

**EUREKA CITY
COUNCIL MEETING
FEBRUARY 11, 2019 7:00 P.M.**

PLEDGE OF ALLEGIANCE:

Mayor Castleton opened the meeting and led everyone in the Pledge of Allegiance

ROLL CALL:

Mayor Nick Castleton – Present
Council Member Tamra Jameson – Present
Council Member Hortt Carter – Present
Council Member Gordon Grimstead – Present
Council Member Kimberlee Clem – Present
Council Member Leslie Rice – Present

Staff in Attendance:

City Recorder Patricia Bigler
City Attorney Tim Merrill

Public in Attendance:

Lance Willson	Ted Howell, Brighter Image Construction
Gary Poh	Heather Young
Jessica LaCario	Jordon Nielsen
Leigh Grimstead	Andrew Froula
Laura Kirgan	Brandy Kirgan
Brigitte Kirgan	

APPROVAL OF THE MINUTES:

Council Member Carter made a motion to approve the minutes from January 14, 2019 Council Member Jameson seconded. All in favor motion carried.

TREASURER’S REPORT:

**EUREKA CITY
TREASURER’S REPORT
FOR JANUARY 2019**

Checking Beginning Balance:	\$ 72,792.85
Deposit Amount:	\$ 1,008,697.49
Withdrawal Amount:	\$ 1,029,876.29
Checking Ending Balance:	\$ 51,614.05
Share Savings Beginning Balance:	\$ 13,757.64

Money from CD #102 for Impact Fees:	\$112,182.69
From Checking Corps of Engineer Money After Loan Payments taken out:	\$868,150.77
Transfer to Checking Account:	\$ 3,948.89
Dividend Earned:	\$ 10.30
Ending Share Savings Balance:	\$990,152.51
CD#102 Beginning Balance:	\$112,064.67
Dividend Paid:	\$ 118.02
Closed CD transferred Funds to Share Savings for Impact Fees:	\$112,182.69

Council Member Carter asked if we have paid on the loans yet. Recorder Bigler contacted the State and is waiting for them to send the payoff amounts. We heard back from USDA and cannot pay off the loan. We have project money still available to purchase the back hoe. If we payoff the loan, the money will no longer be available. Council Member Carter made a motion to approve the Treasurer's Report. Council Member Clem seconded. All in favor motion carried.

CLAIMS AGAINST THE CITY:

Council Member Clem commented how much we are spending on gas for vehicles and asked about the bill to Juab County Treasurer. Recorder Bigler informed the Council the gas cards were not being used correctly. The cards being used are small equipment (parks) and the International. The check to Juab County Treasurer was issued because the State Liquor Distribution was sent to Eureka City and not to the County. Council Member Carter made a motion to approve and pay the bills. Council Member Grimstead seconded. All in favor motion carried.

REPORT OF OFFICERS AND COMMITTEES:

Nick Castleton. – Informed the Council we had received the furnace for the City Shop. It has not been installed yet. Council Member Jameson wants to be informed when it is installed.

Tamra Jameson – Didn't have anything to report.

Leslie Rice – Informed the Council the Planning Commission didn't have a meeting last month.

Hortt Carter – Heather Young talked to him about the cost of water & sewer connections. He wants to get with Attorney Merrill and Patricia to look at connection fees.

Kimberlee Clem – Wanted to see who would like to attend the Citizens Academy March 6 & April 24. Both days are Wednesdays. Council Members Clem and Grimstead will attend. She said Mayor Castleton came to her home to get her input on what roads should be plowed first. She thinks the City needs a policy on what roads would be plowed first so residents will know

and not get angry if their road isn't plowed right away. She will work with Lynn and the workers to figure it out and report back to the Council next month.

Gordon Grimstead – Jordon Nielsen talked to him about lawn care for the Park/City property. He submitted a bill for his yearly services. Gordon will make sure he gets this in the budget. He informed the Council he would not be able to make the deadline for the Outdoor Recreation Grant. He hopes to put in for it next year. Jr. Jazz will be finishing up in the next 3 weeks.

Planning Commission – Nothing to report

INTRODUCTION AND ADOPTION OF RESOLUTIONS AND ORDINANCES:

A. Resolution No. R-02-11-19, A Resolution Regarding the Governance, Use, and Restrictions Relating to Backhoe Acquired with Assistance from the Utah Division of Water Quality. Council Member Carter made a motion to adopt Resolution No. R-02-11-19. Council Member Grimstead seconded. All in favor motion carried.

NEW BUSINESS:

A. Sayed Almarzooq, Request to Purchase Shea Building.

Jessica LaCario and Sayed would like to purchase the Shea Building for \$30,000 and open a gym. The offer will be discussed in the Executive Session. Mayor Castleton asked Jessica if she wanted to address the Council. She stated the need for a gym in Eureka. The gym at the District Office is not open at convenient hours. Mayor Castleton said we do have another offer on the Shea Building. Attorney Merrill said the Council cannot enter into any agreement tonight. Once they have discussed the matter and made a decision then there will be a follow up with written agreements.

UNFINISHED BUSINESS:

A. Gary Poh, Request to purchase alley next to Old Post Office.

He is getting the addresses of the property owners adjacent to the alley to give to Patricia. The public hearing needs to be noticed for 10 days. He would like to purchase the property for \$1,500. A petition to vacate has been filled out. Instead of getting a survey, he would like to use the County survey approval. He feels that a validation from the County would work. He needs to have a title company prepare the deed. The City would Quick Claim any ownership they have to Gary.

B. Discussion and Approval of Impact Fee Study.

Jesse Ralphs with Sunrise Engineering wants to meet Thursday at 10:30 a.m. Attorney Merrill would like the Council to authorize the execution of the contract with Sunrise Engineering and Zions bank for preparation and the impact fee analysis. Not to exceed \$20,000 for Zions and \$50,000 for Sunrise. Impact Fees cannot be charged for 90 days after they are enacted. He feels the City needs formal Master Plans done. Council Member Clem made motion to move forward Council Member Carter seconded. Attorney Merrill clarified the motion as the Council authorizes the Mayor to execute the contract with Sunrise Engineering and Zions to affect Master Plans for Transportation, Parks, Sewer, Culinary and to put the Impact Fee Analysis for the amount not to exceed the amount submitted by Zions in their bid proposal. All in favor motion carried.

C. Discussion on Summary of Development for 20 Acre Eureka Parcel, City Remodel and Medical as well as Eureka City Hall Renovation Owner-Contractor that was submitted to City Attorney.

Lance Willson and Ted Howell were present to answer any questions on the 20 acres and the City Hall Renovation. They have a Pharmacist who would love to come to Eureka. He would like to open a pharmacy in a small town. It would not be a full-time pharmacy because right not Eureka cannot handle a full-time pharmacy. They also have a medical provider that is interested in coming once a week. What they are proposing is to keep the cost on the City Hall Renovation down and to purchase the Shea Building. There needs to be a second bid process on the Renovation. Mr. Willson felt they should not put in a bid. Then the City could reject all the bids and the City could have some more latitude. Council Member Carter asked if the renovation price of \$287,000 is on the contingency that we accept your bid on the 20 acres and the Shea Building. Mr. Willson stated the Shea Building was part of that. He said instead of paying them cash they would take the Shea Building and they will reduce their fee by \$60,000. He said the 20 acres is a separate issue. Attorney Merrill asked him to explain about the analysis on where they are finding the water. Mr. Willson said he knows there was an appraisal done on the property that excluded water. Based on discussion with the Mayor the City had an expectation of getting \$20,000 an acre if that includes water. He said looking at surrounding areas selling water it is around \$4,000 – \$9,000 per share. If wild land is at \$10,000 an acre how many shares would they need per acre to do a development. Attorney Merrill asked if they would be buying/purchasing water rights/shares from the City. Mr. Willson said yes. Council Member Carter said we can't do that. He said if a developer comes in, they need to bring the City water shares. He said before we do anything we need to go through our ordinance and update them. A developer who comes in needs to purchase the land from the City plus bring us water. He said the City doesn't sell water. Mr. Willson said their contract gives the City about 1,000 different ways to back out. They are not here to bankrupt the City they are here to be neighborly and work with the City. They were hoping City Hall & Shea Building went with the 20 acres. The City Hall Renovation is times sensitive with a deadline of Sept 30th. Council Member Carter said we need to sit down with Attorney Merrill and go over all the contracts the City has received. Council Member Clem asked how many homes do they plan on building. They do not have an accurate number of homes yet. They need to have a survey, land reports done, a survey to determine the flood zone. Attorney Merrill stated the contract proposal was for no more than 150 homes. Mr. Willson said they would be hard pressed to do more than 80. Attorney Merrill asked him to call him tomorrow afternoon. Mr. Willson stated they have projects coming up and will need to know in a timely manner if they get the contract.

Council Member Grimstead brought up the leash law. He feels we need to start enforcing it. Drew Froula, Code Enforcement Officer, turned in a few pet violations and feels we need to charge a fee. Recorder Bigler will send Attorney Merrill the dog ordinances to update. There was a discussion on the dog problem.

CITIZEN COMMENTS:

(Citizens wishing to address the council may do so at this time with any questions or concerns but will be limited to two minutes each.)

Gary Poh suggested once the dog ordinance was updated to post it in the newsletter regularly. Heather Young said her excavator is ready to dig. He will be digging hers and the Beckstrom's. She needs to know what to tell him. Council Member Carter said go ahead and do the work and send the bill to the City.

EXECUTIVE MEETING:

Council Member Carter made a motion to move into Executive Session. Council Member Clem seconded. Moved into Executive Session.

ADJOURNMENT: