

Sterling Town Council Meeting

Minutes Tuesday Sept 20, 2022

7:00 PM

1. Pledge of Allegiance:

Town council and audience stand and recite the pledge of allegiance.

Community present: Linda Christiansen, Scott Johnson, Nick Lyon, Lisa Gubler, Sheila Manwill, Shayne Burton, Lance Burton and Zeb Wignal.

2. Roll Call: Justin Alder, here; Heather Myers, here; Mayor Keenan Pearson, here; Yvonne Larsen, here; Tami Privett, here; Kristina Winkel, here.

Meeting is called to order at 7:08

3. Reading of Minutes from Previous Meeting:

Yvonne, Heather, Mayor Pearson and Tami have read the minutes. Kris states that Yvoone had made a suggestion earlier to put page numbers with the date and name of the meeting and number the items from the agenda. I have done this for the previous minutes and will do so going forward.

4. Approval of Minutes from Previous Meeting:

Heather makes a motion that we accept the minutes as they are. Tami seconds the motion. All those in favor: Heather, eye; Tami, eye; Yvonne, absent, Justin, passes; Mayor Pearson, eye. Motion passes.

5. Discussion and vote on Corrective Action Plan, Fraud Risk Assessment and Self Evaluation forms all in regards to the “on hold” status:

Healthier asks if it is possible we table this until the next agenda. Mayor states no, or we will be suspended.

Tami states the papers she had handed out refer to the 2020 audit. I have previously given you this information via email. These are the items that they noted we were doing incorrectly. You will find them on the last page, we need to review them and Mayor Pearson will sign it. These answers are how we are going to remedy the things we were doing wrong and the answers are based on what the town said they would do at the time of the audit. The following is what we agreed to do:

- We agreed to use one credit card. Discussion that there is more than one card but they all come on the same statement.
- The Mayor has to review the reconciliation by signing the bank statements every month.
- The town clerk will post the minutes to the Utah Public website within three days of the minutes being approved.

- The town will transfer the excess funds (from the general fund) to the PTIF as recommended. When we have excess of 75%, it should be transferred to PTIF to earn interest.
- Sterling Town has made it an annual requirement to do the online OPTNA Training for each public official and provide their certificate to the town clerk.
- Sterling Town has made it an annual requirement for their records officer to complete the GRAMA online training and provide their certificate to the town clerk and mayor as recommended and required.
- Sterling town will complete the fraud risk assessment, discuss it at the next council meeting and have it signed and uploaded to the State Auditor's site as recommended and required. The one we are doing tonight is for the 2020-2021 audit.

We are doing all this so that we can get off the “on hold” status so that we can work on getting some grants and be compliant and get our ARPA and tax money.

Council performs the Fraud Risk Assessment:

1. Does the entity have adequate basic separation of duties or mitigating controls, as outlined in the attached basic Separation of Duties Questionnaire? **YES**
2. Does the entity's governing body adopt written policies in the following areas: Conflict of interest? **YES**. Procurement? **YES**. Ethical behavior? **YES**. Reporting fraud and abuse? **YES**. Travel? **NO**. Credit/Purchasing cards (where applicable)? **YES**. Personal use of entity assets? **YES**. IT and computer security? **YES**.
3. Does the entity have a licensed or certified (CPA, CGFM, CMA, CIA, CFE, CGAP, CPFO) expert as part of its management team? **NO**. Do any members of the management team have at least a bachelor's degree in accounting? **NO**.
4. Are employees and elected officials required to annually commit in writing to abide by a statement of ethical behavior? **YES**.
5. Have all governing body members completed entity specific (District Board Member Training for local/special service districts & interlocal entities, Introductory Training for Municipal Officials for cities & towns, etc.)online training (training.auditor.utah.gov) within four years of term appointment/election date? **YES**.
6. Regardless of license or formal education, does at least one member of the management team receive at least 40 hours of formal training related to account, budgeting, or other financial areas each year? **YES**.
7. Does the entity have or promote a fraud hotline? **NO**
8. Does the entity have a formal internal audit function? **N/A**
9. Does the entity have a formal audit committee? **N/A**

Council performs the Basic Separation of Duties:

1. Does the entity have a board chair, clerk, and treasurer who are three separate people? **YES**.
2. Are all the people who are able to receive cash or check payments different from all the people who are able to make general ledger entries? **YES**.

3. Are all the people who are able to collect cash or check payments different from all the people who are able to adjust customer accounts? If no customer accounts, check N/A. **YES.**
4. Are all the people who have access to blank checks different from those who are authorized signers? **YES.**
5. Does someone other than the clerk and treasurer reconcile all bank accounts OR are original bank statements reviewed by a person other than the clerk or detect unauthorized disbursements? **YES.**
6. Does someone other than the clerk review periodic reports of all general ledger accounts to identify unauthorized payments recorded in those accounts? **YES.**
7. Are original credit/purchases card statements received directly from the card company by someone other than the card holder? **YES.**
8. Does someone other than the credit/purchase card holder ensure that all card purchases are supported with receipts or other supporting documentation? **YES.**
9. Does someone who is not a subordinate of the credit/purchase card holder review all card purchases for appropriateness (including the chief administrative officer and board members if they have a card)? **YES.**
10. Does the person who authorizes payment for goods or services, who is not the clerk, verify the receipt of goods or services? **YES.**
11. Does someone authorize payroll payments for goods or services, who is not the clerk, verify the receipt of goods or services? **YES.**
12. Does someone review all payroll payments who is separate from the person who prepares payroll payments? **YES.**

Council performs the Self-Evaluation Form:

1. Do the policies and procedures address the following: Receiving, recording, and timely deposit of funds? **YES.** Purchasing? **YES.** Approval of disbursements? **YES.** Records requests (GRAMA)--adoption of a uniform fee schedule if fees are being charged? **YES.** Record retention? **YES.**
2. Per your discussion, are staff knowledgeable of the policies? **NO.**
3. If financial expertise is lacking, has help been sought from peers, auditor, or outside consultants? **YES.**
4. Was the required 7-day notice given to the public for all budget hearings i.e., for original, amended, and final budget)? **YES.**
5. Was the original budget approved by the governing body before the start of the fiscal year? **YES.**
6. Did the original budget include three columns of data--(1) actual revenues/expenses from the last completed fiscal year, (2) estimated total revenues/expenses for the current fiscal year, and (3) budget estimates for the upcoming fiscal year? **YES.**
7. If any amendments were necessary, was the budget amended BEFORE payments were made that exceeded the budget and not just at the end of the year. **YES.**
8. Did the entity's expenses stay within the amount appropriated in the final budget? **YES.**
9. Municipalities only: Was the entity's unrestricted general fund balance (calculated as asset less liabilities less restricted funds such as funds set aside for B&C roads) less than

35% for cities or 100% for towns of the total revenue of the general fund for the year?
YES.

Council agrees the remaining questions are repetitious and Tami will get with Yvonne and finish and have the Mayor sign it and upload it by the 30th.

Mayor Pearson expresses gratitude to Tami for all her work as deputy clerk.

6. Update on the GIS Training:

Justin states that it went well and what they have is going to really help us. We will actually know where the fire hydrants are, the pressure reducing stations and where the lines are. I think it's great, we will be able to log in to the website and view and have edit capabilities. Justin addresses Scott and suggests, with the hydrants, that it would be great to have Nick look over it. Scott states that he will be getting GPS locations on all the fire hydrants.

7. Discussion on Utah Code Standards, and separation of duties:

Mayor suggests the council table this until next time. Heather seconds it. All those in favor; Justin, eye; Heather, eye; Tami, eye; Yvonne not present.

8. Code on location of buildings on properties, code on portable containers and P&Z's review of this information.

Mayor Pearson states that there have been a few concerns brought to his attention regarding the portable storage containers at the old store. They are placed too close to the road according to code. One of the people who brought this up states they know the county inspector and wouldn't be surprised if he did approve it and never put it in. It was Gary Bringham who called me on this and I saw him at the last County Commissioners Meeting. Gary told him that he had contacted the county and there is no record of the county giving permission for the portable containers. We went over an email of approval last time. It looks like maybe something got missed, something got done wrong. If the mistake is on our end, how do we keep this from happening again? If we sweep it under the rug, it's like it's complicit or intentional. We are a small town and we are trying to do the best we can. We are trying to see where things were not followed or maybe they were but we don't have all the information and have bad communication.

Justin asks if there is a code or rule regarding this. Mayor states yes, they can't be within 30 feet of the road. Justin asks how far are they? Tami states they are almost on the state line. Yvonne states they are lined up with the store. Mayor states the store is grandfathered in. Justin asks how close to the road are they? Tami states that the old store, Lily's is not even 30 feet back because it was grandfathered and this is in front of that and close to the line, isn't it supposed to be 10 feet from the property line? Justin states he thinks that's the proposed ordinance but right now the ordinance says one foot. Zeb confirms that the current code is one foot on the sides and 10 or 30 feet in the front.

Zeb states that this is different because it's a temporary structure. Tami states it's not because the county technically refers to this as a permanent structure because there is a roof and two

storage units connected, which makes it a building. Tami refers to the email and Scott Johnson states that those are not Sterning's rules. Yvoone agrees. Tami asks why did we call the county and call off the "red tag?" The containers were put there before August 16th and they are not 30 feet back. Tami states that they should have come to the Planning and Zoning to talk about it before doing it and not going to Zeb or talking to Yvoone about what was going to be allowed. Tami states her concern is that proper procedure was not followed. Mayor acknowledges the email and stresses that probably what happened is that the Manwells realized there might be an issue and tried to get it approved.

Tami states that there is not a signature on the letter and it is not a binding contract. Justin asks if this requires a building permit? Tami states yes, when its two containers and they are connected. Tami states that the county even wants something if it's temporary. Did the county require a building permit? Tami states that because a building permit was not attained, the county came out and "red tagged" it. Justin states that if it's red tagged, they are under probation. Tami states No because Yvoone called and canceled it. Yvoone states that she did not call and cancel it. She called and talked with the county and they agreed to go along with whatever we decide to do. Justin states that if the county requires a building permit, the Town does not have much to say, that's my understanding. Justin asks Zeb for clarification. Zeb states that it would fall under our code if it's within our city limits. Tami states if it's a building permit, it would default to the county.

Justin states that his opinion is that we have already given them approval for one year. Tami states that we didn't approve it because it was not on the agenda and there was not a vote. Justin states that for all intents and purposes, they were under the impression that we approved it. Zeb states that he talked with the county and they said if it's a temporary structure then the town can give permission. Zeb states he previously came to the council with this information. Tami states Zeb should have brought it to his planning and zoning commission and dealt with it more officially. Mayor Pearson makes it clear that Zeb brought this up to the Planning and Zoning Commission last week and agrees that he should have done it this way.

Tami states the containers need to be 30 feet back or we are going to have people doing this all over. Mayor Pearson states that if we did make a mistake, and it's the city council's decision to go forward with this, then that is fine. But we need to address it so when the next person comes along and decides to do this, it's got to be consistent. If we start to enforce a rule that we have never enforced, we have got to have a moment where we said we made a mistake and we are going to enforce it. Mayor explains there are towns who don't enforce rules and until they come out and state they are going to start enforcing them, then you're selectively enforcing even if it's in the law.

Mayor Pearson makes it clear that this is not an attack on Zeb or the residents or the people who own the storage units. We are just trying to figure out how to move forward with this correctly and in an open way. Part of that is if we make a mistake and procedures were not followed, we can't sweep it under the rug.

Tami asks Zeb if he talked with the owners to see if they can push back the storage units. Zeb explains, there is no where to push them back because they would be in the neighbors yard. Tami explains what happens when a temporary building is not removed and you don't have anything valid to take to a court. We can't do anything! Manti has a situation like this that they lost in court. Zeb states the resident will sign the letter. Justin states we already approved it. Tami states she did based on the information given that the county was okay with it if we were. Justin states that we should make it clear that this is not going to happen again and in my opinion, shipping containers should not be allowed on mainstreet. Justin states that he thinks it's too late to ask the containers be removed. Tami states that we should do something to protect us should a year come and go and the containers are still there. Justin states we should have some kind of contract. Tami voices concern with others trying the same thing. Justin states we make it clear that this was a temporary thing and it was approved this time and will not be again in the future. Justin suggests that we have a contract, and specify that if they don't move it, the town will move it and it will become property of the town. Tami states that when the year is up, other options open up to them due to it being a temporary building. Justin states that if the contract is notarized and then breached, we can do what we want with the containers.

Lisa Gubler sitting next to Sheila Manwill (owner of the storage containers) speaks for her. Lisa states that the Manwills purchased the Palmers house and then they filed bankruptcy and they were strapped to find a place to put their things. They had all their belongings ready to move in and then they couldn't. They were supposed to be moving into a house and had nowhere to go. They could not find a storage unit anywhere in the valley that was secure and safe to allow them time to figure out what's next. They have a daughter that is pregnant living with them. Tami states the county has issues when they put a roof over the two units which makes it a building. Tami voices concern if someone else comes along and does this, we won't be able to stop them. Yvoone states yes we can. Tami disagrees. Justin states we should move forward and ask the resident if they are willing to enter into a contract. The reply was by Lisa or Sheila that what does a person do when they thought they were moving into a house and then couldn't. Justin agrees that things have been hard for them, but it's no excuse for containers to be placed in the wrong spot with a roof.

Mayor Pearson states to the resident that he hopes they don't feel this is an attack on them, we have had people bring this up. He explains they have talked about this in Planning and Zoning and either we have a serious communication problem and we know of a couple of mistakes that were made along the way. We are not perfect, we are a small town and don't have college graduates that specialize in this. We are trying to make sure we improve as we go forward. Sheila Manwill states it has added stress and they were trying to make it look nice and help out the city and add to the value of the city. Justin shares that it does look nice for what it is. Sheila states there are so many things that she wants to do for the city.

Mayor Pearson states that they do have a serious case that we did approve the units. There were some communication problems and we are trying to move forward. Sheila is tearful. Justin asks Sheila how long she anticipates the litigation to be going on, and would it go beyond a year? Yvoone shares that the Palmers have taken up residency in Saratoga Springs but realizes

they still have access to this home. Sheila states that the Palmers are still living in the home and hide out during the day and don't come out until evening to water or cut the lawn. Yvoone states they changed their address to Saratoga Springs. Shelia is emotional when she explains that all of her "home" is in those storage units. Clarification, her belongings are in them, she is not living in them.

Justin suggests they move on and get a contract signed as to when the units will be removed. Tami states we should have the attorney prepare them. Scott Johnson states that they have already signed a contract. Tami states it is not signed. Scott states the contract is signed. Tami states it needs more detail. Zeb states he will get the contract you need and they will sign it. Scott Johnson states that they have done a lot of work to make the storage units look nice and some mistakes were made, but in the last 20-30 years that he has been involved with the city council, and planning and zoning, we made a lot of mistakes over the years, so you don't need to punish someone. I guarantee you, trying to make them move those things at this point will only create a kahos that you don't need. There is no reason for it. When the year is up and they don't move them, then you have something to go to court with. Tami disagrees stating code has changed a lot. Scott verbalized disapproval by making the residents move the storage units. Mayor Pearson clarifies that we are not going to do that and it's not about that.

Justin suggested we make a motion to see what the council thinks. Mayor Pearson suggests we have the attorney put something together. Justin voices that could be a waste of money, someone can write it up and we have it signed. Mayor states there are some upset townspeople. Tami states we have been threatened with two lawsuits. Scott suggests telling the upset people that yes some mistakes were made and we are going to deal with it the best we can. Tami states we need an official document dated and notarized. Scott shares that in his 20 years in law enforcement and watching the judges and how things work, the council is over reacting.

Justin states this is getting out of control and asks Sheila if she is willing to come up and state that she intends on fulfilling the contract as written in the email on record and lets be done with it. Heather asks that she come to the podium and say just that. Lisa Gubler states that they need to figure out what they are doing and where they are going. When you say August, that's not that far away and to expect that of them is unreasonable. Lisa states this has been hard on Sheila and some days she is not able to get out of bed. Justin states, "So what you are telling us right now is that you're already planning to breach the contract." Sheila stated that Troy said a year would be fine, but I'm not sure if that's realistic. Justin continues, "If you intend on keeping it longer, I think we need to understand that and it could be agreed upon that longer is okay if that is the case, but I think it needs to be clear. Right now we have a date when they will be moved and have a good understanding of what is going to happen. I don't think most of the people of the council are opposed to leaving them there for the time you need, which so far has been agreed upon for basically a year, a month ago. If it goes beyond that, it will definitely cause some issues." Sheila states August 16th is okay. Heather states that if you go beyond Aug 16, 2023 we will need to re-negotiate a deal or you will have to have them moved. Sheila states okay. Lisa states that if they have to have them moved, they can put them on her property. Justin stated if they need an extra month that's okay. Yvoone states that they have 10 months to work on it and

Tami said to keep the communication going. Sheila states, "okay." Heather recommends that they stay in contact with Zeb and with the council.

Justin states he wants to make a motion that we uphold the agreement we made last time for these containers to be there until the date specified on that email. Heather seconds the motion. Mayor Pearson asks all those in favor. Justin, eye; Yvoone, eye; Heather, eye; and Tami, nay. Tami states more information is needed. Motion passes.

Mayor Pearson explains that normally we would have to have "vote" on here, but we have given verbal permission in the past.

Justin states for the agenda next time, we should discuss containers on mainstreet. Mayor states we can get that sent out to Planning and Zoning. Zeb adds that all containers have to be painted.

9. Presentation on Positive Signs for Sterling by Linda Christiansen:

Linda verbalized gratitude for being here and states she was here a year ago expressing the desire to start a non-profit organization that prints and distributes positivity signs. She has obtained the status of being a non-profit and has been distributing the positivity signs throughout the county and as of last week they have printed 500 and distributed about 425 throughout Sanpete County and beyond. One of the newest signs says "Love Harder", "Be Kinder." On the other side the sign says, "Your Life Matters." If you have seen these signs around, it is from this non-profit organization called Sanpete Kindness.

The organization is run all by donations, so they don't charge for the signs. Sanpete Kindness hosted their first annual fundraiser softball tournament last June in Manti and it was a great success to raise money for future events, Fairview City donated a derby car and raffled off the driver spot and a lot of raffle tickets were sold. That derby alone raised about \$4,000. Sanpete Kindness was also co-partners in a Mural in Ephraim at the sports park next to the softball complex that has a pretty butterfly kindness mural painted there. Linda states they like to take something dingy and gray and make it happy and brighter.

Linda explains she has been going around to the different towns and telling her story and when the commissioners heard about it, they donated. We are trying to spread the printing from the donation county wide by printing banner size and presenting one to each of the towns and cities. Tonight I present the town of Sterling a banner and you can put it anywhere with your discretion. What we want to do is be able to change out the sign, so it doesn't become stagnant and loses its draw, especially to the local people. As a committee, we will rotate the signs. I will call Yvonne or whoever and set up when and how the signs will be rotated.

This month is suicide prevention month and recently the national suicide prevention hotline number was shortened from ten digits to three; 988. So now if a person is in a crisis they can call 988. So another project we are working on with the firefighters is printing stickers and window decals with the message that if you're struggling, call this

number. We are looking to put them on police cars, fire trucks or anyone or business who would like the message. I have talked with Nick Lyon. We want people to understand that the number 988 is there to help.

We are looking to put them on police cars, fire trucks, city vehicles or anyone or business who would like the message. We want people to understand that the number 988 is there and there is help. Custom Electric wants to put them on their trucks and Centra Com as well. Just like 911 for an emergency, there is 988 for a crisis and you don't have to google a number. We are working on a design for the fire trucks, police cars and city vehicles. I can forward the design to Nick or Yvonne and if you're interested, we can get some to you.

Mayor Pearson asks Yvonne a location she has in mind for the sign and he has some rough cut lumber he can donate. Discussion continues on possible locations; the hwy, the side of Lily's old store, and entrance sign or fence, Boston's property or on a stack of hay bales. Linda shares that the signs should not be put anywhere that can cause a distraction and legally can go anywhere that a campaign sign would go. Discussion on sizes and continues: for a billboard size, you will need to put it in a business zone and require a billboard permit. My logo is on all of the signs so if they are in a place they should not be, UDOT will notify her. Shane suggested putting a sign on the school buses. Linda states she has an appointment with the Hope Squad at North Sanpete and hopes there will be an in for that.

Mayor Pearson verbalized gratitude to Linda and her organization and everything they do to improve people's lives. Mayor asks if it is okay that we put Lindas contact in the water bill and she agrees. Mayor explains that as a town the council has agreed to not make donations, but we can give your information to the town citizens and they may choose to donate.

Linda shares how this cause is near and dear to her heart and just last week she was on Fox 13 News and the demand for the signs has greatly increased. People from all over Utah are wanting signs. It's great to see how the love from Sanpete is touching all parts of Utah. Linda can be contacted by her cell 435-851-6354 and they are on Facebook where you can message her daughter. They are also working on flags that towns and cities can hang in between holidays to have something bright and cheerful to look at. I appreciate you allowing me to come.

10. Discussion and vote on jackets for the fire department:

Mayor Pearson asks Heather to talk about the jackets. Heather explains that in the past she was at a meeting and received approval to get the firefighters jackets and would like to get this done. "They deserve it and it would be something very nice for the town to do for the firefighters." Yvonne asks if these are personal jackets and Heathers replies, "Yes, that says Sterling Fire Department." Tami asks for a cost. Heather replies they are between \$75 and \$100. Justin asks how many and Healthier replies 13. Justin asks what fund we will be taking this out of? It will come out of the Fire budget.

Heather makes a motion to approve the purchase of jackets for all of the volunteer firefighters. Yvonne seconds the motion. Mayor asks all those in favor; Yvonne, eye; Heather, eye; Justin, eye; Tami, eye. Motion passes.

11. Keys for water and city buildings:

Keys for water:

Mayor Pearson asks Scott for clarification as to how many keys should we have for the chlorinator? Mayor states he would like to go up there and help Jim at least once a week with the water system and that way if he needs to go on vacation, he can cover for Jim. Scott explains that you have to be very careful about that, as a water operator, you don't want a lot of people going in and out of there. Chlorine is the deadliest gas, 2 breaths and it will kill you. It's not something you want untrained people to have access to. Scott states he does not have a key and if Jim goes out of town, he uses Jim's key. I don't work for the city anymore, but I find myself still involved and I don't mind to a point. So whoever has a key, it should be limited.

Mayor Pearson asks in keeping track of the chlorinator and making sure the chlorine is going in, can that be done without going inside the chlorine side of the shed? Scott replies No and explains that when you're going up to check it, you check the chlorine tank first and make sure everything is right; the hose, the overflow hose and make sure all of that is in place. Then you go in on the other side and make sure it's flowing and the numbers look right. Scott tells Mayor Pearson he could do all that, but would need to be trained and Jim could train you.

Scott opens discussion on the water operator. He explains that Jim is not the water operator and he does not think he is planning on getting his water operator license. Scott states that Justin is working on it and that it is a license from the state. Once you have that license and you take responsibility for the system, the liability is on that person. When I was the water operator, the liability was on me and anyone who goes up there, I was responsible. You will learn this during your water operator training. You can't just let anyone in and out of there. Scott explains you don't have to be a trained water operator to do it, but stresses the importance of proper training and licensing and those not trained, to follow the lead of those who are. Scott states that his certification expires in 30 days and he is not planning on renewing it and someone needs to get certified. So this means there is not a water operator in Sterling and they will give you one year to get a new one. I gave notice on April 15, 2022. Just FYI, there is quite a lot of liability there and you need to make sure that whoever is checking it and overseeing it, is a certified water operator. Scott asks if that answers his questions and Mayor Pearson states yes and that he does not mind doing the water operator training and he thinks Jim may have changed his mind about being the water operator.

Mayor Pearson asks Justin what he thinks we should do about the water keys. Justin states we should have two so that we have a backup set and we do need to be careful. Mayor asks Justin if he is okay that he also is getting certified and Justin states that he thinks we should have a couple people certified. Yvoone states that it should be a condition that nobody goes up alone. Justin states that it's difficult enough to just get one person up there. Tami states liability wise, we could have somebody on the phone while one person goes up.

Heather states we should table this discussion. Justin states there are a few topics we covered in this discussion that should be separate. Mayor states that if we change it, we need to dismiss it. Justin agrees we need to break them down.

Keys for City Building:

Mayor Pearson requests that Tami have a key that opens the Mayor's office because I'm planning on keeping some items in there for the Prep Group. I know they have a storage room downstairs but it would make it easier for me. Justin and Yvonne question why they would need access to the Mayor's office. Tami clarifies that the stuff in question is stuff the Mayor uses for the prep group to avoid using the stairs. Mayor Pearson states that it is not stuff for the prep group but presentations he has done in the past. Justin asks for clarification if the prep group is a delegated group of the town. Mayor answers, No. Justin voices concern about protocol and liability. If the prep group is not a delegated group of the town, then the preparation of the group meetings would not require access to any city offices. Justin asks if the prep squad is a non-profit and are we using town facilities for non-profit stuff? I apologize I have not been to the meetings and don't know the workings of it. Mayor Pearson answered, "I don't think so." Stacy Lyon and Yvonne shared with me one of the purposes of building this building is that it would really help the community, that's why we allow the prep group to use the storage downstairs. Justin states he is trying to understand it and voices how important the prep squad is for the town, they are helping with emergency preparedness. Is it a non-profit?

Shane Burton answered, No, it is not a non-profit. Shane clarifies that the non-profit is separate from the preparedness group. The non-profit helps support some of the things the preparedness group does. When we come here and meet on Thursdays, it's for the preparedness group. None of my non-profit stuff is stored here at all. It's only stuff that has been donated to the group from the non-profit or from somewhere else. The two are separate entities. Just so you know, nothing that goes on here has anything to do with the non-profit unless I were to approach you and ask. For instance we are doing a children's festival and it will be above the co-op in Ephraim. If I were going to use the building or the park for that type of a fundraiser, I would approach you and ask for permission. I have kept the two separate. I don't use this building for nonprofit things.

Justin clarifies that the preparedness group is not a town delegation, and would not need access to the Mayor's office. Heather verbalizes this as well. Tami clarifies that the things that will be in the Mayor's office would be items he uses for presentations to avoid the stairs. Tami clarifies that what she thinks Justin is trying to say is that by having someone on the council oversee what the prep group does so we can say, Yes we are being responsible. It's not where we tell you what to do, but instead report back and say this is some of the classes they are doing. Shane states she sends out an email twice a week and anyone who wants to be on that can know exactly what we are doing. Anyone who has a concern may come to the meetings. Justin states it like this, we have the DUP and the Bunko group come to the building, but why would they need access to the offices? It could be a little conflict of interest. Mayor Pearson states he can see that. Justin says it makes sense if the Mayor is appointed to oversee the prep squad and then it makes sense that he has prep squad things in his office. Tami states then we would get credit for having a preparation group. Justin states that he does not have a problem with something being stored in

the Mayor's office but if the town council is using the office for anything other than town business, that is my concern. Justin states the prep squad is not affiliated officially with the town, although they do serve the town. Justin states there needs to be a connection there to make the request legitimate.

Mayor Pearson states he can understand Justin's point and asks the question, what level of keys can a city officer have that does not have a designated office? Tami states going down stairs to the storage room requires a master key. Mayor Pearson states that he agrees with Justin. Yvoone clarifies that when the building was built, they wanted the community to have access to it, which requires the city offices to be locked.

Justin makes a motion to dismiss item #11. Heather seconds the motions. Mayor Pearson asks all those in favor. Justin, eye; Heather, eye, Yvoone, eye; and Tami, eye. Motion passes unanimous to dismiss item #11 discussion on keys for water and city building.

12. Discussion and vote on Selling the Mule:

Mayor states that Jim feels if we don't sell the mule soon, it will be too old to sell. Mayor states that Jim recommends that by selling the mule, we will have room in the shed for the snow plow. Jim is willing to work with us on a rental fee for the equipment he has. Justin asks if this is two different items, we have selling the mule and renting Jim's equipment. Mayor states that the first thing is whether we want to sell the mule or not. Justin states we should sell it and on public bid. Mayor states that Jim may be interested in purchasing the mule and could we give him credit for use of his tools towards the cost of the mule. Justin states it needs to go out for public bid and if he wins the bid, we need to do that separately. Justin clarifies asking if Jim wins the bid, we would trade him with the use of his equipment? Mayor answered yes. Justin and Tami state that this can get messy. Justin states that if we want to work out a rental fee with him, then we can work it out. Yvoone agrees this should be entirely separate.

Justin makes a motion that the mule be sold at public auction. Heather seconds the motion. Mayor asks all those in favor. Yvonne, eye; Justin, eye; Heather, eye and Tami, eye. Motion passes.

13. Water Inspection Review:

Mayor asks Scott Johnson to give an update on the recent water inspection. Scott Johnson states that it's called a sanitary inspection and he and Jim and the inspector went through everything from the springs down to the water entering homes. The inspection went really well, "I'm very proud of our system." The inspector was amazed and told us that this is the nicest system he has seen to date. All of our gaskets were in place, the covers that cover the water tanks were in place and the screens were in place. Everything is protected as it should be. Scott shares that the inspector told him that he couldn't find anything wrong and that our system is the best he has seen so far. Scott explains that he inspects half of the state and another inspector does the other half and when he was praising our system, Tami happened to be present to hear it. The inspector told them that we have the cleanest, safest water to date. Scott shares that not only were there no violations, there were no suggestions for improvement. Tami states that the

inspector said he would refer our system to other towns. Scott states that we should all be proud of our water system.

Mayor Pearson asks Justin if he has anything to add. Justin states no and thanks Scott for all his hard work.

Justin talks about the water leak and states we have been running the well a lot the last little bit and the water consumption out of the top tank has increased significantly. Justin asks Scott if he has any thoughts on that? Scott states he has given it a lot of thought and talks with Jim about it twice a week. They have walked almost every bit of it and they are not sure where the leak is. Scott states he does not know where the water is going and we are losing a ton of water and it is very concerning. It was 5,000 gallons a day and I think it is more now. We do have a problem and it has got to be a leak. We have exhausted everything we can think of, we don't think anyone is stealing the water, I really think we have an underground leak somewhere. Justin states that he has talked with Jim he would like to walk the creek bottom with Jim and Scott, explaining there is a real potential the leak is down in the bottom of the creek. Justin asks Scott to let him know when they are going to go so that he can join them

Scott states that he has said to Jim that they will wait until the irrigation water has been turned off and people are not watering lawns and that it has turned cold. I think we will be able to watch it and see if anything turns up and I hope it will. The next step, if we can't find the leak, is to start turning the water off for 4-5 hours by isolating a section at a time. I hate to do that to the town, but we will have to turn the water off for 4-5 hours, isolate a section to see if we are losing water between the center street pressure reduction station and the lower tank. I think that is the first one we will want to do. I think it's going to be hard to isolate but I think we need to try. I'd say wait until late fall, early winter. Yvonne asks if anyone has contacted LaMar on where he might think the leak is. Scott states he has not talked with LaMar.

Justin states that he needs to get the dimensions of the tank from Yvonne, but it looks to him that according to the data spread out, we are getting a significantly less amount of water out of the springs and this may be due to it being the end of summer and its dry. Scott states that could be the bottom spring which we have not ever been able to measure accurately and that's the one that keeps us afloat. Scott states that when he and Jim did the sanitary inspection a month or so ago, the upper springs are actually running a little higher than they were. So we are actually pulling more water out of the upper springs than we were mid summer and early spring. So it could be that bottom spring, that's a possibility.

Justin provides an update on the pressure reducing box. He explains they tested the water coming into the pressure reducing box and it was chlorinated and we could not find the leak and all of a sudden there is no water coming into the box. We are dumbfounded as to what is going on up there, because there was chlorinated watering going into the box and now it's dry. Scott states it has been a tough one and hopes they will find the leak. He explains we are skating along because we are using the well, but that is not a good thing, not a good thing and all.

14. Discussion on gas for equipment (dump truck and general equipment):

Mayor Pearson states that Jim was not charging the town for gas and I would like to put a system in place for when Jim needs gas for equipment. When I talked with Jim, it seems like he was never charging the town for gas. Jim drives to Gunnison to fill up the dump truck which takes diesel and we may want to consider having more on hand here. Justin states he doesn't think we can justify having a tank for diesel because it will go bad before we use it all. Driving to Gunnison to fill it up makes sense and maybe we could schedule all services for the dump truck in Gunnison.

Mayor states that he would like a system in place for what Jim does when he needs to put gas in the dump truck or his own truck for city business/maintenance so no expense comes out of his pocket. Justin states it does make sense to have a gasoline tank for lawn mower and equipment use. Mayor asks if we have a deal at the local gas station. Yvoone states we can charge there. Tami states that he has been signing on there already, but sometimes they are not open. Heather states that if he goes to Gunnison to get gas, he will need to contact Yvoone to get the card. Council discusses the possibility of getting a small gas tank or small jugs on the side. Council discusses mailing water samples and Scott states that it's safer to take them to Richfield and there is a process or chain of command.

Yvoone states we need a system, or routine. Justin states we need to decide how to reimburse Jim for gas when he uses his personal vehicle. Tami states that we should reimburse miles, not gas. If he fills up his truck, we are paying for the gas he used for the city, not the whole tank. Yvonne will look into how other municipalities handle this and we will go from there.

15. Discussion and vote on equipment rental fee from Jim Butcher:

Justin asks which equipment of Jim's is he asking for a rental fee? Mayor states that Heather has reached out to him on this topic and is not sure what equipment. Council members discuss some of Jim's equipment they have noted he has used. Justin states that we should purchase the equipment that is needed and it is not a general good idea to rent from our employees. If it is something we use once in a blue moon, we can rent it from Herminsons. If it is something we use in general, let's go buy it. Let's have the equipment available so that when the next guy comes, we have the supplies needed to do the job. Justin states that we should not expect Jim to use his own equipment. Tami voices potential liability if employees use their own equipment.

Mayor Pearson states that he thinks we should reimburse him for the equipment he has used and gas he has paid for. Justin agrees that we should not expect him to drive his own vehicle around and pay for the gas. Yvoone states that one of us can work on a grant to buy a city truck. Tami asks if we need to have a vote to repay him for what he has done because we didn't ask him to do that. Justin states that since we didn't ask him, it will be difficult to come up with receipts. Heather recommends we table this discussion until next time so we can find out what Jim has used. Justin and Yvoone clarify that Jim can either be reimbursed for gas with a receipt or get federal mileage reimbursement, but not both. Mayor asks if the council thinks we should reimburse him for past use of his equipment? Justin states it would be hard to quantify the amount, this is a gray area. Justin states that it is an issue on both sides, and if Jim needs

equipment, we need to buy it. Mayor asks if the council is okay tabling this in case new information comes forth.

Justin makes a motion to table this discussion concerning rental fees for the use of Jim Butchers equipment to be tabled. Heather seconds the motion. All those in favor. Yvonne, eye; Justin, eye; Heather, eye; Tami, eye. Motion to table discussion on equipment rental for Jim Butcher until the next city council passes.

16. Fire Department recognition of service quality.

Mayor Pearson states what great service the Fire Department does. He would like to put something in the utility bill to let the town know that the Sterling Fire Department is ranked number 1. It's important to recognize what they do. I would like to hand it off to Heather to share things regarding the performance of the fire dept. Heather shares how busy the Fire Dept has been, they have been all over. On the 18th of Aug, Nick posted in our group chat that he just received a call from the Seivier Warden who stated he wishes his department functions as well as ours and he was thoroughly impressed and wanted me to pass on how good of a job we did. Heather states this is not the first time they have received such praise. All those presents clapped and Nick expressed how it is a team effort and success, "It's we, not me." "I cannot take credit, this is how our fire department works."

Heather states that currently we have one of our firefighters and two others out on a fire in Idaho. Nick explains that they are volunteers and take time off from their full time jobs and when they return from a fire, they will be two weeks without pay. He asks if we can get their checks printed upon their return. Nick verbalizes that he realizes this is asking a lot because we are paying them before we get reimbursement, but it serves the firefighters well.

Mayor Pearson states that he does not see a problem since we approved this in a previous meeting. Yvonne suggests Heather to make a motion, Tami states we cannot make a motion unless it is on the agenda, we can't pass anything without it being on the agenda. Justin asks if we need to make a motion every time, or does the previous motion apply. Justin states that these are volunteers and we can't string them out. Tami states that no action can be taken on any item not on the agenda. Heather states that payroll on firefighters out on assignment shouldn't have to be voted on. Justin states that we don't have payroll on the agenda every month. Tami asks for clarification if the volunteer firefighters are employees because it has been reported to Workers Comp that we don't have payments that go to firefighters, instead what was reported is that they were all volunteers. Tami states that she can amend that with Workers Comp. Yvonne states she will pay them out of her own pocket if she has to. Tami states that if it is payroll, then that is different and they can be paid. Mayor Pearson states that it would not be payroll. Nick states it may fall under the state MOU that we have. Tami states that if it is on there, then we should be covered and she does not want the firefighter to wait. Mayor Pearson states that we don't need a motion on this to pay them because we are getting reimbursed from the state. Nick states with the MOU we agree to have equipment and trained firefighters and the state agrees to pay based on that. Mayor Pearson learned at a Six Counties meeting regarding open and public meetings. If something has always been done a certain way and it does not clash with anything that you are

aware of, then you can continue to do it the way it has always been done. Tami states we should be careful with that because you can get in trouble doing something that has always been done. Mayor states we are trying to do the best we can with what we know and the money is getting paid to us specifically to pay the firefighters and where we are not aware of any conflicting rules, we should be able to pay them. Mayor states that Nick did reach out to me previously and we did talk about this so if it's not on the agenda it's not Nick's fault. Nick states he will help with any documentation needed. Council thanks Nick for all his work.

Heather talks about the Firefighters challenge that was on the 24th and they took 4th place out of 10 departments. They did awesome, it was fun.

17. Discussion on a separate appeal authority for Planning and Zoning:

Mayor explains that currently the appeal authority is the City Council. As Mayor is on the planning and zoning commission, a question was brought up at the last Planning and Zoning meeting if Mayor Pearson would be able to vote in the case of an appeal and if we should have an alternate appeal authority. Mayor states that he knows it is really difficult to get people.

Yvoone asks Scott if we had something like that in the past. He asks if she means a Board of Adjustments. He explains that if the Planning and Zoning said no, an appeal could be made to the Board of Adjustments to grant an exception if it is an unusual situation that is very rare. It still would need approval by the City Council. Justin asks what the difference is between the Board of Adjustments and a second appeal authority. Jeb explains that if someone went to the Planning and Zoning and they were denied, they would then appeal to the City County or an appeal authority. The Board of Adjustments is for rare occasions. All agree that a second appeal of authority would be great, but our population is so small. Zeb states it's something to think about but it would be difficult to get people.

18. Report of Officers–Boards–Committees

Yvonne: I don't have anything

Heather: No we are good, we are just waiting for the firefighters to come back.

Zeb: Planning and Zoning. Nothing at this time.

Justin: water. Nothing at this time.

19. Approval of Payment of Bills

Kris Winkel, clerk reads off the bills to be paid.

Pelorus \$800.00 quarterly fee

Risk Management \$ 200, insurance for Mayor and treasurer.

Badger Meter \$81.40, Aug 2022 service.

Dominion Energy \$14.36, utilities.

Gunnison Market \$7.48, late feet.

Hermansen's Company \$20.96, sprinkler spouts.

IRS \$243.58, Payroll Taxes (DO NOT MAIL).

Jensen Excavating \$1553.00 Olson, Smith grave and gravel and Road base.

Madsen Excavation \$3,174.30 Palisade Rd Leak.

Manti Telephone \$105.67 Aug phone bill.
McKay & Associates \$258.00, 1-station timers with batteries (HOLD UNTIL NEXT TIME)
N Sanpete Disposal \$67.65 August bill.
Tami Privett \$23.68 thumb drive.
Rocky Mountain Power \$875.47, street lights and drinking water wall.
Sanpete Sanitary Landfill \$388.80 for Aug.
Sterling Country Store \$313.34 Fuel for July.
Zions Bank Visa \$2,392.52 brings us current (Fire Dept/July Celebration)
IRS State \$ 33.61, income tax (DO NOT MAIL)
Utah.....15,000.00, annual loan (\$9,000 for this building and \$6,000 for the fire dept).

Payroll for August 15-August 31st.

James D Butcher, \$1,078.98
Yvonne V Larsen, \$78.50
Kristina K Winkel, \$180.08

Hold until next time. McKay & Associates \$258.00. Tami states he was supposed to fix something with one of the parts that was bad.

Justin makes a motion to pay bills as read. Heather seconds it. All those in favor: Justin, eye, Heather, eye; Tami, eye; Yvoone absent. Motion Passes.

20. Adjournment: Meeting adjourned at

Healthier makes a motion to adjourn the meeting. Justin seconds the motion. All those in favor: Justin, eye; Heather, eye; Tami, eye, Yvonne absent. Motion passes.

Meeting adjourned at 10:30PM