

The Meeting of the Nibley City Council held at Nibley City Hall, 455 W. 3200 S. Nibley, Utah, on Thursday, March 1, 2012.

Prior to the beginning of the meeting, Scout Troop 408 conducted the flag ceremony. Members included Zach Hubbard, Tanner Peterson, and Ty Bowen

The following actions were made during the meeting:

**Councilman Mickelson motioned to approve Resolution 12-03—Establishing a regular time for Nibley Heritage Days. Councilman Jacobsen seconded the motion. The motion passed 4-0; with Councilman Jacobsen, Councilwoman Cook, Councilman Platt, and Councilman Mickelson all in favor.**

**Councilman Mickelson motioned to approve the agreement to purchase water shares with the conditions that the sellers provide a certificate of stock that verified they hold the clear title; and the change of the promissory note to verify the correct dates. Councilman Platt seconded the motion. The motion passed 5-0; with Councilman Jacobsen, Councilman Hansen, Councilwoman Cook, Councilman Platt and Councilman Mickelson all in favor.**

**Councilman Mickelson motioned to accept option B of the Water Loan Refinance Options. Councilman Jacobsen seconded the motion. The motion passed 5-0; with Councilman Jacobsen, Councilman Hansen, Councilwoman Cook, Councilman Platt, and Councilman Mickelson all in favor.**

**Councilman Mickelson motioned to approve the first reading of Resolution 12-04—Procedure for holding an electronic meeting of the City Council. Councilman Platt seconded the motion. The motion passed 5-0; with Councilman Jacobsen, Councilman Hansen, Councilwoman Cook, Councilman Platt, and Councilman Mickelson all in favor.**

**Councilman Jacobsen motioned to relocate the recycling facility according to the proposed site plan. Councilman Hansen seconded the motion. The motion passed 3-2; with Councilman Jacobsen, Councilman Hansen, Councilwoman Cook in favor. Councilman Platt and Councilman Mickelson were opposed.**

---

#### OFFICIAL MINUTES OF THE MEETING

Minutes were taken by Assistant City Recorder Cheryl Bodily

Mayor Gerald Knight called the Thursday, March 1, 2012 Nibley City Council meeting to order at 6:35 p.m. Those in attendance included Mayor Gerald Knight, Councilman Larry Jacobsen, Councilman Thayne Mickelson, Councilman Shawn Platt, Councilman Bryan Hansen, and Councilwoman Carrie Cook. Larry Anhder, the City Manager, and Shari Phippen, the City Planner, were also in attendance.

**6:35 Call to Order; Minutes of February 16th, 2012 read and approved; and Approval of Agenda**

Councilman Jacobsen made a motion to approve the agenda and the minutes of February 16, 2012 with his proposed changes. Councilman Jacobsen reviewed his proposed changes to the minutes. Councilman Mickelson seconded the motion. The motion passed 4-0; with Councilman Jacobsen, Councilman Mickelson, Councilman Platt, and Councilwoman Cook all in favor.

**Presentation: “What I like about Nibley” essay winner**

Mayor Knight introduced Mr. Ron Helstern. Mr. Helstern read his essay to the Mayor, Council, and public present. After the reading, Mayor Knight presented Mr. Helstern with a monetary prize from the city.

**Declaration of April as Child abuse prevention month**

Mr. James Swink, the County Attorney, was present at the meeting. Mr. Swink gave a presentation on the specifics of the Child and Family Support Center and its mission. He reviewed the statistics involving the Child and Family Support Center associated with Cache County. Mr. Swink said to support the center the Mayor could attend “Stepping Up for Child Abuse” on April 2<sup>nd</sup> on the court house steps. He said in April there was also a race against child abuse and there was also a blue ribbon campaign. He distributed blue ribbons to the Council, Mayor, and city staff. He noted there would be balloons for sale in support of the Child and Family Support Center at “Baby Animal Days” and a the 7<sup>th</sup> Annual Blue Ribbon Benefit Dinner and Auction at the Copper Mill on April 13th.

Mayor Knight read the Child Abuse Prevention Month Proclamation

**Consideration of Resolution 12-03—A Resolution establishing the regular time for Nibley Heritage Days**

Mayor Knight read Resolution 12-03. The resolution stated the Heritage Days festival would held the fourth Saturday of June and that other related events may be held on days preceding the fourth Saturday. He said Heritage Days would be June 18<sup>th</sup> through the 23<sup>rd</sup> this year.

Councilman Mickelson thought it was good to have a standard date.

Councilman Mickelson made a motion to approve Resolution 12-03—Establishing a regular time for Nibley Heritage Days. Councilman Jacobsen seconded the motion.

Councilman Jacobsen thought this moved them out of conflict with Summerfest. Mayor Knight said it did.

The motion passed 4-0; with Councilman Jacobsen, Councilwoman Cook, Councilman Platt, and Councilman Mickelson all in favor.

**Review of Nibley City purchasing policy**

Mr. Anhder said that anything over a \$1,000 should be supported by two verbal quotations. Purchases of equipment over \$25,000 were by competitive bidding and subject to approval by the Council. He reviewed things that were exempt from bidding requirements. Mr. Anhder said there were some things they exempt if they decided a particular brand or style was something they wanted to use; he gave the example of a particular brand of water meter the city used. Mr. Anhder said there were items available from the state of Utah that the state bid out and the city could buy them off the state bid. Mr. Anhder said there were provisions for emergency purchases and that last paragraph talked about the disposal of surpluses by the city.

Mayor Knight asked for any changes the Council wanted to suggest for the purchasing policy: Councilman Mickelson questioned if \$25,000 was the right number. Mr. Anhder referred to a previous contract and said it was a problem of contract administration. Councilman Mickelson asked if they should set this by the type of planning. He said the value they got by an RFP (Request for Proposal) was they could compare what the businesses were willing to provide for them. Councilman Jacobsen thought there were conflicts in terms of bidding requirements between sections B and sections D; Councilman Jacobsen read from those sections. Councilman Jacobsen and Mayor Knight thought they needed to reconcile the differences between sections B and D. Councilman Platt asked why there was such a large jump between \$1,000 and \$25,000. Mr. Anhder and the Council discussed this. Councilman Platt said he would like to see more consistency between the two; things that they would require for both numbers. The Council discussed the open public bid process. Councilman Platt asked if they documented verbal quotes. Mr. Anhder said they were documented and they were also audited. Councilman Jacobsen asked if Nibley ever purchased from the federal government price list. Mr. Anhder said they had not. Councilman Jacobsen asked Mr. Anhder if they were in compliance with Utah code. Mr. Anhder said they were. The Council returned to discussing section D; Mr. Anhder gave an example of a reason the city would want to contract with a specific vendor and encouraged the Council to leave that option available. Councilman Jacobsen said section J helped them; they did not have to accept the lowest bid and could accept a higher bid as long as they gave the reason why the higher bid was accepted. Mr. Anhder said J gave them that opportunity but they could get bad perception of the city if it was used too often. The Council discussed sole sourcing. Councilman Platt said he would like to see the verbiage addressed at a later time; he suggested they table the item to study come up with some suggestions. Councilwoman Cook said she would like to address dropping the \$25,000 competitive bid amount. Mayor Knight thought it was important that they debate that which they would do at a later date.

Corlyss Drinkard said there were a couple of things brought up in past discussion that she had not heard in discussion so far; lowering the small purchase requirement so they could see how many action were falling in certain price ranges and eliminate the routine stuff; and a prohibition with contracting with people who fall under the Municipal Official and Employees Ethics Act. She thought the purchasing policy was short on internal controls and who had the authority to contract.

Councilman Hansen arrived at 7:27.

Mayor Knight said this would be brought back to the City Council as a proposed ordinance and they would debate it.

### **Acceptance of contract of City Manager and public introduction of new City Manager**

Mayor Knight introduced Mr. David Zook, the new City Manager. He said Mr. Zook would begin full-time employment on April 1, 2012. Mayor Knight read a statement from Mr. Zook. Mayor Knight and Mr. Zook signed the City Manager employment contract.

Mr. Zook thanked the Mayor and Council. He introduced his wife Christy and his children; Tara, Emma, Sara, Ryan, and Jacob. Mr. Zook said he and his wife decided leave California and live in Cache County for a better place to live and raise their family. He said he felt a responsibility to preserve the quality of life in Nibley. Mr. Zook commended the Mayor and Council for their responsibility in handling the growth in Nibley. Mr. Zook said his goal was to support the Council, Mayor, and residents in keeping Nibley a great place to live. He said he was excited for the opportunity.

Councilman Jacobsen said they went through the hiring process in Executive Session because they were trying to protect the individual identities of the candidates for the City Manager job. He said he was impressed with the quality of candidates they had received for the posting and in his opinion this was the best of the best.

### **Discussion about Impact Fee Study**

Mayor Knight said they would be issuing an RFP (Request For Proposals) to address the study of their three impact fees. Mr. Anhder said they would start the RFP process to revise and revisit their impact fees. He said they had set aside \$15,000 in their last budget to do so, but was pessimistic that they would be able to do the study for that amount. Councilman Jacobsen asked Mr. Anhder if he felt confident that they could find someone that was qualified to could handle all three impact fee studies. Mr. Anhder said he felt they could. Mr. Anhder said in order justify an impact fee they needed to conduct an impact fee study; he assumed the water and sewer impact fees would lower and the park impact fee would go up; he thought the total impact fee for a new home would probably stay the same.

Councilman Jacobsen asked if they would go through the bidding process with public notification and advertising. Mayor Knight and Mr. Anhder said they would.

### **Approval of agreement to purchase water shares**

Mr. Anhder said they had been approached by someone who was willing to sell 9 water shares at \$2,500/share from the Nibley Blacksmith Fork. Mr. Anhder said because of the situation they made with Morley Cox was a multi-year purchase he suggested to the sellers that they would pay them \$5,000 this year, \$5,000 a year from now, and \$17,500 two years from now which would co-inside with the other payoff. He said it had always been their policy to buy water shares and asked the Council for their approval on this

agreement. Councilman Mickelson asked why they bought them when they had shares given to them when developers came. Mr. Anhder said there were some times when they needed more water than was given them such as in commercial developments and while they had enough they did not have too much. Mr. Anhder said they were in good shape but water shares were always a good thing to have. Councilman Mickelson thought this was \$1,000/share less than their last purchase. Councilman Mickelson wanted to address that the certificate had been lost; he said they should require the sellers go back to the company to request a new stock certificate. He asked what documentation they required to verify the clear title to water rights. Mr. Anhder said the certificate. Councilman Mickelson discussed liens on the property. Mr. Anhder said they could do a title search. Councilman Mickelson said it needed to be clear that there was not a lien against the property.

Councilwoman Cook asked who the shares were from. Mr. Anhder said it was from the South Cache Storage on the Nibley Blacksmith Fork. Councilwoman Cook asked how many shares the city would have in that company now. Mr. Anhder thought it was over 300.

Mr. Anhder said the promissory note was in error and should come off. Councilman Platt asked why they were interested in selling. Mr. Anhder said he did not think it was in the selling parties' best interest to sell because he could foresee a time when they would want to be annexed into the city and he would hope that the City Manager recommended that they would require that they give the city water and they would have no water to give.

Councilman Mickelson made a motion to approve the agreement to purchase water shares with the conditions that the sellers provide a certificate of stock that verified they hold the clear title; and the change of the promissory note to verify the correct dates. Councilman Platt seconded the motion. The motion passed 5-0; with Councilman Jacobsen, Councilman Hansen, Councilwoman Cook, Councilman Platt and Councilman Mickelson all in favor.

#### **Discussion about refinance of City bonded indebtedness**

Mr. Anhder said in 1981 they had a water system loan for \$136,000; the balance is \$61,695 at an interest rate of 5% which would equate to \$16,982 in interest to maturity with the last payment due in 2021; and in 2002 they acquired a USDA bond for \$249,000. The balance was \$227,609 at an interest rate of 4.875% with interest paid to maturity \$216,658 and the last payment due in 2043. Mr. Anhder proposed two options.

##### **Option A:**

Combine both loans and refinance at a lower interest rate and shorten the term of payoff for the two loans with a loan amount of \$278,263 at an expected interest of 3%; a payment of \$23,205 on a 15 term loan and interest savings of \$165,000. Or a payment of \$32,444 on a 10 year term loan and an interest savings of \$189,000.

##### **Option B:**

In the next year Nibley will be drilling and quipping anew well at an approximate cost of \$500,000. The city will use Impact Fees exclusively for the payment of the costs of this well. Combining the refinance option from the above into a single issue of the well may have some advantages in economics of scale. The cost of issuance will be substantially the same regardless of the amount of issue. These costs will spread over a larger issue; loan amount \$800,000 at expected interest 3% with 15 year payments at \$66,500 or 10 years payments at \$93,000.

Because all of the well costs will be attributable to new growth, impact fees will be used to pay the bond amount. Therefore the difference between \$23,204 and \$66,500 of \$43,300 will be paid from the impact fee fund or about 17 new homes per year.

Councilman Mickelson said he was OK with option B. He said it saved them money and put them ahead on their water projects.

Mr. Anhder said under state rule, impact fees had to be spent within 6 years of collection or give it back. At the current slower pace of building they may not be able to save the entire amount to do the well before it is time to spend the money. If that happened, the city would be faced with bonding for the difference at higher interest rates and at less favorable terms because of the size of the issue.

Mr. Anhder said as residential and commercial building picked up the bonds could be paid off early with the additional impact fees that were generated. He suggested that any additional impact fees received be used to prepay the loan for additional savings.

Councilman Mickelson made a motion to accept option B of the Water Loan Refinance Options. Councilman Jacobsen seconded the motion. The motion passed 5-0; with Councilman Jacobsen, Councilman Hansen, Councilwoman Cook, Councilman Platt, and Councilman Mickelson all in favor.

#### **Consideration of Resolution 12- 04—Procedure for holding an electronic meeting of the City Council**

Mr. Anhder said this was requested by the Council and would allow them to conduct electronic meetings or allow someone to be offsite. There had to be an anchor location, which would be City Hall, and if a council member was anticipating this they had to notify the city recorder 24 hours in advance.

Councilman Mickelson said he appreciated Councilman Jacobsen comments about why it was important for them to be present as a Council. Councilman Mickelson wanted to add that it be used only in cases when distance to attend would be a hardship and that it only be used in certain occasions; that this was not common practice.

Councilman Platt addressed section J and that public participation is limited to only the anchor location. He thought in the future they could have instances when citizens could participate from another location.

Mayor Knight said he wanted to treat this as a first reading and asked the Council to save their items for debate for the next meeting.

Councilman Mickelson made a motion to approve the first reading of Resolution 12-04—Procedure for holding an electronic meeting of the City Council. Councilman Platt seconded the motion.

Councilman Jacobsen said he was strongly opposed to this; he had experience with these matters and they all knew the job description when they ran. He said he would vote for a second reading out of respect for the Council's process of discussing the topic but said they should anticipate that he would come "loaded for bear" at the next meeting.

The motion passed 5-0; with Councilman Jacobsen, Councilman Hansen, Councilwoman Cook, Councilman Platt, and Councilman Mickelson all in favor.

#### **Discussion about relocation of recycling/green waste site**

Mr. Anhder said this located the recycling location to the east of the City Hall; they looked at all the property the city owned and felt this was the best location for it. They had access to power there and could therefore use cameras. He described the benefits of the cameras at the recycling site. Mr. Anhder said it would be visible from City Hall but would be set down and back; they anticipated in the future doing some landscaping to make the area more appealing. Mr. Anhder reviewed the other locations they had considered. Mr. Anhder said this was an extra workload for the city and cost them money but it was a service the community really appreciated. Mr. Anhder said Mr. Saunders would like to work on the relocation as soon as possible.

Councilman Hansen asked about the road access. Mr. Anhder said they would put a gravel surface which was an advantage because they could increase their parking lot for the City Hall with the gravel surface. Mr. Anhder said they would be driving through the parking lot on their way in the recycle site. The Council discussed the potential debris problems. Councilman Hansen said he would prefer they drive through the road base and not the main entrance. Councilman Mickelson said he drove to 1200 West and said they would have to rebuild if they put it by City Hall; it would have a longer life at 1200 West. Councilwoman Cook asked what the lifespan of having it at City Hall would be. Mr. Anhder did not have that answer. Councilman Platt asked if they were considering that area for future uses. Mayor Knight reviewed some of those uses. Councilman Platt said the concept seemed sound but it was not sound if they were going to tear it up and move it in five years. Mayor Knight said an option was to not make it so permanent but Mr. Anhder said the concrete facilitated removal of the bins.

Nancee Jabbs asked if the cameras would go back up and said the potential for abuse on 1200 West was immense. Councilman Platt asked if the 1200 site looked like a more lasting option. Mr. Anhder said they were considering a reservoir in that area.

Barbara Wilden discussed the items that would go in there and said they could use trees to landscape the area.

Councilman Hansen referred to the curb cuts that were already in place and they could drive in that location. Councilman Jacobsen said when he went to the dump he had to separate grass clippings from tree limbs and wondered if they were sure the landfill was using the contents of the bins.

Councilman Jacobsen made a motion to relocate the recycling facility according to the site plan that was proposed. Councilman Hansen seconded the motion.

Councilwoman Cook said she like the extra parking at the proposed location and thought it would be abused at 12<sup>th</sup> West. Councilman Mickelson said that was what the cameras were for. Councilman Hansen thought at 12<sup>th</sup> West they would have a lot more people from Hyrum using it.

The motion passed 3-2; with Councilman Jacobsen, Councilman Hansen, Councilwoman Cook in favor. Councilman Platt and Councilman Mickelson were opposed.

### **City Manager Reports**

Mr. Anhder announced that Cheryl Bodily would be the new city newsletter editor, effective immediately. He said they were working on a website administrator. Mayor Knight read the resignation letter from the current newsletter editor and website administrator, Becky Yeager.

### **Council Reports**

Mayor Knight referred to the new sewer measuring device and that Logan City was aware of and accepted the numbers which amounted to \$10,000-12,000 saving per month. Councilman Platt asked how that would be reflected on. Mayor Knight said they would not do anything until they had more data and saw that it was an actual trend and then a proposal would be brought back reflecting those numbers. Mr. Anhder anticipated this would be part of the budget process in June. Mr. Anhder suggested they wait a couple of months to adjust rates because when the rates recently did go up they waited 6-8 months to raise the rates and the sewer reserves went down so he was suggesting they wait to build up the reserve again. The Council discussed calibration procedures for the sewer meter. Mr. Anhder said the meter would be calibrated twice a year.

Councilman Hansen said it looked as if the USU Extension Offices would not be building the straw bale greenhouse at the Morgan Farm. They were giving Nibley \$5,000 of the \$7,000 and redistributing the money using \$2,000 for the frontage to the community garden and \$3,000 for raised beds. They were also requesting in kind donations.

Councilman Hansen said the Sister City Club would have their first meeting on the 22<sup>nd</sup> of March. Bob and Reah Sidwell would be leading this with Youth leaders Morgan and Holly Fronk. They would like to do a Scarecrow Festival in September. Councilman Hansen would like to work with the recreation director and see if they could coordinate with other fall activities. Councilman Hansen said he would be putting together a letter that represented the city which he would send it over with their welcome package.



Councilwoman Cook asked if the Stonebridge drainage went anywhere and she believed it had not been completed because of the phasing. Mr. Anhder agreed that was correct. Councilwoman Cook said she thought as subdivisions went in this would cause a problem and that there should be temporary retention basins. Mr. Anhder said there was a temporary retention basin that should have been installed there. Councilwoman Cook wondered if they were following up and creating problems for people living phase one waiting for the completion to be done.

Councilwoman Cook asked if they had an agreement with Neal Anderson about paving and connection the 12<sup>th</sup> West road. Mr. Anhder said there was an agreement but they did not have an end time on it. Councilwoman Cook if the city could complete it and then he could repay the city; she said her concern was they had kids from Stonebridge that could not walk the road because it was not completed. She said she would like to see the same enthusiasm for 1200 that they took with Neighborhood Non-Profit.

Councilwoman Cook asked if they were planning a time they could meet with the new City Manager before he began full-time. Mayor Knight said he would like to plan a retreat with him which could co-inside with the budget planning so that the Council could tell him what their desires were relative to spending with the caveat that there was little discretionary spending money available.

Councilwoman Cook noted the absence of streetlight on 1500 West. Mr. Anhder said they talked about that on Tuesday at their staff meeting. The developer was bringing in another phase and they were planning on using that as leverage for the next phase.

Councilman Mickelson asked about spring conference dates. Mayor Knight said it was April 12<sup>th</sup>-13<sup>th</sup>.

Mayor Knight said they were planning a workshop with the Planning & Zoning Commission on EMD (Electronic Message Displays) on the 15<sup>th</sup> of March. Councilman Jacobsen asked for a copy of the conditional use permit that was issued and the ordinance to be included in their packets.

Mayor Knight said on the next agenda he would ask for consent on the Citizen of the Year and Council assignments. He said the Beautification Committee would on the next agenda for consent as well.

The meeting was adjourned at 9:21 p.m.