

2 The Lindon City Council held a Special Meeting on **Thursday, February 11, 2010**,
beginning at 5:00 p.m. in the Lindon City Center, City Council Chambers, 100 North
4 State Street, Lindon, Utah.

6 Conducting: James A. Dain, Mayor

Pledge of Allegiance: James Dain

8 Invocation: Ott H. Dameron

PRESENT

ABSENT

10 James A. Dain, Mayor

12 Lindsey Bayless, Councilmember

Bret Frampton, Councilmember

14 Jerald I. Hatch, Councilmember

Ott H. Dameron, City Administrator

16 Debra Cullimore, City Recorder

Bruce Carpenter, Councilmember

Mark Walker, Councilmember

18 The meeting was called to order at 5:05 p.m.

20 **MINUTES** –

22 No minutes were reviewed at this meeting.

24 **OPEN SESSION** –

26 Mayor Dain called for comments from any audience member who wished to
address an issue not listed as an agenda item. There was no public comment.

28 **MAYOR'S COMMENTS/REPORT** –

30 Mayor Dain expressed appreciation to Orem City for the partnership with the City
32 of Orem, and for the working relationship between the two cities.

34 **CONSENT AGENDA** –

36 No items.

38 **CURRENT BUSINESS** –

- 40 1. **Review and Action** – *Interlocal Agreement Between Lindon City, City of Orem*
42 *and Vineyard Town to Provide Sewer Service and allocate Costs for Expansion of*
44 *the Orem Water Reclamation Facility.* This item was discussed during the City
Council meeting of February 2, 2010 and is now submitted by staff for review and
46 approval. This item is a revised Interlocal Agreement between Lindon City, City
of Orem and Vineyard Town for waste water treatment and the expansion of the
Water Reclamation Facility. Orem received a no interest loan in the amount of

2 \$11,899,000 through the State of Utah using federal stimulus monies for the
expansion. The total cost of the project is projected to be \$13,359,000. Lindon's
share of the costs will be \$2,491,389.07 payable over 20 years with no interest.

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6 Orem Public Works Director, Bruce Chestnut, and Chris Tschirki, Water
Resources Division Manager for Orem Public Works Department, were present for this
discussion with the Council. City Attorney, Brian Haws, and City Engineer, David
8 Thurgood, were also present. Mr. Dameron explained that this Interlocal Agreement was
last updated in 2004, and that revisions have been under discussion for the past couple of
10 years. He noted that there is some urgency in approving the agreement due to stimulus
funds which have been awarded to complete the needed expansion of the water
12 reclamation facility. Agreements must be finalized prior to the bond closing, which is
scheduled for February 16, 2010. Mr. Dameron invited Mr. Haws to review changes to
14 the agreement.

16 Mr. Haws explained that there are two sections to the agreement. The first section
is the continuation of the existing Interlocal Agreement for collection and treatment of
Lindon's waste water. The Interlocal Agreement outlines cost sharing for waste water
18 treatment based on percentage of flow into the facility. Language has been added to this
section of the agreement which calls for calibration of metering stations quarterly to
20 ensure that flow calculations are accurate and that Lindon is being billed appropriately.
Mr. Haws noted that flow capacity will be increased as a result of the facility expansion,
22 and that the increased flow will assist in meeting future demands as growth occurs in the
City. He observed that future expansions may be necessary if flows exceed capacity.
24 The agreement requires Lindon's participation in repair, replacement and maintenance of
all sewer system facilities based on the percentage formula established in the agreement.

26 Mr. Haws went on to review the new section of the agreement relative to
expansion of the water reclamation facility. He noted that based on flows, Lindon is
28 obligated to pay 19% of all associated costs, or \$2,491,389.07. Repayment of the interest
free bond will take place over a 20 year repayment period. Mr. Dameron noted that
30 Lindon is also responsible for 19% of closing costs, which will be paid by February 16,
2010.

32 Councilmember Frampton inquired as to whether costs associated with the 1200
West lift station are reflected in this agreement. Mayor Dain explained that the 1200
34 West lift station is a separate project, and that those costs will be covered with a separate
bond. Mr. Dameron stated that the City hopes to issue the bond in the coming fiscal year.
36 He explained that Mr. Thurgood will analyze sewer rates and determine whether the
sewer fund is able to accommodate the bond payments at the current fee rate, or whether
38 a rate increase will be necessary. Mayor Dain noted that Orem has raised sewer rates
\$2.25 per month to cover the cost of the facility expansion bond.

40 Mr. Haws went on to review specific requirements outlined in the agreement. He
noted that the bond will be repaid over a twenty year period. Orem City will pay any
42 additional costs which exceed the amount of bond revenue. Those additional costs will
be repaid by Lindon at 0% interest over a five year period. Lindon's flow capacity will
44 increase from 1.15 million gallons per day to 1.65 million gallon per day. Mr. Haws
stated that the agreement has been reviewed extensively, and that he has no concerns
46 which have not been addressed.

2 Mr. Dameron expressed appreciation to Orem for their work in securing the
3 funding for this project at 0% interest. Mr. Chestnut noted that the funding source will
4 save the participating cities \$5 to \$7 million in interest payments. Mr. Tschirki expressed
5 appreciation to Lindon staff and officials for their professionalism and the working
6 relationship between the cities.

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

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10 COUNCILMEMBER HATCH MOVED TO APPROVE THE INTERLOCAL
11 AGREEMENT BETWEEN LINDON CITY, CITY OF OREM AND VINEYARD
12 TOWN TO PROVIDE SEWER SERVICE AND ALLOCATE COSTS FOR
13 EXPANSION OF THE OREM WATER RECLAMATION FACILITY.
14 COUNCILMEMBER FRAMPTON SECONDED THE MOTION. THE VOTE WAS
15 RECORDED AS FOLLOWS:

16 COUNCILMEMBER BAYLESS AYE

17 COUNCILMEMBER FRAMPTON AYE

18 COUNCILMEMBER HATCH AYE

19 THE MOTION CARRIED UNANIMOUSLY WITH TWO ABSENT.

20 **COUNCIL REPORTS** –

21 No Council reports were given at this meeting.

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23 **ADMINISTRATOR'S REPORT** –

24 Mr. Dameron gave no report at this meeting

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26 **ADJOURN** –

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28 COUNCILMEMBER BAYLESS MOVED TO ADJOURN THE MEETING AT
29 5:18 P.M. COUNCILMEMBER FRAMPTON SECONDED THE MOTION. ALL
30 PRESENT VOTED IN FAVOR. THE MOTION CARRIED.

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Approved – February 16, 2010

Debra Cullimore, City Recorder

James A. Dain, Mayor