

Adopted Minutes
Spanish Fork City Council Meeting
May 29, 1996

The meeting was called to order at 7:00 pm by Mayor Marie W. Huff.

Elected Officials Present: Mayor Marie W. Huff, and Councilmembers Matthew D. Barber, Sherman E. Huff, and Thora L. Shaw. Councilmembers Rex Woodhouse and Clyde A. Swenson were excused.

Staff Members Present: David A. Oyler, City Manager; Kent R. Clark, Recorder/Finance Director; S. Junior Baker, City Attorney; and Heather Frost, Deputy Recorder.

Citizens Present: Randy DesChamp, Kim Peterson, Doug Barber, and Ron Davis.

Minutes

Councilmember Huff made a **motion** to approve the minutes of the May 15, 1996, meeting of the Spanish Fork City Council. The **second** was made by Councilmember Shaw, and the motion **passed** unanimously.

Adjournment to Executive Session

Councilmember Shaw made a **motion** to adjourn the regular session of the Spanish Fork City Council meeting and convene the executive session at 7:05 pm. The **second** was made by Councilmember Huff, and the motion **passed** with a unanimous vote.

Adjournment of Executive Session

A **motion** was made by Councilmember Shaw to adjourn the executive session of the Spanish Fork City Council meeting and reconvene the regular session. Councilmember Barber **seconded** the motion, and it **passed** unanimously.

Sale of Property

Attorney Baker explained the city council purchased approximately 8,600 acres of property known as Bow Valley about five years ago. The property is located in Spanish Fork Canyon near the Crab Creek springs. Recently the city council sold all but approximately 894 acres of the property. A group known as EsNet is purchasing the 7,700 acres from the original purchaser, and they have approached the city and expressed interest in purchasing the remaining 894 acres. EsNet has offered the city \$672,000 for the 894 acres and 100 additional culinary water connections. Attorney Baker reviewed the proposed Real Estate Purchase Agreement and the provisions included in the agreement.

Mr. Ron Davis expressed concern with the amount of water connections the city proposes with the sale of the property. Mr. Davis was concerned the city would not have adequate culinary water for the citizens inside the city limits. Mr. Heap explained the State Engineer's office has approved a change application for 4,600 acre feet of water. Mr. Heap outlined the location of the 4,600 acre feet of water. He said the Central Utah Water Conservancy District will have to approve the change application, but it has been approved by the State Engineer's office. Mr. Heap reviewed water rights requirements versus population calculations. He informed Mr. Davis with Spanish Fork City's existing water rights, a population of approximately 50,000 could be served with culinary water. The current population is approximately 17,000.

Mr. Kim Peterson asked how the change order application would be affected if it is not approved by CUWCD. Mr. Heap said the State Engineer's office has approved well rights equivalent to the 4,600 acre feet. Mr. Peterson expressed concerns with water issues, access to the property, and with the city giving up the asset of owning the property.

Mr. Oyler stated the original intent when the city purchased the property was to develop the water and to use the proceeds from the sale of the property to bring the water line down to the city. Mr. Oyler felt it would be difficult to sell the property without allowing some water connections.

Councilmember Huff stated it was his understanding the intent for purchasing the property was to develop the water. He said the city is unable financially to develop a public park on the property. Councilmember Huff stated his feeling the city should not retain the property.

Mr. Doug Barber said he hopes the city gets out of the real estate business. He said as long as the figures regarding water rights requirements versus population are correct, the city should sell the property.

Councilmember Shaw expressed her feeling with quality of other developments EsNet has produced she feels they will develop the property in a pleasing way to the city and the citizens.

Councilmember Shaw made a **motion** to authorize Mayor Huff to execute the Real Estate Purchase Agreement, the Water Supply Agreement, and any other closing documents needed to close the sale of the Bow Valley property with EsNet for the amount of \$672,000. The **second** was made by Councilmember Barber, and the motion **passed** with a unanimous vote.

Deputy River Commissioner Ron Davis asked the representative of EsNet to change the lock on the gate to the property. Mr. Davis has to access the property to measure the acre feet of water in the river. Mr. DesChamp said he will meet with Mr. Davis and work out a solution to the existing lock on the gate.

Adjournment to Executive Session

Councilmember Huff made a **motion** to adjourn the regular session of the Spanish Fork City Council meeting and reconvene the executive session of the council meeting. The **second** was made by Councilmember Shaw, and the motion **passed** with a unanimous vote.