

The Meeting of the Nibley City Council held at Nibley City Hall, 625 W. 3200 S. Nibley, Utah, on November 20, 2008.

The following actions were made during the meeting:

Councilman Mickelson made a motion to accept resolution 08-07, amending the FY 2009 Budget to purchase a vacuum trailer. Councilman Hansen seconds the motion. Councilman Mickelson, Councilman Hansen, and Councilman Jacobsen are in favor of the motion. Councilman Larsen is opposed. The motion passes 3-1.

Councilman Mickelson makes a motion to accept resolution 08-08 expressing the intent of the Nibley City Council to join with the Cache County School District to build a community center as part of the new elementary school building. Councilman Jacobsen seconds the motion. Councilman Mickelson, Councilman Jacobsen, and Councilman Hansen vote in favor of the motion. Councilman Larsen is opposes the motion. The motion passes 3-1.

Councilman Larsen moves to renew the lease with Union Pacific for the west 20 feet o property in the City parking lot. Councilman Jacobsen seconds the motion. Councilman Larsen, Councilman Jacobsen, Councilman Hansen, and Councilman Mickelson are all in favor. The motion passed unanimously 4-0.

Councilman Larsen makes a motion to enable the city manager to enter into discussion with Union Pacific to purchase said property that they have leased. Councilman Mickelson seconds the motion. Councilman Larsen, Councilman Mickelson, Councilman Jacobsen, and Councilman Hansen are all in favor. The motion passed unanimously 4-0.

Councilman Mickelson made a motion to postpone this discussion of Ordinance 08-17 Land Use Chart. Councilman Hansen seconds the motion. Councilman Mickelson, Councilman Hansen, and Councilman Jacobsen vote in favor of the motion. Councilman Larsen is opposed. The motion passes 3-1.

OFFICIAL MINUTES OF THE MEETING

Minutes were taken and prepared by Assistant City Recorder Cheryl Bodily

Mayor Gerald Knight called the Thursday, November 20, 2008 Nibley City Council meeting to order at 6:00 p.m. Those in attendance included Mayor Gerald Knight, Councilman Scott Larsen, Councilman Larry Jacobsen, Councilman Bryan Hansen, and Councilman Thayne Mickelson. Councilman Shaun Dustin was excused from the meeting. Larry Anhder, the City Manager, was also in attendance.

Item 1: Approval of evening's agenda and minutes of November 6, 2008 meeting.

Councilman Larsen moves to approve the minutes of the November 6th meeting with the proposed changes that were submitted via email and the evening's agenda minus the last

bullet noting the 9:30 adjournment. Councilman Hansen seconds the motion. The motion passed unanimously with Councilman Larsen, Councilman Jacobsen, Councilman Hansen, and Councilman Mickelson all in favor.

Item 2: Presentation of annual financial audit by Fred Burr of Wiggins & Co. CPAs

Mr. Burr starts with the financial report. He states the financial statements were prepared with government generally accepted accounting principals and they do the auditing with generally accepted auditing standards. The first nine pages are management discussion and analysis. The financial statements are presented using full accrual accounting methods. Page nine is the balance sheet on Nibley City, which lists all assets and subtracts the liabilities and ends with net assets. The presentation on page ten is broken down into two separate sections which tell how much of the expenses are covered by the operations of the City and how Nibley City budgets by department. The statements on 11-14 are the statements the Council deals with on a regular basis. All of the funds of governmental funds of the City are in excellent condition. On pages 12 & 14 they are required to include a reconciliation of what is required to get from one set of financial statements to the other set of financial statements. On page 15 there is a budget comparison. Mr. Burr notes on page 18 the sewer fund is operating healthy now after the sewer rate increase. The water fund and sewer fund generated cash. Page 19 is what cash came in and where it went. The rest of the financial statements are just notes for the reader to understand the financial statements. Mr. Burr then moves into the Management Report. Page five is the start of finding and recommendations the auditors have. The audit found that Nibley City did not have the personnel to perform the year-end accounting functions and Mr. Burr states that under the new auditing standards the auditors are prohibited from being part of Nibley City's system. The auditor recommends outsourcing to take care of that. The second finding is problems with the payroll calculations. The auditor suggested they pay the hours supported by the time sheet so there is agreement between the pay and the supporting document. This is an ongoing finding. The third finding the auditor had was the capital assets finding. Nibley City does not have formalized capital asset records. The auditors have always done that in the past. Mr. Burr recommends outsourcing. Finding number four found segregation of duties problems in the areas of utility billing and receivables, utility receivable account adjustments, and bank reconciliation procedures. Mr. Anhder states the there is a second person reviewing changes in the utilities. Finding number five address the review of general ledger balance sheet accounts. Finding number six was the issue of meeting minutes not being available to the public for review. Mayor Knight states the previous recorder has been notified that previous minutes are needed and further action will be taken if the previous assistant recorder does not respond. Finding seven was that the city does not have formal policies involving investment risk. The last finding notes a deficiency in public notice of operating transfers. Councilman Mickelson asks if there were any real differences in dollar amounts on this report. He would like a report that documents the percentage of change. Mr. Burr states there were significant changes, but does not have that information on hand.

Item 3: Public Hearing to receive comments concerning proposed changes to the current year budget in the amount of \$48,000.

Mayor Knight states this is pertaining to a purchase in the public works department. They would like to purchase a vacuum trailer. Bill Saunders states this trailer is a maintenance item that would reduce the time it takes to excavate utilities, run gas and phone lines, repair yard lines, opens and closes valve lines with a hydraulic wrench, etc. The supplier offered it to them as a demo and they have put in 15 hours on it in two days. It will reduce man power and manual labor immensely. This is the first time all these tools have been put into one unit. Councilman Jacobsen asks they have a payback period in mind and asks if it will be less than 10 years. Bill states in departments they were lagging they can now catch up and states yes. Mayor Knight opens the public hearing. Bruce Rigby, a Nibley citizen, asks if the equipment comes with a warranty. Bill Saunders states it is a simple machine, easy to repair, and parts are easily available for it. Mr. Anhder states the cost to be \$48,000. They will pay for it equally out of streets (\$12,000), water (\$12,000), storm water (\$12,000), and sewer (\$12,000) departments equally. Noel Seamons asks if her taxes will go up. Mayor Knight closes the public hearing.

Mayor Knight entertains a motion to adopt resolution 08-07 amending the FY 2009 Budget to purchase a vacuum trailer. Councilman Mickelson made a motion to accept the resolution. Councilman Hansen seconds the motion. Councilman Larsen states he sees greater needs for these funds, specifically a skidsteer to clear sidewalks that they are going to need to clear this winter. Bill Saunders states with work in the parks slowing down he cannot justify the need for a skidsteer. Councilman Mickelson, Councilman Hansen, and Councilman Jacobsen are in favor of the motion. Councilman Larsen is opposed. The motion passes.

Item 4: Bruce Rigby discussion with City Council about dedicating 3300 South, currently a private road, in the Tuscany subdivision to the City.

Bruce Rigby is in attendance at this meeting. He states the Tuscany Estates has a road that goes back in and makes a corner and turns around and the residents that live on that street would like to request the street be deeded back to city. There was a lack of communication between the residents and the developers involving the costs and maintenance of a private road and that it would need a Home Owners Association. There is no HOA that was created. Three homes within the subdivision do not have access to the road. They do not want to pay for maintenance and upkeep of a road they do not touch. Mayor Knight states the council has discussed private roads and how to address them. His opinion is the developer at some time wanted a private road. Generally speaking the developer gets some kind of concession and the City will allow a private road for some kind of trade off namely the City does not have to maintain the road. The City will take over a road if it is build to current City standards. Another issue is setback. Larry Seamons states his tax dollars go to Nibley City and wants to know what he is getting for the \$310 dollars. Mayor Knight notes he gets parks, police and fire protection, the other roads he drives on to get to his home, etc. Bruce Rigby states they are not aware of the concessions the developer may have made and would like to know what they are and what it would take. Councilman Jacobsen states he is speculating that it was less expensive for the developer to put in a private road. He did not need to do curb and gutter, he didn't have to do as much asphalt or put in a storm water basin. They have since changed their private road ordinance. He recognizes this as a problem and that it

has been addressed to some degree with the ordinance change. Mayor Knight asks the council if they would entertain taking this road as a public road if it were brought up to current Nibley City standards. Councilman Jacobsen, Councilman Hansen, and Councilman Mickelson state they would entertain it if it was brought to up to standards. Councilman Larsen states one of the concessions by the developer was the swell. Councilman Mickelson wants to know the deficiencies to making this a public road. Mayor Knight states the deficiencies are curb and gutter, 3 ft. of asphalt (width), city lights, and a retention basin. He advises the residents to get the improvements installed and bring them back to the Council. If they comply with all the current requirements, bring in an amended plat, put a bond down for those improvements, and the Council approves it, then the city will take over the road. Councilman Larsen notes the length of the cul-de-sac from previous minutes. Mayor Knight suggests the residents check the length of the cul-de-sac. Councilman Mickelson asks if they could make a concession on the making this road a public road with the length of the cul-de-sac. Mr. Anhder states the idea of having a minimum length is so that they do not dead end. Councilman Mickelson states this would be worth taking it to a variance board. Councilman Jacobsen states a variance board will look at if this has been forced on them or is an undue hardship. Mr. Anhder states they have two options: 1-to go to variance board and come in with the change to the plat that meets city code 2- come before the City and petition for a change in the ordinance that allows a cul-de-sac longer than a 660 ft.

Item 5: Public comments about the proposed Nibley City Community Center.

Mayor Knight asks for an introduction to the proposed Nibley City Community Center. Councilman Hansen gives the introduction to the community center concept. He states they would work in conjunction with the Cache County School District in developing a shared space at the new Nibley Elementary School. They are willing to expand the proposed music room with an additional 18,000 ft, paid for by the city that can be used for many purposes. The library and gym area can be used as well. As a city, they currently do not have the option of building a new library or building a new city office. The current City Council building would be used for expanded office space. Mayor Knight asks for comments from the public. Tara Daily asks what will happen with the space they have here now. Mayor Knight states they need more office space. They would split the current room leaving the judges chambers and make approximately three other offices in the remaining space. Councilman Larsen states he has been over Parks and Recreation. His vision was never an additional Council Chambers. He did envision the current building being additional office space. He does not necessarily think they need a new Council Chambers and he fears for the Court. The rest of the use of the space can be used whether or not they purchase the additional space. He wants the Council Chambers to look professional. Mayor Knight states it is an investment and if and when they have no need for this space in the future the School District will buy it back. Councilman Jacobsen notes the concern with the \$185/sq. ft. building cost. He has a data point involving constructing a church building a year ago at \$130/sq ft. and today is \$180-\$200 per sq/ft commercial building rate. He does not like to see buildings not being used. He supports the shared use. It gives the City a chance to be invested and gives the City the right to use the building as an investor. Scott Theobold, with Design West, states the key is that they have the ability to close off all the classroom wings. This schools is

designed to accommodate shared use with the community. This should address the fears a principle might have with the community using the school. John Stucky, a resident asks why the City doesn't expand this building. Councilman Hansen states there are spacing constraints here, such as parking. They could build up. John Stucky asks what the plan is for the city center building. Councilman Hansen states that in the 10-15 will be established with a wider tax base. This plan will be a nice interim way to go about things. John Stucky states it would be more fun to build onto the gym for kids to play basketball. He states that would be a better use of funds. Councilman Hansen states this is something where a community puts money into something that has many, many uses. Not just soccer and basketball. A resident asks about paying for utilities. Councilman Larsen states they would work that out with the superintendent based on the city's uses. Tara Daily states they will not see use of this facility until after 6:00 at night because of after school clubs. John Stucky states this is a great idea and thinks the City is getting a bargain. Mayor Knight closes the public discussion.

Mayor Knight entertains a motion to approve resolution 08-08 expressing the intent of the Nibley City Council to join with the Cache County School District to build a community center as part of the new elementary school building. Councilman Mickelson makes a motion to accept resolution 08-08. Councilman Jacobsen seconds the motion. Mr. Anhder states this does not commit the City to any money. It is an expression of intent. They would have to come back later for a bond when they know when the superintendent needs the City's money. There will be another vote by this council to bond and create the debt. Councilman Larsen states we are bonding for this money, we are going to go in debt. Earlier in the year they were going to debt for some recreation needs. This is not necessarily fulfilling those needs. Mayor Knight states according to their projection they do not need to raise taxes to pay for this bond. They are retiring one bond for another. Councilman Larsen states this space will be good but is not in favor of the Council Chamber portion of it. Councilman Mickelson, Councilman Jacobsen, and Councilman Hansen are in favor. Councilman Larsen opposes the motion. The motion passes 3-1.

Item 6: Approval of renewal of lease with Union Pacific and discussion about proposal to purchase property adjacent to the City Offices.

Mr. Anhder states there is a 25 year lease they have had with Union Pacific for the west 20 ft. of the City's parking lot. It is time to renew that lease. They need \$300/25yr. to renew that lease. Mr. Anhder believes they should start the process now to buy that property. Bill Saunders would like to build an equipment building on that property. He wants Council approval to proceed with pursuing the purchase of that land. Councilman Larsen moves to approve the lease. Councilman Jacobsen seconds the motion. The motion passed unanimously. Councilman Larsen makes a motion to enable the city manager to enter into discussion with Union Pacific to purchase said property that they have leased. Councilman Mickelson seconds the motion. The motion passed unanimously.

Item 7: Consideration of Ordinance 08-17 Land Use Chart of permitted, conditional, and non-permitted land uses.

Councilman Mickelson made a motion to postpone this discussion. Councilman Hansen seconds the motion. The motion passes with Councilman Mickelson, Councilman Hansen, and Councilman Jacobsen in favor and Councilman Larsen opposed.

City Manager Reports

Mr. Anhder states the mayor has suggested they not have a meeting on the 4th of December and having a meeting on the 18th. The City Christmas party is on the 4th. Councilman Larsen will be out of the country and Councilman Jacobsen will be out of town on the 18th. Important items on the future agenda are the resolution to increase the sewer rate and annexation of the Stowers/Johnson property. The Council will not have a meeting on the 4th of December and the 1st of January. The Council will have a meeting on the 18th assuming there is a quorum.

Mr. Anhder states the Peterson Farm store development would like to meet with the Council and discuss what they can do to enhance their property. They have 2, possibly 3 tenants coming in next spring. Councilman Mickelson and Councilman Hansen and Mr. Anhder will meet with the owner of four-points development (Tiffany) at the farm store at 9:00 this coming Tuesday (November 25, 2008).

Council Reports

Mayor Knight states the county wide library looks as if it is going to be dead. The cost to run the library would amount to \$65/year tax increase. 50% of the mayors in the valley do not support this. Councilman Hansen states the superintendent has said the youth will have access to the materials in the new school library for a summer reading program. Mayor Knight had an email from Catherine Luke addressing a letter she wrote concerning the Maverick gas station and the selling of beer on Sunday. She states that someone from Nibley City submitted her letter to the Herald Journal. She would like her letter removed from the Herald Journal archives and any postings and blogs also removed. The Council does not recall the letter and did not send it to the paper. Councilman Mickelson would like to contact the Herald Journal to find who submitted the letter to the Herald Journal. Mayor Knight got a note saying the bike lanes are ridiculous. Councilman Larsen states he received a comment that the bike lanes are being used daily.

Councilman Larsen states in reviewing the task list they give, they need to review the Building Authority.

Councilman Jacobsen states he got comment from Becky, with the School District Transportation Committee concerning the medians. She noted when a bus stops in those areas and puts out a stop arm, it only stops traffic in one direction. It does limit the ability of the bus to stop traffic in both lanes. Councilman Jacobsen states they should have the Herald Journal do a story, not an advertisement about the living Nativity.

Councilman Hansen has a petition for the county signed by 400 residents on Hollow Road who would like the speed limit reduced, additional signs, and a sign moved located near Darwin Maughan's. Councilman Hansen is looking into a neighborhood committee

and the possibility creating a path or trail as a neighborhood project without involving the city and dedicating it to Arlyn Rounds. The hope is that each individual would allow the trail on at least one side of the road. Councilman Larsen offers help from the Scouting organization. Mr. Anhder states if they are actually going to get an easement they would have to deed it to someone so they would have legal right to the property. Any sort of legal entity could own it. The city is a logical one.

Councilman Mickelson states Logan is working with the Watershed Council, putting a sign on every storm drain. It is an adhesive that sticks to the cement that says "Only Rain Down the Storm Drain." If the City would be willing to donate \$100 towards the cause, the Watershed Council would get those purchased. It would be a great Eagle Scout project. The Council agrees with purchasing those. Councilman Mickelson states he has been in contact with the Cazier's about the fence. The Cazier's were not notified of the meeting. Councilman Mickelson states they have a home with roads on three-sides, and the ordinance is too restrictive in that circumstance. He believes the ordinance devalues the lot and it could possibly become an eyesore. Councilman Larsen states the hardship this property has only affects the side of their property, which is the same as any other property. If the recommendation comes back form P&Z they will look at it.

Meeting adjourned at 9:36 p.m.