

RICHMOND CITY COUNCIL

OCTOBER 19, 2023

The regular meeting of the Richmond City Council was held at the Park Community Center located at 90 South 100 West, Richmond, Utah on Thursday, October 19, 2023. The meeting began at 6:30 P.M.; Mayor Paul Erickson was in the chair. The opening remarks were made by Tucker Thatcher.

The following Council Members were in attendance: Tucker Thatcher, Lyle Bair, Kelly Crafts, Terrie Wierenga and Amber Ervin.

City Treasurer HollyJo Karren, City Engineer Weston Bellon, Public Works Director Jeremy Kimpton and City Recorder Justin Lewis were also in attendance.

VISITORS: Joel Draxler, Cindy Allen, Regan Wheeler, Nathan Daus, Alyna Ohling, Diana Cannell, Kara Tim

APPROVAL OF THE CITY COUNCIL MEETING MINUTES FROM SEPTEMBER 21, 2023.

A motion to approve the September 21, 2023 city council meeting minutes was made by Terrie, seconded by Kelly and the vote was unanimous.

Yes Vote: Thatcher, Bair, Crafts, Wierenga, Ervin

No Vote: None

PRESENTATION BY CAPSA REGARDING OCTOBER BEING DOMESTIC VIOLENCE AWARENESS MONTH.

KARA TIM: October is domestic violence awareness month. We need you to help spread our message. We are happy we can support those who need support. We offer free and confidential services. We need people who are willing to talk to people and support survivors. We can provide training to groups and businesses.

MAYOR: Do you have any statistics you can provide?

KARA: The emergency shelter was used for 327 people last year. There were over 7,000 calls to our crisis hotline. Our case workers were involved with over 1,500 cases. The shelter is often full.

LYLE: In 2020, there was an uptick in cases. Are cases now steady? Was the increase because of the pandemic or population growth?

MAYOR: Are the numbers still increasing?

ALYNA OHLING: As the population increases the number of cases will increase. What we are not sure about is if problems are getting worse or if more people are just willing to come forward now. Cases have increased since the 1970's. There was a drastic increase in 2020.

LYLE: Is the number of cases the same now as in 2020?

ALYNA: It is higher now. We are spending more funding on awareness. We are happy people are accessing our support when needed. We don't base our service on numbers so it is hard to know some numbers.

LYLE: Do you service Cache Valley only?

ALYNA: We go to Preston and cover the Bear River area to the west as well.

MAYOR: Thank you for what you do. You offer substantial help to the community.

ALYNA: It is hard to explain what we do until you see it. Come and have a tour of our facility and see what we offer. We have almost 75 employees and over 100 volunteers helping us. We are not a small organization.

DISCUSSION WITH REPRESENTATIVES OF THE CACHE WATER DISTRICT.

NATHAN DAUGS: I am the General Manager for the Cache Water District. We want to appear before all of the city councils in the valley. We want you to know what we are doing. We have existed for seven years now. We work with water right holders which include cities, irrigation companies and private landowners. We look at ways to increase the water supply. The Bear River Development Act states that 60,000-acre feet of water can be stored for us in Northern Utah. It is not being discussed much right now because of the low level of the Great Salt Lake. About 50% of the water going into the Great Salt Lake comes from the Bear River. In 2012, a study was completed stating the Great Salt Lake has an economic benefit to the State of Utah of one and a half billion dollars per year. About 1.2

billion dollars of that amount comes from three mining companies on the lake. They use the water to mine minerals. Nobody else has done a study to show the economic benefit of their water supply. We have hired a firm to show what the economic benefit is of the Bear River before it reaches the Great Salt Lake. We currently don't know what that number is. Around 30 to 40 water bills have been presented to the legislature in the last couple of years. Before then there were not many each year. Major water law changes are being considered. We don't want a negative effect on Cache Valley. A secondary water metering bill passed a couple of years ago. Metering the Richmond irrigation system did not make sense. The water source runs out no matter what each year. The stream depletes no matter how much water is used. It is a substantial cost to meter. There is no way in the Richmond system to have more water or save water by metering. Not one drop of water from the Richmond irrigation system goes into the Great Salt Lake. The law was changed and not one irrigation company in Cache Valley is now required to meter their water and it has saved millions of dollars. We need to measure the water used but not like they wanted it to be metered. You need to make sure and file for re-use of the effluent from your sewer system. I know you are working with J-U-B Engineers on it. It needs to be submitted. We will work with the legislature on the bills which would be detrimental to us. About 46% of the water in the Bear River is used in Utah. The remaining 54% is used in Idaho and Wyoming. Those states are not on board to cut their water consumption from the river. We can work with the city on water supply, which can help you for decades to come. You are not geographically close to other cities. We are always looking at ways to connect cities in case of an emergency. Grants are available in this regard. There is infrastructure money available from the federal government. We rely on ground water in Cache Valley. It might not be a reliable source decades down the road. Climate change could be an impact. The infrastructure funding offered by the federal government has mostly gone away. The State of Utah is considering how to fund water projects. Nobody in the state charges enough for their water to replace their entire system. One city in the Salt Lake area needs ten billion dollars to replace their entire system. Cities are not charging enough and the legislature knows that. It is not fun to have a high tiered rate system as it is hard on the residents. In Utah, as a whole we have cheap water. We can adjust the rates on our own or be forced by the legislature to do so. The state could step in and set the rates we charge but I hope they don't do that. It is something the legislature is discussing. The legislature does not want to fund all of the infrastructure work that is needed in the state. This does not apply to just culinary water but to irrigation water as well. Right now, the water is cheap and that will change long term. We are working with cities and canal companies on projects. We are working with Logan, North Logan and Hyde Park on a big project. There is a Wellsville and Mendon project. There is also funding available for flood mitigation. We are working with the county and UDOT (Utah Department of Transportation) on some flood mitigation. We are about halfway through the environmental analysis. The funding will pay for 75% of projects and 100% on flood mitigation. There is a Lewiston project happening as well as a Porcupine reservoir project. We don't build any of it but can help you with it. I am the only employee of the district. There are 11 board members. Regan Wheeler is here this evening and he helps represent the north end of the valley. The district has grown slowly and is 100% funded by taxes.

TERRIE: Do you see something happening in Utah like in California where the government and legislature got rid of the water districts?

NATHAN: I don't think it will be that extreme. A local team from Utah recently went to Israel. One idea they now have is the regionalization of water. I don't see us being that extreme but they do see a benefit to localization. I suspect a study bill to be presented to the legislature in this regard. Connecting cities is regionalization. The east side of Cache Valley is water rich and the west side of Cache Valley is water poor. Agricultural land is located to the west. Water is needed in that area to develop homes out there. Maybe some water can be sent there long term. Water is the key to growth.

TERRIE: One earthquake could ruin our springs.

NATHAN: One big thing could happen in a city and change everything and there is no backup. We rely 100% on ground water for all of our water. We have no backup.

TERRIE: My family lives in other states. One family member lives in South Dakota and his water bill is over \$150 per month and includes 3,000 gallons of water.

NATHAN: Most homes in Cache Valley are worth over \$500,000 and their water bill is less than \$50 per month on average in the valley. Water costs less than cable tv or a cell phone in most cities. It is one of the cheapest bills we pay. If we are not careful, we will be forced to change that.

TERRIE: It has been proven when the water rate is raised that water consumption will decrease.

NATHAN: Only if the rate is set high enough. When that happens, you can cut consumption and increase revenue. The legislature is pushing hard for conservation and new standards to be implemented on new construction. Limiting the amount of new grass which can be installed is a high priority.

TERRIE: We have done that in some cases.

NATHAN: The state has a turf program where residents are allowed to apply for a rebate if they redo their yard to conserve water. I know Nibley, Smithfield and Hyde Park all passed ordinances in this regard. Their residents can now apply for the rebate.

TERRIE: We changed our ordinance a couple of years ago but not recently.

TUCKER: How do we keep the 60,000-acre feet of Bear River water here?

NATHAN: In the early 1990's the Bear River Development Act showed there was 220,000-acre feet of water available. Of that Cache County would get 50,000-acre feet and Box Elder County would get 50,000-acre feet. A reservoir study was completed. About five million dollars was spent on a study to determine possible reservoir sites. The study was finalized about two years ago. A number of local sites were considered. The preferred site is White Valley which is about five miles outside of Tremonton. Right now, it is a big dry farm area. It could store 500,000-acre feet of water. There is no river leading to this land and it is a long way from Cache Valley. A pipe would have to be installed to bring the water back to Cache Valley at Cutler Dam. It is not a great alternative for us and we are against it. We want our water stored north of the valley. Upstream makes more sense for us. Seven sites were considered. The state is in the process of buying a right-of-way along the railroad tracks from Ogden to Brigham City. We are saying no to all projects until we get water to flow to us as well. If other places get it first, we will never get any.

TUCKER: So, it must be water storage?

NATHAN: Yes. We need it for the runoff flow in the spring. The study helped to show where our water comes from. Cloud seeding has helped us as well. In the past about \$350,000 a year was spent on cloud seeding. This last year twelve million dollars was approved plus an extra one-time allocation of five million dollars. Moving forward they plan to fund twelve million dollars per year for cloud seeding. Long term we need a new reservoir.

MAYOR: How often will you come before us? Annually? Yearly?

NATHAN: At least once a year or when needed.

LYLE: Does the economic impact study include Idaho and Wyoming as well?

NATHAN: Yes. All three states must be on board for anything to be agreed upon. Evaporation in the Great Salt Lake causes the lake level to decrease two to two and a half feet per year. There are potential dust problems if the lake were to go away or continue to shrink. There is much debate about how dire the dust storms would be. We don't have catastrophic dust storms here. The biggest issue with the Great Salt Lake is the migratory birds which use the lake. Tens of millions of birds use the lake. They feed on brine shrimp. The federal government could get involved if the level of brine shrimp in the lake decreases enough. We don't want that to happen and want to keep the federal government out of this.

<p>DISCUSSION AND POSSIBLE VOTE ON RESCINDING RESOLUTION 2023-10, A RESOLUTION APPOINTING ALAN LIVINGSTON AS TRUSTEE REPRESENTING RICHMOND CITY ON THE CACHE VALLEY TRANSIT DISTRICT BOARD OF TRUSTEES THROUGH DECEMBER 31, 2023.</p>
--

MAYOR: Alan Livingston was appointed to serve at last month's council meeting. He would have represented the city for the rest of 2023 and then Smithfield, Richmond and Lewiston for two years starting in January. He contracts with our and Smithfield's auditing firm. I didn't know he worked with them. He disclosed to them he was asked to be a board member. The firm said that is a conflict of interest where he would be a voting member and they work with Smithfield and Richmond. I have made the other cities aware of this issue. We are now back to square one. We need to rescind both Resolutions we adopted last month. We do have some good news. Mayor Monson of Smithfield informed me they have a representative who is willing to serve and represent the three cities. He will serve well. He does not live in Richmond; he lives in Smithfield. He is their current board member and is willing to continue to serve.

A motion to RESCIND Resolution 2023-10, a Resolution appointing Alan Livingston as Trustee representing Richmond City on the Cache Valley Transit District Board of Trustees through December 31, 2023 was made by Tucker, seconded by Lyle and the vote was unanimous.

Yes Vote: Thatcher, Bair, Crafts, Wierenga, Ervin

No Vote: None

DISCUSSION AND POSSIBLE VOTE ON RESCINDING RESOLUTION 2023-08, A RESOLUTION APPOINTING ALAN LIVINGSTON AS TRUSTEE REPRESENTING RICHMOND CITY, SMITHFIELD CITY AND LEWISTON CITY ON THE CACHE VALLEY TRANSIT DISTRICT BOARD OF TRUSTEES EFFECTIVE JANUARY 1, 2024.

A motion to RESCIND Resolution 2023-08, a Resolution appointing Alan Livingston as Trustee representing Richmond City, Smithfield City and Lewiston City on the Cache Valley Transit District Board of Trustees effective January 1, 2024 was made by Lyle, seconded by Kelly and the vote was unanimous.

Yes Vote: Thatcher, Bair, Crafts, Wierenga, Ervin

No Vote: None

MAYOR: I have met with Alan a couple of times and was never aware of his association with our auditing firm.

TERRIE: Even with that association he would still have been allowed to serve as long as he disclosed that association.

STAFF REPORTS AND MONTHLY FINANCIAL REVIEW.

JEREMY: We had a grader in town for a couple of days doing some work. The new snowplow truck is parked in the maintenance shop. We are doing a lead and copper service line inventory. The county has been working to provide us with the necessary parcel information. We are working on compiling a list. We plan to start patching potholes on Monday. We haven't been able to recently because we have had several water leaks to repair.

MAYOR: What are the leaks coming from?

JEREMY: Around 95% of them are at the corp (corporation) stop. The line is either breaking there or pulling out.

MAYOR: This has been an issue for years. Are they major repairs?

JEREMY: I think some of them are an old issue from when the line was installed. The sanitary sewer survey is done. We had nothing major wrong. Only some minor things to correct. We do have to backfill a drain line of the middle source by the trail. Our GIS information is being updated. We have worked on this all summer.

MAYOR: Has the salt arrived?

JEREMY: I think either 200 or 250 tons has been delivered.

MAYOR: Are the sanders on the trucks?

JEREMY: No, not on the small truck. We have been using it to haul dirt. We have removed 25 loads of gravel from the City Creek road where the gravel washed down the road.

MAYOR: Where did you put it?

JEREMY: Down by the MBR Plant. We plan to use it long term. Rob and I spent five days up there cleaning things up.

MAYOR: Has the drainpipe in that area been jetted?

JEREMY: Not yet. We are still waiting on Twin "D". We are going to jet a few other places as well. We are working on the re-use application Nate Daus mentioned.

MAYOR: Does that get submitted to the state?

JEREMY: Yes.

HOLLY: We have two new zoning clearances for the City Creek Subdivision. The plats for Phases 2 and 3 of the Richmond Village have been reviewed by legal counsel. We have a lot of remodels and garage additions going on right now.

MAYOR: Tell us about the new hire in the office.

HOLLY: We have hired Melissa Archibald to work at the front desk. She will work Tuesday through Friday. She has some experience and will be a big asset to the front desk area. Melissa Titensor will be located in the court office area and assist me as needed.

WESTON: The water re-use application is a state requirement. A part of the plan requires a project plan of what the water is being used for. We are in the process of making that plan. It will be on file with the state. In regard to the water, sewer treatment and transportation plans we are still waiting for funding to be approved. The funding has been approved for the sewer collection plan and we have started to work on it.

JUSTIN: We collected \$49,366 in sales tax revenue. A portion of that is now being remitted back to Lee's Marketplace as part of our rebate agreement with them on the portion they pay each month. Last month we paid them \$4,180 and for the fiscal year we have paid them \$13,005. This agreement is in place for six years and the amount we pay them diminishes every twelve months. We received a \$4,500 donation from Spartan to help pay for the air conditioning unit in their end of the building. A resident donated \$1,000 to the library. A local family has donated to the library for many years in honor of their parents. Back in November 2021 we ordered the new snowplow truck. We received and paid for the new truck in Fiscal Year 2023. The dump bed, snowplow and sander did not arrive and were not installed until the current fiscal year. We will have to adjust the budget to reflect the timing of when the truck was completed. The remaining costs associated with the truck were \$109,044. In September we collected \$131,924 in water impact fees. So far, this fiscal year we have collected \$304,440 in water impact fees. In September we collected \$94,755 in sewer impact fees. So far, this fiscal year we have collected \$211,965 in sewer impact fees. We collected more in September than we collect in most fiscal years. The funds are used to help pay for the water tank project bonds and MBR plant bonds. The reason we collected so much is each five-plex in the Richmond Village is treated like five separate homes.

MAYOR'S REPORT

MAYOR: What is the date for the workshop and State of the City address next year?

JUSTIN: February 8th.

MAYOR: At the workshop in February, I want to discuss multi-family housing in the city. We need to review the General Plan. The city submitted an application to the COG (Council of Governments). Funding is collected through a tax and typically there is six to nine million dollars available each year for projects. Every community in the valley can apply for road projects. Typical applications are for new roads, big or small, connection roads, and dealing with congestion issues. The only previous Richmond City approval I am aware of in this regard was redoing the road on the south side of North Cache Middle School. We are part of an application that the county submitted to widen 500 North. The road would be widened and a new intersection installed in the county. The project has not yet started. I know some of it is still being bid on and they are working with landowners to secure some land. Land must be purchased in one area for the project to start. It is likely to start in the spring or summer of 2024. The funding for the project will go away if not spent soon. The project was approved in 2018. I worked with Jeremy, Weston and Justin on our current application which was to improve the road on 150 North from the west side of the Lee's Marketplace parcel going west to 400 West and then south on 400 West back to Main Street. Any city in the valley can apply for the funding. Normally there are more requests than funding. A few years ago, what is called the rural set aside was created for the small communities. Typically, small community projects do not score well. Each project is scored.

AUDIT PRESENTATION FOR FISCAL YEAR 2023, WHICH IS THE PERIOD OF JULY 1, 2022 THROUGH JUNE 30, 2023, BY REPRESENTATIVES OF ALLRED JACKSON.

DIANA CANNELL: There are two very minor state compliance findings. One of them is you kept too much funding in your General Fund. You are only allowed to keep 35% of your budget amount in that fund. You can spend the money or the best option is to transfer it to the General Capital Improvement Fund. I would recommend you budget for it and make a transfer. If this year is going to be a year full of high expenses you would possibly not need to make a transfer. Just make sure the amount is below 35% at the end of the fiscal year. The cash management report is required to be submitted to the state twice per year. The report the staff submitted included book balances rather than bank balances. The difference being uncleared deposits or checks. The law requires you report bank balances. These are two minor findings but they must be reported. Thanks to the entire staff who helped us through this process. Their hard work throughout the year keeps us efficient and we appreciate it. A new solid waste fund was created. Page 17 shows your total assets increased approximately three million dollars over last year. Cash increased approximately \$1,100,000 and assets increased approximately \$2,000,000. On Page 18, you will see liabilities were pretty consistent and went down approximately \$300,000. The biggest change being the pension amount that is required to be listed for the Utah Retirement System. You are not writing a check for this amount but the state auditor requires it to be shown in your financials. On Page 25, you can see the new Solid Waste Enterprise Fund. On Page 26 you will see your total net position increased in the enterprise funds about \$1,800,000 of which \$1,300,000 was from contributed capital. Contributed capital is when a developer installs new infrastructure and then turns it over to the city. The city now owns the assets. It shows up as income on the income statement but no money came in from this transaction. Expenses for the enterprise funds only increased approximately \$530,000.

JUSTIN: I want to thank Diana and her staff for the assistance they offer throughout the year. Not one time in the entire time we have worked with her firm have they charged us for the time spent on projects they help us with outside of the audit. There are many times throughout the year I will reach out to her with questions and for advice. She or a staff member always replies quickly and helps us learn and understand what needs to be done. State requirements are always changing and she lets us know what they are and how to handle them. We really appreciate their assistance during the audit and outside of the audit. I am not happy we have two findings but I am happy they are not financial and are state compliance. Both of them can be easily corrected. Neither Holly nor I knew we were supposed to use bank balances on the report and not book balances so that is easily correctable.

DIANA: Some state compliance items are only tested every three years and some are tested yearly. Any finding will automatically be tested the following year. Financial findings are very serious and you don't have any of those. You are doing a solid job.

TUCKER: How do we correct the fund balance?

JUSTIN: We will include the transfer in the budget adjustments we do in December.

DIANA: The Capital Projects Fund is a great place to hold these funds. It is what that fund was designed for. Budget for it and then transfer it. You can always budget a higher amount as it is not required you transfer the entire budgeted amount.

COUNCIL MEMBER AND MAYOR REPORTS

AMBER: The planning commission did not meet in October. They will meet in November if needed. The Park Bench did a Halloween carnival last night. The goal was to have 50 people attend. They ended up having over 200 show up. A special thanks to the city staff and local businesses for making it happen. We got a lot of community support. The youth council did a great job as they helped with games and many other things.

MAYOR: I also want to thank the youth council for their help in cleaning up some graffiti.

AMBER: There was a really good dialogue with the youth and the seniors at the carnival.

TERRIE: I attended the last irrigation board meeting. It is the first season in many years they did not implement irrigation turns or have to run the pump. Usually, they collect around \$40,000 in overage charges but not this year. Overall, they are doing good. They are working on several projects. I am working with Amber as she transitions to be the irrigation company liaison and with Joel (Draxler) as he starts to handle trails.

MAYOR: Do we know if the Cache County firefighters are utilizing our fire station yet?

JEREMY: I know they have been up there cleaning as they asked for a dumpster. The internet was giving them issues as well so we helped with that.

KELLY: I don't have anything else to report.

LYLE: I don't have anything either.

TUCKER: I apologize for not being here last month but I got very sick. I don't have anything else to report either.

MAYOR: Back to the 400 West project. The local mayors met on Monday. Due to the technical scoring on our project, it was recommended we receive the full amount of the rural set aside. It is daunting in the sense that everyone wants something for their community.

WESTON: The technical scores are done by an independent body based out of Salt Lake City. They take into account safety, congestion and traffic. We got high scores for safety and congestion. We were not the highest scoring project on how the mayors scored the projects. There is a very high value placed on the technical scores. We got the highest score of the smaller communities by a long ways.

MAYOR: There were two different discussions on the project during the meeting. The recommendation of the mayors is to approve our project. We would receive about \$890,000 in funding if the project is approved. The Cache County Council will vote on the recommendations at their next meeting on Tuesday, October 24th. Mayor Buist from Mendon said the technical scoring part is very important because before it was included projects were only approved based on politics. Mayor Buist stated the process works as it is supposed to work in this case. It is a substantial project for us. I doubt we will apply for another project for several years. We need to share the funding with other cities. If the funding is approved, I have asked Weston to tell us how we would proceed and the timing.

Richmond City Council Meeting Minutes, October 19, 2023

WESTON: If the project is approved it would be hard to bid around the holidays. We cannot start the project until at least spring anyway. To apply for the project, we had to have the engineering 90% complete. We now need to get the engineering 100% complete. I would propose we get the engineering 100% complete by the end of November. In December we can advertise the project and accept bids into January. We would plan to open the bids in mid-January. The project could be completed in three months or so and should be done by mid-summer.

MAYOR: Once we know it is approved, we can meet with local landowners to show them the design and explain what is happening. Some of the homes are not on certain city services. A sewer line will be run in a certain area. A new waterline will be run. Our next council meeting is on November 16th. I will not be able to attend the November meeting and Tucker will oversee the meeting in my absence. Due to the Christmas holiday let's reschedule the December 21st city council meeting to Tuesday, December 19th.

A motion to adjourn was made by Terrie, seconded by Kelly, and the vote was unanimous.

Yes Vote: Thatcher, Bair, Crafts, Wierenga, Ervin

No Vote: None

Adjournment at 7:53 P.M.

RICHMOND CITY CORPORATION

Paul J. Erickson, Mayor

ATTEST:

Justin B. Lewis, City Recorder