

Spring City Council Work-Meeting Minutes

Thursday, November 11, 2021, 5:00 p.m.

Work meeting was held in the Council room at Spring City Hall, 45 South 100 East, Spring City, Utah

Attendees: Ruth Ann McCain, recorder, Mike Black,

Roll Call: Craig Clark, George Kenzy, Chris Anderson, Mayor Cynthia DeGrey, Courtney Syme, Paul Penrod

Direct Deposit Discussion

Chad Bishoff and Nate Christensen from Zion's Bank met with Mayer DeGrey and Ruth Ann McCain to discuss options for direct deposit with them. Option one would be to outsource our payroll. Option two would be full service with a NACHA file. Ruth Ann would create the file and send it to Zion's bank. We can have two people approve the transaction like we now have two people sign our check. With this option they would give us a discount because we are such a small operation. There would be a yearly fee of \$60 and a monthly charge of \$44. Each transaction would be \$.16. We would also be able to transfer money electronically from one bank to the other. Option three is a basic ACH. There is a monthly fee of \$10 and \$.50 per transaction. We would need to take a check to the bank to deposit money for payroll. When we turn in our payroll to be paid there will be a two-day turnaround. Mayor DeGrey will meet with Cache Valley Bank and Mountain America to see what their fees and systems are. It was also decided to speak with the employees to make sure that they are okay with waiting a day more to receive their checks.

Purchase Order Policy Revision Discussion

Council Member Courtney Syme stated that the office staff have let it be known that purchases are being made purchase before a purchase order is requested. The revision of the purchase order policy is more instructive than our current purchase order policy. This will make it clearer about the need for a purchase order before a purchase is made. Council Member Craig Clark stated that getting a purchase order before a purchase is made may help us receive invoices in a timelier manner from some of the companies we use. Council members were asked to review the draft purchase order policy with plans to put it on the council meeting agenda for approval.

Septic Truck Dump Disposal Discussion

Council Member George Kenzy stated that Jim reported that both the federal and state require plate liners in the sewer cells and currently our third cell is defective and cannot be used since any fluid that enters this cell will immediately flow into the irrigation ditch. The federal water act and the state administrative rules would prohibit, and in fact, find us in violation if we used the third cell as a septic tank clean out. It will be quite costly to get the third pond ready to be used. To have a septic truck dump in one of the other cells would require a modification of our state permit and also require some modification of our working cells to have a cement ramp built.

Mayor DeGrey said she will call Scott Drew and let him know that we are not prepared to take on the expense right now to make a dumping station for a septic truck.

Council Member Craig Clark motioned to adjourn the meeting. Motion was seconded by Council Member George Kenzy. All were in favor.

Adjourned: 5:55



APPROVED

ZIONS BANK DIRECT DEPOSIT

1. Plan One

- Payroll Services – Outsource the entire payroll which would include payroll, taxes, time clock.
 - If we want this option, they will provide a quote for us.

2. Plan Two – **NACHA File – This would create the file and send it to Zions Bank System

- They would give us a discounted rate because we are a small account
 - \$55.00 reduced to \$44.00 a month with an annual renewal fee of \$60.00
 - \$.16 per transaction
- They will provide support
- Same day deposits can be made but there will be additional costs to do this.

3. Plan Three – Basic ACH

- Ruth Ann would log into the computer and complete the direct deposit from there – no NACHA file would be created
- There will be a two-day turn around
- Cost will be \$10.00 a month plus \$0.50 per paycheck

** A NACHA file is a set of electronic instructions that triggers a batch of ACH payments as soon as it is uploaded, into a bank portal, moving payments from one bank account to another. This format is the protocol for structuring those instructions in a way that successfully initiates the payments and includes information like account number, routing number, file header and trailer, batch header record with service, entry detail record.

Zions Bank could also offer us a check scanner:

\$125.00 Set Up Fee

\$ 35.00 a month

\$ 0.70 deposit

\$ 0.13 a check plus the \$ 0.70

(DRAFT) work copy September 16, 2021
Spring City Purchasing Policy

A purchasing policy is necessary to ensure that city funds are protected and spent within standards of accountability and responsibility to tax payers and citizens.

When procurement involves the expenditures of federal-assistance funds the city shall comply with applicable federal laws and regulations (*reference?*) and applicable city requirements. Procurement involving the expenditures of Spring City funds, shall follow the purchasing policy defined below:

Procedures:

- A. All purchases will be made through a purchase order issued (*from or by?*) the city-purchasing agent (*official or deputy treasurer?*). Purchases exceeding \$500 require advanced approval. Department Superintendents may, under an open PO approved by the mayor and city-purchasing agent, make purchases up to \$500. This will facilitate the purchase of items needed for repairs and items required for the day-to-day operation of the City. Receipts for all items purchased must be given to the purchasing agent in a reasonably timely manner.
- B. All purchase orders must be approved by the city council member with responsibility over the specific department and the mayor before payment for purchase is made. The PO and invoice must be reconciled and in agreement for payment.

Bid Thresholds and disclosure requirements are as follows:

- C. Items costing up to \$2,499.99 require due diligence and proper documentation by first requesting a PO, obtaining an estimated cost, and returning receipts in a timely manner.
- D. Items costing \$2,500 to \$4,999.99 shall require three bids (written, telephone (fax), or email). Bids shall be documented, but will not require council approval for amounts budgeted within the department. A PO is required before purchase is made.
- E. Items costing \$5,000 or more shall require formal public solicitation in a Request for Proposal (RFP). The RFP will specify an itemized list of requirements. Three formal written bids are required. Council approval is required before a PO will be issued granting purchase authorization.
- F. Bid selection shall be made by the City Council (*in an official council meeting?*). If the lowest bid is not selected reasons will be documented.
- G. The City Council will have the final approval for any purchases of \$5,000 or more.
- H. Food Purchases—Food may be purchased at the City's expense under the following conditions:
 - 1. For approved official City functions, meetings, parties, and celebrations.
 - 2. With prior approval of the City Council (excluding emergencies)
 - 3. Food purchases shall be made according to City purchasing policies.