

2 The Lindon City Council held a regularly scheduled meeting on **Tuesday, May 4, 2010**,
beginning with a Work Session at 6:15 p.m. in the Lindon City Center, City Council
Chambers, 100 North State Street, Lindon, Utah.

4 **WORK SESSION** – 6:15 p.m.

6 Conducting: James A. Dain, Mayor

8 **PRESENT**

ABSENT

10 James A. Dain, Mayor
12 Lindsey Bayless, Councilmember
Bruce Carpenter, Councilmember
14 Bret Frampton, Councilmember
Jerald I. Hatch, Councilmember
16 Mark L. Walker, Councilmember
Ott H. Dameron, City Administrator
18 Jamie Bennee, Finance Director
Debra Cullimore, City Recorder

20 The meeting began at 6:25 p.m.

22 **DISCUSSION** – The Mayor and City Council met in a Work Session with Jamie
24 Bennee, Finance Director, to hear a report on current year data, financial forecasts and
issues for fiscal year 2010/2011.

26 Mr. Dameron stated that this presentation is for the tentative budget, and that
28 numbers can fluctuate between this presentation and approval of the final budget in June.
He explained that the economic recession has had a significant impact on the General
30 Fund for three years. He noted that the high point for sales tax revenue occurred in fiscal
year 2006/2007 with \$3.2 million, with the estimated total for fiscal year 2009/2010
32 being approximately \$2.3 million, representing an approximate \$900,000 decrease in
sales tax revenues to the General Fund.

34 Mr. Dameron noted that this loss of revenue has been difficult for the City to
withstand. However, with the cooperative efforts of City staff, department heads and
36 officials, the City has managed to take appropriate steps to remain financially viable. He
noted that employees will receive no wage increases again this year, and that the
38 workforce is down approximately 14% due to attrition. Department heads have
significantly cut expenditures for training, supplies and equipment. Mr. Dameron
40 observed that while these cuts have been effective short term solutions, the level of cuts
can not be maintained over the long term. He noted that the Utah League of Cities and
42 Towns projects a modest increase in sales tax revenue during the coming year of
approximately 2.4%. Mr. Dameron stated that this tentative budget is a responsible
44 budget which is sensitive to current economic conditions.

46 Mr. Dameron invited Ms. Bennee to present highlights of the 2010/2011 tentative
budget. Ms. Bennee reiterated that no employee raises are included in the budget. She

noted two extraordinary expenditures are included in the budget, including the Community Center facility expenses and UTOPIA expenses. Ms. Bennee noted that the 2010/2011 budget was balanced by appropriating Fund Balance. The City will maintain a remaining fund balance of 9.74% to begin the 2010/2011 fiscal year. Ms. Bennee observed that two bonds will be paid in full during the coming fiscal year, the MBA Bond will be paid in full in September 2010, and the Culinary Water Bond will be paid in January 2011. The Gateway SID Bond is scheduled to be paid in full in 2013.

Ms. Bennee went on to review proposed General Fund expenditures. She noted that expenditures in 2009/2010 were \$9,392,209, and that requested expenditures in the tentative budget for the coming year are \$9,095,887. Significant General Fund expenditures include the contract with Orem City for Fire, EMS and Dispatch services, engineering costs, the final payment on the property purchase of the Main Street LDS Church facility, and UTOPIA expenses.

Ms. Bennee went on to review proposed capital projects from the Water, Sewer and Storm Water funds for fiscal year 2010/2011. Projects include relocation of utility lines as part of the I-15 widening project, Creekside over sizing projects, water meter replacement programs, utility relocation associated with the Murdock Canal trail project, and the Orem Water Reclamation Facility expansion.

Ms. Bennee then reviewed budget issues for the coming year as follows:

Issue #1 – Should the City continue to fund the Health Insurance and Dental Insurance Premiums for employees? The City anticipates an approximate 5% to 8% increase in premiums for the coming year.

Issue #2 – Should the City fund Health/Dental Insurance for City Councilmembers? Benefits have been available to City Councilmembers upon request since December 2003. The Budget Committee proposes that as part time classification City employees, that for the coming fiscal year elected officials have the option of taking health and dental insurance or their salary, but not both. The Committee proposes that insurance benefits not be offered to elected officials after the 2010/2011 fiscal year. Councilmember Walker suggested that the City investigate policies regarding this issue in other municipalities. Mr. Dameron stated that a number of other cities were surveyed, and that while some cities continue to provide benefits for elected officials, there is trend to discontinue this expenditure of City funds. Councilmember Carpenter noted that the only other small municipality in the area currently offering benefits for elected officials is Mapleton.

Issue #3 – Should the City increase the culinary water, sewer and storm water fees based on the CPI? Mr. Dameron noted that the CPI for March 2010 showed an increase of 2.3%. Implementing CPI increases for services allows the City to keep pace with inflation. City Engineer, David Thurgood, will make an official recommendation to the City Council for the appropriate CPI rate increase prior to adoption of the final budget.

Issue #4 – Should the City continue to fund the 4.5% 401K contributions for employees regardless of employee contributions? Mayor Dain explained that it is not the intent of this proposal to save money for the City, but rather to encourage employees to participate in their own retirement savings.

Ms. Bennee went on to review proposed fee schedule changes, including Aquatics Center program fees, Police Department fees, and development fees for water lines and asphalt.

2 The City Council will consider the budget in detail prior to final adoption at two
Public Hearings and a Work Session, which will be scheduled later in this meeting.

4 **REGULAR SESSION** – 7:00 p.m.

6 Conducting: James A. Dain, Mayor
Pledge of Allegiance: Skyler Trent
8 Invocation: Jim Dain

10 **PRESENT**

ABSENT

12 James A. Dain, Mayor
Lindsey Bayless, Councilmember
14 Bruce Carpenter, Councilmember
Bret Frampton, Councilmember
16 Jerald I. Hatch, Councilmember
Mark L. Walker, Councilmember
18 Ott H. Dameron, City Administrator
Cody Cullimore, Chief of Police
20 Debra Cullimore, City Recorder

22 The meeting was called to order at 7:05 p.m.

24 **PRESENTATIONS** –

- 26 1. **Miss Pleasant Grove** – The Strawberry Days Royalty made a presentation to the
Mayor and City Council. They reviewed events planned for the celebration and
28 invited Lindon officials to attend.
- 30 2. **Police Department Presentations** – Officer Curtis Campbell and Officer Eric
Whitehead were recognized for completion of the Utah County SWAT Team
32 “Hell Week” training. Mayor Dain read certificates presented to each officer at
the training, and presented them with a framed photograph in recognition of their
34 accomplishments.
- 36 3. **Rocky Mountain Power Blue Skies Challenge** – Bret Hunter of Rocky
Mountain Power was schedule to attend this meeting. However, Mr. Hunter
38 called prior to the meeting and requested that this presentation be postponed due
to an unforeseen emergency.

40 **MINUTES** – The minutes of the regular meeting of April 20, 2010 were reviewed.

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44 COUNCILMEMBER HATCH MOVED TO APPROVE THE MINUTES OF
THE MEETING OF APRIL 20, 2010. COUNCILMEMBER WALKER SECONDED
THE MOTION. THE VOTE WAS RECORDED AS FOLLOWS:

46 COUNCILMEMBER BAYLESS AYE

COUNCILMEMBER CARPENTER AYE
2 COUNCILMEMBER FRAMPTON AYE
COUNCILMEMBER HATCH AYE
4 COUNCILMEMBER WALKER AYE
THE MOTION CARRIED UNANIMOUSLY.

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8 **OPEN SESSION** – Citizen Comments

10 Mayor Dain called for comments from any audience member who wished to
address an issue not listed as an agenda item. Lawrence and Leslie Packer approached the
12 Council. The Packers expressed concern regarding the Fryer property, which is located
adjacent to property they own and have been trying to sell for the past three years. Mrs.
14 Packer asserted that the condition of the Fryer property is having a negative impact on
their ability to sell their property.

16 Mrs. Packer noted that after careful reading of the City nuisance ordinance, she
understands that the Code Enforcement Officer has limited ability to address the
18 situation, unless it is deemed a nuisance by the City Council. The Packers requested that
the City Council take this action in order to address the situation, which they felt is
detrimental to the community.

20 Mr. Dameron noted that the Code Enforcement Officer has taken significant
action on the site to enforce specific code violations, such as setbacks. He also noted that
22 registrations of vehicles currently located on the site have been checked, and that
registrations are current and that it is legal to park the vehicles on the site.

24 Mayor Dain stated that the Council appreciates the concerns expressed by the
Packers, and will investigate options further with City staff.

26 Ben Nolte and his daughter Lydia approached the Council. Mr. Nolte thanked the
Mayor, Council and City staff for their tree planting efforts in City parks, and the chance
28 for citizens to be involved in planting projects. Mr. Nolte went on to discuss the
possibility of a volunteer effort to raise funds and provide labor for installation of a
30 basketball court in Squaw Hollow Park. He noted that based on initial conversations, he
anticipates \$4900 to \$5500 in donations for the project.

32 Mr. Dameron noted that Mr. Nolte suggested a basketball court in the original
design of the park, but the City Council declined that proposal. He explained that in
34 order to complete the basketball court, it would be necessary for the City Council to
amend the approved park design. He also noted that during discussion as the park was
36 under design, several neighbors expressed opposition to including a basketball court in
the park. Mr. Nolte stated that he was unaware of any neighbors who opposed the
38 basketball court. Councilmember Carpenter stated that he did not recall whether those in
opposition spoke in public meetings, but confirmed that Councilmembers were contacted
40 individually by residents expressing concern.

42 Mayor Dain suggested that Mr. Dameron discuss the possibility with the City
Engineer. If installation of the basketball court is feasible, Mayor Dain suggested that an
Open House be held with neighbors in the area to discuss any suggestions or concerns
44 before Mr. Nolte proceeds with fundraising and planning. Mr. Nolte thanked the Mayor
and Council for their time.

2 **MAYOR’S COMMENTS/REPORT** –

4 Mayor Dain noted that he recently attended the Budget Committee meeting. He
6 expressed appreciation to Mr. Dameron and City staff for implementing voluntary budget
cutbacks, which have enhanced the City’s ability to maintain financial viability during
the economic downturn.

8 **CONSENT AGENDA** –

10 No items.

12 **CURRENT BUSINESS** –

- 14 1. **Discussion** – *UTOPIA Update*. This item is an update, by Councilmember Bruce
16 Carpenter, for the long anticipated next phase of implementation of the UTOPIA
system through member cities. Councilmember Carpenter is Lindon’s
representative on the UTOPIA Board.

18 Mayor Dain thanked Councilmember Carpenter for his willingness to represent
20 the City on the UTOPIA Board. The Mayor acknowledged that the assignment has taken
a great deal of time and effort. He turned the time to Councilmember Carpenter for this
22 presentation.

24 Councilmember Carpenter reviewed the history of UTOPIA. He explained that
high quality telecommunications services were not available in smaller communities
when UTOPIA was formed, and that other providers at the time offered little hope that
26 those services would be available to residents in an acceptable time frame. In 2002, a
group of cities moved forward to form an Interlocal Agency, UTOPIA, to acquire
28 funding and install the necessary infrastructure to provide telecommunications services to
residents in their communities. The project was designed to be phase one of bringing
30 open infrastructure, which would increase competition for companies who were
monopolizing the market at the time.

32 Councilmember Carpenter went on to review financial issues which have been
experienced by UTOPIA. He explained that Rural Utility Service (RUS) recruited
34 UTOPIA to acquire funding through their organization. RUS ultimately withheld the
anticipated funding, which was financially devastating to the UTOPIA organization. As
36 a consequence of the action of RUS, it was necessary to acquire an alternative funding
through bonding sources immediately to fund the millions of dollars in financial
38 commitments for UTOPIA. Pledging cities are responsible for the debt service of
bonding if revenues generated by UTOPIA do not cover necessary expenditures.

40 Councilmember Carpenter explained that in order for UTOPIA to move forward
without participating cities incurring extreme debt, subscribers will be asked to
42 participate in installation costs from the street to the home. Cities will have a variety of
options available to assist residents in managing installation costs, such as including fees
44 on utility billing.

46 In addition to subscriber participation in costs, the City Council will be
considering a proposal to issue new bonds to move UTOPIA forward. The bond will

2 provide \$62 million, which will allow installation in every participating city to a
3 substantial degree. The bond will be structured to allow draw downs on funding as
4 subscriptions are pre-sold to cover future expenses. A draw down of \$20 million would
5 take place immediately in order to fund the cost of implementation, an awareness
6 campaign and operational budget shortfalls.

7 Councilmember Carpenter explained that if member cities choose not to
8 participate in the bonding process, UTOPIA will not be financially viable and may fail.
9 However, the City would maintain financial obligation for debt service, without a
10 revenue source from UTOPIA.

11 Councilmember Carpenter stated that the UTOPIA Executive Committee is
12 recommending that the bonding process proceed as quickly as possible. He noted that
13 details are being finalized, but are expected to be ready for City action in the coming
14 weeks. The City Council will consider a total of seven documents, including a new
15 Interlocal Agreement, a Parameters Resolution, and a Telecommunications Ordinance
16 which will allow cities to shift installation costs to residents in the form of utility bills or
17 some other mechanism, along with additional Resolutions associated with these actions.
18 The new Interlocal Agency will contract with the existing UTOPIA organization to
19 operate the network. Councilmember Carpenter explained that the bonding process will
20 take 90 to 120 days to complete once the necessary action is taken by participating cities.

21 Mayor Dain thanked Councilmember Carpenter again for his efforts on the
22 UTOPIA Board. Councilmember Carpenter noted that while the financial issues
23 experienced by UTOPIA to date have been somewhat painful, completion of the
24 infrastructure will put participating cities at an advantage nationally over the long term in
25 attracting high tech businesses and revenue sources to the area.

- 26 2. **Review and Action** – *Reappointment to the Lindon City Board of Adjustments.*
27 This is a request by Mayor Dain for the City Council’s consent and approval of
28 the reappointment of Jeff Southard to the Lindon City Board of Adjustments.

29 Mayor Dain noted that Boardmember Southard has indicated that he is willing to
30 serve an additional term on the Board of Adjustments. Councilmember Bayless noted
31 that Boardmember Southard is very professional and that his service benefits the City, the
32 Board of Adjustments, and residents.

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34 COUNCILMEMBER BAYLESS MOVED TO APPROVE THE
35 APPOINTMENT OF JEFF SOUTHARD TO SERVE A THREE YEAR TERM ON THE
36 LINDON CITY BOARD OF ADJUSTMENTS. COUNCILMEMBER HATCH
37 SECONDED THE MOTION. THE VOTE WAS RECORDED AS FOLLOWS:

38 COUNCILMEMBER BAYLESS AYE
39 COUNCILMEMBER CARPENTER AYE
40 COUNCILMEMBER FRAMPTON AYE
41 COUNCILMEMBER HATCH AYE
42 COUNCILMEMBER WALKER AYE
43 THE MOTION CARRIED UNANIMOUSLY.
44

2 3. **Report and Action** – *Tentative Budget, fiscal Year 2010/2011*. Staff will
4 distribute the Tentative Budget document for fiscal year 2010/2011 which
6 includes the RDA and MBA budgets. The Budget Committee requests the
Council accept the Tentative Budget and schedule work sessions during the
month of May for discussion of issue related to the new fiscal year budget.

8 Mr. Dameron explained that this action accepts the Tentative Budget as presented.
A Work Session was schedule for May 18, 2010 at 6:00 p.m. to allow detailed review and
10 discussion of the proposed budget. Two Public Hearings will be held in conjunction with
the Regular City Council Meetings in June prior to adoption of the final budget.

12 COUNCILMEMBER BAYLESS MOVED TO ACCEPT THE TENTATIVE
14 BUDGET FOR FISCAL YEAR 2010/2011. COUNCILMEMBER FRAMPTON
SECONDED THE MOTION. THE VOTE WAS RECORDED AS FOLLOWS:
16 COUNCILMEMBER BAYLESS AYE
COUNCILMEMBER CARPENTER AYE
18 COUNCILMEMBER FRAMPTON AYE
COUNCILMEMBER HATCH AYE
20 COUNCILMEMBER WALKER AYE
THE MOTION CARRIED UNANIMOUSLY.

22 **COUNCIL REPORTS** –

24 **COUNCILMEMBER FRAMPTON** – Councilmember Frampton reported on the May
1st Arbor Day Celebration. He noted that the event had a very light turn-out, due in part
26 to the inclement weather. He reported that 11 trees were planted at the event in
conjunction with an Eagle Scout project, and that the City received Tree City USA
28 designation for the fifth year in a row.

30 **COUNCILMEMBER WALKER** – Councilmember Walker reported that he attended
the Animal Shelter Board meeting last week. Similar budget issues are being
32 experienced at the shelter as in other governmental entities.

Councilmember Walker reported that he has scheduled a meeting with the Chair
34 and Vice Chair for Lindon Days on May 12th at 6:30 p.m. He also reported that he
attended the ribbon cutting ceremony for The Smoking Apple, along with the Little Miss
36 Lindon royalty. He inquired as to his duties as the Strawberry Days representative for the
Council. Mayor Dain explained that if the Council chose to participate in the Strawberry
38 Days parade, it would be Councilmember Walker’s responsibility to coordinate that
event. The Council indicated that were not planning to participate in the Strawberry
40 Days parade.

Councilmember Walker commented on a Deseret News Article which quoted
42 Mayor Ralph Becker of Salt Lake, stating that the current economy is the “new normal”
for municipalities, and that it is not appropriate for local government to “look at these
44 lean years as an aberration as they wait for flush years to return.” He expressed
agreement with this sentiment.

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2 **COUNCILMEMBER BAYLESS** – Councilmember Bayless reported that the General
Plan Committee has begun working on revisions, but that incorporation of ‘visioning’
components will be a somewhat lengthy process.

4 Councilmember Bayless commented on several potential nuisance issues which
may be appropriate for the City Council to consider in addition to the situation discussed
6 earlier in the meeting with the Packers. Mr. Dameron suggested that the Code
Enforcement Officer attend a future City Council meeting to discuss specific issues, what
8 action has been taken, what action is permitted by City ordinance, and receive direction
from the City Council on particular issues and actions.

10 **COUNCILMEMBER HATCH** – Councilmember Hatch reported on a meeting he
12 attended with a business entity attempting to establish an operation near the landfill
which will use waste from the landfill and the sewer plant to produce electricity. The
14 Landfill Board has issued a letter of support for the project to allow the business to
pursue funding for the endeavor. During the meeting with Lindon representatives, the
16 City spoke with the business representative about some type of reimbursement to the City
for loss of sales tax revenue based on the location of the proposed operation in a
18 commercial zone. The business seemed open to discussing this issue. The City Council
will discuss this issue further if funding is obtained for the operation and development
20 plans proceed.

22 **COUNCILMEMBER CARPENTER** – Councilmember Carpenter inquired as to
activities occurring on the old Geneva Steel site, and large piles of soil which have
24 appeared there. Chief Cullimore stated that it may be an EPA clean-up of contaminated
soils on the property.

26 Councilmember Carpenter reported that UTOPIA has formed a Legislative Policy
Committee to work with the State Legislature. He also reported that the Utah League of
28 Cities and Towns Legislative Policy Committee will soon begin meetings to prepare for
the legislative interim session. He asked the Council for suggestions on pertinent issues
30 which should be brought up by the Committee. Councilmember Walker requested that
the Committee pursue legislation which would allow municipalities to hold a higher level
32 of revenue in reserve to address financial needs during economic downturns.
Councilmember Carpenter stated that this issue has been brought up at the legislature, but
34 that it will likely take several years of discussion before any changes occur.

36 Councilmember Carpenter invited Chief Cullimore to report on Police
Department activities. Chief Cullimore invited the Mayor and City Council to participate
in a fire arms training event at the Orem shooting range on May 5th at 5:00 p.m.

38 Chief Cullimore presented a photograph of Officer Darrel Bingham at a bill
signing ceremony with Governor Herbert. The legislation signed by the Governor will
40 make crimes of prescription fraud more difficult by requiring reporting to a state-wide
data base by pharmacies. Officer Bingham was very instrumental in lobbying for the
42 legislation.

44 Chief Cullimore also reported that 35 pounds of drugs were collected during the
May 1st Clean Out the Cabinets event. This information will be reported to residents in
the City newsletter, along with a reminder that prescription drugs can be turned in for
46 destruction at the Police Department at any time.

Chief Cullimore reported that a Sevier County Deputy Sheriff was recently killed in a traffic accident while on duty. The funeral will be held May 5th, and the Police Department will send several representatives. The annual Utah Law Enforcement Memorial Ceremony will be held the following day at the State Capital. Members of Police Department will also attend this event.

The Police Department responded to an attempted suicide the night of Sunday, May 2nd. The person attempting suicide survived. Possible criminal charges are pending against this person in a matter unrelated to the suicide attempt.

ADMINISTRATOR’S REPORT –

Mr. Dameron reported on the following items:

1. Engineering Coordination Meeting will be held Tuesday, May 11th at noon at the Public Works Complex. Mayor Dain, Councilmember Carpenter and Councilmember Frampton will attend.
2. Spring clean up is underway. Dumpsters are available in four locations around the City.
3. The Aquatics Center is fully staffed for the 2010 season. Several employees have started working on cleaning the facility and staffing the office for program registration and season pass sales. The trim tile around the lap pool will be replaced under warranty.
4. Cobbley Ditch Irrigation Company has requested that the City take over the ditch. Staff is investigating whether it would be appropriate for the City to acquire the ditch as a City facility.
5. Mr. Cowie has submitted a letter to UDOT requesting that as much landscaping as possible be left in place during the I-15 Core project.

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

COUNCILMEMBER BAYLESS	AYE
COUNCILMEMBER CARPENTER	AYE
COUNCILMEMBER FRAMPTON	AYE
COUNCILMEMBER HATCH	AYE
COUNCILMEMBER WALKER	AYE

THE MOTION CARRIED UNANIMOUSLY.

ADJOURN –

COUNCILMEMBER BAYLESS MOVED TO ADJOURN THE MEETING AT 9:45 P.M. COUNCILMEMBER WALKER SECONDED THE MOTION. ALL PRESENT VOTED IN FAVOR. THE MOTION CARRIED.

Approved – May 18, 2010

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Debra Cullimore, Lindon City Recorder

James A. Dain, Mayor