

2 The Lindon City Council held a regularly scheduled meeting on **Tuesday, May 6, 2014**
at **7:00 p.m.** in the Lindon City Center, City Council Chambers, 100 North State Street,
Lindon, Utah.

4 **REGULAR SESSION** – 7:00 P.M.

6 Conducting: Jeff Acerson, Mayor
8 Pledge of Allegiance: Scott Acerson
Invocation: Van Broderick, Councilmember

10 **PRESENT**

ABSENT

12 Jeff Acerson, Mayor
Matt Bean, Councilmember
14 Randi Powell, Councilmember
Van Broderick, Councilmember
16 Jacob Hoyt, Councilmember
Carolyn Lundberg, Councilmember
18 Adam Cowie, City Administrator
Jordan Cullimore, Associate Planner
20 Cody Cullimore, Chief of Police
Kathryn Moosman, City Recorder

Hugh Van Wagenen, Planning Director

22 **1. Call to Order/Roll Call** – The meeting was called to order at 7:00 p.m.

24 **2. Presentations/Announcements** –

26 i) **Mayor/Council Comments** – There were no comments at this time.

28 ii) **Presentation** – *Little Miss Lindon Recognition*. Aurora Neilson spoke on
30 behalf of the outgoing Little Miss Lindon Royalty (attendants: Carissa
Horman, Shayleigh Stueck, Ella Omdahl, and Elayndia Cuevas) and thanked
32 the Council for all of their support of the Little Miss Lindon program this past
year. She also introduced the 2014 incoming Little Miss Lindon Royalty
34 (Queen, Anna Passmore, Attendants: Madi Harris, Callie Roberts, Rachel
Savage and Amanda Schneck) to the Council. The outgoing Royalty then
36 presented the Mayor and Council with gifts to show their appreciation. Mayor
Acerson expressed his gratitude and appreciation to all of the girls for their
38 service and for representing the city so well. He also welcomed the new
Royalty and stated that they will also represent the City well in this capacity.

40 iii) **Presentation** – *2013 Lindon City Teaching Excellence Award Recipient*
42 *Recognition*. Mayor Acerson recognized the teachers within the community
for their contributions in the education field. Those in attendance were Pam
44 Sorenson from Timpanogos Academy, Pat Martinez from Maeser Academy,
Lisa Johnson from Aspen Elementary, Noelle Maes, Maeser Academy, Carrie
46 Heath with Timpanogos Academy, Johnathon Kano with Timpanogos

Academy, and Earl Porter with Timpanogos Academy. Each teacher was given the opportunity to present a brief overview of the education project their grant was utilized for. Councilmember Powell mentioned that she had the opportunity to review the applications and expressed her thanks and noted that it is so inspiring what these educators contribute to the community and it was a privilege to be involved. Mayor Acerson also expressed his appreciation on behalf of the Council for their dedication and service to the residents and the children in the community.

3. **Approval of Minutes** – The minutes of the regular meeting of the City Council of April 15, 2014 were reviewed.

COUNCILMEMBER POWELL MOVED TO APPROVE THE MINUTES OF THE MEETING OF APRIL 15, 2014 AS AMENDED. COUNCILMEMBER BRODERICK SECONDED THE MOTION. THE VOTE WAS RECORDED AS FOLLOWS:

COUNCILMEMBER POWELL	AYE
COUNCILMEMBER BEAN	AYE
COUNCILMEMBER BRODERICK	AYE
COUNCILMEMBER HOYT	AYE
COUNCILMEMBER LUNDBERG	AYE

THE MOTION CARRIED UNANIMOUSLY.

4. **Consent Agenda** – No items.

5. **Open Session for Public Comment** – Mayor Acerson called for any public comment not listed as an agenda item. Levi Dackman, resident in attendance, addressed the Council at this time. Mr. Dackman inquired what projects the PARC Tax funds will be utilized for. Mayor Acerson responded that this is an item on the agenda that will be addressed later in the meeting.

CURRENT BUSINESS

6. **Concept Review**– *White Horse Subdivision*. This is a request by Matt Lepire of DR Horton to review a proposed 25-lot subdivision in the R1-20 zone at approximately 97 N. 400 W. The Council will provide feedback on the layout of the subdivision prior to Mr. Lepire submitting a final subdivision application to the City. No official motions will be made.

Jordan Cullimore, Associate Planner, led the discussion by giving a brief summary of this agenda item stating this is a request by Matt Lepire and John Linton with DR Horton to review a proposed 25-lot subdivision in the R1-20 zone at approximately 97 N. 400 W on approximately 16 acres. Mr. Cullimore noted that the applicants would like feedback from the Council on the layout of the subdivision prior to submitting a final subdivision application to the City. Mr. Cullimore explained that concept reviews are non-binding and provide an applicant the opportunity to receive feedback from the

2 Council regarding an upcoming application in an informal matter and no motion is
3 required.

4 Mr. Cullimore re-iterated that the applicants haven't submitted a formal
5 application but will be submitting their application to subdivide property off of 400 west
6 that will be connecting on 10th north. Mr. Cullimore then showed the concept plan to the
7 Council and noted because of the geography of the area and the street network, it is a
8 unique street configuration as to give frontage and access to all of the lots. Mr. Cullimore
9 stated they would like to familiarize the Council with the project as a concept plan so
10 when they submit the formal application the Council will be familiar with the concept
11 and know what it is coming.

12 Mr. Cullimore mentioned that from a connectivity perspective the pedestrian
13 access is an issue and they would like to know if the Council feels comfortable with the
14 proposed layout or if they would like to see an improved pedestrian walkability and
15 connectivity by potentially doing a pedestrian path somewhere or if they feel comfortable
16 with it as proposed.

17 Mr. Cullimore stated that that Planning Commission has not seen this concept as
18 yet but they will see it at the next meeting on Tuesday. He went on to say that from a
19 subdivision regulation standpoint this street layout meets all requirements, but from a
20 design standpoint they would like to know if the Council feels comfortable with it and if
21 there are any concerns from the Council.

22 Mayor Acerson invited the applicants forward to address the Council at this time.
23 Councilmember Lundberg inquired if all lots meet the 20,000 square feet minimum and if
24 any of the lots need special conditions. Mr. Lepire confirmed that statement and noted
25 that they are all ½ acre lots so they will meet the current zoning. Councilmember Hoyt
26 inquired if DR Horton plans to build on all of the lots and what the price point will be.
27 Mr. Lepire stated that they plan on building on most of the lots and they don't have the
28 price point set yet as it is still conceptual, but it is estimated to be around the \$450,000
29 range. Councilmember Powell inquired with the size of homes will be. Mr. Lepire stated
30 the homes will be from 2,000 to 2,500 square feet. Councilmember Powell also inquired
31 about the water table in the area. Mr. Cullimore noted that the area is not in a flood zone
32 and the homes can have basements. Councilmember Hoyt asked how they feel about a
33 pedestrian walkway and if it would be something they would consider. Mr. Lepire
34 commented that because these are ½ acre lots, and this is not a pedestrian friendly type
35 development, they typically do not see pedestrian trail systems, but they are open to the
36 conversation.

37 Councilmember Bean inquired if they were locating near a park or other public
38 amenity would the pedestrian pathway have more relevance or importance. Mr. Lepire
39 confirmed that would make a difference, and noted that they also looked at safety
40 standpoints. Councilmember Lundberg questioned the potential of land locking
41 neighboring land owners to the west. Mr. Lepire stated that they currently working with
42 the adjacent land owners and they feel confident that they are on board. Councilmember
43 Powell mentioned that Lindon City looks for the potential for very deep lots but how to
44 get access from somewhere other than Lakeview Road may be an issue. Mr. Cowie
45 mentioned that the LDS Church owns a large parcel on Lakeview Road that they had
46 progressed with a proposed site plan for a church several years ago that was put on hold,
but it still may happen in the future. There was then some general discussion by the

Council regarding this concept plan. Commissioner Broderick commented that he feels this is good use of the land, but to ensure that the surrounding property owners still have the opportunities to do what they would like with their property. Mr. Lepire stated that they have tried to be sensitive to the needs of the property owners. Mayor Acerson commented that the Planning Commission will give Mr. Lepire a lot of focus and insight when they review this concept plan at their next meeting.

Mayor Acerson called for any further comments or questions from the Council. Hearing none he moved on to the next agenda item.

7. Review and Action – *Appointment to the Planning Commission.* This is a request to appoint Chris Burton to fill the current vacancy on the Lindon City Planning Commission. Mr. Burton previously served a term on the Planning Commission which ended in early 2012 and has recently expressed interest in serving on the Planning Commission again.

Adam Cowie, City Administrator, commented that Hugh Van Wagenen had previously spoken with Chris Burton regarding the Planning Commission vacancy and he had accepted the appointment. Mr. Cowie noted that Mr. Burton has since declined the position due to other circumstances and he is no longer able to accept the appointment to the Commission at this time. Mr. Cowie noted they will continue to look for individuals to fill the vacancies on the Planning Commission.

Mayor Acerson called for any comments or questions. Hearing none he called for a motion.

COUNCILMEMBER LUNDBERG MOVED TO TAKE NO ACTION REGARDING THE RECOMMENDATION TO APPOINT CHRIS BURTON AS A MEMBER OF THE LINDON CITY PLANNING COMMISSION. COUNCILMEMBER POWELL SECONDED THE MOTION. THE VOTE WAS RECORDED AS FOLLOWS:

COUNCILMEMBER POWELL AYE

COUNCILMEMBER BEAN AYE

COUNCILMEMBER BRODERICK AYE

COUNCILMEMBER HOYT AYE

COUNCILMEMBER LUNDBERG AYE

THE MOTION CARRIED UNANIMOUSLY.

8. Review & Action – *Lindon Days Grand Marshal for 2014.* The City Council will discuss possible Grand Marshal (s) for 2014 Lindon Days and make a final selection.

Mr. Cowie explained this agenda item is for discussion of possible names for the Lindon Days 2014 Grand Marshal(s). He noted that after discussion, a motion to select the individual(s) to be the Grand Marshal(s) will be appropriate. Mr. Cowie mentioned that in the past the Mayor has then contacted the individuals to extend the invitation.

Mr. Cowie then handed out a list of past Lindon Days Grand Marshals. Mr. Cowie noted the names that seems to be getting some attention is Kent and Janet Anderson. He added that typically there is a discussion at the Council level and a

2 decision made and then the Mayor will approach the individuals and extend the
invitation. Following discussion the Council was in agreement to extend the invitation to
4 Kent and Janet Anderson. Mayor Acerson stated that he will contact the Andersons and
extend the invitation to be the 2014 Lindon Days Grand Marshals.

6 Mayor Acerson called for any further comments or questions from the Council.
Hearing none he called for a motion.

8 COUNCILMEMBER POWELL MOVED TO RECOMMEND KENT AND
JANET ANDERSON AS THE 2014 LINDON DAYS GRAND MARSHALS.

10 COUNCILMEMBER LUNDBERG SECONDED THE MOTION. THE VOTE WAS
RECORDED AS FOLLOWS:

12 COUNCILMEMBER POWELL	AYE
COUNCILMEMBER BEAN	AYE
14 COUNCILMEMBER BRODERICK	AYE
COUNCILMEMBER HOYT	AYE
16 COUNCILMEMBER LUNDBERG	AYE

THE MOTION CARRIED UNANIMOUSLY.

18
20 **9. Public Hearing** – *PARC Tax Policies and Projects*. Having received input and
direction from the City Council in previous meetings and discussions, Lindon’s Parks
& Recreation Director, Heath Bateman, will present final policies and project
22 prioritization recommendations for use of anticipated Park, Arts, Recreation &
Culture (PARC) tax funds during the 2014-15 fiscal year. The Council will review
24 and take action on the recommendations after receiving public comment.

26 COUNCILMEMBER BEAN MOVED TO OPEN THE PUBLIC HEARING.
COUNCILMEMBER HOYT SECONDED THE MOTION. ALL PRESENT
28 VOTED IN FAVOR. THE MOTION CARRIED

30 Mr. Cowie opened the discussion by stating after receiving input and direction
from the City Council in previous meetings and discussions, Lindon’s Parks &
32 Recreation Director, Heath Bateman, is in attendance to present final policies and project
prioritization recommendations for use of anticipated PARC tax funds during the 2014-
34 15 fiscal year. Mr. Cowie noted that the Council will review and take action on the
recommendations after receiving public comment.

36 Lindon’s Parks & Recreation Director, Heath Bateman, addressed the Council at
this time to present the final policies and project prioritization. He noted that they have
38 taken the recommendations and input from the Council from previous meetings for use of
the PARC tax funds. Mr. Bateman stated that they have made some changes to the policy
40 as well as the percentage pie chart as per previous discussion.

42 Mr. Bateman re-iterated that the purpose of the PARC program is to support
recreational facilities and cultural organizations that enrich the overall quality of life for
44 residents throughout the city. Mr. Bateman went on to say that the Parks, Arts, Recreation
& Culture Program is committed to enhancing city recreational and cultural facilities and
providing fair and equitable access to PARC funding of cultural organizations through

2 grant opportunities. He noted this will also work to increase the public awareness of the value of the PARC program.

4 Mr. Bateman further explained that under the PARC program policy, the Lindon City Council will annually evaluate the forecasted or actual sales and use tax revenues generated by the PARC tax for the purpose of financing City cultural and recreational facilities and associated ongoing operations, and to finance ongoing operations of cultural organizations within Lindon City through grant opportunities. Mr. Bateman then presented the policy changes and also referenced the changes on the mini-grant application. Mr. Bateman also discussed the PARC Tax “2014-15 Project Description including and Amounts and the Categories List” and the “Other Possible Projects List” followed by additional discussion.

12 Mr. Bateman stated that he is looking for input and further direction from the Council and noted that this policy is dynamic and can be changed. Councilmember Powell commented that from the straw polls this looks to be the type of projects the citizens are looking for. She added that it is beneficial to allocate the tax money in a way that is spread out to not only help relieve the general fund but to also provide new revenue generating amenities and this also makes the Council responsible stewards for the PARC Tax. Mayor Acerson commented that as we look to put these improvements in to estimate how long it will take to generate revenue. Councilmember Powell stated that she feels the horse arena is an untapped resource that could be used for things other than Lindon Days and could generate more revenue; she would also like to see a cost analysis. Councilmember Bean stated that he appreciates that Mr. Bateman has looked at the larger, long term projects like a dome over the pool; it is good to look at ways to utilize our assets better. Councilmember Lundberg mentioned the possible amphitheater and noted that Fryer Park has a natural concave shape that may be a great place to utilize that.

26 Mr. Bateman then referenced the following definitions that will be used when referencing the PARC Tax as follows:

- 28 • 2.1 PARC – Park, Arts, Recreation, Culture
- 30 • 2.2 Application form – the document(s) specified by the PARC Program of Lindon City for use by organizations which request grant funds pursuant to this Policy, including any required attachments and supporting documents.
- 32 • 2.3 Compliance Report – record of how grant money was awarded, and how it was spent.
- 34 • 2.4 Nonprofit – an organization or corporation that is certificated by the Internal revenue Service as an organization qualifying under § 501 (c) (3) of the Internal Revenue code.
- 36 • 2.5 Salary – includes all compensation, bonuses and monies paid to individuals as well as for other services provided to the organization by and employee.
- 38 • 2.6 Qualifying Organization – a cultural organization that has 501 (c)(3) status and maintains a strong presence within Lindon City, or a municipal cultural and/or historical council.
- 40
- 42

44 Mr. Bateman then referenced the general guidelines used when referencing the PARC Tax as follows:

- 2 • 3.1 PARC tax revenue may only be used for capital development and
ongoing operations of government owned or operated recreational and
4 cultural facilities, and for the ongoing operations of nonprofit cultural arts
organizations.
- 6 • 3.2 Recreational facilities are defined as and include parks, playgrounds,
golf courses, athletic fields, gymnasiums, swimming pools, trail and
8 bicycle systems, or other facilities used for recreational purposes. Cultural
facilities include museums, theaters, art centers, music halls, or other
10 cultural or arts facilities. Again, government owned or operated facilities
are the only facilities eligible for PARC funds.
- 12 • 3.3 Funding for this program comes from sales tax revenues that are
collected by the State of Utah and distributed to Lindon City. Sales tax
14 revenues can be volatile depending on economic activity. To ensure more
funds are not disbursed than received for the year, total actual PARC
16 revenues cannot be disbursed for any project and/or grant until said
revenues have actually been received by the City.

18 Mr. Bateman then referenced the funding decision process when referencing the
PARC Tax as follows:

- 20 • 4.1 During regularly scheduled budget hearings (typically May and June
of each year), the Lindon City Council will, within the parameters
22 established by LCC 3.05, make the final decision on what city projects are
funded, what grants are allocated, and how the PARC money is spent. The
24 Lindon City Staff, namely the Parks and Recreation Director and City
Administrator, will make recommendations on projects, needs, suggested
26 funding areas, recommended grants, needed facilities, etc. The Council
will provide direction to staff on where to distribute funds and will be the
approval authority on any grant awards.
- 28 • 4.2 An annual PARC Compliance Report showing an accounting of PARC
tax expenditures and uses will be provided to the City Council during
30 regularly scheduled budget hearings.
- 32 • 4.3 As established by the City Council, distribution for PARC tax
allocation will be as follows: Depending upon project costs, needs, and
34 change in priorities the Lindon City Council reserves the right to amend
the distribution percentages of PARC tax allocation at any time.

36 Mr. Bateman then referenced the other groups eligible for funding (mini grants)
as follows:

- 38 • 5.1 As noted above, other ‘Cultural Arts Organizations’ may be eligible
for funds. Qualifying organizations must have, or commit to have, a
40 significant presence within Lindon City and must be a qualifying
organization as defined in this policy. Only competitive mini grants are
42 available for Cultural Arts Organizations.
- 44 • 5.2 All applications must be received by Lindon City by 5:00pm on the
second Tuesday in April. Grants will be awarded by the end of June of
46 each year. Distribution of grant funding will not be made until after July
1st of each year and is subject to actual funds be accrued by the City.

- 2 • 5.3 Grant applicants must complete an application form and then submit
the information to the Lindon City Parks & Recreation Director for
4 completeness review. A sample form is attached, which may be modified
from time to time. The Parks & Recreation Director will forward this
6 application to the City Administrator who will schedule the grants to be
reviewed by the Lindon City Council. The City Council will evaluate all
8 mini grant applications for eligibility on a broad spectrum of cultural arts
disciplines including visual arts, performing arts, literary arts, historic
preservation, arts education, etc.
- 10 • 5.4 PARC funds granted to cultural organizations may not be used for
capital construction expenses, payments into an endowment fund,
12 expenditures for programs outside of Lindon, activities not available to the
general public, political lobbying, fundraising expenses related to capital
14 or endowment campaigns, or for other expenses not related to the
organization's primary cultural purpose or directly related to or for the
16 direct benefit to the residents of Lindon City. Also, the portion of this
revenue designated for cultural arts is intended to support nonprofit
18 cultural arts organizations rather than individuals.

20 Mr. Bateman the referenced the grant funding for cultural organizations
expenditures that may **NOT** be used as follows:

- 22 ▪ 5.5.1 Accumulated deficits or debt retirement;
- 24 ▪ 5.5.2 Capital improvements;
- 26 ▪ 5.5.3 Public Schools and/or school programs or hiring of
temporary or permanent
- 28 ▪ staff in any school or school system;
- 30 ▪ 5.5.4 Lobbying Expenses;
- 32 ▪ 5.5.5 Scholarships, purchase awards or cash prizes;
- 34 ▪ 5.5.6 Magazines or newspapers;
- 36 ▪ 5.5.7 Broadcasting network or cable communications systems;
- 38 ▪ 5.5.8 Performances, events and activities that take place outside of
Lindon City;
- 40 ▪ 5.5.9 Activities intended primarily for fundraising;
- 42 ▪ 5.5.10 Recreational, rehabilitative, or therapeutic programs;
- 44 ▪ 5.5.11 Social service programs;
- 5.5.12 Fireworks;
- 5.5.13 Rodeos;
- 5.5.14 Non-cultural celebratory events;
- 5.5.15 Activities that are primarily religious in purpose;
- 5.5.16 Cash reserves;
- 5.5.17 Start-up organizations;
- 5.5.18 Private Foundations.
- 5.6 Qualifying organizations requesting funds must be a nonprofit
entity with 501(c)(3) status at the time of the application from
deadline, or a municipal cultural and/or historical council.

- 2 • 5.7 All qualifying organizations may apply for mini grants once per calendar year.
- 4 • 5.8 A submitted application form must be accurate, complete and all supplemental information included prior to the deadline. Late submissions will not be accepted. It is not the responsibility of the PARC staff to contact the applicants regarding information missing from their application.
- 6 • 5.9 By the second Tuesday in April, each qualifying organization must submit a Compliance Report detailing how it expended the funds it received pursuant to these policies and procedures. Award recipients must use the funds within the 12 month before the next application cycle begins. (second Tuesday in April)
- 8 • 5.10 The purpose of the Compliance Report is to account for grant funds distributed to cultural organizations. The report must be submitted by the deadline indicated. Future PARC funding may be withheld due to inadequate, incomplete, or non-submitted Compliance Reports.
- 10 • 5.11 Grant selection is competitive. The Lindon City Council will be the final decision and approval authority for all grant applications. In conformance with these policies and guidelines the City Council reserves the right to award all or portions of requested grants, or reject all or portions of any grants. Submittal of a grant application and/or award of grant is not a guarantee of funding.
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24 Mr. Bateman then referenced the length of term and revenue generated as follows:

- 26 • 6.1 The length of term for the PARC tax is 10 years. It is anticipated that approximately \$300,000 – \$400,000 will be collected each year with a 10 year total of \$3,000,000 - \$4,000,000.
- 28 • 6.2 Money will be collected for a 10 year period beginning April 1, 2014. If approved by the citizens of Lindon, it may be renewed at that time for an additional 10 years.
- 30

32 Mayor Acerson called for any public questions or comments. Hearing none he called for a motion to close the public hearing.

34 COUNCILMEMBER POWELL MOVED TO CLOSE THE PUBLIC HEARING.
36 COUNCILMEMBER BRODERICK SECONDED THE MOTION. ALL PRESENT VOTED IN FAVOR. THE MOTION CARRIED.

38 Councilmember Lundberg excused herself from the meeting at 8:22 pm.

40
42 Councilmember Broderick voiced his concerns regarding the upcoming public safety building. He stated that he is not anxious to bond for it and he would like to see significant amount of funds set aside for the building out of the general fund. He noted
44 that with his recent review of the budget he would like to see more funds pulled from the park fund (approximately \$45,000) to save the general funds.

2 Councilmember Powell stated that she disagrees with Councilmember
3 Broderick’s statement because the history of the PARC Tax is that it is for Parks, Arts,
4 Recreation and Culture and she believes that when the citizens voted their thoughts were
5 that is where the funds will be utilized; not to help relieve the general fund or to build a
6 public safety building. She further explained that if the funds were taken out the citizens
7 would not see where the money is going, especially this being the first year.

8 Councilmember Lundberg mentioned if there was an excess of funds brought in
9 then the percentage could be re-allocated. She also agreed with Councilmember Powell
10 that this will be a test being the first year, and she would like to show the citizens a broad
11 list of services and amenities that will benefit everyone and to find a balance.

12 Councilmember Broderick commented that he is not suggesting anything backhanded.

13 Councilmember Hoyt commented that he sees both sides of the argument and
14 there needs to be a negotiation. He feels that the City is still strapped financially and the
15 funds should be used to not necessarily bring in income but to enhance the community.
16 Councilmember Bean commented that at the last budget meeting they discussed the
17 public safety building and there are still a lot of questions and commitment and he feels
18 more discussion would be beneficial before finalization. Mr. Cowie suggested an option
19 is to approve the policies only tonight and continue the project budget which will allow
20 Mr. Bateman the option to move forward.

21 Mayor Acerson called for any further comments or questions from the Council.
22 Hearing none he called for a motion.

23 COUNCILMEMBER BRODERICK MOVED APPROVE THE PARC
24 PROGRAM POLICIES AND CONTINUE DISCUSSION ON THE RECOMMENDED
25 PARC TAX SPENDING ALLOCATION FOR THE 2014-2015 FISCAL YEAR.

26 COUNCILMEMBER BEAN SECONDED THE MOTION. THE VOTE WAS
27 RECORDED AS FOLLOWS:

28 COUNCILMEMBER POWELL	NAY
29 COUNCILMEMBER BEAN	AYE
30 COUNCILMEMBER BRODERICK	AYE
31 COUNCILMEMBER HOYT	AYE
32 COUNCILMEMBER LUNDBERG	AYE

33 THE MOTION CARRIED UNANIMOUSLY.

34 Councilmember Lundberg commented that she voted “aye” but she is also open to
35 continue with more discussion.

36 Councilmember Powell gave the reason for her “nay” vote. She agreed with
37 Councilmember Lundberg’s statement and added that she is not against the policies but
38 she would have liked to see both portions go through.

39
40 **10. Discussion Item** – *Utility Rate Study, Preliminary Results.* A utility rate study was
41 initiated to evaluate current and future utility rates and determine potential increases
42 needed to reach the city’s goal of self-sufficiency in operation of utility enterprise
43 funds (sewer, water, storm water). Staff will present preliminary utility rate study
44 results prepared by JUB Engineers. The Council will r review and provide feedback

2 regarding various options for possible rate increases. Final recommendations and public comment opportunity will be incorporated into upcoming budget hearings.

4 Adam Cowie, City Administrator, opened the discussion by explaining that a utility rate study was initiated to evaluate current and future utility rates and determine potential increases needed to reach the city's goal of self-sufficiency in operation of utility enterprise funds (sewer, water, storm water). He noted that tonight Staff will present preliminary utility rate study results prepared by JUB Engineers for the Council's review and feedback regarding various options for possible rate increases. Mr. Cowie stated that final recommendations and public comment opportunity will be incorporated into the upcoming budget hearings.

12 Mr. Cowie noted that Chris Wilson, with JUB Engineers, is available for questions about the utility rate study and methodology for the various ranges of possible increases to utility rates. He added that Staff is seeking feedback on the options presented, with preferred option for rates being incorporated into the upcoming budget. He noted that public comments on potential utility rate increases will be taken during the public meetings on the proposed budget. He added that no motion is necessary for discussion item.

20 Chris Wilson, representing JUB Engineers, addressed the Council at this time. Mr. Wilson referenced the letter provided by Mr. Christensen. He explained that they are in the process of evaluating utility rates for the sanitary sewer, storm drain, and water (culinary & secondary) systems, and presented the following preliminary results. He further explains that for each utility they have estimated future costs and shown multiple rate scenarios and how resulting future revenues would compare to estimated costs. Mr. Wilson then presented graphs showing the estimated future costs are as follows:

- 26 • Operation and maintenance costs are based on historic costs and trends.
- 28 • Replacement costs are based on a very rough system value and replacement schedule (we will have much better information on this and funding options within a year or so). Future capital costs are based on known future projects (for the most part we are estimating these costs under the assumption that impact fees will be sent to pay for future project that can be funded with impact fees). We estimated future revenues based on three utility rate scenarios, each of which would consist of an annual rate change year after year.

36 Mr. Wilson stated that the first scenario depicts rate changes based on projected CPI only. He noted the other two scenarios depict larger increases intended to begin to build reserves to cover future replacement and capital costs. He referenced graphs depicting the projected costs and each of the three scenarios for 5 years into the future. He noted that they did not include data for the current fiscal year since it is neither past nor future.

42 Mr. Wilson then referenced a table showing what effect each of the rate scenarios would have on a typical residential utility account rate changes in the coming year followed by some general discussion.

46

<u>Existing</u>	<u>Opt 1</u>	<u>Opt 2</u>	<u>Opt 3</u>
2014	2015	2015	2015

2	Culinary Water	\$34.08	\$34.76	\$34.93	\$35.10
	Sewer	\$42.55	\$43.43	\$43.86	\$44.29
	Storm Water	\$4.84	\$4.94	\$5.18	\$5.42

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6 Mr. Wilson stated that this is a summary of the preliminary results only and they will provide more refined and complete results and documentation in the coming weeks.

8 There was then some lengthy general discussion regarding the information presented. Mr. Cowie commented that he is just hoping for some general direction from the Council tonight on which options they would prefer to focus on and go that route when looking at final budget numbers.

10 Councilmember Bean noted his biggest concern is that we are losing money and we can't continue to do that. Mr. Cowie stated that they would anticipate bringing increases over the next several years with the policy goal being to try to make sure these utility funds are self-sufficient. Following discussion the Council was in agreement that Option 3 would be the best option.

12 Mayor Acerson called for any further comments or questions from the Council. Hearing none he moved on to the next agenda item.

14

16 **11. Public Hearing** – *Tentative Budget, Fiscal Year 2014-15*. Kristen Colson, Lindon City Finance Director, will present the Tentative Budget document for fiscal year beginning July 1, 2014, which includes the Lindon City Redevelopment Agency tentative budget. Staff recommend that the Council accept and adopt the Tentative Budget.

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20 COUNCILMEMBER HOYT MOVED TO OPEN THE PUBLIC HEARING.
22 COUNCILMEMBER BRODERICK SECONDED THE MOTION. ALL PRESENT
24 VOTED IN FAVOR. THE MOTION CARRIED

26

28 Mr. Cowie opened the discussion by stating Kristen Colson, Lindon City Finance Director, is in attendance to present the Tentative Budget for fiscal year beginning July 1, 2014, which includes the RDA tentative budget. Mr. Cowie noted that State Code requires that municipalities adopt a tentative budget. He added that Staff will continue to refine the budget as we get closer to the end of the fiscal year (June 30th) and prepare a final budget document for adoption in June.

30 Mr. Cowie then referenced the following proposed dates for additional public meetings on the 2014-15 budget:

- 32 • May 20, 2014 – City Council Work Session to discuss tentative budget.
- 34 • June 3, 2014 – Public Hearing on proposed budget and fee changes.
- 36 • June 17, 2014 – Public Hearing to adopt final budget and fee schedule, set certified tax rate, and adopt RDA budget.

38

40 Ms. Colson addressed the Council at this time. She referenced the following items will be the budget issues for 2014-15. She noted that more information will be presented throughout the budget process.

- 42 1. Proposed payroll increases, COLA (1.4% CPI) for 12 months Merit for 6 months.

44

- 2 2. Request for additional personnel, Water Technician - full-time, Blue Stakes
 3 Technician - part-time (½ Water, ¼ Sewer, ¼ Storm) Program Coordinator -
 4 Change Hannah Silvey’s part-time position to full-time.
 5 3. Proposed utility rate increases - rate study will be complete later this week
 6 (Water, Sewer, Storm Water).

7 Ms. Colson noted that the benefit increases will not be an issue this year because
 8 there is not an increase in employee insurance. Ms. Colson then discussed the major
 9 expenditures and other items followed by discussion:

10 Major Expenditures:

11 2014-2015 Budget

12	• Snow plow	\$160,000
13	• Road improvements	\$450,000
14	• West Side RDA street resurfacing	\$103,623
15	• Pavilion at Meadow Park	\$60,000
16	• Playground at Fryer Park	\$50,000
17	• Well reconstruction	\$45,000
18	• Replace waterline on Geneva and 200 S	\$350,000
19	• Reconditioning pressure reducing stations	\$50,000
20	• Run power to sewer lift station #5	\$50,000
21	• One-third of PW dumping and washout basin	\$40,000

22 Other Items of Note:

- 23 • PW Server \$6,000
- 24 • PARC Tax fund paying for half of utilities for Recreation facilities
- 25 • CDBG grant for Community Center computer lab \$19,987

26 Mr. Cowie asked if there were any questions or concerns. He noted this document
 27 also includes the RDA tentative budget. He added that there will be a work session held
 28 on May 20, 2014 at 6:00 p.m. for further discussion and to go through budget items.
 29 There was then some general discussion regarding the tentative budget as presented.

30 Mayor Acerson called for any public questions or comments. Hearing none he
 31 called for a motion to close the public hearing.

32 COUNCILMEMBER POWELL MOVED TO CLOSE THE PUBLIC HEARING.
 33 COUNCILMEMBER LUNDBERG SECONDED THE MOTION. ALL PRESENT
 34 VOTED IN FAVOR. THE MOTION CARRIED

35 Mayor Acerson called for any further comments or questions from the Council.
 36 Hearing none he called for a motion.

37 COUNCILMEMBER BEAN MOVED TO ACCEPT AND ADOPT THE
 38 TENTATIVE BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2014.
 39 COUNCILMEMBER POWELL SECONDED THE MOTION. THE VOTE WAS
 40 RECORDED AS FOLLOWS:

COUNCILMEMBER POWELL AYE
2 COUNCILMEMBER BEAN AYE
COUNCILMEMBER BRODERICK AYE
4 COUNCILMEMBER HOYT AYE
COUNCILMEMBER LUNDBERG AYE
6 THE MOTION CARRIED UNANIMOUSLY.

8 **12. Discussion Item** – *Macquarie Capital Milestone One Report*. This is a discussion
item to review and evaluate the Milestone 1 Report as part of the Public Private
10 Partnership proposal submitted to UTOPIA from Macquarie Capital. Per the
UTOPIA/Macquarie Pre-development Agreement, the City has until Friday, June 27,
12 2014 to notify Macquarie of its intent to proceed with Milestone 2 or not. No
motions will be made.

14
16 Mr. Cowie opened the discussion by explaining the intent of this item is a
discussion item to review and evaluate the Milestone One Report as part of the Public
Private Partnership proposal submitted to UTOPIA from Macquarie Capital. He noted
18 that per the UTOPIA/Macquarie Pre-development Agreement, the City has until Friday,
June 27, 2014 to notify Macquarie of its intent to proceed with Milestone 2 or not. He
20 noted that no motions will be made on this agenda item tonight.

22 Mr. Cowie referenced the attached executive summary highlighting Milestone 1
issues (as provided by Macquarie). He noted that a copy of the full Milestone 1 report
and Macquarie’s fiber optic proposal for Utah can be found at the links provided in the
24 Council packets. Mr. Cowie stated that no motion is necessary for discussion item and he
is looking for direction that he can provide over the next couple of weeks.

26 Mr. Cowie then presented “*Macquarie’s Proposal for Milestone One*” including
the following for discussion:

- 28
- The Business Model
 - Project Implementation
 - 30 • Key Considerations
 - The Next Steps
 - 32 • The Benefits of the PPP Model.

34 Mr. Cowie also presented the “*Final Version –Executive Summary*” including the
following for discussion:

- 36
- The Proposal Key
 - Proposal Benefits
 - 38 • Comparison of Alternatives
 - The Proposed Model
 - 40 • Milestone One Work Program

42 There was then some general discussion by the Council regarding the information
presented. Councilmember Lundberg inquired if Macquarie, in essence, take a count of
44 all of the serviceable addresses and calculate a monthly bill that each city will pay
regardless. Mr. Cowie stated that they have requested information from the cities over the

2 last couple of months on current addresses in their jurisdiction and provide projections
3 over the next 2 years.

4 Councilmember Hoyt commented about the pie being cut three ways and inquired
5 when Milestone 2 is. Mayor Acerson commented that he feels it is pretty hard to nail this
6 down until the next step. He added that this is based on the “total pie” and if any of the
7 cities fall out it changes everything. Councilmember Lundberg thinks some of those cities
8 want to watch how it plays out to see if the model proves itself first. She noted her
9 concern with their business model (modeled after Google Provo) is that some of the other
10 carriers have gone in and scooped up customers ahead of time and this whole business
11 model depends on putting the cost of the free homes on the backs of the ISP’s, and if the
12 model doesn’t work out they will back out. Councilmember Hoyt commented that this is
13 almost like a bait and switch. Councilmember Bean commented that Macquarie’s
14 business model seems to be changing.

15 Mr. Cowie inquired if the Council would like him to bring this issue back at the
16 final budget meeting in June. Councilmember Powell commented that she feels the
17 Council owes it to the citizens as elected officials to do this at the last meeting in June.

18 Mr. Cowie commented that he hears the following options:

- 19 • More time/ballot in November
- 20 • Potential for free service for a year
- 21 • Better TV
- 22 • Tiered options
- 23 • Full transfer of ownership

24 Following some additional discussion, Mayor Acerson called for any further
25 comments or questions from the Council. Hearing none he moved on to the next agenda
26 item.

28 **13. COUNCIL REPORTS:**

30 **Councilmember Powell** – Councilmember Powell reported that she attended the Lindon
31 Days Committee meeting which was very productive. She noted that Mr. Bateman wasn’t
32 able to attend but his staff ran an impeccable meeting. Councilmember Powell
33 mentioned that she is happy with the Lindon Days Grand Marshals selection.

34 **Councilmember Bean** – Councilmember Bean mentioned the two vacant planning
35 commission positions available and to let Mr. Van Wagenen know of any individuals
36 who may be willing to serve on the commission.

38 **Chief Cullimore** – Chief Cullimore reported on the recent bank robbery at Ambank. He
39 noted there was no serious injuries, but the perpetrators were aggressive and violent.
40 Chief Cullimore stated that they have now positively identified the suspects and they will
41 serve a search warrant tomorrow, which is good news. Chief Cullimore further reported
42 that they are confident these suspects have done more crimes like this in the area. Chief
43 Cullimore also wanted to address the way they responded and give the reasons that they
44 did not lock down Aspen Elementary. He noted there were three officers at the scene
45 within 90 seconds. Chief Cullimore also thanked Councilmember Powell and
46

2 Councilmember Lundberg for helping with the Nova graduation. He also reported that an
4 emergency drill was held on Tuesday of last week at the City Center and they were able
6 to identify a few areas that needs improvement. Chief Cullimore stated that hazmat and
earthquake drills will be upcoming. Chief Cullimore also reported that there will be a
DUI Checkpoint on May 16th on Center St. and Geneva Road, he invited the Mayor and
Councilmembers to attend.

8 **Councilmember Hoyt** – Councilmember Hoyt reported that he attended the budget
committee meeting and noted that it was a very productive meeting. Councilmember
10 Hoyt also mentioned that a young scout (for his eagle project) will be laying sod on May
17th at the Lindon View Park and he encouraged all to attend this city project.

12 **Councilmember Broderick** – Councilmember Broderick reported that he attended the
14 monthly engineering meeting and they are checking into the 400 North traffic study with
JUB to change the speed on the road. He noted the study will cost \$2,500.

16 **Councilmember Lundberg** – Councilmember Lundberg reported that she had the
18 opportunity to speak with a Pleasant Grove Councilwoman, who happens to also be a
friend of hers. They discussed that now would be a good time to go to their respective
20 Councils and have some discussion about the 700 north corridor.

22 **Mayor Acerson** – Mayor Acerson had nothing to report.

24 **Administrator's Report:**

Mr. Cowie reported on the following items:

26 **Misc. Updates:**

- 28 • May city newsletter link:
http://siterepository.s3.amazonaws.com/442/maynewsletter2014final_20140502171325.pdf
- 30 • Project Tracking List
- 32 • Accident report
- 34 • City facilities emergency drills
- 800 North 650 East road access
- Heritage Trail phase 3 funding and lighting

36 **Upcoming Meetings & Events:**

- 38 • Newsletter Assignment: Councilmember Bean - July newsletter article. *Due
by last week in June*
- 40 • May 13th – 6:00 p.m. Joint training session with Council & Planning
Commission. All Council members will be in attendance
- 42 • May 16th – 8 p.m. to Midnight. DUI Check point on Geneva Road.
- 44 • May 20th – 6:00 p.m. Budget Work Session before regularly scheduled council
meeting. All Council members will be in attendance
- 46 • May 26th – Memorial Day Ceremony at 9:00 a.m. at the Lindon City
Cemetery. (City offices closed) Mayor Acerson and Councilmember Hoyt will
attend

Future Items:

- 2 • 2014-15 Budget hearings
- 4 • Policy Manual updates
- 6 • Fee and Utilities rate studies and review of active service military utility
waivers
- 6 • Lindon Pumping Co. land – 725 E. 200 S., potential land sale/use by neighbor

8 Mayor Acerson called for any further comments or discussion from the Council.
Hearing none he called for a motion to adjourn.

10 **Adjourn** –

12 COUNCILMEMBER BRODERICK MOVED TO ADJOURN THE MEETING
14 AT 11:45 P.M. COUNCILMEMBER POWELL SECONDED THE MOTION. ALL
PRESENT VOTED IN FAVOR. THE MOTION CARRIED.

16 Approved – May 20, 2014

18
20
22 _____
Kathryn Moosman, City Recorder

24
26 _____
Jeff Acerson, Mayor