

Minutes of the Salem City Council Meeting held on December 12, 2018 in the Salem City Council Chambers.

Work Session: 5:30 p.m.

1. FISCAL YEAR 2018 AUDITED FINANCIAL REPORT PRESENTATION

Diana Cannell, with Allred Jackson, went through the financial report. She commented they enjoy working with Jeff Nielson, he is always very accommodating. She presented the audit to the mayor and council. She said the city is financially healthy. Councilperson Sterling Rees commented that is a good thing to be able to tell the community. The council thanked Diana for coming.

2. GENERAL PLAN DISCUSSION

Mark Vlasic remarked there was an amazing turn out to the meeting last night, it was one of the best he has been to in a long time. He said we have engaged people here that love their community. They are sorting through all the information they have gathered so far to figure out the issues and the vision for the city.

Bruce Ward said we should talk about the Patterson zone change request we have on the agenda tonight while Mark is here. He can tell us how this project would fit in with what they think will happen in that area. Mark commented that in his opinion that area will probably grow in a very different direction. They have seen single housing projects like this go in before the general plan has been updated, then if the area becomes more high density, the project feels very isolated. Bruce stated the developer has told him if the R-8 zone change is turned down, they will just do an R-10 project. Councilperson Howard Chuntz said he would rather see that happen. Bruce said then it could become surrounded by high density. Mark asked if there was a green space requirement. Bruce replied there was not on either the R-8 or the R-10. He questioned if we could do the zone change with a development agreement for some green space. Attorney Junior Baker said they could, zone changes are at the discretion of the council. Councilperson Cristy Simons asked if they could wait until the general plan was done. Bruce said they wouldn't, they have been in multiple times and are ready to move forward with the R-10 if they cannot get this change. Mark said he likes mixed use better, and thinks an R-5 would ultimately fit in better down there. He said this is the problem when zoning gets ahead of the planning, he doesn't think single family is the best fit there. Bruce said maybe a buffer around it is part of the answer so that backyards aren't next to something undesirable. Councilperson Simons asked what Mark would recommend. He said he would recommend the R-8 and try to negotiate a park or something in the development. Bruce said this is a good time to have the discussion, to try and find something that works for everyone. Bruce asked Israel Patterson to tell the council what he would do if the zone change was denied. Israel replied they would move forward with an R-10 development. Bruce mentioned that single family probably won't fit well with what is going to happen down there. Israel said that maybe true and if they had the time they would wait, but they do not, they need to get something going. Councilperson Chuntz mentioned changing the zone with a development agreement for some open space. Israel replied that they would not have an HOA with the development so there would be no one to maintain the open space. Councilperson Seth Sorensen said that there will be a giant park not too far away in the Arrowhead Springs development. Bruce commented they needed

some kind of landscape buffer so that no home ends up next to something undesirable. He said if they go ahead with the R-10 we cannot require them to do anything. Bruce mentioned that the R-8 does not have any open space requirements either. Matt Marziale remarked that they like a park to be about 4 acres. Parks are subsidized and it takes time and crews to maintain them. He said if they were willing to give the city a couple of lots, then the city could build and maintain the park. Jared Harding asked how many lots they would need to give the city. Bruce replied the park would need to be just under 2 acres, this included the retention basin. Matt said we needed to at least have an acre for the park with some parking. The developers felt like this would enhance their project and be an asset to them for selling. Attorney Baker stated they would need to make the zone change with the condition of a development agreement.

MEETING CONVENED AT: 7:00 p.m.

CONDUCTING: Mayor Kurt L Christensen

COUNCIL PRESENT:

Mayor Kurt L Christensen
Councilperson Cristy Simons
Councilperson Seth Sorensen
Councilperson Howard Chuntz
Councilperson Sterling Rees
Councilperson Craig Warren

STAFF PRESENT:

Jeffrey Nielson, Finance/Recorder
Junior Baker, City Attorney
Chief Brad James, Police Chief
Clark Crook, Power
Matt Marziale, PW/Recreation
David Johnson, Building Dept.
Allison Taylor

OTHERS PRESENT

Branden Kirk, Israel Patterson, Jared Harding, Jan J. Ward, Amilyn Gardner-Jones,
Glade L. Burr

1. VOLUNTEER MOTIVATIONAL/INSPIRATIONAL MESSAGE

Mayor Christensen asked if anyone would like to give a motivational or inspirational message. Bruce Ward stated he would like to offer a motivational message in the form of a prayer.

2. INVITATION TO SAY PLEDGE OF ALLEGIANCE

Matt Marziale invited those who 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. PUBLIC HEARING
(to open)

MOTION BY: Councilperson Cristy Simons to open the public hearing.

SECONDED BY: Councilperson Howard Chuntz.

VOTE: All Affirmative (4-0).

**a. PATTERSON ELITE BUILDERS – ZONE CHANGE ON PROPERTY
LOCATED AT 1711 N. 460 W. FROM R-10 TO R-8**

Bruce Ward stated most of the public was here for the work session when this was discussed so we should open up for public comment. Mayor Christensen asked if there were any comments from the public.

Bill Burk said he would like to express a couple of concerns. He said the contractors are continuing to come in here and promise to do parks and other things and then they don't see the project through to completion. Then we are left with incomplete parks. He said that they need to do better to make sure these things happen before the developer walks away with the money, not just do a gentleman's agreement. Councilperson Howard Chuntz said what was discussed is they will give the land to the city and the city will be responsible to build the park. Bill asked if they will do that after the zone is changed. The mayor said that it will be stated in the approval. Bill said he wants to know there are safeguards in place and they won't walk away from their promises. The mayor said these guys have a good track record. Bill said his other issue is what good is a general plan, almost every meeting he attends there is a developer wanting a zone change and they always want more, never less, and they usually get it. Councilperson Chuntz replied this is an R-10 zone already which isn't a whole lot less homes. This is already single family housing and still will be with the R-8 but we are getting some green space, if we leave it R-10 it will just be homes. The way it is zoned now they can build and the city cannot require them to do anything. These have the potential to be starter homes, and we would like to get some of those in our community. Councilperson Seth Sorensen commented that this development matches the general plan, there have been developments that don't and they haven't been approved. The mayor stated the general plan is 15 years old and there isn't a plan for that area, that is why we are doing a new one. Councilperson Chuntz commented that they have not approved any development that didn't meet the general plan. Bill asked about the R-5 that was approved on canal road, was that part of the general plan? Bruce stated it did meet the general plan, that area is medium density. Bill said that R-5 is high density, the ordinance calls it that. Matt Marziale stated that development will relieve a big eyesore to the community. Mayor Christensen said there was no other way to develop that property. We had a developer that came in with a plan to develop that area that would help fix the rebar situation up there and make it safer. If it wasn't done that area would never be fixed. Bill asked why the city doesn't fix things like that why are they always counting on developers. Councilperson Sorensen commented they can raise taxes to hire more staff to do those kinds of things. Councilperson Sterling Rees stated we have gotten off the subject, this public hearing is about the zone change, and they need to focus on that. Bill said he did like the response that he got, that they are doing things to benefit the community.

The mayor asked for any other comment. There was none.

**b. ZONE DESIGNATION ON CHRISTENSEN PROPERTY LOCATED AT
784 W. ARROWHEAD TRAIL TO I-1**

Mayor Christensen stated that he would remove himself from this discussion since he is the owner of this property. Bruce reported this is the Christensen property located at 784 W. Arrowhead Trail, we recently approved a boundary line adjustment on the property but it needs a zoning designation. The property owner has requested I-1. This makes sense for the area since Olson's Greenhouse is building a trucking depot right next to it. Approval was recommended by DRC and Planning and Zoning. Councilperson Rees asked if there was any public comment. There was not.

(to close)

MOTION BY: Councilperson Sterling Rees to close the public hearing.

SECONDED BY: Councilperson Cristy Simons.

VOTE: All Affirmative (4-0).

MOTION BY: Councilperson Sterling Rees to approve the zone change on property located at 1711 N. 460 W from R-10 to R-8 effective of the execution of a development agreement that was discussed in work session.

SECONDED BY: Councilperson Howard Chuntz.

VOTE: All Affirmative (4-0).

MOTION BY: Councilperson Cristy Simons to approve the zone designation on Christensen property located at 784 W. Arrowhead Trail to I-1.

SECONDED BY: Councilperson Sterling Rees.

VOTE: All Affirmative (4-0).

4. APPROVE FISCAL YEAR 2018 FINANCIAL STATEMENT

Mayor Christensen stated the auditor had presented in work session. He asked if there were any concerns from the public. There were not. The mayor stated the city is in good financial shape.

MOTION BY: Councilperson Howard Chuntz to approve fiscal year 2018 financial statement.

SECONDED BY: Councilperson Seth Sorensen

VOTE: All Affirmative (4-0).

5. APPROVE SEWER LINE ALONG CANAL ROAD

Matt reported that there has been a belly in the sewer line in front of the Loafer View Sports Complex and it needs to be fixed. They put it out for bid and Cory Hiatt was the low bid at \$97,844.00, Rhino was double that and Staker Parson did not submit a bid. Councilperson Chuntz said that he had read it was \$80,000. Jeff Nielson replied that was what they budgeted, but the bids came in for more, they can use the sewer reserve funds for the rest. Matt commented that our crew will be doing support work and maybe that could cut some of the cost. He mentioned that they are continually having to use the jet truck to pump it out and it could be a big problem if it backed up into houses. The mayor stated this will save time and money.

MOTION BY: Councilperson Sterling Rees to approve the sewer line repair on canal road.

SECONDED BY: Councilperson Cristy Simons.

VOTE: All Affirmative (4-0).

6. APPROVE MAJOR CRIMES TASK FORCE INTERLOCAL AGREEMENT

Chief Brad James reported Salem City has been a member of the Utah County Major Crimes Task Force since its inception. Recently, the Task Forces Executive Board made some changes to section 2 of the Interlocal Cooperation Agreement. As a result, there is a need for all participating entities to adopt the revised agreement. City Attorney Junior Baker has reviewed the changes and is supportive of the revised agreement. He mentioned this is a benefit to us at a minimal cost. He is asking for approval of this agreement.

MOTION BY: Councilperson Howard Chuntz to approve the major crimes task force interlocal agreement.

SECONDED BY: Councilperson Seth Sorensen.

VOTE: All Affirmative (4-0).

7. APPROVE UBB SITE LEASE AGREEMENT FOR INTERNET EQUIPMENT

Jeff reported that we have allowed Utah Broadband to place some equipment on the top of our water tank, in exchange they provided internet to most of our facilities. Since fiber optic internet become available, we have switched to Centracom. We no longer need the free internet, we looked at what to charge and decided on \$250. They will also continue to provide internet to 2 of our shops where the fiber is not available, and they will double the capacity of their service. Bruce said this is a fair exchange and they did put in the agreement that if they want to add additional equipment they need to get permission from the city.

MOTION BY: Councilperson Cristy Simons to approve the UBB site lease agreement for internet equipment.

SECONDED BY: Councilperson Howard Chuntz.

VOTE: All Affirmative (4-0).

8. APPROVE RESOLUTION REQUESTING INCLUSION OF THE SALEM CITY IN THE MUNICIPAL ALTERNATE (RANK)VOTING METHODS PILOT PROJECT

Jeff commented at the last council a few weeks ago, Representative Mark Roberts gave a presentation on rank voting. They are trying to get as many cities on board as they can. Jeff told Mark that his biggest concern is that we would have to have the county's help to have this work. If we pass the resolution tonight, we have until April 30, 2019 to decide whether or not we will do it, but we cannot join after January 1, 2019. He said it would be good to approve and then see if other cities are participating. He asked if there were any questions.

MOTION BY: Councilperson Howard Chuntz to approve the resolution requesting inclusion of the Salem City in the municipal alternate (rank) voting methods pilot project.

SECONDED BY: Councilperson Seth Sorensen.

VOTE: All Affirmative (4-0).

9. APPROVE RESOLUTION REGARDING UTAH'S HOUSING NEED

Attorney Baker commented at the last meeting there was a presentation from the Salt Lake City Chamber of Commerce on the housing gap. They sent a resolution that they would like Salem City to approve. He reviewed the resolution and took out some things that didn't fit or didn't apply. He formatted it more for our city. He said he had no recommendation of the council they can approve or deny the resolution. Councilperson Chuntz stated he did not feel comfortable with this resolution, even if it is not legally binding. He isn't sure we want to do all the things mentioned in the resolution and thinks it could come back to bite us. Councilperson Rees said it is agreeing that there is a need to do something, but isn't trying to make us do anything. The mayor commented we are already doing many of the things mentioned.

MOTION BY: Councilperson Sterling Rees to approve resolution regarding Utah's housing need.

SECONDED BY: Councilperson Cristy Simons.

VOTE: Councilperson Sterling Rees; Aye, Councilperson Cristy Simons; Aye, Councilperson Seth Sorensen; Aye, Councilperson Howard Chuntz; Nay (3Aye, 1 Nay).

10. APPROVE PURCHASE OF ASPHALT ROLLER

Matt remarked he is seeking permission to purchase an asphalt roller, this is a budgeted item. We had located a roller that meets our needs for \$19,000. That did not include the shipping. James Thomas, our roads supervisor and Mayor Christensen found a comparable roller at the TNT Auctions that sold for \$9,304. They have had it checked by a mechanic and they are asking approval for the purchase of the roller. In the past they have borrowed a roller when we needed one from Spanish Fork and Payson but we need to have our own equipment. They had \$30,000 in the roads budget for this purchase and the one they found will save them some money. He suggests approving the purchase. The mayor stated the roller has low hours, and the purchase of this roller and would be a savings of \$20,000 in the roads budget.

MOTION BY: Councilperson Cristy Simons to approve purchase of asphalt roller.

SECONDED BY: Councilperson Seth Sorensen.

VOTE: All Affirmative (4-0).

11. APPROVE SOUTH COUNTY INVESTMENT PROPERTIES, LLC CONNECTOR'S AGREEMENT

Bruce reported there are two agreements that need to be approved. One is a connectors agreement with Revere Health or South County Investment Properties, they installed the water and sewer lines there and they need a connectors agreement so that when other people hook onto the lines they are reimbursed for some of the cost. The connectors agreement will be effective for 30 years. Bruce stated we also need a reimbursement agreement with them

so the city can reimburse them through impact fees. He asked that the council approve both of these agreements.

MOTION BY: Councilperson Sterling Rees to approve the connector's agreement and the reimbursement agreement with South County Investment Properties, LLC.

SECONDED BY: Councilperson Seth Sorensen.

VOTE: All Affirmative (4-0).

12. RETIREMENT OF POLICE K-9 (MJ)

Chief Brad James reported for the past five years Sgt. Greg Smith and his K-9 partner, MJ (Mary Jane) have been responsible for numerous drug seizures and drug related arrests. Their dedicated service over these years has made the community of Salem a safer and better place to live. It is with much sadness that the time has come for the Salem Police Department to retire the Department K-9 MJ. For some time now, MJ has slowly developed a psychological condition that has progressed to the point that it has rendered her incapable of efficiently and effectively performing her narcotics detection duties to the high standard that is expected from her by the Department. Despite hard work and additional training by Sgt. Smith and experts in the field, MJ's psychological condition is irreversible. His recommendation is to formally retire K-9 MJ from the Salem City Police Department effective January 2, 2019. He would like to ask that MJ be donated to, or sold to Sgt. Greg Smith and his family. The Salem Police Department does not anticipate replacing its K-9 partner in the immediate future. They will rely on our neighboring cities and the sheriff's department for K-9 assistance.

MOTION BY: Councilperson Seth Sorensen to retire the police K-9 (MJ) at the first of January and donate her to Sgt. Greg Smith.

SECONDED BY: Councilperson Cristy Simons.

VOTE: All Affirmative (4-0).

13. APPROVE MINUTES OF NOVEMBER 21, 2018

MOTION BY: Councilperson Seth Sorensen to approve the minutes of November 21, 2018.

SECONDED BY: Councilperson Sterling Rees.

VOTE: All Affirmative (4-0).

14. APPROVE BILLS FOR PAYMENT

Mayor Christensen asked what the bill from Forsgren Engineering for water testing was. Bruce replied it was for the testing and analysis of Salem Pond.

The mayor asked if the bill from Hatch, James, and Dodge law firm on the SESD issue was the total bill or just our portion. Jeff replied it was only Salem's portion of the bill. The mayor mentioned that we will be meeting with them in mediation soon.

AMOUNT: \$696,759.14

MOTION BY: Councilperson Sterling Rees to approve the bills for payment.

SECONDED BY: Councilperson Howard Chuntz.

VOTE: All Affirmative (4-0).

15. YOUTH COUNCIL

There was not a representative from the youth council available tonight.

16. ADJOURN TO RDA MEETING

MOTION BY: Councilperson Cristy Simons to adjourn council meeting and move into the RDA meeting.

SECONDED BY: Councilperson Seth Sorensen.

VOTE: All Affirmative (4-0).

17. RESUME REGULAR COUNCIL MEETING

18. CHIEF BRAD JAMES, PUBLIC SAFETY DIRECTOR

Chief James did not have anything to report tonight.

19. DAVE JOHNSON, BUILDING OFFICIAL DIRECTOR

Dave Johnson did not have anything to report tonight.

20. ATTORNEY JUNIOR BAKER

Attorney Baker did not have anything to report tonight.

21. JEFFREY NIELSON, CITY FINANCE DIRECTOR/CITY RECORDER

Jeff advised he had sent out the November budget, he said there was a lot of red. We have spent the B&C Road money and done a lot of capital improvements. He mentioned that we have the PI bond payment due in July so usually about December it starts looking better. He feels like we are doing well. He reminded the council that the sewer expense is shown before we get the reimbursement from the state. He mentioned that the attorney fees for the SESD issue have been a big expense. He thanked them for the approval on the financial report. The mayor thanked Jeff for the good job that he does.

22. MATT MARZIALE, RECREATION/PUBLIC WORKS DIRECTOR

Matt reported that he, Councilperson Cristy Simons, and Bruce have been working on a concept for the Ridge View Park, this would be located in the DeVere Anderson development by Whisper Ridge. They have been working with the developer because of lack of green space in the area. Matt said the developer has to put in a retention basin and they would like to purchase 2 lots next to the basin to build a park. He said they would like to do a parking lot, playground, pavilion and restrooms, and make it a destination park that could entertain toddlers to teens. In meeting with DeVere, they will be donating the retention basin, and said the lots were \$159,000. They explained they were not willing to pay that for the lots and they agreed to \$125,000 per lot and we would do the landscaping and build the park. We would hydro seed the retention basin and park and put in a sprinkler system. They have asked us to put \$200,000 in an escrow account by the end of the year. Matt said in speaking with Jeff this could be an impact fee expenditure. If working with the National Guard on the Cole Park works out that saves us some of the funds we would be using to develop that park. He said we would need to work out a timetable so that the Ridge View Park would be complete when people are moving into that development. He said that in the current budget there is \$75,000 in impact fees that is for Cole Park and \$70,000 of capital improvement money. There is also \$300,000 in the Parks and Recreation impact fee account that is not committed. They think the cost of the park would be around \$800,000. He asked if the council had any questions. Councilperson Chuntz asked what the size of the lots were and if this was a reasonable price for lots. Matt replied it was. Councilperson Chuntz said that his concern was that if we put the money in an escrow account then the developer can do whatever he wants. If he doesn't do the development then we don't have the money or the park. Matt said he also had reservations, and that the council would have to decide, but we wouldn't do it without some kind of guarantee. Councilperson Rees asked if we paid for the lots then wouldn't they belong to the city. Matt said not yet, they do not have plats yet. Bruce said we would need to make sure the city was protected. Matt said this was just something they asked, he told them it wasn't something he could answer. The mayor said we wouldn't do it until the plats were approved. Bruce commented it was just something they asked for, he isn't sure saying no would be a deal killer. The mayor said he thinks we should wait until they have the bond. Councilperson Sorensen asked what pulling the money from Cole Park does to the build time of both parks. Matt said the Ridge View Park would be 1 to 2 years. Bruce said it would need to be done by the end of next summer. Matt stated it wouldn't be open to the public that soon. He said Cole Park has about a 2 year window, some of that depends on the National Guard project. The mayor stated he is concerned about how expensive this project would be. Councilperson Chuntz said he is concerned if building slows down and these houses don't get built then the developer has our money, he is uncomfortable with that. Councilperson Simons commented that he hasn't started selling lots yet. Councilperson Rees said we should wait until he starts selling the lots to buy. Matt said they have discussed keeping pace with the development. Bruce said they can work that out in contract negotiations. Matt remarked that this would not be a park just for this development it would be a green space for the community and that has value. Councilperson Simons said that the cost will never go down. Bruce said the developer would have to do all the improvements so that would save those costs. Councilperson Simons stated there is no green space in this area. Bruce said we could break it out into phases, there are 7 phases to this development, but we need to live by our rules of wanting it done in a reasonable time

frame. Councilperson Chuntz remarked we don't need to live by those rules, the city is not going anywhere. Bruce recommends getting it done in 2 years if you stretch it out to 3-4 that is too long. The mayor said he is happy with the park. Councilperson Simons said they are concerned with securing the property. Matt said they will go back and talk to the developer.

23. CLARK CROOK, ELECTRICAL DIRECTOR

Clark Crook thanked the mayor and council for the kindness shown towards the employees of the city, it is nice to be recognized for all of their hard work. He mentioned at the last council meeting he had presented them with a cost to bring power to the charter school area, he is now waiting on the price to come back for boring under the roads so they don't have to tear them up. He was cautioned this may be a bit pricey. They are working with Nebo School District to get temporary power to the new middle school.

24. BRUCE WARD, ENGINEERING

Bruce commented that he would like to thank and recognize the almost 100 citizens that attended the general plan meeting last night. It was a very cordial and fantastic meeting. The mayor thanked Bruce for his work.

COUNCIL REPORTS

25. MAYOR KURT CHRISTENSEN

The mayor did not have anything to report tonight.

26. COUNCILPERSON STERLING REES

Councilperson Rees did not have anything to report tonight. The mayor stated mediation with SEDS was scheduled for January 7 and 10, 2019.

27. COUNCILPERSON CRISTY SIMONS

Councilperson Simons did not have anything to report tonight. She thanked Matt and Bruce for all their hard work trying to get some new parks. She stated that was a big topic at the General Plan meeting. She thanked the mayor for his support.

28. COUNCILPERSON HOWARD CHUNTZ

Councilperson Chuntz asked Bruce to inform the council about the water issues they had discussed. Bruce stated that preliminary information has started to come from Hansen, Allen, and Luce, they are working on our water masterplan. They were asked to look at the upper part of Salem and have found that we have 3 to 5 years of storage capacity. There are limited water sources in that area, we have the spring and Maple Canyon Well. We may need to look at building another tank or drilling another well. He mentioned that in January or February we should have more solid information. He said the Central Utah Conservatory pipeline that should be coming through would help get outdoor water to that area and

relieve the load on the drinking system. Bruce mentioned that a lot of people had brought up not having enough water at the general planning meeting. There are a lot of different components to water, Salem has plenty of water rights. He said we could be vulnerable if we were to lose a water source. Bruce said we did have a pump that broke about 10 years ago, and it was about 10 years old. It took about 3 to 4 weeks to be repaired. He said that Elk Ridge had one that broke last year and we worked to help them, so he thinks if we did have an issue, we could work out an agreement with them. Bruce said these are the reasons we are doing the masterplan. Councilperson Chuntz said we need to look at incentives for xeriscape, especially for the area above the canal. Jeff stated he thought we had that in place. Bruce replied it was never approved.

29. COUNCILPERSON SETH SORENSEN

Councilperson Sorensen stated Mike Pritchett passed his level 4 test for the new sewer plant and is ready to go. The mayor stated it is a hard test and not a lot of people that take it pass. The only people that passed were from Salem, Payson and Santaquin. He mentioned it was good to recognize Mike for his efforts.

30. COUNCILPERSON CRAIG WARREN

Councilperson Craig Warren was excused tonight.

Jeff stated he needs some direction on the L.W. annexation, the people requesting the annex usually pay for the SESD infrastructure. Clark estimated the cost to be about \$55,000. Jeff asked if we should have them pay that amount, if the city should pay it, if we should charge them and hold it in a bond. The mayor stated that this could be discussed in the mediation. Jeff mentioned that the annexation cannot be recorded until we decide what to do. Bruce replied with the mediation being 30 days away can it wait. Attorney Baker said that the mediation should be done by then and the mayor can bring it up there. Clark said the estimate is only a cost based on his knowledge it could be a lot different. Jeff stated it shouldn't include work just the infrastructure itself. Clark said that is correct on overhead but on underground they could include the cost to install it. Councilperson Chuntz said if we have them pay and it isn't enough than the city has to cover the cost. Jeff said we could do a connectors agreement. Bruce asked Attorney Baker what he thought. Attorney Baker said the city could pay the money until the issue is resolved or at time of development of the property. The mayor asked if SESD had an obligation to give us the cost of the buyout. Attorney Baker said that we have a contract that says they do. Jeff said we have another annexation coming up and it has the same issues. Bruce comment the development idea is a good idea, that would be a good time to collect the money. Clark said when we have the discussion the cost should come from a third party. Jeff remarked the contract says the agreement states if we don't agree with the cost it will go to a third party. Jeff said he will move forward with that. Dave remarked we should get something in writing. Bruce mentioned that some of the lots may never develop. He said it might be a good idea to do this by parcel, and it would be good to send out a letter. Councilperson Chuntz stated we could be putting up the money and not getting it back for decades if the land doesn't develop. Bruce replied it will be due when they transfer power.

ADJOURN CITY COUNCIL MEETING

MOTION BY: Councilperson Cristy Simons to adjourn council meeting.

SECONDED BY: Councilperson Seth Sorensen.

VOTE: All Affirmative (4-0).

MEETING ADJOURNED AT: 8:51 p.m.

Jeffrey Nielson, City Recorder