Councilmember Rasmussen said on the tax base incentives, based on Ron's projections, this will be about a 10-year pay back process. This is based on the current projected revenue.

Councilmember James said that this is just an annexation petition. The tax base incentives will be taken care of with the annexation agreement. He said this will start the timeline and at that point we can iron that out and develop an annexation agreement.

Steward Lamb said he would like to know tonight what to expect from the council about the tax base incentives.

Councilmember Rasmussen said what he would like to see would be more of a 5 year payback. He said with the possibility of additional tax breaks with the asphalt development and other annexation process.

Councilmember James said he has concerns basing this off of sales tax because the market can turn.

Ron Salvesen said in the agreement we can build in that Hyrum City doesn't give more back in a years time in credits than we get.

Councilmember James said what about giving a five-year sales tax incentive.

Councilmember Rasmussen said he would feel more comfortable picking an amount and then adding an amendment to it agreeing that it wouldn't exceed a taxed income from one particular year. He said he feels like tax based incentives need to come down.

Stewart Lamb said with the hot plant he could get to the five-year return. He said with his simple understanding of the tax law, they could get to a five-year return.

Ron Salvesen said they could base an agreement on the market. He said depending on how it goes though, the city isn't responsibility to make up the difference.

Councilmember Rasmussen said from a starting point, the tax base incentives need to come down.

Councilmember James said the tax base incentives need to come down a lot.

Stewart Lamb said if it comes down too much he would need to regroup.

Councilmember Rasmussen said he didn't know if Kilgore Company has to leave Logan according to the purchase agreement, but that would be another option to stay in Logan.

Councilmember James said this isn't something we can decide in this meeting, but to say yes we want the business and yes we will offer incentives is okay.

Councilmember Rasmussen said he asked for an idea of what we would be willing to offer.

Ron Salvesen said Stewart Lamb needs to take this back to Kilgore Companies and sell it to them. He said they need some guidance on what they can expect in tax incentives from the city.

Stewart Lamb said there is a lot to discuss and he understands Kilgore Companies brings value, but he wants to make it a good place to work and not take advantage of anything.

Councilmember Clawson said it would be interesting to know what kind of revenue to expect from the hot plant and if the entire annexation was done. He said that would be a better indicator of what kind of tax breaks the city could offer.

Stewart Lamb said there is a lot of personal property tax, because they own a lot of very expensive equipment, they buy a lot of water and lot of power. He said if they are expected to bring that plant and pony up for a \$50,000 transformer that could be an issue.

Councilmember James said that maybe that could be some of the tax incentives.

Councilmember Rasmussen said over the next few weeks as we look at the annexation agreement, our power lineman would need to be involved in figuring out the line cost and transformer cost and that could all be part of the package.

Stewart Lamb said he wants to make sure this works for Kilgore Company and for Hyrum City. He said they are looking forward to being a part of the community.

ACTION

Councilmember Rasmussen made a motion to approve Resolution 16-13 accepting a petition for annexation of certain real property under the provisions of Section 10-2-405, Utah Code Annotated, 1953, as amended (Kilgore Companies, AKA Legrand Johnson

Construction, Annexation - 3 Acres). Councilmember Clawson seconded the motion and Councilmembers Bingham, Clawson, James and Rasmussen voted aye. The motion passed.

RESOLUTION 16-14 - A RESOLUTION ACCEPTING THE MUNICIPAL WASTEWATER PLANNING PROGRAM AND REVIEWING THE SELF-ASSESSMENT REPORT FOR 2015.

Kevin Maughan, Hyrum City Sewer Superintendant said this is an evaluation he does every year. He said there are mostly zeros on the evaluation and the zeros are good. He said other than the original part of the head works, which we took a ding on, everything was good. He said Hyrum City has a 10-year old plant. He said we have exceeded the life of the plates and are in the process of replacing them. He said he is presenting this to the council for approval.

ACTION

Councilmember James made a motion to approve Resolution 16-14 accepting the Municipal Wastewater Planning Program and reviewing the self-assessment report for 2015. Councilmember Clawson seconded the motion and Councilmembers Bingham, Clawson, James and Rasmussen voted aye. The motion passed.

RESOLUTION 16-15 - A RESOLUTION APPROVAL OF, AND AUTHORIZATION TO EXECUTE AND DELIVER THE RENEWAL OFFER DOCUMENTS WITH INTERMOUNTAIN POWER AGENCY (IPA).

Martin Felix, Hyrum City's IPA representative, and Matt Draper, Hyrum City Electric Superintendent reported on the IPA issues. They are recommending approval the resolution to approve, execute and deliver the renewal offer with Intermountain Power Agency be passed as written.

Martin Felix said on the last page of the resolution before the signature, the blanks should be 0.551%. He said the second blank on the next line should be 1.2%.

Martin Felix said we are entitled to 0.551% of the output. He said because of the current procedures in California the size of the project will be reduced. Matt Draper has figured out what will need to be done to maintain our megawatt output if it was dropped. He said if the availability of other municipalities dropping their shares comes available, he said we are both in agreement that we should maintain it and increase it if the possibility becomes available.

Matt Draper said we are sitting at 9.9 megawatts per hour, if they reduce to 800, we would drop to 4.4 megawatts per hour. He said by going to a half of a percent to a full percent it would kick back up to about 10 megawatts.

Councilmember James asked if there is an additional purchase price or do we just buy the power.

Martin Felix said this is only if we want to call back the power we would be paying the natural gas price. He said this is only for the natural gas product.

ACTION Councilmember James made a motion to approve Resolution 16-15 for authorization to execute and deliver the renewal offer documents with Intermountain Power Agency (IPA). Councilmember Bingham seconded the motion and Councilmembers Bingham, Clawson, James and Rasmussen voted aye. The motion passed.

RESOLUTION 16-16 - A RESOLUTION APPROVAL OF, AND AUTHORIZATION TO EXECUTE AND DELIVER AGREEMENT FOR SALE OF RENEWAL EXCESS POWER WITH INTERMOUNTAIN POWER AGENCY (IPA).

Martin Felix, IPA representative and Matt Draper, Hyrum City Lineman Supervisor discuss IPA issues and request resolution for sale of renewal excess power with IPA.

Martin Felix said not to sign the contract until IPA gives a date.

ACTION Councilmember Clawson made a motion to approve Resolution 16-16 for authorization to execute and deliver agreement for sale of renewal excess power with Intermountain Power Agency (IPA). Councilmember James seconded the motion and Councilmembers Bingham, Clawson, James and Rasmussen voted aye. The motion passed.

RESOLUTION 16-17 - A RESOLUTION DECLARING CERTAIN HYRUM CITY EQUIPMENT AS SURPLUS AND ORDERING THE SALE OR DISPOSAL THEREOF.

Mayor Miller said there is excess surplus such as an old printer, an old mower and a Fire Engine. She asked for a motion to declare these items as surplus.

ACTION Councilmember James made a motion to approve Resolution 16-17 declaring certain Hyrum City Equipment as surplus and ordering the sale or disposal thereof. Councilmember Bingham seconded the motion and

Councilmembers Bingham, Clawson, James and Rasmussen voted aye. The motion passed.

RESOLUTION 16-18 - A RESOLUTION TO INITIATE THE CREATION OF THE CACHE WATER DISTRICT.

ACTION Councilmember Clawson made a motion to approve Resolution 16-18 to initiate the creation of the Cache Water District. Councilmember Bingham seconded the motion and Councilmembers Bingham, Clawson, James and Rasmussen voted aye. The motion passed.

ORDINANCE 16-02 - AN ORDINANCE AMENDING CHAPTER 6.08 UNLAWFUL ACTS OF TITLE 6 (ANIMALS) OF THE HYRUM CITY MUNICIPAL CODE BY ADDING SECTIONS 16.08.100 DISTURBING THE PEACE PROHIBITED, AND 16.08.110 ATTACKING, CHASING OR WORRYING.

ACTION Councilmember Clawson made a motion to approve Ordinance 16-02 amending Chapter 6.08 Unlawful Acts of Title 6 (Animals) of the Hyrum City Municipal Code by adding Sections 16.08.100 Disturbing the peace prohibited, and 16.08.110 Attacking, chasing or worrying. Councilmember James seconded the motion and Councilmembers Bingham, Clawson, James and Rasmussen voted aye. The motion passed.

OTHER BUSINESS:

TO APPROVE SPONSORSHIP AND USE OF THE ELITE HALL FOR A MOUNTAIN CREST FFA DANCE.

Councilmember James said this is non-profit dance to benefit the youth with adult supervision and sponsors. Mountain Crest FFA has paid a \$500 deposit.

ACTION Councilmember Bingham made a motion to approve sponsorship and use of the Elite Hall for a Mountain Crest FFA dance. Councilmember Clawson seconded the motion and Councilmembers Bingham, Clawson, James and Rasmussen voted aye. The motion passed.

CONSIDERATION AND APPOINTMENT TO THE HYRUM SENIOR CENTER BOARD.

Councilmember James said the following are being appointed to the Hyrum Senior Center Board: Ada Beth Winder, Gwen Christiansen, and Kurt Ellison. The following members being removed from the board: Pat Brimhall, Linda Christiansen, and Claude Long.

ACTION Councilmember James made a motion to appoint Ada Beth Winder, Gwen Christiansen, and Kurt Ellison to the Hyrum City Senior Center Board. Councilmember Rasmussen seconded the motion and Councilmembers Bingham, Clawson, James and Rasmussen voted aye. The motion passed.

CONSIDERATION AND APPROVAL OF THE 2016-2017 LAW ENFORCEMENT CONTRACT WITH CACHE COUNTY.

ACTION Councilmember James made a motion to approve the 2016-2017 Law Enforcement Contract with Cache County. Councilmember Clawson seconded the motion and Councilmembers Bingham, Clawson, James and Rasmussen voted aye. The motion passed.

BUDGET REPORT.

City Administrator Ron Salvesen reviewed the 2015-2016 General Fund Operating Budgets expenditures and revenues in detail. All departments are within budget and should continue to stay that way until June. At the next City Council Meeting the 2016-2017 Operating Budget will be presented to the City Council.

MAYOR AND CITY COUNCIL REPORTS.

Councilmember Rasmussen said exciting things are happening at the Elite Hall. A home school group has had a dance and the money raised is being donated back to the restoration fund for the Elite Hall. He would like to propose that they are given an agreement for renting the hall as long as the proceeds are donated back to the restoration fund. Hot Wheels and Hot Dogs is scheduled for June 4th from 10 am to 4 pm. Museum expansion is coming along with the new space. Electrical quote is very high.

Councilmember James said registrations for the City Softball and Baseball program are finished and teams are being put together

Councilmember Bingham said the Youth council helped with the float. Hope to get it done in the next 4 weeks. The girls are excited for the Black and White day's parade. They will ride in the back of a truck and get t-shirts that have Hyrum Princess on it. Dresses have been picked out and ordered.

Councilmember Clawson said the Easter egg hunt went well. Youth council helped fill eggs. He was asked by a citizen when JBS will put up sound barrier wall. Ron also talked to them and said it will be started in the next day or two. Concerned citizens

asked about coolers on top of the JBS buildings. Ron has been in contact with people at JBS.

Mayor Miller said the Youth Council helped assemble county storm water packets for the schools. **She met with** some people interested in using the old office space for a children museum. Next step will be meeting with the county building department to find out what things would have to be improved to bring the building up to city code. They are asking the city to possibly do a dollar lease and the city provides the utilities. New cameras have been installed in the office, city council room and court clerk's office. Budget workshop on May 19th at 5:30 pm before council meeting.

City Administrator Ron Salvesen said Ken Young, a professional planner is hosting a Small community planning meeting May 4th at 9 am-2 pm. Hyrum will be hosting this event. JBS is hosting an open house Thursday, May 12th at 5pm. They will be offering the council a tour of the new facility. Have Stephanie advertise this. Assisted living project is starting up in the next few weeks. This is the first project of this kind in Hyrum, and we have nothing to compare it to for the setting the impact fees. We have already reduced the parks impact fee. They are asking for addition relief on sewer and water. Ron will check with Logan City and North Logan and see what they have done in cases like this. They will be at our next council meeting.

ADJOURNMENT:

ACTION

There being no further business before the City Council, the Council Meeting adjourned at 9:27 p.m.

Stephanie Miller
Mayor

ATTEST:

Stephanie Fricke
City Recorder

Approved: May 5, 2016
As written