



NIBLEY CITY COUNCIL and NIBLEY MUNICIPAL BUILDING AUTHORITY MEETING AGENDA

Thursday, June 9, 2016 – 6:30 p.m.

Nibley City Hall 455 West 3200 South, Nibley, Utah

1. Opening Ceremonies (Councilmember Jacobsen)
2. Call to Order and Roll Call (Chair)
3. Approval of Minutes and Agenda (Chair)
4. Public Comment Period¹ (Chair)
5. PUBLIC HEARING - A public hearing to receive comment regarding a grant application to the Permanent Community Impact Board for funding to support an update to the Parks Master Plan
6. Meeting of the Nibley Municipal Building Authority to update officers and approve the annual MBA budget
7. Discussion and Consideration of Resolution 16-06: A RESOLUTION AMENDING THE BUDGET FOR VARIOUS FUNDS OF NIBLEY CITY FOR THE FISCAL YEAR 2015-16, ADOPTING THE BUDGET FOR THE VARIOUS FUNDS OF NIBLEY CITY AND OTHER BUDGETARY MATTERS FOR FISCAL YEAR 2016-17 AND ADJUSTING CERTAIN FEES AND PAYMENTS FOR SERVICES (Second Reading)
8. Discussion and Consideration of providing notice to the Administrative Office of the Court regarding a potential partnership with the Hyrum Justice Court
9. Discussion and Consideration of an Interlocal Wastewater Agreement with Millville City
10. Discussion and Consideration of Resolution 16-07: A Resolution Amending the Nibley City Cash Handling Policy (First Reading)
11. Council and Staff Reports

Adjourn Meeting

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, REASONABLE ACCOMMODATIONS FOR INDIVIDUALS WITH DISABILITIES WILL BE PROVIDED UPON REQUEST. FOR ASSISTANCE, PLEASE CALL 752-0431 A MINIMUM OF 24 HOURS BEFORE THE MEETING.

¹ Public input is welcomed at all City Council Meetings. 15 minutes have been allotted to receive verbal public comment. Verbal comments shall be limited to 3 minutes per person. A sign-up sheet is available at the entrance to the Council Chambers starting 15 minutes prior to each council meeting and at the rostrum for the duration of the public comment period. Commenters shall identify themselves by name and address on the comment form and verbally for inclusion in the record. Comment will be taken in the order shown on the sign-up sheet. Written comment will also be accepted and entered into the record for the meeting if received prior to the conclusion of the meeting. Comments determined by the presiding officer to be in violation of Council meeting rules shall be ruled out of order.



Nibley City Council Agenda Report for June 9, 2016

Agenda Item #5

Description	PUBLIC HEARING - A public hearing to receive comment regarding a grant application to the Permanent Community Impact Board for funding to support an update to the Parks Master Plan
Department	Planning
Presenter	Shari Phippen, City Planner
Sponsor	n/a
Applicant	n/a
Background	Staff has applied for a \$17,500 planning grant from the CIB to support an update to the Parks Master Plan. One of the requirements of the grant application is that the City Council hold a public hearing to discuss the grant application. This is primarily intended for the more significant requests that usually come to the CIB, such as multimillion dollar grants and loans for major infrastructure projects, but the CIB has the same public hearing requirement for small planning grant requests as well.
Recommendation	Hold the public hearing and receive public input regarding the grant application.
Financial Impact	The City has budgeted \$35,000 in next year's budget to update the parks master plan. It is anticipated that this grant would reimburse the City for half of that cost.
Reviewed By	Mayor, City Manager, City Planner

Agenda Item #6

Description	Meeting of the Nibley Municipal Building Authority to update officers and approve the annual MBA budget
Department	City Council/Municipal Building Authority
Presenter	David Zook, City Manager
Sponsor	n/a
Applicant	n/a
Background	<p>In 2010, Nibley City formed a Municipal Building Authority for the purpose of financing the construction of the new city hall. As part of the approval of the City's annual budget, a budget for the MBA is included. That budget includes the payments paid against the debt for city hall as well as lease payments that are paid by the City to the MBA to provide funds for those debt payments. Rather than approving that MBA portion of the budget as a part of the overall budget approval, staff recommends that the City Council convene a meeting of the MBA to separately approve the MBA budget. At the same time the MBA convenes a meeting, it would be appropriate to state for the record who the current board members are of the MBA, because Council membership has changed since the last MBA meeting.</p>
Recommendation	<p>Make a motion to establish the board members of the MBA as the current City Council members, with the Mayor being the president of the board and the City Manager being the Secretary of the board.</p> <p>Make a motion to approve the FY 2016-2017 MBA Budget.</p>
Financial Impact	<p>The annual lease payment from the City to the MBA for the City Hall is \$49,000. The beginning debt amount for the building was \$850,000. The current amount owing is \$786,000. The projected payoff of the debt, according to the amortization schedule, would be in the year 2041. The interest rate on the loan is 4%.</p>
Reviewed By	City Manager

Agenda Item #7

Description	Discussion and Consideration of Resolution 16-06: A RESOLUTION AMENDING THE BUDGET FOR VARIOUS FUNDS OF NIBLEY CITY FOR THE FISCAL YEAR 2015-16, ADOPTING THE BUDGET FOR THE VARIOUS FUNDS OF NIBLEY CITY AND OTHER BUDGETARY MATTERS FOR FISCAL YEAR 2016-17 AND ADJUSTING CERTAIN FEES AND PAYMENTS FOR SERVICES (Second Reading)
Department	City Council
Presenter	David Zook, City Manager
Sponsor	n/a
Applicant	n/a
Background	<p>Previous drafts of the FY 16-17 Budget were presented to the City Council and public at the May 5, May 19 and June 2 City Council meetings and a public hearing regarding the budget was held on May 19.</p> <p>Resolution 16-06 would adopt the budget for the next fiscal year, as well as make any final adjustments to the current year budget.</p> <p>Approval of this resolution would increase the stormwater fee from \$6.50 to \$6.75 per month per residence and would propose property tax rate. If Cache County certifies a tax rate lower than this rate, this rate will not become the final adopted rate until after the City holds a truth in taxation hearing on August 4.</p> <p>Some of the changes made to the budget document since its last presentation include the following:</p> <ul style="list-style-type: none">• Adjusting the Water Department budget to carry over well project funds for those portions of the project that were anticipated to be completed this year but will be done next year instead,• A proposal from Mayor Dustin on the property tax rate,• The addition of new revenue from the increased tax rate being appropriated to Capital Projects to provide additional trail Right-of-Way acquisition funds,• The addition of the budget message,• An update of year-to-date numbers in the current year's budget,• In addition, the current year budget was amended to increase the budget for refuse collection services, 10-62-320, based on actual costs and the property tax revenue number was also adjusted up by an equal amount, based on receipts.

	<ul style="list-style-type: none"> • Another change in the document is that the recreation department budget was split into two tables – one that shows the current year budget and one that shows next year’s budget. This was done in order to more clearly show actual year-to-date costs for the department for the current year due to next year’s budget having so many changes in account names and numbers.
Recommendation	Provide staff with direction on any proposed changes and make a motion to adopt the budget resolution and budget document.
Financial Impact	The total City budget for the next fiscal year is proposed to be approximately \$7.1 million dollars. This is a decrease from \$7.5 million in the current budget year.
Reviewed By	Mayor, City Manager, All Departments

Agenda Item #8

Description	Discussion and Consideration of providing notice to the Administrative Office of the Court regarding a potential partnership with the Hyrum Justice Court
Department	City Council and Court
Presenter	Shaun Dustin, Mayor and David Zook, City Manager
Sponsor	n/a
Applicant	n/a
Background	<p>The City Council earlier this year gave staff direction to consider options for partnering with Hyrum City to provide Justice Court services. Staff have had discussions with Hyrum City, which is interested in the partnership. Hyrum has proposed to assume Nibley's court operations and to host the combined court in Hyrum.</p> <p>In order to proceed with combining the courts, notice must be given to the State's Administrative Office of the Court. The City's Attorney has drafted this letter and it is ready to submit to the state, with the Council's approval.</p> <p>Staff was previously told that the City Attorney's opinion of the state law governing the notice timeframe was that this notice must be given to the state 6 months prior to making a change. However, the City Attorney has now advised staff that, based on new information from the state about their interpretation the law, that this notice is required to be given prior to July 1 or 2015. Nevertheless, the state has advised that the City may still request authorization to dissolve Nibley's Court and partner with Hyrum, along with a request that the state agree to a shorter notice period, which has been granted to others in the past.</p>
Recommendation	Make a motion to provide direction to staff.
Financial Impact	<p>The current annual budget for court operations is approximately \$80,000. If the court were to operate under an interlocal agreement with Hyrum, annual revenue from fines, which is currently about \$60,000 would be split between the cities and would result in approximately \$30,000 going to each city. The majority of the Court expenditures would be borne by Hyrum City, however Nibley City would continue to pay for some costs from Nibley's share of the revenue. Those costs would include prosecution, defense and witness fees. Those costs are estimated to be approximately \$15,000 per year. The net effect would be that Nibley City would receive approximately \$15,000 per year in revenue from Hyrum City after all costs are</p>

	<p>accounted for.</p> <p>In comparison, it is projected that the City will spend more on Court operations this year than it receives in revenue. Total revenue from fines are budgeted at \$62,000 and total costs are budgeted at \$79,900. The difference between the numbers is not expected to be as high as shown in those budget numbers, because the city anticipates revenue low and expenditures high, but costs are still anticipated to be higher than revenue.</p>
Reviewed By	Mayor, City Manager

Agenda Item #9

Description	Discussion and Consideration of an Interlocal Wastewater Agreement with Millville City
Department	City Council and Sewer
Presenter	David Zook, City Manager and Justin Maughan, Public Works Director
Sponsor	n/a
Applicant	n/a
Background	<p>In the year 2000, the cities of Nibley and Millville entered into an interlocal agreement with each other regarding the shared use of Nibley's sewer system. The plan was for Millville to eventually construct a sewer collection system, at which time it would use portions of Nibley's system to convey wastewater to Logan for treatment. As part of the agreement, Millville paid for upsizing of portions of Nibley's sewer system to ensure adequate capacity would be available to convey wastewater from both cities at the time Millville connected. Although Millville has not yet installed a citywide sewer system, the new Ridgeline High School is being sewerred and connected to Nibley's system. In order to facilitate that connection and account for associated costs, a revised agreement has been drafted between the two cities.</p> <p>Some key aspects of the agreement are:</p> <ol style="list-style-type: none">1. Costs for modification, maintenance, improvements and repairs to the shared components will be shared.2. Millville can still connect the rest of its city to the system in the future, at its cost, if Millville is sewerred.3. A meter has been installed by Millville to measure flows between the cities.4. Ownership and responsibility of each city's segments of the system is addressed. Maintenance of the limited Millville system is proposed to be conducted by Nibley staff at this time, with costs reimbursed by Millville, until such time that Millville has a licensed sewer technician on staff.5. Operational expenses are to be shared based on proportionate use of the system.6. If Millville never installs a sewer, it will still pay Nibley for its share of the system, even if it never fully uses that capacity.7. Nibley will pay Logan for treatment services and charge Millville for its share of those costs.8. If Nibley were to change treatment providers, Millville could come with Nibley or continue to use Logan. If the two cities decided to use separate treatment providers, Millville would have to construct its own lines to connect to Logan City and Nibley would purchase back the existing capacity Millville owns

	in the current system. The Council should discuss this portion of the agreement and decide how the value for that purchase should be determined.
Recommendation	Provide staff with direction on any proposed changes and/or make a motion to approve the agreement.
Financial Impact	Costs paid by Millville to Nibley are expected to be minimal initially due to the fact that only two facilities will be connected - the high school and seminary building.
Reviewed By	Mayor, City Manager, Public Works Director, City Attorney, Millville City, Logan City

Agenda Item #10

Description	Discussion and Consideration of Resolution 16-07: A Resolution Amending the Nibley City Cash Handling Policy (First Reading)
Department	Administration
Presenter	Stephen Nelson, City Treasurer
Sponsor	n/a
Applicant	n/a
Background	<p>On December 4, 2014, the City Council passed Resolution 14-10: The Nibley City Cash Handling Policy. The purpose of the Cash Handling Policy was to establish acceptable practices for handling of cash and other payments in City Hall and at other locations. In order to continue to provide better transparency, security, customer service, and efficiency; staff is proposing a couple of changes to the current Cash Handling Policy.</p> <p>The first change would give the City Treasurer more flexibility with respect to what types of receipts the City uses to ensure every method is compliant with Utah law. The primary reason for this change is to enable other staff to enter payments into Nibley's accounting software and print computer generated receipts for customers instead of giving them a hand written receipt for payments made with currency. This change will also allow Nibley City to give different types of receipts for events or programs offered by the city if the City Treasurer approves. The current policy requires a handwritten receipt every time cash is received but providing computer-generated receipts is preferable in some cases.</p> <p>The second change is to increase security of the city's safe. There are an increasing number of events and programs that take payments on behalf of the City outside of normal business hours. In order to limit the amount of staff that has access to the safe, Nibley has set up other secured methods for those monies can be stored. The current policy would require all of those employees to be able to place funds in the safe but that would either require the City to purchase a different type of safe or to provide the combination to the safe to all of these employees.</p>
Recommendation	Adopt the resolution to amend the policy.
Financial Impact	None.
Reviewed By	City Manager, City Treasurer, cash-handling staff

RESOLUTION 16-06

A RESOLUTION AMENDING THE BUDGET FOR VARIOUS FUNDS OF NIBLEY CITY FOR FISCAL YEAR 2015-16, ADOPTING THE BUDGET FOR THE VARIOUS FUNDS OF NIBLEY CITY AND OTHER BUDGETARY MATTERS FOR FISCAL YEAR 2016-17 AND ADJUSTING CERTAIN FEES AND PAYMENTS FOR SERVICES

BE IT RESOLVED BY THE CITY COUNCIL OF NIBLEY CITY, STATE OF UTAH, AS FOLLOWS:

1. The attached Fiscal Year 2015-16 current-year budget is hereby adopted and approved as the amended budget for the current fiscal year ending June 30, 2016, with amendments, if any, as reflected in the attached budget document and the minutes of this meeting.
2. The attached budget entitled Final Budget FY 2017 is hereby adopted and approved for the fiscal year July 1, 2016 to June 30, 2017, with amendments, if any, as reflected in the budget document and the minutes of this meeting.
3. The monthly charge for storm water shall be \$6.75 per month, per residential utility customer.
4. The proposed property tax rate is 0.002.

Dated this _____ day of June, 2016

Shaun Dustin, Mayor

ATTEST

David Zook, City Recorder

OLSON & HOGGAN, P.C.

ATTORNEYS AT LAW

L. BRENT HOGGAN
MILES P. JENSEN
BRUCE L. JORGENSEN
JAMES C. JENKINS
KEVIN J. FIFE*
JEFFERY B. ADAIR**
KELLY J. SMITH
JEREMY S. RAYMOND
SETH J. TAIT*
JACOB A. WATTERSON
CHARLES P. OLSON (1916-1975)

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June 6, 2016

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Richard H. Schwermer
Assistant State court Administrator
450 South State Street
PO Box 140241
Salt Lake City, Utah 84114-0241

Re: *Nibley City Justice Court – Hyrum City Justice Court Merger*
Request for Waiver of One (1) Year Notice Requirement – 78A-7-102 & 123
Our File No. N-6512.39

Dear Mr. Schwermer:

I represent Nibley City, located in Cache County, Utah. We recently spoke about Nibley City's desire to merge its Justice Court with the Hyrum City Justice Court. Hyrum City is agreeable to make this arrangement. We had not viewed this action as involving a dissolution of the Nibley City Justice Court, but rather, as a continuation of both Courts, once the merger had been complete. You have advised me that this is not how the applicable statutes are interpreted by the Courts Commission.

I am writing on behalf of Nibley City to request that Nibley City be permitted to dissolve its Justice Court and that it be allowed to enter into an Interlocal Agreement with Hyrum City, provided all requirements of the statutes noted above and any others that apply are strictly followed. I am also writing on request of Nibley City to request that the Administrative Office of the Courts allow a waiver of the one (1) year notice requirement, at least one (1) year prior to July 1, 2016 and allow the effective date of the merger of the two (2) Justice Courts to take effect on December 31, 2016.

A copy of the proposed Interlocal Agreement is included for review.

Richard H. Schwermer,
Assistant State Court Administrator
June 6, 2016
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I appreciate your willingness to review and consider the request made in this letter and I will look forward to your reply, in the near future.

Sincerely yours,

OLSON & HOGGAN, P.C.

Bruce L. Jorgensen

BLJ/jhb

cc: Mayor Shaun Dustin
455 West 3200 South
Nibley, Utah 84321

J:\BLJ\NIBLEY\LTR\R.Schwermer.Justice Court.docx

INTERCITY WASTEWATER AGREEMENT

THIS AGREEMENT, made and entered into this ____ day of _____, 2016, by and between the CITY OF NIBLEY, hereinafter “NIBLEY”, and the CITY OF MILLVILLE, hereinafter “MILLVILLE”:

WITNESSETH:

WHEREAS, NIBLEY operates and maintains a citywide municipal wastewater collection system; and

WHEREAS, MILLVILLE does not currently have a citywide municipal wastewater collection system; and

WHEREAS, NIBLEY’s wastewater transmission system is located between MILLVILLE and Logan City, which has a wastewater treatment facility, presently capable of handling and treating the wastewater generated by NIBLEY and MILLVILLE; and

WHEREAS, ~~NIBLEY has entered into an Inter-City Wastewater Treatment Service Agreement with Logan City, whereby and whereunder Logan will accept and treat wastewater from NIBLEY infrastructure and legal agreements are in place to accept and transport wastewater for treatment;~~ and

WHEREAS, Logan City has expressed its desire to have MILLVILLE operate under NIBLEY’s treatment agreement with Logan City; and

WHEREAS, MILLVILLE CITY has determined it would be more cost-efficient and advisable for MILLVILLE to transport wastewater collected by its own wastewater collection system through a portion of NIBLEY’s wastewater collection system for delivery to ~~and~~ treatment ~~facility by Logan City;~~ and

WHEREAS, NIBLEY and MILLVILLE agreed in an INTER-CITY SEWAGE SYSTEM COST REIMBURSEMENT AGREEMENT, originally dated August 3, 2000, and amended December 2, 2004, to cooperate in the costs of constructing and maintaining certain components of NIBLEY’s wastewater collection system, which were constructed with an excess capacity in order to be utilized by MILLVILLE at some future date to transport wastewater from MILLVILLE ~~to Logan City~~ for treatment; and

WHEREAS, the components of NIBLEY’s wastewater system shared with MILLVILLE include an interceptor or trunk line through NIBLEY, built from 2900 South Street, west of the Blacksmith Fork River, to and along 2600 South Street and leading to and including a lift station, and an enlarged force main pipeline which connects from the referenced pump station to the connection with ~~Logan City’s wastewater collection~~ treatment systems. All of said components

were constructed and installed as part of the Nibley Wastewater Project, begun in the year 2000, hereinafter sometimes referred to as the “COMMON SEWER SYSTEM IMPROVEMENTS”.

WHEREAS, MILLVILLE has paid NIBLEY its share of the cost, according to the 2004 agreement, to construct said COMMON SEWER SYSTEM IMPROVEMENTS and is entitled to use the excess capacity therein once wastewater collection facilities are constructed in MILLVILLE; and

WHEREAS, although MILLVILLE has not yet implemented a citywide wastewater system, construction is underway to install wastewater collection infrastructure on the western extreme of MILLVILLE, intended to serve the newly constructed Ridgeline High School and a small number of structures in MILLVILLE, which are expected to begin collecting wastewater in 2016.

NOW, THEREFORE, in consideration of the mutual covenants and undertakings hereinafter stated to which each party hereby binds and commits itself, it is agreed as follows:

1. Modification, Maintenance, Capital Improvements, and Repair of COMMON SEWER SYSTEM IMPROVEMENTS. Any modification to the referenced, COMMON SEWER SYSTEM IMPROVEMENTS, and all maintenance, replacement, capital improvements to and repair costs for the referenced COMMON SEWER SYSTEM IMPROVEMENTS shall be shared and paid for by each party according to each city’s prorated share of the cost for the original construction of the COMMON SEWER SYSTEM IMPROVEMENTS. Operational expenses shall be shared and paid by each party as stated in paragraph 5.A., below.

2. Utilization by Millville of the COMMON SEWER SYSTEM IMPROVEMENTS. MILLVILLE anticipates that, in the future, it will, upon obtaining necessary approvals and financing, design, construct, and install a citywide wastewater collection system within its corporate limits, at its sole cost and expense, including the necessary trunk line or lines extending from the collection system to a point agreed upon by both parties where a measuring device or devices will be installed and connection will be made to the common sewer interceptor or trunk line along 2600 South Street in NIBLEY. MILLVILLE shall be obligated to install at its own expense such gravity wastewater lines, pump stations, pressure wastewater lines, and all other related appurtenances as are determined necessary and appropriate in order to construct and install its own wastewater collection system within its corporate limits.

3. Wastewater Meters. Wastewater Meters or other measuring devices installed at the connection points for MILLVILLE’s wastewater collection system on the enlarged wastewater interceptor line, shall be purchased, installed and paid for by MILLVILLE. However, they shall be turned over to and owned and maintained by NIBLEY, after acceptance of them by NIBLEY, with MILLVILLE agreeing to pay or reimburse NIBLEY for all reasonable costs to operate, maintain, repair, and/or replace said devices. MILLVILLE shall have the right to verify the costs of maintenance and repair as well as verify the meter readings and the working order of the devices at any time. At such time that NIBLEY begins using said meters to measure wastewater flow from MILLVILLE, NIBLEY shall contract with an independent, third-party to verify the accuracy of said meters at least twice per year, with MILLVILLE agreeing to pay or

reimburse NIBLEY for the costs of such testing. Said meters must be installed by MILLVILLE so as to be compatible with NIBLEY's telemetry system.

4. Ownership/Maintenance/Connections - Millville's Wastewater System. It is agreed that all lines and other wastewater-related appurtenances upstream from metering device(s) referenced in the last paragraph, which are not a part of the NIBLEY wastewater system, nor that used in common by NIBLEY and MILLVILLE shall be solely owned and maintained by MILLVILLE. However, until such time that MILLVILLE hires the necessary licensed staff to perform such maintenance, MILLVILLE desires to contract with NIBLEY to have NIBLEY's licensed wastewater technicians perform such maintenance. The cost for such maintenance shall be billed at actual cost to MILLVILLE. Notwithstanding any maintenance of MILLVILLE's wastewater system that may be provided by NIBLEY staff, MILLVILLE shall remain responsible for regulatory compliance of MILLVILLE's Wastewater System, including maintaining necessary permitting or approvals for operation of MILLVILLE's system from any and all regulatory agencies.

5. Payments to Nibley. MILLVILLE shall pay to NIBLEY for the perpetual right to access and use the referenced COMMON SEWER SYSTEM IMPROVEMENTS and related appurtenances the following sums:

- A. Pro-rata Share of ~~Routine Maintenance and operational~~ Expenses. The referenced COMMON SEWER SYSTEM IMPROVEMENTS were installed so as to create excess capacity, which MILLVILLE shall be entitled to access and use once it constructs and installs a wastewater collection system within its corporate limits. Because the COMMON SEWER SYSTEM IMPROVEMENTS have been enlarged for this purpose, MILLVILLE agrees to pay a proportional share of capital improvement, modification, repair, replacement, and maintenance expenses incurred in connection with said improvements, based upon the percentages stated in paragraph 1, above, notwithstanding the fact that MILLVILLE is not actually fully utilizing the referenced improvements, currently, and that it will only be collecting wastewater from a small portion of its city initially. Because said improvements have been designed and were constructed and installed with excess capacity for MILLVILLE, MILLVILLE understands and agrees that it shall be required to pay its proportional share of the expenses as contemplated in paragraph 1, above, in order that MILLVILLE pays for the additional expenses associated with the creation and maintenance of such excess capacity. At the present time, the primary operational expense that is expected to be incurred will be for electricity to run the pump station, and NIBLEY agrees to pay all of the expenses incurred for electricity until such time that MILLVILLE connects to the COMMON SEWER SYSTEM IMPROVEMENTS and begins utilizing the same. At that time, payment for the electricity used by the pump station shall be prorated and

paid by each party based on the actual proportional usage made by each party of said pump station.

In order to serve the new Ridgeline High School, MILLVILLE has installed a limited system to convey wastewater across the 2600 South bridge to a newly-installed wastewater metering station at SR165 and 2600 South, which connects to the 2600 South trunk line. Because the initial wastewater flow amounts are expected to be limited, due to only a small portion of MILLVILLE being initially sewered, flow rates from MILLVILLE shall be calculated based upon culinary water meter readings from each of the buildings connected to the wastewater collection system. In the case that any of these buildings might use culinary water for outside irrigation, wintertime culinary water meter readings may be used to calculate the year-round wastewater flow rate. At such time that this limited collection system is expanded to the point that wastewater flow reaches a minimum flow that can be accurately measured by MILLVILLE's wastewater metering station, this agreement shall be revisited and revised as necessary.

B. Capital Improvements-Upgrading. Capital improvement costs for repair, replacement, or maintenance of the referenced, COMMON SEWER SYSTEM IMPROVEMENTS shall also be shared on the basis of the percentages contemplated in paragraph 1, above.

6. Millville's Continuing Obligation. It is understood and agreed that in the event Millville determines not to or is unwilling to construct and install a wastewater collection system within its corporate limits and therefore does not utilize the referenced, COMMON SEWER SYSTEM IMPROVEMENTS, MILLVILLE shall remain obligated for and liable to pay all amounts required by this Agreement, whether for initial construction and installation or subsequent maintenance, replacement, and repair.

7. System Responsibility. Each party shall be responsible for their own collection system and trunk lines, and each agrees to indemnify and hold the other harmless for loss, damage, or claims of any kind arising from their own acts or neglect; and, each shall hold the other harmless from any debt or other payment obligation, treatment or collection problems, concerns, or liabilities, it being the express intention of the parties that each shall be responsible for their own wastewater collection systems and all claims and liabilities for which each is responsible whether under the terms of this Agreement or otherwise resulting from their own acts or neglect.

8. Agreement with Logan for Treatment Services. MILLVILLE shall be fully responsible for negotiating a Wastewater Treatment Service Agreement with Logan City so as to enable MILLVILLE to utilize the referenced, COMMON SEWER SYSTEM IMPROVEMENTS. ~~and a~~Any inability or failure of MILLVILLE to so negotiate such a treatment services agreement shall not effect MILLVILLE's responsibilities for initial and on-

going payments as required hereunder. However, with approval from Logan City, MILLVILLE may pay NIBLEY for MILLVILLE's pro-rata share of the costs from Logan City to treat wastewater transported through NIBLEY, with such costs being calculated as contemplated in paragraph 5.A. above. In the event that NIBLEY elects to change treatment providers or operate its own treatment facility, MILLVILLE may elect to either construct its own infrastructure at MILLVILLE's cost to continue to deliver wastewater to Logan, or MILLVILLE may continue to share NIBLEY's collection infrastructure and shall enter in an agreement with the new treatment facility for treatment of MILLVILLE's wastewater. Any costs related to MILLVILLE's decision on to pursue either of these options shall be paid by MILLVILLE. In the event that MILLVILLE elects to treat its wastewater at a different location than NIBLEY, NIBLEY may purchase the capacity in the COMMON SEWER SYSTEM IMPROVEMENTS reserved for MILLVILLE at a fair and reasonable cost. The cost will be based upon the amount it would cost to construct the same capacity owned by MILLVILLE in the COMMON SEWER SYSTEM IMPROVEMENTS under similar conditions as the existing COMMON SEWER SYSTEM IMPROVEMENTS.

9. Effective Period. This Agreement shall remain in effect until otherwise terminated by mutual agreement of the parties.

10. Payment Due Date. All amounts due to NIBLEY from MILLVILLE shall be billed on a annual basis to MILLVILLE by NIBLEY; and MILLVILLE shall pay all amounts due within thirty (30) days of the billing statement date. Any amounts not paid within said thirty (30) day period shall bear interest at the rate of one percent (1%) per month from the thirty-first (31st) day after said billing statement date until paid.

11. Damages and Expenses. All costs, damages and expenses (including but not limited to attorney's fees and the reasonable value of equipment and employee time) incurred by a non-breaching party in enforcing the terms and provisions of this Agreement, whether by filing suit or otherwise, because of a default or a breach by the breaching party to this Agreement or its residents' failure to abide by this Agreement or failure to comply with applicable rules and ordinances regulating discharge of materials into the sewage collection system, shall be born and paid by the breaching party.

CITY OF NIBLEY

ATTEST:

By _____
Its Mayor

City Recorder

CITY OF MILLVILLE

ATTEST:

By _____

Its Mayor

City Recorder

APPROVED AS TO FORM:

Nibley City Attorney

Millville City Attorney

J:\BLJ\NIBLEY\sewage cost sharing agr4.docx
N-6512.09

RESOLUTION 16-07

A RESOLUTION APPROVING THE NIBLEY CITY CASH HANDLING POLICY

WHEREAS, Nibley City has a fiduciary responsibility to safeguard public funds entrusted to the City; and

WHEREAS, Nibley City has a responsibility to ensure accountability and internal controls, provide excellent customer service, and to establish standard cash handling policies and practices; and

WHEREAS, the adoption of a Cash Handling Policy ensures the implementation of safeguards to protect public funds; and

WHEREAS, Nibley City is always seeking to improve on existing policies.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF NIBLEY CITY, STATE OF UTAH, AS FOLLOWS:

The attached Cash Handling Policy detailing the City's policy of handling all cash and payments is hereby adopted and supersedes the policy previously adopted on December 14, 2014.

Dated this _____ day of _____, 2016

ATTEST

Shaun Dustin, Mayor

David Zook, City Recorder



NIBLEY CITY CASH HANDLING POLICY

PURPOSE:

The City Treasurer is required by **Utah Code 10-06-141** to receive, retain, invest and disburse all City revenue (coin, currency, checks, money orders and credit and debit cards) and keep detailed records of these transactions. The Treasurer's office is responsible for receiving, safeguarding and paying out of all monies belonging to Nibley City.

The importance of increased accountability and internal controls within the various cash handling operations has caused this written policy to be developed, with a continuing goal towards accurate and secure receiving, receipting and processing of all cash payments, as well as providing excellent customer service and standardizing performance.

For the purposes of this policy, "Cash" is defined as coin, currency, checks, money orders, credit and debit card transactions, and electronic transfers of funds.

GENERAL POLICIES:

1. Customers are to be treated politely and professionally. Questions or concerns regarding policies, payments or other matters should be addressed in a respectful manner.
2. The Nibley City Treasurer is ultimately accountable for the fiscal and physical control of the cash fund. The Treasurer is responsible to resolve deposit problems with the City's bank, regardless of which department made the deposit.
3. A receipt must be issued for every payment tendered (**Utah Code 10-6-142**). The receipt may be computer generated, ~~or~~ manually written on an approved three-part hand-written receipt, or other receipting method approved by the City Treasurer. ~~An approved hand-written receipt must be issued for every payment made with currency. Every payment must be entered in the City accounting system after receipt.~~
 - a. If hand-written receipts are issued, the original (white) receipt is given to the payer at the time of payment. The second (yellow) copy is attached to the payment and filed for daily accounting and deposit. The third (pink) copy must remain in the receipt book for record keeping purposes.
 - b. Hand receipts must not be altered after they have been issued.
4. All authorized personnel are responsible for the safekeeping of money that is received by them. In accordance with **Utah Code 10-6-146**, all monies received must be given to the City Treasurer, or a cash handler authorized by the City Treasurer, for deposit into the City's bank and must be deposited into the bank within three business days of receipt.
 - a. If the amount of currency received by the City surpasses \$500.00 at any given time, a bank deposit will be made as soon as circumstances allow.
5. All personnel must notify the City Treasurer, or a cash handler authorized by the City Treasurer, of any loss or theft of City funds immediately upon discovery.
6. Each cash till should be balanced each day and signed by two authorized cash handlers. The City Treasurer will review the balances sheets regularly.
7. Customer payment information must remain confidential. City staff are not to give out any part of the customers bank, credit or debit card information.
8. Checks received by Nibley City should be made out to "Nibley City" or "Nibley City Justice Court" and are not to be held longer than three business days for any reason. No postdated checks are to be accepted.

9. Each cash handler shall receive training and authorization from the City Treasurer before they can take payments on behalf of the City. The City Treasurer shall maintain a written record of delegated cash handlers.
10. The City shall not accept any cash that is suspected to be fraudulent or counterfeit. If a payment is suspected to be fraudulent or counterfeit, the cash handler shall do the following:
 - a. Do not return payment to customer
 - b. Gather information about payer (name, physical description, address, account number, license plate number and car information) and write down the time the customer made the payment
 - c. Notify law enforcement and management immediately
 - d. Put the payment in an envelope
 - e. The payment should not be applied to the customer's account or entered into cash receipting unless the payment is verified as legitimate
11. The City shall follow all Federal and State Laws and generally accepted accounting principles for governments when handling cash.
12. Any City employee who receives cash in the normal scope and course of his/her duties who fails to comply with Nibley City's cash handling policies, may be subject to disciplinary action, up to and including termination.

Safekeeping Methods/Facilities

1. When accepting a check for payment, the account number, citation or other information to identify the purpose of the payment should be attached or noted on the check. The same information should be listed when manually writing a receipt for cash.
2. All cash being held overnight must be secured in the City safe or other secure location if not deposited at the City's bank.
3. Cash tills should be balanced after each day of use and a Cash Reconciliation Form must be filled out and signed by two authorized cash handlers.
4. When taking a deposit to the bank, the deposit shall be concealed so that the average observer would not be able to identify that a bank deposit was being delivered. The depositor shall proceed directly and immediately to the bank without detour or delay.

Departmental Functions

1. Each department head is responsible to ensure cash payments are handled responsibly within their departments and in accordance with this policy.
2. The City Treasurer, or a cash handler authorized by the City Treasurer, is authorized to make onsite inspections and observe the processing of City cash, and to make inspections of departmental collection records.

Accounts Receivable

1. Accounts receivable should be received by the City Treasurer, or a cash handler authorized by the City Treasurer.
2. Appropriate documentation indicating payments due to Nibley City shall be provided to the City Treasurer, or a cash handler authorized by the City Treasurer to handle invoices. All documentation should include appropriate information necessary to support the reason for billing. Invoices for services will then be generated and sent out to the appropriate recipient for payment.
3. All payments received must be applied to the proper general ledger account as designated.

Justice Court

1. The Nibley City Justice Court will follow all federal and state laws, in addition to this policy, when handling cash.

2. The Nibley City Justice Court shall maintain records in accordance with current Utah state law, as outlined in in **Utah Code 78A-7**, other applicable laws, and as advised by the State of Utah Judicial Council and Administrative Office of the Court.
3. Only authorized employees or agents of Nibley City Justice Court are to act on behalf of the Nibley City Justice Court in handling money, as approved by the City Treasurer.