

MINUTES OF HARRISVILLE CITY
CITY COUNCIL MEETING
Tuesday, December 10, 2013 – 7:00 p.m.
Council Chambers
363 West Independence Blvd
Harrisville, Utah 84404

Present: Mayor Richard Hendrix, Council Member Bruce Richins, Council Member Michelle Tait, Council Member Paula Knighton. [Council Member Wilhelmsen and Council Member Allen are both excused.]

Staff: Bill Morris, City Administrator, Jennie Knight, City Recorder, Gene Bingham, Public Works Director, Max Jackson, Police Chief, Lynn Fortie, Treasurer, Shanna Edwards, Planning Commission Secretary.

Visitors: Ruth Pearce, Jeff Pearce, Sean Hart, Cori Hendrix, Stacey Hendrix, Jordan Hendrix, Ed Saunders, Jayci Dowden, Chase Dowden, Lynn Edwards, Don Knighton, Kenny Loveland.

7:00 P.M. CITY COUNCIL MEETING

1. Call to Order.

Mayor Hendrix called the meeting to order and welcomed all visitors. He excused Council Member Wilhelmsen and Council Member Allen.

2. Opening Ceremony.

Council Member Richins led the pledge of allegiance and conducted the opening ceremony.

Mayor Hendrix awarded Edward Saunders with a certificate of appreciation and thanked him for his service on the Planning Commission.

3. Consent Items.

- a. Approve the minutes of November 12, 2013 as presented.

MOTION: Council Member Tait motioned to approve the minutes of November 12, 2013 as presented. Council Member Knighton seconded the motion. All Council Members voted aye. Motion passed.

4. Business Items.

- a. Presentation of 2012-2013 Audit Report.

Mayor Hendrix introduced Chuck Palmer who represents the firm that conducted the audit. Mr. Palmer presented Council with the 2012-13 audit report. He began the discussion with the opinion of financial statements. The city received the highest rating for financial statements. Discussion was given on the management and analysis of city funds, highlighting the important number affecting the audit. 75% of revenue is coming through taxes with the other coming from fines, forfeitures, and grants. Included in the audit is a statement of net position; no major changes from prior years. Harrisville City is without any debt.

The statement of activities focuses on services; starting with expenses and what is related through revenue. Fines, forfeitures, grants, and property taxes are all related revenues. This year the governmental activities received a small loss. Business activities include garbage, sewer, and recycle received a profit.

The balance sheet outlines much like the updates Council receives on a monthly basis from Lynn Fortie. This show that cash is up \$30,000 in the general fund, and the unassigned fund balance is within the allowed amount, not exceeding the 25% maximum. The statement of revenues and expenditures shows taxes are up and expenditures are down. This gave a rather big change in the fund balance.

The business activities and statement of revenues were reviewed, showing that net income is a little bit lower. Sewer contractual services increased a bit but all of these funds have a positive fund balance. Sewer and garbage both had a loss but the other three categories in the business activities show an increase.

Cash flow statements were reviewed, showing that cash operations from sewer, storm water, and garbage spent more than they brought in. Accounting policies and capital assets were reviewed and the general fund budget to actual fund budget was outlined. Capital assets fund shows where the assets are tied up with equipment. Revenue was greater and expenditure was lower than what was budgeted. Several reports required by the state were outlined and both give clean opinions with no issues being found.

Mayor Hendrix thanked Chuck Palmer for the work provided by the firm and stated his appreciation for how the firm has always provided good service to the city.

Mr. Palmer reiterated the city's good standing commenting the city sits in a good position.

Council Member Tait asked about the usual report outlining any issues that may need to be addressed. Mr. Palmer responded there are no findings at all with this report. He thought possibly Jeff Ambrose made some comments and suggestions for staff to address any issues but they are simply suggestions not something that requires immediate action.

b. Discussion/possible adoption of 2012-2013 Audit Report.

Bill Morris congratulated Council on having an audit that had no findings. He thanked staff for their efforts to be in compliance and recommended approval.

MOTION: Council Member Richins motioned to adopt the 2012-13 audit report. Council Member Tait seconded the motion. All Council Members voted aye. Motion passed.

Mayor Hendrix thanked staff for their efforts in helping conduct the audit.

c. Discussion/possible action to grant Final Acceptance of improvements in Phase 4 of the Wildflower Estates Subdivision.

Bill Morris explained the memo from Jones office to address the inspection that was conducted recommending final acceptance on part of the phase 4 Wildflower improvements. Staff recommends final acceptance on these outlined improvements for the subdivision.

Council Member Richins commented he has noticed many areas throughout Harrisville where waste does not flow through gutters and drain properly. Gene Bingham explained the challenge with drainage is the road specification allows for a 5% slope on the grade which is fairly flat. Harrisville City is very flat. To get more than a 5% slope on the grade developers would have to super elevate the roads and that can cause future problems. When roads are poured, the grade is checked to make sure the development meets specifications. Gene Bingham commented even grass clippings can cause back-ups in

the gutters. There is really no margin for error. Any minor settling can cause problems. He explained another issue with utility companies burrowing under the road causing additional settling. Mayor and Council gave discussion on the slope and grading throughout the city, agreeing Harrisville is very flat.

Council Member Knighton asked for clarification on the partial acceptance. Bill Morris responded specifically the outlined improvements from Jones & Associates letter are receiving final acceptance. Gene Bingham further clarified there will be additional improvements that will need final acceptance in the future. Council Member Knighton asked what the 15% contingency fee is required for. Bill Morris explained this money is included in the escrow requirement on subdivisions. Gene Bingham further clarified escrow requirements are set at 115% to include this 15% contingency as a guarantee on the subdivision.

MOTION: Council Member Tait motioned to grant final acceptance of improvements in Phase 4 of the Wildflower Estates Subdivision in accordance with the conditions outlined in the December 4th letter from Jones & Associates. Council Member Richins seconded the motion. All Council Members voted aye. Motion passed.

- d. Discussion/possible action to grant preliminary/final approval for the Hart Community Ownership Development located at 1589 North 750 West.

Bill Morris explained there is an ordinance in place to allow for condominiums in a commercial zone. The property owner's engineer put together a condominium declaration for the development. This agreement includes specifications on how the individuals will govern the common area. The county is requiring a few items. There is a deferral agreement in place that will require the installation of improvements on 750 West when they are developed. Bona Vista is requiring a few items to address the water service to each unit.

Staff recommended approval based on the conditions outlined in the December 4th, 2013 memo from Jones & Associates. Mayor and Council gave discussion on the existing areas and the look of this development. Staff indicated there will be slight changes to the already existing buildings. There will be changes as each building is transferred to new ownership. Council Member Knighton asked if there is a landscaping requirement. Bill Morris said there is a pre-existing requirement for 25% of the area to be landscaped. Clarification was made that this proposal is for a commercial area only.

MOTION: Council Member Richins motioned to grant preliminary/final approval for the Hart Community Ownership Development located at 1589 North 750 West subject to the items outlined in the December 4th, 2013 memo from Jones & Associates. Council Member Tait seconded the motion. All Council Members voted aye. Motion passed.

- e. Presentation of Business Friendly Award

Bill Morris presented Council with the business friendly award that was received by Governor Herbert's office. Mayor Hendrix pointed out there are a few issues that will still need to be addressed in the near future regarding this issue. Council Member Richins commented about positive feedback received from business owners.

5. Public Comments.

No public comments were offered.

6. Mayor/Council Follow-Up

Council Member Knighton said she received a note back from Bryan Fife, Recreation Director who said there could be a tournament held in conjunction with Heritage Days for the end of season softball/baseball. He would have to coordinate with the other local recreation programs to continue the program through the summer until Heritage Days. Mayor and Council agreed to proceed with the full day schedule again. They gave discussion about asking the public to call and volunteer.

Mayor Elect Richins presented Mayor Hendrix with a token of appreciation for his time and efforts serving two terms as Harrisville City's Mayor.

7. Adjourn.

Mayor Hendrix motioned to adjourn at 7:40pm.

ATTEST:

RICHARD HENDRIX
Mayor

JENNIE KNIGHT
City Recorder