

2 The Lindon City Council held a regularly scheduled meeting beginning with a Work
Session at 6:00 p.m. on **Tuesday, May 5, 2009**, in the Lindon City Center, City Council
Chambers, 100 North State Street, Lindon, Utah.

4 **WORK SESSION** – 6:00 P.M.

6 Conducting: James A. Dain, Mayor

8 **PRESENT**

ABSENT

10 James A. Dain, Mayor
Eric Anthony, Councilmember
12 H. Toby Bath, Councilmember
Lindsey Bayless, Councilmember
14 Bruce Carpenter, Councilmember
Jerald I. Hatch, Councilmember
16 Ott H. Dameron, City Administrator
Jamie Bennee, Finance Director
18 Debra Cullimore, City Recorder

20 The meeting was called to order at 6:05 p.m.

22 **DISCUSSION** – The Mayor and City Council will meet in a Work Session with Jamie
Bennee, Finance Director, to hear a report on current year data, financial forecasts and
24 issues for fiscal year 2009/2010.

26 Mr. Dameron explained that the Budget Committee met last week to discuss
budget issues. He noted that two additional Work Sessions will be scheduled to discuss
28 the budget prior to final approval in June. Mr. Dameron turned the time over to Finance
Director, Jamie Bennee, to present the Tentative Budget.

30 Ms. Bennee indicated that no COLA or Merit pay increases for employees are
included in the budget. Several employees, including those coming off of probation and
32 those on three year structure increase plans, will receive appropriate pay adjustments.

34 Ms. Bennee noted that in order to balance the budget, revenues will be borrowed
through short term loans from Enterprise Funds. The revenues will provide interim
funding to balance the General Fund. Funds will be repaid to the Enterprise Funds as
36 directed by the Council.

38 Ms. Bennee reviewed budget projections relative to health insurance coverage.
Initial estimates indicated that insurance premiums would increase 7.8% for the coming
fiscal year. However, updated figures indicate an 11% reduction in insurance premiums,
40 resulting in approximately a \$48,000 savings to the City.

42 Ms. Bennee reviewed bonds which were paid in full during the 2008/2009 fiscal
year, including the 1998 Excise Tax Revenue Bond and the 2005 Vector Truck Lease.
She noted that the MBA Bond is scheduled for full repayment in 2011, and the Gateway
44 SID 2000-2001 Bond will be paid in full in 2013. Councilmember Anthony inquired as
to where funds are channeled after a debt is paid and those funds are no longer needed for
46 debt service. Mr. Dameron explained that revenues no longer needed for debt service are

2 paid into the General Fund. He suggested that any available funding be used to pay down
the bond for the aquatics center.

4 Ms. Bennee reviewed projected General Fund expenditures of \$8,903,414. She
noted that Recreation has been moved to an Enterprise Fund, and is no longer included in
6 calculations related to the General Fund. Mayor Dain asked if wages and benefits are
included in budget figures for open positions which have not been filled. Ms. Bennee
8 indicated that vacant positions are not included in the tentative budget figures. Mr.
Dameron noted that if sales tax revenues increase during the coming year, the Council
10 has the authority to amend the budget and include wages and benefits for any currently
vacant positions which are filled. Ms. Bennee then reviewed General Fund Revenues,
noting that 70.91% of General Fund Revenues are generated through various tax sources.

12 Ms. Bennee reviewed the Citywide Budget by Funds totaling \$17,845,622. She
also reviewed the Citywide Budget by object, including Capital Projects, Operations and
14 Personnel. She noted that personnel costs are in excess of typical percentage due to
seasonal personnel which have been hired for the aquatics center. Councilmember
16 Carpenter observed that revenues from the pool are expected to offset the increased
expenses. Mr. Dameron stated that initial estimates indicate that it will be necessary for
18 the City to subsidize the pool facility approximately \$30,000. Councilmember Bayless
noted that the Council was aware that there would be some subsidy when the pool was
20 built.

Ms. Bennee went on to compare the 2008/2009 Fiscal Year Budget with the
22 Tentative 2009/2010 budget. Projections indicate a General Fund savings of \$815,535,
and a Citywide savings compared to the previous fiscal year of \$197,389. Mr. Dameron
24 noted that a comparison of sales tax revenues indicates that tax revenues are down
approximately 20% from the previous year. The Council discussed projections for tax
26 revenues next fiscal year, as well as the need to make an effort to broaden the tax base in
Lindon, which may include a property tax adjustment at some time in the future. Mr.
28 Dameron noted that the Tentative Budget is based on an anticipated 1% increase in sales
tax revenue, as well as revenue which is anticipated from Murdock Hyundai.

30 The Council went on to review capital project for the coming year. Capital
projects include the contract with Orem City for Fire, EMS and dispatch services, City
32 Center maintenance, payment on the Main Street LDS Church building purchase, and
payment of half of the right-of-way purchase to the Fellowship Bible Church. Public
34 Works capital projects include \$100,000 for road overlay projects and \$15,000 for a
bobcat trade-out. The Planning Department has requested \$2,600 to replace two
36 computers.

Mr. Dameron explained that the City Center project includes construction of
38 covers over the north stairway and the Police Department entrance. He noted that
projects are typically capitalized if the cost is \$5,000 or more.

40 Mayor Dain noted that there are no funds allocated for park improvements. He
suggested that the Council consider options to include funding for a playground at
42 Pheasant Brook Park if possible. He noted that the City has committed to residents in
that area to complete the park improvements. Councilmember Carpenter suggested that
44 the park project should be a priority if sales tax revenues improve during the year. Mr.
Dameron stated that the budget includes a 12.5% revenue surplus where funds for play
46 equipment could be drawn from if the Council chooses.

Councilmember Bayless expressed concern regarding expenditures for playground equipment in a budget year when raises are not anticipated for employees. Councilmember Carpenter observed that there are competing principles, and that there may be a compromise which could be reached. The Council discussed the possibility of combining some City funds with the annual grant funding for playground equipment through Utah County, and purchasing a portion of the playground equipment which could later be expanded. This issue will be addressed in greater detail at a later date.

Ms. Bennee began review of budget issues for the upcoming fiscal year as follows:

- Budget Issue #1 – Rate increase for Allied Waste. The option of paying the landfill directly is still a possibility. Any rate increase would be passed through to residents via utility bills, and will have no net fiscal impact to the City budget.
- Budget Issue #2 – Culinary water and sewer utility rates. Annual rate adjustments are based on the CPI, currently 0.4%.
- Budget Issue #3 – Personnel. No COLA or merit increases are budgeted for this year. No new hires other than seasonal personnel are anticipated during the 2009/2010 fiscal year. The aquatics center anticipates hiring approximately 85 seasonal positions.
- Budget Issue #4 – Health and dental insurance premiums. An 11% decrease in health insurance premiums is anticipated for the coming fiscal year, while up to a 50% increase is anticipated for dental insurance. First West is investigating other options for dental insurance. Ms. Bennee reviewed insurance premium trends nationally compared to trends in Lindon.

Ms. Bennee went on to review proposed fee schedule changes, development fee changes, aquatics center fees, and linear foot fee changes. Mr. Dameron suggested that the Council discuss fee changes in greater detail during upcoming Work Sessions.

REGULAR SESSION – 7:00 P.M.

Conducting: James A. Dain, Mayor
Pledge of Allegiance: Lindsey Bayless
Invocation: Jim Dain

PRESENT

ABSENT

James A. Dain, Mayor
Eric Anthony, Councilmember
H. Toby Bath, Councilmember
Lindsey Bayless, Councilmember
Bruce Carpenter, Councilmember
Jerald I. Hatch, Councilmember
Ott H. Dameron, City Administrator
Adam Cowie, Planning Director
Cody Cullimore, Chief of Police
Debra Cullimore, City Recorder

2 The meeting was called to order at 7:00 p.m.

4 **RECOGNITION** – *The Mayor and City Council will recognize Don Peterson and
6 Dennis Kendall for their 15 years or longer of state certification as water operators for
8 the Lindon water system.*

10 Mayor Dain presented Mr. Peterson and Mr. Kendall with certificates in honor of
12 their years of dedicated service. Mayor Dain and Councilmember Anthony also
14 recognized recipients of awards presented by the Tree Advisory Board at the Arbor Day
16 Celebration. Shirl Tomlinson and Craig and Lisa Witham were presented awards for
18 contributing to the Urban Forest in Lindon.

20 The Miss Pleasant Grove Royalty was present in the audience. The young ladies
22 invited the Mayor and Council to attend Strawberry Days events in June. The royalty
24 presented the Council with a cheesecake.

26 **PROCLAMATION** – “Municipal Clerks Weeks Proclamation” sets May 3 through May
28 9 2009 as Municipal Clerks Week in Lindon.

30 Mayor Dain read the proclamation designating May 3 through May 9 2009 as
32 Municipal Clerks Week in Lindon. He thanked the City Recorder for her work in the
34 City.

36 **MINUTES** – The minutes of the meeting of April 21, 2009 were reviewed.

38 COUNCILMEMBER CARPENTER MOVED TO APPROVE THE MINUTES
40 OF THE APRIL 21, 2009 MEETING. COUNCILMEMBER ANTHONY SECONDED
42 THE MOTION. THE VOTE WAS RECORDED AS FOLLOWS:

44 COUNCILMEMBER ANTHONY AYE
46 COUNCILMEMBER BATH AYE
COUNCILMEMBER BAYLESS AYE
COUNCILMEMBER CARPENTER AYE
COUNCILMEMBER HATCH AYE
THE MOTION CARRIED UNANIMOUSLY.

36 **OPEN SESSION** –

38 Mayor Dain called for comments from any resident present who wished to
40 address an issue not listed as an agenda item. There was no public comment.

42 **MAYOR’S COMMENTS/REPORT** –

44 Mayor Dain reported on the sod laying and planting project at the pool on
46 Saturday May 2nd, and Monday, May 4th. He noted that the rainy weather on Saturday
prevented completion of the project. He stated that hundreds of residents came on
Monday evening to finish the project.

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CONSENT AGENDA –

No items.

CURRENT BUSINESS –

1. **Preliminary Plat** – *Lindon 3 & 14 Wards LDS Meetinghouse, Plat “A”*. This is a request by Jesse M. Harris, representing the Church of Jesus Christ of Latter Day Saints, for approval of the preliminary plat for the Lindon 3 & 14 Wards LDS Meetinghouse, Plat “A”, 2 lots, in the R1-20 zone at 320 West 500 North. The Planning Commission recommended approval with one condition.

Jesse Harris, architect for the project, was present as the representative for this application. Mr. Cowie stated that this is a request for approval of a two lot subdivision just east of State Street in the R1-20 zone. The Master Plan Street Map shows an extension of 500 North in the area. Alpine School District currently owns the right-of-way. The LDS Church is currently negotiating with the school district to purchase the necessary right-of-way, which will be dedicated to the City. The Planning Commission approved the subdivision and associated site plan. The subdivision was approved with the condition that the 50 foot right-of-way be dedicated to the City.

Mr. Cowie noted that the proposed subdivision includes one residential lot which meets the 20,000 square foot minimum requirement. The church facility will occupy lot #2, which is approximately 3.24 acres. At the direction of the Planning Commission, the driveway entrances have been widened to 26 feet. Landscaped planter boxes have been incorporated into the parking areas. A small area of curb and gutter will be added to the southeast corner, but the south side of the roadway will remain largely unimproved until the future residential lot develops. The existing curb and gutter on the north side of the street will be removed and reconstructed in the correct location extending to State Street.

Councilmember Anthony noted that there was a strong recommendation from the Planning Commission that interior landscaping be installed in the parking area. Mr. Cowie noted that several planter boxes have been incorporated into the parking at the recommendation of the Planning Commission.

Mr. Cowie noted that this item is a public hearing, and that it would be appropriate to call for public comment.

COUNCILMEMBER BAYLESS MOVED TO OPEN THE PUBLIC HEARING.
COUNCILMEMBER BATH SECONDED THE MOTION. ALL PRESENT VOTED IN FAVOR. THE MOTION CARRIED.

Mayor Dain called for public comment. There was no public comment. Mr. Cowie noted that neighboring property owners within 300 feet were noticed regarding the subdivision, and that several residents commented at the Planning Commission Public Hearing. He noted that the neighbors expressed general concerns, particularly about traffic impacts. Mr. Harris stated that the contractor for the project has been instructed to access the site from State Street rather than through the residential neighborhood. Mayor Dain called for a motion to close the Public Hearing.

2 COUNCILMEMBER BATH MOVED TO CLOSE THE PUBLIC HEARING.
3 COUNCILMEMBER HATCH SECONDED THE MOTION. ALL PRESENT VOTED
4 IN FAVOR. THE MOTION CARRIED.

6 Mayor Dain called for further comments or discussion from the Council. Hearing
7 none, he called for a motion.

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9 COUNCILMEMBER CARPENTER MOVED TO APPROVE THE LINDON 3
10 AND 14 WARD MEETINGHOUSE SUBDIVISION PRELIMINARY PLAT WITH
11 THE FOLLOWING CONDITION:

12 1. THAT THE 50 FOOT RIGHT-OF-WAY BE DEDICATED TO THE CITY.
13 COUNCILMEMBER BAYLESS SECONDED THE MOTION. THE VOTE WAS
14 RECORDED AS FOLLOWS:

15 COUNCILMEMBER ANTHONY	AYE
16 COUNCILMEMBER BATH	AYE
17 COUNCILMEMBER BAYLESS	AYE
18 COUNCILMEMBER CARPENTER	AYE
19 COUNCILMEMBER HATCH	AYE

20 THE MOTION CARRIED UNANIMOUSLY.

- 21 2. **Public Hearing** – *Re-adoption of Chapter 5.40 of the Lindon City Code –*
22 *Residential Solicitation (Ordinance #2009-6-R)*. This is a request by Brian Haws,
23 City Attorney, for approval of a new Residential Solicitation Ordinance, Chapter
24 5.40 of the Lindon City Code. This Chapter of the LCC was repealed in 2006
25 after court action was taken against several cities claiming the cities ordinances
26 were unconstitutional. Mr. Haws will present the new ordinance to the City
27 Council.
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29 COUNCILMEMBER BATH MOVED TO OPEN THE PUBLIC HEARING TO
30 CONSIDER RE-ADOPTION OF LCC CHAPTER 5.40. COUNCILMEMBER
31 BAYLESS SECONDED THE MOTION. ALL PRESENT VOTED IN FAVOR. THE
32 MOTION CARRIED.
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35 City Attorney, Brian Haws, was present to discuss this item with the Council. Mr.
36 Dameron explained that the previous ordinance was repealed in 2006 following law suits
37 filed against other municipalities claiming the current ordinances were overly
38 cumbersome. Mr. Haws has drafted the new ordinance after reviewing ordinances from
39 other municipalities and considering recommendations of Utah Risk Management Mutual
40 Association. Mr. Dameron invited Mr. Haws to present the ordinance.

41 Mr. Haws explained that in general, the 10th Circuit Court found that burdens
42 places on merchants in old ordinance requirements from other municipalities were
43 disproportionate to the service, such bonds of varying amounts when other businesses
44 were not required to post bonds. The bonding requirement has been removed from the
45 new ordinance. The approval process for applications has also been streamlined.
46 Background checks and identification badges are required for all door to door solicitors

operating as a business. The ordinance requires the City to complete the background check and issue the permit within one business day after a complete application is submitted. If concerning information is found in the background check, the license can be suspended or denied. Mr. Haws clarified that each individual will be required to submit an application and receive a background check and identification badge, rather than one license being issued for a group of solicitors. Mr. Haws noted that the licensing process will also allow the City to verify that the company is appropriately registered with the state and is paying required tax revenues.

Mr. Haws went on to review penalties for violation of this ordinance. He explained that it is a Class B misdemeanor to contact a resident if a 'No Soliciting' sign is displayed on the property. He noted that the application fee will be included in the fee schedule.

Councilmember Bayless inquired as to whether charitable or non-profit organizations, such as church groups or the Girl Scouts, are excluded from licensing requirements. Mr. Haws stated that charitable, church and political organizations are exempt from licensing requirements. School organizations are exempt provided school administrators have approved the fund raising program.

Mr. Dameron asked if it would be appropriate for residents to call police if a solicitor does not have proper licensing documents. Chief Cullimore stated that residents should call police immediately if an unlicensed solicitor contacts them. He stated that officers will detain the solicitor immediately. Mr. Haws noted that if a resident asks a solicitor to leave and the person remains on the property, the action constitutes a trespass on private property, and that police will respond to address the situation.

Mr. Haws went on to review language in the ordinance relative to the three day rescission period for any sale. State law provides a three day rescission period. Language will be included in forms signed by solicitors informing them that the rescission period is required for all sales. Councilmember Carpenter noted that it will be necessary to educate residents as to the process for rescinding a purchase. Mr. Haws noted that the ordinance requires solicitors to provide written notification to residents regarding the rescission period at the time of the sale.

Mayor Dain called for public comment. There was no public comment. He called for a motion to close the public hearing.

COUNCILMEMBER BAYLESS MOVED TO CLOSE THE PUBLIC HEARING TO CONSIDER RE-ADOPTION OF LCC CHAPTER 5.40. COUNCILMEMBER HATCH SECONDED THE MOTION. ALL PRESENT VOTED IN FAVOR.

COUNCILMEMBER BATH MOVED TO APPROVE ORDINANCE #2009-6-O READOPTING CHAPTER 5.40 OF THE LINDON CITY CODE, RESIDENTIAL SOLICITATION. COUNCILMEMBER HATCH SECONDED THE MOTION. THE VOTE WAS RECORDED AS FOLLOWS:

COUNCILMEMBER ANTHONY	AYE
COUNCILMEMBER BATH	AYE
COUNCILMEMBER BAYLESS	AYE
COUNCILMEMBER CARPENTER	AYE

2 policy in line with State policy. The Council previously discussed proposed amendments
3 to health insurance coverage effective dates. Proposed amendments provide some ‘gap’
4 coverage to new employees with minimal exposure to the City. Amendments also
5 include a social networking policy relative to the City using ‘Twitter’ to disseminate
6 information to the community. Mayor Dain called for comments or discussion from the
7 Council. Hearing none, he called for a motion.

8 COUNCILMEMBER CARPENTER MOVED TO APPROVE RESOLUTION
9 #2009-11-R AMENDING THE CITY’S POLICIES AND PROCEDURES MANUAL
10 CONCERNING ANTI-NEPOTISM, CLARIFICATION OF WHEN HEALTH
11 BENEFITS BEGIN, AND USE OF SOCIAL NETWORKING WEB SITES AND
12 BLOGS FOR CITY BUSINESS. COUNCILMEMBER HATCH SECONDED THE
13 MOTION. THE VOTE WAS RECORDED AS FOLLOWS:

14 COUNCILMEMBER ANTHONY AYE
15 COUNCILMEMBER BATH AYE
16 COUNCILMEMBER BAYLESS AYE
17 COUNCILMEMBER CARPENTER AYE
18 COUNCILMEMBER HATCH AYE
19 THE MOTION CARRIED UNANIMOUSLY.

- 20
- 21 5. **Report and Action** – *Tentative Budget, Fiscal Year 2009/2010*. Staff will
22 distribute the Tentative Budget document for fiscal year 2009/2010. Staff will
23 distribute the Tentative Budget document for fiscal year 2009/2010 which
24 includes the RDA and MBA budgets. The Budget Committee requests Work
25 Sessions be scheduled during the month of May for discussions of issues related
26 to the new fiscal year budget.

27 Mr. Dameron noted that the Tentative Budget was discussed at length during the
28 Work Session held prior to the regular City Council meeting. He observed that Work
29 Sessions are typically scheduled to discuss final details of the budget prior to adoption of
30 the Final Budget which will take place on June 16, 2009. A Work Session was scheduled
31 for Wednesday, May 20, 2009 at 5:30 p.m. Additional Work Sessions will be scheduled
32 if necessary. Mayor Dain called for a motion to approve the Tentative Budget.

33

34 COUNCILMEMBER CARPENTER MOVED TO ACCEPT THE 2009/2010
35 TENTATIVE BUDGET, AND TO SCHEDULE A WORK SESSION TO REVIEW
36 THE BUDGET ON MAY 20, 2009 AT 5:30 P.M. COUNCILMEMBER BAYLESS
37 SECONDED THE MOTION. THE VOTE WAS RECORDED AS FOLLOWS:

38 COUNCILMEMBER ANTHONY AYE
39 COUNCILMEMBER BATH AYE
40 COUNCILMEMBER BAYLESS AYE
41 COUNCILMEMBER CARPENTER AYE
42 COUNCILMEMBER HATCH AYE
43 THE MOTION CARRIED UNANIMOUSLY.

2 Mr. Dameron stated that Jason Burningham, the City's financial advisor, was
3 scheduled to attend this discussion, but had not yet arrived. He suggested that the
4 Council proceed with individual reports until Mr. Burningham arrived. Mayor Dain
5 called for Council reports.

6 **COUNCILMEMBER ANTHONY** – *Parks, Recreation, Engineer, Lindon Fair,*
7 *Newsletter.*

8 Councilmember Anthony had no items to report.

10 **COUNCILMEMBER CARPENTER** – *General Plan, Streets & Sidewalks, Public*
11 *Buildings, UTOPIA.*

14 Councilmember Carpenter reported on UTOPIA events, including and acquisition
15 of MStar by Prime Time. He stated that the transition has presented some logistical
16 problems, but Prime Time is working to resolve issues. UTOPIA is negotiating
17 agreements to bring additional providers onto the networks.

18 **COUNCILMEMBER HATCH** – *Water, Sewer, Solid Waste, Housing Consortium.*

20 Councilmember Hatch reported that grant funding has been awarded to the North
21 Union Canal project in Orem. 1400 feet was replaced in Orem, but the project also
22 included a small section in Lindon.

24 **COUNCILMEMBER BAYLESS** – *Trails, Planning, Zoning, Board of Adjustments,*
25 *Administration.*

28 Councilmember Bayless noted that the Healthy Lindon Community Education
29 Class is scheduled for Thursday, May 7th and will provide education regarding healthy
30 eating habits. She asked Mayor Dain if the UCCOG has taken any action regarding a
31 Resolution prohibiting smoking in public parks. Mayor Dain stated that the issue will be
32 discussed at the UCCOG meeting on May 7th.

34 Councilmember Bayless reported that the Board of Adjustments upheld the City
35 Council denial of the Golden Years Elderly Group Home application. The applicant has
36 the option to appeal the denial through the courts.

38 Councilmember Bayless requested that training be held for the City Council and
39 Planning Commission regarding proper procedures and appropriate behavior during
40 public meetings.

40 Councilmember Hatch was excused from the meeting at 8:53 p.m.

42 **COUNCILMEMBER BATH** – *Public Safety, Court, Building Inspections.*

44 Councilmember Bath invited Chief Cullimore to report on Police Department
45 activities. Chief Cullimore reported that he has researched laws regarding prohibiting
46 smoking in public areas. He stated that the City does have the ability to prohibit smoking

2 in the vicinity of the City Center and at the aquatics center. He noted that the pool is a
4 closed facility which requires users to pay an admission, and that closed areas are
6 regulated differently than public parks and open spaces. He noted that state law does not
8 regulate smoking in open public areas, but that the City has the ability to adopt local
10 ordinances to regulate smoking in open public areas.

12 Chief Cullimore invited the Council to participate in the Memorial Day flag
14 ceremony which will be held at the Lindon City Cemetery. The Police Department
16 Honor Guard will be joined by various veterans groups in honoring veterans.

18 Chief Cullimore stated that the Police Department is in the process of establishing
20 a Reserve Police Officer program. The program will offer reserve positions to qualified,
22 certified police officers. No new equipment will be purchased for reserve officers other
24 than uniforms and badges. Reserve officers will be required to complete a Field Training
26 Officer program with full time officers prior to working independently in the City. The
28 program benefits officers allowing them to receive valuable experience and maintain
30 certification. The program benefits the City by providing additional officers and
32 manpower at little or no expense to the City. The program will be limited to
34 approximately six officers.

36 Chief Cullimore reported that a letter will be delivered by officers to residents
38 living along the Lindon Heritage Trail encouraging extra precautions when crossing the
40 trail with vehicles. Letters will be delivered to approximately 71 residents along the trail.
42 The letters will be hand delivered by officers on mountain bikes.

44 The incident which occurred in Creekside Meadows is under investigation.
Prosecution of clients at the business is not feasible due to the number of clients and the
manpower which would be necessary to investigate and prosecute each of the suspects.

Mr. Burningham had not yet arrived at the meeting. Mr. Dameron proceeded with
his report.

ADMINISTRATOR'S REPORT –

Mr. Dameron reported on the following items;

1. City representatives will meet with Orem Monday, May 11th at 10:00 a.m. to discuss the sewer service agreement.
2. The Council will tour the mobile UTOPIA center on Tuesday, May 19th prior to the regular City Council meeting.
3. The Council reviewed the Project Tracking List.
4. The aquatics center is on track for the scheduled opening on May 30th. The pirate ship feature may not be delivered in time to allow installation by that date. However, the facility can open without the ship, and the ship can be installed at a later date.
5. The 700 North widening project is well underway.
6. Neighborhood community clean up will continue through May 11th.
7. Yield signs for the Green Valley community will be approved by Resolution at the next regular City Council meeting.

2 8. In an effort to conserve revenue, Engineering Coordination Meeting will be held
every other month rather than monthly. Additional meetings will be scheduled if
the need arises.

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6 COUNCILMEMBER BAYLESS MOVED TO APPROVE THE PAY
VOUCHERS. COUNCILMEMBER BATH SECONDED THE MOTION. THE VOTE
WAS RECORDED AS FOLLOWS:

8 COUNCILMEMBER ANTHONY AYE
COUNCILMEMBER BATH AYE
10 COUNCILMEMBER BAYLESS AYE
COUNCILMEMBER CARPENTER AYE
12 COUNCILMEMBER HATCH AYE
THE MOTION CARRIED UNANIMOUSLY.

14
16 Mr. Burningham arrived at the meeting at this time. The Council proceeded with
review of the Final Bond Resolution.

18 6. **Review and Action – Public Hearing** – *Final Bond Resolution – Aquatics*
20 *Center Completion Financing (Resolution #2009-12-R)*. The City Council will
consider for adoption a resolution of the City Council of Lindon City, Utah(the
22 “Issuer”), finalizing the terms and condition of the issuance and sale by the
“Issuer” of its sales tax revenue bonds, “Series 2009,” in the aggregate principal
24 amount of \$800,000 (the “Series 2009 Bonds”); awarding and confirming the sale
of said “Series 2009 Bonds”; authorizing the execution by the “Issuer” of a Third
26 Supplemental Indenture of Trust, and other documents required in connection
therewith; authorizing the taking of all other actions necessary to the
28 consummation of the transaction contemplated by this resolution; providing a
severability clause; repealing resolutions in conflict; providing an effective date;
and related matters.

30
32 COUNCILMEMBER BAYLESS MOVED TO OPEN THE PUBLIC HEARING
TO CONSIDER RESOLUTION #2009-12-R. COUNCILMEMBER CARPENTER
34 SECONDED THE MOTION. ALL PRESENT VOTED IN FAVOR. THE MOTION
CARRIED.

36 Blake Davis of Hogan and Associates was also present to discuss this transaction
with the Council. Mr. Burningham explained that this bonding is supplemental to the
38 Series 2008 Bonds previously issued to finance the pool construction. He noted that
some additional costs were incurred in completing the facility, particularly completion of
40 the FlowRider amenity. The City began discussion in October with Hogan and
Associates regarding bonding to complete the facility. An agreement was subsequently
42 reached, and the agreement was approved by the Council on November 18, 2008.

44 Mr. Burningham noted that insuring and rating of this transaction would have
been difficult due to the size of the bond, and the current economic climate. He noted
that the transaction represents a benefit to both the City and the bond purchaser. He
46 explained that the bond will be purchased with the same security as the 2008 bonds in

2 terms of quality and risk of repayment. The City has the benefit of not paying the cost of
insurance and rating for the bond. The City was able to secure a net effective interest rate
of 3.88%. The 2008 bonds were issued at a rate of approximately 4% for a longer term.

4 Mr. Burningham reviewed additional details of the bond agreement. The term of
repayment is amortized over a five year period with no pre-payment penalty. Mr. Davis
6 stated that Hogan is allowing flexibility in payment amounts, and that the City has the
option to prepay the debt as revenue becomes available.

8 Mr. Burningham explained that the Final Bond Resolution authorizes the City to
enter into the Bond Purchase Agreement with Hogan and Associates. Interest will accrue
10 beginning on the closing date. The bond will be fully funded for \$800,000 initially. Any
revenue not needed to complete the facility can be repaid immediately. Final costs for
12 the facility will not be confirmed until approximately the end of June. The final dollar
amount and payment structure are outlined in the Supplemental Indenture document.
14 Annual payments in the amount of approximately \$150,000 will begin July 1, 2010.

Mr. Burningham reiterated that this transaction is a 'win/win' for the City and for
16 the bond purchaser. Mr. Dameron expressed appreciation to Mr. Davis and Hogan and
Associates for their cooperation in purchasing the bond. Mr. Dameron noted that the
18 interest rate would have been much higher if the bond had been sold on the public
market.

20 Mayor Dain called for further comments or discussion. Hearing none, he called
for a motion.

22
24 COUNCILMEMBER ANTHONY MOVED TO APPROVE RESOLUTION
2009-12-R – AQUATICS CENTER COMPLETION FINANCING.

26 COUNCILMEMBER BATH SECONDED THE MOTION. THE VOTE WAS
RECORDED AS FOLLOWS:

28 COUNCILMEMBER ANTHONY AYE

COUNCILMEMBER BATH AYE

30 COUNCILMEMBER BAYLESS AYE

COUNCILMEMBER CARPENTER AYE

THE MOTION CARRIED UNANIMOUSLY WITH ONE ABSENT.

32
34 Mr. Dameron noted that Councilmember Hatch indicated his approval of this
Resolution prior to being excused from the meeting to attend to a family emergency. The
bond closing is scheduled for May 18, 2009.

36 **COUNCIL REPORTS** –

38 Council reports were given earlier in the meeting.

40 **ADMINISTRATOR'S REPORT** –

42 Mr. Dameron gave his report earlier in the evening.

44 **ADJOURN** –

2 COUNCILMEMBER CARPENTER MOVED TO ADJOURN THE MEETING
AT 10:05 P.M. COUNCILMEMBER ANTHONY SECONDED THE MOTION. ALL
PRESENT VOTED IN FAVOR. THE MOTION CARRIED.

4 Approved – May 19, 2009

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Debra Cullimore, City Recorder

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James A. Dain, Mayor