

Heber City Corporation
City Council Meeting
03/16/2006

7:00 p.m.

REGULAR MEETING

The Council of Heber City, Wasatch County, Utah, met in **Regular Meeting** on March 16, 2006, in the City Council Chambers in Heber City, Utah.

Present:	Mayor	David R. Phillips
	Council Members	Terry Wm. Lange Vaun Shelton Jeffery Bradshaw Elizabeth Hokanson
Absent:		Shari Lazenby
Also Present:	City Manager	Mark K. Anderson
	City Recorder	Paulette Thurber
	City Engineer	Bart Mumford
	City Planner	Allen Fawcett
	Police Sergeant	Jim Moore

Others Present: Blaine Morgan, McKeon Day, Dakota Houghton, James McPhie, Ed Rhoades, Paul Sweat, Wayne Thacker, Merideth Brown, David Gardner, George Bills, Steve Guernard, Annie Bruehl, Mark Rounds, Bill Peperone, Ben McNaughton, Kendall Crittenden, Paul Kennard, Brad Mertz, Joline Esposito, Vincent Esposito, Phyllis Christensen, M.A. Burns, Todd Cates, Dale James, Brad Johnson, Lauren Knowles, Mike Carlton, Mike Johnston, Brian Balls, Shelton Taylor, and Mike Thurber.

Pledge of Allegiance: Councilmember Vaun Shelton
Prayer: Councilmember Hokanson

Minutes: March 2, 2006, Work Meeting Minutes
March 2, 2006, Regular Meeting Minutes
February 16, 2006, Regular Meeting Minutes

Scout Troop 1054 members introduced themselves. Mayor Phillips welcomed them.

OPEN PERIOD FOR PUBLIC COMMENTS: Scout Master Ed Rhoades welcomed Councilmember Hokanson back after the birth of her baby and presented her with a gift.

CONSENT AGENDA

Approval of Canal Maintenance Agreement with Spring Creek and Sage Brush Irrigation Companies:

Vincent and Joline Esposito – Local Consent – Full Service Restaurant License – Property located at approximately 220 North Main Street:

Councilmember Lange moved to approve the items on the Consent Agenda. Councilmember Shelton made the second. No discussion. The voting was unanimous in the affirmative. Councilmember Lazenby was absent.

APPOINTMENTS

Shirin Spangenberg – Curb-It Recycling – Requesting the City establish a Recycling Market Development Zone: Paul Kennard, Wasatch Economic Development Director, represented Curb-It-Recycling on this issue. He introduced Brad Mertz with the Recycling Coalition of Utah. Mertz explained the Legislature developed the Recycling Market Development Zone a couple years ago to stimulate recycling markets in the State. The State would provide income tax credits for those businesses that locate within a zone and purchase equipment to facilitate recyclable markets. Consequently, cities and counties need to apply for that designation so that businesses could participate and receive incentives. He explained it really wasn't a zone but an overlay because it had nothing to do with zoning. Mayor Phillips asked what business had to do to qualify for the tax credit. He responded they had to use post consumer feed stock in their manufacturing process. He said this involved mostly manufacturing businesses and recycling related businesses that could take advantage of the incentives. The City would have to have the zone in place before businesses could apply for incentives. Mayor Phillips commented it was something to be gained and nothing lost. Kennard explained there were some reporting requirements but that he would take care of that. Mertz said the local entity applying for the zone had to also offer incentives. Some suggestions for that were listed on the sheet they handed out. Mayor Phillips asked how many incentives the City had to offer. Mertz explained there was a person working in the Governor's office who was over the program and he worked with the cities depending on their tax base and other abilities. Mayor Phillips asked if the Council wanted Kennard to put together an application.

Councilmember Hokanson moved to have Paul Kennard put an application together with the help of Mark Anderson. Councilmember Bradshaw make the second. The voting was unanimous in the affirmative. Councilmember Lazenby was absent.

Mike Johnston – Summit Engineering – Final Plat Approval – Wheeler Park Subdivisions - Phase I – located approximately south of Plat A of the Daniels Gate Subdivision: Anderson referred the Council to a modified development agreement placed in their materials packet tonight. He explained it showed the changes by a redline/strike out format. He said legal council had looked at it, as well as the developers, and all were comfortable with it. Mayor Phillips discussed the changes to item #5 and suggested it was a very good change. Mayor Phillips asked about the affordable housing component. The contract seemed to be contradictory in that area. Johnston said they wanted to have the option to dedicate the lots or give payment in lieu of. Johnston said this issue would be finalized before the plat was recorded. Mayor Phillips was satisfied that in either event, the affordable housing requirement would have been met. Johnston pointed out the park on the map and said it was 3.9 some acres. The west end would be used for the detention basin for all phases. He said there were 91 lots in the first phase. He pointed out that even though they were vested in R-3 density, they had changed to R-1 density. Johnston talked about landscaping, grass, fencing. He continued discussing the needs for the park. He said the developer would install a 3-rail split rail fence which would be installed along the common boundaries and which would establish the park boundary. With the fence in place, it would

prevent home owners from stretching out into the park area. He said also the fence would be in place prior to any home so when there was construction of a home, it would keep the trash and debris outside the park area. He felt the fence would make the park a real amenity. A question was asked about a possible ordinance that would prevent a fence from being built next to the rail fence. Johnston said there would be a note on the plat that prohibited a fence higher than 4' and it would have to be an open, see through fence. Mayor Phillips asked for comments from the Council or staff. Mumford asked that any motion for final approval be conditioned on getting a complete set of drawings to the engineer. Johnston explained they still had a few issues on the final construction, particularly the water line. He said the County was pushing hard to get fire hydrants down Mill Road along that water line. They want them every 500 feet. Johnston said at one point the Council may be involved in a final decision on that issue. Johnston said he would be having discussion with Mike Davis and Bart Mumford about the water line and hydrants. Mumford said he had had conversation with Ernie Giles already. Mayor Phillips asked why the final drawings were not available yet. Mumford said normally when final approval was given, he would have the final drawing in hand. Mumford said they had resolved the major issues but there were some minor issues still pending.

Councilmember Hokanson moved to approve the Wheeler Park Subdivision, Phase I, subject to Planning Commission requirements as well as completion of final construction drawings to be submitted to the City Engineer and approved by him. The revised Development Agreement was included in the motion as approved. Councilmember Bradshaw made the second. There was no further discussion. The voting was unanimous in the affirmative. Councilmember Lazenby was absent.

Lauren King and Brad Johnson – Jack Johnson Company – Development of McNaughton / Christenson Property: Tony Burns thanked the City Council for the opportunity to present the proposed plan to them. He introduced himself and indicated he was raised in Mesquite, Nevada and had gotten his education at Dixie College and BYU. He indicated that for nine years he worked for Ryder Systems and the past 23 years he had served as the chief executive officer of Ryder Trucks. He continued to give a short overview of his career and life. He said he had owned property in Wasatch County and Heber for 30 years. He and his partner bought Phyllis Christensen's (his wife's sister) acreage and the McNaughton property. They own 1900 contiguous acres known as the Red Ledges. He outlined the organization of Red Ledges LLC. Nolan Archibald, Black and Decker Chief Executive Director is his partner. He introduced Todd Cates, who is the project manager for this area. He indicated he had retained the Jack Johnson Company as the developer of the project. Burns said Jack Johnson Company had the attitude to do things right and the means to take it all the way to a conclusion. He indicated they were under contract with Jack Nicklaus for an 18-hole golf course. Burns said he deeply believed in the project and wanted the best for the community. King explained they wanted to give a quick overview of the project and get direction from the Council and staff on how they would like to see this go forward. An overview of the project was then presented by Lauren King and Brad Johnson. There were approximately 350 acres that were just annexed into the City with the remaining 1600 (approximately) being in the unincorporated area of the County. King said it would be a master planned community. Brad Johnson reviewed the maps provided which showed ground types and slopes. They then reviewed the types of units, clubhouse, golf course, tennis facility, (Cliff Drysdale Tennis Academy), neighborhood park, pool, trail network and equestrian center. King indicated the development, as much as possible, would be un-visible with the hotel being low level rather than a high rise. Burns said their preference for the hotel would be a Ritz Carlton but they had also talked to the Marriott people. Johnson discussed the layout of the buildings and possible road placement. He said in the near future they would be talking with

Sorenson and other people who own property in the area about road placement and traffic and taking some pressure off of Center Street.

Councilmember Lange expressed concern with the City's pristine water source, a conservation acreage on the Sorenson property, and grazing grounds for the elk and deer. Councilmember Hokanson asked what was going to be developed first. King said the golf course would probably be in the first phase but beyond that, they had not determined phasing--partly because some of the property was in the City limits and some in the County. Mayor Phillips asked if they were interested in annexation. King said they wanted to talk to staff but that it could be engineered in either entity. She pointed out they needed to consider water issues but that they were trying to look at every obstacle and see what made the most sense. Mayor Phillips asked if they wanted to see the City and County work together. King said they had to get input from both sides so the project could work. Anderson pointed out that during the last meeting, the Council had approved looking at the current boundaries of the City and updating the Annexation Policy Plan. One reason was because of a request for annexation and another one was because of Daniels incorporation. He told King and Johnson he needed to know what their desire was as the City went through that process. King said engineering was not a problem either way but there were some other issues that needed to be looked at. Anderson said the Annexation Policy Plan would be looked at in the Planning Commission starting next week. Allen Fawcett reviewed the process that would have to be gone through to amend the boundary changes. Mayor Phillips said he felt they had a beautiful looking project. Burns said the opinion of Jack Nicklaus was that this golf course would be "world class." Councilmember Hokanson said she especially appreciated the high quality of the project. Councilmember Lange thanked them for a great presentation.

James McPhie – Contribution to Air Show and Approval for Hangar Site: Anderson explained that Mr. McPhie and Mr. Guernard had met with the Airport Advisory Board during their last two meetings. They have expressed their desire to locate at the Heber Airport and at one time had interest in purchasing Hangar One. They have now decided they would rather construct a hangar which would allow better access to parking. The Airport Advisory Board has recommended the City allow them to construct a hangar on the proposed pad and the City not charge a lease fee to them as long as they remain non-profit. Discussion about utilities to the hangar pad. The Airport Advisory Board will probably be recommending to the Council that RFP's for future development be mailed out. One of the conditions for the recipient of the project would be to improve the roadway. It was pointed out that as hangars are built further west, the City needed to find ways for people not to have to drive down taxiways. Anderson said McPhie and Guernard understood there were costs involved to develop the pad and they understood they would have to share in the cost of infrastructure. Councilmember Lange suggested the Anderson's were supposed to help with the cost of the roadway when they started their business out there and they should partner with the City and any others for the cost of construction of the roadway. County Councilmember Crittenden was asked to look into the Anderson issue. Mark Anderson said ESAD, Dunex, might be another one to participate in the costs. Mayor Phillips explained the Airport Advisory Board was talking about letting the Commemorative Air Force build at their own cost a 75'x75' hangar and lease for 1 dollar a year. The hangar would be used for a museum. Anderson talked about what revenue the City would get if the City retained ownership. (approximately \$2,200 a year) Mayor Phillips wanted to know if the Airport Board was looking at restructuring the hangar operation. Anderson said they needed to look at what the City charged for the lease and the Airport Board was also wanting to look at hangar right-of-way. Mayor Phillips asked what would happen if the museum went away in a couple years. Guernard said they would sell the hangar and it would then be leased like the rest. Councilmember Lange wanted to go through the budget process before this issue moved

forward. Anderson said his understanding was, as long as it was a museum, the lease fee would be waived. Guernard said they would pay their share of the road costs. Mayor Phillips tried to explain the significance of the contribution from the City to the museum if the City allowed them to build the hangar. Guernard, in turn, talked about what the museum would contribute to the City--it would be a tourist draw. They felt it was comparable to what the City contributed and a substantial contribution to the Heber City and the valley. Councilmember Bradshaw asked about the current museum. If the museum was out of there, the owner would sell the hangar, it was stated. Mayor Phillips said the Council needed to talk, during the budget meeting, about the current process of leasing. Councilmember Shelton also wanted to review issues at the budget meeting. Councilmember Hokanson agreed this needed to be discussed at budget meeting. Councilmember Bradshaw agreed the Council needed to take a look at the big picture and see if that was what the City wanted. He said he was not disagreeable to the proposal but wanted to look at the financial part of it.

Councilmember Lange moved to continue this issue. Councilmember Hokanson made the second. No discussion on the motion. The voting was unanimous in the affirmative. Councilmember Lazenby was absent.

Mayor Phillips said the Council was not anti-museum but they also did not want to make a snap decision. It was indicated the contribution of \$10,000 would also be discussed at the budget workshop.

Guernard talked about the Wheeler Subdivision that was discussed earlier in the meeting and that the people living there would be living under the traffic patterns of the airport. Anderson suggested a note be placed on the plat that the development would be under the pattern of airport traffic.

ACTION ITEMS

Ordinance 2006-05 – An Ordinance Amending Chapter 2.12 of the Heber City Municipal Code, Telecommunications Meetings - Establishing a Policy for Conducting Electronic Public Meetings of the City Council: It was discussed the Council could find themselves in a position where a quorum wasn't physically present to a meeting but a member could participate from another location or possibly have a quorum present but the absent member wanted to make comments on certain items. Consequently, the City Attorney drafted the proposed ordinance. There was no further discussion.

Councilmember Bradshaw moved to adopted Ordinance 2006-05, Establishing a Policy for Conducting Electronic Public Meetings of the City Council. Councilmember Lange made the second. Voting AYE: Terry Wm. Lange, Vaun Shelton, Jeff Bradshaw and Elizabeth Hokanson. Councilmember Lazenby was absent.

Award 2006 Safe Sidewalk Bid – 1100 South Main Street: An overhead of the area was shown. (From UDOT shed to Hub.) Mumford explained the City had received one bid from Lance Excavating. It was discussed they had worked for the City before and were good to work with. UDOT's contribution would be 75% or approximately \$18,000 with the balance being the responsibility of the City. Mumford discussed pricing and that construction was getting very expensive. He said the City's portion would be close to \$30,000 for this project. It was indicated UDOT had been contacted to see if there was any additional safe sidewalk money available.

They will be discussing that in a future meeting. Mumford recommended the Council approve this project with the hope to get more help from UDOT. Anderson informed the Council that UDOT had a meeting scheduled with a developer to discuss what they would be doing with their property on Main Street as well as some property by Cowboy Village.

Councilmember Lange moved to authorize the City Manager to execute a contract with Lance Excavating and to also pursue discussions with UDOT to see if the City could get additional monies for the project because of increased construction costs. Councilmember Shelton made the second. No further discussion. The Voting was unanimous in the affirmative. Councilmember Lazenby was absent.

Award 2006 Road Improvement Bid: Mumford explained the City did a road project two years ago and at that time scheduled annual maintenance. He indicated the City was at the point of the first maintenance which this year would mainly be sealing of the roads. The bidding process was followed and two bids were received. Intermountain Slurry was the low bidder at \$1,055,500. Mumford explained that was more than the City had been putting aside. Mumford indicated Intermountain Slurry was a good contractor and performed work for City before. Mumford felt the City should try and squeeze this project down and get it closer to the \$900,000 estimated. An overhead was presented of possible cut backs. Another possibility suggested by Mumford was rather than chip seal it might be possible to put a heavier seal on and leave off the chip. He said he had to look at that and see how much it would reduce the cost of the project. Mumford's recommendation to the Council was to award the bid. It was discussed that Class C monies were looked at but it was felt the City could not afford to spend those monies for this project. He indicated he had talked with Intermountain about a possible cut back. He said they thought they could hold to the costs but wanted the City to be flexible. (They would hold to the price but didn't want the City to cut back further.) Anderson said he had evaluated future obligations and would be reluctant to spend more than \$950,000 on this project which included the engineering, etc. Councilmember Lange said he liked the idea of using a heavier slurry and not the chips. Mumford said the chips gave a better end result.

Councilmember Lange moved to approve the project with a top of \$950,000 and suggested the City work with the County on any projects they might have. Councilmember Shelton made the second. No discussion. The voting was unanimous in the affirmative. Councilmember Lazenby was absent.

Councilmember Shelton indicated he had had discussion with Art Young about the issue of snow removal. He pointed out the moisture from the snows damaged the edge of the roads and he wondered why the grader wasn't used more to keep the snow off the edges of the road. Mumford said he would talk to Tozier about that issue.

Award 2006 Park Pavilion Bid: Mumford told the Council it was a tough bidding world out there and that no one bid or showed up to the pre-bid meeting for this project. Consequently, Mark Rounds had called around and got some bids. They were presented to the Council. Mumford reviewed the bids. It was indicated the Farmers Market people would like to keep the existing pavilion and keep it for storage. (where the restrooms are currently located) Discussion about the value of saving or not saving the storage area. Discussion about what it would take to make the pavilion look better.

Councilmember Lange moved to accept the bid of Ron Case Roofing and to do whatever possible to make the pavilion look better and to keep the west side storage area. Councilmember

Shelton made the second. No discussion. Voting AYE: Councilmember Lange and Councilmember Shelton. Voting NAY: Councilmember Hokanson and Councilmember Bradshaw. Mayor Phillips voted AYE. He explained his affirmative vote was based on the knowledge the pavilion restrooms could be torn down anytime later if the Council decided to. He thanked Mark Rounds for finding people to bid. Annie Bruehl felt the decision of the Council showed good faith to the Farmers Market people.

DISCUSSION/ACTION ITEMS

Review Letter from Wasatch County regarding Allocation of M & I Water for Heber City

Subdivisions: It was indicated M & I water was stored at Jordanelle and that Wasatch County controlled that water. He said it was different than irrigation water in the Provo River. They have made M & I available and have allocated it out to those people interested. Discussion that developers were having a more difficult time getting water now than ever before. Two developers in Heber City had asked for this water. One for the McClusky piece and the Wheeler property discussed and approved earlier. It was stated they didn't get everything they wanted but they got some. However, the County was requiring the City to be the sponsor of this water since it would eventually be the City's water. He said the County was requesting the first three years monies along with the application. Mumford reviewed the background of M & I water. He said it was inexpensive at first, but increased in cost as the bond to build the Jordanelle matured. (about 41 more years). He said the City needed to determine if they would accept this water because of the increased cost as the years progress. Mumford said he felt the City should be interested if they could find a way to recover the increase in costs from the developer up front. He asked the Council if they wanted to submit the application and sponsor the developers who were requesting the water. Anderson reviewed his discussions with Mike Davis. He said his understanding was that the payment remains constant over the life of the watering. The CUP has contracted with Wasatch County Special Service District #1 to administer this. They have discounted it so that Wasatch County gets so much money per acre foot. Davis told Anderson the City might be able to pay the fees early but that would have to be negotiated with the Special Service District #1. Anderson suggested since there was 700 more acre feet of water available and the revenue associated with that, Wasatch County might possibly reduce their administrative fee to the City on the proposed application. Anderson said it would be approximately \$11,000 a share to pay the fees up front. Anderson suggested the City talk with Wasatch County about payment up front so the developer could assume the responsibility of the costs.

Councilmember Shelton moved to go ahead with the application for M & I water. He said he had not been an advocate of M & I water in the past because of the water the City already had. However, because water was at a premium, he felt the City should move forward. He stressed the need to make some agreement with the developers so the City did not get stuck with the payment. Councilmember Lange questioned if the City paid for the water even if it was not used. The answer was yes. Councilmember Shelton said there needed to be an option for the City to release the water to somebody else, if necessary, since it would already be paid for. Councilmember Lange wanted to get a hold of a water attorney that the Council had talked about for several years and make sure the Council understood all the water issues. Councilmember Bradshaw made the second to the motion. No discussion. Voting AYE: Councilmember Shelton, Councilmember Bradshaw and Councilmember Hokanson. Councilmember Lazenby was absent. Voting NAY: Councilmember Lange.

Councilmember Lange again suggested to seek legal council and get a good water attorney to give counsel to the City on all water issue. He did not like the idea of the City paying for or

making application in behalf of a developer for water. He again said he wanted to consult with a water attorney that knew his way through the system. Mayor Phillips suggested this issue be considered during budget meetings in order to allocated monies to the cost of this counsel.

At 9:45 p.m., Councilmember Shelton moved to go into Closed Session to discuss purchase, exchange or lease of real property. Councilmember Bradshaw made the second. Voting AYE: Terry Wm. Lange, Vaun Shelton, Jeff Bradshaw and Elizabeth Hokanson. Councilmember Lazenby was absent. Those going into Closed Session: Mayor David Phillips; Councilmembers Lange, Shelton, Bradshaw and Hokanson; City Manager Mark Anderson; and City Recorder Paulette Thurber.

At 10:15 p.m. the Council returned to Open Session

Mayor Phillip passed out a sheet with a proposed new Mission Statement for the City and asked the Council to review it.

Mayor Phillips asked that Councilmember Bradshaw represent the City on the Wasatch County committee for bypass road. He also asked that Councilmember Lazenby be the City representative on the Recreation Center Committee if her health allowed. He said the Committee would be putting information together and getting that to the voters.

Mayor Phillips indicated he wanted to talk more during budget meetings about airport hangars. He felt they could be good revenue source for the City.

Councilmember Bradshaw moved the minutes of the March 2, 2006, Work Meeting and Regular Meeting and the February 16, 2006, Regular Meeting be approved as presented. Councilmember Hokanson made the second. The voting was unanimous in the affirmative. Councilmember Lazenby was absent.

Councilmember Lange moved to approve the Closed Session Minutes of March 2, 2006. Councilmember Bradshaw made the second. The voting was unanimous in the affirmative. Councilmember Lazenby was absent.

At approximately 10:35 p.m. the March 16, 2006, Regular Meeting of the Heber City Council adjourned.

Paulette Thurber, City Recorder