

**MINUTES OF HARRISVILLE CITY
CITY COUNCIL MEETING
Tuesday, April 12, 2016 – 6:00 p.m.
Council Chambers
363 West Independence Blvd
April 12, 2016**

Present: Mayor Bruce Richins, Council Member Jeff Pearce, Council Member Gary Robinson, Council Member Jennifer Jensen, Council Member Michael Murtha, Council Member Ruth Pearce.

Staff: Bill Morris, City Administrator, Gene Bingham, Public Works Director, Keith Wheelwright, Police Lieutenant, Max Jackson, Police Chief, Bryan Fife, Parks & Recreation Director, Lynn Fortie, Treasurer, Pamela Crosbie, Finance Clerk, Jennie Knight, City Recorder.

Visitors: Aspen Teuscher, Austin Teuscher, Brian Bennion, Nathan Averill & Family, Jasmine Medsker, Clayton Driggs, Cameron Shirts, Scott Porter, James D Beers.

6:00P.M. BUDGET WORK SESSION

Lynn Fortie gave a brief budget overview. He said the budget process is an important function of the Council. There are usually more ways to spend the money than receive it because we are a service organization. He outlined the state requirement when adopting a budget. The tentative budget must be adopted by the first meeting in May with the final budget being adopted by June 22 unless a property tax increase is being proposed.

Lynn Fortie explained the general fund is the main account where most of the expenditure and revenue are collected and paid. Enterprise funds are typically money collected for a specific purpose and can only be used for such. Mayor Richins asked for clarification if the revenue collected off the sale of a vehicle goes back into the general fund. Lynn Fortie clarified yes. He also explained the budget outlines the major classifications and additionally the individual line items.

He continued by reviewing the sales tax revenue, franchise tax, and property tax. Most of the money collected on property tax is not received by the city; just a small portion. Often times these taxes are the least reliable revenue source because they vary quite a lot. Building related revenue is also variable. Building Permits display where the impact fees are collected. Impact fees are used to pay for increased needs throughout the city. If impact fees are not going to be used they are listed as increased revenue; they cannot be paid as payroll. Additionally there are some fees collected on liquor tax. Revenues and expenditures must balance. If there is a shortfall, it must be listed to balance the funds. Class C Road Funds are allowed to be collected for use at a future date. Mayor Richins pointed out the Class C Road funds can be collected without limit. Gene Bingham explained he likes to use half of the collected money for maintenance and save the other half for major projects; that way there is money saved in case of an emergency. Mayor Richins also pointed out the transportation tax will help increase these funds.

Lynn Fortie outlined the major budget classifications: Mayor and Council, Justice Court, Administration, Non-Departmental, Police, Building and Planning, Public Works, and Parks and Recreation. He explained the non-departmental is a little different than the others because it includes anything that doesn't fit under the other categories such as custodial services.

The Capital Projects fund must also balance. State law allows a maximum 25% of the general fund to be saved each year. Mayor Richins explained we are allowed to keep more if we have an outlined plan for the use of the money. Enterprise funds were reviewed. These funds operate more like a business. The cash balances of these accounts ought to be increasing. Internal Service Funds were outlined; Harrisville City only has one, the motor pool. These are charged interest on the accounts. Max Jackson asked how long it takes to pay off a car when purchased through the motor pool fund. Lynn Fortie said about five years.

Council Member Robinson asked if the city has considered making Parks and Recreation an Enterprise fund. Lynn Fortie admitted he has not ever heard of that happening and wondered if state law would allow that. Council Member Robinson expressed his opinion that recreation is not a normal course of operations of a city. He explained he feels storm water and sewers cannot be funded through the community but parks and recreation could be handled on their own. Council Member Jensen expressed her disagreement that recreation is not a city function. She explained this provides opportunity for youth to be engaged in healthy activities. Mayor Richins asked Council Member Robinson if he means to charge residents for park usage. Council Member Robinson said a study could be conducted to see how many people use the parks and see if they can transfer funds out of the general fund to cover these. Council Member Murtha asked if he would include the fees from cabin rentals. Council Member Robinson said anything that is being used as a rental. He feels these items should pay for themselves.

Lynn Fortie explained the state regulates the use of the general funds. To create enterprise funds public hearings and other requirements must be met. The state does not look favorably on the transfer of fees from the general fund because there was abuse by cities in the past. Council Member Robinson expressed his opinion that residents who use the recreation department should be funding the department. Council Member Murtha asked if these fees were collected separately in the past. Council Member Jensen said the current recreation program is for youth. She said times are different now and there are a lot of people who depend on having youth recreation. Lynn Fortie explained that fees paid into accounts can be tracked separately without creating an enterprise fund.

Council Member Murtha requested a copy of the draft budget. Lynn Fortie explained this budget has yet to balance but is available. Mayor Richins pointed out the most difficult challenge with the budget is calculating the expenses for the next year, based on past information. All we can do is guess what changes may occur in the economy.

Lynn Fortie gave a brief overview of the current standing in the budget which includes a 3% merit increase, an increase of 4.1% overall for benefits, and no increase in retirement. Sales tax was calculated slightly higher with a 2.5% increase. Council Member Murtha asked why there was such a discrepancy with the franchise tax. Pam Crosbie explained that money was collected in error which should have been paid to

Pacificorp. We now have to repay this amount back. Gene Bingham further explained that our franchise agreement requires an accounting summary be provided which would have alerted the city to the error. This was not being provided. When it was discovered, Pacificorp wanted payment in full but the franchise agreement allows for this to be paid through installments. The decline in franchise tax in the budget reflects this payment back to Pacificorp.

Lynn Fortie included the projected increase in property taxes. Bill Morris also said the city is anticipating a large building permit for the LDS Cannery. We are not sure if this will be included in the current fiscal year or the proposed one. New impact fees are included for public safety and transportation. Council Member Murtha commented the price of gas is going down so why is there an increase. Gene Bingham pointed out the tax collection on gas remains the same no matter the price per gallon.

The JAG grant was explained and Lt. Wheelwright said he is looking to collect another highway safety grant; they have been funding the car cameras with this type of grant. There is a projected increase on fines and forfeitures. Max Jackson explained some fine increase is relating to loss prevention activity at Walmart. He also feels that Judge Renstrom is very efficient collecting through the Justice Court. He also explained the surcharge amount paid through fines and forfeitures to the state. Bill Morris pointed out that with exception to code enforcement and non-moving violations; most fines are heavily surcharged by the state. Council Member Robinson asked how this is tracked. Bill Morris responded by a state mandated program called CORIS. This conducts a proper check and balance to make sure money is transferred properly. Council Member Robinson asked for an explanation on "redemptions". Lynn Fortie said this is used when taxes are overpaid.

Lynn Fortie explained how the budget reflects the use of reserve funds, such as Class C Road funds. This is directly related to the budget where the money will be used. Council Member Ruth Pearce asked about the interpreter balance and why this can't be zero if we have someone who speaks Spanish. Bill Morris clarified that interpreters must be certified by the state and paid appropriately. Lynn Fortie also clarified a few errors were corrected leaving the budget with approximately \$180,000 deficit, which is not uncommon at this time during the budget discussions.

Mayor and Council agreed to table the discussion until the next budget work session.

7:00 P.M. CITY COUNCIL MEETING

1. Call to Order.

Mayor Richins called the meeting to order and welcomed all visitors.

2. Opening Ceremony.

Boy Scout Troop Cameron Shirts led the pledge of allegiance and Council Member Gary Robinson conducted the opening ceremony.

3. Consent Items.

- a. Approve the minutes of March 8, 2016 as presented.

Mayor Richins asked for a few clerical corrections. Council Member Robinson asked for the check register be added to the consent items again. Mayor Richins said this can be made available.

MOTION: Council Member Jeff Pearce motioned to approve the minutes of March 8, 2016 with corrections. Council Member Murtha seconded the motion. All Council Members voted aye. Motion passed.

4. Business Items.

a. Weber County Health Department Presentation

Mayor Richins introduced Louis Cooper from the Weber County Health Department. Mr. Cooper explained he is over the Environmental Health Division and is most likely the one to interact with the city. He oversees the building department and water service issues. He and the Weber County Health Department Director Brian Bennion are just making their way around to all the cities and mayors to let them know the services that are available.

The Environment Health Division oversees restaurant inspections, waste water inspections on homes, and they help conduct system surveys, and take complaints on drinking water. They help pull samples and check with water system managers to provide clean water. They also oversee licensing of day cares and swimming pool monitoring by providing a certified pool operator class. Council Member Robinson asked how the splash pad is overseen. Gene Bingham said the city has a representative attending their current training right now. Bill Morris said the health department would work directly with Bona Vista since they are our water provider for the city.

Brian Bennion gave a short history of services provided by Weber Morgan Health Department. They implement EPA regulations and run the center of disease controls because public health is important. Large strides have been made with improved drinking water and immunizations which are improving the life span of individuals. With immunizations, outbreaks are under control but they would like to improve communication on how successful these programs are. They just recently completed a community health assessment that hasn't been done in at least 25 years. They worked with the community to create focus groups. By collecting state, local, and national data they can prioritize how to improve health in their own department.

Another issue rising to the top is air quality improvement. In July the public will be asked to participate in an air quality exercise. They are trying to help get the message out to not idle and reduce the number of trips we make places, in addition to carpooling. They would like to encourage people to help participate in improved air quality measures. Additionally they would like to get businesses and local governments involved to help develop behaviors to improve air quality. There is also a public health merit badge available in June and November for boy scouts.

Council Member Robinson asked to collect information to include in the city newsletter. Brian Bennion said he will email that information.

b. Discussion/possible action on Harrisville City Ordinance 469; Business License Regulations and General Revenue.

Bill Morris explained this was brought up last fall for discussion and since then the Mayor and Council have discussed new and interesting ideas which include the good business program. This would allow businesses to participate in a training program for a reduction in business license fees. The state mandates that the business license fee study be updated every five years so licenses can be adjusted and phased into implementation.

Bill Morris informed Council he updated the ordinance to include the discount for disproportionate fees that is currently available for large retail such as Walmart that provide their own asset protection and receive a 50% discount under section one. Under the second section other businesses who do not qualify under section one would be eligible for a 25% discount by attending the good business class. Harrisville Police Department and licensing official would prepare a program for businesses to attend to receive the discount. This will also provide opportunity for regular communication between the city and businesses.

Council Member Robinson asked how often the course would be offered. Bill Morris explained this would occur once a year. Council Member Robinson asked if this has ever occurred before. Bill Morris said to his knowledge they have never offered a discount for attendance. Council Member Jensen expressed this would be a good opportunity for business owners to mingle with other business owners. Bill Morris indicated this program could be up and running by the end of this calendar year, in time for the new licensing season. Council Member Robinson suggested including the notice for the program in with the renewal notices. Bill Morris commented they may have to offer multiple meeting to ensure availability for all businesses. It would not have to be the business owner alone who attends, they are welcome to bring other staff they feel would benefit from the training. The only requirement is attendance by the business. Council Member Murtha expressed his agreement of the good business program. Additionally, he would like to scale back the fees on automotive, construction, and contracted services as suggested in the study. He is not advocating any increase in current fees. He would like to see what this program does for businesses. He suggested reducing the fees the study indicated are high, maintaining the same fees for all the other businesses, and implementing the good business program.

Council Member Jensen agreed she did not like the idea of raising any fees. If the study indicated an increase, she would recommend phasing the increase over time. She commented the fees may have to be adjusted so the city is not subsidizing the businesses and also offering the 25% discount.

Bill Morris asked if Council was recommending striking the fees listed in the study that are not related to the good landlord program. No objections were given. Bill Morris explained that a portion of the licensing official's salary is coming from the fee schedule. Council Member Jensen said she is not recommending a reduction in salary. Council Member Murtha said they would need to know what percentage of salary is being paid from the licensing fees. His goal is to attract more businesses into Harrisville. Bill Morris said this may have little to no impact to staff salaries if they are able to fund the salary from somewhere else. Council Member Jensen said she doesn't want to raise the underlying cost to businesses.

Bill Morris suggested implementing the program for a period of time, 3 years, and then review the impact on the business license fee revenue. Council Member Murtha said

Matt Godfrey suggested two years worth of data. Bill Morris said he would guess this would be around \$10,000 loss by implementing the 25% discount. He suggested Council table this discussion and have Lynn Fortie estimate the impact of a 25% reduction in the business license fee revenue.

MOTION: Council Member Ruth Pearce motioned to table Harrisville City Ordinance 469; Business License Regulations and General Revenue. Council Member Robinson seconded the motion. All Council Members voted aye. Motion passed.

c. Discussion/possible action Harrisville's 2nd Annual Farmer's Market

Bill Morris said he met with an individual who is interested in writing grants that are available for farmer's markets. She would also be interested in running the farmer's market this year. He informed Council the RAMP EZ grant has been submitted. Council Member Jensen said there is also a grant available for implementing a farmer's market within the first 5 years. Council Member Ruth Pearce said another grant is available for people who use food stamps.

Bill Morris informed Council this volunteer has a network with farmers that are reliable and could help build the market. Mayor and Council gave discussion on how to bring in more produce vendors. Council Member Jensen said when she attended a training on the farmer's market, they indicated it takes several years before the market becomes stable.

Council Member Murtha suggested a designated area be setup at the park to hold the market. He recently visited an out of state location that had a wonderful venue for their market. Bill Morris suggested implementing this into the future city complex on 750 West. Council Member Jensen said there are things available in the current location for entertainment. Mayor and Council gave a brief discussion on how many weeks were included in the previous market. They agreed the market will begin in conjunction with Heritage Days and run through September.

5. Public Comments - (3 minute maximum)

No public comments were offered.

6. Mayor/Council Follow-up:

Mayor Richins informed Council Pleasant View has a plan for the 2550 North sidewalk project. Mayor and Council gave discussion on when the sidewalk project will be implemented.

Mayor Richins said there is another library meeting tomorrow at 7pm and he will follow up with the location. The main issue with the project is the parking. At the last meeting they could not take a vote because they did not have a quorum.

Mayor Richins informed Council HHI Corporation has notified the city they are going to tear down the old house on the property. They are willing to donate the house to the city with the caveat the city pays to have it relocated. He asked Council if this is something they want to consider. In the past they have been looking for a location and building to

house a museum. The demolition will not take place until August. Council Member Murtha said he would like to see the associated costs first. Council Member Jeff Pearce said HHI would be willing to donate the house to any interested party. Council Member Robinson asked how old the house is. Mayor Richins said close to 100 years old.

a. ULCT Conference Review

Mayor Richins said there are a lot of cities interested in streaming their council meetings and some already do. There is a service which streams through YouTube for a cost around \$1200 to \$3000. Kaysville has been doing this for awhile. A camera is mounted and they just have to switch it on when the meeting begins. This is an effort to get more people connected. Council Member Murtha suggested conducting a survey to see if residents would have interest in this.

Council Member Jensen attended recreation training. She said Ogden City put in a number of new parks and has seen their crime rate decrease because there are more people in the area. She would like to have more trails through the community. Bill Morris said we have an adopted trail plan. Mayor Richins commented that money is available from UTA. Bill Morris also said there are trail meetings she can attend if interested.

Council Member Robinson said he attended the Utah Economic Summit to benchmark infrastructure costs. Cities are changing because the new generation can't afford homes. Council Member Murtha said North Ogden has a project that is directed towards this. Council Member Robinson also stressed that city council and employees need to learn our roles and step up to those roles by matching our personalities to the job. He outlined other suggested items with regard to running a successful city operation.

Mayor Richins asked for a Heritage Days report. Council Member Jeff Pearce said he has not had much discussion yet. Mayor Richins suggested having a work session at the next regular meeting. Mayor and Council agreed to have a budget discussion before and Heritage Days after the April 26, 2016 meeting.

- 7. Closed Executive Session – Utah State Code §52-4-204 & §52-4-205:** The Council may consider a motion to enter into Closed Executive Session for the purpose of discussion of character, professional competence, or physical or mental health of individual(s) and pending or reasonable imminent litigation.

MOTION: Council Member Ruth Pearce motioned to close the public meeting and enter into a closed executive session. Council Member Jensen seconded the motion. A Roll Call vote was taken.

Council Member Ruth Pearce	Yes
Council Member Murtha	Yes
Council Member Jensen	Yes
Council Member Gary Robinson	Yes
Council Member Jeff Pearce	Yes

Motion passed 5-0.

Mayor and Council convened into a closed executive session.

MOTION: Council Member Ruth Pearce motioned to close the closed executive session and open the public meeting. Council Member Robinson seconded the motion. A Roll Call vote was taken.

Council Member Ruth Pearce	Yes
Council Member Murtha	Yes
Council Member Jensen	Yes
Council Member Robinson	Yes
Council Member Jeff Pearce	Yes

Motion passed 5-0.

8. Adjourn.

Mayor Richins motioned to adjourn at 8:45pm.

ATTEST:

BRUCE RICHINS
Mayor

JENNIE KNIGHT

City Recorder

Approved this 26th day of April, 2016