

2 The Lindon City Council held a regularly scheduled meeting on **Tuesday, December 15,**
3 **2009** beginning at 7:00 p.m. at the Lindon City Center, City Council Chambers, 100
4 North State Street, Lindon, Utah.

5 Conducting: James A. Dain, Mayor
6 Pledge of Allegiance: Jacob Brown, Boy Scout Troop 465
7 Invocation: Jerald Hatch

8 **PRESENT**

ABSENT

9 James A. Dain, Mayor
10 Eric Anthony, Councilmember
11 H. Toby Bath, Councilmember
12 Lindsey Bayless, Councilmember
13 Bruce Carpenter, Councilmember
14 Jerald I. Hatch, Councilmember
15 Ott H. Dameron, City Administrator
16 Debra Cullimore, City Recorder

17 The meeting was called to order at 7:07 p.m.

18 **PRESENTATION** – *Councilmember Toby Bath and Councilmember Eric Anthony were*
19 *honored for their service to the citizens of Lindon.*

20 Mayor Dain presented Councilmember Anthony and Councilmember Bath with
21 plaques, which displayed a “key to the City”, in recognition and appreciation for their
22 years of service on the City Council. Councilmember Anthony served on the Council
23 from March 2005 through December 2009. Councilmember Bath served on the Council
24 from January 1998 through December 2009. Mayor Dain thanked them for their years of
25 service. The audience honored the Councilmembers with a standing ovation.

26 **PRESENTATION** – Shirley Matthews was honored as Lindon Citizen of the Year.

27 Mayor Dain presented Mrs. Matthews with a plaque in honor and recognition of
28 all of her volunteer service in the community. He thanked her for her dedication in
29 making Lindon a great community. The audience also gave Mrs. Matthews a standing
30 ovation.

31 **MINUTES** – The minutes of the regular meeting of December 1, 2009 were reviewed.

32 COUNCILMEMBER BATH MOVED TO APPROVE THE MINUTES OF THE
33 MEETING OF DECEMBER 1, 2009. COUNCILMEMBER HATCH SECONDED THE
34 MOTION. THE VOTE WAS RECORDED AS FOLLOWS:

35 COUNCILMEMBER ANTHONY AYE
36 COUNCILMEMBER BATH AYE
37 COUNCILMEMBER BAYLESS AYE

COUNCILMEMBER CARPENTER AYE
2 COUNCILMEMBER HATCH AYE
THE MOTION CARRIED UNANIMOUSLY.

4
6 **OPEN SESSION** –

8 Mayor Dain called for comments from any resident present who wished to
address an issue not listed as an agenda item. Several youth approached the Council, and
requested that the aquatics center be covered for year round use. The youth felt that
10 keeping the pool open all year would benefit the community by providing jobs for area
teens during the school year, as well as providing additional revenue which could be used
12 in other areas of the City.

14 Mayor Dain explained that the lap pool was constructed to allow that area to be
included in a future indoor recreation center. He stated that covering at least a portion of
the facility is part of the long range plan, but that funds are not currently available for the
16 project. He thanked the youth for their interest and participation.

18 **MAYOR'S COMMENTS/REPORT** –

20 Mayor Dain reported that the Brigham City Council passed a bond measure to
finance the installation of UTOPIA infrastructure. He noted that installation in Brigham
22 City is an important component of the UTOPIA structure.

24 Mayor Dain also reported that Mountainland Associations of Governments
Director, Daryl Cook, recently retired. Mr. Cook will be replaced by Andrew Jackson.
Mr. Jackson is a former Lindon City employee.

26 Mayor Dain wished all present a happy holiday season.

28 **CONSENT AGENDA** –

30 No items.

32 **CURRENT BUSINESS** –

- 34 1. **Concept Review** – *Creekside Retirement Residential Subdivision*. This is a
request by Steve Maddox for the City Council's review and feedback concerning
36 potential changes to the Creekside Retirement Residential Subdivision and
development agreement. Mr. Maddox hopes to purchase the subdivision and
38 market the lots for single-family homes.

40 Steve Maddox was present as the representative for this Concept Review. Mr.
Cowie explained that this is a discussion item only. He stated that the subject property is
42 located south of the existing Fieldstone Homes Creekside Meadows Subdivision. Mr.
Maddox is considering purchasing the property and the project from the previous owners.
44 Mr. Maddox is requesting discussion regarding the stipulation that this development
specifically provide retirement housing, and the possibility of permitting single family
46 homes as part of the development. Mr. Cowie noted that the clear intent of the agreement

2 is that the development would be a retirement community. Mr. Cowie explained that the
subdivision is currently platted with 54 lots with defined building pad areas. Mr. Maddox
4 has indicated that he has a single family product which will fit the existing pad sites.
Utilities, sidewalk, curb and gutter improvements have all been installed. Creation of a
6 homeowners association will be necessary to maintain the private roadways and utilities
in the development.

8 Mr. Cowie noted that the Planning Commission also discussed this concept with
Mr. Maddox. During discussion with the Planning Commission, Mr. Maddox indicated
10 that he is confident that he will be able to meet the requirement regarding affordable
housing. The original agreement requires 30% of the units to meet moderate income
12 housing guidelines. Mr. Maddox has indicated that a minimum of 30% of the units will
meet the requirement.

14 Councilmember Anthony expressed concern regarding the long term impact of
this decision. He encouraged the Council to maintain guiding principles and make
16 healthy decision for the community for the future, and not make decisions based on the
challenges of the current economic cycle.

18 Councilmember Bath observed that there was a significant level of apprehension
on the part of the Council when the development agreement was originally approved. He
20 noted that significant concessions were made for this development which deviated from
typical requirements based on the understanding that the development would provide
22 retirement housing. He expressed that he did not feel comfortable changing the terms of
the agreement from the current requirements.

24 Councilmember Carpenter explained that the development would not have been
originally approved if the retirement housing was not part of the agreement. He noted
26 that the Council felt that the concession which the City agreed to were acceptable given
that the development would provide housing for an underserved population in the City.
He noted that the street profiles which were approved would provide adequate service for
28 a retirement community, but that street and traffic flow requirements for starter home
communities differ greatly from those of a retirement community. He noted that the
30 development has passed through a number of owners, and that 'vision' of the project
seems to have been lost.

32 Councilmember Hatch and Councilmember Bayless each expressed agreement
with the comments made by other Councilmembers. Mr. Maddox stated that he has
34 reviewed the agreement, but that he does not have a full understanding of the history of
the development. He explained that his parents are residents of Lindon, and that they
36 previously lived in a neighborhood where the majority of residents were retirees. He
stated that his parents moved from that neighborhood and into a more diverse area,
38 because they missed interaction with a variety of neighbors.

40 Mr. Maddox stated that he intends to maintain the majority of requirements in the
agreement, such as establishing a homeowners association to maintain private utilities
42 and streets. He stated that requirements regarding the current plat, the building envelope,
the architectural style, square footage and affordability of the homes would be unaffected
44 by his proposed plan. He stated that the only change he is requesting to the existing
agreement is the requirements for the development to be sold to retirees, and the ability to
detach the housing units with a five foot setback to enhance privacy in the homes.

2 Mr. Maddox stated that it is not his intention to exclude retirees from purchasing
homes in the development, but rather to market the homes to a larger demographic. He
4 noted that home values have decrease dramatically in the current economy, and that
generally speaking home values will have to increase significantly before it will make
financial sense for retirees to sell existing larger home on larger lots to ‘downsize.’

6 Mayor Dain reiterated concerns regarding the approved street profile in relation to
families with multiple cars and multiple drivers. He observed that it would be difficult to
8 address this concern given the current design of the development. Councilmember
Carpenter noted that the City is not oblivious to the current economic conditions. He
10 noted, however, that the current economic cycle is a short term situation, and that
development and housing are long term decisions which must be considered carefully.
12 He agreed that it would be difficult for Mr. Maddox to adequately address concerns
regarding streets, traffic flow and parking.

14 Mr. Maddox asked the Council for direction as to the whether they felt that issues
could be resolved and revisions to the agreement considered, or whether the conditions of
16 the current agreement would have to be met. He stated that the current business model
does not allow him to develop an age restricted development.

18 Councilmember Bayless stated that while the Council does not want to convey
and unwillingness to consider appropriate modifications to the agreement, they also do
20 not want to imply that they approve of the changes as currently presented. She expressed
concern regarding the need for safe private yards for children to play in if the
22 development is opened up for families.

24 Councilmember Bath noted that affordable housing for families is provided in a
number of communities in the valley. He noted that significant exceptions were made for
this particular development, and that it was a struggle to work out the details as outlined
26 in the agreement. He noted that there is also a need to provide opportunities for
development of larger lots for families who want that type of environment, and that
28 adequate higher density housing is available in the valley.

30 Mr. Maddox stated that he has a number of extended family members living in
Lindon, and that it has been necessary for those families to purchase older housing
because it was the only option in their price range. He asserted that if the City has the
32 ability to provide affordable new housing for families that they ought to do it. He asked
for clarification regarding what negative impacts the Council would anticipate if families
34 are allowed to occupy the homes rather than retired residents. Councilmember Bath
stated that he anticipates that families would place a higher demand on City services than
36 retirees, and that the design of the development would change the tone of the community
and compromise the privacy of residents.

38 The Council went on to discuss specific restrictions in the development
agreement, including a homeowners association to establish and enforce age restrictions.
40 Following discussion, it was the general feeling of the Council that they would have
significant reservations regarding any amendments to the current development
42 agreement, but that they would be willing to consider changes if relevant concerns were
adequately addressed. Mr. Maddox thanked the Council for their time.

44
46 **2. Review and Action – *Financial Audit Report for Fiscal Year 2008/2009.***

Michael R. Stoddard of the firm CPA Network, LLC will present the City’s

2 annual financial audit report for the fiscal year 2008/2009 to the Mayor and
Council.

4 Mike Stoddard, the City's independent auditor, presented the audit information to
the Council. He explained that the City is responsible for the financial statements, and
6 that it is his firm's responsibility to express an opinion on the financials. He stated that
the opinion is clean for the current year.

8 Mr. Stoddard went on to review specific information in the audit report. He noted
that there is very little change to governmental funds, but that Enterprise Funds increased
10 from \$32 million to \$43 million due to construction of the aquatics center. Long term
debt also increased from \$4 million to \$14 million due to the bond for the aquatics center.

12 Mr. Stoddard went on to review Profit and Loss statements. He noted that figures
include assets to the City of roads and other infrastructure associated with development.
14 Due to the current economic conditions, there has been a dramatic drop in development
activities, which has resulted in a decrease in new City infrastructure.

16 Mr. Stoddard noted that the current financial statements show that the City has
approximately \$24 million in total liability, with approximately \$20 million in long term
18 debt. He stated that the City has approximately 71% equity, with about 29% debt,
including short and long term obligations. Mayor Dain inquired as to whether the
20 financial status of the City is a good financial model. Mr. Stoddard stated that the City's
finances reflect conservative management practices, and that the City is in sound
22 financial condition.

24 Mr. Stoddard noted that the purpose of City government is to provide services,
and that the City does not operate as a business. He stated that financial statements show
that approximately \$9.5 million in revenue was needed to provide the current level of
26 general government services, with approximately \$3.4 million to run the Enterprise Fund
operations, for a total of nearly \$13 million to manage and run governmental operations
28 and fund services to citizens.

30 Mr. Stoddard outlined revenue sources to the General Fund, including fees
charged of approximately ¾ of a million dollars, grants of less than one million dollars,
property tax revenue of \$2 million dollars, sales tax revenue of \$2.5 million, and
32 franchise taxes of \$1.2 million, for a total of approximately \$5.8 million in revenue. In
addition, Enterprise Funds paid approximately \$685,000 to the General Fund in the form
34 of administrative fees. He noted that in general, fees charged for Enterprise Funds
operations essentially covered the cost of services from those funds.

36 Mr. Stoddard reviewed revenues, expenditures and changes in fund balances for
all governmental activities. He stated that the \$1.3 million drop in revenue is due to a
38 drop in key revenue sources, specifically sales tax revenues, as a result of the economic
downturn. He explained that according to Utah State law, fund balances must be a
40 minimum of 5% and a maximum of 18%. The fund balance of the City is currently 9.8%.
Mr. Dameron observed that the Council was aware that use of fund balances would be a
42 necessary component of the overall budget this year. He stated that officials and staff are
taking appropriate action to control costs and manage the loss of revenue while
44 maintaining the level of service.

46 Mr. Stoddard stated that compliance letters included in the audit report indicate no
finding of improper internal controls, and only minor findings regarding state

2 compliance, including an over expenditure from the judicial fund of \$25,687. Mr. Dameron stated that the over expenditure was likely the result of missed information during the final budget amendments from the previous year.

4 In summary, Mr. Stoddard stated that he has issued a clean opinion regarding the City's financial statements. He observed that the current economy has created a fiscal challenge for government entities. He complimented officials and staff on their efforts to control costs and manage resources. He stated that internal controls are adequate, including segregation of duties to manage risk. He observed that the control environment in the City shows a high level of integrity from City leaders, and that appropriate action has been taken to mitigate future financial risks, including the implementation of an increase to property tax assessments. He stated that this action shows an attitude of fiscal responsibility and fiscal integrity, and that the Council is meeting challenges as they arise in a very proactive manner.

14 Mr. Dameron stated that the audit report will be contained in the Comprehensive Annual Financial Report Document (CAFR), which will be completed in the near future. The CAFR includes additional details and information on various government operations. The final report will be forwarded to the Mayor and Council upon completion.

18 The Council went on to discuss current and projected economic and market conditions. Mayor Dain thanked Mr. Stoddard for his time and expertise in preparing and presenting the audit report.

- 22 3. **Review and Action** – *Interlocal Agreement for the Provo Reservoir Canal Rights-of-Ways Greenway*. This item was continued from the meeting of December 1, 2009. It is a request by Mayor Dain for the City Council's review and approval of the Interlocal Agreement for the Provo Reservoir Canal Rights-of-Ways Greenway. This is commonly known as the agreement for the Murdock Canal Trail. The agreement is between Utah County and the various cities bordering the Murdock Canal.

30 City Attorney, Brian Haws was present for this discussion. Mr. Haws explained that significant aspects of the agreement are not yet ready for approval. He and Mr. Dameron recommended that approval of the agreement be continued until the details can be addressed. Mayor Dain noted that there is some sense of urgency to complete agreement, and that concerns are being addressed as quickly as possible. He called for a motion to continue.

36 COUNCILMEMBER CARPENTER MOVED TO CONTINUE THE
38 INTERLOCAL AGREEMENT FOR THE PROVO RESERVOIR CANAL RIGHTS-
OF-WAYS GREENWAY UNTIL SUCH TIME AS DETAILS OF THE AGREEMENT
40 ARE FINALIZED AND CONCERNS ADEQUATELY ADDRESSED.
COUNCILMEMBER BAYLESS SECONDED THE MOTION. THE VOTE WAS
42 RECORDED AS FOLLOWS:

44 COUNCILMEMBER ANTHONY	AYE
COUNCILMEMBER BATH	AYE
COUNCILMEMBER BAYLESS	AYE
46 COUNCILMEMBER CARPENTER	AYE

2 COUNCILMEMBER HATCH AYE
THE MOTION CARRIED UNANIMOUSLY.

4 **COUNCIL REPORT** –

6 **COUNCILMEMBER CARPENTER** – *General Plan, Streets & Sidewalks, Public Buildings.*

8
10 Councilmember Carpenter reported on UTOPIA activities, including action taken by the Brigham City Council to bond for installation of infrastructure and assess residents for the cost. Mayor Dain noted that there appeared to be a high level of support from
12 residents to move ahead with the project.

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

16
18 Councilmember Bayless complimented the work of Officer Darrell Bingham who is currently working on drug legislation issues with the State Legislature. She noted that the City is fortunate to have officers who specialize in a number of areas.

20 Councilmember Bayless requested that the Council consider names for possible participation on the General Plan Committee.

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

26 Councilmember Hatch reported that funding requests through the Housing Consortium have been submitted, and that requests will be considered during the January meeting.

28 City representatives met with Roger Harper of the transfer station to discuss possible relocation of that facility to property currently identified as commercial property on the Lindon City zoning map and General Plan. The City conveyed to Mr. Harper that the proposal was not acceptable.

32 Councilmember Hatch also reported that the City should receive a decrease in the tipping fee at the transfer station. The price reduction is being applied to cities which currently pay the transfer station directly for the tipping fee. Mr. Dameron noted that the City is saving approximately \$1,000 per month on tipping fee charges, and that the fee reduction will increase that savings.

38 **COUNCILMEMBER ANTHONY** – *Parks, Recreation, Engineering, Lindon Fair, Newsletter.*

40
42 Councilmember Anthony expressed appreciation for the opportunity to work with the Mayor and Council, and for the spirit of teamwork and common vision among the Council. He expressed excitement to be appointed to continue work with the Tree
44 Advisory Board. He recommended that the Mayor consider forming a committee to be proactive in developing the 700 North commercial corridor. He recommended that
46 incoming Councilmember, Mark Walker, head the committee, due to his extensive

2 knowledge and contacts in the business world. He observed that the 700 North corridor
is a key component in the City's long term financial stability.

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

6 Councilmember Bath expressed appreciation for the opportunity to work the high
7 caliber of people he has had the privilege of serving with. He stated that City owes a
8 great deal of its success to employees. He reiterated comments from an earlier meeting
that employees must be a priority as soon as the economy recovers and funds are
10 available. Councilmember Bath complimented Chief Cullimore for the work he has done
in establishing the Police Department. He encouraged the Council to continue with their
12 current vision, and expressed hope that incoming Councilmembers would adopt the same
principles.

14 Mayor Dain, Councilmember Bayless, Councilmember Carpenter and
16 Councilmember Hatch expressed appreciation to Councilmember Anthony and
Councilmember Bath for their service and their friendship.

18 **ADMINISTRATOR'S REPORT** –

20 Mr. Dameron reported on the following items:

- 22 1. The annual Employee's Association Family Christmas Party will be held
December 23rd at noon at the Public Works Complex.
- 24 2. City offices will be closed December 24th and 25th for the Christmas holiday.
- 26 3. The Council reviewed the Project Tracking List.
- 28 4. An agreement for solid waste services through Allied Waste will be ready for
Council review in January.
- 30 5. The City is currently negotiating with John Thackery regarding possible
amendments to the current RDA agreement. Amendments would pay the City
32 portion of the tax increment over a period of years, rather than in a lump sum
at the end of the agreement in 2016. A Special Meeting to approve
amendments before the end of the year will be scheduled if necessary.

34 COUNCILMEMBER BAYLESS MOVED TO APPROVE THE PAY
36 VOUCHERS. COUNCILMEMBER HATCH SECONDED THE MOTION. THE
VOTE WAS RECORDED AS FOLLOWS:

38 COUNCILMEMBER ANTHONY	AYE
COUNCILMEMBER BATH	AYE
COUNCILMEMBER BAYLESS	AYE
40 COUNCILMEMBER CARPENTER	AYE
COUNCILMEMBER HATCH	AYE

42 THE MOTION CARRIED UNANIMOUSLY.

44 **ADJOURN** –

2 COUNCILMEMBER BATH MOVED TO ADJOURN THE MEETING AT
10:00 P.M. COUNCILMEMBER ANTHONY SECONDED THE MOTION. ALL
PRESENT VOTED IN FAVOR. THE MOTION CARRIED.

4
6 Approved – January 5, 2010

8
10
12

Debra Cullimore, City Recorder

14
16

James A. Dain, Mayor

18