

MINUTES
ENOCH CITY COUNCIL
December 7, 2016 at 6:00pm
City Council Chambers
City Offices, 900 E. Midvalley Road

Members present:

Mayor Geoffrey Chesnut
Council Member David Harris
Council Member Steve Johnson
Council Member Jolene Lee
Council Member Dave Owens
Council Member Shawn Stoor

Staff present:

Julie Watson, Recorder
Dan Jessen, Treasurer
Gary Kuhlmann, Atty.
Robert Dotson, City Mgr.
Jackson Ames, PD Chief
Earl Gibson, Public Works

Public present: Michelle Pritchard, Tim Watson, Todd Sheeran, Bob Graul and Vern Grimshaw,

1. CALL TO ORDER OF REGULAR COUNCIL MEETING-By Mayor Chesnut at 6:00pm

- a. **Pledge of Allegiance**-Led by Council Member Owens
- b. **Invocation**-Audience invited to participate-Given by Council Member Johnson
- c. **Inspirational thought**-Given by Mayor Chesnut
- d. **Approval of Agenda for December 7, 2016**-Council Member Johnson made a motion to approve the agenda. Motion was seconded by Council Member Stoor and all voted in favor.
- e. **Approval of Minutes for November 16, 2016**-Council Member Stoor made a motion to approve the minutes. Motion was seconded by Council Member Owens and all voted in favor.
- f. **Conflict of Interest Declaration for this agenda**-none stated

2. PUBLIC HEARING REGARDING CAPITAL IMPROVEMENT LISTS; 1 YEAR ACTION PLAN AND 2-5 YEAR ACTION PLAN

Council Member Harris made a motion to close the regular meeting and go into a public hearing. Motion was seconded by Council Member Owens and all voted in favor.

Mayor Chesnut invited comments. There were no comments.

Council Member Harris made a motion to close the public hearing and return to the regular meeting. Motion was seconded by Council Member Owens and all voted in favor.

3. RESOLUTION NO. 2016-12-07 A RESOLUTION TO APPROVE THE ONE-YEAR AND FIVE-YEAR CAPITAL IMPROVEMENT LISTS

Mayor Chesnut asked if there was more discussion. Council Member Harris made a motion to approve the 1 year and 2-5 year lists for Capital Improvement Projects. Motion was seconded by Council Member Stoor and a roll call vote as follows:

Council Member Harris-Yes	Council Member Stoor-Yes
Council Member Johnson-Yes	Council Member Owens-Yes
Council Member Lee-Yes	Motion passed

4. APPOINT NEW CITY TREASURER

Mayor Chesnut said Dan is leaving to go to work at the Iron County Assessor's office to take Gene Adams place. We took applications and interviews were conducted by a hiring committee consisting of Council Members Harris and Lee, City Manager Dotson and Dan.

Council Member Lee said it was a pleasure to be a part of the process and we did agonize over the decision. Difficult questions were asked and we had good applicants. Council Member Harris concurred all were very good. Dan said he has spent the past three days working with Ashley and she was his first choice. She has an accounting degree and is a good fit for Enoch City as well as being an Enoch resident too. Mayor Chesnut asked Ashley to introduce herself. She said they have lived here for five years. She has an accounting degree from SUU and is happy to be here working for Enoch. Mayor Chesnut asked for a motion to approve Ashley Horton for the Treasurer position. **Council Member Harris made a motion to approve hiring Ashley Horton for the Treasurer position. Motion was seconded by Council Member Lee and all voted in favor. The City Recorder administered the oath of office.**

5. APPROVE ENGINEERING FIRM FOR THE CAPITAL FACILITIES PLAN (CFP) UPDATE

Mayor Chesnut asked Council Member Owens and Tim Watson, the City Engineer who were on the hiring committee for comments on the process of selecting the engineering firm to update the CFP (Capital Facilities Plan). Council Member Owens said there were three companies who were qualified that submitted proposals. After extensive interviewing they decided to select Sunrise Engineering for this project pending City Council approval. The process had to be bid out due to the nature and requirements of our ordinances. We advertised the project and the interested engineering firms submitted proposals based on our scope of work. The interviewing committee spent several days reading proposals and then they interviewed the firms today. Lots of questions were asked and financials reviewed and they decided on Sunrise Engineering. Council Member Lee asked if the bids were the same on the financials. City Manager Dotson said there are not hard costs but estimates only. We put out the scope of work but some things are hard to quantify monetarily. They give a range of the cost. We may add to that if need be. There are many factors involved. The lowest was \$34,000 and the highest was \$130,000. The bid in the middle ground was selected. Council Member Stoor asked why Sunrise was chosen over the others. Tim Watson said experience was one reason. They work with jurisdictions like ours in size. Also they work on funding options and actual services and how to implement their plan. He was impressed with them on that. The Q&A was a good interaction and they communicated well and can do this project at a reasonable cost. It was not just a stab in the dark on the cost.

Council Member Stoor asked Earl's opinion and he agreed with Tim adding he was impressed also. City Manager Dotson said we have worked with all three firms in the past. One did the original CFP and we have connections with all of them. Mayor Chesnut submitted the name of Sunrise Engineering as the proposed firm for the CFP update and asked for a motion to hire them. **Council Member Harris made a motion to hire Sunrise Engineering. The motion was seconded by Council Member Owens and all voted in favor.**

6. DISCUSS AUDITED FINANCIAL STATEMENT FISCAL YEAR ENDING JUNE 30, 2016

Dan said sometimes the auditors come to give this review but since there were no surprises the City Council said he could do it. The audit is official and reported to the State Auditor. He pointed out that the opinion of the auditors is the financial statements present fairly the financials of the City. Our statements accurately display this. Financial highlights say assets exceed liabilities. Banks and lenders look at this summary. At the end of the current year the unassigned general fund expenditures, known as savings are up from last year and in a much better place now. That is one metric we talk about a lot. We have to keep our unassigned fund balance between 5% and 25% to be legal with the State. Anything below 5% is frowned on. It is good to have savings and we did cuts to balance the budget. This year has been good. We kept

expenses low. We did implement 50% of the planned raises. This being said, this is really good but \$400,000 in savings is not much to have for a “rainy day” fund at 24%. He recapped some other items saying the City has 10 million in borrowing power and we have very little debt. There was nothing really significant except the sewer fund deficiency we already knew about and remedied with a rate increase of \$2 per month starting July 1st, 2016. They reported there were no deficiencies in internal controls and they did not identify any material weaknesses. Mayor Chesnut thanked Dan for his hard work on this saying Dan had much hard work to do to prepare for this audit and the funds are being managed as they are supposed to be.

6. DISCUSS 2016-2017 BUDGET AND SET A PUBLIC HEARING FOR DECEMBER 21, 2016

Dan said he emailed the budget to the City Council yesterday. Council Member Harris asked about the salt spreader change. Earl said our 1993 sander wiped out and could not be repaired. He missed putting it in the budget at the beginning of the year. He has adjusted the budget so we can get a truck to do the sanding. Dan said there was no increase for that item. Instead we are reducing the amount of road resurfacing. We will also receive less road money than expected from the new gas tax we did not get due to a technicality in the legislature. There was brief discussion about how road surfacing is figured. Earl said we did not really cut back on the roads. We just did what needed it and that is how it turned out. Council Member Lee asked if you have a plan for so many miles per year did you make that goal and still cut back. No, Earl said. We usually do five miles but did four miles this year. Council Member Lee asked if next year we could do more roads and Earl said yes, adding the five mile figure is not set in stone. Dan said we do have a savings account for the Class C road funds that can only be spent for that use. We have about \$400,000 in Class C and we could do more than we normally do if needed.

Council Member Harris asked about the training of the new building inspector and was told we spent \$15,000 for that. We paid \$8,700 to subcontract the inspections while he got his certifications. City Manager Dotson said we chose to hire someone who needed the training because he was a good fit for Enoch and he is doing an excellent job. Dan said one more change coming is in the water company which we are adjusting to complete the new well and the Rush Lake well. City Manager Dotson said because of the engineering firm we hired we put in higher numbers and it will not be that much. The new total of \$40,000 is the sewer company portion of the CFP update. On the storm drain company we will change professional services from \$20,000 to \$40,000 so there is a buffer. Capital outlay decreased by \$29,000 because in capital outlay the projects we were going to do in storm drainage are not yet defined as we need a plan which will come with the CFP update.

Per a question from Council Member Lee there was discussion of how we budget for grants we apply for noting that we show them on both sides. If we don't receive the grant then we don't spend the money but it has to be shown in the budget. Council Member Harris said people can see what our intent is by showing it in the budget and if the grant doesn't come through then we don't do the project. Dan said since we did not get the revenue side we are adjusting down the expense side and technically it is in budget to spend the money so we are not going over budget. Since we know we did not get the grant we take it out. Revenue and expense are tied together. If we don't put it in then we have to open the budget and hold a public hearing and this way lets us do it once. We can't spend it if not in the expense line. Council Member Stoor asked about the Cottonwood Park line saying it does not show. Dan explained we planned for that in the line item where it shows the number \$14,000 instead of \$6000. Total General Fund revenues were 1.86 million from 1.74 million. Expenditures dropped the same amount to balance the budget. Dan said we had to show the whole wage increase and the second half is still in there planned for next year. The water company on page 6 is balanced. The sewer company on page 7 we appropriated

\$47,000 and needed \$40,000 instead. Capital outlay is \$32,500 in storm drainage fund. In the end they wash and there are not many changes at all.

Council Member Harris made a motion to set a public hearing for 12-21-16. Motion was seconded Council Member Johnson and all voted in favor.

7. PUBLIC COMMENTS

Bob Graul commented to Dan that when he took over things were turbulent with the City and Dan came in and took some actions that caused things to not be as bad as were portrayed. He thanked Dan for his good work. He said Ashley took an oath that says she would enforce the U.S. and State Constitutions and he said he would like her to read them. It is important we understand what we are committing to when we take a public office.

Vern Grimshaw said the City should pursue the Rush Lake well. He helped drill it and it is a good one.

8. COUNCIL/STAFF REPORT

Earl Gibson said the crew is working on drainage down Half Mile Road to take storm water out to the retention pond. They are ready and waiting for snow.

Dan Jessen said his last day is Friday and then he will be a variable employee to help train Ashley.

Ashley Horton said she has questions and is trying to learn and is glad to be here working for Enoch.

City Manager Dotson reported we received our Workers Compensation premium from the Trust for 2016 and he explained how the three year loss ratio is based on claims. The lowest number with 0 claims is .75. We got .80 and that is with everything we do which includes some dangerous jobs at times. That shows we are very safe in our operations based on workers comp claims. He attributes it to a couple of things and not just luck. One is that we hire the right people who work hard to help at being safe and we look out for each other. The staff has no fear to bring up things that need to be changed to be safe. It comes from leadership of those who care about the staff and supports them so people are comfortable in our work environment. He thanked the City Council for their support of staff. Also Council Member Lee was told that Jeff has earned his CDL which was a requirement for his promotion. That is a great accomplishment for him.

Mayor Chesnut said we need an executive session to discuss purchase of real property.

Council Member Johnson said he appreciated the comment about the constitution in the Oath of Office. He wanted reading it to be an ordinance but that did not happen. He asked Ashley if anyone asked her if she had read the constitution and she said no not lately. He said resolutions are forgotten and that is what has happened.

Council Member Stoor said Council Member Owens and he met and talked about wages. He would like it on the next agenda. City Manager Dotson said the Christmas party is after next meeting so make it for the first agenda in January. Also he is working with the Tree Committee on Cottonwood Park improvements.

Council Member Harris thanked Dan for the great job he did for Enoch saying we really appreciate him.

Council Member Lee also thanked Dan and welcomed Ashley. She reported Cam Findley met with Shelly to mark for the disc golf cages locations. They are waiting on news about the tourism grant.

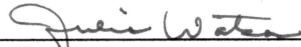
Council Member Owens said we do not have the EDC filled yet and are looking for more members. He said he participated on the hiring committees and it was a good experience.

9. **CLOSED EXECUTIVE SESSION REQUESTED**-(Requires a roll call vote w 2/3 majority)
Council Member Harris made a motion to close the regular meeting and go into an executive session to discuss the purchase of real property. Motion was seconded by Council member Owens and a roll call vote was held as follows:

Council Member Harris-Yes	Council Member Stoor-Yes
Council Member Johnson-Yes	Council Member Owens-Yes
Council Member Lee-Yes	Motion passed

10. **ACTION FROM EXECUTIVE SESSION**-Returned from executive session.
Council Member Harris made a motion to move ahead with negotiations on property purchase at the proper time on the Parkview property. Motion was seconded by Council Member Johnson and all voted in favor. Council Member Harris made a motion to change the budget to add under the line item of water rights purchase that was discussed in closed session to instruct staff to adjust the amount to \$73,734.00 to offset the fund balance. Council Member Johnson seconded the motion and all voted in favor.

11. **ADJOURN**-The regular meeting ended at 7:15pm.

	12-21-16
Julie Watson, Recorder	Date