

**MINUTES OF THE EPHRAIM CITY COUNCIL MEETING
EPHRAIM CITY BUILDING
5 S. MAIN
WEDNESDAY, JUNE 22, 2011
4:30 PM**

The Ephraim City Council convened in a special meeting on Wednesday, June 22, 2011, at 4:30 p.m. in the Ephraim City Council Room.

MEMBERS PRESENT

David Parrish, Mayor
Kim Cragun, Mayor Pro Tem
Greg Dart
Terry Lund
Don Olson
Richard Squire

STAFF PRESENT

Regan Bolli, City Manager
Bryan Kimball, City Planner
Leigh Ann Warnock, City Recorder
Ron Rasmussen, Police Chief

OTHERS IN ATTENDANCE

See attached.

Mayor Parrish called the meeting to order at 4:30 p.m. Councilmember Dart offered an opening prayer. Councilmember Cragun led the audience in the Pledge of Allegiance.

PUBLIC SESSION

APPROVAL OF WARRANT REGISTER

The Council reviewed the Warrant Register of June 20, 2011.

Questioned were the refunds for the Sewer System. Financial Director Steve Widmer explained that they were for overpayments made over the period of a few years.

Councilmember Dart moved to approve the warrant register of June 20, 2011 as presented. The motion was seconded by Councilmember Lund. A roll call vote was taken: voting "yes" Councilmembers Dart, Lund, Olson, Cragun, and Squire. The vote was unanimous. The motion carried.

PUBLIC COMMENT

No public comment was offered

PUBLIC HEARING – AMENDING BUDGET

Mayor Parrish opened the public hearing for the purpose of receiving public comment regarding the opening and amending of the 2010/2011 budget.

City Manager Bolli went over the budget modifications, as are attached to these minutes.

\$16,000 has been added to the Ambulance Association budget to cover expenditures since May.

Mayor Parrish announced the budget will be closing out at the end of this month with a balanced budget. A letter from the State Auditor said we went over last year in one department – the Airport Board. They said if we should do that in any department two years in a row, they will require an action plan from us.

No comments were forthcoming.

Councilmember Cragun moved to open the 2010/2011 budget. The motion was seconded by Councilmember Lund. A roll call vote was taken: voting “yes” Councilmembers Dart, Lund, Olson, Cragun, and Squire. The vote was unanimous. The motion carried.

ADOPTION OF ECR 11-07 – 2010/2011 BUDGET AMENDMENTS

Councilmember dart moved to adopt ECR 11-07 the amendments made in the 2010/2011 budget year. The motion was seconded by Councilmember Squire. A roll call vote was taken: voting “yes” Councilmembers Dart, Lund, Olson, Cragun, and Squire. The vote was unanimous. The motion carried.

Councilmember Cragun moved to close the 2010/2011 budget. The motion was seconded by Councilmember Lund. A roll call vote was taken: voting “yes” Councilmembers Dart, Lund, Olson, Cragun, and Squire. The vote was unanimous. The motion carried.

PUBLIC HEARING – 2011/2012 BUDGET

Public Hearing for the purpose of receiving public comment regarding the adoption of the 2011/2012 budget to include the enphraim cfity tax rate for 2011/2012. Discussion ensued regarding the 2011/2012 budget as are attached to these minutes.

No public comment was forthcoming.

Closing public hearing mayor

ADOPTION OF ECR 11-08 – 2011/2012 BUDGET

Councilmember Cragun moved to adopt ECR 11-08—a resolution adopting the 2011/2012 budget. The motion was seconded by Councilmember Dart. A roll call vote was taken: voting “yes” Councilmembers Dart, Lund, Olson, Cragun, and Squire. The vote was unanimous. The motion carried.

Councilmember Olson moved to adopt ECR 11-09—a resolution adopting the 2011/2012 certified tax rate. The motion was seconded by Councilmember Squire. A roll call vote was taken: voting “yes” Councilmembers Dart, Lund, Olson, Cragun, and Squire. The vote was unanimous. The motion carried.

APPROVAL OF CONDITIONAL USE PERMIT FOR LYDIA STEVENS

Approval will be conditional upon approval of Planning & Zoning as they will not be able to approve until their meeting immediately following this meeting.

Lydia Stevens is starting a day care to be run out of her home and looking for approval for a conditional use permit to allow her to do that.

Staff recommends approval for this 383 s 300 E for 8 children or less. Should it be extended beyond, she would need to be reevaluated at that time. Not including her four.

They want to put in a fence (required to) needed approval for where to put it. row is 22' onto their property from the south going north. They are requesting city to release that row to them. Not part of this conditional use permit.

Councilmember Dart moved to approve a conditional use permit for Lydia Stevens for a day car at her home located at 383 S 300 E conditional upon approval of Planning & Zoning. The motion was seconded by Councilmember Lund. A roll call vote was taken: voting “yes” Councilmembers Dart, Lund, Olson, Cragun, and Squire. The vote was unanimous. The motion carried.

AMBULANCE ASSOCIATION DISCUSSION

Expressed disappointment with the way this has been handled both with the city and the ambulance. The City hasn't given us any reasons why we belong to them either. This has damaged our image of trust.

Mayor, not going backwards. Discuss what we are going to do to fix this problem. I am not slinging mud. I think Councilmembers don't know the whole story. Mayor, AA doesn't know the whole story. Not going to allow the Council to be thrown at again. I am not throwing at the council.

You have given us an ultimatum. Several EMT's have called City Councilmembers and said they can't believe we got this letter from you. First of all, it is listed as City assets, but it is not we have purchased all that equipment from our own funds from grants that we have applied for and from funds. For you to say these are owned by the city just because they are on the asset list, we were blown away by that. Option one didn't give us any information on a lease amount and we are unable to make a decision on that.

Regan, maybe we need to discuss 4 things:

1. the equipment

2. building
3. land
4. city's donation to ambulance association

Mayor in the last meeting you gave me a list of your requirements. I responded to that by starting the ball rolling, but I am not going to go back to the past because what's past is past and my expectation is that we fix this problem.

Don if you leave the city, how important is it for you to have the city to list for grants, etc. You're comfortable you can receive grants with that connection.

The CIB grant awarded the grant to the City of Ephraim. This was ours for our building and it was our money and he said because the CIB does not give to a group like this it would have to be to a government entity but it would be our building when we paid it off it would be ours. Separated from the City we probably would not be able to get a CIB grant.

Regan, the AA can apply for grants, but attached to city there is more revenue available. But if they can show they are solvent etc. there shouldn't be a problem.

Option one leasing equipment that we have already bought.

Option is totally unacceptable. Many have said they will no longer be part of the association if we are forced to go back with the City.

Dave Lanier – familiar with state procurement code. City has with the equipment declare it excess. That says that within an entity any department who wants it can pick it up within the entity. Surplus property, one is to send it up to state surplus property division. Title belongs to state. Made available to entities throughout the state, cities counties, associations. Final option to declare surplus, retain and sell on auction or donate to an entity that could use it and that's my recommendation that this is declared surplus property that is donated to the association. Don't feel right paying for this equipment and then paying to lease it. Sandy City did the same thing. Property was surplus and donated.

It was a marriage and there was no prenuptial because of insurance situations because we brought it in and we were part of the city, the city name got put on the titles.

Mayor, the purpose of the letter was to get us to this point. Kim, no good having an ambulance if we don't have an association.

Regan what's on the table here, declare as surplus and donate or keep it and lease for a dollar a year.

Christie. It is listed in our rules that if the association ever dissolves the equipment goes back to the City. That out to be part of this agreement, not just part of our bylaws. (Lanier)

Item one on our list would be (kim) declaring the ambulances and the associated equipment as surplus and then donating that to the Ephraim City ambulance association.

Mayor said to council leased for a minimal fee for 3-5 years until he is comfortable that they will remain solvent. Your statement in the by-laws satisfies that. If you went through a bankruptcy, they would take your assets. 3 million dollar policy that covers any

As an association we have agreed that we would go ahead and lease for \$1 a year and remove the wordage of the term. Like have a 99 year lease but not renewable every year.

When we were under previous mayors and councils, we had verbal agreements. I do not want annual renewals because when the next group comes in they don't know what's going on and they change it. Maybe the lease on the land 99 years for this amount of money then I don't have a problem with that because I know how much we are paying and not worrying about starting this over every time there is an election.

Maybe a 10 year lease at which time we own the equipment. Mayor, concrete so you know what to expect tomorrow and 5 years from now. City being asked to assist with purchases of ambulances, that is still on the table. Let us know a year in advance if you need help with purchases.

EQUIPMENT--Mayor likes a three year lease for \$1 a year for ambulances and equipment. At the end of the three years would transfer ownership to AA. Then also, with a year's notice, we will assist in purchasing an ambulance. That will be in the contract as well. Everything except building and land.

BUILDING—land and building need to stay under city ownership. Not enough information nor conviction to tell citizens we are giving those things away. Don says when loan paid off they should be able to claim ownership of the building because they paid for it. Question on \$50,000 donated to the ambulance association for the building in 2004 whether it was actually donated or withdrawn.

AA recollection that once loan was received, it wasn't enough for the building, and the rest was paid by the AA.

Mayor propose that we made a decision based on the information we have today. Mayor restate how he feels, that the land and building need to stay under city ownership. Christie feels that as long as we continue to pay our lease for 15 years and have an agreement that once that is paid that we no longer have to pay a fee to the City for that building but it remain in the City's name.

Dart says we have nothing else in mind for that land, and nothing to do with ambulance except to have volunteers provide service. We all have the same desire. Not difficult to have aa pay that lease and be on city books and then hand over to aa. Not over-think it when we all want the same thing. We have an understanding that the best benefit for that

piece of land is for the aa to run ambulances out of it. Kim fine with lease stating that but hesitant to give up land.

Mayors proposal – that after the pay for the building, the building is theirs. I have been convinced and now can say that.

Steve clarification, the building sits in the financial books under the building authority. Don't know why it was put there in 2005, but it is not under the ambulance association. May have to do with the bond. Could be reassigned.

Mayor you continue paying until the building is paid for. At the time the AA would receive ownership of the building.

Regan – common provision when city owns land and they own building, if there is a default on rental or if leasee terminates then ownership comes back to the owner of the land and they can tear down the building and do whatever they want with it.

Greg, if the city has financial liability for that loan, that would be a perfect proposal.

Andy, would suggest that as with equipment that if association dissolve, reverts to the City. Continue their \$5,000 payment each year. We will continue to pay \$10,000 donation each year. When paid off we would have to donate the building to the Association since it is in the city's name.

LAND—verbal agreement was \$1 for the whole 99 year lease. Nothing in writing. Mayor recommendation to continue to clarify that understanding and put that in writing. Regan, could tie land lease to the building lease. Mayor proposes with a renewable to the association addition 20 fore the same price. Written out if we say here's the lease and the use of the land is going to be for the ambulance. 35 years will give you plenty of building use. How much of the land.

Mayor we continue to own the land and that we lease it for a dollar per year for 19 years with an additional 20 years at \$1/year at the AA's option to pick up and the city not have the option to cancel unless the AA breaks the contract.

Could use excess land for a storage shed or storage. Put in contract to be able to renegotiate that. Don ambulance has first right of use of the back property but City can reclaim if they need it for something.

Final statement-mayor-city retains ownership of property , that we do not split it, leave entire parcel for the use of the ambulance association for now and future needs.

DONATION – we will continue with the \$10,000 and will donate for new ambulances when needed. Regan suggested increasing annual amount rather than occasional purchases. But ambulances will go up in price. Maybe pay \$20,000, the City putting \$10,000 of than in escrow until they need it for an ambulance. Kim proposes above. On

ambulance association's shoulders to do the legwork to get grants. Regan suggests letting AA invest it. Mayor proposes that the city receive \$10,000 and also put in escrow an additional 10,000 earmarked for AA based on your timeframe on how often you have to replace it, then that money will be there. We cannot put this in writing as a contract because it is a budget issue and whoever is on the Council will not continue to do this. Whether the additional \$10,000 is kept in escrow by the City or given to the AA to invest, it is a year to year decision by the council to make/.

This year's budget has already been set at \$10,000. Come back to the council in April to talk about it for next year.

Ernie said sinkhole on NE end of the building. Can we have our snow plowed by the City?

Don suggested Regan write an article for the paper, have it proofed by the association, and printed as a joint effort to show the citizens we have separated on good terms. Ephraim is a community that cares about each other.

Medicare number is under Ephraim City. It takes 6 months for us to get that. Gold Cross says that if you are in agreement we can use that number until we get our own. Steve says need to get indemnification with insurance company, our insurance company would be comfortable with it. We will do a resolution for medicare and assignment of gold Cross

Also we have an agreement with Gold Cross in City's name. Gold Cross would like the AA to assume that contract.

AA suggested a councilmember meet with the board. Regan will have the agreement done by next week.

ADJOURN

There being no further business to come before the Council for consideration, Councilmember Cragun moved the meeting adjourn at p.m. The motion was seconded by Councilmember . The vote was unanimous. The motion carried.

The next meeting is scheduled to be held on , 2011, starting at 7:00 p.m. in the Ephraim City Council room.

MINUTES APPROVED:

Mayor

Date

ATTEST:

City Recorder

Date