

2 The Lindon City Council held a regularly scheduled meeting on **Tuesday, June 16, 2009**
in the Lindon City Center, City Council Chambers, 100 North State Street, Lindon, Utah.

4 Conducting: James A. Dain, Mayor
Pledge of Allegiance: Nate Church, Boy Scout
6 Invocation: Lindsey Bayless

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
Adam Cowie, Planning Director
18 Jamie Bennee, Finance Director
Cody Cullimore, Chief of Police
20 Debra Cullimore, City Recorder

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

24 **MINUTES** – The minutes of the meeting of June 9, 2009 were reviewed.

26 COUNCILMEMBER ANTHONY MOVED TO APPROVE THE MINUTES OF
THE MEETING OF JUNE 9, 2009. COUNCILMEMBER HATCH SECONDED THE
28 MOTION. THE VOTE WAS RECORDED AS FOLLOWS:

COUNCILMEMBER ANTHONY AYE
30 COUNCILMEMBER BATH AYE
COUNCILMEMBER BAYLESS AYE
32 COUNCILMEMBER CARPENTER AYE
COUNCILMEMBER HATCH AYE
34 THE MOTION CARRIED UNANIMOUSLY.

36 **OPEN SESSION** -

38 Mayor Dain called for comments from any resident who wished to comment on
an issue not listed as an agenda item. Boy Scout, Nate Church, approached the Council
40 regarding plans for his Eagle Scout project. Mr. Church explained that he plans to paint
house numbers on curbs. He noted that he is aware that the sidewalk and curb are City
42 property, and inquired as to who he should speak with to get permission for the project.
Mayor Dain directed Mr. Church to coordinate with Public Works Director, Don Peterson
44 before moving forward with the project.

46 Marjorie Holt, Allison Mitton and Annette Wilcox then approached the Council.
They asked that the Council consider adding adaptive swim lessons for children with

2 disabilities to the programs offered at the Aquatics Center. Ms. Mitton and Ms. Wilcox
4 have children with disabilities, and explained the difficulties they face in finding suitable
6 recreational activities for their children. Mayor Dain and Mr. Dameron explained that
8 Parks and Recreation Director, Dan Seder, is working on adding adaptive programs, and
is in the process of identifying qualified instructors to work with children with
disabilities. The Council also discussed the possibility of adding adaptive playground
equipment to at least one park some time in the future when funding for the project
becomes available.

Ben Nolte and his young daughter, Lydia approached the Council. Lydia
expressed thanks to the Council for installing trees in Squaw Hollow Park near her home.

MAYOR'S COMMENTS/REPORT –

Mayor Dain had no items to report.

CONSENT AGENDA –

No items.

CURRENT BUSINESS –

1. **Public Hearing** – *Plat Amendment – White, Inc. Industrial Condominiums.* This is a request by Sam White of White, Inc. for a plat amendment to White Inc., Plat “A”, Lot 1 Light Industrial Subdivision, to create condominium spaces in his nearly completed building. The subdivision and site plan were previously approved. The building is located at 1762 West 20 South in the LI zone. The Planning Commission recommended approval with no conditions.

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

Mr. Cowie explained that this is a request to subdivide the existing building on this site into industrial condominiums. He explained that the White Inc. subdivision plat, as well as the site plan for the existing building, was previously approved by the Planning Commission and City Council. Mr. Cowie presented the proposed subdivision plat, including six condominium units, common drive and parking areas, and limited common space in the loading dock areas at the rear of the building. The Planning Commission recommended approval with no conditions.

Mayor Dain called for public comment. There was no public comment. He called for comments or discussion from the Council. Hearing none, he called for a motion.

COUNCILMEMBER CARPENTER MOVED TO CLOSE THE PUBLIC HEARING. COUNCILMEMBER HATCH SECONDED THE MOTION. ALL PRESENT VOTED IN FAVOR. THE MOTION CARRIED.

2 COUNCILMEMBER BATH MOVED TO APPROVE THE WHITE INC.
INDUSTRIAL CONDOMINIUMS PRELIMINARY PLAT. COUNCILMEMBER
4 BAYLESS SECONDED THE MOTION. THE VOTE WAS RECORDED AS
FOLLOWS:

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

12
2. **Public Hearing** – *Disposal of Real Property – 2500 West 200 North - Resolution #2009-16-R*). The City Council will hear public comment and possibly approve the disposal of real property located at 2500 West and 200 North. The property consists of a 50 foot strip of land totaling approximately 3.5 acres and is currently used for subsurface utilities. This strip of property was reserved for a street right-of-way which will no longer be needed with the planned Vineyard Connector. UDOT has requested to purchase this land as part of a 102 acre wetland bank west of the existing landfill. A “Permit to Enter and Construct” is also requested as part of this item. The appraised value is \$171,500.

22
COUNCILMEMBER CARPENTER MOVED TO OPEN THE PUBLIC
24 HEARING. COUNCILMEMBER BAYLESS SECONDED THE MOTION. ALL
PRESENT VOTED IN FAVOR. THE MOTION CARRIED.

26
Shannon McNamara, Dan Avila and Rod Hess of UDOT were present as
28 representatives for this application. Mr. Cowie explained that representatives of UDOT
recently approached the City regarding acquisition of property currently owned by the
30 City as part of a regional 102 acre wetland bank. The property is located between the
west side of the transfer station and railroad tracks. Mr. Cowie stated that UDOT has
32 made an offer to purchase the right-of-way, which is currently shown on the streets
Master Plan. He noted that underground utilities and a sewer lift station are located in the
34 area, but that no surface improvements have been completed in the roadway area. He
went on to explain that this right-of-way area will not be necessary due to the UDOT
36 Vineyard Connector roadway which will be completed in the future.

Mr. Cowie noted that the original offer from UDOT was to purchase the area
38 needed for wetlands bank. The City approached UDOT regarding the possibility of
purchasing additional right-of-way to the edge of the planned Vineyard Connector rather
40 than coming back to purchase more property at a later date as that road project is
completed. UDOT is considering purchase of the additional area, but appraisals have not
42 yet been completed. As a result, UDOT is requesting a permit to enter and construct on
the proposed wetlands bank, with final approval of the real estate purchase when
44 necessary appraisals have been completed on the additional property.

Councilmember Carpenter inquired as to the appraised value of the property per
46 square foot. Ms. McNamara explained that the 2.989 acres of property included in the

2 wetlands bank area have an appraised value of \$160,000 per acre. When easements and
encumbrances were taken into consideration, a total purchase price of \$171,248 was
4 established. Councilmember Carpenter inquired as to whether UDOT anticipates the
appraisal for the additional property to be similar. Ms. McNamara explained that the
6 additional property will fall under corridor preservation guidelines rather than wetlands
bank guidelines, and that a different process will be followed in establishing the purchase
price.

8 Mayor Dain noted that it will be necessary for the City to have absolute assurance
that access to existing utilities will be permitted. Mr. Hess stated that full access will be
10 granted to utilities within the established easement with no complications or restrictions.
Mayor Dain inquired as to whether any kind of environmental impact study would be
12 required to do any utility installation or maintenance work in the wetlands bank area. Mr.
Hess stated that it may be necessary to apply for a permit from UDOT, but that there
14 would be no restrictions placed on work which could be completed in the easement area.

Councilmember Carpenter inquired as to what steps the City would be required to
16 follow in coordinating any utility work in the easement with the Army Corp of Engineers.
Ms. McNamara stated that the details of interaction with the Army Corp of Engineers
18 will be spelled out in the final deed document. Mr. Hess stated that the deed will
specifically say that existing utilities in the easement area can be maintained without
20 coordination or permits issued by the Army Corp of Engineers. If work extends outside
the easement area into the designated wetlands area, coordination with the Army Corp of
22 Engineers would be necessary.

Councilmember Carpenter inquired as to whether reconstruction or expansion of
24 existing utilities would be permitted within the easement area. Mr. Hess stated that the
easement area will not be included in the wetlands bank acreage, and any work in that
26 area can be completed without restrictions. Mr. Cowie noted that documents relative to
the property purchase specify that the City will maintain ingress and egress rights to
28 install and maintain existing and future utilities in the easement area.

City Engineer, Dave Thurgood, was present in the audience for this discussion.
30 Mayor Dain asked Mr. Thurgood if he had any concerns or reservations regarding this
transaction. Mr. Thurgood stated that he had no concerns regarding the language in the
32 agreement relative to maintenance of existing utilities. Mr. Thurgood suggested that
before the property sale receives final approval that the City verify the location of all
34 underground utilities to make sure they are located in the designated right-of-way area.
Mr. Hess stated that recently completed utility surveys show the utilities located in the
36 easement area. Ms. McNamara stated that the easement area can be adjusted if necessary
to provide proper access to existing underground utilities.

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

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42 COUNCILMEMBER CARPENTER MOVED TO CLOSE THE PUBLIC
HEARING. COUNCILMEMBER BATH SECONDED THE MOTION. ALL
PRESENT VOTED IN FAVOR. THE MOTION CARRIED.

44
46 COUNCILMEMBER CARPENTER MOVED TO APPROVE RESOLUTION
#2009-16-R APPROVING THE SALE OF REAL PROPERTY TO THE UTAH

DEPARTMENT OF TRANSPORTATION (UDOT) AND PROVIDING FOR AN
EFFECTIVE DAY PENDING FINAL APPROVAL OF THE CITY ENGINEER AND
THE MAYOR REGARDING LOCATION OF EXISTING UTILITY WITHIN THE
ESTABLISHED EASEMENT AREA, AND APPROVE THE PERMIT TO ENTER
AND CONSTRUCT. COUNCILMEMBER BAYLESS SECONDED THE MOTION.

THE VOTE WAS RECORDED AS FOLLOWS:

COUNCILMEMBER ANTHONY AYE

COUNCILMEMBER BATH AYE

COUNCILMEMBER BAYLESS AYE

COUNCILMEMBER CARPENTER AYE

COUNCILMEMBER HATCH AYE

THE MOTION CARRIED UNANIMOUSLY.

3. **Review and Action** – *Amended Annual Meeting Schedule*. The 2009 annual meeting schedule is requested to be amended to change the meeting dates of the Lindon City Planning Commission from the 2nd and 4th Wednesdays to the 2nd and 4th Tuesdays of each month beginning in September of 2009. This action is requested to accommodate the Planning Director’s schedule for continuing his education pursuits. The Planning Commission members and staff have agreed to the new proposed schedule.

Councilmember Anthony inquired as to whether there are any scheduling conflicts for Planning Commission members with the proposed annual schedule change. Mr. Cowie stated that he has received verbal confirmation from all Commission members, and written confirmation from all but one member that the proposed schedule change will not be a conflict for them. Mayor Dain called for further comments or discussion. Hearing none, he called for a motion.

COUNCILMEMBER BAYLESS MOVED TO APPROVE THE AMENDED ANNUAL MEETING SCHEDULE CHANGING PLANNING COMMISSION MEETINGS FROM THE 2ND AND 4TH WEDNESDAY TO THE 2ND AND 4TH TUESDAY OF EACH MONTH. COUNCILMEMBER HATCH SECONDED THE MOTION. THE VOTE WAS RECORDED AS FOLLOWS:

COUNCILMEMBER ANTHONY AYE

COUNCILMEMBER BATH AYE

COUNCILMEMBER BAYLESS AYE

COUNCILMEMBER CARPENTER AYE

COUNCILMEMBER HATCH AYE

THE MOTION CARRIED UNANIMOUSLY.

4. **Public Hearing** – *Final Budget for Fiscal Year 2009-2010 (Resolution #2009-17-R)*. The City Council will hear public comment concerning the final city budget for fiscal year 2009-2010, including the allocation of revenue from the water, sewer and other Enterprise Funds to the General Fund. A public hearing, a public work session and a budget committee meeting have been held where budget issues were discussed in detail. Tonight, the City Council will act to approve the

2 final budget for fiscal year 2009-2010, amend the budget for 2008-2009, set the
certified property tax rate for 2009-2010, approve an agreement for services
between the RDA and the City and adopt the City-Wide Fee Schedule.

4
6 COUNCILMEMBER HATCH MOVED TO OPEN THE PUBLIC HEARING.
COUNCILMEMBER BAYLESS SECONDED THE MOTION. ALL PRESENT
VOTED IN FAVOR. THE MOTION CARRIED.

8
10 City Auditor, Mike Stoddard, and Finance Director, Jamie Bennee, were present
to discuss budget issues with the Council. Mr. Dameron stated that preparing the budget
this year has been challenging due to the current economic downturn being experienced
12 throughout the country. He noted that the City has experienced a drop of approximately
17% in sales tax revenue compared to the statewide reduction of 12% over the past year.
14 He noted that 5.5 staff positions are currently not filled, and that no capital improvement
projects or employee raises are proposed in the 2009-2010 fiscal year budget.

16 Mr. Dameron invited the City's Auditor, Mike Stoddard, to address the Council
regarding property tax revenue. Mr. Dameron noted that sales tax revenues are
18 dependant on the economy, and that property taxes are intended to provide a stable
revenue source for the City to provide core, essential services regardless of the state of
20 the economy, such as police, fire and EMS services.

22 Mr. Stoddard explained that in the mid 1980's, the State of Utah passed the Truth
in Taxation law, which was termed a 'revenue neutral' system. He explained that
consistent inflation of the dollar over time has ratcheted down the Certified Tax Rate
24 each year for at least the past 20 years. He noted that at the time Truth in Taxation was
implemented, the City received approximately 30 mils from property tax revenue, and
26 currently receives approximately 12 mils.

28 Mr. Stoddard observed that property tax revenue is the financial foundation for
the City's core services, such as public safety. He noted that the increasing short fall in
property tax revenues based on the certified tax rate has been covered by increasing sales
30 tax revenue produced during the robust economy. He explained that while Lindon has
historically maintained healthy financial statements, the financial standing of the City
32 may be in jeopardy if the issue of declining property tax revenues is not addressed.

34 Mr. Stoddard noted that most people and organizations are feeling the impact of
the recent economic downturn, and that many families and businesses have reduced or
eliminated spending on discretionary items. He observed that City expenditures are not
36 typically discretionary, and that even in economically difficult times, core City services
must continue to be provided.

38 Mr. Stoddard went on to explain that the legislative intent of the current tax
structure is for property tax revenue to cover the ongoing costs of the City's core
40 essential services, such as public safety. He noted that while overall property tax
assessments have increased over the years, the percentage paid to municipalities has
42 steadily declined. He clarified that approximately 13% of the annual property tax paid by
residents is actually paid to the City, with approximately 15% going to the county and the
44 remainder to the school district. Councilmember Carpenter observed that in the mid
1980's when Truth in Taxation was implemented, approximately 30% of the overall tax
46 came to the City, 20% to the county and 50% to the school district. Councilmember

Anthony observed that school districts have taken a pro-active approach to adjusting tax rates as necessary to make sure adequate funding is available to provide services.

Mr. Stoddard noted that the City is permitted to adjust most fees using a CPI increase each year, such as has been done with sewer and water fees in Lindon. He explained that in order to adjust the Certified Tax Rate based on the CPI, a Truth in Taxation public hearing must be held each year. He observed that the current process has resulted in declining property tax dollars over the past 20 years. Councilmember Carpenter noted that an increase of approximately 180% to the City portion of the property tax assessment would be required in order to restore the dollar value of property taxes from 20 years ago.

Councilmember Bayless observed that new development and growth creates more demand for new and expanded services in the City. Councilmember Carpenter explained that a typical homeowner in Lindon does not pay enough property tax to the City to cover even the cost of public safety, with current property tax revenues covering approximately 1/3 of the current cost of public safety services. Mayor Dain noted that the quality and level of public safety services has increased dramatically in the past year, with an ongoing decrease in the dollar value of property taxes used to fund those services.

Mr. Dameron invited Ms. Bennee to review other elements of the proposed budget at this time. Ms. Bennee reiterated that no personnel changes or pay increases are proposed in this budget. No adjustment is proposed to culinary water and sewer fees due to a negative cost of living during the past year.

Ms. Bennee went on to review proposed changes to FlowRider fees. An all day pass at a cost of \$10 is proposed during open plunge hours. The fee is in addition to daily admission fees for non-season pass holders. Scheduled rides will be available before and after open plunge hours at a cost of \$20 per hour for a minimum of three riders and a maximum of 15 riders. The FlowRider may be reserved for private functions at a cost of \$300 per hour.

Mr. Dameron noted that the Parks and Recreation Director requested that changes to FlowRider fees be effective immediately rather than July 1st. Councilmember Hatch observed that the Aquatics Center is a new facility, and that the Council was aware that there could be some adjustment to established fees after the facility opened to the public. The Council agreed that approval of the budget would include a condition that changes to the Aquatics Center fee structure would be effective June 17, 2009.

Ms. Bennee went on to review proposed revenues and expenditures for the upcoming fiscal year. She stated that the City wide budget is \$17,997,414 and that the General Fund Budget is \$8,884,664. Ms. Bennee reviewed funding sources, including bonds, loans and tax revenues. Audience member, Ben Nolte, inquired as to the proposed budget revenue projections as compared to the previous year. Ms. Bennee stated that overall revenue for the coming year is projected at an 8.54% decrease from the previous year. Councilmember Carpenter noted that some funding, such as fees for garbage collection, are static, and that other funding sources, such as sales tax, are more volatile.

Ms. Bennee then reviewed General Fund expenditures by department. Councilmember Anthony noted that it would be necessary for a typical family of four to pay as much as four times the current amount of property tax to the City to cover just the cost of public safety services. Councilmember Carpenter observed that the City has had the luxury of not adjusting property taxes in recent years due to the robust economy and

businesses which attracted sales tax dollars from residents of other communities.

2 Councilmember Anthony also observed that sales tax revenues paid to the City were
reduced in recent years when the sales tax increment structure was changed. He
4 commented that it would be beneficial to the sales tax base of the City to diversify the
types of businesses in the community.

6 Mr. Nolte asked the Council if it would be possible to list items of discretionary
spending in this proposed budget. Mayor Dain stated that the City has moved into a
8 maintenance mode for this budget year, and that capital projects, such as new park
improvements, are not included in this budget. Councilmember Carpenter explained that
10 the City has managed to balance the budget this year using loans from enterprise funds.
He stated that although not proposed in this budget, the next cost cutting step would be
12 for the City to lay off personnel, which would result in a reduced level of service for
residents. He noted that most municipalities are facing similar issues in the current
14 economy. Councilmember Anthony noted that loans from Enterprise Funds to the
General Fund can be used occasionally, but that such loans are not a long term solution to
16 meet the financial needs of the City.

18 Mr. Nolte requested that if revenues exceed projections over the coming year, and
funding becomes available, that the Council consider completion of the gazebo structure
in Squaw Hollow Park. He noted that there are several minor items which need to be
20 completed in the park as well. He requested that area residents sit down with staff and a
Council representative and review remaining improvements in the park to determine
22 what, if any, projects can be completed this year.

24 Mr. Nolte went on to explain that he would like to form a citizen committee to
work with scout, church and other community groups to initiate and complete small
community service projects. He suggested that the citizens group could include
26 representatives from all areas of the City, and that the group could pursue donor funding
through capital campaigns for funding to complete projects. He suggested that he be
28 allowed to try out the committee and the theory to facilitate completion of Squaw Hollow
Park. Mayor Dain suggested that Mr. Nolte start with quantifying pending improvements
30 in the park to determine what projects the City would have the means to complete this
year.

32 Ms. Bennee went on to review capital projects, including funding for sidewalk
maintenance and ADA ramp retrofitting. Mr. Dameron explained that ADA ramps are
34 being installed according to a prioritized list as part of an ongoing project. Also included
in capital projects planned for the upcoming year are; the contract with Orem City for
36 fire, dispatch and EMS services, City Center maintenance project, payments on the
purchase of the LDS Main Street church building and the Fellowship Bible Church, along
38 with \$15,000 for general Public Works projects, and \$2,600 for purchase of two new
computers for the Planning Department.

40 Ms. Bennee went on to review specific budget issues for the 2009/2010 budget as
follows:

42 **Budget Issue #1** – Should the City pay the North Point Solid Waste Special Service
44 District tipping fees directly to the Transfer Station rather than paying Allied Waste?

2 Ms. Bennee explained that paying the Transfer Station directly is expected to generate an annual savings to the City of \$11,232.

4 COUNCILMEMBER ANTHONY MOVED TO BEGIN PAYING TIPPING FEES DIRECTLY TO NORTH POINT SOLID WASTE SPECIAL SERVICE DISTRICT. COUNCILMEMBER BAYLESS 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 **Budget Issue #2** – Should the City continue to fund health and dental insurance benefits for employees?

18 Ms. Bennee explained that health insurance premiums fell approximately 11% this year, resulting in a savings to the City of approximately \$45,000. Dental insurance coverage will be through Educators Mutual due to an expected increase of 50% through Delta Dental.

22 COUNCILMEMBER BAYLESS MOVED TO CONTINUE FUNDING OF HEALTH AND DENTAL INSURANCE COVERAGE FOR CITY EMPLOYEES. COUNCILMEMBER ANTHONY SECONDED THE MOTION. THE VOTE WAS RECORDED AS FOLLOWS:

24 COUNCILMEMBER ANTHONY AYE
28 COUNCILMEMBER BATH AYE
COUNCILMEMBER BAYLESS AYE
30 COUNCILMEMBER CARPENTER AYE
COUNCILMEMBER HATCH AYE
32 THE MOTION CARRIED UNANIMOUSLY.

34 **Budget Issue #3** – Should the City increase storm water utility rates?

36 City Engineer, Dave Thurgood, was present to discuss this issue with the Council. During previous budget discussions, the Council recommended an increase from \$3.00 per equivalent service unit to \$3.75 per equivalent service unit. The proposed increase is intended to fund maintenance and expansion of the storm water system as necessary. The Council had no further concerns regarding this proposed fee adjustment.

42 COUNCILMEMBER CARPENTER MOVED TO INCREASE STORM WATER UTILITY FEES FROM \$3.00 PER EQUIVALENT SERVICE UNIT TO \$3.75 PER EQUIVALENT SERVICE UNIT. COUNCILMEMBER ANTHONY SECONDED THE MOTION. THE VOTE WAS RECORDED AS FOLLOWS:

46 COUNCILMEMBER ANTHONY AYE

2 COUNCILMEMBER BATH AYE
3 COUNCILMEMBER BAYLESS AYE
4 COUNCILMEMBER CARPENTER AYE
5 COUNCILMEMBER HATCH AYE
6 THE MOTION CARRIED UNANIMOUSLY.

7 The Council went on to briefly discuss proposed fee schedule changes, which
8 were discussed at length during a previous budget Work Session. Mr. Dameron noted
9 that most proposed fee schedule changes are development related. Councilmember
10 Anthony explained that the proposed fee schedule changes are based on the results of a
11 survey of similar communities. He noted that while some fees increased significantly, all
12 proposed fees are in line with fees charged by other communities.

13 Councilmember Bayless noted that while she was not in attendance at the last
14 meeting, she has been informed by other Councilmembers and City staff that there was
15 some discussion regarding the need for additional cuts in expenditures in several areas of
16 the proposed budget. Mr. Dameron stated that the budget for operational items such as
17 office supplies has been reduced to current year figures. He noted that this proposed
18 budget does not follow the City's historical financial philosophy of slightly
19 underestimating revenues and slightly overestimating expenditures. Councilmember
20 Bayless observed that the proposed operational costs do not seem feasible, and may be
21 overly burdensome to employees trying to stay within the restrictive budgets.

22 Councilmember Anthony observed that the proposed reductions in operational
23 budgets did not reflect a decrease in the current year budget, and may more accurately
24 estimate actual expenditures. Mr. Dameron explained that the additional \$80,000 in cuts
25 were implemented in response to concerns expressed by Councilmember Anthony during
26 the last meeting. Mr. Dameron noted that the proposed budget does not allow for any
27 unforeseen expenditures, and that mid year budget amendments may be necessary in
28 order to cover actual expenses.

29 Councilmember Anthony clarified that the proposed \$80,000 in budget cuts is not
30 significant to the overall budget. He stated that the property tax revenue issue and loans
31 from the Enterprise Funds are much more significant issues for the Council to address at
32 this time. Following further discussion, the Council felt that the proposed budget should
33 be restored with operational budgets as outlined prior to the additional \$80,000 in budget
34 cuts.

35 The Council went on to discuss various scenarios for the 2009/2010 budget,
36 including loan amounts from enterprise funds of \$1.1 million up to \$1.7 million, various
37 amounts being transferred from reserve funds while still maintaining the required 5%
38 reserve, and possible Truth in Taxation hearings to adjust the Certified Tax Rate for
39 property taxes, and increase the City portion of property taxes up to 30%.

40 Councilmember Carpenter observed that while amendments can be made to the budget
41 later in the year, the property tax rate must be set prior to August, which will require the
42 Council to take action on this matter immediately if they intend to consider any property
43 tax adjustments for fiscal year 2009-2010.

44 Councilmember Bayless noted that the Mayor and Council are all residents of
45 Lindon, and that they have a clear understanding of the impact of increased taxes on
46 residents. Mayor Dain agreed that the Council should consider a plan to adjust property

2 taxes, but expressed concern regarding implementing an adjustment this year due to
3 possible economic hardships already being experienced by residents due to the economy.
4 Councilmember Carpenter suggested the possibility of adopting an operating budget as
5 presented at this meeting with possible future amendments to final budget pending the
6 outcome of Truth in Taxation hearing to determine whether a property tax increase would
7 be appropriate for the community. The Council discussed the potential impact in dollars,
8 noting that the proposed 30% increase in the City portion of property taxes would
9 represent an increase of approximately \$65 annually per household.

10 Councilmember Anthony noted that along with the discussion regarding potential
11 property tax adjustments this year, the Council should also consider a strategy to
12 implement an annual COLA increase to property taxes to keep pace with inflation.
13 Councilmember Carpenter commented that a 30% increase this year seems to be a
14 reasonable place to start, but that additional increases in the coming years should be
15 considered to bring property taxes in line with the cost of essential services, as well a
16 long term plan to increase taxes incrementally based on annual CPI increases and
17 inflation. Councilmember Bath agreed that property taxes are a critical issue which
18 should be addressed this year. Councilmember Carpenter noted that this Council and
19 previous Councils have always been very responsible with expenditures of City funds,
20 and that an adjustment to the tax rate associated with property taxes shows responsibility
21 in maintaining stable revenue sources to cover essential services.

22 Councilmember Anthony noted that he has discussed budgeting strategies with
23 Provo City staff members who have indicated that personnel costs have been reduced by
24 6%, while some other areas, such as arts and libraries, have increased this year. He noted
25 that Provo has a five year capital improvement plan which helps forecast planned
26 expenditures in the coming year. Mr. Dameron explained that Lindon also has a five year
27 capital improvement plan which is adjusted as necessary based on the projected budget.

28 Mayor Dain called for additional public comment. Ben Nolte clarified his
29 concept for a citizen committee which would work with donors to complete community
30 service projects. Mayor Dain called for any additional public comment. Hearing none,
31 he called for a motion to close the Public Hearing.

32 COUNCILMEMBER ANTHONY MOVED TO CLOSE THE PUBLIC
33 HEARING. COUNCILMEMBER BATH SECONDED THE MOTION. ALL
34 PRESENT VOTED IN FAVOR. THE MOTION CARRIED.

36 Councilmember Carpenter observed that it will be necessary to involve and
37 educate the public regarding any tax increase and the impact to them financially, but also
38 the impact to the level of service residents can expect in non-essential services if property
39 tax revenues continue to decline and the cost of essential services continues to escalate.
40 Mayor Dain clarified that a decision is not being made at this time as to whether to
41 implement a property tax increase, but only whether hearings should be held to consider a
42 possible increase. The Council discussed the significantly increased level of service in
43 public safety and recreation programs which have been implemented at the same time as
44 property tax revenues to cover the cost of those services has been declining.

46 Following further discussion, members of the Council agreed that it would be
appropriate to adopt the proposed budget as an operating budget, and to schedule Truth in

2 Taxation hearings to consider an increase in the City's portion of property tax assessments. Mayor Dain called for a motion.

4 COUNCILMEMBER CARPENTER MOVED TO APPROVE RESOLUTION
6 #2009-17-R ADOPTING THE PROPOSED 2009-2010 BUDGET AS THE
8 OPERATING BUDGET WITH THE FEE SCHEDULE CHANGES AS DISCUSSED,
10 INCLUDING AN INCREASE IN THE STORM WATER UTILITY RATE TO \$3.75
12 PER EQUIVALENT SERVICE UNIT, AND TO HOLD TRUTH IN TAXATION
14 HEARING TO CONSIDER A POSSIBLE INCREASE OF 30% TO THE CITY
16 PORTION OF PROPERTY TAX ASSESSMENTS PRIOR TO ADOPTION OF THE
18 FINAL BUDGET, AND REINSTATING OPERATING COSTS OF \$88,020 AS
20 PRESENTED DURING THE PREVIOUS PUBLIC HEARING, AND WITH FEE
22 SCHEDULE CHANGES FOR THE AQUATICS CENTER BEING EFFECTIVE
24 IMMEDIATELY. COUNCILMEMBER ANTHONY SECONDED THE MOTION.
26 THE VOTE WAS RECORDED AS FOLLOWS:

16 COUNCILMEMBER ANTHONY AYE
18 COUNCILMEMBER BATH AYE
20 COUNCILMEMBER BAYLESS AYE
22 COUNCILMEMBER CARPENTER AYE
24 COUNCILMEMBER HATCH AYE
26 THE MOTION CARRIED UNANIMOUSLY.

22 **Adjourn City Council Meeting and Convene the Lindon City Redevelopment**
24 **Agency –**

26 COUNCILMEMBER BATH MOVED TO ADJOURN THE MEETING OF THE
28 LINDON CITY COUNCIL AND CONVENE THE LINDON CITY
30 REDEVELOPMENT AGENCY AT 10:01 P.M. COUNCILMEMBER BAYLESS
32 SECONDED THE MOTION. ALL PRESENT VOTED IN FAVOR. THE MOTION
34 CARRIED.

32 **Adjourn the Lindon City Municipal Building Authority and reconvene the meeting**
34 **of the Lindon City Council -**

36 BOARDMEMBER BAYLESS MOVED TO ADJOURN THE MEETING OF
38 THE LINDON CITY MUNICIPAL BUILDING AUTHORITY AND RECONVENE
40 THE MEETING OF THE LINDON CITY COUNCIL AT 10:09 P.M.
42 BOARDMEMBER HATCH SECONDED THE MOTION. ALL PRESENT VOTED IN
44 FAVOR. THE MOTION CARRIED.

40 **COUNCIL REPORTS –**

42 **COUNCILMEMBER BAYLESS** – *Trails, Planning, Zoning, Board of Adjustments,*
44 *Administration.*

2 Councilmember Bayless reported that a street sign on Gillman Lane was installed
incorrectly, and identifies the intersection as 500 West and 600 West. Mr. Dameron will
follow up with the Public Works department.

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

6 Councilmember Bath invited Chief Cullimore to report on Police Department
8 activities. Chief Cullimore informed the Council that the Police Department vehicles are
competing in a nationwide design contest. He gave direction on voting for the vehicles.

10 Chief Cullimore reported that a policy is being drafted regarding handling of
loaded firearms. He also reported that over 50 United States flags were retired on
12 Saturday, June 13th during a ceremony which was organized by Josh Barlow as his Eagle
Scout project. Approximately 70 people attended the ceremony. The Chief also reported
14 that the Department has been awarded \$5,000 in State asset forfeiture funds. The City
has paid approximately \$300 into that fund during the past year.

16 **COUNCILMEMBER ANTHONY** – *Parks, Recreation, Engineering, Lindon Days,
18 Newsletter.*

20 Councilmember Anthony had no items to report.

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

24 Councilmember Hatch inquired as to plans for an event at the Aquatics Center
during Lindon Days. Mr. Dameron stated that Ernie Sylva is working with Dan Seder to
26 finalize details of Lindon Days events at the pool.

28 Councilmember Hatch reported that he briefly visited the ‘Princess Festival’
fundraising event sponsored by Ron Hatfield to benefit the “In Our Own Quiet Way”
charity organization.

30 **COUNCILMEMBER CARPENTER** – *General Plan, Street & Sidewalks, Public
32 Buildings.*

34 Councilmember Carpenter reported that the Legislative Policy Committee has
started meetings.

36 **ADMINISTRATOR’S REPORT** –

38 Mr. Dameron reported on the following items:

- 40 1. The Council discussed sending a representative to the fall Utah League of Cities
and Towns Conference which has been attended by the full Council in the past.
42 The Council agreed that it would be appropriate to send a representative of the
City. Other members of the Council may choose to attend at their own expense.
44 2. Engineering Coordination Meeting will be held Wednesday, June 17th at noon at
the Public Works Complex. Mayor Dain, Councilmember Bayless and
46 Councilmember Carpenter will attend.

3. The Council reviewed the Project Tracking List.
2 4. Reimbursements from Utah County for the 700 North project and payment for
sale of property to UTA should be received prior to June 30, 2009.

4

COUNCILMEMBER BAYLESS MOVED TO APPROVE THE PAY
6 VOUCHERS. COUNCILMEMBER HATCH 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

ADJOURN –

16

COUNCILMEMBER BAYLESS MOVED TO ADJOURN THE MEETING AT
18 10:35 P.M. COUNCILMEMBER ANTHONY SECONDED THE MOTION. ALL
PRESENT VOTED IN FAVOR. THE MOTION CARRIED.

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Approved – July 7, 2009

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Debra Cullimore, City Recorder

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James A. Dain, Mayor