
PANGUITCH CITY COUNCIL MINUTES

**May 24, 2016
CITY COUNCIL – 6:30 P.M.
LIBRARY CONFERENCE ROOM
25 SOUTH 200 EAST
PANGUITCH, UTAH 84759**

Those present at the City Council meeting were Mayor Eric Houston, City Manager Lori Talbot, City Recorder Tyrissa Howell, City Treasurer Carla Farnsworth, Council Members Rick Miller, Lloyd Brinkerhoff, Trudi Owens, Kim Soper and Alan Johnson. City Attorney Barry Huntington.

Others present were Randy Yard, Becky Yard, Art Cooper, and Denise Dastrup.

The meeting was called to order at 6:30 pm.

OPENING CEREMONY

City Council Member Trudi Owens conducted the opening ceremony.

ADOPTION OF THE AGENDA

Lloyd Brinkerhoff moved, seconded by Kim Soper to adopt the agenda as outlined. The motion passed with all in favor.

APPROVAL OF MINUTES

Trudi Owens moved, seconded by Lloyd Brinkerhoff to approve the minutes as corrected. The motion passed with all in favor.

Lloyd Brinkerhoff moved, seconded by Alan Johnson to approve the budget workshop minutes. The motion passed with all in favor.

BUSINESS LICENSE- STRAIGHT ARROW SADDLERY/LYNN BARNSON

Lloyd Brinkerhoff moved, seconded by Trudi Owens to approve the business license for Straight Arrow Saddlery. The motion passed with all in favor.

BUSINESS LICENSE-COLOR COUNTRY MOTEL/PETER PATEL

Trudi Owens moved, seconded by Lloyd Brinkerhoff to approve the business license for the Color Country Motel. The motion passed with all in favor.

BUSINESS LICENSE-SEVEN GABELS VACATION RENTALS/BRENT ENCE

Kim Soper moved, seconded by Lloyd Brinkerhoff to approve the Business License for Seven Gables. The motion passed with all in favor.

HOME OCCUPATION-BICYCLE REPAIR/JIMMY CARROLL

Trudi Owens moved, seconded by Alan Johnson to approve the business license for Bicycle Repair. The motion passed with all in favor.

CONDITIONAL USE PERMIT-TURKEYS/LYNN SMITH

It was Planning & Zoning recommendation to deny the conditional use permit for turkeys.

Trudi Owens moved, seconded by Alan Johnson to deny the conditional use permit for turkeys. The motion passed with all in favor.

BASEBALL COMMITTEE

Names recommended for a baseball committee were Lloyd Brinkerhoff, Kory Owens, Rawley Burningham, Clint Barney, Kelly Holman, Greg Excell, Shayne Howell, Justin Miller, Josh Chappell and Markay Englestead.

Alan Johnson moved, seconded by Rick Miller to approve the names for the baseball committee. The motion passed with all in favor.

PUBLIC HEARING 2016-2017 BUDGET APPROVAL

Rick Miller moved, seconded by Lloyd Brinkerhoff to go into a public hearing for the 2016-2017 budget approval. The motion passed with all in favor.

Those in attendance were Mayor Eric Houston, City Manager Lori Talbot, City Recorder Tyrissa Howell, City Treasurer Carla Farnsworth, Council Members Rick Miller, Lloyd Brinkerhoff, Trudi Owens, Kim Soper and Alan Johnson, City Attorney Barry Huntington, Nate Houston, Allen Henrie, Jeanie Henrie, Denise Dastrup, Randy Yard, Becky Yard, Art Cooper, Diane Fullmer, Lana Foy, Orson Worthen, and Ruby Worthen.

The Fire Department training budget was raised to \$2500 and the Fire Chief Dave Dodds wages were returned to the original amount.

Lloyd Brinkerhoff moved, seconded by Rick Miller to exit the public hearing. The motion passed with all in favor.

ADOPTION OF 2016-2017 APPROVED BUDGET

Rick Miller moved, seconded by Trudi Owens to approve the 2016-2017 budget. The motion passed with all in favor.

PUBLIC HEARING ORDINANCE 2014-5 SWIMMING POOL CAPITAL FUND

Lloyd Brinkerhoff moved, seconded by Alan Johnson to enter a public hearing for Ordinance 2014-5 Swimming Pool Capital Fund. The motion passed with all in favor.

Those in attendance where were Mayor Eric Houston, City Manager Lori Talbot, City Recorder Tyrissa Howell, City Treasurer Carla Farnsworth, Council Members Rick Miller, Lloyd Brinkerhoff, Trudi Owens, Kim Soper and Alan Johnson, City Attorney Barry Huntington, Nate Houston, Allen Henrie, Jeanie Henrie, Denise Dastrup, Randy Yard, Becky Yard, Art Cooper, Diane Fullmer, Lana Foy, Orson Worthen, Ruby Worthen, Cindy Talbot, Mac Oetting, Falyn Owens, Jeramy Henrie, Linda Miller, Falyn Owens and Mitch Miller.

Panguitch City has the opportunity to purchase a John Deere Loader at \$125,561. Then in one year John Deere will purchase the loader back at \$149,100 a 17% return.

Council Member Trudi Owens asked where the extra money will go.

Mayor Eric Houston stated \$1000 will cover the interest and that this contract can be done for three years.

Cindy Talbot asked if you need the loader and sell the loader wouldn't you just have to turn around and buy a new loader.

Council Member Rick Miller stated that John Deere is contracted with the state to do this for government entities. We are using this to make money not because we need the loader

Mayor Eric Houston stated we can use the loader. When we need a loader we currently borrow from the county.

Diane Fullmer asked what the return was on the Capital Project Fund last year. The answer was around \$905.

Council Member Lloyd Brinkerhoff stated that the loader would be a luxury that would save time. It is not really needed but would be nice for snow removal and dirt work.

Allen Henrie said he thought the pool fund issue was settled until the pool committee looks into the price of building a pool.

Mayor Eric Houston stated that the issue was settle for the long term, but in the short term the city is not ready to build a pool. This is a way to increase the return on the money.

Diane Fullmer asked who gets the \$22,000.

Mayor Eric Houston stated it is for the council to decide but that he believes it should go to pay off debt.

Council Member Alan Johnson stated that if it is the pool money that is at risk, then the pool should get the return.

Council Member Trudi Owens said when you borrow from a bank you don't pay back a different bank. She also stated she is not in favor of using the money to buy the loader because of the risk, John Deere could go bankrupt.

Council Member Lloyd Brinkerhoff said if John Deere does go bankrupt we have the loader we can sell to get the city's return.

Becky Yard said that there should be a compromise and split the \$22,000 in half. \$11,000 going into the swimming pool fund and \$11,000 to pay off debt.

Mayor Eric Houston stated the money could go to put street lights in the newly annexed subdivision. There is no shortage of where the money can go.

Council Member Alan Johnson asked if this is such a good deal why the city doesn't buy a loader out of general fund.

Mayor Eric Houston replied because the city just spent \$150,000 out of the general fund for the lighting project.

Randy Yard asked if there is monthly payment to John Deere, the answer was no.

Mac Oetting said the city doesn't owe anything, citizens voted on it, it is the citizen's debt, and the citizen's owe that money. He also stated it doesn't do any good to pay off debt. Government can't run without being in debt.

Mayor Eric Houston stated the whole point of paying the lighting project out of the general fund was to not have to pay interest. In the beginning of the lighting project the city was going to borrow \$600,000, but in the end got the costs down to \$300,000 and didn't have to borrow any money. If you are out of debt you can do those kinds of things. He stated he and the council feel it is important to get out of debt. Garfield County runs debt free.

Art Cooper would like the swimming pool committee to work on getting a price for an indoor pool with a retractable roof located on the Cameron motel property.

Denise Dastrup stated she believes in paying down debt and when you get out of debt it is surprising how much you can save. She also asked how the city is making money to put into the pool fund.

Council Member Trudi Owens stated the only money being made is the interest.

Becky Yard asked how much debt Panguitch City is in. The answer was around 1.5 million.

Allen Henrie said there will always be somewhere for the money to go. If the city does do this then split the returns.

Mayor Eric Houston stated he believes that would be a good compromise.

Council Member Lloyd Brinkerhoff stated that it makes sense to buy the loader, the city would get a \$22,000 return on its money instead of \$1000. In the last public hearing the public said they want street lights in the subdivision south of town. The county runs debt free.

Mac Oetting asked if anyone has ridden on the county roads.

Mayor Eric Houston stated the county paves roads every seven years while the city paves every ten. The city is falling behind, whether we raise taxes to build a pool or pave roads.

Mac Oetting stated it is up to the citizens if we have a pool or not.

Jeremy Henrie stated there needs to be an established plan before presenting a pool to the citizens. Panguitch City will never be able to afford a pool. 180,000 won't even touch the cost of building a pool. He said he is not willing to pay taxes on a pool for the rest of his life and he doesn't want his kids or grandkids paying taxes for the rest of their life either. He stated he does not expect Panguitch city to build a pool so he can teach his kids how to swim. That is the parent's responsibility not the cities.

Falyn Owens said the county does these type of contracts every year for a Bobcat and they do not get any money back.

Council Member Rick Miller stated this is different, because the city is purchasing the loader not leasing.

Cindy Talbot asked what happens at the end of the three years.

Mayor Eric Houston said that would have to be something the council would look at each year.

Lloyd Brinkerhoff stated that if we are ready to build a pool then we won't buy a loader.

Alan Johnson asked if this is such a good deal, why we don't take the money out of surplus to do this.

Eric Houston said the surplus varies month to month. All accounts except the capitol fund fluctuate.

Lori Talbot stated there is not enough in surplus to buy a loader.

Allen Henrie stated the cost of business keeps going up. The City has not raised bills as cost go up. Sewer prices haven't went up. There comes a point that not raising bills will cost you more than it will save you.

Mayor Eric Houston stated we try not to raise bills as long as we can. The Swimming Pool Committee need time to see if a pool can be built.

Mac Oetting asked how many years is left owing on the secondary water? The answer was ten years.

Trudi Owens asked are we going to do a public hearing every two months to talk about the swimming pool money.

Alan Johnson stated he thinks buying the loader is a big risk. If he was to invest his own money he would want the full return.

Kim Soper stated he believes we should take this opportunity. The City will make \$22,000.

Lloyd Brinkerhoff stated that the city will have a loader to use for a year.

Randy Yard stated it would be good for the city to have a pool, but the city cannot afford it.

Alan Johnson moved, seconded by Trudi Owens to exit the public hearing. The motion passed with all in favor.

AMEND ORDINANCE 2014-5 SWIMMING POOL CAPITAL FUND

Alan Johnson moved, seconded by Lloyd Brinkerhoff to amend Ordinance 2014-5 the Swimming Pool Capital Fund to buy a loader for \$126,561 with the return of \$22,000 going back into the swimming pool fund. The council will look at the contract each year for three years, a public hearing will not be needed. The motion was passed with all in favor.

PANGUITCH CITY PERSONAL & PROCEDURES POLICY

There was discussion on the hiring process and the bid process the city currently uses and what things should be changed.

AMEND ORDINANCE 2008-5 IMPACT FEES

The city council has decided to lower both the sewer impact fees and the water impact fees to \$1000.

Trudi Owens moved, seconded by Kim Soper to amend Ordinance 2008-5. The motion passed with all in favor.

PENDING BUSINESS

Pending business was not discussed at this time.

DEPARTMENT REPORT

Baseball Fields-The baseball fields are taking a little longer than it was originally thought. They look good. The nets have been hung on the batting cages. A sign will need to be hung telling kids not to climb on the top of the cage.

Quilt Walk & Balloon Rally -The Quilt Walk and Balloon Rally is coming up soon. Volunteers will be needed.

Triple C-Lance Miller has been hired for the Triple C Arena job.

Bicycle Path-Currently the plan is to start the bike path up the lake road in the fall.

Sorenson Advertising-Melanie Heaton is needing feedback on Sorenson Advertising's logos. Tag lines they have come up with include "Come on over", "Change of Pace", and "Take it Easy."

Swimming lessons -Mayor Eric Houston has been working on getting buses to take kids to swimming lessons in Cedar City. But because of time it will have to wait until next summer.

Summer help- The summer help job was advertised by Utah Job Services. We have received one application. The council decided to hire the applicant.

EXECUTIVE SESSION

An Executive session was not needed at this time.

CURRENT BILLS

The council reviewed the current bills to be paid.

Kim Soper moved, seconded by Rick Miller to pay the current bills. The motion passed with all in favor.

ADJOURNMENT

Lloyd Brinkerhoff move to adjourn the meeting at 8:23 pm.

Eric Houston, Mayor

Tyrissa P. Howell, City Recorder

