

Council Meeting  
09-22-15

MINUTES OF CITY COUNCIL MEETING HELD BY MORGAN CITY COUNCIL IN REGULAR SCHEDULED OPEN PUBLIC SESSION ON TUESDAY, SEPTEMBER 22, 2015 AT 7:00 P.M., IN THE BOARD ROOM OF THE MORGAN SCHOOL DISTRICT OFFICE LOCATED AT 240 EAST YOUNG STREET

Present: Mayor, Ray W. Little.

Council Members: Tony London; Mike Kendell; Fran Hopkin; and Bill Cobabe.

Excused: Council Member, Jeff Wardell.

City Staff: Gary Crane, Attorney; Stephanie Roos, Deputy Recorder; and Jamie Grandpre, Senior Wastewater Operator.

Others Present: Jackie Coombs, UAMPS representative; and Gordon Tolley.

**Minutes and Warrants**

MOTION: Tony London moved to approve the minutes of the September 8, 2015 meeting and one set of warrants.

SECOND: Fran Hopkin. Vote: 4 ayes, Jeff not present.

**Resolution #15-32**

**Release of Easement (Meibo's)**

MOTION: Tony London moved to adopt Resolution #15-32, a resolution releasing the easement that was granted on the Meibo's property.

SECOND: Fran Hopkin.

ROLL CALL VOTE: Mike Kendell – aye  
Bill Cobabe – aye  
Jeff Wardell – not present  
Tony London – aye  
Fran Hopkin - aye

**Decision on Coal Free Power Project (CFPP)**

The members discussed if the budget would be sufficient for this project - it was determined it would be. The cost of the transformer on Island Road that went out earlier in the day was also briefly talked about. The members also worked through some equations to see if the 1500 kw would be sufficient.

MOTION: Tony London moved to approve Attorney Crane to draft a resolution allowing the Mayor to sign the Carbon Free Power Project agreement, to move forward with period one with the amount of 1500 kw.

SECOND: Bill Cobabe.

ROLL CALL VOTE: Mike Kendell – aye  
Bill Cobabe – aye  
Jeff Wardell – not present  
Tony London – aye  
Fran Hopkin - aye

**Decision on Grant**  
**Sewer Lagoon Project**

Jamie Grandpre, Senior Wastewater Operator handed out a worksheet showing a new breakdown of the cost of the mechanical plant. He went over these new budget figures and explained the amounts. The members discussed the items taken out such as: the rehabilitation of the island road lift station; 4 lagoon ponds that would need to be put into decommission. The location wouldn't need to be covered for odor control, aeration basins, and smaller growth projections as per the Governor's office. The contingencies have been reduced to 10% from 20%.

Bill asked Jamie if there was anything left out on the new breakdown that may be needed. He feels it should be addressed now so that down the road this project isn't revisited because something hadn't been taken care of initially.

Jamie is asking for a 40% match from the City for the grant, which would put the city's cost around 4.8 million. He stated it is a conservative number but should be reasonable. When the time comes the project goes out to bid - if the numbers are a little higher the City will have to cover the difference through a loan. Jamie feels with the conservative numbers it covers everything the City would need for the mechanical plant.

If the City matched 40% on the grant it would give us 3 points on the grant application. If the City only matched 10% it would only give 1 point on the grant application. Fran asked how many points the grant application was based on. It was stated it is based on a total of 165 points.

The members talked about the projected growth numbers and build-out numbers and how the new plant could support these numbers. They also went over elements of the plant that would support future growth. Bill stated it may be good to have JUB Engineering look at numbers and pipe sizes and see how far out those projections take us.

Jamie stated it would be "jumping the gun" a little as JUB Engineering is still working on numbers for the project. But with the opportunity for this HUD grant he is asking if we can get an application submitted to see if the City can get grant monies to help offset costs with the project. Cindy Gooch, JUB Engineering will be the one writing the grant and will not be getting compensated by the City. Jamie said this grant will be submitted by the end of the month and we will know by the first of next year if we will receive any monies.

The members and Jamie went over concerns about the plant that could be affected by future growth and needs. There was discussion on future possibilities of a subdivision being annexed into the City and

the impact it would have and how the plant could handle the growth. Attorney Crane reminded the members of the annexation policy declaration which insists whoever comes in pay for the enlarging of any infrastructure needed. Also, impact fees from a new development will pay for the enlarging of the plant. The concern is if the plant can accommodate the growth, then you don't have to replace the fundamentals and all you would need to do is add an additional unit.

Fran had a concern with the new numbers – with the new numbers we have sharpened our pencils too much? Are we possibly seeing the numbers too conservative instead of more realistically at the higher bid. Jamie explained that conservative means it is based on where the market will be when the project goes out for bid. Attorney Crane also clarified that if this project comes in under the amount that is approved the City would have to pay our full portion and then the grant would pay the remainder.

Attorney Crane asked Mike his opinion on the 10% contingency amount. Mike stated the 10% seems okay due to the magnitude of the project. Attorney Crane commented the difficulty with this is that we have no hard bid coming in which would give you a really good idea what the project is coming in at. Bill added that in his experience the 10% contingency is pretty standard with projects this size. There was more discussion on Coalville City's new plant. This is where most of the numbers are coming from for our project. The members went over several cost and bid scenarios that could potentially affect the grant.

The members discussed the points system for the grant applications. Attorney Crane clarified that 3 points is quite significant on a grant application. Bill shared his experience regarding points for grant application and the importance of the points. Mayor Little stated he had talked to several people and gathered and shared their thoughts and knowledge on the issue.

Bill made a motion - once the motion was made Fran brought up a concern and the members discussed the wording of the motion. Tony brought up his concern about the cost again and asked Attorney Crane his thoughts. Attorney Crane stated that the federal government can't force small cities into bankruptcy but if we can stay around the 5 million we are looking at, at least that is palatable.

MOTION: Bill Cobabe moved to authorize Mayor Little to sign the documentation to pursue the HUD grant in the amount of 40% of the \$11,990,000 estimated cost of the project.

SECOND: Fran Hopkin.

ROLL CALL VOTE: Mike Kendell – aye  
Bill Cobabe – aye  
Jeff Wardell – not present  
Tony London – aye  
Fran Hopkin - aye

### **Report on Electric Outage**

Mayor Little reported on today's activities. He stated the transformer blew up at the Island Road Substation and a portion of the town is without power. They have looked at replacing that substation for a while but at this point there are some choices to make. What they ended up doing is bringing in a generator from Wheeler Machinery and hooking it into the system temporarily. Mayor Little is not sure

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what the next step will be. Paul has been working all day to get the generator up and running. Mayor Little stated they will be having a meeting at 7:00 a.m. and invited the members to attend to discuss option on the situation.

**Discussion on Meeting Scheduling**

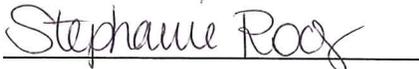
Mayor Little stated the last few months have been unacceptable with attendance at council meetings. He addressed meeting times, attendance, and material that is sent out to the members. He encouraged feedback on these issues as he wants the meetings to be productive. He also asked members to read the information that is provided both by email and hard copy before they come to meeting.

There was a lengthy discussion on how the members wanted to receive their packets and information along with what time meetings should be held. It was decided that work session would still be held at 6:00 p.m. unless there was a large agenda, it then would be held at 5:30 p.m. Council meeting will still be held at 7:00 p.m.

**Special Reports**

Tony stated he met with Steve Robinson the contractor for sanitation. They spoke about the cost of the roll-off containers at the transfer station. Steve requested an increase as it costs more to maintain the roll-offs. Tony stated he didn't foresee having to raise rates, he feels the City would be able to take care of it as it is now.

This meeting adjourned at 9:00 p.m.



Stephanie Roos, Deputy Recorder

These minutes were approved at the 10-13-15 meeting.