

**MINUTES OF THE
MEETING OF THE
TOWN COUNCIL OF
GARDEN CITY, UTAH**

The Garden City Town Council held their regularly scheduled meeting on May 13, 2010 at the Garden City Office, located at 69 N. Paradise Parkway, Bldg C. Mayor Spuhler opened the meeting at 5:00 p.m.

Council Members Present:

John Spuhler, Mayor
Mike Leonhardt
Brian House
Bess Huefner
Dan Kurek

Others Present:

Kathy Hislop	Cindy McLaughlin
Travis Hobbs	Linda Schiess
Riley Argyle	Mike Schiess
Anita Weston	Paul Birdsey
Jason Linford	Carol Griffin
Bobbie Coray	Lana Hodges
Chris Coray	Larry Hodges
Bob Stevens	Mark Chugg
George Peart	Chuck Stocking
Greg Bills	Terry Allen
Carol Bills	Brent Hirschi
Sharlene Millard	Gary McKee

Mayor Spuhler welcomed everyone to the meeting and asked for a roll call of Council Members, Mayor Spuhler, Council Member Leonhardt, Council Member House, Council Member Huefner, and Council Member Kurek.

BUILDING INSPECTOR REPORT

Mr. Peart explained that his biggest concern that he has right now deals with the short term rentals. He said that he would really like some clarification on the current ordinance and the inspection policy. He said that he feels uncomfortable with some of the older buildings being approved to rent the way they are. In the past they have been allowed even if they are not up to current code. Mr. Peart read from the ordinance that a sleeping room or space is determined by the IBC Code to be a valid sleeping room. It doesn't state that it has to be up to current code.

Mayor Spuhler said that we need to do it moving forward, we can't go back and change those who have already been approved but from this point forth we need to make sure everything is up to current code.

Fire inspections and fire extinguishers would be under the Fire Departments jurisdiction so that would be up to the Fire Chief. Mr. Peart should coordinate with the Fire Chief on these types of issues.

Council Member Leonhardt made the motion to approve, that starting today anyone applying for a short term rental license will have to comply with the current International Building Code and the current International Fire Code. Council Member House seconded the motion. All in favor and the motion carried.

Mr. Peart explained that he is working on some new building permits.

TOWN ENGINEER REPORT

Treatment Plant

Mr. Linford explained that Pall Corp is working on the commissioning of the treatment plant and testing. Hopefully by the next council meeting it will be up and running.

Extension of Paradise Parkway

We have awarded the contract to Circle C for the extension of Paradise Parkway. There is a small issue with Mr. & Mrs. Stone on the road going through their property, but he and Council Member Huefner will continue to work through that issue. Mr. Linford showed the new JSH survey. Council Member Huefner will meet with Mr. & Mrs. Stone to show them exactly where the road will go.

We can let Circle C proceed on the north end of the extension, which is on the opposite end from the Stone's property. Circle C has another job that they can work on while we try to work this out with Mr. & Mrs. Stone.

Water Rates

Mr. Linford passed out the cash flow projection culinary water system report. He explained the report and the Council looked at each line item. The report indicates that we should be able to meet our financial obligations with the new water rates as approved last month.

New Well

Mr. Linford explained that we really need to look at a new well for our system. Sunrise drafted a new well feasibility study to show the best location, which indicated it would be

at the South end of the Town. He suggested that we do a test well first. The new well would be for more water and more pressure, for redundancy, and would help the south end of our system.

Mayor Spuhler explained that recently we had 2 situations where we had our main line compromised and the net is that if we have to shut the line down everyone is out of water in the city. If we put a new well on line it would help ensure that everyone in the city is not out of water. It is something to consider. Mr. Linford will put some figures together to see what it would cost.

A new well won't affect the spring because the well isn't surface influenced like the spring.

WATER OPERATOR REPORT

Water

Mr. Hobbs explained that they have been doing a lot of meter installations. They will be doing some test readings next month so hopefully we will be ready to go on line with the July billing. The meters will be read June 1st to get the initial reading and from then on they will be read at the end of every quarter. We will send every user a bill the first of July so they have an idea the amount of water they are using.

Mr. Hobbs said that it is his sincere feeling that we need to drill a new well. We need to consider it before we start any new project because it is that important. He feels that one day the line will go down and the town will be out of water. Mayor Spuhler asked about installing a PRV from the Elk's Ridge tank. Mr. Hobbs said that the water in that tank would last about 4 hours during a busy day in the summer, but in the winter it may feed the town for about 1 week. We have one line feeding the town and if the line goes down and it takes a day to fix it the town will be out of water at least that long. Mr. Hobbs said that the Elk's Ridge tank would be a fix for a limited amount of time.

Council Member Leonhardt said that we need to get some hard costs to see what it would cost the town to drill that well. Mayor Spuhler said that he talked to Mr. John Post and he will get us an idea of what it will cost to drill that well. Mayor Spuhler also said that we need to do whatever we can to mitigate the situation.

Roads

We have been approved for a TRT grant for \$8,000 on the bike path; we need to get it done before July 1st. It is a matching grant that we need to get working on it before we lose the money.

Mr. Hobbs said that we have roads in town that need to be re-surfaced. He suggested that we at least get some figures on a cost to re-surface them and go from there; he will work

on getting the costs. Mr. Hobbs said that they should be chip and sealed or fogged. He said that there are quite a few roads that need to be done.

Mayor Spuhler said that we need to put together a process and procedures on a re-surfacing maintenance program. We need to know what should be done and when we need to work on them.

Standards Book

Mr. Hobbs explained that he has been working on a standards book for roads and water, which will specify what the developers need to do when they are developing a subdivision. This will help so everyone knows what is expected. It should be ready for discussion at the next Town Council meeting.

Parks

We are going to put a bid out for the sprinkling system for the ice rink area.

The bathrooms at the park are open already. Mayor Spuhler said that we need to make sure the bathrooms are cleaned and taken care off. Mr. Hobbs said that they were cleaning them 2 times every weekend and they will be cleaned the same this summer.

BUSINESS LICENSE DISCUSSION/APPROVAL

Markwa Holdings

Council Member Leonhardt explained that the phone and office work will be done at their home and the painting and cleaning will be onsite for the business of Markwa Holdings. Council Member Leonhardt said that there isn't anything that concerns him about this business.

Council Member Huefner made the motion to approve Markwa Holdings application for a painting and cleaning business license. Council Member House seconded the motion. All in favor and the motion carried.

Crossroads International Coffeehouse

Ms. Carol Griffin explained that she is taking over the building where the Holy Cow was. Council Member Leonhardt explained that he talked to Ms. Griffin and she needs a sales tax number and a fire inspection. Ms. Griffin explained that she is just waiting for her state sales tax number from the state, which she feels she should have soon. Council Member Leonhardt asked if the Fire Chief or the Building Inspector has been in yet. Ms. Griffin said that she is waiting until she puts in a produce sink first before she has them come in for the inspections. She would like to be open the Friday before Memorial Day.

Council Member Leonhardt suggested that the Council make a motion with stipulations before she is issued her license.

Council Member Kurek made the motion to approve the business license for Crossroads International Coffeehouse pending an inspection by the Building Inspector, the Fire Chief, the health inspection and the sales tax number. Council Member Huefner seconded the motion. All in favor and the motion carried.

Sagebrush Saloon

Council Member Leonhardt explained that he visited with Ms. Julie Bendtsen and she has everything she needs to open for business. She isn't selling anything out of her salon; she is just cutting hair and doing nails, so she doesn't need a sales tax number.

Council Member House made the motion to approve the Sagebrush Salon business license. Council Member Huefner seconded the motion. All in favor and the motion carried.

Lynden Floors

Council Member Leonhardt explained they are good to go with this business license with the exception that they need to change their sales tax number so that it is registered to Garden City.

Council Member Huefner made the motion to approve the business license for Lynden Floor with the stipulation that they need to register their sales tax number to Garden City. Council Member House seconded the motion. All in favor and the motion carried.

Leon Zilles Construction, Inc.

Council Member Leonhardt explained that Mr. Leon Zilles does not have his Utah State Construction license yet but he has applied for it. All his work will be done on site.

Council Member House made the motion to approve the business license for Leon Zilles Construction pending his state contractor's number. Council Member Huefner seconded the motion. All in favor and the motion carried.

SHORT TERM RENTAL DISCUSSION/APPROVAL

Randy & Jenise Jarrett, 670 Dee Ave. Foothill Estates

Council Member Huefner made the motion to approve the short term rental license for Randy and Jenise Jarrett on the condition that they must meet the codes. Council Member House seconded the motion. All in favor and the motion carried.

Mary Ann Smith/Chad Smith, HV Condo #220

Council Member Huefner made the motion to approve the short term rental license for Mary Ann Smith and Chad Smith upon the condition that they meet the codes. Council Member House seconded the motion. All in favor and the motion carried.

RESOLUTION DISCUSSION/APPROVAL

Resolution #R10-04, a Resolution, a Resolution to update water rates.

Council Member Huefner made the motion to approve Resolution #R10-04 to update our water rates for Garden City. Council Member House seconded the motion. All in favor and the motion carried.

Resolution #R10-05, a Resolution, a Resolution to establish the Bear Lake Arts Council.

Council Member Huefner made the motion to approve Resolution #R10-05 to establish the Bear Lake Art's Council. Council Member Leonhardt seconded the motion. All in favor and the motion carried.

Resolution #R10-06, a Resolution to establish a fee for Un-Encumbrances.

It was suggested that the ordinance be changed from un-encumbrances to termination of encumbrance. The Council Members agreed and the ordinance will be changed to reflect the correct name.

Council Member House made the motion to approve Resolution #R10-06 to establish a fee for Termination of Encumbrances, with the discussed change. Council Member Kurek seconded the motion. All in favor and the motion carried.

ORDINANCE DISCUSSION/APPROVAL

Ordinance #10-03, an Ordinance making it permissible to have more chickens included as household pets.

The main items that the Planning Commission recommended with this ordinance is no roosters are allowed and that the chickens must be penned.

Council Member Huefner made the motion to approve ordinance #10-03 an ordinance making it permissible to have more chickens included as household pets, as presented. Council Member Kurek seconded the motion. All in favor and the motion carried.

Ordinance #10-04, an Ordinance stipulating that projects or development phases must be completed prior to receiving approval for a new project or phase.

Mayor Spuhler said that this is a good ordinance that will protect our town and it is an important step.

Council Member House made the motion to approve Ordinance #10-04 an ordinance stipulating that projects or developments must be completed prior to receiving approval for a new project or phase. Council Member Huefner seconded the motion. All in favor and the motion carried.

TERMINATION OF ENCUMBRANCE REQUEST DISCUSSION/APPROVAL,
Cindy and Jim McLaughlin

Jim and Cindy McLaughlin encumbered 2 lots, which they own. They have been approved for a lot split by the Planning Commission Chair and so they need to terminate that encumbrance. Mayor Spuhler explained that we do have an ordinance in place to cover this request.

Council Member House made the motion to terminate the encumbrance as requested by the McLaughlins. Council Member Kurek seconded the motion. All in favor and the motion carried.

SWEETWATER ANNEXATION

Mr. Chris Coray explained that he serves on the Sweetwater Hillside Homeowners Association Board but he is not representing any of the Sweetwater HOA Boards. An annexation action must be taken by the landowners of the subdivision and not the Board Members.

Mr. Coray asked what criteria the Town Council would require the Sweetwater Subdivision to do in order for them to be favorably considered for annexation. He said that is what he would need to know so that he could go back to the landowners with those criteria.

The proposed land to be annexed is about 1570 acres and includes the Hillside HOA, the Omega HOA, the Golf Course HOA, Fox Ridge HOA and the golf course.

All of the lots have water to them but Bear Lake Water Company does not own enough water for a full build out of all those lots.

The Council explained that if we are really seriously going to look at this then we need to hold a series of work meetings to discuss the issues. Mr. Coray said that is correct but this is a formal request from him to start the work meetings so we can start the discussion on what they will be required for the annexation. Mayor Spuhler said that there are a lot of things that we need to look into from every angle to make a really good decision.

Mayor Spuhler said that he will commit to looking into this proposal and that it may end up being very good for the city. Council Member Leonhardt agreed that we need to dig into this and find out if it is something that we should seriously consider. We need to determine if it is something that we are interested in pursuing so it is fair to Sweetwater so they know if we are interested. We need to give a timeline to this so we can come up with some answers. The Council agreed that we need to have an answer back to Sweetwater within the next 90 days but we also need to be able to ask Mr. Coray questions to help determine the outcome. Council Member Huefner suggested that we start the work meetings the first week of June.

Mr. Coray suggested that we don't just focus on Sweetwater because Swan Creek may decide that they want to annex also.

DISCUSSION REGARDING CANAL COMPANY DITCHES

Mr. Terry Allen explained that there used to be irrigation ditches running through Garden City. A few years ago the Town Council Members and the Canal Companies met and discussed filling in the ditches that ran through town. At that point and time it wasn't an issue to cover the ditches because share holders weren't using the ditches to water their property. Now that the town is going to meter the water it has become an issue. The discussion at the time that the ditches were covered was that when the city started metering water usage the ditches would be opened up so the shareholders could use their water shares.

Mayor Spuhler said that also at that time there was no mandate from the Federal Government that we had to build a 5 million dollar treatment plant either. There have been a lot of things that have happened since that time that could not have been anticipated.

Mayor Spuhler said that opening all the ditches in town will be a nearly impossible task and if there isn't a contract with the city then he isn't sure that we are obligated to do that. Mr. Allen said that the meeting minutes are a binding contract and it would be in the minutes what that discussion and the decision was. The Council agreed that we need to look into the minutes to see what they say.

Mr. Allen said that Mr. Sprouse has called him and wants to be able to use his water shares and wants the ditches re-opened. He also explained that the city covered the ditch along 3rd west but opened it up when the new road was paved. So the city has already opened one ditch for the KOA. Mayor Spuhler said that he hasn't seen anything in the minutes but that we will look into the minutes to see what they say. He hasn't seen anything yet that binds the city. Mr. Allen said that the canal company agreed to allow the city to cover the ditches in good faith. Council Member Leonhardt said that we just need to pull the minutes and see what they state. We also need to identify those who want the water. We need to go back to the time when the intersection was re-done,

because that is the time frame about when the discussion took place. Mr. Allen said that there are probably 10-15 shareholders that would be interested in using their canal shares.

DISCUSSION REGARDING PARADISE PARKWAY RUNNING THROUGH BUTTERCUP MOBILE HOME SUBDIVISION.

Mr. Stocking explained to the Town Council that he is concerned with the decision to have Paradise Parkway go through Buttercup Subdivision. He said that it will go right through the middle of the subdivision and there will be a lot of children playing close to that road. He said that he feels that the city is being short sided in not looking at other options for Paradise Parkway. He said that Buttercup will be a very packed subdivision with a very busy road going through.

The Town Council explained that they had the road engineered and other options were looked at but the best location is where it is planned.

SUBDIVISION DISCUSSION/APPROVAL

Mr. Gary McKee explained that he is trying to create a 3 lot subdivision at the location where his realty business is. He has met with the water department, the sanitation department, and members of the Planning Commission in trying to get the plat to where it is now. The Planning Commission held a special meeting today to discuss this and they recommended the plat to the Council with some requirements.

Council Member Huefner made the motion to accept the preliminary and final review and approval of subdivision of 1 lot into 3 lots, contingent on meeting the conditions of the engineer, the attorney and the Planning Commission stipulations. Council Member Leonhardt seconded the motion. All in favor and the motion carried.

DISCUSSION/APPROVAL REGARDING SEGMENTING PROPERTY ALONG THE LOGAN CANYON NATIONAL SCENIC BYWAY SO WE CAN INSTALL A HOSPITAL SIGN IN THIS LOCATION.

Council Member House made the motion to write a letter for UDOT and the Scenic Byway to de-segment a 20 foot section so we can install a sign. Council Member Kurek seconded the motion. All in favor and the motion carried.

TENTATIVE BUDGET APPROVAL

Council Member Huefner made the motion to raise the wages of all the Town Council to \$250 per month, the Mayor to \$500 per month, the Planning Commission to \$40 per month, the Planning Commission Chair to \$60 per month, and Board of Adjustments to \$20 per meeting, and the Board of Adjustments Chair to \$40 per meeting. Council Member House seconded the motion. All in favor and the motion carried.

Council Member Huefner made the motion to accept the preliminary general budget with the roads to be added. Council Member House seconded the motion. All in favor and the motion carried.

Council Member House made the motion to accept the water fund preliminary budget as presented. Council Member Kurek seconded the motion. All in favor and the motion carried.

Council Member Huefner made the motion to approve SID preliminary budget as presented. Council Member House seconded the motion. All in favor and the motion carried.

MISCELLANEOUS ITEMS

Soccer at the park

The Council agreed that they can use the park for the soccer games and they can mark it with chalk.

PAYMENT VOUCHERS

Council Member House made the motion to pay the vouchers as presented. Council Member Huefner seconded the motion. All in favor and the motion carried.

APPROVAL OF MINUTES

Regular Town Council Meeting held on April 8, 2010

The Council reviewed the minutes of the Town Council Meeting held on April 8, 2010.

Council Member Kurek made the motion to approve the minutes of the Town Council meeting held on April 8, 2010 as presented. Council Member Leonhardt seconded the motion. All in favor and the motion carried.

EXECUTIVE SESSION

Council Member House made the motion to go into executive session at 10:10 p.m. Council Member Kurek Seconded the motion. All in favor and the motion carried.

The Council Members had a discussion and no motion was made during the executive session.

Council Member House made the motion to close the Executive Session at 10:15 p.m. Council Member Huefner seconded the motion. All in favor and the motion carried.

ADJOURNMENT

There being no further business to discuss, Council Member House made the motion to adjourn the Town Council meeting at 10:15 p.m. Council Member Huefner seconded the motion. All in favor and the motion carried.

APPROVED:

Attest:

John Spuhler, Mayor

Kathy Hislop, Town Clerk