

**SMITHFIELD CITY COUNCIL**

**DECEMBER 13, 2017**

The Smithfield City Council met in a regularly scheduled meeting at 96 South Main Street, Smithfield, Utah on Wednesday, December 13, 2017. The meeting began at 6:00 P.M. and Mayor Darrell G. Simmons was in the chair.

The following council members were in attendance: Deon Hunsaker, Barbara Kent, Kris Monson, Jeff Barnes and Curtis Wall.

City Manager Craig Giles, Fire Chief Jay Downs, Police Chief Travis Allen and City Recorder Justin Lewis were also in attendance.

**VISITORS:** Chris Slater, Bart Caley, Patsy Watkins, Dennis Watkins, Nathan Wright, Wade Campbell, Diane Campbell, Jamie Anderson, Michelle Anderson, Glen Jay Thornley, Skyler Clements, Dennis Thornley, Kip Lewis, Marty Spicer, Jonathan Meatoga, Shaun Dahle, Darin Humphreys, Jordan Humphreys, Linda Stowell

**APPROVAL OF THE CITY COUNCIL MEETING MINUTES FROM NOVEMBER 15, 2017.**

\*\*\*A motion to approve the city council meeting minutes from November 15, 2017 was made by Curtis, seconded by Kris and the vote was unanimous.\*\*\*

Yes Vote: Hunsaker, Kent, Monson, Barnes, Wall

No Vote: None

**RESIDENT INPUT**

**DENNIS WATKINS:** I would like to express my gratitude to Mayor Simmons, Kris and Barbara for their service to the community. Kris has served a long time and I sat on the council with her for many years. I was always impressed by her focus and planning. Kris did a tremendous job with the recreation program and trails. Barbara, I sat by your side for several years. I was always very impressed how you had always done your homework on issues and council assignments. I really appreciated the Comcast Cares Day of Service you oversaw. Mayor Simmons you are a marvelous mayor. You are a good man that ran a good council meeting. I was proud to serve with you. I think you were always fair in letting those in attendance speak as well as the council. You are a great example of how a meeting should be run. I also want to thank Deon, Curtis and Jeff for their service. I know what is involved and the amount of time involved. At a recent church meeting I attended the talk was on service and it made me think about all of you. There are over 11,000 residents in the city and I doubt very many of them know you. You give a lot and people are not aware of what is involved in serving the community. The city has been in good hands with this mayor and council.

**PATSY WATKINS:** I want each of you to thank your spouses for allowing you to serve. I know they can and have been treated unkindly in some cases. I want you to personally thank

each of them from myself and Dennis. I would like to thank each of you for your service to the community.

**AUDIT PRESENTATION FOR FISCAL YEAR 2017 BY REPRESENTATIVES OF ALLRED JACKSON.**

Diana Cannell from the firm Allred Jackson, PC came before the council to review the audited financial statements for Fiscal Year 2017. This is the period of time from July 1, 2016 through June 30, 2017.

Allred Jackson has done the audit for the last two fiscal years.

Diana thanked the city staff for being so good to work with. They are a joy to work with and a role model for other communities to learn from.

Diana mentioned her firm audits eleven other municipalities and she recommends when other cities want to improve their process or see how to do things she recommends contacting the Smithfield City staff.

Less time was spent on the audit this year so the city paid less to Allred Jackson for their services. Diana commended the staff for improving each year.

Diana reviewed the following with the council:

Page 23 is a Statement of Net Position showing all of the funds of the city. Total assets in 2017 were \$49,827,543 compared to \$48,676,871 in the previous fiscal year.

Page 58 shows a more detailed review of the change of assets listed on Page 23. Buildings and improvements, equipment and infrastructure all increased in Fiscal Year 2017.

Page 59 shows a more detailed review of the change in assets of the business funds.

Changes in Net Assets are reduced because of Depreciation Expense.

Page 24 shows the liabilities of the city which were reduced from \$6,724,123 in 2016 to \$5,623,498 in 2017. The total change in Net Position went from \$40,800,095 in 2016 to \$42,955,675 in 2017.

Pages 29 and 30 show the revenue sources for the General Fund, RDA and Capital Improvement Fund.

The state requires the financials to be prepared in two different ways. One like a business where depreciation expense is included and the other without depreciation expense and including capital outlays.

Water, Storm Sewer, Sewer and Golf are all enterprise funds which mean they can show a profit or a loss like a regular business.

Revenue for the General Fund totaled \$6,894,926. Revenue for the RDA totaled \$269,373. Revenue for the Capital Improvement Fund totaled \$3,642. Total revenue was \$7,167,941.

Transfers In, Transfers Out, Proceeds from Loans and Sales of Assets totaled \$452,526.

Previously a Debt Service Fund was listed in the financials but is now included in the General Fund.

Page 32 shows actual expenses and revenue versus budgeted revenue and expense. The General Fund was in compliance by not exceeding the budgeted amount.

Pages 37 and 38 show revenues and expenses for the Water, Sewer, Storm Sewer and Golf Funds.

Enterprise funds show a profit or a loss. Page 37 shows all of the enterprise funds operated at a loss in 2017 which includes the Water, Sewer, Storm Sewer and Golf funds.

Fees need to be reviewed to get the enterprise funds to show operating income not a loss.

Operating losses in the enterprise funds were as follows:

Water	(\$75,157)
Sewer	(\$181,276)
Storm Sewer	(\$56,037)
Golf	(\$52,734)

Page 38 lists non-operating revenue for the enterprise funds which includes interest earnings as well as impact fees collected.

Impact fees are restricted to certain projects as determined in the impact fee analysis. Impact fees must be spent within seven years on specific projects.

Page 36 shows the Golf Fund has a deficit fund balance of \$613,288. The state requires a deficit fund balance to be budgeted to be reduced by a minimum of 5% per fiscal year. One of the findings in the audit is the approved budget did not budget enough to reduce this amount and it needs to be corrected in future budget adjustments in the current fiscal year.

Depreciation Expense needs to be included in the budget and has not been done so in the past. Even though depreciation is a non-cash expense it should be allocated for costs of future repairs and equipment replacement costs. If depreciation is not budgeted for then there is not any cash in the future on hand to pay for these items.

There are no material findings to be reported which are any major items that must be reported to the council and state.

There are three findings in regards to State of Utah compliance testing. The state supplies the auditing firm a guide of specific items they want tested for the current fiscal year being audited.

Finding 1. The Sewer and Storm Sewer funds were over budget because Depreciation Expense was not included in the budget. The recommendation was to amend the current budget to include Depreciation Expense and include Depreciation Expense in future budgets.

Finding 2. The deficit fund balance in the Golf Fund must be reduced by a minimum of 5% per fiscal year. The budget included this line item in the budget but it was not for at least the minimum of 5%. The recommendation was to increase the current budget to a minimum of 5%.

Finding 3. One of the city council meeting minutes was not posted on the Utah State Public Notice Website within the required timeframe. Once approved, the minutes must be uploaded to the Utah Public Notice Website within three days. The minutes from one council meeting was not uploaded within three days of approval. The recommendation was to make sure all meeting minutes are uploaded within three days.

Mayor Simmons thanked Diana for her review and providing written documentation to review as well as discussing areas which need to be improved upon. Diana replied the findings are very minor and there were not very many for as many items as are required to be tested.

Barbara asked if the three findings for Fiscal Year 2016 were resolved? Diana replied they were all resolved. One was to make sure and keep the general fund unreserved balance under 25%. The second one was to make sure all interfund loans have a written loan document just not an approval of the city council during a city council meeting. The third one was to make sure all cash accounts are included on the state money management report as a couple of escrow accounts had not been included. All three items were resolved or corrected.

Mayor Simmons thanked Diana and her staff for their professionalism in working with the city staff the last two years.

**WITHDRAWN. DISCUSSION AND POSSIBLE VOTE ON ORDINANCE 17-19, AN ORDINANCE REZONING PARCEL NUMBER 08-044-0006, 4.64 ACRES, FROM A-10 (AGRICULTURAL 10-ACRE) TO R-1-10 (SINGLE FAMILY RESIDENTIAL 10,000 SQUARE FEET). THE PARCEL IS LOCATED AT 777 NORTH MAIN STREET.**

This agenda item was withdrawn and not discussed at request of the requester, Rigo Chaparro.

**PUBLIC HEARING FOR THE PURPOSE OF DISCUSSING RESOLUTION 17-19, A RESOLUTION INCREASING THE MONTHLY WATER SERVICE UTILITY RATE AND RESOLUTION 17-20, A RESOLUTION INCREASING THE MONTHLY STORM WATER SERVICE UTILITY RATE.**

Mayor Simmons asked Craig to review the proposed resolutions on increasing the monthly utility rate for culinary water service and storm water.

Craig explained the process leading to this point.

Over the last couple of years the General Plan was redone and approved earlier in 2017 by the planning commission and city council.

After the General Plan was completed J-U-B Engineers was contracted to do master plans for transportation, storm water and culinary water. Those plans were completed a couple of months ago and the results presented to the city council.

With the information taken from the General Plan and the other studies, Public Sector Economics was hired do rate studies on impact fees for parks, water and storm water and monthly utility fees for storm water and water.

At the November 15<sup>th</sup> council meeting, Emily Sim of Public Sector Economics presented information on the rate studies she prepared. Estimates were supplied by J-U-B Engineers on the estimated cost of projects for the next thirty years. Public Sector Economics then took the cost of the projects needed in the next five years and did a rate study to show where monthly fees need to be to pay for those upcoming projects. The proposed rates are based on saving up enough money to pay cash for the projects rather than having to bond and pay interest.

**Water Master Plan Update Information**

Total Build Out Project Cost:           \$16,888,000  
Total cost of projects needed over the next five years:           \$4,744,000

**Current Water Rate:**

Base Rate: \$9.00

Tiered Use Rate:

0 to 20,000 gallons used is billed at a rate of \$0.60 per 1,000 gallons used  
20,001 to maximum gallons used is billed at a rate of \$0.70 per 1,000 gallons used

**Proposed Alternative Pricing:**

Base Rate: \$20.00

Tiered Use Rate:

0 to 10,000 gallons used would be billed at a rate of \$0.90 per 1,000 gallons used  
10,001 to 20,000 gallons used would be billed at a rate of \$1.00 per 1,000 gallons used  
20,001 to maximum gallons used would be billed at a rate of \$1.25 per 1,000 gallons used

A chart was presented showing the current rate of eight randomly selected homes and two local businesses using the current rate schedule and the proposed rate schedule.

	Water Annual			Water Monthly		
	Current	Proposed	Increase	Current	Proposed	Increase
House 1	\$ 252.70	\$ 479.85	\$ 227.15	\$ 21.06	\$ 39.99	\$ 18.93
House 2	\$ 202.60	\$ 393.80	\$ 191.20	\$ 16.88	\$ 32.82	\$ 15.93
House 3	\$ 278.60	\$ 525.50	\$ 246.90	\$ 23.22	\$ 43.79	\$ 20.58
House 4	\$ 133.20	\$ 278.00	\$ 144.80	\$ 11.10	\$ 23.17	\$ 12.07
House 5	\$ 123.00	\$ 262.50	\$ 139.50	\$ 10.25	\$ 21.88	\$ 11.63
House 6	\$ 180.50	\$ 353.85	\$ 173.35	\$ 15.04	\$ 29.49	\$ 14.45
House 7	\$ 368.60	\$ 689.50	\$ 320.90	\$ 30.72	\$ 57.46	\$ 26.74
House 8	\$ 139.20	\$ 287.70	\$ 148.50	\$ 11.60	\$ 23.98	\$ 12.38
Commercial 1	\$7,784.00	\$13,918.00	\$6,134.00	\$ 648.67	\$ 1,159.83	\$ 511.17
Commercial 2	\$6,796.00	\$12,136.00	\$5,340.00	\$ 566.33	\$ 1,011.33	\$ 445.00

At the current rate schedule the amount of reserves held by the city is decreasing on a yearly basis and will be negative in the year 2020 if rates are not adjusted.

If the proposed rate schedule is implemented, by the year 2026 just over \$6,000,000 will be held in reserves to pay for needed projects.

**Storm Water Master Plan Information**

Total Build Out Cost of projects: \$30,647,000

Total cost of projects needing to be completed over the next five years: \$2,203,000

**Current Storm Water Rate:**

Monthly Rate: \$4.50  
 ERU Fee: \$2.25

**Proposed Alternative Pricing:**

Monthly Rate: \$20.00  
 ERU Fee: \$10.00

At the current rate schedule the amount of reserves held by the city is decreasing on a yearly basis and will be gone by the year 2026.

If the proposed rate schedule is implement by the year 2026 approximately \$7,500,000 will be held in reserves to pay for needed projects.

*\*\*\*The public hearing was opened at 6:35 P.M.\*\*\**

Mayor Simmons informed those in attendance this is a public hearing only and the council would not be voting on the proposed increase until a future council meeting.

Dennis Thornley: I do not think you should raise the base rate above \$10.00 per month. The proposed approach is regressive for those on fixed incomes. If you need more money then charge more on the tiered pricing. The base rate should be at \$10.00 per month. Other utilities we pay such as Questar and Rocky Mountain Power have a monthly base charge of around \$6.00 per month. Those using more need to pay more.

Glen Jay Thornley: I am on a fixed income but I am not speaking for everyone who is on a fixed income. This proposal will be a shock to many people. A way to avoid that is by educating the people. Before a decision is made for any type of increase there needs to be more public education. Have a meeting at the armory (Civic Center) or at Sky View High School. Advertise an open house for a couple of evenings. Bring in the professionals who prepared this information and let them explain it to those in attendance. Let them explain what depreciation expense is. Let them talk about the projects which are needed and the associated cost. I want to mention two other things. One is the shuffling of money from fund to fund. Make sure there are no efforts to hide where the money is going. I have never approved of RDA funds being used to build the new library building. I know there are other things like this as well. I am not accusing anyone but I know things like this have happened. I know money has been transferred to the golf course. Where did the money go from the land that was sold? I encourage any business be added to the agenda as a specific agenda item and not discussed in council member reports. Only the item listed on the agenda for an executive session should be discussed not other items not listed.

Alan Hodges: I would suggest lowering the proposed storm water rate to be closer to the target number listed in the chart. Right now it is quite a ways above it.

Shaun Dahle: The projects which are needed have not really been talked about. What are the projects? How was the cost of the project determined? I would like to compare the cost estimates to other projects.

Craig mentioned all of the information for the General Plan and the Master Plans for water, storm water and transportation will all be available on the city website. Hard copies of the plans are available for review at the city office as well.

*\*\*\*The public hearing was closed at 6:43 P.M.\*\*\**

Deon asked for clarification on the current storm water fee as it was shown as \$54.00 per year and \$27.00 per ERU (Equivalent Residential Unit). Craig replied currently each residential connection pays \$4.50 per month which equates to \$54.00 over 12 months. Businesses pay per ERU at a rate of \$2.25 per month per ERU. The city engineer determines the number of ERU's per business and they are charged at a rate of \$2.25 per ERU per month.

Deon asked how much more a business pays than a home? Craig replied if a business was charged for 20 ERU's per month that equates to \$45.00 per month.

Kris suggested to those in attendance to review the meeting minutes from November 15<sup>th</sup> when this information was presented. Residents need to be informed about what is going on but they do not attend council meetings to find out.

Kris mentioned the council does not act in secret. They want things out in the open to discuss. There have been a couple of executive sessions in the last few years and the information in those meetings is supposed to be kept confidential but apparently it is not being kept that way. It is the responsibility of the council to keep the information from those specific meetings confidential and there is a big issues if that information is being leaked to people not involved.

Kris suggested to those in attendance with questions to meet with the staff, review the projects and become informed. Hundreds of thousands of dollars per year need to be saved to pay for future projects and right now it is not happening.

Jeff asked how much the deficit is in the water fund this fiscal year? Craig replied approximately \$280,000.

Curtis replied there has been significant discussion on this issue and it is time for the council to act.

Barbara mentioned there are many big projects needed for water, sewer and storm water. The city is responsible for these projects. If the rate is not increased now then interest will be paid later. Interest should be avoided if possible.

Paying cash for projects as opposed to borrowing funds and paying interest was Barbara's preferred choice of action.

Mayor Simmons stated the rates should have been raised a long time ago and he should have led the discussion to make it happen. Rates should have been increased to the proposed amounts over the last eight years. The city cannot continue to operate at the current rate schedule. Rates should have been adjusted sooner but they must be adjusted now. All communities need good water and sewer service.

Barbara stated it is important to have good water sources and a sewage system where some places in the world have neither.

Kris asked Jeff for his thoughts on how to proceed with this discussion since he would be taking over as mayor in January. Jeff replied the idea of having some workshop sessions was a great idea. Mayor Simmons replied a workshop session is not needed when only a handful of people attended the public hearing. Jeff stated lots of advertising needs to be done and the material needs to be presented again in more detail. The residents need to be educated on the proposed rate increase.

Barbara suggested posting the information wherever possible such as on the website, through email and all other platforms. The proposed increase is large and people need to understand why it is being considered.

Shaun Dahle suggested looking at what other communities are charging to get a basis of what the city's rates should be. Curtis replied that information has already been gathered and the rate in Smithfield is one of the lowest in the valley. Shaun suggested putting this information in an upcoming city newsletter.

Kris asked Justin what his utility rate is in Richmond? Justin replied his monthly base utility rate is \$129.55. The rate consists of a \$57 base rate for water and \$50 for sewer which are the two biggest charges.

Jeff asked how much Richmond charges for storm water? Justin replied Richmond does not charge a storm water fee. There is very little curb and gutter anywhere in Richmond and at this time a storm water utility fee is not collected.

Barbara mentioned the city's rate should have been incrementally increased over time as it is easier to manage but that is not possible now.

Craig reminded the council it is hard to compare utility rates of other cities because each city has a different debt service and expenses. For example, Smithfield has 3,800 connections paying for a two million gallon water tank where another local city has 800 connections paying for a two million gallon water tank which is a big difference in the debt service per connection. Some cities have a lot of debt and others may not have any at all. Some cities might have a newer sewer system where others might have an old one. There is a lot involved in determining the monthly utility rate in each city it is not just an arbitrary number. Barbara replied it would be good to educate the residents that cities cannot be compared for this very reason.

<p><b>DISCUSSION AND VOTE ON APPOINTING MINDY SPACKMAN AND ANDREW SOELBERG AS FULL-TIME COMMISSIONERS ON THE SMITHFIELD CITY PLANNING AND ZONING COMMISSION.</b></p>
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Curtis mentioned to the council Jamie Anderson and Wade Campbell were recently elected to serve on the city council. Both of them are currently planning commission members. Currently, Andrew Soelberg and Mindy Spackman have been serving as the two alternates for the commission. Both have attended several planning commission meetings and sat on the commission and voted when needed. Both are willing to serve as full-time commissioners.

\*\*\*A motion to appoint Andrew Soelberg and Mindy Spackman as full-time commissioners on the Smithfield City Planning and Zoning Commission was made by Curtis, seconded by Kris and the vote was unanimous.\*\*\*

Yes Vote: Hunsaker, Kent, Monson, Barnes, Wall  
No Vote: None

**DISCUSSION AND VOTE ON APPOINTING MASON NIEDERHAUSER AND NATHAN WRIGHT AS ALTERNATE COMMISSIONERS ON THE SMITHFIELD CITY PLANNING AND ZONING COMMISSION.**

Curtis informed the council he has a waiting list of residents wanting to serve on the planning commission. Two alternates are now needed on the planning commission where Mindy Spackman and Andrew Soelberg were formally approved as full-time commissioners. Alternates are selected in the order they have contacted Curtis with their request to serve. Mason Niederhauser and Nathan Wright are next on the waiting list. Both have been contacted and are willing to serve as alternate commissioners.

Barbara asked how many full-time commissioners there are? Curtis replied seven including the chairman.

Barbara asked how many alternate commissioners there are? Curtis replied two.

Curtis mentioned he still has a couple of people on the waiting list willing to serve in the future as well.

Barbara asked if the alternates attend all of the planning commission meetings? Curtis stated that is correct. The alternates fill the role of a full-time commissioner if one of them is absent from the meeting.

Barbara asked if the alternates vote? Curtis replied they do when they fill the spot of a full-time commissioner for a meeting.

Barbara mentioned getting experience on the planning commission was very valuable for her before she ran for city council.

Curtis mentioned he liked the demographic of the planning commission. There are both older and younger members as well as male and female members currently serving.

\*\*\*A motion to appoint Mason Niederhauser and Nathan Wright as alternate commissioners on the Smithfield City Planning and Zoning Commission was made by Curtis, seconded by Barbara and the vote was unanimous.\*\*\*

Yes Vote: Hunsaker, Kent, Monson, Barnes, Wall

No Vote: None

**DISCUSSION AND VOTE ON ORDINANCE 17-20, AN ORDINANCE ESTABLISHING A TIME AND PLACE FOR HOLDING REGULAR MEETINGS DURING CALENDAR YEAR 2018.**

Justin reminded the council in December of each year the council passes an ordinance for the New Year regarding the date and times of meetings for the city council, planning commission and RDA board. For 2016 and 2017 the council only met once per month. There has been talk

about going back to two council meetings per month in 2018 and it is up to the council to decide what they would like to do. Once the ordinance is approved it will be advertised as required. With a new mayor and two new council members being elected the council has the option to discuss the ordinance now or table it and wait until January when the new council members and mayor are in place.

Justin mentioned Deputy Recorder Charlene Izatt visited with the planning commissioners and they would like to stay on the third Wednesday starting at 7:00 P.M.

The RDA board meeting is only held once per month and is on the second Wednesday at the conclusion of the regular city council meeting.

Mayor Simmons mentioned the state only requires one meeting per month of the council but the council can meet as many times as they would like too.

Jeff mentioned he is in favor of two meetings per month. In 2017 some of the meetings were very long and it is hard to keep people interested in the meeting when it lasts several hours. Jeff also mentioned in some cases decisions need to be made sooner than a month between meetings.

Jeff preferred to have the public hearing at one council meeting and then the vote on the item discussed in the public hearing two weeks later at the next council meeting so the council has time to review and research any concerns.

Deon mentioned he has served on the council when there were meetings once a month and twice a month. When meetings were twice a month they still lasted as long as when they were once a month. There are some occasions where it would be better to have two meetings a month but at the same time just having a meeting to have a meeting is not preferable.

Curtis mentioned he had reviewed the ordinance with Justin about concerns regarding timing and posting of information. Justin replied the biggest item is educating people if there are two meetings per month. The thought process by residents, builders and others needing to come to both the planning commission and city council is that they should be able to come, by default, to the next council meeting after the planning commission meeting. For example, the planning commission meets on the third Wednesday. The council would meet on the fourth Wednesday if they meet twice per month. Requesters needing to go before both the planning commission and city council think they can go to the planning commission on the third Wednesday and then to the council on the fourth Wednesday. In some cases this will not work because of the timing of publications and advertisements so it would force those requests to the first council meeting in the following month. Once the council determines if they want to have one or two meetings a month the key is then educating those requesters that need to go before the council and the planning commission on the timing of both meetings and what is allowed for publication purposes.

Curtis mentioned it is easier to add a meeting then cancel a meeting. Justin concurred that meetings will not be cancelled just because a council meeting might only have a couple of

agenda items. If the council decides to meet twice per month meetings will not be cancelled based on the number of items on the agenda.

Barbara stated she would prefer the new council members vote on this ordinance since they are the ones attending the meetings.

Barbara mentioned each council member and the mayor attend several other meetings per month in behalf of the city not just the city council meeting. Mayor Simmons stated one of the thoughts behind having one meeting per month was because of the number of other meetings council members go to on a monthly basis. One meeting per month allowed for a more flexible schedule for the mayor and council.

Curtis mentioned he has been attending the planning commission meeting each month while on the council and will adjust his schedule as needed for council meetings.

\*\*\*A motion to table Ordinance 17-20 until the January 10, 2018 city council meeting was made by Curtis, seconded by Kris and the vote was unanimous.\*\*\*

Yes Vote: Hunsaker, Kent, Monson, Barnes, Wall  
No Vote: None

**PUBLIC HEARING, NO SOONER THAN 7:00 P.M., TO CONSIDER POTENTIAL PROJECTS FOR WHICH FUNDING MAY BE APPLIED FOR UNDER THE CDBG SMALL CITIES PROGRAM FOR PROGRAM YEAR 2018. SUGGESTIONS FOR POTENTIAL PROJECTS WILL BE SOLICITED, BOTH VERBALLY AND IN WRITING, FROM ALL INTERESTED PARTIES.**

Curtis mentioned he had attended a meeting to learn about grants and what opportunities are available for the city. Right now is time to apply for CDBG (Community Development Block Grant) funding. There is several hundred thousand dollars which will be allocated in 2018. The intent is to apply for a project to repair the rotting logs on the Senior Citizen Building.

Curtis informed the council he talked to BRAG (Bear River Association of Governments) who administers the CDBG program and they said this type of project would be considered.

The minimum application is \$30,000.

The first step was to attend a mandatory meeting in November where the program was explained. Curtis attended in behalf of the city so the city can apply for the grant.

A public hearing by the council is required.

The application is then due by January 31, 2018.

Mayor Simmons read the following:

Smithfield City will now open its first Public Hearing for the 2018 Community Development Block Grant Small Cities program. The purpose of this hearing is to gain citizen input regarding community needs and potential CDBG projects.

Approximately \$400,000 is expected to be available in the Bear River Region for CDBG projects, \$400,000 of which will be available through competitive grants for projects that meet U. S. Department of Housing and Urban Development national objectives to benefit low and moderate income individuals. All eligible activities that can be accomplished under this program are identified in the CDBG Application Policies and Procedures Manual in the City Office and interested parties can review it at any time. Projects may include local infrastructure projects such as water system improvements, construction of a fire station, or purchase of playground equipment; or projects that improve the availability and quality of housing for low and moderate income individuals and families such as purchasing land for subsidized housing, or rehabilitation of homes and apartments. Smithfield City will list eligible activities in the City Capital Improvement List, which is also available for public review upon request.

We would like to ask that representatives of the public and non-profit organizations that are in attendance specifically for this hearing please sign the attendance roll, including your name, address, and telephone number. If you have questions or comments, we would like to invite you to share them. Please identify yourself by name before you speak. The recorder will include your name in the minutes and we would like to specifically respond to your questions and suggestions during the hearing. We will now accept public comment.

*\*\*\*The public hearing opened at 7:15 P.M.\*\*\**

Curtis Wall stated Smithfield City intends to submit an application for a building renovation project at the Smithfield City Senior Citizen Building located at 375 Canyon Road for the renovation and repair of the building.

Bart Caley asked if only the minimum grant amount was being applied for? Curtis replied the exact amount of the application had yet to be determined as two bids were being obtained for the building renovation project. One bid would consist of regular siding. The second bid would consist of log siding. The drawback to log siding is it does need to be maintained where regular siding does not.

Curtis also mentioned the electrical in the building and the roof was being reviewed and if repairs are needed they will be included in the application as well.

Curtis informed the council CDBG funds had been used to help renovate the senior center in Brigham City. The project can be applied for since the main group using the building is senior citizens on fixed incomes.

Jeff asked if this program is a grant? Curtis stated that is correct.

Barbara asked if the city was required to match a certain amount? Curtis replied there is not any matching funding required for the application.

Glen Jay Thornley stated he supported this project. Glen Jay was encouraged the city was applying for these funds as they had not recently done so.

Glen Jay thanked Curtis for looking out for the city to obtain grant funding.

Barbara asked if the city should submit an application for water system improvements as well? Curtis replied he felt the city should focus on one project. Nine other communities and a couple of nonprofit entities such as The Family Place are going to submit applications as well. The Family Place is submitting an application for \$60,000 for a project in Hyrum City. Logan City will be submitting an application as well. The amount BRAG has available to allocate on a yearly basis fluctuates.

Linda Stowell asked what the stipulations are on the grant? Curtis replied the project applied for is the exact project which must be completed.

Mayor Simmons mentioned this is not a loan guarantee program but a grant. The low income status of those using the building allow the city to apply. Curtis concurred.

*\*\*\*The public hearing closed at 7:25 P.M.\*\*\**

Barbara mentioned this was a good opportunity and the city should submit an application. Jeff replied from what he understood from what Curtis had learned the city would have a reasonable chance to obtain the grant funding. Barbara replied several of the logs on the building are rotting and need to be repaired or replaced. Jeff mentioned flooding from previous years had caused damage to the exterior of the building as well.

<p><b>PUBLIC HEARING FOR THE PURPOSE OF DISCUSSING RESOLUTION 17-18, A RESOLUTION AMENDING THE FISCAL YEAR 2018 BUDGET FOR ALL FUNDS.</b></p>
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Craig reminded the council the budget is amended twice per fiscal year. At the midpoint and then again at the end. Grants are not included in the original budget until they are actually received. There is significant wildfire revenue and expense which needs to be included.

The general fund must balance but the enterprise funds do not have to balance as they are funds which are like a business and can have a profit or loss.

General fund revenue increases are for sales tax, building permits, Richmond City fire contract, Quick response contract, State of Utah Liquor fund allocation, FEMA grant, wildland fires and sundry revenue for the surplus sale of some equipment. These were the most significant proposed increases.

General fund expense increases were for wildland fires, liquor law enforcement expenses, a legal notice for the cemetery for the grave plot reclamation resolution, culinary water use in the

cemetery and city parks, the new restroom at Central Park and the demolition of the Pitcher home which will lead to the expansion of Forrester Acres.

Mayor Simmons asked Craig to explain the culinary water charge for the cemetery and parks. Craig replied the state auditor changed the policy in the last couple of years where the general fund is required to pay the water enterprise fund for any culinary water used in the buildings or grounds. Both the cemetery grounds and some of the parks are watered with culinary water and must pay the water fund for the usage. The proposed increase to the cemetery budget for culinary water use is \$13,500 and for the parks budget is \$24,000.

Craig reviewed the following proposed changes to the enterprise funds.

Water fund revenue increases for irrigation hookup fees, impact fees collected and water dedication payments.

The major water fund expense increase is to include \$376,000 for Depreciation Expense.

Increase to sewer fund revenue for sewer impact fees collected.

Significant sewer fund expense for Depreciation Expense in the amount of \$293,000.

Significant increases to storm water expense for Depreciation Expense in the amount of \$56,000 and the addition of insurance expense not accounted for in the original budget.

Significant increases to the golf fund for Depreciation Expense in the amount of \$115,548 and \$28,500 for an increase in the Deficit Expense as required by the state and mentioned in the Fiscal Year 2017 audit.

*\*\*\*The public hearing was opened at 7:30 P.M.\*\*\**

There were not any comments or questions from the public.

*\*\*\*The public hearing was closed at 7:31 P.M.\*\*\**

<b>DISCUSSION AND POSSIBLE VOTE ON RESOLUTION 17-18.</b>
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Mayor Simmons asked if this year's wildfire season was larger than last year? Chief Downs replied last year was the biggest year. The department could possibly deploy to California this month if the wildfires continue to grow there and assistance is needed.

Mayor Simmons asked Chief Downs to explain the process for the department and wildfire response. Chief Downs replied the department has a wildland fire program. Members of the department wanting to fight wildfires need to obtain red card certification. An advanced level above the red card certification is becoming an engine boss. When department members go on these fires they are usually gone for two to three weeks at a time. When they are working it is 16 hours per day. When members of this department are deployed it is usually four members and

one of the brush trucks. The focus right now in California is to save structures. In the past department members have gone to Oregon, Washington and down to the Bryce Canyon area in Southern Utah. A physical and 40 hours of training are required before someone can go on a wildland fire event. Department members are paid on a specific pay scale and overtime is earned. The department and the employees make money on these deployments. This year revenue will be approximately \$127,000. After expenses are deducted the profit will be approximately \$77,000. Those funds will be used to purchase a new truck as well as some new SCBA's (Self Contained Breathing Apparatus). The department is required to have SCBA's and if the wildland fire funds did not pay for them the general fund would have to. Turnouts weigh around 30 pounds each. The cost of a turnout which is a helmet, boots, coat and pants is around \$2,500. SCBA's cost around \$6,000 each and there are 29 in the department.

\*\*\*A motion to adopt Resolution 17-18, a Resolution amending the Fiscal Year 2018 budget was made by Kris, seconded by Curtis and the vote was unanimous\*\*\*

Yes Vote: Hunsaker, Kent, Monson, Barnes, Wall

No Vote: None

<b>DISCUSSION AND POSSIBLE VOTE ON CHANGES TO THE EMPLOYEE PERSONNEL MANUAL.</b>
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Craig reminded the council the PTO (Personal Time Off) policy was amended previously. Employees hired after January 1, 2016 did not accrue as many hours as those hired before that date. PTO includes both vacation time and sick leave. The current proposal is to remove the section for employees hired after January 1, 2016 and only have one accrual schedule. Having two accrual schedules has been hard to manage. Only accruing four hours per month for the first year was very low compared to other communities in the valley. Accruing eight hours per month is more in line with what other local communities are doing.

Mayor Simmons asked if the department heads reviewed the proposed change? Craig replied that was correct. There have been several discussions on this topic.

Mayor Simmons mentioned employees focus on items like this when they are looking at coming to the city and the city needs to be comparable to others.

Craig mentioned most of the employees hired by the city come from other cities and if the benefits are not comparable new employees will not come and work for the city.

Mayor Simmons mentioned the city has lost several employees in the last year as unemployment is low and there are lots of opportunities to go elsewhere.

\*\*\*A motion to amend the Employee Personnel Manual by removing the section regarding the accrual of PTO (Personal Time Off) for employees hired after January 1, 2016 was made by Jeff, seconded by Curtis and the vote was unanimous\*\*\*

Yes Vote: Hunsaker, Kent, Monson, Barnes, Wall

No Vote: None

### **CITY MANAGER REPORT**

Craig reminded the council the employee Christmas party is on Thursday, December 14<sup>th</sup> at 1:00 P.M. at the golf course clubhouse.

Mayor Simmons thanked Craig for his weekly reports updating the council on happenings throughout the city in each department.

### **COUNCIL MEMBER REPORTS**

Deon did not have any additional items to report.

Jeff mentioned the advertisement for the cemetery plot reclamation project had been posted as required. People have been providing information to the city staff to review to see if they would qualify as the potential owners of the grave plots in question.

Jeff asked Justin to let everyone know the timeline for this project. Justin replied state code allows people to respond for up to 60 days after the resolution was adopted. People will have until January 16, 2018 to respond. After that time the city staff will review each request one by one to determine which claims are valid. Any valid claim will then have a new certificate issued to the new/current plot owner.

Curtis mentioned the Smithfield City Chamber of Commerce Night of Giving Event raised \$28,455. The goal was \$30,000. Something new this year was to sell candy bars and one held a golden ticket which was for a \$500 gift certificate to Al's Sporting Goods. The funds have been distributed so purchases can be made for the children in need. Typically \$50 is spent on younger children and \$100 is spent on older children. The local schools have helped to determine the children in need. December is Stacey Dority's last month with the chamber. Nicole Zollinger is taking over in January. The use of the chairs was donated so a cost was not incurred this year so that saved significant funds for the Night of Giving.

Deon mentioned there was a Utah State University basketball game the same evening so there were not as many people in attendance as in the past. Curtis replied there were 55 unsold tickets.

Jeff mentioned Stacey is a special person in the community who has donated countless hours to many different projects in the community. The Night of Giving was well done, looked nice and over \$28,000 was raised which speaks very highly for the community. Mayor Simmons mentioned he hoped the event will continue well into the future.

Barbara mentioned December is a busy month for the youth council. In November, the youth council decided to do a food drive. It was organized by the kids not the leaders. Food was collected and then bagged, boxed and will be distributed to local families. The kids were all aware of needy families and made that their focus with the project. On December 2<sup>nd</sup> several

members of the youth council attended a leadership training session with CAPSA (Citizens Against Physical and Sexual Abuse). A previous youth council mayor is currently the Sky View High School student body president but still attends youth council meetings to help where he can. Future leaders are being developed by working with the youth council and being involved.

Barbara mentioned in her closing remarks until recently she never realized how much of her thought process was always about the city. When going to other cities she would notice how they do things, what was different than Smithfield, what might be better for Smithfield. Council members cannot turn off their thought process about the city while serving. They are always thinking of ways to try and make the city a better place. Serving on the council has been a life altering experience. By not serving people are missing out on a great opportunity to learn and grow.

Barbara thanked those she was currently serving with and those she served with in the past.

Barbara was disappointed that 75% of the city did not turn out and vote. Typically people do not participate when they think things are going smoothly and they need to be involved in rough times and smooth times.

Barbara mentioned how she appreciated having the resident input section of the council meeting so residents have time to bring problems and concerns before the council.

Barbara closed her remarks by saying Smithfield is home, she loves the city and loved the opportunity to serve and give back to the city. Not everyone takes the chance and they should.

Kris mentioned Barbara's shoes will be hard to fill for the youth council. The youth council has been her passion and has grown each year and reached new heights. Barbara never complained and always came to meetings prepared.

Kris thanked Mayor Simmons for teaching her how to be professional.

Kris mentioned she was not happy about the white vinyl fence which had been installed at the Lil' Rascals Daycare facility at 72 North Main. Kris mentioned she specifically remembered during a couple of RDA meetings about mentioning a white vinyl fence should not be allowed on Main Street as it looks like the back of someone's home and it looks terrible on Main Street.

Kris asked the incoming council and mayor to consider raising property taxes in the future. The city has grown by over 4,000 residents in the last few years and property taxes have not been raised since 2011. More funds are needed to help with wages at the police department and many other places. Right now low wages are being paid to the officers and as soon as they are trained they are leaving for other departments which pay a higher wage. An animal control officer needs to be hired. Additional property tax revenue is needed as the city grows.

Kris reminded the council a group of Logan High School students had presented an air quality initiative to the city council in early 2017. The council did not adopt the initiative as they felt it was too restrictive. Kris mentioned she had asked Jeff to review the new proposed initiative and

consider adopting it at a council meeting in 2018. The initiative is a place for the city to start and build on.

Kris mentioned she had been on the trails committee for many years. The Forest Service is angry about some bridges that have been built in the Birch Creek area. Kris hoped to form a small committee to work with the Forest Service to alleviate their concerns.

Kris stated she was glad she did not run for office this year as 16 years is enough.

Kris mentioned the only current employees working with the city at the time she was originally elected to the council are Jay Downs, Doug Petersen and Char Izatt as far as she could remember but there might be others.

Kris was grateful to be on the council, planning commission and to be able to work with the youth council as well. The city is a great place to live and Kris was thankful for the opportunity to serve.

Mayor Simmons presented Barbara and Kris each a clock of appreciation for their years of service to the city.

## **MAYOR'S REPORT**

Mayor Simmons mentioned he would like to close the meeting with a few thoughts.

Residents need to attend city council meetings. Council meetings need to be full and not sparsely attended like this meeting was.

Kris and Barbara were thanked for their many years of dedicated service.

Kris and Barbara were thanked for being contributors to the city for 16 years and for eight years respectively.

The last eight years were an amazing experience, many good people were met, many meetings were attended with the goal of each council member and the mayor to make Smithfield City a shining star throughout the state.

Mayor Simmons read the following quote: "Gratitude unlocks the fullness of life. It turns what we have into enough, and more. It turns denial into acceptance, chaos to order, confusion to clarity. It can turn a meal into a feast, a house into a home, a stranger into a friend. Gratitude makes sense of our past, brings peace for today, and creates a vision for tomorrow."

Jeff presented Mayor Simmons with a clock of appreciation for his years of service to the community.

Jeff stated Mayor Simmons is an icon who will be hard to follow. Jeff mentioned Dennis Watkins said it best that the council are about the only ones that know how much time is really

dedicated to the city by the mayor. The residents do not realize the time involved from phone calls, emails and for meetings.

Jeff thanked Mayor Simmons for what he had done for the city in his years of service.

*\*\*\*Kris made a motion to adjourn at 8:13 P.M.\*\*\**

**SMITHFIELD CITY CORPORATION**

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Jeffrey H. Barnes, Mayor

**ATTEST:**

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Justin B. Lewis, City Recorder

**SMITHFIELD CITY CORPORATION  
96 South Main  
Smithfield, UT 84335**

**AGENDA**

Public Notice is given that the Smithfield City Council will meet in a regularly scheduled meeting at 96 South Main, Smithfield, Utah, on **Wednesday, December 13, 2017**. The meeting will begin at 6:00 P.M.

Welcome and Opening Ceremonies by Barbara Kent

1. Approval of the city council meeting minutes from November 15, 2017
2. Resident Input
3. Audit presentation for Fiscal Year 2017 by representatives of Allred Jackson.

4. Discussion and possible vote on Ordinance 17-19, an Ordinance rezoning Parcel Number 08-044-0006, 4.64 Acres, from A-10 (Agricultural 10-Acre) to R-1-10 (Single Family Residential 10,000 Square Feet). The parcel is located at 777 North Main Street.
5. Public Hearing for the purpose of discussing Resolution 17-19, a Resolution increasing the monthly water service utility rate and Resolution 17-20, a Resolution increasing the monthly storm water service utility rate.
6. Discussion and vote on appointing Mindy Spackman and Andrew Soelberg as full-time commissioners on the Smithfield City Planning and Zoning Commission.
7. Discussion and vote on appointing Mason Niederhauser and Nathan Wright as alternate commissioners on the Smithfield City Planning and Zoning Commission.
8. Discussion and vote on Ordinance 17-20, an Ordinance establishing a time and place for holding regular meetings during calendar year 2018.
9. Public Hearing, no sooner than 7:00 P.M., to consider potential projects for which funding may be applied for under the CDBG Small Cities Program for Program Year 2018. Suggestions for potential projects will be solicited, both verbally and in writing, from all interested parties.
10. Public Hearing for the purpose of discussing Resolution 17-18, a Resolution amending the Fiscal Year 2018 Budget for all funds.
11. Discussion and possible vote on Resolution 17-18.
12. Discussion and possible vote on changes to the Employee Personnel Manual.
13. City Manager Report
14. Council Member Reports
15. Mayor's Report
16. Closing remarks and thoughts by Kris Monson, Barbara Kent and Mayor Simmons.

Adjournment

**\*\*\*Items on the agenda may be considered earlier than shown on the agenda.\*\*\***

In accordance with the Americans with Disabilities Act, individuals needing special accommodation for this meeting should contact the City Recorder at (435) 792-7990, at least three (3) days before the date of the meeting.