

**Adopted Minutes
Spanish Fork City Council Meeting
November 21, 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 boy scouts Brandon Gren, Austin Larsen and Anthony Ederfield from Troop 653.

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

Staff Members Present: Dave A. Oyler, City Manager; S. Junior Baker, City Attorney; Kent R. Clark, Finance Director/Recorder; Emil Pierson, City Planner; Dee Rosenbaum, Public Safety Director; Richard Nielson, Assistant Public Works Director; Jeff Foster, Electric Superintendent; Nate Crow, GIS Specialist; and Janet Bryan, Public Safety Secretary.

Citizens Present: Ben Probst, *Gilbert & Stewart*; Margie Taylor, Grandon Gren, Austin Larsen, Anthony Ederfield, Lorraine Halvorsen, Gail Halvorsen, Paul Prior, Matt Barber, Trever Stubbs, Melanie Patten, Kyle Patten, James Nielsen, Chad Garbe and his parents.

Agenda Request - Chad Garbe

Chad Garbe organized a "Teddy Bear Care Patrol" for his Eagle Project. Under his direction, his scout troop collected 10 bears and enough money to purchase 76 additional stuffed animals. The animals were presented to Mayor Barney and Police Chief Dee Rosenbaum to be distributed to the Police, Fire Department and Ambulance Association to be given to children involved in trauma. An additional 50 stuffed animals were collected for donation to Deseret Industries.

Mayor Barney expressed great appreciation for Chad's efforts. He verified from personal experience the comfort that these animals can give to children in traumatic situations. Chief Rosenbaum also expressed his appreciation and thanks on behalf of the public safety agencies receiving the donation.

Agenda Request - Cris Child, Airport Board

The Airport Board is seeking to acquire additional land adjacent to the airport for the purpose of airport improvements and runway expansion, requiring a total amount of \$2 million. The Federal Government would provide 90% of the funds for purchase of this additional land. The largest parcel to the west, 56.9 acres owned by the Priors, has an appraised value of \$855,000. A down payment is required to move ahead with the purchase of this large parcel. Since neither Springville nor Spanish Fork have the immediate funds for this amount, the airport board is requesting the possibility of each city borrowing the funds to finance this purchase. They will require \$400,000 and are requesting \$200,000 each from Spanish Fork and Springville cities.

Mayor Barney called for questions and discussion from council members.

Councilmember Huff expressed concern at the possibility of the Federal Government not allowing the sale of airport property. Mr. Child said he examined guidelines and his understanding is as long as the property sale is for improvement of the airport, and it can be shown that the land being sold is not pertinent to the operation of the airport, there should not be difficulty getting approval from the federal government. The Airport Board feels if they do not act now, there may be no future for the airport.

Councilmember Huff also expressed concern regarding the county road property that would be involved in the acquisition. Mr. Richard Nielson feels as long as the airport submits a plan to the county that provides a right-of-way for them, there should not be problems getting approval.

Councilmember Johns wondered how far the runway would be moved. Mr. Child stated that the runway would be extended on the west side in the newly acquired property, further away from the east boundary where it will have less impact on Jahabow and the Johnson brothers property.

The question of how the desired acquisition fits into the future expansion plans of the airport was raised by Councilmember James. Mr. Child explained that the 20-year plan calls for a total of 6,000 feet of runway. According to the current guidelines for the airport expansion, this acquisition will provide adequately for the needs of the airport up to the year 2016.

Councilmembers Kelepolo and James had questions on any conflict or impact on the airport in the event of any expansion in the Provo Airport as far as air space is concerned. Mr Child assured the council that there would be no negative impact or conflict.

The airport board is requesting \$400,000 from Springville and Spanish Fork (\$200,000 each). Mr Child has not approached Springville City yet about the possibility of borrowing the funds. He wanted to present the position of Spanish Fork City to Springville City when he made the request. The board expects these funds could be paid back within two years from proceeds of future land sales and federal reimbursement.

Mayor Barney feels it is important to act now to meet the needs of the airport for the future. He expressed concern about the need for a "back-up" plan for payment of the loan in the case the federal government doesn't allow the sale of airport property. If the City is loaning this large of an amount of money, it is important to know how it will be paid back.

Councilmember Kelepolo commented that no matter what was decided, as far as the method of obtaining the needed funds, the lease of airport properties would always be an option to cover debt obligation.

Councilmember Huff questioned if anyone had shown interest in leasing any of the property. Mr. Child stated that the Confederate Air Force has expressed interest in leasing a portion of the property. They would set up a small museum along with a large restored aircraft on display. There is also a large

aircraft maintenance company interested in leasing some of the property.

Mr. Child also expressed a need to restructure the existing Airport Board. He explained that the board has six members - three from Spanish Fork and three from Springville. Board member Dean Allen is one of the three representing Springville, but actually lives in Mapleton. The board would like to make a permanent position of Economic Development Advisor and have Dean Allen fill that position. This would open up one position for a Springville representative and they would like to have John Hathaway fill that position. This request would require changing the by-laws and code to allow for a Economic Development Advisor on the Airport Board.

Councilmember Kelepolo made a **motion** that the council authorize obtaining a \$200,000 loan, to be used by the airport board to purchase additional land adjacent to the airport for the purpose of airport expansion and improvement, with the stipulation that Springville also approves obtaining a \$200,000 loan for their half of the \$400,000 needed.. Councilmember Johns **seconded** the motion.

Before a vote was taken, discussion followed regarding the need for more definition as to exactly what would be done as far as obtaining the loan and repayment plans. It was decided that it would be impossible to name each particular until the process was actually underway and that even preliminary negotiations can not be done without approval from the council to proceed. In addition, federal reimbursement cannot be applied for until there is an actual purchase contract.

Further discussion followed regarding how the loan would actually be set-up, whether the Airport Board would obtain the loan, or the city obtain the loan. It was determined that the city would obtain the loan for the \$200,000 and it would be put into the Airport Enterprise Fund in the city budget for use by the Airport Board in making the requested purchase. This increase to the Airport Enterprise fund would require the City Budget to be amended and a Public Hearing to be held. A special hearing for this purpose could be called for in December, if needed. In any event, the Public Hearing to amend the City Budget for this purpose needs to occur before a definite answer can be given to the Airport Board's request.

Councilmember Kelepolo made an **amended motion** that the council authorize the city to obtain a \$200,000 loan to be put into the Airport Fund for use to purchase additional land for airport expansion, contingent upon the results of a Public Hearing to amend the City Budget and also contingent upon approval of Springville City to obtain their required share of \$200,000. Councilmember Johns **seconded** the amended motion, which **carried** with a **majority** vote of 4:1. *Councilmembers Kelepolo, Huff, Johns, Shepherd were in favor of the motion. Councilmember James was opposed.*

Note: No Motion was made regarding amending the by-laws of the Airport Board

Gail Halvorsen Annexation - Preliminary Review

Gail Halvorsen is requesting property he owns at approximately 19 East South Field Road be annexed

into Spanish Fork. The property is used for agriculture purposes and is approximately 75 acres in size.

Mr. Halvorsen recently completed construction of a new residence on the property. Another home previously occupied by the Halvorsens is also located on the property. This is an older adobe home that is considered historic. The County has advised that because Mr. Halvorsen is in a zone that requires 40 acres per home, there can be no more than one residence within the 75 acres. The county is requesting the older adobe home be demolished or “gutted out” and used as a farm building only. It was noted the property is not within Spanish Fork City growth boundaries.

Mr. Halvorsen discussed briefly the background of the home and its historic significance to families in the area. He expressed his desire, as well as the desire of many others, to keep the home intact. He has spoken to his neighbors in the area and could find no objections to the annexation proposal. He also wanted the council to be aware that he would not require any city services. He has his own water, sewer and garbage arrangements. The home is currently liveable and it is their intention to rent it to tenants that can help maintain the agricultural operation on the remaining acreage.

Mr. Halvorsen feels this is a very unique circumstance, and it would not set a precedent for other applicants wanting special annexation consideration. Annexation is his only option for preserving the building. If the city does not give approval, he will be forced by county guidelines to revert the residence into an outbuilding.

Mayor Barney requested discussion from the council. It was noted that other requests for annexation that were closer to the growth boundary than this property had been turned down. Although the Council sympathized with Mr. Halvorsen’s situation, they questioned whether annexation of the property would be in the best interest of the City at this time. The possibility of having the Planning and Zoning Commission look at the annexation was suggested. Mayor Barney feels if the council has no interest in the annexation, it would serve no purpose for the Planning and Zoning Commission to review it.

City Attorney, Junior Baker clarified the procedure for the Petition for Annexation. The Petition first comes before the City Council who determines whether to accept it for further study or deny it. If it is accepted, the petition would go to the Development Review Committee and Planning Commission. If the DEVELOPMENT REVIEW COMMITTEE and Planning Commission feel the annexation is favorable, it would come back to the Council for approval. If the Council has no interest in further study, the petition can be denied.

City Planner, Emil Pierson noted if the council forwarded the petition for review by the DEVELOPMENT REVIEW COMMITTEE, there would be approximately \$1500 in additional costs for Mr. Halvorsen. Mr. Halvorsen responded that if the council felt there was a possibility of approval, he would be willing to take the risk of the additional cost.

There was further discussion regarding the growth boundary, how close the city boundaries are to the property at this time and the master plan for future development. It was noted if the property is

annexed, it would always be in an area that could be kept as “open space” within the general plan. There is no anticipation to change the rural property status.

Councilmember Johns made a **motion** to have the DEVELOPMENT REVIEW COMMITTEE and the Planning Commission investigate the possibility of annexing the property owned by Gail Halvorsen located at approximately 19 East South Field Road and return a recommendation to the City Council. The motion was **seconded** by Councilmember James and **carried** with a **majority** vote of 3:2. *Councilmembers James, Shepherd and Johns were in favor of the motion. Councilmembers Kelepolo and Huff were opposed.*

Independent Auditors Report for FY 2000

The CPA firm of Gilbert and Stewart completed the audit of the financial statements of Spanish Fork City for the fiscal year ending June 30, 2000. Copies of the completed report were distributed to council members. City Finance Director, Kent Clark briefly discussed some of the findings of the audit and then introduced Mr. Ben Probst from Gilbert & Stewart who was given the floor to review the report with the council. Mr. Probst expressed appreciation for the friendly and enthusiastic help provided by city personnel during the examination of city records and documentation and made note that there had been excellent bookkeeping and maintenance of the city budget. There were a few items of non-compliance with state law that were reported. They are as follows:

- * Special Revenue Fund’s total expenditures exceeded the budgeted amount by \$8,192.
- * Special Revenue Fund’s fund balance was in the deficit at year end in the amount of \$82,834.
- * The General Fund balance exceeds the maximum limitation required by Utah State Law.
- * City Fidelity bond maintained by public treasurer is not sufficient to meet State Law.

The City has responded to these items by taking the necessary action to maintain expenditures and keep a positive fund balance in the Special Revenue Fund. They have also corrected the General Fund Balance and the Fidelity Bond deficiency during the current year.

Mr. Clark expressed appreciation for the association the City has had with Gilbert and Stewart and the professional way the audits have been conducted. Mayor Barney expressed appreciation to Mr. Clark for the fine job he has done in his capacity as City Finance Director.

Councilmember Kelepolo made a **motion** to accept the findings of the Gilbert & Stewart audit of the financial statements of Spanish Fork City for the fiscal year ending June 30, 2000. Councilmember Shepherd **seconded** the motion and it **passed** with a unanimous vote.

Quit-Claim Deed on Bottoms Road

Mayor Barney excused himself from discussion on this item, as he is owner of the property involved in the Quit-Claim Deed. Councilmember Sherman Huff assumed his place as Mayor Pro-Tem for this item on the agenda

Mr. Richard Nielson explained several years ago Spanish Fork City acquired some property from Barney Inc. which included the Bottoms Road and the tee to Hole #9 of the Spanish Oaks Golf Course. During the last few months, the Engineering Department has been fine-tuning the alignment of the Bottoms Road as it relates to Canyon Crest Subdivision. Referring to a drawing of the Bottoms Road in the area under discussion, Mr. Nielson pointed out the small portions along the north side of Bottoms Road they would like to deed off and also the portion they would like dedicated to the City located to the east and also on the north side of the road. These changes would make the alignment of the road more smooth and would be an advantage to future development in the area.

Councilmember Kelepolo made a **motion** to authorize the Mayor Pro-tem to sign a Quit-Claim Deed that would deed off the designated portions on the north side of the Bottoms Road and have dedicated to the city a small portion to the east and also on the north side. Councilmember James **seconded** the motion and it **passed** unanimously.

Partial Easement Abandonment

Mr. Richard Nielson told the council that the utility easement that was granted from Wally Osborn in 1993 is no longer necessary for City use. This easement is a 10-foot wide area along the east property line of the Utah Sportswear property. The City would like to vacate the easement on the south side of 500 South to Wally Osborn's south property line. City utilities adjoin the easement only on the north side, so the easement is not needed along the south. Any other properties to the south that would require future utilities would hook into the south trunk line at Volunteer Drive or Main Street. The purpose of vacating the easement is to allow expansion of the cell tower on the Utah Sportswear property.

A **motion** was made by Councilmember Huff to approve the abandonment of the city utility easement on the south side of 500 South to Wally Osborn's south property line. Councilmember Shepherd **seconded** and the motion **passed** with a unanimous vote.

Bid - 42' Digger Derrick Truck for the Electric Department

In the FY 2000 Budget, the Electric Division included \$145,000 for replacement of a Digger/Derrick truck. Mr. Jeff Foster, Electric Department Superintendent explained that while in the process of putting the specifications together for the replacement of this truck, they were informed that one of the manufacturers (TECO) was able to supply a boom of the same length as the other suppliers that had roughly double the capacity rating. As needs of the electrical department have changed over the past several years, they feel there is a great need for this type of larger capacity truck for the following reasons:

1. With an increasing number of commercial and industrial customers being added, the transformers that are purchased and set for these customers are considerably heavier than those of the past and cannot be lifted by the present digger/derrick.

2. It has become necessary to stack the transformers deeper and more compactly in the yard area. When transformers or equipment that are in the back need to be retrieved they cannot be lifted by the limited capacity of the smaller line truck. The only available truck that can lift them is the Mack Digger/Derrick truck.
3. The Mack Line truck needs maintenance and repairs approximately every 3 to 6 months and can be out of service from 2 to 6 weeks, at which time it is necessary to rent or borrow a Digger/Derrick truck to meet the needs of the electrical department during that time. Cost to rent a truck on an hourly basis runs about \$60.00 to \$80.00 an hour or on a monthly basis for \$5,000.

Because none of the bidders except TECO could provide a truck with the greater lifting capacity, the heavier boom was not specified for the bid. It was felt there should remain some competition for the bidding process. The heavier boom was mentioned to all bidders and TECO was specifically asked to provide an option to the bid for the upgrading to the heavier boom.

The bid for the heavier boom truck is about \$11,000 above the amount that was originally budgeted, but because of the benefit the truck would provide to the electrical department, they feel it would be a worthwhile expenditure.

Mayor Barney expressed concern that the heavier boom truck was not specified to the bidders and felt that a stronger effort should have been made to find additional bidders that could provide the heavier equipment needed. Discussion followed on the possibility of contacting other companies for future bids.

Mr. Foster stated he understands the Mayor's concern about the discrepancy in the bidding process and told the council that if they didn't feel they could approve the heavier boom truck, they would take the existing low bid on the lower weight and utilize that truck as fully as possible.

Mayor Barney felt that the city needed to provide the Electrical Department with the equipment best suited to their current needs, but requested that any future offers for bids specifically state exactly what is required.

Councilmember Huff made a **motion** to award the bid for a 42' Digger/Derrick truck, to be purchased for the Electric Department, to TECO in the amount of \$156,321.00, with the stipulation that all future bid requests from the Electric Department specify exactly what type of equipment is needed. Councilmember Shepherd **seconded** the motion and it **passed** with a unanimous vote.

Ratification of Purchase of Property

Attorney Baker requested ratification of the purchase of property located at approximately 552 West 100 South from Paul and Ava Simonson. The negotiated purchase price was \$119,000 with the City agreeing to pay the closing costs and title insurance in the amount of \$800.00. He noted that it is unusual for the buyer to pay these costs, but the City wanted to move forward on this purchase without any delays. The sale was closed this afternoon, November 21, 2000.

The property will be used to house the City's new Community Network Building and head end equipment for the fiber optics system.

Mr. Kelepolo made a **motion** to approve ratification of the purchase of the property located at approximately 552 West 100 South for the amount of \$119,000, with the city also paying the closing cost and title insurance in the amount of \$800.00. Mr. James **seconded** the motion and it **passed** with a unanimous vote.

Adjournment

A **motion** was made by Councilmember Johns to adjourn the meeting of the Spanish Fork City Council at 9:00 pm. Councilmember Shepherd **seconded** and the **motion** passed with a unanimous vote.