

Minutes of the Salem City Council Meeting held on October 18, 2006 in the Salem City Council Chambers.

MEETING CONVENED AT: 7:00 p.m.

CONDUCTING: Mayor J. Lane Henderson

COUNCIL PRESENT:

Mayor J. Lane Henderson
Councilperson Lynn Durrant
Councilperson Brent V. Hanks
Councilperson Terry A. Ficklin
Councilperson Stanley W. Green

STAFF PRESENT:

Jeffrey Nielson, City Recorder
Chief Brad James, Police Chief
David Johnson, Public Works
Junior Baker, City Attorney
Bruce Ward, City Engineer

Excused from Council Meeting:
Councilperson Jeff D. Higginson

OTHERS PRESENT

Kay Wride
Whitney Ferguson
Jason Carlton
Lucy Cornaby
Brett Ludlow
Angelique Wolfe
Spencer Dietz
Tom Henriod
Alysha Eagle
Kelli Taylor
Abbi Klingman
Alex Jeffries
Jeremiah Jackson

Jessica Harding
Jared Ferguson
Rick Carlton
Reed Cornaby
Michael Vasquez
Erman Stone
Collin Reece
Andrea Jones
Troy Harris
Michael Gleed
Peter Lauridsen
Brad Liston

Shannon Badger
Gary Chalx
Dan Ellsworth
Travis Ludlow
Hannah Felter
Joel Nelson
Aaron McIntire
Mark Ogden
Rylee Snelson
Jan Klingman
Laura Watkin
Haylie Hansen

1. VOLUNTEER MOTIVATIONAL/INSPIRATIONAL MESSAGE

Mayor Henderson asked if anyone would like to give a motivational or inspirational message. Councilperson Stanley Green stated he would like to offer a motivational message in the form of a prayer.

2. INVITATION TO SAY PLEDGE OF ALLEGIANCE

Mayor Henderson invited those who would wish to participate, to stand and say the pledge of allegiance with him. He then led the pledge of allegiance for those who wanted to participate.

3. Chamber of Commerce – Introduction of new Director

Karen Payne, former chamber director, introduced Patti Witham as the new chamber director. Patti stated she is excited and has a lot of great ideas for the chamber. She really wants to get Salem business involved in the chamber.

Mayor Henderson stated he would like to skip to Item #8

8a. AWARD BID FOR TRANSFORMER

Councilperson Lynn Durrant stated that the city is in need of a new power transformer. We have been working with SESD (South Utah Valley Service District) on the new transformer). SESD has received some bids for the transformers for new ones, and refurbished ones. After reviewing the bids and going over new ones vs. used ones, we decided that a new transformer would be the way to go. SESD would order one along with Salem City, so there would be two transformers ordered.

Dan from SESD stated that with the growth that both entities are servicing, we are having a hard time keeping up with electricity demand. A few years ago, Salem went in with SESD on another transformer, for the Arrowhead Substation, and also went half on the Mount Loafer Substation. He discussed the homes in the area that Mount Loafer Substation is servicing, and how the homes are using 400 amps now, where it used to only be 100 or 200 amps. Loafer is running at 100% capacity right now, and it could not be backed up.

Dan stated that after reviewing all of the bids, and looking at the different options, we decided to go with the Waukesha Transformer. They have a great track record, and some of the cities to the north of us use them, and have had great luck. When we started looking at the cost of the transformers, for two of them it was \$888,000, we started to look at some ways to get the cost down. One of the ways was to pay more money up front. The problem is we have to act quickly on it. We would like to purchase two transformers, one for SESD and the other one for Salem City. As he mentioned earlier, if each of us buys one, it would take our capacity where we need to be. He would recommend to the council, if we could buy another one, then it would put us ahead. Comlink has helped us with the bidding process, and they also recommended going with the Waukesha transformer. The other two bids that were lower in cost, one was a refurbished transformer, and the other one was from a company who builds smaller

transformers. Councilperson Hanks asked what the price is of the refurbished transformer. Dan stated it was between \$300,000 and \$400,000.

Reed Cornaby asked if SESD has already approved to purchase their transformer. Dan stated that they have. He stated that the delivery time is about 40 weeks out.

MOTION BY: Councilperson Lynn Durrant to participate with SESD and purchase two transformers for \$888,000, with the down payment of \$500,000 for both, Salem City's portion of that would be half, so \$250,000 for the down payment.

SECONDED BY: Councilperson Stanley Green.

VOTE: All Affirmative (4-0).

Bruce Ward stated that Comlink and SESD are also working together to come up with some bids for the substation. There will be another discussion of the building of the substation. The transformer is only a portion of the substation.

Mayor Henderson was wondering if we need to look at purchasing two transformers for Salem. Dan stated he would recommend to the council to purchase two of them, especially if they are going to open up for development. Mayor Henderson asked if SESD would be willing to go in half for another transformer. Dan stated he would have to talk to the mayor about it later.

4. PUBLIC HEARING

Open

MOTION BY: Councilperson Lynn Durrant to open the public hearing.

SECONDED BY: Councilperson Brent Hanks.

VOTE: All Affirmative (4-0).

a. Approval of Power Impact Enactment Ordinance

Attorney Baker stated this is an adjustment to the electrical impact fee. When looking at the price for the impact fee, we need to take the cost of a new substation, and make sure we can pay back the agreement that was made for the new substation. For the study, we hired Comlink to do the impact fee analysis. The analysis has been available for the public to review for two weeks now. From the study, Comlink recommend for a 200 amp home, the impact fee would be \$3,703. Council felt that 95% of what Comlink recommend would work for our impact fee amount. He then read from the ordinance some of the other amounts. For industrial and commercial their services would be different. The impact fee for them would be 95% of what Comlink had recommended. These impact fees are a lot higher than we have had before. As staff we recommend that the impact fee be approved, so we can keep up with the growth and cost of infrastructure.

Mayor Henderson asked if there were any questions from the public or council. Joel Nelson asked why 95% and not keep the 100%. He would rather see the home owners pay the full 100%, and look at a way to give commercial a break. Mayor Henderson stated that we need to make sure we can justify the amount of the impact fee, and the council recommended going with 95% because they felt that we could justify that. Attorney Baker stated that the 5% difference is only about \$200.

Aaron McIntire, mentioned that the city is not out to generate a profit on the impact fees. The impact fees are there to payback on infrastructure associated with growth, not a profit making for the city.

b. Priority Land

1. General Plan Amendment for Property at Approximately 8496 S. Mill Road from A-1 & I-1 to R-2

Mayor Henderson stated that this item is to change the General Plan zoning for the area, changing it from A-1 & I-1 to R-2. Bruce Ward showed on the map where the area is located, and the property that is being affected.

Mayor Henderson asked if there were any questions from the public. Reed Cornaby asked where the property is located with respect to Olson's Greenhouse. Bruce showed on the map where Olson's was located, and where the zone change is being requested.

2. Zone Change Request for Property at Approximately 8800 S. Mill Road from A-1 & I-1 to R-2.

Mayor Henderson stated that this item is a zone change request, the property is already within the city boundary and it is currently zoned A-1 & I-1. The request is to change it to R-2. Attorney Baker stated that both request are for R-2 zone, this is so the land can be used as a PUD, since our ordinance only allows a PUD in the R-2 zone. Mayor Henderson stated that there are a lot of wetlands in the area, but the developer has mentioned and shown how they plan to use the wetlands in their development.

Mayor Henderson asked if there were any questions from the public. Joel Nelson asked if this would be open for immediate development. Mayor Henderson stated no, the city is still under the restriction. Joel also asked how many homes are going to be built there. Mayor Henderson felt that there are about 200 acres in the area that would be affected, but half of it is wetlands.

Close

MOTION BY: Councilperson Stanley Green to close public hearing.

SECONDED BY: Councilperson Brent Hanks.

VOTE: All Affirmative (4-0).

a. Approval of Power Impact Enactment Ordinance

MOTION BY: Councilperson Lynn Durrant to approve the Power Impact Enactment Ordinance as written, with the exception of taking the odd cents off the amounts and rounding them to whole dollar amounts.

SECONDED BY: Councilperson Brent Hanks.

VOTE: All Affirmative (4-0).

b. Priority Land

1. General Plan Amendment for Property at Approximately 8496 S. Mill Road from A-1 & I-1 to R-2

Mayor Henderson stated that this is for the General Plan amendment.

MOTION BY: Councilperson Terry Ficklin to approve the General Plan Amendment for Property at Approximately 8496 S. Mill Road from A-1 & I-1 to R-2

SECONDED BY: Councilperson Lynn Durrant.

VOTE: All Affirmative (4-0).

2. Zone Change Request for Property at Approximately 8800 S. Mill Road from A-1 & I-1 to R-2.

MOTION BY: Councilperson Lynn Durrant to approve the Zone Change Request for Property at Approximately 8800 S. Mill Road from A-1 & I-1 to R-2.

SECONDED BY: Councilperson Stanley Green.

VOTE: All Affirmative (4-0).

Mayor Henderson stated he would like to go to item number 6.

6a. ORDINANCE CREATING A SECONDARY WATER UTILITY

Mayor Henderson stated that this is a key ordinance related to our secondary water system. We figured the city's self participation fee is \$450 per resident. As we talked about the \$450, it was mentioned by some of the residents to have a \$25 a month fee added to the utility bill. The fee would start now, and then when the secondary water system is in place, the \$450 would be paid up, which would be May 2008. It was also

mentioned to allow residents to pay the \$450 up front, and then they would not be charged the \$25 monthly fee. He stated that this is important to our future, and it also imposes a new rate to residents.

Councilperson Hanks is concerned that the residents may not know about it. Councilperson Durrant was wondering when the new rate would take affect. Councilperson Ficklin understood that the \$25 would start now, and then continue on as the new P.I. rate. He is wondering since we are delayed in the building, if we could start the new rate on the December utility bill. He is also concerned about allowing residents to pay the \$450 up front. Attorney Baker stated that the current residents would pay the \$450, but after the system is in place, and then new residents would pay the impact fee. Councilperson Hanks feels that we really should notify the residents that we are going to impose this new rate on their utility bill. Attorney Baker stated that we have told the residents about this in the public meetings. He stated that if we delay, then we would delay the self participation from May 2008 to June 2008. Councilperson Hanks was wondering if we wait until January to start the new rate. Councilperson Green stated that we need to start generating the money for the self participation.

Councilperson Ficklin was wondering about the hook up for new residents, if we could charge them the \$450 on their building permits. Bruce Ward stated that the impact fee study for the P.I. should be ready in January. Councilperson Hanks was wondering about the water rights, could residents turn them in and be in lieu of the fee. It was stated no, but residents can turn in their water rights and the city will pay them for the rights.

MOTION BY: Councilperson Stanley Green to approve Ordinance Creating a Secondary Water Utility, and not allowing the prepayment of the \$440, and to start the fee on the December utility bills.

SECONDED BY: Councilperson Terry Ficklin.

VOTE: All Affirmative (4-0).

5. Mark Ogden – Variance to Split Property at 810 S. 300 W.

Mayor Henderson stated a couple of council meetings ago; this item was discussed and tabled to allow Attorney Junior Baker to do some research on it. Attorney Baker stated he went back to when the ordinance was adopted and reviewed council minutes. He asked if the council received his memo regarding this item. They all stated they did. He found that a couple of days after it was adopted, a special council meeting was held to allow a split of a lot. He felt the intent was to allow a lot to be split as long as both lots met the requirement. He stated the council has the discretion to give the variance, or to deny it.

Jared Ferguson stated he is still concerned and opposed to the split. He wrote a letter that he was going to get to the council, but was unable to get it to them. He then read the letter to the council. He would like to try and work this out with Mark. He is concerned about the subdivision, and feels that the improvements would need to be done on all of

the property. But he is concerned on how the improvements would look. Since it is in the older part of town, and existing home is so close to where the improvements would have to be. He has been trying to contact Mark and trying to work it out between the two of them.

Mayor Henderson stated this is a difficult situation. We have heard from both sides. Jared Ferguson was wondering if the property has been engineered to show where the improvements were going to be located. Councilperson Durrant thought that Bruce and Dave were going to look at it. Bruce thought that Cole's Engineering was going to do it. Mark's understanding was to get the permission for the lot split, then go before DRC and Planning and Zoning to work out the engineering of the property. Dave stated that the master plan was there to get the required set back for the home. Mark stated there is a grandfather clause on the home regarding the setbacks. Councilperson Green was wondering about the adjustments to the front yard for the road.

Mayor Henderson stated there are a lot of issues that would have to be considered. When Jared Ferguson purchased the property next to Mark, Mark stated that he would not sell the property, that it would always be open. Mark stated that he did say that, and he does not want to go against his word, but circumstances have come up, and he feels he needs to sell the property. Jared feels that by the time mark has all of the improvements done on the property, that he will not come a head as much as he thinks he will. He thinks he could offer Mark a price for a portion of the property that would be fair. Mark stated that when he first offered him money for the portion of the property, it was a 1/8 of the price he could be getting for the whole piece.

Councilperson Ficklin is concerned we are only voting on the lot split, what about the sidewalk and other improvements. Do we determine them now. Attorney Baker stated that the subdivision ordinance would address the improvements. It was stated that on the third split the lots would be required to have the improvements done. It was stated that this is only the second split. Attorney Baker stated that if the variance is granted then the improvements can be addressed and conditions imposed on the lots. Councilperson Ficklin stated that we can put conditions in the motion if it is approved. There was some discussion on the property and where the nearest improvements are.

Attorney Baker stated that the council could go into an executives meeting to discuss this.

Councilperson Ficklin stated the problem is that we have talked about getting rid of the smaller lots in town. But he also understood the ordinance to read that the original lot had to still maintain a 100 foot frontage. On the other hand when the ordinance was approved and the first split happened that was not the case. With smaller lots it would help on utilities, especially water. He stated that he is having a hard time with this decision. Jared Ferguson stated that he was under the same impression that Councilperson Ficklin was, with the original lot had to maintain the 100 feet frontage. He is also concerned that the verbal agreement he had when he purchased the land is changing. He would like to see if the council approves the variance, some conditions put on for improvements.

Mark stated that the ordinance was requested by Dave Grant, so he could build a new home for his mother. Mark checked the original size of the lot was 150 feet frontage. Each lot was allowed the 75 foot frontage. He stated that this was across the road, and he did not think there was any opposition at that time.

Whitney Ferguson stated that Mark is going to try and sell the lot for \$150,000; these lots are a lot smaller than other lots going for that price. She does not think he can get out of it what he is hoping to.

Mayor Henderson asked the council if they would like to make a motion, or if they would like they could go into an executive session.

MOTION BY: Councilperson Brent Hanks to deny the request.

Mayor Henderson asked if there was a second. There was no second.

MOTION BY: Councilperson Lynn Durrant to move into an executive session to discuss the variance.

SECONDED BY: Councilperson Stanley Green.

VOTE: All Affirmative (4-0).

Mayor Henderson, the Council, Attorney Baker, and Recorder Jeff Nielson went into another office for executive session. They returned after 10 minutes of discussion.

MOTION BY: Councilperson Stanley Green to return to council meeting.

SECONDED BY: Councilperson Brent Hanks.

VOTE: All Affirmative (4-0).

Councilperson Stanley Green was on call with the hospital this night, and stepped out of the council chambers to take a call.

Mayor Henderson stated that we can discuss item number 9.

9a. CITY COUNCIL MEETINGS IN JULY 2007

Jeff Nielson explained to the council the first council meeting in July will be held on July 4. We have to have the calendar of council meetings posted next month, and were wondering what the council would like to do.

The council all agreed to only have one council meeting in July, and not to hold a city council meeting on July 4, 2007.

Councilperson Green returned to council chambers.

Mayor Henderson asked for a motion to item number 5.

MOTION BY: Councilperson Brent Hanks to deny Mark Ogden – Variance to Split Property at 810 S. 300 W.

SECONDED BY: Councilperson Stanley Green

VOTE: 2 aye 2 nay (Councilperson Hanks, aye; Councilperson Durrant, nay; Councilperson Green, aye; and Councilperson Ficklin, nay).

With the tie vote, Mayor Henderson needed to vote. He stated that he would have to agree with Councilperson Hanks and Green, to deny the variance request. He would still like to encourage Jared Ferguson to try and work out something with Mark on the sale of the property.

6. ORDINANCE CREATING A SECONDARY WATER UTILITY

Went prior.

7. BOB KIRK/JEREMY JOYNER – CHRISMAN DRIVE

Dave Johnson explained that Bob Kirk is one of the owners who have been working on Chrisman Drive. He asked Bob and Jeremy to come to council meeting, but he forgot to remind them. He stated that Bob is wondering about bonding for the improvements and then allowing the land to be deeded to them. It was stated that the city wanted something done with the abandon road. Attorney Baker stated that we have given them a couple of different times to extend the time for the improvements to be done. Dave stated that Bob has been trying to work with Jeremy, but can not get it worked out. It was stated to look at allowing Bob to do the improvements and then deeding all of the land over to him. Then if Jeremy wants some of the land, he can pay Bob for the improvements that were done. Attorney Baker suggested giving them until April to have the improvements done. Dave is wondering if he could post the bond for the improvements and then deeding the land over. It was suggested to have the improvements done before the land is quit claimed over. Dave Johnson stated he would work with Bob on this, and try and get Jeremy to help participate.

8. AWARD BID FOR TRANSFORMER

Went Prior.

9. CITY COUNCIL MEETINGS IN JULY 2007

Went Prior.

10. BIDS FOR CITY SHOP

Councilperson Hanks stated that we have a change order on the fence. The power department suggested making another fenced area to put their electrical supplies in. This would change the price from \$11,673 to \$17,927.

MOTION BY: Councilperson Brent Hanks to approve the change order for the fence.

SECONDED BY: Councilperson Lynn Durrant.

VOTE: All Affirmative (3-0), Councilperson Green stepped out of council chambers.

11. BIDS FOR CIVIC CENTER CONSTRUCTION

Councilperson Hanks stated that at the Civic Center, we have had people try and climb the hill by the parking lot. We have ordered 12, 5 feet by 4 feet cement blocks to put around the parking lot to stop the vehicles from climbing the hill. He stated the cost is going to be about \$650.

He reported that the cabinets are done, and the counter tops should be in this week. Dave Johnson was wondering if we need to call the board of health to inspect the kitchen. It was stated yes, it would be a good idea.

Councilperson Hanks is also wondering about getting a snow blower for the building.

12. APPROVE MINUTES OF SEPTEMBER 20, 2006 & OCTOBER 4, 2006

MOTION BY: Councilperson Lynn Durrant to approve the minutes as written.

SECONDED BY: Councilperson Brent Hanks.

VOTE: All Affirmative (4-0).

13. APPROVE BILLS FOR PAYMENT

MOTION BY: Councilperson Stanley Green to approve the bills for payment.

SECONDED BY: Councilperson Lynn Durrant.

VOTE: All Affirmative (4-0).

14. PUBLIC SAFETY

Mayor Henderson had a letter complementing the public safety on how they handled an incident the other day.

Chief James reminded the council that the emergency siren would be tested on the 24 of October, at 10:00 a.m. He also reported to the council about the accident that happened

on the highway today. He stated that no one was seriously injured, and that there were seven kids involved in the wreck. It was a day care provider. He commented on how well SEMA and the Fire Department handled the situation.

15. OPEN DISCUSSION

Erman Stone was wondering about the new city shop that was built by Cleary, if there is a way to close the ends to keep the pigeons out. He stated that in the current shop we have a lot of problems with pigeons and other birds.

COUNCIL REPORTS

16. MAYOR J. LANE HENDERSON

17. COUNCILPERSON LYNN DURRANT

Councilperson Lynn Durrant reminded the council about the annual UMPA meeting set for November 17. She is also wondering about money left over from the civic center, to go towards the improvement of the library. Councilperson Hanks has suggested adding a metal building on the back of the library. They are nice, cheap, and being in back would hide that it is a metal building. Mayor Henderson asked Councilperson Durrant to get some information on a building and see if an architect can help out.

18. COUNCILPERSON TERRY A. FICKLIN

Councilperson Ficklin reported that the South Utah Valley Solid Waste district is looking at purchasing some land just west of where the current facility is located. They are looking at 49 acres, where the present sight is only 12 acres. The cost was \$1,300,000 for the land. The district does have the money to purchase the land. The district is also holding a meeting next Wednesday, to go over the contract with Huff Trucking. Huff Trucking takes the waste from the transfer station in Springville, and takes it to West Mountain area. The district is considering taking over the transporting and allow Huff out of the contract. Finally the district is still looking at Utah Energy to burn trash for power. Rocky Mountain Power is looking at buying the power from us.

19. COUNCILPERSON STANLEY W. GREEN

Councilperson Stanley Green stated that we are in need of a fire truck and a jet truck.

20. COUNCILPERSON BRENT V. HANKS

Did not have anything else to report to the council.

21. COUNCILPERSON JEFF D. HIGGINSON

Councilperson Higginson is excused from council meeting.

22. DAVE JOHNSON, PUBLIC WORKS DIRECTOR

Dave Johnson reported that he got some bids for brick on the new utility building at Loafer View Recreation Facility that will match the snack shack. The bid on the block is around \$3,800, and takes about six weeks to get it. He will discuss this with Councilperson Higginson.

Dave also mentioned that we have a letter of credit for Shane Johnson for the improvements in front of his new home. We need to determine if we want to cash the bond and hold the money for the improvements and do them when we do the improvements on the whole street. Councilperson Hanks was wondering how we are going to put curb and gutter from Carlson's to Shane's, and make it blend in. There was some discussion on the problem there. Dave stated that is something that we are going to have to look at, and it is a concern. The suggestion on the bond was to cash the bond in.

23. BRUCE WARD, CITY ENGINEER

Bruce ward stated that SUVMWA has a resolution for the regional sewer plant. SUVMWA wanted to get an indication and see if the member cities are in support of the regional plant. Phase two of the study is done, and we are at the point we need to start looking at purchasing some property. We need about 200 – 300 acres. The resolution will allow SUVMWA to move forward with process of the land, if it is passed by the cities.

Bruce wanted to clarify with the new fee for the self participation. We will put it in the newsletter and then start charging residents the \$25 a month. We will also start taking Salem Canal Irrigation water, and paying \$1,000 for a share. At this time we are not accepting Strawberry Water shares, but Attorney Baker stated we are working on it.

Mayor Henderson reported that the employee meeting will be held on November 14, from 8:00 a.m. to noon. We will go over the personal policy and the new organization chart. There was some discussion regarding the meeting. It was determined to hold the meeting regarding the organization on October 31, from 8:00 a.m. – 10:00 a.m.

24. ATTORNEY S. JUNIOR BAKER.

25. ENTER INTO EXECUTIVE SESSION – SELL OF PROPERTY

MOTION BY: Councilperson Brent Hanks to adjourn city council meeting and enter into an executive session for the purpose to talk about the sell of property.

SECONDED BY: Councilperson Lynn Durrant.

VOTE: All Affirmative (4-0).

MEETING ADJOURNED AT: 10:10 p.m.

Jeffrey Nielson, City Recorder