

RICHMOND CITY COUNCIL

OCTOBER 15, 2019

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, October 15, 2019. The meeting began at 7:00 P.M.; Mayor Jeffrey Young was in the Chair. The opening remarks were made by Tucker Thatcher.

The following Council members were in attendance: Paul Erickson, Tucker Thatcher, Cheryl Peck, Lyle Bair, and Kelly Crafts.

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

VISITORS: Sherrie Davis, Cody Olsen, Rachel Olsen, Curtis Knight, Terrie Wierenga, Monica Giffing, Victoria Fife

APPROVAL OF THE CITY COUNCIL MEETING MINUTES FROM SEPTEMBER 17, 2019

A motion to approve the September 17, 2019 city council meeting minutes was made by Paul, seconded by Lyle, and the vote was unanimous.

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

No Vote: None

DEPUTY'S REPORT

DEPUTY CODY OLSEN: I am one of the two star deputies for the city. I don't have anything new to pass along or any information to provide.

MAYOR: Please get us a punch list of the temporary items you need in the office you are using. We are getting ready to redo the room this winter. Let us know what temporary items you need. Please send any requests to City Administrator Jeremy Kimpton.

DISCUSSION WITH REPRESENTATIVES OF CAPSA REGARDING OCTOBER BEING DOMESTIC VIOLENCE AWARENESS MONTH.

VICTORIA FIFE: Domestic violence is seen daily. It is happening in schools, neighborhoods, and churches. The numbers are higher in Utah than other places. In Utah, 1 in 3 women and 1 in 7 men have been abused which is higher than the national average. Abuse is not always physical and can be mental. Our job is to empower the survivors. We provide support. What we do is free and confidential. We provide counseling as well. In 2018, 17 men, 144 women, and 139 children were sheltered at the center. We helped get 86 protective orders put in place. There were 388 clients who received therapy. Counseling hours totaled 2,854. We want all communities in the valley to know what we offer. We want to help connect people through social media. We can also help city employees know how to recognize when someone is being abused.

MAYOR: Thank you for the information. Thank you for all you and the center do for the community. We are grateful to know the resource is available when needed.

DISCUSSION WITH YOUTH COUNCIL LEADER MONICA GIFFING ON THE PURPOSES, GOALS, AND NEEDS OF THE YOUTH COUNCIL.

MONICA GIFFING: I was asked to lead the youth council. We recently moved to the city in May. I am new to the city. I have worked with youth in the past. I am excited to be working with the community. Sherrie Davis, the youth council assistant director, is here with me this evening as well. She will help with the parties, and I will help with the logistics. Some other community members are willing to help and serve as well. We are all new to the youth council. I asked the youth council members what they see as their purpose and role. I would like the council to respond to the same question as well. Some of the things the youth mentioned are they run the Hamburger Stand during Black &

White Days. It is a place for kids to go and have things to do. It is a place to serve. Government processes can be learned. Relationships can be built. I will have the leader of the youth council come before the council at a future council meeting. The most recent youth council mayor has graduated and moved on. We want to have dance parties and movie nights. They would like to do a service activity once a month. They want a better relationship with the council and mayor. What do you want the kids to focus on?

TUCKER: I like the idea of them doing service projects.

MONICA: I think once a month will be hard, but five or six a year could be done.

CHERYL: I think learning how the government works is a great idea.

MONICA: I was an FFA (Future Farmers of America) advisor for 15 years. I have always worked with youth leaders. I like to give them an opportunity to lead.

MAYOR: There are two city council members who work with the youth council. The main reason is so that one of them can always be in attendance at your activities. It is a good place for the kids to be able to ask governmental questions when a council member is present. I also think we need to recognize diversity in the group. Sometimes, there can be isolated groups. It is crucial to divide responsibility and build a good council with diverse people. Some of the kids will be quiet, some out-going, some will work hard, and others won't. Activities are a great start. The city council is very diverse. We all have different likes and dislikes. We all have differing backgrounds. They should all learn and grow together. It is good to have the kids work directly with council members. Also, the two council members you work with can answer any question you have and approve any of your projects. We work with the funding as needed. We work with them on a yearly budget. Every city has a different budget process.

MONICA: The budget was quite a discussion. The kids never felt like they knew what they had. They were just told things were taken care of. They want something tangible. They want to know the profit from the Hamburger Stand. The cost of taking the youth to Frightmares is going to be about \$1,700. Let's determine the purpose of the youth council and then budget for it.

MAYOR: You can work with the budget how you want. You can let us know what you want the budget to represent.

SHERRIE: I know we have made a small profit from the dances and selling treats at other activities.

MAYOR: The Hamburger Stand is the main profit center for the youth council.

MONICA: We want to know if we are making wise financial decisions. We will have a treasurer. What about the youth having an active role with the city council?

MAYOR: They are welcome to attend council meetings and report their activities.

MONICA: I want them to attend city council meetings, so they can see what is going on.

MAYOR: Being a council member is all about asking questions. Terrie helped me a lot when I was a new council member. Being involved means someone can be involved as much as they want to be. The council members will work with you where needed. We have let the youth council have broad range in what they do.

MONICA: The Frightmares activity has been paid for. There are 15 kids and two adults going. This is their reward for how well they did with the Hamburger Stand this year. On November 4th we will have a kickoff night at the Community Building. The leadership group will meet at 5:00 P.M. We are inviting anyone from ages 14 to 18 to attend. We will be helping with the Veteran's Day dinner on November 8th. We will also help the Lion's Club put up Christmas decorations on November 23rd. I am going to propose an overnight leadership retreat for a night later this year.

MAYOR: Thanks for your willingness to volunteer. My son is participating. Ask the council members any questions you have. We are thankful to have this program. The youth are thankful to have your leadership skills. If the youth get involved now, they tend to stay involved long term. We want to allow you to do what you want to do within reason. We are looking for feedback in how to make it better.

MONICA: I would like to have the kids give a monthly report to the council about what they are doing.

MAYOR: I think once a quarter is enough.

DISCUSSION AND POSSIBLE VOTE ON RESOLUTION 2019-05, A RESOLUTION IMPLEMENTING RICHMOND CITY CORPORATION PERSONNEL MANUAL SECTION 15, RULES AND REGULATIONS DEFINING INCIDENTAL PERSONAL USE OF PUBLIC PROPERTY FOR PURPOSES OF HOUSE BILL 163.
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MAYOR: This Resolution is in regards to House Bill 163. If the city does not adopt a policy, then city employees are committing a felony by using their city-owned devices for personal use. This Resolution allows employees to use their city-owned devices for personal use.

JUSTIN: The Resolution was drafted by legal counsel of the county. We then took the Resolution and changed it to match what is best for our needs. If the city does not have a policy in place, then we have to abide by the state code. The state did grant cities and counties the option to have their own policy in place.

CHERYL: So, if we adopt this Resolution, it overrides state code?

MAYOR: Yes, in this case.

PAUL: This is very similar to what is required in the banking world. I think it sounds reasonable.

JUSTIN: Keep in mind if this is adopted, it can be amended or changed at any time, if needed.

MAYOR: We are not having issues right now. We will trust our employees until they do something to lose our trust. We have policies in place. We have a policy which each employee will be required to read and abide by. It is called an Acceptable Use Policy. The policy states what is allowed to be done on electronic devices owned by the city. We will deal with specific abuse if it happens.

A motion to adopt Resolution 2019-05, a Resolution implementing Richmond City Corporation Personnel Manual Section 15, Rules and Regulations defining incidental personal use of public property for purposes of House Bill 163 was made by Cheryl, seconded by Tucker, and the vote was unanimous.

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

No Vote: None

DISCUSSION AND POSSIBLE VOTE ON CHANGING 300 EAST MAIN FROM A THREE-WAY STOP TO A FOUR-WAY STOP INTERSECTION.
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MAYOR: This discussion started with construction of the new trail. We have noticed issues as this project progressed.

PAUL: I think it makes sense to install the stop sign.

MAYOR: I have no idea why it is only a three-way stop sign to begin with.

TERRIE: I was told in 2004, it had to do with snowplowing and going up a steep grade.

PAUL: It used to be steeper than it is now, and older vehicles used to be only rear wheel drive.

MAYOR: I think it is reasonable to install the stop sign. We would put it up and then cover it over for a week or so. That way people could see it is coming.

JUSTIN: We can put out a notice on Facebook and through Parlant as well.

DAREK: I live east of that intersection; however, as city engineer I deal with facts. I talked to some of our traffic engineers. There are two federal documents we follow in regards to signs. This is a very odd intersection. A three-way stop as this one is would not be allowed today. It violates driver expectation. Pedestrian safety in the area is becoming an issue as well. There are two options. Remove one of the existing stop signs to make it a two-way stop or install the fourth stop sign. Installing a fourth stop sign will comply with federal rules and driver expectations of intersections. In summary, for safety and function the fourth stop sign should be installed. If you are going to keep the stop sign on the east side, then one needs to be installed on the west side. Install the new stop sign and cover it for a week so people get used to it.

A motion to approve adding a fourth stop sign, on the west side of the intersection, at 300 East Main was made by Paul, seconded by Kelly and the vote was unanimous.

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

No Vote: None

PAUL: Any idea of the cost?

DAREK: I would say \$500 or less.

TERRIE: When will it be installed, so I can put some information in the newsletter?

MAYOR: Please include in the next newsletter. I would like to see it installed as soon as possible.

DISCUSSION ON REVISIONS TO THE PERSONNEL MANUAL FOR ALL CITY EMPLOYEES.

MAYOR: Tonight is just a discussion on the personnel manual. Nothing is being voted on this evening.

JUSTIN: The current personnel manual is very old and out of date. Jeremy and I have been working on a new personnel manual since about March. We took a personnel manual from another city which was developed by Platinum HR and approved by legal counsel of that city which is also our legal counsel. Jeremy and I have gone through the manual over the last few months changing it to match the needs of the city. We are hopeful the council will review and make suggestions, ask questions, etc. as it is a very long document. The manual is about 75 pages. There are items like FMLA (Family Medical Leave Act) which we cannot change as that is a federal item. There are items like PTO (Personal Time Off) which the council has say over. We did tweak our PTO a little bit which actually gives a little bit more time off to the employees. For example, an employee could earn 200 hours of PTO, but 200 is not easily divisible by 12, so we rounded it to the nearest number divisible by 12. The intent is not to take away anything from the employees but to have in writing our policies and procedures. We are hopeful to have this adopted by the end of December, so it can go into effect on January 1st.

MAYOR: I would like it adopted by yearend. It gives us two city council meetings to get it done. I think we should provide the draft copy to all full-time city employees for them to review and offer their feedback. Let's get their take on it. Every employee will have different areas they focus on.

CHERYL: Will these things just happen if approved? Such as how it outlines when someone is hired.

PAUL: All employees need to review the manual now or when it is adopted.

CHERYL: Should we give them instruction on what we want them to do?

MAYOR: We can.

PAUL: All employees should review the draft copy and offer their comments to Jeremy and Justin to bring to us.

JUSTIN: Whether they read it now or later, all employees need to review the manual. It is easily accessible online and has a great search feature.

PAUL: We could ask the employees to come to the pre-council meeting in November if we thought it would be of value.

CHERYL: I have read the first 15 pages. Who is the Human Resources Director?

JUSTIN: Chris.

CHERYL: I think requiring a physical ability test could result in scary legal issues.

JUSTIN: I don't agree. Each job requires a different skill set. The city recorder job is not nearly as physically demanding as a public works job. We need to know people can fulfill the job they are hired to do.

TERRIE: I agree. Each job description requires a different level of physical ability.

CHERYL: There are a lot of legal issues to consider if we go down that road.

TERRIE: It says "may require" not "shall require".

CHERYL: It says we won't consider rehiring someone if they don't give two week's notice. I don't agree with that.

TUCKER: We have latitude to rehire someone if we choose to do so. On Page 14, it says "may not" so we have latitude.

CHERYL: I can support that.

MAYOR: This just gives the employees clarification. It will help when we hire someone new to refer them to the manual. All new hires will be required to read the manual. We need to be consistent across the board. I also think the manual should be reviewed by the council at least every five years. The rules and policies need to be in the best interest of the city and the employees as well. Let's continue to review and offer suggestions or changes. We will consider voting on the manual at the November council meeting. Worst case, I want to see it adopted at the December council meeting with any changes we need made between now and then.

PUBLIC HEARING, NO SOONER THAN 7:45 P.M., FOR THE PURPOSE OF DISCUSSING ORDINANCE 2019-10, AN ORDINANCE MODIFYING AND UPDATING CHAPTER 12-700 "SIGNS", PART 12-702 "TYPES OF SIGNS", SECTION D "SIGN DESIGNS NOT PERMITTED IN RICHMOND CITY" AND "SIGN REFERENCE CHART". THIS ORDINANCE CLARIFIES WHAT IS ALLOWED IN REGARDS TO YARD/GARAGE SALE AND REAL ESTATE SIGNS.

JUSTIN: This ordinance has been worked on for the last few months. The planning commission reviewed the ordinance this month and recommended approval. This ordinance clarifies what is allowed in regards to yard/garage sale signs as well as real estate signs. Cheryl asked for clarification on fencing. These types of signs would not be

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allowed on city owned fences but are allowed on private property. This ordinance does not have anything to do with LED signs.

A motion to close the regular council meeting and open the public hearing was made by Cheryl, seconded by Lyle, and the vote was unanimous.

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

No Vote: None

The public hearing opened at 7:46 P.M.

There were not any comments or questions.

A motion to close the public hearing and reopen the regular council meeting was made by Cheryl, seconded by Lyle, and the vote was unanimous.

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

No Vote: None

The public hearing closed at 7:47 P.M.

DISCUSSION AND POSSIBLE VOTE ON ORDINANCE 2019-10.

A motion to adopt Ordinance 2019-10, an Ordinance modifying and updating Chapter 12-700 “Signs”, Part 12-702 “Types of Signs”, Section D “Sign Designs not Permitted in Richmond City” and “Sign Reference Chart” amending “fences” to “municipal fences” was made by Paul, seconded by Tucker, and the vote was unanimous.

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

No Vote: None

CHERYL: What happens when someone puts up an illegal sign?

PAUL: We take them down. I have removed some on a regular basis.

MONTHLY FINANCIAL REVIEW WITH DISCUSSION AND DECISIONS AS NECESSARY.

JUSTIN: The audit will be presented at the November council meeting. The local road tax collected so far this year is \$3,651. These funds are similar to Class “C” Road funds but can be used for sidewalks and trails as well. There is no pattern of how much we receive each month. In September, we received \$3,064, but the previous two months were only \$587 combined. The first distribution of Class “C” Road Funds was received in the amount of \$17,714. We received \$60,255 in RAPZ tax funding. The population based assessment was \$5,255. The trail project amount was \$55,000. The population based assessment was used on the 300 East Trail project. I also filed for funds for the joint application between Lewiston and Richmond for the Cub River Sports Complex parking lot. You will see that revenue on next month’s financial statement.

MAYOR: The initial portion of the parking lot is done. Next year, two entryways will be created off of the road owned by Casper’s Ice Cream. I am tempted to block the current access to the parking lot. Semi-trucks are parking in there, and when they turn on the asphalt tailings, it tears the surface apart. Next year, the project would be finished when it is double chip sealed.

LYLE: Is that parking lot plowed in the winter months?

MAYOR: No.

LYLE: That should help keep vehicles out of there when the parking lot is covered with snow.

JUSTIN: Judge Funk contacted me a couple of weeks ago and notified me that the State of Utah requires our court to accept online payments. We are working with a company called InstantPayments to make this happen. Terrie has put a link to the payment portal in two places on the website. Chris, Holly, and Melissa participated in a webinar this week which showed them how to run reports, etc. from the software. There is no cost to the city for this service.

CHRIS: The person paying the citation pays a 2.50% fee if they choose to pay their citation online.

JUSTIN: The annual payment for dog catcher service was paid in the amount of \$9,600. The annual payment on the sheriff's office contract was paid in the amount of \$30,060. These are probably the two best contracts we have in the city. We could not purchase a vehicle for that cost.

PAUL: I would say the fire department contract is our best contract, but these two contracts are very good as well.

JUSTIN: From July through September, we paid \$77,288 in expenses on the 300 East trail project. We will pay several more invoices this evening on the project. In Class "C" Road Funds, we have spent \$64,330 so far this fiscal year.

PAUL: It was nice to get the area behind the fire station and in front of the quonset taken care of as well.

JUSTIN: The new lawnmower for the Cub River Sports Complex was purchased in the amount of \$13,119. Parking lot renovation costs at the sports complex total \$43,196 so far this fiscal year. We also spent \$30,000 on the parking lot project last fiscal year. The RAPZ tax reimbursement will show on the financials next month. So far this fiscal year, we have collected one impact fee for water and sewer. This year, we have spent a lot of funding on repairs to the SCADA system.

PAUL: I have asked Jeremy to get pricing to have the SCADA system hosted online rather than on a dedicated computer. Our computer with the SCADA system software on it died.

MAYOR: The new computer will have regular backups done on it as well.

PUBLIC HEARING, NO SOONER THAN 8:00 P.M., FOR THE PURPOSE OF DISCUSSING ORDINANCE 2019-12, AN ORDINANCE MODIFYING AND UPDATING CHAPTER 9-600 "OTHER BUILDING OR CONSTRUCTION CODES", PART 9-658 "PRE-OCCUPANCY CHECKLIST", ITEM (B) (1) AND (B) (3).

JUSTIN: Our current ordinance includes how we determine the amount of escrow required on a construction project. We would like to change the ordinance to read the fee will be set in the prevailing fee schedule of the city, so we don't have to do a new ordinance every time the escrow amount needs to be adjusted. The other small change is right now the code states the city council and mayor can sign off on the pre-occupancy checklist. This is something you will never deal with. Only the staff will deal with this item. So, the proposal is to remove the mayor and council and include the City Administrator and public works department employees.

A motion to close the regular council meeting and open the public hearing was made by Lyle, seconded by Cheryl, and the vote was unanimous.

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

No Vote: None

The public hearing opened at 8:02 P.M.

There were not any comments or questions.

A motion to close the public hearing and reopen the regular council meeting was made by Cheryl, seconded by Lyle, and the vote was unanimous.

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

No Vote: None

The public hearing closed at 8:03 P.M.

DISCUSSION AND POSSIBLE VOTE ON ORDINANCE 2019-12.

A motion to adopt Ordinance 2019-12, an Ordinance modifying and updating Chapter 9-600 "Other Building or Construction Codes", Part 9-658 "Pre-Occupancy Checklist", Item (B) (1) and (B) (3) was made by Paul, seconded by Kelly, and the vote was unanimous.

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

No Vote: None

DISCUSSION AND POSSIBLE VOTE ON RESOLUTION 2019-06, A RESOLUTION UPDATING THE PREVAILING FEE SCHEDULE FOR THE CITY.

PAUL: About five or six years ago, we implemented charging \$3,000 in escrow on new construction projects. This amount has not been enough to induce contractors to finish projects. This recently happened on a corner lot at 300 East 100 North. The contractor left it to the buyer who had no idea what was required or needed to be done. The contractor poured the sidewalk on the south side of the home but not on the east side of the building lot. We still have \$3,000 in escrow, but it won't be enough to finish the project. I think increasing the escrow amount from \$3,000 to \$5,000 is fair.

JUSTIN: The proposed resolution would change the escrow amount on non-corner lots from \$3,000 to \$5,000. Corner lots would be required to pay \$10,000 in escrow where two sides of the lot will need sidewalk and swells. These fees are fully refundable if the builder completes the project. The other new fee would be to start charging \$2,500 in escrow on road cuts. Right now, we charge \$500 if the road is cut but no escrow. We are having a hard time getting the road cut projects complete. The escrow would be refundable when the project is completed. The escrow would be paid at the same time the non-refundable fee is collected.

PAUL: I am tired of fighting with people who do not bore under the road.

MAYOR: I know our preference as a city is to always bore.

JUSTIN: The road cut on 400 South 150 East is really bad. If it is not properly repaired by winter, it will tear our snowplow trucks apart.

PAUL: I suggest we change the fee from \$500 to \$1,000. Charging \$500 does very little to help with maintenance and repair. I think \$1,000 is a more adequate fee with today's pricing of materials and labor.

JUSTIN: We have two sidewalk projects which have not been finished. The one Paul mentioned on 300 East as well as one in the area of 800 South Main. The intent with the 800 South Main project is the city will hire out the work to be done in the spring of next year. We will use the \$3,000 we have on hand to pay for the project. It is anticipated the project will cost more than \$3,000. If it does, we will pay the total due and then file a lien on the parcel until the homeowner pays the city the remaining balance due. This is something we do not want to do and are hopeful the property owner will still honor his commitment to do the project before we are forced to do it.

DAREK: This is not the first time a project has not been completed and won't be the last time. This has happened before.

MAYOR: Weather is our main issue. We allow occupancy in the winter months when cement cannot be poured because of the weather. The amount we hold in escrow needs to be high enough people will finish their projects. Six years has taught us that \$3,000 is not enough. We have only had a limited amount of problems, and this makes it hard on those who do their projects right. Long term, if the projects are not completed, it will cost the city more money. The city will finish the two projects in question, if needed, and then have our legal counsel pursue collecting the funds.

PAUL: Where we are going to increase the amount of escrow substantially, I would suggest accepting a Letter of Credit in lieu of escrow as well. The Letter of Credit needs to be from a reputable bank. Right now, we require them on developments before they can proceed. Instead of supplying cash to put into escrow, the financial institution provides us a letter guaranteeing to pay us if the builder defaults. The letter is from the bank. I can see where it would be hard to pay \$10,000 to the city for escrow.

JUSTIN: The Letter of Credit is a good recommendation.

PAUL: The Letter of Credit will include the amount as well as when the letter expires.

DAREK: A Letter of Credit means the bank is guaranteeing the project will get completed not the builder.

PAUL: That is correct. This has nothing to do with how much money is in someone's bank account.

DAREK: It is basically an insurance policy.

PAUL: We will only accept Letters of Credit from a federally insured lending institution.

LYLE: Will we accept a Letter of Credit for both corner and non-corner lots?

PAUL: Yes.

DAREK: How hard is it for the city to collect the funds if the builder defaults?

PAUL: It is very easy. The city takes the Letter of Credit to the bank and requests funds in the amount of "X" be paid on said project. The bank then pays the city the funds.

JUSTIN: We will not accept a Letter of Credit on a road cut project where the escrow amount is only \$2,500.

PAUL: Agreed.

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A motion to adopt Resolution 2019-06, a Resolution amending Richmond City's Prevailing Fee Schedule amending the Road Cut Fee from \$500 to \$1,000 and adding a Letter of Credit from an FDIC insured bank will be accepted in lieu of having to pay escrow on corner or non-corner lots, was made by Lyle, seconded by Paul, and the vote was unanimous.

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

No Vote: None

COUNCIL MEMBER REPORTS

PAUL: Pepperidge Farms has dumped into our sewer system for many years. There was a recent change in the administration overseeing this area of the plant. They have spent a lot of money on the sewer utility fee based on the loads they send to the city. We do monthly sampling. They think the samples are not reflective of the actual flow because of an equipment malfunction. They have asked us to consider revising last month's utility invoice. We told them we would look at flows and strengths over the next three months. We might issue a credit only on last month's invoice if the strengths average less than last month's results. It would be a revised invoice for one month, but we won't consider it until we see results over the next three months.

DAREK: The city and Pepperidge Farms staff agreed to the sampling plan. They had a lot of problems at the start. They were tested for three years before we started invoicing them for the strength of the flow. They found internal problems in their operation. By making changes, they have decreased their monthly sewer bill significantly.

PAUL: Some months their bill might be \$25,000 to \$30,000.

DAREK: And other months it might be as low as \$1,000. We are charging them the actual cost to treat the waste they put into our system. Their flow impacts our membranes directly. Phosphorous is a big issue as well. They might dump our entire limit of phosphorous into the system in one month if they are not careful. They have gone backwards in the strength of their flow the last few months.

MAYOR: We are not trying to put any business out of business. We have offered our assistance if needed. We offered to sample four times per month, but they only asked us to sample twice per month. We are spending over \$100,000 per year on maintenance costs at the MBR plant. We are willing to work with all businesses who have issues. We all need to work together.

DAREK: We are only covering our costs to treat the material they put into the system.

MAYOR: They are also there when we do our sampling, so they can see what goes on.

PAUL: Only they can solve what they dump into our system and the strength of it.

MAYOR'S REPORT

MAYOR: I have attended a few meetings where it was discussed about bringing fiber internet service to Cache Valley. UTOPIA did a presentation at a recent Cache Mayor's Association meeting.

PAUL: Please explain what bringing fiber to the valley means.

MAYOR: Right now, fiber service in the valley is very limited. Very few people have it. Less than 3% of all connections in the valley are connected to fiber. It is because of cost and availability. The transport line runs down Highway 91. The line cannot be tapped just anywhere. It is expensive right now. It costs about two to three times more in Cache Valley than other areas of the state. I have met with other entities about the possibility of bringing fiber into the valley. I have attended many Utah League of Cities and Towns meetings in this regard. I am happy to say that right now there is some traction to get fiber in the valley. UTOPIA is the first to admit their first ten years in existence were a disaster. They were way ahead of their time. They were pushing fiber into cities when people only had a one to three Meg connection. They can now offer a 1,000 Meg connection. Cities lost money in the past as they were required to bond for a 40% to 50% hookup rate. Things have drastically changed because of changes in the market. UTOPIA has created a new type of business which works for cities. UTOPIA does their own bonding now, and cities don't have to. Cities do have to agree to a hookup rate of 30% to 35% of the community.

PAUL: Explain the hookup rate.

MAYOR: We have approximately 850 utility accounts, so within two to three years we would need 30% to 35% of the accounts in the city to sign up with UTOPIA for it to be viable for them to be in the city.

LYLE: And the city would pay the difference if the quota were not met.

MAYOR: The last city they worked with had 87% sign up. Right now, in Cache Valley the average speed is five to ten Meg. Xfinity does offer around 20 Meg. The average cost of internet service in the valley is \$50 to \$70 per

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month. With UTOPIA their base speed is 250 Meg at a cost of \$55 per month. They offer 1,000 Meg at \$80 per month and 10,000 Meg at \$200 per month.

PAUL: What happens if I live six blocks from the closest trunk line?

MAYOR: If the city signs up for the service throughout the community, they would bring it to your home.

TUCKER: Is the wiring all underground?

MAYOR: They run it on power poles. They have an agreement with Rocky Mountain Power. They work together. The Tremonton trunk line would be tapped to bring service to the valley. Phones can also run through fiber. It is the best setup. They would like us to send out a survey to the community through MailChimp. It is around ten questions. It asks people if they are happy with the current cost they pay. It asks about speed. Most people are starting to understand speed. Netflix takes about 10 to 15 Meg, or there will be issues.

PAUL: So, UTOPIA provides the trunk line, and then others can sell the service off it?

MAYOR: Yes.

PAUL: So, UTOPIA is the backbone to the system.

MAYOR: Yes. They have spent about \$150,000,000 in infrastructure costs. They support many major industries in the state. This would be a game changer for the valley. Not just for those living on Highway 91 but for the entire valley. I would like to ask the council for permission to have a survey sent out to the residents. It will tell us if people are interested. Competition is a good thing, as it helps to keep prices lower. The cost of internet service on the Wasatch Front is decreasing while Cache Valley is increasing because of competition. We don't have a way to compete locally with the few companies who provide internet service.

TERRIE: Kaysville decided to bring fiber into the entire city themselves. They required the citizens to pay upfront for the project. It was a very contentious issue. They are now allowing people to opt-out.

MAYOR: They had to bond to do the project, as this is something they are doing on their own.

TERRIE: Everything offered by UTOPIA needs to be in writing for review.

MAYOR: I agree. The way they used to do things was not good.

TERRIE: UTOPIA has a bad past. You need to make sure you have support of the community before you bring it in. I am for high speed internet but also have a concern about the cost as well. Many people are happy with the one to three Meg service they receive. They typically don't stream movies.

MAYOR: It would be a volunteer sign up. Nobody would be forced to join.

TERRIE: What happens to those residing in the county?

MAYOR: They would now be offered a way to receive wireless service. Right now, in the valley the average cost per month for a gig is \$2,500 to \$3,000. On the Wasatch Front the cost is \$600 to \$800 per month. The reason being is there are a lot of options and choices down there.

TERRIE: It could attract new business as well.

MAYOR: The city would be able to use the service anywhere in town as well. Such as at the library and city park. This is a very early discussion on the subject. I am not opposed to sending out a survey to see what people think.

TUCKER: The only cost to the residents is if they sign up for the service?

MAYOR: Correct. I will work with UTOPIA on the survey, and then we can send it out. The more cities which sign up, the less the cost. The required 30% to 35% would decrease if more cities sign up.

A motion to adjourn and pay bills was made by Lyle, seconded by Paul, and the vote was unanimous.

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

No Vote: None

Adjournment at 8:36 P.M.

RICHMOND CITY CORPORATION

Jeffrey D. Young, Mayor

ATTEST:

Justin B. Lewis, City Recorder