

Adopted Minutes
Spanish Fork City Council Meeting
June 6, 2000

The meeting was called to order at 6:30 pm by Mayor Dale R. Barney for a preliminary review of the agenda. At 7:00 pm the pledge of allegiance was led by Councilmember Roy L. Johns.

Elected Officials Present: Mayor Dale R. Barney, and Councilmembers Sherman E. Huff, Roy L. Johns, and Lillian J. Shepherd. Councilmembers Glenn A. James, and Everett Kelepolo were excused.

Staff Members Present: David A. Oyler, City Manager; Richard J. Heap, Engineer/Public Works Director; Emil Pierson, City Planner; Kent R. Clark, Finance Director/Recorder; S. Junior Baker, City Attorney; Dee Rosenbaum, Public Safety Director; Jeff Foster, Electric Superintendent; and Gina Peterson, Deputy Recorder.

Citizens Present: Roxanna Johnson, *Spanish Fork Press*; Brad Patterson, *Ballard, Spahr & Ingersoll*; Carl Empey, *Zions Bank Public Finance*; Bethany Tobiasson, and Heather Costa.

Minutes

Councilmember Huff made a **motion** to approve the minutes of the May 16, 2000 meeting of the Spanish Fork City Council with noted corrections. Councilmember Shepherd **seconded**, and the motion **passed** with a unanimous vote.

Public Hearing - Consider Adoption of the James Purnell Zone Change from R-R to R-1-9 by Ordinance Z04-00 and the Purnell Estates Preliminary Plats

Councilmember Johns made a **motion** to open the public hearing at 7:05 pm. Councilmember Shepherd **seconded**, and the motion **passed** with a unanimous vote.

James Purnell is requesting a zone change from R-R, Rural Residential to R-1-9, Standard Urban Residential, on 6.09 acres located at 1400 South 1700 East. Preliminary Plat approval will create 13 single family lots for density of 2.13 units per acre. Both the Development Review Committee and Planning Commission recommended approval of the zone change and preliminary plat.

It was noted this plat was received prior to adoption of Resolution 00-15 which gave notice the City would not accept any more preliminary plats.

Mayor Barney opened the meeting for public input. None was received.

Councilmember Johns made a **motion** to approve the James Purnell zone change from R-R to R-1-9 by Ordinance Z04-00 and the Purnell Estates Preliminary Plat subject to the following conditions:

1. All plans and profiles be stamped and approved by the City Engineering Department;
2. Preliminary Title Report must be submitted prior to final Development Review Committee approval;
3. Access to Lot 1 may not come from 1700 East, and a 3-rail white vinyl fence must be installed along 1700 East which matches the fence to the north;
4. Setbacks will be as follows: Front - 20 feet to living area, 25 feet to garage; Rear - 25 feet; and Side - 10 feet. Corner lots - 15 feet to living area, and 25 feet to garage;
5. CC&R's be submitted for the development.

Councilmember Shepherd **seconded**, and the motion **passed** with a unanimous vote.

Councilmember Huff made a **motion** to exit public hearing at 7:13 pm. Councilmember Johns **seconded**, and the motion **passed** with a unanimous vote.

Resolution 00-17: Authorizing the Issuance and Sale of Not More than \$10,000,000 Aggregate Principal Amount of Electric Revenue Bonds, Series 2000, of Spanish Fork City; Fixing the Maximum Aggregate Principal Amount of the Bonds, the Maximum Number of Years over Which the Bonds May Mature, The Maximum Interest Rate Which the Bonds May Bear, and the Maximum Discount from Par at Which the Bonds May Be Sold; Providing for the Publication of a Notice of Bonds to Be Issued; Providing for the Running of a Contest Period; and Related Matters

Finance Director Kent Clark reviewed Resolution 00-17 which will set parameters for issuing bond. The resolution specifies the City will not exceed a maximum of bonds in the amount of \$10,000,000, at a maximum interest rate of 7.5%, for a maximum term of 15 years.

This bond will be used for the City's electrical system to buy into a new substation with SUVPP with the City's share costing approximately 1.7 million dollars. Funds from the bond will also be used to finance the fiber optics system for residential and business applications as was authorized by the City Council in their meeting on May 2, 2000. Approval of the resolution will begin a 30 day contestability period in which residents may direct questions regarding the bond to the City. After the 30 day period, the City can go to market and issue the bonds that are needed. Mr. Clark indicated actual figures will be determined once engineering studies regarding the projects have been completed.

Mr. Clark introduced Carl Empey, the City's financial advisor from Zions Bank Public Finance, and bond attorney Brad Patterson from Ballard, Spahr, & Ingersoll. Mr. Empey indicated the current average interest rate is 5.60%.

A general discussion took place regarding the bond.

Councilmember Huff made a **motion** to adopt Resolution 00-17: Authorizing the Issuance and Sale of Not More than \$10,000,000 Aggregate Principal Amount of Electric Revenue Bonds, Series 2000, of

Spanish Fork City; Fixing the Maximum Aggregate Principal Amount of the Bonds, the Maximum Number of Years over Which the Bonds May Mature, Then Maximum Interest Rate Which the Bonds May Bear, and the Maximum Discount from Par at Which the Bonds May Be Sold; Providing for the Publication of a Notice of Bonds to Be Issued; Providing for the Running of a Contest Period; and Related Matters. Councilmember Shepherd **seconded**, and the motion **passed** with a unanimous vote.

MCI Worldcom On-Net Service Agreement

Attorney Baker outlined the details of the proposed five-year agreement with MCI Worldcom. The agreement will allow MCI to be the provider to get Internet service to the City. The City will then make it available to residents as part of the fiber optics system. Attorney Baker indicated minor details in the contract need to be addressed, although due to timing issues, Staff is requesting the agreement be approved subject to resolving final details. It was noted the proposal from MCI was the lowest proposal of several which were received.

Specifics of the contract were detailed including the following: The City will be billed for a minimum volume commitment (MVC), regardless of whether the minimum is reached. Tier levels are set up to offer additional discounts to the City. MCI reserves the right to compete against the City as a provider of Internet service, and the City is prohibited from referencing MCI's name. The agreement will continue on a month to month basis after the five year term, unless one party or the other terminates the agreement. It was also stated other sites with fiber optics systems have used the same service with MCI.

Councilmember Huff made a **motion** to authorize Mayor Barney to enter into the On-Net Service Agreement with MCI Worldcom once the final details of the agreement are concluded. Councilmember Shepherd **seconded**, and the motion **passed** with a unanimous vote.

Bid - Utility Casings on U.S. Highway 6

UDOT is currently working on the reconstruction of U.S. Highway 6. While the road is under construction the City would like to install utility casings which will be needed in the future. Mr. Heap stated if the City waits until the casings are needed it will likely cost three times the current amount because the City will incur the additional expense of boring the highway. He recommended approval of the bid from Geneva Rock to install two water, two irrigation, and one power casing on U.S. Highway 6 in the amount of \$96,480.

Councilmember Shepherd made a **motion** to accept the bid from Geneva Rock in the amount of \$96,480 for utility casings on U.S. Highway 6. Councilmember Johns **seconded**, and the motion **passed** with a unanimous vote.

Ordinance 06-00: Amending the Solid Waste Requirements of Spanish Fork City to Allow for

Recycling

Attorney Baker indicated a company has recently inquired about recycling options in Spanish Fork City. This caused staff to propose amendments to the current solid waste ordinance to cover issues regarding a recycling provider. The amendments define recyclable material, and create a recyclable service category. Residents may elect to participate in the recycling program and it will not be mandated by the City. The ordinance will allow a private enterprise the opportunity to being a recycling program.

Councilmember Johns made a **motion** to accept Ordinance 06-00: An Ordinance Amending the Solid Waste Requirements of Spanish Fork City to Allow for Recycling. Councilmember Shepherd **seconded**, and the motion **passed** with a unanimous vote.

Other Business

Mayor Barney reminded the Council that Governor Leavitt will be visiting the City office at 8:30 am on Wednesday, June 7, 2000.

Adjournment

Councilmember Johns made a **motion** to adjourn the meeting of the Spanish Fork City Council at 7:54 pm. Councilmember Shepherd **seconded**, and the motion **passed** with a unanimous vote.