

River Heights City

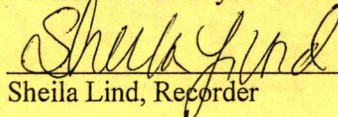
COUNCIL MEETING AGENDA

Wednesday, October 21, 2015

Notice is hereby given that the River Heights City Council will hold a special council meeting beginning at 5:00 p.m. in the River Heights City Office Building, 520 S 500 E.

- 5:00 p.m. Adoption of Prior Minutes
- 5:05 p.m. Council Vote on the Logan Wastewater Contract
- 5:30 p.m. Adjourn

Posted this 15th day of October 2015



Sheila Lind, Recorder

In compliance with the American Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify Sheila Lind, (435) 770-2061 at least 24 hours before the meeting.

River Heights City

River Heights City Council
Minutes of the Meeting
October 21, 2015

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6 Present were: Mayor James Brackner
7 Council members: Doug Clausen
8 Robert “K” Scott
9 Geoffrey Smith (present electronically)
10 Dixie Wilson
11 Blake Wright
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13 Recorder Sheila Lind
14 Public Works Director Clayton Nelson
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16 Others Present: Gayle Brackner, Melanie Fenstermaker, Kevin Opsal,
17 Bob and Francine Davis, Annette Smith, Ted Wilson, Rob
18 Gines
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20 The following motions were made during the meeting:
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22 Motion #1

23 Councilmember Clausen moved to “adopt the minutes of the October 13, 2015 Council
24 Meeting, and the evening’s agenda.” Councilmember Scott seconded the motion, which passed with
25 Clausen, Scott, Smith, Wilson and Wright in favor. No one opposed.
26

27 Motion #2

28 Councilmember Clausen moved to “leave our current wastewater treatment contract and sign
29 on with the new contract that Logan has proposed, which includes changes to the fire contract.”
30 Councilmember Smith seconded. The motion didn’t pass. Clausen was in favor. Scott, Smith, Wilson
31 and Wright voted against.
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34 Proceedings of the Meeting:
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36 The River Heights City Council met at 5:00 p.m. in the Ervin R. Crosbie Council Chambers in
37 the River Heights City Building on Wednesday, October 21, 2015.

38 Councilmember Wilson opened the meeting with a prayer. Mayor Brackner led the group in
39 the Pledge of Allegiance.

40 Councilmember Smith joined by telephone.

41 Adoption of Previous Minutes and Agenda: Minutes of the October 13, 2015 Council Meeting
42 were reviewed.

43 **Councilmember Clausen moved to “adopt the minutes of the October 13, 2015 Council
44 Meeting, and the evening’s agenda.” Councilmember Scott seconded the motion, which passed
45 with Clausen, Scott, Smith, Wilson and Wright in favor. No one opposed.**

46 Council Vote on the Logan Wastewater Contract: Mayor Brackner read from *Arguments For
47 and Against River Heights City switching to a New Wastewater Treatment Contract* (included). He

48 explained that he and Councilmember Clausen met with Logan Mayor Petersen to negotiate the fire
49 contract. Logan agreed to 15 years, but wouldn't consider 30.

50 Mayor Brackner reviewed some correspondence he had with Mayor Petersen (included) earlier
51 in the day. He asked for Council discussion.

52 Councilmember Clausen stated the fire contract will be renegotiated after 15 years. He also
53 pointed out the amount will start at \$30,000 with an inflation clause, beginning at 3% for the first three
54 years.

55 Councilmember Wright expressed confusion at how River Heights can be kept off the
56 wastewater board if we don't sign the new contract. Mayor Brackner explained River Heights is a
57 contractor, not an owner. Mr. Wright pointed out that we are still using Logan's system and paying
58 them for the service.

59 Councilmember Wilson asked if paying all the extra is worth being on the committee. The
60 members agree that is the golden question. Would the consultant allow Logan to be punitive with us
61 when our contract is up? If we believe they would be punitive, why would we trust the unknown?

62 Councilmember Clausen reminded that the fire contract is also an unknown.

63 Councilmember Smith stated he has reviewed the previous correspondence with Logan City.
64 He thanked Mayor Brackner for all his work on this issue. He asked about the transfer amount of 5.5%
65 that will be charged to other cities, which can be moved into Logan's general fund. Mayor Brackner
66 clarified this is the most they can take, the rest will stay in their wastewater fund. Mr. Smith pointed
67 out that Logan is driven by the EPA to put in the new system. Therefore, they are trying to cover their
68 costs of the system. They didn't bring the whole issue up, just to get River Heights to break their
69 current contract. Mr. Smith agrees we have a good contract.

70 Councilmember Scott wondered what a 'reasonable cost' equated to, that we could be charged
71 in the future. And what is the potential damage in the future. He feels Logan will get their money
72 either way (through the wastewater or fire contract), whether we sign the contract now or not. He is
73 leaning towards letting the city have a place on the board.

74 Councilmember Wilson reminded that if we sign the new agreement, we are giving Logan
75 permission to move 5.5% of River Heights' money to their general fund.

76 Councilmember Wright asked when the consultant will be brought on. Mayor Brackner said it
77 will be as soon as the rate committee decides who to get, within the next month. They are waiting for
78 River Heights to decide. Mr. Wright guesses that if we wait for a year to decide, we could still get on
79 the board. Councilmember Clausen said each member of the board from each city would have to
80 agree.

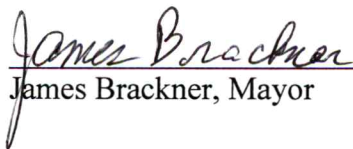
81 Councilmember Smith felt, after reading all the information he had, that we should not sign the
82 new contract. Although, he recognizes Logan will be providing a higher level of service.

83 **Councilmember Clausen moved to "leave our current wastewater treatment contract and**
84 **sign on with the new contract that Logan has proposed, which includes changes to the fire**
85 **contract." Councilmember Smith seconded. The motion didn't pass. Clausen was in favor.**
86 **Scott, Smith, Wilson and Wright voted against.**

87 Councilmember Wright was bothered that the motion included the fire contract.

88 The meeting adjourned at 5:30 p.m.

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James Brackner, Mayor


Sheila Lind, Recorder

Arguments For and Against River Heights City Switching to a
New Wastewater Treatment Contract

October 21, 2015

Arguments **FOR** the new Wastewater Treatment Contract

1. River Heights City will be on the wastewater treatment rate committee that will monitor the rates and administration of the new contract.
2. The cost of a new Fire Protection Contract will decrease by approximately \$18,000 per year for 15 years (from July 1, 2016 until July 1, 2030), from \$48,000 to \$30,000 which equals \$270,000 in savings. The new contract is then renewable but amounts may change.

Arguments **AGAINST** the new Wastewater Treatment Contract

1. River Heights City will pay a lower fee for wastewater treatment of approximately \$594,000 over the 8-year period from July 1, 2017 until July 1, 2025.

From: Craig Petersen
Sent: Wednesday, October 21, 2015 3:42 PM
To: James Brackner
Subject: Re: New Fire Protection Contract

That's one way to think about it. Another way is that at end of nine years, there is no guarantee of rates or continued service. As I said yesterday, I wouldn't be punitive, but my successor and his/her staff might feel differently.
Staying out puts RH at risk.

On Wed, Oct 21, 2015 at 1:44 PM, James Brackner <jamesbrackner@riverheights.org> wrote:

Dear Craig,

Just to keep you up-to-date, I have attached a letter that Bob Davis, a prior mayor of River Heights, is circulated this morning.

Thanks for extending the new Fire Protection Contract to 15 years. When compared with our present contract, we will save about \$270,000 over that period. However, River Heights City will pay about \$594,000 more for the wastewater treatment. This will be a tough sell and I do not believe the city council will vote for it. If you can change to 30 years, I am confident I can persuade the city council to vote for the new contracts.

Sincerely,

Jim Brackner

Sent from Mail for Windows 10

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From: Craig Petersen
Sent: Wednesday, October 21, 2015 3:47 PM
To: James Brackner
Subject: Re: New Fire Protection Contract

I just read the Bob Davis letter. I respect his opinions. There is one point that he makes that I would appreciate if you would clarify. He says that we have threatened to raise RH fire protection rates and that we are trying to bribe RH with the proposed reduction. I think it was you that first raised the fire protection issue as a bargaining point. I didn't even know about it until you provided the data. Our proposed reduction was in response to your request. And it was a legitimate request on your part in the attempt to find a compromise.

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