

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

The Garden City Town Council held their regularly scheduled meeting on Thursday, October 9, 2014 at the Garden City Lakeview Building located at 69 N. Paradise Parkway, Building C. Mayor Spuhler opened the meeting at 5:02 p.m.

Town Council Members present:

John Spuhler, Mayor  
Darin Pugmire  
Chuck Stocking  
Bess Huefner  
Bruce Warner  
Gary Cox, City Administrator

Others Present:

Kathy Hislop	Elizabeth Seiler
Riley Argyle	Gary Forakis
Zan Murray	Debbie Forakis
Anita Weston	Fred Philpot
George Peart	Chris Coray
Tom Wahlberg	Travis Hobbs
Mike Walberg	Sidney Hobbs
Ron Kallas	Jesus Olbera
Tom Weston	Devin Watkins
Bill Cox	Scott Rose
Richard Droesbeck	Skip Duffin
Scott Tolentino	Nadeen Sprouse
Deenna Tolentino	Rick Bywater
Jeff Rasmussen	

**Roll Call**

Mayor Spuhler asked for a roll call of Council Members present: Mayor Spuhler, Council Member Stocking, Council Member Pugmire, Council Member Huefner, Council Member Warner, and Mr. Cox, City Administrator.

**Approval of Minutes**

Town Council Meeting held on September 11, 2014

Council Member Huefner made the motion to accept the minutes of the Town Council meeting held on September 11, 2014, with the changes as discussed. Council Member Stocking seconded

the motion. A roll call vote was taken. Council Member Huefner, for; Council Member Pugmire, for; Council Member Stocking, for; Council Member Warner, for; Mayor Spuhler, for. Motion carried.

#### Executive Session held on September 11, 2014

Council Member Warner made the motion to approve the minutes of the Executive Session held on September 11, 2014, as outlined with the changes as discussed. Council Member Pugmire seconded the motion. A roll call vote was taken. Council Member Huefner, for; Council Member Pugmire, for; Council Member Stocking, for; Council Member Warner, for; Mayor Spuhler, for. Motion carried.

#### **Business License Discussion/Approval**

Bear Lake Academy of Martial Arts, request to conduct a martial arts education business at 50 S. Bear Lake Blvd. (Firehouse Pizza location)

Council Member Huefner said that this sounds like a fun business. The Council agreed that they haven't approved the requirement for a background check, although they have discussed it in the past, so it isn't a requirement for this business.

Council Member Huefner made the motion to accept the business license for the Bear Lake Academy of Martial Arts. Council Member Warner asked if there is a problem having this in the basement of the restaurant. The Council agreed that there is only 1 exit, but they do have windows that can pop out if there is an emergency. Motion died for lack of second.

Council Member Warner said that he would proposed to approve the business license subject to an inspection of the premises to make sure it is safe, by the Fire Marshall. The Council agreed that was reasonable.

Council Member Huefner made the motion to accept the business license for Bear Lake Academy of Martial Arts with the stipulation that they have an inspection by the Fire Marshall and that there is an exit access and fire extinguishers. Council Member Warner seconded the motion. A roll call vote was taken. Council Member Huefner, for; Council Member Pugmire, for; Council Member Stocking, for; Council Member Warner, for; Mayor Spuhler, for. Motion carried.

Parking was discussed and it was determined by the Council that the parking was already addressed when the building was built.

#### **Public Comments**

Mr. Argyle explained that the State Parks & Recreation can do signage along the Forest Trail under their permit for specific projects.

Mayor Spuhler said that he has an MOU on the gun range that was signed by Commissioner Cox, which defines the roles for each entity's. Before the MOU was signed the entities met at

the site to discuss this project. They have had a follow up meetings and everyone thought it was a great idea. He thought everyone was together on this project. He was surprised and disappointed that the County Commissioners said that they were upset that the city was holding a public hearing on the gun range. Garden City has spent a lot of money on the design and on getting the funding. We have completed the sound test. Mayor Spuhler said that he is quite upset about the County attitude.

**Ordinance Discussion/Approval**

Ordinance #14-17, an ordinance updating the business license policies and procedures.

The Council discussed the changes that were proposed to the ordinance as it was discussed. Mayor Spuhler explained that this gives the Council, as a group, a little leeway when approving a business license.

Council Member Warner moved to approve ordinance #14-17, an ordinance updating the business license policies and procedures as just discussed with the changes. Council Member Pugmire seconded the motion. A roll call vote was taken. Council Member Huefner, for; Council Member Pugmire, for; Council Member Stocking, for; Council Member Warner, for; Mayor Spuhler, for. Motion carried.

**Covenant to Run with the Land/Un-encumbrance Discussion/Approval**

Un-encumbrance for Season's Resort, request to un-encumber parcel #'s 41-21-49-101, 41-21-49-201, 41-21-49-202, 41-21-49-203, 41-21-49-204, 41-21-49-205, 41-21-49-206, 41-21-49-207, 41-21-49-301, 41-21-49-302, 41-21-49-303, 41-21-49-304, 41-21-49-305, and 41-21-49-306, 41-21-49-307.

Council Member Stocking made the motion to allow the un-encumbrance for Seasons for parcels 41-21-49-101 through 41-21-49-307. Council Member Huefner seconded the motion. A roll call vote was taken. Council Member Huefner, for; Council Member Pugmire, for; Council Member Stocking, for; Council Member Warner, for; Mayor Spuhler, for. Council Member Pugmire said that the lots are not in order, it goes from 41-21-49-101, 41-21-49-207, and 41-21-49-301, 41-21-49-307. The Council decided to list the lots individually in the motion. Motion Died.

Council Member Stocking made the motion to allow the un-encumbrance for Seasons Resort as listed on the agenda. Council Member Huefner seconded the motion. A roll call vote was taken. Council Member Huefner, for; Council Member Pugmire, for; Council Member Stocking, for; Council Member Warner, for; Mayor Spuhler, for. Motion carried.

**Discussion/Approval of a new encumbrance/Covenant to run with the land procedure.**

Ms. Marilyn Adams, from Hickman Title, suggested a change in our procedure for the vacant lot fees. The procedures for encumbrances that are done to build over lot lines will be handled the same as in the past and will be recorded with the Rich County Recorder. The procedure for the encumbrances for water standby fees will be handled in-house.

The policy states that there is a penalty if we are not notified if a lot is sold and we are not notified.

Council Member Huefner made the motion to approve the procedure policy for encumbrance covenant to run with the land with the changes that it will be the sellers responsibility to report to the city, and to extended the penalty to \$10 per month after the first year. Council Member Warner seconded the motion. A roll call vote was taken. Council Member Huefner, for; Council Member Pugmire, for; Council Member Stocking, for; Council Member Warner, for; Mayor Spuhler, for. Motion carried.

The Council suggested that we send the encumbrance information to the real estate agents in town so that they are aware of the procedure.

**UDOT Property Purchase for the US89/3<sup>rd</sup> West Improvement Project,**  
**Discussion/Approval**

Mayor Spuhler explained the project for the turn lane from Logan Road to 300 west. He said that it is a very small piece of property so that they can finish the UDOT improvement, the turning lane. Mr. Argyle said that there is an air vac that will need to be moved, the Council suggested that UDOT move the air vac. Mr. Argyle said that they are coming for a site visit on the 21<sup>st</sup> and he will talk to them about moving the air vac.

Council Member Warner motion to approve the sale of this small piece of property to UDOT as outlined on this document, Utah Department of Transportation Administration Compensation Estimate, which will result in proceeds to the city of \$2,175. Council Member Huefner seconded the motion. A roll call vote was taken. Council Member Huefner, for; Council Member Pugmire, for; Council Member Stocking, for; Council Member Warner, for; Mayor Spuhler, for. Motion carried.

**Miscellaneous Items**

**Report on Emergency Services Grant/MOU, Mike Wahlberg, Garden City Fire Chief**

Mr. Wahlberg explained that he has talked to the ambulance association and they like the idea of setting up a perpetual fund for training, but they don't fund themselves, it is the County that pays for the ambulance fees. Mr. Wahlberg then talked to Commissioner Tom Weston, who said that it hasn't been done that way in the past so they will need to discuss this during the next Commission meeting. As of right now if someone wants the training they will need to go to the Ambulance Association, who will fund the training.

Commissioner Weston said that the county pays for the training and then the EMT will need to run for a year. Mr. Tom Wahlberg said that when he went through he had to pay the money up front and then run for a year before he was reimbursed the money.

Mr. Wahlberg was just reporting back as what he has been doing for this request. He will continue to work with the County Commissioners to get the MOU in order so we can move forward.

**The Town Council meeting was closed at 6:00 p.m. to go into the Public Hearing.**

**PUBLIC HEARING**

Council Member Huefner made the motion to close the regular session of the Town Council Meeting at 6:00 p.m. Council Member Pugmire seconded the motion. A roll call vote was taken. Council Member Huefner, for; Council Member Pugmire, for; Council Member Stocking, for; Council Member Warner, for; Mayor Spuhler, for. Motion carried.

Mayor Spuhler opened the Public Hearing at 6:00 p.m. Mayor Spuhler asked for a roll call of Council Members present: Mayor Spuhler, Council Member Stocking, Council Member Pugmire, Council Member Huefner, Council Member Warner, and Mr. Cox, City Administrator.

**Discussion regarding the proposed gun range south of Sweetwater Mobile Home Park**

Mayor Spuhler explained how the gun range project started and evolved. He explained it was started to create a place for people to shoot in a safe environment. He met early on with the County Commissioners and the Utah Parks and Recreation Division to locate property that would work for this project. They did a tour of the area and primarily property south of the Sweetwater Mobile Home Park, which is owned by the Utah Parks and Recreation Division. They determined that would be a great place for a gun range.

Mayor Spuhler then met with Mr. Greg Shehan, the Director of the Department of Wildlife, to see if there is a way to fund this project. Mr. Shehan suggested that they use PR money to fund this. It was suggested, by the State, that this is educational and won't be a money making venture.

The State asked Mayor Spuhler to create a memorandum of understanding with the County Commissioners, so he did and it listed the defined rolls for each entity to accomplish this goal. Mayor Spuhler said that in no way is Garden City attempting to usurp any land rights. We want to work with the County and the State to make this work.

Mayor Spuhler said that Garden City has spent significant funds on this project and we now need to know if the State and the County are serious to make this project work. We are willing to do our part but we need the partners also. Mayor Spuhler then opened it up to the audience.

The Council explained the operations of the gun range and how it will be open for the public at specific hours during the week. The range will be open to anyone, with a possible fee involved. Mr. Argyle explained the plan for the project and facilities.

Mr. Richard Droesbeck showed the graph for the sound test that was done at the site and also in Logan at their gun range. The sound test document will be on the city website for review. Mr. Droesbeck explained the graph with the audience.

Mayor Spuhler asked the state and the county what their concerns are with the project. Mr. Jeff Rasmussen, the deputy director for the State Parks and Recreation, said that they are always

looking for opportunities to attract more people to the communities, where parks are located, and give them more things to do while they are here. Then they will stay longer and support local businesses. The gun range is another opportunity for the locals and people that visit. There are a lot of benefits across the board and is in line with some of the things that they do with the State Parks.

Mr. Rasmussen said that he does have some concerns with the project. Mayor Spuhler said that he attended the Sweetwater HOA meeting during the summer and 50% were in favor of the gun range and 50% were not in favor. Mr. Rasmussen said that he read the comments and about ¾ of them were concerned. They want to make sure that the people that own property there are aware of the project and know the facts. They need to have a chance to address those concerns.

Mr. Rasmussen said that all 3 entities need to be on the same page. He said that the MOU is a start to that but there are still some things that need to be worked out. We really haven't talked about specifics, it has been more about generality, who is going to be in charge of what and who is going to pay for what. He said if that is the right place to have the gun range then they are willing to host it there, but the other partners have to come to an agreement of who's going to do what and who's going to pay for what. So if that happens they support it because it is a neat opportunity. Mayor Spuhler read the MOU, which outlines a lot of those questions posed by Mr. Rasmussen. He said that the city has put a lot of thought in this.

Mayor Spuhler said that this is a wonderful thing for the community, it isn't a Garden City thing it is a partnership with the county and also the state. Different location alternatives were discussed. Mr. Scott Tolentino said that he has shot in a lot of different areas that people use to shoot, legally. He said that it would be safer to bring everyone to a specific area, without 4-wheel trails. It would be a benefit to everyone in the town and it will be safer.

Mr. Wahlberg said that there has already been studies done and design on this location, which is state land that is ready to be used. He asked if there is a benefit to bypass that and go to a different location. He said that he would prefer the gun range to be visible to the public so there is less mischief or vandalism.

Mr. Rasmussen said that the MOU was a surprise to him and the state didn't have a part of coming up with the MOU. He said that there are some good things in the MOU but there are operational things that need to be worked out. Mayor Spuhler said that when they met it was decided that the state wouldn't be involved in the MOU, Garden City and the County would work things out with the MOU and bring it back to the state. Mr. Rasmussen said that the MOU is a good start, but all the details aren't worked out, we still need to talk specifics.

**Discussion regarding the proposed impact fee policies and procedures, including a revised written Impact Fee Analysis, Ordinance #14-16**

Council Member Warner explained that they have been discussing, with Mr. Norm Mecham, regarding the Shundahai development. That development includes a 1M gallon storage tank. Originally it was anticipated that it would just serve the Shundahai development, but the storage

requirements also pertain to the city system as a whole. We need to have the infrastructure in place to service our water users throughout the city.

Mr. Mecham approached him with the idea of the city acquiring part of the capacity in the tank for the city system. He said that there is 750,000 gallons of that capacity that would be useful to the city for all the water users. There has to be some additions put into that system to fully mobilize that storage. We are here to consider of changing our water impact fees and assess them on all the developments that occur in the city going forward, to pay for this storage, as well as other storage that may come up later on. We would be increasing the impact fee to pay for the storage. Then there would be an agreement to pay for the city's share of the Shundahai tank.

Mr. Philpot has calculated the change in the proposed impact fees. Mr. Philpot explained that the impact fee was increased in March of 2014. He said that what necessitated this increase is the cost of the Shundahai tank and the MOU. There were agreements, in place, on how Shundahai could be reimbursed through the city facilitating an exchange in funds from each development that would benefit from that system. The MOU puts the agreement under the umbrella of the city and allows the city to collect an impact fee that will reimburse the developer for the Shundahai tank. This will make it clearer and easier to implement moving forward and will allow that asset to transition over to the city that we can utilize.

The water master plan created by JUB showed that the Shundahai is an asset to be utilized by the city.

Mayor Spuhler said that we had 14 building permits last year. He said with that figure then we won't be able to pay the annual amount from impact fees, it will have to come from the Enterprise fund. Mr. Philpot said that they took an average over 10 years to come up with the amount. If we continue with the lower impact fees then we may need to re-adjust the Impact Fee Analysis.

Mr. Philpot went over the Impact Fee Analysis, which includes the buy in on the Shundahai water tank. The impact fee will raise from \$4,420 to \$5,570 per ERU. The buy in cost will be about \$941,000 so we are paying for most of the tank. We will pay for this over 30 years at 3%, but won't need to do public financing. The annual payment is \$47,629 with part of that coming from impact fees. It will depend on the growth.

The MOU also needs to be reviewed by the attorney and the engineer.

Mr. Philpot said that the MOU clearly defines the details that we will own part of the tank and how much we are paying into the tank. The Council discussed how the repaying can be taken care of, and what portion comes from impact fees and from the Enterprise fund. Only a portion is set up to be paid out of impact fees.

Council Member Pugmire said that if we don't spend 1.5 million dollars right now we could look at other options for storage because this may not go according to plan. We can look at a different ideas or different reserves, as long as we show that we have some sort of progress. We can

decrease the 1.5 if we can do a different type of storage or a well. If we have to do something later on it would cut down what we would have to spend right now.

Council Member Warner said that he would rather pay for something that we know works right now other than bet on speculation that we will have to come up with something cheaper later. Council Member Pugmire asked if we can pay for this if we have no more growth. Mr. Philpot said that he would have to look at the rate structure to determine if it will cover that payment. It may require a rate increase if we have no growth.

Council Member Warner said that we need to take the steps to take care of our growth. Something that we can reasonably do now is wiser than betting on something where inflation can happen or interest rates may go up. Getting a 3% interest rate on a deal like this is amazing. Mayor Spuhler said that today we could get 3% from other entities but you never know what it will go to later.

Mayor Spuhler asked if it made sense to move forward on this option or have more discussion on a well to determine what the opportunities are with storage on the well. Council Member Pugmire said that if we lose power then our water will be gone in 2 days.

Mayor Spuler asked for a motion to close the public hearing.

Council Member Huefner made the motion to close the public hearing at 8:15. Council Member Warner seconded the motion. All in favor and the motion carried.

Re-open the regular session at 8:15 p.m.

**Ordinance Discussion/Approval**

Ordinance #14-16, an ordinance updating the impact fee policies and procedures, including a revised written Impact Fee Analysis.

And, Memorandum of Understanding between Shundahai Holdings I, LLC and the Town of Garden City, regarding water storage capacity in the 1M gallon water tank.

This ordinance was discussed at length during the public hearing.

Council Member Warner made the motion to give contingent approval to ordinance #14-16, an ordinance updating the impact fee policies and procedures, including a revised written Impact Fee Analysis subject to executing a binding memorandum of understanding with Norm Mecham's group, to pay for the tank and I understand that it's going to take a couple of months before the impact fee can take effect and, I would propose as part of the motion that if the agreement is not finalized within that 90 day period that this contingent approval would be removed. If we approve the impact fee change we would also approve the memorandum of understanding contingent upon what I just said.

Mayor Spuhler asked if Council Member Warner included in his motion that the numbers in the original MOU are right. Council Member Warner said that would be part of working out the language and getting definitive approval.



Council Member Warner said that we would be approving both, the ordinance and the MOU, and once the Mayor has signed the agreement, we could bring the agreement back to have the Council approve the agreement, but we wouldn't need to have a public hearing again to approve the final agreement.

Council Member Pugmire said that he would like the agreement to come back to the Council after it is all written with all the contingenceys. The rest of the Council agreed that they would like to have it come back to the Council also.

Council Member Huefner seconded the motion. Motion died for lack of a vote.

Council Member Warner made the motion to approve the memorandum of understanding between Shundahai Holdings LLC and the Town of Garden City regarding water storage capacity in a 1,000,000 gallon water tank contingent upon later execution of that agreement after Town Council approval, and approving tonight ordinance #14-16 only contingent upon that agreement being finalized. In other words Ordinance #14-16 would not become effective nor would the Impact Fees start to be charged in approximately 90 days unless the MOU, Memorandum of Understanding, is finally executed.

Council Member Pugmire asked why we would have to do that now vs. making sure that the memorandum of understanding is what we decide is good, then we just do them both at the same time. Council Member Huefner said that they are 2 different documents. Mr. Cox said that approving the ordinance starts the 90 day clock.

Mayor Spuhler said that we could distribute the final MOU to the Town Council via email and if the Council is unanimously in favor of the MOU via email then it could be put in place right away. That way we don't have to wait another 30 days. We could all review it and if there is any distention then we would come back to the Council to review it. He said that would speed it up a little bit.

Mayor Spuhler said that instead of waiting a full additional month and going through the MOU again to be in agreement, we can approve it tonight with the contingency that we are going to look at a final MOU, it is in draft form now, and if the Council agrees to it we will go ahead and ratify the MOU. Council Member Pugmire said that would need to be agreed as far as 100% agreed. Mayor Spuhler said that as long as it is a majority of the Council. Council Member Huefner seconded the motion. A roll call vote was taken. Council Member Huefner, for; Council Member Pugmire, against; Council Member Stocking, for; Council Member Warner, for; Mayor Spuhler, for. Motion carried.

### **Miscellaneous Items**

#### Christmas Party Dates

#### Community Christmas Party

The Council agreed to hold the Community Christmas Party December 6<sup>th</sup>.

### Employee and Board Member Party

The Council agreed to hold the employee and Board Member Party on January 9<sup>th</sup>, 2015. Council Member Stocking will check to see if we can use the Sunrise Resort for our party and see if Coopers will cater the dinner.

### Discussion/Approval to purchase commercial picnic tables for Heritage Park

Council Member Huefner showed the picture of the picnic tables and said that 6 would cost about \$6,000. The Council agreed to purchase 5 tables to keep it under the \$5,000 maximum before it has to go to bid.

### Request to donate funds to the Halloween Bash

The Council Members approved to donate \$200 to the Halloween Bash. The Council agreed that it is already on the donation list.

### **Council Member Reports**

Council Member Huefner said that October is “Make a Difference Day” month. She will try to pick a day that will work to put out the new ice skating rink and the Christmas lights.

Council Member Warner reported that he had a builder call him that is going to build the Pickleville cabins and wants to pay only 1 water impact fee. He has to pay according to the ordinance.

Council Member Warner said that they had a productive meeting with Mr. Chris Coray about annexing Sweetwater. They will have another meeting in November.

Council Member Warner explained the water agreement between Mr. Madsen and Garden City. He would like the reimbursement aspect revised. Mayor Spuhler said that it doesn't make much sense to revise it at this time. He feels that the agreement right now is reasonable.

Council Member Stocking said that the Pool has been going well. He talked to Mr. Mike Madsen about getting some cement board on the back wall to make sure that it stops deteriorating due to the pool chemicals. He is going to do some research to make sure that whatever is installed will hold up to the pool chemicals.

Council Member Stocking asked what else is going on with the kiosk. The developer will be charging a monthly fee so it was discussed to start selling ads. Mayor Spuhler said that we need to make sure that all the businesses are featured the same or they need to pay for the prime spots. Council Member Stocking will look to see what the cost is and how much they would be to sell the ads. He also asked if we want to expand the kiosks to other locations that are year round. Council Member Huefner suggested that we do one each year. Council Member Stocking will look more into this to see the cost and what it will cost to get more kiosk areas.

Council Member Stocking asked about the roads in Harbor Village. They want to know if the city would want to ever take over the roads and if so they would need to know what it would take to bring them up to city standards. Mayor Spuhler said that it is not feasible for the city to take over the roads and maintain them. It is so cost prohibited to maintain the roads.

Council Member Stocking said that there are other options for streaming the meetings. He gave a proposal. Mayor Spuhler said that we have the current plan paid for a year and we already have the system that we use.

**Payment Vouchers**

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

**Adjournment**

There being no further business to be discussed Council Member Huefner made the motion to adjourn the meeting at 9:00 p.m. Council Member Warner seconded the motion. All in favor and the motion carried.

APPROVAL:

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John Spuhler, Mayor

Attest:

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Kathy Hislop, Town Clerk