

**RICHMOND CITY COUNCIL**

**APRIL 21, 2020**

The regular meeting of the Richmond City Council was held at the Park Community Center located at 90 South 100 West, Richmond, Utah on Tuesday, April 21, 2020. The meeting began at 6:30 P.M.; Mayor Jeffrey Young was in the Chair. The opening remarks were made by Tucker Thatcher.

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

City Engineer Darek Kimball, City Administrator Jeremy Kimpton, City Recorder Justin Lewis, and City Treasurer Christine Purser were also in attendance.

**VISITORS:** Lora Smith, Shane Spackman, Craig Harris

**APPROVAL OF THE CITY COUNCIL MEETING MINUTES FROM MARCH 17, 2020**

\*\*\*A motion to approve the March 17, 2020 city council meeting minutes was made by Terrie, seconded by Lyle, and the vote was unanimous.\*\*\*

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

No Vote: None

**DISCUSSION AND UPDATE ON LIBRARY PROGRAMS.**

**CHERYL:** Terrie and Lora applied for a \$1,000 summer reading grant. The grant was approved.

**TERRIE:** We received the funds.

**CHERYL:** The library staff would like permission to do a story walk at the Nature Park. The activity would be held outside and would be a walkthrough of the Nature Park. Laminated pages would be displayed along the Nature Park pathway. I think it is an awesome idea. The grant would pay for this program. The library staff would also like permission to put buckets of chalk along the new 300 East Trail. The intent would be a family would draw a fairytale character or have some type of theme on a section of sidewalk.

**MAYOR:** I think these are great ideas.

**CHERYL:** The grant funding would be spent in the following way. A mailer would be created and sent out at a cost of \$400. Families would be notified of what is happening with the program. These are things we have not normally done in the past. Kids would not be in front of a computer screen. Titles would be purchased from Overdrive in the amount of \$300. The amount of teen titles in the library is very small. The remaining \$300 would be used for chalk and the materials needed for the sidewalk drawing project.

**MAYOR:** I don't see anyone opposed to any of these ideas. You have the support of the council to do as you have presented.

**LORA SMITH:** Thank you for all you do for the city and the library.

**DISCUSSION AND POSSIBLE VOTE ON RESOLUTION 2020-03, A RESOLUTION IMPLEMENTING AUTHORITY TO CONDUCT ELECTRONIC MEETINGS AND PROVIDING PROCEDURES FOR PARTICIPATION IN ELECTRONIC MEETINGS.**

**JUSTIN:** With the COVID-19 virus, there have been many changes to city and state meetings. Governor Herbert put in place an order allowing cities who do not have a Resolution in place regarding electronic meetings to allow them to happen during the month of April. The proposed Resolution would allow the mayor or any council member to participate in and vote in a council meeting when they participate electronically and are not physically in attendance. For example, this might happen if a council member is sick or out of town but still wants to participate in a council meeting. The proposed Resolution is based off of a Resolution another city adopted. We changed it and adjusted it to what we felt was appropriate for Richmond.

**TUCKER:** Would this allow the planning commission members to participate electronically as well?

**MAYOR:** Yes. This is something we have discussed before, and it is good to put in place.

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**TERRIE:** We put something in place in 2011 when I had knee surgery, but I cannot find record of what we did at that time. I called into a couple of meetings at that time.

**MAYOR:** I think it is in line with what others are doing. It is flexible and reasonable and good for everyone.

\*\*\*A motion to adopt Resolution 2020-03, a Resolution of Richmond City, Utah implementing authority to conduct electronic meetings and providing procedures for participation in electronic meetings was made by Lyle, seconded by Kelly, and the vote was unanimous.\*\*\*

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

No Vote: None

**INITIAL DISCUSSION ON THE FISCAL YEAR 2021 BUDGET WHICH IS THE PERIOD OF JULY 1, 2020 THROUGH JUNE 30, 2021.**

**JUSTIN:** In my entire time with the city, I have never been as concerned about a budget as I am about the new budget. There are so many unknowns. More than we have ever had to deal with. Jeremy and I have been working on this for a long time and feel like we have a good plan in place. We have included a 3.00% cost of living wage adjustment in the budget. Our intent is to not implement the increase until at least September 1<sup>st</sup>. The council will help make the decision when to move forward with this, if at all. We need more actual data before some of these decisions can be made. All of the equipment, with the exception of the mini-x, would not be purchased until a later date when we know for sure the budget is where we need it to be. Once the virus really hit, we immediately put a hold on all spending other than must purchase items which we need to keep the city running. We will keep doing this until we have a firm understanding of where our finances will be. We know that sales tax revenue and Class "C" Road Fund revenue will be substantially affected for a few months. The nice thing with Class "C" Road funds is we only spend what we receive. Sales tax is a bigger concern. We will review General Fund revenue first. The intent is to hold the property tax rate the same again this year. Sales tax has been decreased by \$10,000, but it is an unknown at this time where that number will really be. We are going to put Local Road Tax at \$20,000 in revenue and expense. This is another unknown item. We only spend what we collect. Class "C" Road Funds will be reduced by \$30,000 down to \$90,000. We just don't know at this point what is going to happen with this particular tax. The Utah RTP Grant, Utah Rec Grant, and Safe Sidewalk Grant are not included in the new budget. Those projects and funds were completed in the current budget. We plan to purchase a mini excavator, and the water fund and sewer fund will each pay 1/3 of the cost. The funds we used to receive from the county to purchase supplies for the ambulance will no longer be collected by the city. The county has changed how they are doing things in this regard. This year's RAPZ Tax applications have not yet been approved or denied, so we are not including anything in that regard. We don't include grants until they are officially approved or received. General fund revenue is down about \$100,000 from the current year starting budget. This is mainly because the revenue and expense from the 300 East Trail project is in the current budget year and not in the new budget year. We will now review General Fund expenses. In the Administrative fund, credit/debit card fees are going up \$2,500. More and more people are now paying with a credit or debit card. I would rather collect 98% of something rather than nothing. This is a service we need to offer.

**TUCKER:** How much do we pay per year in these fees?

**JUSTIN:** Around \$22,000. This amount is split 1/3 each to the general fund, water fund, and sewer fund. There is not an election in the city this year, so we don't have to budget any funds in this line item. I will review the Building fund later on, as it is the one area the council has to make the most decisions on. The biggest change in the Public Safety fund is for the police protection contract. It is increasing \$4,491 to \$34,551. In the Streets Fund, we are increasing the maintenance line item \$3,000 for more salt to be purchased. It is hard to calculate this number, as it is an unknown of how the winter will be and how often we will have to salt the roads. The miscellaneous services line item is decreasing \$3,000 to \$1,000. This is because we will no longer have the dumpsters for May through September. We will only have them for April and October. The equipment purchase is the trade-in and purchase of a new mini excavator. It is anticipated the local road tax line item will be used for projects on 500 North. In the Parks Department, we are increasing the maintenance line item \$5,000. The 300 East Trail project has been removed from the new budget. The equipment purchase would be a new tractor. The cemetery district is willing to pay for the lawn mower unit and snow blower. The city would pay for the tractor. In the current budget year, we were going to purchase a tractor and allocate \$27,000. Because of some cost overruns on some projects, we had to remove that line item. The only increase in the Fire Department is for fuel purchases. Last year, we were still finalizing who paid for what as part of the Smithfield contact. Richmond is responsible for fuel purchases which amount to about \$100 per

month. Lora asked for two line items in the Library budget to be increased. Programs are being increased from \$2,000 to \$2,500. The electronic materials line item would be increased from \$500 to \$1,000. We have always budgeted on the low end for water and sewer fund revenue. It has been an unknown of how hot the summer will be and how much water the residents will put on their lawns. The only increase to water fund revenue is \$2,000 in interest earnings. The maintenance and repair line item would increase \$10,000. The equipment and system are aging and cost more on a yearly basis. Credit and debit card fees are increasing. Engineering has been increased \$5,000 and sampling \$4,000. Until we get the lead and copper issue resolved in the system, we will have to continue to sample more than in the past. Long term, these items should decrease to a minimal level once this issue is resolved. Interest expense on the water tank project is decreasing \$9,658. A new truck would be purchased, and a current truck traded in on the new truck if the budget goes well. My biggest concern with the water fund is the new budget does not include any funding for a new SCADA system. The current system is old and needs to be replaced. A new system is estimated to cost \$100,000 to \$150,000. Darek has provided us with some good contractors to work with, but until we have the funds, we cannot upgrade this system. It needs to be a priority, but right now, I don't have a plan of how to pay for it. Sewer fund interest revenue is projected to increase \$3,000. Maintenance and repair is increasing \$5,000. The system is aging and costs more to operate and repair. Utilities are increasing by \$4,000. As the city grows, the pumps and equipment are used more. The MBR plant takes more electricity and propane to operate. Supplies are increasing \$6,500. This will include the purchase of a fireproof cabinet. Right now, a rate study is being done on the monthly sewer utility rate. Emily Sim and Public Sector Economics are completing the study. They will present their findings to the council at a future council meeting. The Cub River Sports Complex will have \$10,000 in revenue from Lewiston and Richmond. Those funds are used for maintenance of the grounds.

**MAYOR:** There is another issue that will have a cost out there. All of the irrigation water from the pond has been lost into the Cub River. Casper's is aware of this problem. It is a big problem. We are working with the Army Corp of Engineers to see what our options are. We would like to get the pond away from the river, if possible. The river has eroded the bank of the pond over time. The issue is the pond has been absorbed into the river not the river into the pond. This project will affect our finances for the sports complex. Casper's is working with us on the project. We might have to pipe it away from the river. We need to come up with a good long term plan. Right now, we have no idea of the cost or what is involved in fixing the problem. We need to have water for the grounds, or all of the grass will die. We need to have a pond long term.

**JUSTIN:** The main area I need input from the council on is the big projects in the Park Community Center. I have included all of the projects everyone mentioned to me. Including all of the projects puts us about \$30,000 to \$40,000 over budget in the General Fund. Here are a list of projects. There would be four buildings which would have key fob systems installed. The main project would be the Community Building at a cost of \$7,500. This project is part of the agreement with Bear River Head Start on them leasing the building. Another portion of the Park Community Center would be completed at a cost \$8,000. The Black & White Days building would cost \$2,300. The maintenance shop would cost \$2,000. Other than the Community Building, all of the other projects would be put on hold until actual numbers are received in the budget. Four new furnaces for the Park Community Center have been included at a cost of \$2,400 each.

**JEREMY:** This building has either 24 or 26 furnaces. They were installed during the remodel and new addition.

**MAYOR:** That would have been in 1993.

**JEREMY:** Some of them need to be replaced.

**MAYOR:** We need to work through them yearly.

**LYLE:** Are they each flowing into the same area?

**JEREMY:** There is one furnace for each room.

**LYLE:** Could the air from one furnace be diverted into more than one room?

**MAYOR:** It is probably not cost effective.

**JEREMY:** Doing that would require a more expensive larger furnace. Plus, the duct work would have to be redone.

**LYLE:** I know in some homes that is a cheaper option.

**JEREMY:** We can get a quote and compare costs.

**TERRIE:** Are we installing high efficiency furnaces?

**JEREMY:** Yes. That is how we got the cost down to \$2,400 per unit.

**TUCKER:** The price Spartan got when we worked on the south wing of this building was a good price.

**MAYOR:** That is the same company we got the quote from.

**JEREMY:** They have been very competitive with their pricing and good to work with. They always respond quickly. They do repairs quickly. We have spent a lot of money on furnace repairs in the current fiscal year.

**JUSTIN:** We obtained a more accurate bid on the remodel of Chris and Jeremy's office, the conference room, and new hallway. With flooring, materials, labor, and a fob system, the cost would be about \$12,000. Spartan would like

us to add some showers in a weight room. They are willing to pay for the equipment. The estimated cost is \$10,000. At the last council meeting, we discussed moving the library into this building. We included \$10,000 which would not be much and not enough for the entire project. It would only be enough to start the project. There was, also, discussion with the sheriff's office about remodeling one or two rooms for them. We included \$10,000 for this project, as we do not know exactly what is involved. As part of the renovation of this building, we talked about having a mural painted with the history of the city on it. The cost was estimated at \$15,000 to \$20,000. I have included \$20,000 for this project. We cannot include all of these projects. The council needs to tell us which ones they would like included

**TERRIE:** The mural and library remodel can be removed.

**TUCKER:** I agree.

**LYLE:** Is there a timeline on the sheriff's office request?

**MAYOR:** No. They will have the same budget issues and challenges we are having. I am 95% sure we are on the same page and nothing will happen in the new budget year. We need to be responsible and conservative with our budget. The council can prioritize the projects, and we can do some of them later if we are ahead of schedule on our finances.

**JEREMY:** I talked with the sheriff's office. They told me if we are ready to move forward on the project, they are as well. If we are not, they are fine to postpone as well. They are on a different budget cycle than we are. They are on a calendar year budget cycle, and we are on a fiscal year cycle. They are not in a hurry. They can be in this building and functioning before the remodel is completed.

**JUSTIN:** Based on input from the council, we will not include the mural, sheriff's office remodel, and library remodel. This should get us close to a breakeven point in the General Fund. Next month, we will hold the public hearing on the new budget and amend the current budget. The council will vote on the new budget.

**LYLE:** Have we talked with Spartan about the weight room project recently? They deal with oil, and the price of oil crashed this week.

**JEREMY:** I have talked to them. They are fine either way. They know it is a scheduling and budget issue. They will work with us when we are ready to proceed. They will bring in some weights now. There just won't be any showers at this time. They are comfortable with the project but in cost cutting mode like we are as well.

**JUSTIN:** I forgot to mention we have included a new roof on the library at a cost of \$17,500. The roof on the Relic Hall is currently being replaced. You should stop by and see it. It looks very nice.

**JEREMY:** We did a \$250 patch on the library roof already. The contractor has put on their calendar to replace the roof in July, once we are in the new budget year. It is a necessity to get it replaced.

<p><b>DISCUSSION ON THE POSSIBILITY OF RESCHEDULING SOME OF THE ANNUAL BLACK &amp; WHITE DAYS CELEBRATION EVENTS TO A DIFFERENT DATE.</b></p>
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**MAYOR:** I got the latest update from the state in a conference call today. They are looking at implementing Phase 2 of the Coronavirus plan starting on May 1<sup>st</sup> through the end of September. Phase 3 would start on October 1<sup>st</sup>. This schedule is not fluid and subject to change. Everyone needs something to plan for. Phase 2 is focusing on businesses with limited social events. The big debate is which events should be allowed. It is still being discussed. Nothing is set in stone right now. Everything is still up in the air. They will open businesses first which do not have mass gatherings. Most entertainment businesses are still on hold. This includes city social events. I know you talked about having some Black & White Days events in September. We would still be in Phase 2 based on current projections. That could change. The city's hands are tied by the state mandate. If they open things up, we can be flexible. If they don't change the guidelines, we cannot. We don't have a say. Craig is here this evening representing the cattle show, and Shane is here representing the horse pulls. Once May 1<sup>st</sup> gets here, we will have some new guidelines. We have limited information right now.

**CRAIG HARRIS:** We are looking at holding the cattle show the first week of September. It fits around other show schedules. We are gambling we can go forward with this. I cannot imagine these virus restrictions going on all summer.

**SHANE SPACKMAN:** We get some sponsors. I need to know by the end of June whether we are good to schedule it or not. Most of the pullers are from the local area. I am concerned about funding and getting sponsors.

**MAYOR:** If we get sponsor funds and the event is cancelled, we will refund those funds. I am not sure how long you will need to prepare for this. The city will follow mandates set by the state. We don't know when they will make their next announcement. They could start to open things up.

**CHERYL:** What if we schedule it, and then the state says it is too early to hold the events?

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**MAYOR:** Then we would cancel it. We all need to understand the city will not go against mandates from the state. We will not put in place tighter restrictions than the state has. We will follow their guidelines. The big concern is they know the virus will come back in the fall, and they don't know what the impact will be. They are watching to see how it goes in the summer. People are hesitant to give exact timelines, right now.

**CRAIG:** We won't have to put out any money until mid-August. At that time, we would have to purchase two or three plane tickets.

**MAYOR:** We will stay in touch and coordinate with you. Schools and other things must be decided.

**CRAIG:** Will they keep churches closed all year? If they open up the schools and churches, we are moving forward.

**MAYOR:** Nobody will put a date in place of when things will happen. They don't want to be liable if they are wrong. We will play this by ear. Keep in mind you only have one option to reschedule.

**CRAIG:** The national show is in October in Wisconsin. Our show will be in September or not at all.

**CHERYL:** You are considering the first week of September?

**CRAIG:** We would start on Monday, August 30<sup>th</sup> and go through Friday, September 4<sup>th</sup>. The horse pulls would be held on Saturday, September 5<sup>th</sup>.

**SHANE:** Lewiston does horse pulls during their July 4<sup>th</sup> celebration.

**MAYOR:** Many July 4<sup>th</sup> activities have already been cancelled. Most activities in Southern Idaho are already cancelled. Lewiston will decide what they are doing in their next couple of meetings.

**TERRIE:** What is allowed could change drastically. From what I have found, they think the virus has been here for six months.

**MAYOR:** They could open things up quickly.

**TERRIE:** A key piece to this is testing and knowing exactly what is going on.

**MAYOR:** The antibody test is very encouraging. If it is determined many people have already had it, that would completely change everything.

**TERRIE:** We did not learn we had a problem until it was too late.

**CRAIG:** Do you plan to hold the parade and other events?

**MAYOR:** No, it would be limited. We won't commit to anything until we get closer to that date.

**SHANE:** Can we come to the July council meeting for an update?

**MAYOR:** If Lewiston holds their July 4<sup>th</sup> celebration, we know we can probably proceed.

**CRAIG:** I know Logan City cancelled their fireworks event.

**LYLE:** I was told that was mainly because of a change in sponsorship dollars not because of the virus.

**CRAIG:** The car show is still planned.

**TERRIE:** Logan City is still evaluating what to do with the concert and the parade.

**MAYOR:** The state has concerns about large indoor and outdoor events. They are unsure how to keep people separated.

**CRAIG:** I hear the county fair is still moving forward.

**MAYOR:** Anyone can say right now their event that far down the road is still going to happen. There is nothing legally in place to stop it right now. The state has not addressed that period of time yet. There are many unknowns at this time about after the end of May. People are trying to be reasonable in what they are doing. People cannot wait until July to decide if an event in July is going to be held. We can say, right now, something can be planned for in September, but we don't really know what we are dealing with.

**CRAIG:** It is up to the city which events you decide to hold.

**LYLE:** Having these events in the same budget year as the 2021 celebration is a concern.

**KELLY:** Do funds from this year's Black & White Days carryover?

**JUSTIN:** The funds do not carry over. We only have funds in the new budget for the May 2021 celebration. Another area you will need to discuss and decide what you are doing with is the Hamburger Stand. Thousands of dollars are invested before it can be opened. Plus, this is right after school will have started back up. Are you going to open the Hamburger Stand all week, as well as for the horse pulls?

**TERRIE:** I don't see anything happening such as the parade or Hamburger Stand opening. I think it is nothing but the horse pulls and cow show.

**MAYOR:** I don't want to make any decisions right now, so we can make informed decisions in the future. Right now, all we are talking about is considering a different date. The details can be worked out down the road. What happens in Lewiston for July 4<sup>th</sup> will be a sign of things to come. Cities will not go against the directive of the state. We need to figure out what our drop dead date is to make a decision. We can decide at the July council meeting if we are going to proceed.

**JUSTIN:** The July council meeting will be held on the 21<sup>st</sup>.

**SHANE:** I am fine waiting until then and will plan to attend that council meeting.

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**CRAIG:** So am I.

**MAYOR:** We will know enough by then to decide whether or not we can proceed with the event.

**CRAIG:** People want to get back to work. They need to open things up.

**MAYOR:** There is a big distinction between work and social events. Work is a priority. Social events are not much of a priority right now.

**CHERYL:** Would we have enough time for both the city party and rescheduling the horse pulls?

**MAYOR:** We cannot do both. If we are allowed to host an event, we will only do the horse pulls.

**CHERYL:** So, we will not have a city party?

**MAYOR:** I don't see a city party happening this year.

**TERRIE:** What are your thoughts on the Harvest Market where the main vegetable supplier will not be able to attend at all this year?

**MAYOR:** Kelly wrote in an email it might be a good time to make a transition, and I would agree with that. I think we look at making this year a transition year.

**TERRIE:** I agree. Pete Schropp is fine with that as well.

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

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

No Vote: None

Adjournment at 7:26 P.M.

**RICHMOND CITY CORPORATION**

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Jeffrey D. Young, Mayor

**ATTEST:**

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Justin B. Lewis, City Recorder