

**Adopted Minutes
Spanish Fork City Council Meeting
February 1, 2005**

The meeting was called to order at 6:00 p.m. by Mayor Dale R. Barney. The pledge of allegiance was led by Josh Steenstra.

Elected Officials Present: Mayor Dale R. Barney, and Councilmembers Matthew D. Barber, Paul M. Christensen, Everett Kelepolo, Seth V. Sorensen and Chris C. Wadsworth.

Staff Members Present: David A. Oyler, City Manager; S. Junior Baker, City Attorney; Emil Pierson, Planning Director; Richard J. Heap, Engineering/Public Works Director; Kent R. Clark, Finance Director; Dee Rosenbaum, Public Safety Director; Seth J. Perins, Assistant City Manager; Dale Robinson, Parks and Recreation Director; Connie Swain, Deputy Recorder.

Citizens Present: Sherman Huff, Robert Pittelli, Pat Parkinson, Josh Steenstra, Justine Ross, Katie Newren, Kevin Allred, Karen K. Payne, Sharon S. Brown, Royden Hill, Joshua Hansen, and Michelle Lira.

Minutes

Councilmember Sorensen made a **motion** to approve the minutes of the January 18, 2005 city council meeting with changes as noted. Councilmember Kelepolo **seconded**, and the motion **passed** with a unanimous vote.

Utilization of Restaurant Tax Fund to Light J.C. Field

Mr. Robinson said Mayor Barney received a letter from Utah County regarding the restaurant tax allocation for Spanish Fork. An application is needed in order to apply for the grant funds. The funds must be used in specific areas. One of the areas indicated is recreation. The recreation programs in the city are experiencing a tremendous amount of growth. Lighting the J.C. Field and adding an additional game time on all lighted fields would meet the growth projections for 2006. Request for Proposals have not been issued for this project. However, three quotes have been received ranging from \$24,000 to \$26,000 for materials. Part of the agreement is that the city electric department will provide the labor and run the lines. The allocation amount will be \$17,722.40 if this project is approved. Approval of the project is needed from the City Council and the Mayor's signature is needed on the application. If approved, additional funds may be required from the city to complete the project.

Councilmember Wadsworth asked how the grant funds are generated.

Mr. Robinson said allocations from restaurant taxes are made available from time to time and are only available to smaller communities. Mr. Robinson said he will be requesting additional funds above the approved allotment.

Mayor Barney said a percentage of the restaurant tax is received by Utah County. They received more than 2 million dollars from the restaurant tax. This is a very minimal allocation. The only other funds received from the County through the restaurant tax were used to assist with the construction of the memorial at the cemetery.

Councilmember Kelepolo asked if cities are allowed to choose the projects.

Mr. Robinson said the city can choose the project as long as the project meets the guidelines given. Recreation projects are allowed.

Councilmember Kelepolo asked if the city received grant funds last year.

Mayor Barney said he is not aware of any funds received last year.

Councilmember Wadsworth asked how late in the evening games will be played.

Mr. Robinson said baseball is a summer issue only. Currently, games are played at 5:00 p.m. and 6:30 p.m. An additional game time of 8:00 p.m. will be added to all lighted fields to meet the projected 12 percent increase in participation next year.

Councilmember Sorensen said investing in the youth is a great use of those funds. It allows the youth to participate in productive activities.

Mr. Oyler said the City Council needs to approve of additional funds to complete the project if the grant is approved.

Councilmember Christensen asked if the existing poles at the pony league field could be utilized to reduce costs.

Mr. Robinson said if the application is approved, they will look at all cost saving options. They will report the results to the City Council when the final bids are received.

Councilmember Kelepolo made a **motion** to authorize the mayor to sign the application for the restaurant tax fund allocation to light the J. C. Field. Councilmember Sorensen **seconded**, and the motion **passed** with a unanimous vote.

Chamber of Commerce Service Agreement

Mr. Baker said currently the Chamber of Commerce uses rooms in the basement of the city office. The city is growing and use of those rooms is needed by the city. A proposed agreement has been prepared allowing the Chamber of Commerce to use a home owned by the city for their office. The agreement indicates the services to be provided by the chamber in exchange for the use of the home being provided by the city.

Mayor Barney said the chamber is vital to the city by promoting sales tax revenue and business

activity.

Mr. Baker said based on the fact they provide a service to the community the city has provided office space for the chamber and has also contributed financially to the organization.

Councilmember Christensen said the Chamber of Commerce provides a great service to the community including many hours of volunteer service.

Councilmember Sorensen said in the past year while working with the Chamber of Commerce he has seen many incredible events take place. They are a tremendous asset to the community.

Councilmember Wadsworth asked if the contract could be renewed yearly and asked for the renewal period of other similar contracts.

Mr. Baker said he is not aware of any other contracts with cities and Chambers of Commerce. He said there are many different ways other entities contribute to the chambers in their communities.

Councilmember Sorensen asked for a multi-year contract.

Councilmember Christensen agreed.

Councilmember Kelepolo said he also favored a multi-year contract of 5 years.

Councilmember Barber said a multi-year contract would be fine if reviewed more than every 5 years.

Councilmember Kelepolo said the City Council always has the opportunity to review any contract if issues arise.

Mr. Baker reviewed paragraph 4 of the contract. He suggested indicating that the contribution amount will be reviewed yearly.

Kevin Allred said he appreciates working with the city and he was in favor of a contract which clearly states the services to be provided by both parties. They are fine with the contract being renewed yearly and the contribution being based on an index. They are always looking at ways to increase revenues. The funds received by the city provide a tremendous benefit to the chamber.

Councilmember Kelepolo expressed appreciation for the services provided by the chamber and for the time they spend working with other entities and businesses.

Councilmember Barber thanked Mrs. Payne and Mr. Allred for the budget information they provided at the last minute. The City Council and citizens need to know that the chamber budget has changed very little over the last 4 years. The chamber is very contentious of maintaining low

operating costs. He said he approves of the contract. He also asked Mr. Oyler to provide information concerning the past when the financial contribution was tied to a portion of the business license fees collected.

Mr. Oyler said 15 to 20 years ago the City Council looked at increasing business license fees. The City Council at that time decided if the fees were raised the additional funds should be contributed to the chamber and they considered several concepts. One concept was to base the amount contributed to the chamber upon the business license fees collected. We no longer use this concept.

Councilmember Barber asked if this concept would be beneficial.

Mayor Bamey said a funding mechanism can be worked out in the future. At this time the City Council needs to accept or deny the agreement.

Councilmember Barber said the concept of basing the contribution on business license fees may generate more funds for the chamber.

Mr. Oyler said if the contribution is to be adjusted annually, the City Council needs to decide how the amount will be adjusted. It needs to be determined if the contribution will be based on a cost of living index, the business license fees collected or another concept. The contract needs to indicate if an adjustment will be implemented.

Mr. Baker said the agreement can be reviewed yearly to adjust the contribution or the entire agreement. Changes can be made to the agreement as directed by the City Council.

Councilmember Kelepolo said he agrees with setting the amount for the contribution but reviewing the amount yearly.

Councilmember Sorensen recommended allowing for an adjustment in the contribution amount but not to be adjusted below the current amount indicated.

Mr. Allred agreed.

Councilmember Barber asked if there are any costs to be incurred by the city before the home can be occupied.

Mr. Baker said he has visited the home and it appears to be well cared for. He said he is not aware of the condition of the heater or air conditioner.

Mr. Oyler said there is no air conditioner in the home and the furnace is old. If the heating unit goes out the city will need to replace or repair it.

Mr. Baker said that condition should be added to the contract.

Councilmember Christensen said as the owner of the property we should be responsible for maintenance costs.

Councilmember Sorensen agreed.

Mr. Oyler said the building inspector looked at the structure and gave 5 very minor items to be completed before the home is occupied.

Councilmember Wadsworth asked if down the road the home is not a worthwhile investment or the property is needed for other uses by the city, can the city require the chamber to relocate.

Mr. Baker said the contract indicates the city is not required to provide a facility for the chamber. However, the contract does indicate the city will make every effort to find a replacement facility in the event the chamber office is moved.

Councilmember Barber referred to item 5, section D, of the contract and asked if a liability clause should be added.

Mr. Baker said it is a good idea to add a liability clause to hold the city harmless in case of an accident.

Councilmember Barber said in the beginning of the contract it refers to "Spanish Fork area" and he asked if that should be changed to "Spanish Fork/Salem area." He also encouraged the chamber to approach Salem City for a contribution. They are also receiving a benefit from the chamber and should contribute to the utility and other operation costs.

Mr. Baker said paragraph 5 of the contract indicates the services to be provided by the chamber. The chamber should not be held in breach of the contract if they change or replace some of these services.

Councilmember Barber asked for information to be provided by the chamber concerning the funds generated in the city based on chamber-sponsored events. He wants to know the dollar amount that comes into our community.

Mr. Allred said he has had a desire to generate this type of information for some time and will spearhead the request. He said the chamber will provide this information to Councilmember Sorensen to present to the City Council.

Mayor Bamey said the Chamber of Commerce has the city's best interest at heart.

Councilmember Sorensen made a **motion** to approve the Chamber of Commerce Service Agreement with an annual review of the contribution as indicated. Councilmember Wadsworth **seconded**, and the motion **passed** with a unanimous vote. A roll call vote was taken confirming the unanimous vote.

Utah Education Network Contract Ratification

Mr. Baker said there is an existing contract with Nebo School District. Utah Education Network has stepped into the place of the school district. This broadens our scope to a State level rather than just a local level.

Councilmember Wadsworth said according to John Bowcut U.E.N. is the biggest network in the State.

Mr. Baker concurred.

Councilmember Wadsworth asked for clarification concerning the amount.

Mr. Baker said the amount indicated is the amount paid to the city for the service provided. The rate is set by the Federal Government. This provides an educational benefit to our children and the community.

Councilmember Kelepolo made a **motion** to ratify the Utah Education Network Contract. Councilmember Christensen **seconded**, and the motion **passed** with a unanimous vote.

John Smiley and Bruce Hall Contract

Mr. Baker said when Mr. Hall and Mr. Smiley developed the Quail Hollow subdivision on the south side of the river utility services were required as per our policy. Since they needed the utility service, they took the utility service line across the river to their development. This also provides a benefit to the city. Typically when a developer installs outside improvements a connector's agreement is entered into. Since the costs were high, the city has agreed to reimburse the developers for the amount it would cost the city to provide utilities pursuant to the utility master plan in the amount of \$36,550. If the contract is approved, the reimbursement will be paid this week.

Mayor Barney said the developer crossed our right-of-way with the service line.

Mr. Baker said it is our line.

Mayor Barney said we ran the sewer line from the snack shack to the main line. If there are problems, can the city connect to the line without paying a fee.

Mr. Baker said the connector's agreement runs for 10 years and if we tap into their line again there may or may not be a fee.

Councilmember Wadsworth asked if this covers the restrooms.

Mr. Baker concurred. We will not pay again unless we tap into the line again. He said according to the engineering department he could foresee the need to tap into the line in the future.

Councilmember Barber asked if there was a bond requirement for the project and if the bond requirement was met.

Mr. Baker said for any offsite improvements which will eventually be owned by the city a bond is required. The developers did post a bond as required.

Councilmember Barber asked if the estimated cost for the restroom is high.

Mr. Baker reviewed the process to determine the cost based on a price per foot. The cost varies from \$15 to \$60 per foot based on compaction issues and other issues. The city negotiated the contract.

Councilmember Wadsworth made a **motion** to approve the John Smiley and Bruce Hall Contract as presented. Councilmember Kelepolo **seconded**, and the motion **passed** with a unanimous vote.

Other Business

None

Adjourn to Executive Session

Councilmember Kelepolo made a **motion** to adjourn to Executive Session to discuss land issues. Councilmember Barber **seconded**, and the motion **passed** with a unanimous vote. The meeting adjourned at 6:55 p.m.

Connie Swain, Deputy Recorder

Approved: February 15, 2005