



CITY COUNCIL AGENDA

PUBLIC NOTICE is hereby given that the City Council of Spanish Fork, Utah, will hold a regular public meeting in the Council Chambers in the City Office Building, **40 South Main Street**, Spanish Fork, Utah, commencing at **6:00 p.m. on September 23, 2010.**

AGENDA ITEMS:

1. CALL TO ORDER, PLEDGE, OPENING CEREMONY, RECOGNITIONS:

- a. Pledge, led by invitation

2. PUBLIC COMMENTS:

Please note: In order to be considerate of everyone attending the meeting and to more closely follow the published agenda times, public comment will be limited to three minutes per person. A spokesperson who has been asked by a group to summarize their concerns will be allowed five minutes to speak. Comments which cannot be made within these limits should be submitted in writing. The Mayor or Council may restrict the comments beyond these guidelines.

3. COUNCIL COMMENTS:

4. PUBLIC HEARING:

- a. * [Proposed Zoning Text and Map Amendment](#) - The proposed Text Amendment would permit Lube Centers and Tire Centers in the Commercial Downtown zone. The proposed Map Amendment would change the zoning of property located at approximately 350 North Main Street.

5. CONSENT ITEMS:

These items are considered by the City Council to be routine and will be enacted by a single motion. If discussion is desired on any particular consent item, that item may be removed from the consent agenda and considered separately.

- a. * [Minutes of Spanish Fork City Council Meeting – September 7, 2010](#)
- b. * [Minutes of Spanish Fork City Council & Planning Commission Joint Meeting-June 30, 2010](#)
- c. * [Landscape Architect Agreement](#)
- d. * [Gold Cross Billing Services Agreement](#)
- e. * [Electric Cost of Services & Rate Study Proposal](#)

6. NEW BUSINESS:

- a. * [North Park Connector Trail #2](#)
- b. * [Proposed Preliminary Plat containing 112 units located on 35 acres at 1400 East 400 North, Ivory Homes is the applicant](#)

ADJOURN:

* Supporting documentation is available on the City's website www.spanishfork.org

Notice is hereby given that:

- In the event of an absence of a quorum, agenda items will be continued to the next regularly scheduled meeting.
- By motion of the Spanish Fork City Council, pursuant to Title 52, Chapter 4 of the Utah Code, the City Council may vote to hold a closed meeting for any of the purposes identified in that Chapter.
- This agenda is also available on the City's webpage at www.spanishfork.org

SPANISH FORK CITY does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in the employment or the provision of services. The public is invited to participate in all Spanish Fork City Council Meetings located at 40 South Main St. If you need special accommodation to participate in the meeting, please contact the City Manager's Office at 804-4530.



MAP AMENDMENT

REPORT TO THE CITY COUNCIL GILES ZONING MAP AND TEXT AMENDMENT

Agenda Date: September 23, 2010.

Staff Contacts: Dave Anderson, Community Development Director.

Reviewed By: Development Review Committee.

Request: The applicant has requested that Title 15 be changed so as to permit Lube Centers and Tire Centers in the Commercial Downtown zone. The applicant has also requested to have the Zoning Map changed to change the zoning on a parcel from Residential Office to Commercial Downtown.

Zoning: Residential Office and Commercial Downtown existing, Commercial Downtown requested.

General Plan: General Commercial Residential Office.

Project Size: Approximately 1.5 acres.

Number of lots: Not applicable.

Location: Approximately 350 North Main Street.

Background Discussion

The following Text Amendment is proposed along with a Zoning Map Amendment that would change the zoning of a parcel from Residential Office to Commercial Downtown:

15.3.16.060 C-D Downtown Commercial

This district is intended to promote and maintain the character of a pedestrian oriented retail district along Main Street. Building orientation should strongly encourage pedestrian use by having buildings close to the street with frequent entrances to buildings, and significant amounts of glass. Drive-thru uses should be strongly discouraged.

A. Permitted Uses:

The following uses are permitted if operated from a permanent, enclosed building with no outside storage or display of merchandise:

1. Art galleries and studios.
2. Entertainment uses.
3. Financial institutions with no drivethru service.
4. Hotels, with all guest rooms above the first floor.
5. Office supply, copying, printing businesses.
6. Offices.
7. Personal service businesses.
8. Residential uses when located above the first floor.
9. Restaurants.
10. Retail uses, ~~except those which include automotive service, repair or sales.~~
11. Instructional Studios
12. Municipal facilities required for local service.

B. Uses Subject to Conditional Use Permit (see §15.3.08.060):

1. Drive-thru facilities as part of a financial institution.
2. Parking structures.
3. Lube Center.
4. Tire Center.
5. Wireless communication facilities on existing structures, with the intent to make them "stealth" facilities, which are not noticeable to a degree greater than the structure to which it is attached;



or new stealth facilities which are camouflaged into its surroundings.

The Planning Commission plans to review this request and make a recommendation on September 22, 2010.

Development Review Committee

The Development Review Committee reviewed this request in their September 8, 2010 DRC meeting and recommended that it be approved. Draft minutes from that meeting read as follows:

Giles

Applicant: Rocky Giles
General Plan: Commercial Downtown
Zoning: Commercial Downtown
Location: 300 North Main

Mr. Anderson explained the proposal was to amend the Commercial Downtown zone to allow for Lube Centers and Tire Centers.

Discussion was held regarding the definition of a Lube Center, Tire Center and Automotive Repair.

Mr. Giles explained what type of minor automotive repair he offers at his business.

Mr. Anderson explained what he felt 15.3.16.060 B should be: #4 Lube Center and a new #5 Tire Center. Another change under A point A#10 strike everything in 10 except for retail uses.

Discussion was held regarding the west portion being changed from the Residential Office zone to the Commercial Downtown zone, Conditional Use Permits and whether or not the change had been noticed to the public.

Mr. Anderson explained to Mr. Giles that the Planning Commission reviewed Conditional Use Permits and that there was a Condition Use application. Mr. Giles explained he already had a masonry wall in place and where he would have to extend it too. Mr. Anderson said there would be a landscape requirement next to the masonry wall.

Mr. Baker **moved to approve** the Zone Text Amendment for Rocky Giles changing the zone to Commercial Downtown and allowing, as Conditional Uses, Lube Centers and Tire Centers. He also recommend that the Giles property

currently zoned Residential Office be changed to the Commercial Downtown.

Mr. Thompson **seconded** and the motion **passed** all in favor.

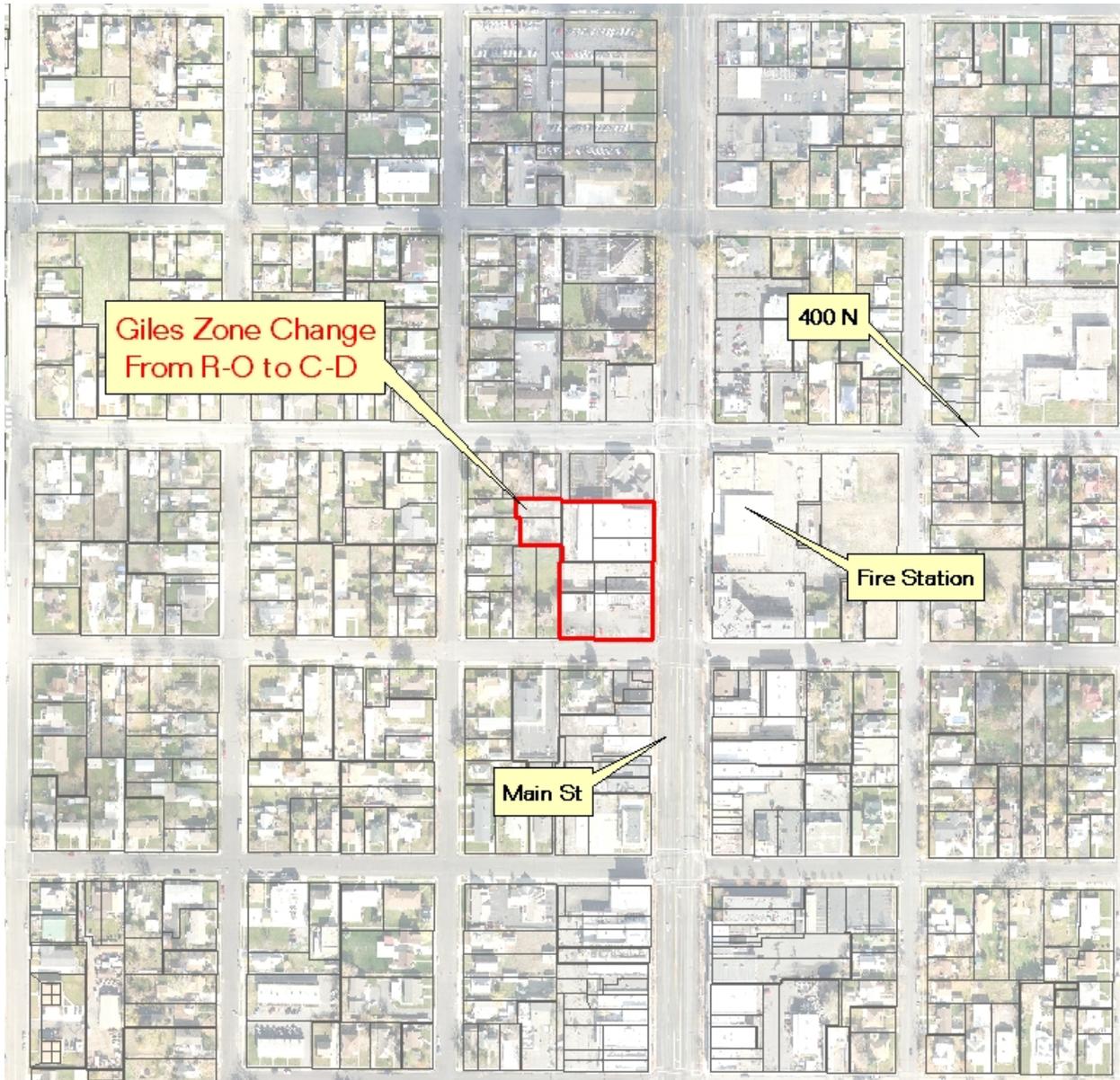
Discussion was held regarding what Mr. Giles needed to do next.

Budgetary Impact

There is no significant budgetary impact anticipated with the proposed Zone Change or Text Amendment.

Recommendation

Staff recommends that the proposed amendments be approved.



Tentative Minutes
Spanish Fork City Council Meeting
September 7, 2010

Elected Officials Present: Mayor G. Wayne Andersen, Councilman Steve Leifson, Rod Dart, Richard M. Davis, Jens P. Nielson, Keir A. Scoubes.

Staff Present: David Oyler, City Manager; Junior Baker, City Attorney; Seth Perrins, Assistant City Manager; Dave Anderson; Community Development Director; Richard Heap, Public Works Director; Dale Robinson, Park & Recreation Director; Dee Rosenbaum, Public Safety Director; Trapper Burdick, Assistant City Engineer; Kent Clark City Recorder/Finance Director; Angie Warner, Deputy Recorder.

Citizens Present: Steve Painter, Bjorn Pendleton, Alexis Porter, JC Snyder, Nichole Weiss, Josh Chappell, Nathan Chappell, Cary Hanks, Lana Harris, Jordan Norton.

CALL TO ORDER, PLEDGE, RECOGNITION:

Mayor Andersen called the meeting to order at 6:00p.m.

Councilman Leifson led in the pledge of allegiance.

Employee of the Quarter

Seth Perrins recognized Trapper Burdick for the Employee of the Quarter.

PUBLIC COMMENTS:

Bjorn Pendleton wanted to remind everyone of the Harvest Moon Hurrah that will be Saturday September 18th. Mr. Pendleton highlighted some of the events and activities that will be there.

Josh Chappell stated that they have built a home on a flag lot that received the Certificate of Occupancy back in February. It was built with and inspected with 10 foot wide driveway and now the city is requiring us to have a 20 foot wide driveway.

Junior Baker referred Mr. Chappell to the City Council because there is not an ordinance and the City does not allow flag lots anymore. His only option is to meet the 20 foot wide standard.

Mayor Andersen asked if this item could go back to DRC and Planning Commission.

Nathan Chappell said they spoke to Planning Commission and they said it is out of their hands.

Mayor Andersen said that we will take this information and find a solution.

Dave Anderson stated that we allowed them to post a bond that has been put in place so the city has some guarantee that the driveway will be finished to the 20 foot width. The plan was approved with a 20 foot wide driveway.

Councilman Leifson said we will talk with City staff and find out what needs to be done.

48 Cary Hanks with the Spanish Fork/Salem Chamber of Commerce said the scarecrow contest will
49 start the first part of October. They will also be holding their 1st Annual Shop Local Business Fair
50 on September 16th at the North Park Pavilion. Contact the Chamber if you want to be a vendor
51 and it is free to the public to attend.

52

53 **COUNCIL COMMENTS:**

54 Councilman Davis said the North Park dedication was great, a lot of public showed up. He
55 thanked Ryan Baum, the project manager, for this project; also, Bart Morrill and Trapper Burdick
56 along with many others. He thanked everyone for helping get the grand opening ready.

57

58 Councilman Leifson expressed how great the North Park Grand Opening was. What a great
59 facility for our citizens and the public. He also thanked all the volunteers.

60

61 Councilman Dart reported that he spoke with Bill Bushman from our Parks and Recreation
62 Department and the City will be replacing some of the trees along Main Street because they
63 have become too large and damaging the area around them.

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65 Councilman Scoubes invited the public to the Harvest Moon Hurrah and thanked the volunteers
66 that help put this event together.

67

68 Mayor Andersen thanked everyone for the North Park Grand Opening. We were recognized as
69 the "Fairest of the All" at the County Fair. They estimated approximately 40,000 people
70 attended. So we had free ice cream at the North Park Grand Opening for winning the contest.
71 This Thursday, September 9th at noon is the ceremony for The Moving Wall at the cemetery.
72 The public is invited September 9th through the 13th, 8am to 10pm. Mayor Andersen thanked the
73 committee for putting this event together.

74

75 Councilman Leifson made a **Motion** to move into Public Hearing to discuss the 2011 FY Budget.
76 Councilman Davis **Seconded** and the motion **Passed** all in favor at 6:30 p.m.

77

78 **PUBLIC HEARING:**

79 **2011 FY Budget**

80 Kent Clark presented the 2011 FY Budget Revision #1. He highlighted and explained some of
81 the changes.

82

83 Mayor Andersen welcomed any public comment.

84

85 No public comment.

86

87 Councilman Davis made a **Motion** to move out of Public Hearing.

88 Councilman Nielson **Seconded** and the motion **Passed** all in favor at 6:36 p.m.

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90 Councilman Dart made a **Motion** to approve the 2011 FY Budget Revision #1.

91 Councilman Davis **Seconded** and the motion **Passed** all in favor.

92

93 Councilman Davis made a **Motion** to move into Public Hearing to discuss the Proposed Zoning
94 Text Amendment.

95 Councilman Leifson **Seconded** and the motion **Passed** all in favor at 6:37 p.m.

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Proposed Zoning Text Amendment – The proposed Amendment would permit the construction of privately-owned wind turbines throughout the City.

Dave Anderson stated that this item proposed would amend Title 15. Planning Commission recommends a change of the maximum height of the wind turbine from 45ft to 55ft. This ordinance would be effective in any zone considering the setback requirements are met.

Steve Painter with West Mountain Wind and Solar is concerned about the describing distance from the blades to the ground. He understands it is 20ft from the roof of the home or a structure for safety issues.

Mayor Andersen read the ordinance and it states nothing about a distance from the roof of the home. It states 20ft from the ground, an accessory building, fence or wall.

Councilman Dart made a **Motion** to move out of Public Hearing.
Councilman Nielson **Seconded** and the motion **Passed** all in favor at 6:46 p.m.

Councilman Dart asked what the safety issues that were brought up in Development Review Committee meeting.

Junior Baker stated that there was discussion of worst case scenario and the turbine falls on the neighboring lot. We feel good about the standards that we have put in.

Discussion took place about the clearance area.

Councilman Leifson expressed that he does not want turbines in town.

Councilman Davis feels the same as Councilman Leifson. He said that having a wind turbine isn't going to generate that much.

Councilman Scoubes asked about addressing the rooftop turbines as well.

Dave Anderson replied that no one has requested that subject. The proposal was for the free standing turbine so that is what we addressed.

Councilman Davis asked what would be the best way to reach the citizens to get their feedback on these going into neighborhoods.

Dave Anderson replied that we can put the question out in the utility bill or have a survey on the website.

Councilman Davis suggests we table this item and get some feedback of what the citizens want.

Mayor Andersen agrees with Councilman Davis.

Seth Perrins suggested that we can put it in the city newsletter, the city website or the press.

143 Dave Oyler said the best way is for the council to go out there and speak with the citizens and
144 get their feedback.

145

146 Councilman Nielson made a **Motion** to approve the Proposed Zoning Text Amendment Ordinance
147 17-10 establishing zoning criteria for small wind towers with the amended 55 foot height
148 requirement.

149 Councilman Scoubes **Seconded** the motion.

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151 Councilman Nielson - Aye

152 Councilman Davis - Nay

153 Councilman Leifson - Nay

154 Councilman Dart - Nay

155 Councilman Scoubes - Aye

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157 The Motion **Failed** with 2 to 3 vote.

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159 Councilman Nielson left at 7:22pm

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161 **CONSENT ITEMS:**

162 a. Minutes of Spanish Fork City Council Meeting - August 17, 2010

163 b. Wiggy Wash Connector's Agreement

164 c. HVAC Preventive Maintenance Contract

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166 Councilman Leifson made a **Motion** to approve the consent items.

167 Councilman Scoubes **Seconded** and the motion **Passed** all in favor.

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169 **NEW BUSINESS:**

170 **Water Refunding Bond Update**

171 Kent Clark said at the last meeting the City Council approved this item to negotiate the day we
172 lock in to an interest rate to refund the 2002 Water Bonds. The true interest rate at the end was
173 1.72%. With the remaining life of the bond, until 2017, the City will save \$50,000 plus per year
174 for the remaining seven years. This update was for informational purposes only. No action was
175 required.

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177 **North Park Connector Trail #1**

178 Richard Heap presented the North Park Connector Trail Change Order #1. This project needs to
179 be completed this fall. We are proposing we use the same contract that we already have with
180 Sunroc for the Spanish Fork River Trail. Sunroc will stay with the same unit prices and have it
181 done by the deadline for the NRCS Grant.

182

183 Councilman Leifson made a **Motion** to approve the North Park Connector Trail Change Order #1.

184 Councilman Dart **Seconded** and the motion **Passed** all in favor.

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186 Dave Oyler informed everyone that the next City Council meeting will be rescheduled from
187 September 21st to Thursday, September 23rd. Also, I-15 will be closed this Wednesday and
188 Thursday during the night.

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190 Councilman Dart made a **Motion** to adjourn.

191 Councilman Scoubes **Seconded** and the motion **Passed** all in favor at 7:30 p.m.

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ADJOURN:

ADOPTED:

Angie Warner, Deputy Recorder

DRAFT

1 Draft Minutes
2 Spanish Fork City Council & Planning Commission
3 Work Session
4 July 1, 2010
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6

7 **Council Members Present:** Wayne Andersen, Jens Nielson, Steve Leifson,
8 Richard Davis, Rod Dart, Keir Scoubes.
9

10 **Commission Members Present:** Shane Marshall, Rick Evans, Tyler Cope, Michael
11 Christianson, Dave Stroud.
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13 **Staff Present:** Dave Anderson, Planning Director; Shelley Hendrickson, Planning
14 Secretary; Junior Baker, City Attorney; Jason Sant, Assistant City Attorney;
15 Jered Johnson, Surveyor; Dave Oyler, City Manager.
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17 **Citizens Present:** Matt Wooton, Steve Painter, Travis Whitney, Rodger Haddy.
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20 Wayne Anderson called the meeting to order at 6:06 p.m.
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23 Chickens

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25 Discussion was held regarding the new chicken ordinance, Officer Byer's
26 frustrations with the ordinance and whether or not to require residents to obtain a
27 permit in order to have chickens.
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29 Councilman Nielsen **moved** to require a \$5 permit in order for residents to have
30 chickens. Councilman Dart **seconded**. The motion **passed** by a roll call vote with
31 Councilman Scoubes voting **nay**.
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34 Windmills

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36 Discussion was held regarding whether or not to allow for wind turbines in
37 residential areas.
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40 Downtown Zoning

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42 Discussion was held regarding the City's vision for the future of the C-D
43 (Commercial Downtown) zone.
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1 **Home Occupations**

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3 Mr. Anderson explained the Home occupation ordinance and discussion was held
4 regarding whether or not to allow home occupations to be conducted in an
5 accessory structure. All in attendance agreed that home occupations could be
6 conducted in an accessory structure.

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9 **Design Standards**

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11 Mr. Anderson explained that a zone text amendment had been submitted
12 requesting that the City implement commercial design guidelines. Discussion was
13 held regarding the proposed guidelines.

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16 **Accessory Apartments**

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18 Discussion was held regarding whether or not to allow for accessory apartments in
19 more of the City's residential zones.

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22 The meeting adjourned at 9:10 p.m.

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24 **Adopted:**

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Shelley Hendrickson, Planning Secretary



Staff Report to City Council

Agenda Date:	September 23, 2010
Staff Contacts:	Dale Robinson, Dave Anderson, Bart Morrill
Reviewed By:	Junior Baker
Subject:	Landscape Architect Service Agreement

Background Discussion:

The newly adopted philosophy of turning all storm drain detention areas into open space and park land regardless of the size has created a challenge for us. It is definitely better to have these detentions be nicely landscaped rather than a pile of rocks. We will now have a variety of areas next to churches, housing developments, schools, commercial developments, etc. that we will need to design into functional open space that aesthetically enhances the city. These sites will come in all sizes, shapes and topographical variations. As we discussed how to best meet this challenge, we felt it would be in the city's best interest to solicit assistance from professional landscape architects. We would contract with a company on an as needed basis to prepare concept plans and designs for these areas. This would potentially provide a new, fresh, innovative look for each parcel of property. They would also offer solutions to solve engineering as well as topographic issues that may arise.

We anticipate paying for this work by adjusting the Fee Schedule and development application fees. The work would therefore be paid for through development application fees, such as the Preliminary Plat or Site Plan application fees. Given the relatively low cost of this work and the fact that this work will not be required on every project, it is anticipated that application fees would only rise nominally to pay for this service.

Recommendation:

Staff recommends that we contract with Project Engineering Consultants to provide this work. This is a reputable company with a strong track record in landscape architecture. They will provide the city with professional designs and recommendations for those challenging detention basins and park areas. They will be used on an as needed basis and not for every project. We are estimating approximately 2 or 3 projects per year.

Attachments:

Proposal and Agreement for Project Engineering Consultants

PROPOSED SCOPE OF WORK

SPANISH FORK CITY

August 17, 2010

Spanish Fork City
Planning and Economic Development
Attention: Dave Anderson, Director
40 South Main Street
Spanish Fork, Utah 84660

Re: Proposal to Provide Design Services for Various Park Concept Plans

Project Engineering Consultants, Ltd. (PEC) appreciates the opportunity to present this Proposal to the City of Spanish Fork(City). With our combined engineering and landscape architecture expertise, we view the various park designs as interesting and exciting projects and we have the experienced staff to match the challenges associated with those designs.

Each member of our team will incorporate the following stakeholder goals as our own:

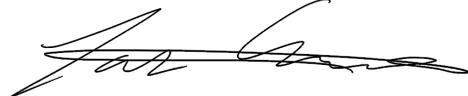
- Prepare Concept Plans for potential parks as proposed by developers or the City;
- Use the Spanish City Parks Master Plan and Guidelines as a reference in the design process; and
- Address the access and topographic challenges through creative engineering solutions for the various park sites

We have compiled a team that can achieve these goals through experienced project management, innovative ideas, and quality concept plans. Our team has the ability to work as an extension of the City of Spanish Fork with the communications and leadership that will generate a positive effect on the community.

We are very dedicated to our clients. Consequently, we are eager to prove our professional services to the City and are prepared to commit the staff, resources, and time necessary for the project's success.

Sincerely,

PROJECT ENGINEERING CONSULTANTS, LTD.



Lars Anderson, ASLA
(801) 495-4240
lars@pecutah.com

PROJECT ENGINEERING CONSULTANTS

986 WEST 9000 SOUTH, WEST JORDAN UT 84088

BUS: (801) 495-4240 FAX (801) 495-4244



PROJECT TEAM

PEC has prepared a qualified team of design professionals for the Spanish Fork Parks project. PEC contains the in-house services of licensed landscape architects, surveyors, civil engineers, utility engineers, and geotechnical engineers. We do not anticipate the need for any sub-consultants to perform engineering or landscape architectural services for the Shay Park project.

PROJECT MANAGER

Lars Anderson, ASLA

Lars leads the PEC Landscape and Environmental Division. He has 14 years of experience, having worked as a landscape architect for UDOT, a land development company, and now PEC. Most recently, he is the Project Landscape Architect for Pioneer Crossing, 2100 North, Mountain View Corridor, SR-92, and 500 South (Bountiful). His experience includes several other landscape projects for UDOT and many landscape projects for municipalities such as parks, trails, and recreational areas.

Lars is an active member of the American Society of Landscape Architects. He also sits on the State of Utah Landscape Architects Registration Board. He is a registered Landscape Architect in the State of Utah since 1998.

Lars has designed parks in several municipalities including Cedar Hills, Alpine, Saratoga Springs, South Jordan, and West Jordan, Utah. Mr. Anderson also has experience as a Project Manager for a private development company gaining experience in the entitlement and development of single family and multi-family subdivisions and housing projects. His experience combines the public and private sectors providing a unique set of skills related to the construction industry. Lars' technical background and project management experience, in combination with his team building and organization skills assure a successful Shay Park design process. From 1998 to 2006 Lars was Adjunct Faculty at Brigham Young University teaching landscape architecture courses including Park Planning.

LANDSCAPE DESIGN

Aaron Henegar, ASLA

Mr. Henegar graduated from the University of Arizona with a Masters Degree in Landscape Architecture and a Bachelors of Science in Resource Management at the University of Montana. He has planned and designed multiple neighborhood improvements that include streetscapes, multi-use trails, entry monumentation, and park development. His experience also includes responsibilities with planning and designing master-planned communities from initial concepts through construction documents. Mr. Henegar's current responsibilities include coordinating and planning for the design and aesthetics of transportation corridors such as the \$500 million Mountain View Corridor Project in Utah.

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INTERPRETIVE SIGNAGE / GRAPHICS

Bryan Hansen

Mr. Hansen has 12 years of engineering experience and has been involved in a wide variety of projects from the design phase to construction. His background experience includes utility design (electrical, telecommunications, gas, sewer and storm drain), wastewater treatment and rehabilitation, land development, traffic and transportation design. He has worked on many projects as the construction management inspector and represented many major utility companies. His wealth of experience has helped him develop great skills in public involvement in projects. Bryan has been involved in public open houses on projects and has overseen the graphical production of items for public display. He also has advanced skills in CAD design software and graphical software that will complement the public involvement portion of the Shay Park project.



UNDERSTANDING OF THE WORK

PEC will prepare concept plans for the City review based on a time and materials basis at a rate of \$75.00/hour. The City will designate a “not to exceed” number of hours for each project. PEC will work within those assigned time frames, unless approved in advance based on the design program identified for each park or project.

The City will determine which projects to assign to PEC and has the ability to continue the contract on an “on-call” basis. See the following page for the standard contract documentation.

PEC PROFESSIONAL SERVICES AGREEMENT

ARTICLE 1 – GENERAL TERMS AND CONDITIONS

- 1.1 **ENGINEER, et al.** ENGINEER and its shareholders, directors, officers, agents, representatives, employees, consultants or any of them.
 - 1.2 **CLIENT** A person or agency who engages the professional advice or services of another.
 - 1.3 **Professional Qualifications** The firm of Project Engineering Consultants, Ltd. (PEC), a Phoenix AZ, Company, is duly authorized and licensed to practice engineering in the State of Utah. The ENGINEER represents that it has the necessary expertise, experience, and is properly qualified and licensed for this work.
 - 1.4 **Performance Standard** ENGINEER's services hereunder shall be rendered consistent with and judged solely by the skill and care ordinarily exercised by members of the same profession performing like services in the State of Utah at the same time. ENGINEER disclaims any and all warranties, express or implied, regarding the quality of its services or the instruments thereof, including but not limited to warranties of fitness, merchantability, or compliance with federal, state, or local laws, rules, regulations, ordinances, or design or building codes or standards.
 - 1.5 **ENGINEER as Independent Contractor** The ENGINEER will furnish services as an independent contractor and not as an employee of the CLIENT. The ENGINEER is not entitled to any medical coverage, life insurance, or participation in any benefits afforded to the CLIENT's regular employees. As an independent contractor, the ENGINEER will be responsible for its own overhead costs and expenses (such as taxes, office space, employee benefits, etc.).
 - 1.6 **ENGINEER not to Engage in Conflicting Activities** During the time of this Agreement, the ENGINEER will not enter into any activity, employment, or business arrangement which conflicts with CLIENT's interests or ENGINEER's obligations under this Agreement. In view of the sensitive nature of ENGINEER's status, the CLIENT shall have the option of terminating this Agreement at any time if, in its judgment, a conflict of interest exists or is imminent. The ENGINEER will advise the CLIENT of its position with respect to any activity, employment, or business arrangement contemplated by the ENGINEER, which may be relevant to this Paragraph.
 - 1.7 **Proprietary Information** The ENGINEER will treat as proprietary any information belonging to the CLIENT or any third parties disclosed to the ENGINEER in course of ENGINEER's services.
 - 1.8 **Assignments** Neither party shall assign its rights or delegate its duties under this agreement without the prior, express, written consent of the other. ENGINEER may subcontract services which would be subcontracted in the normal course of business without such consent.
 - 1.9 **Supplied Information** ENGINEER, et al. are entitled to rely on any and all information supplied by, through or on behalf of CLIENT and, absent an express agreement to do so, have no legal or contractual duty to verify the accuracy of such information. CLIENT waives any and all Claims against ENGINEER, et al. arising out of actual or alleged deficiencies in any such information and agrees to hold harmless, indemnify and defend ENGINEER, et al. therefrom; excepting those arising out of the indemnitee's negligence.
 - 1.10 **Ownership of Documents** All plans, specifications, reports, notes, data, logs, diaries, and other documents, regardless of medium or content, prepared by or on behalf of ENGINEER, et al. are instruments of their respective professional services and shall remain their property. Upon payment to ENGINEER of all sums due hereunder, CLIENT is granted a non-exclusive, unassignable license to use said instrument on and for this project. Such instruments are intended for use solely by CLIENT as an integrated set on this project. Dissemination, modification or use on other projects of any and all such instruments without ENGINEER's prior express written consent shall be at CLIENT's risk. CLIENT waives and agrees to hold harmless, indemnify and defend ENGINEER, et al. from and against any and all Claims against ENGINEER, et al. arising out of any such nonpermissive dissemination, modification or use; excepting those arising out of the indemnitee's negligence.
 - 1.11 **Termination** Client may terminate this Agreement upon 15 days notice by registered or certified mail, return receipt requested, addressed to the other party. The 15 days shall be measured from the date the notice is posted. If this Agreement is terminated by either party, the CLIENT shall only be liable for payment and consulting fees incurred as a result of work actually performed prior to the effective date of the termination and any work required to organize and deliver to the CLIENT any material developed during the course of the work.
 - 1.12 **Amendments** This Agreement may be amended only by written instrument expressly referring hereto and duly signed by the parties. This Agreement constitutes the entire and integrated agreement between the parties and supersedes all prior or contemporaneous negotiations, representations and/or agreements, whether written or oral.
- ### ARTICLE 2- COMPENSATION
- 2.1 **Progress Payments** CLIENT will be invoiced at the end of the first calendar month following the effective date of this Agreement and at the end of each calendar month thereafter. Invoices shall reflect billing for work performed by ENGINEER during the month invoiced. Payment on an invoice is due upon receipt of the invoice. In the Event of a dispute regarding an invoice, CLIENT shall notify the ENGINEER of the objection with fifteen (15) days from the date of the invoice, give reasons for the objection, and shall pay all undisputed amounts as per this Article. Engineer may assess a carry charge of 1.5 percent per month on progress payments not made within thirty (30) days of the date of invoice, which charge CLIENT warrants will be paid on demand. Payment thereafter shall first be applied to accrued interest and then to the unpaid principal. The additional charge shall not apply to any disputed amount resolved in favor of the CLIENT. ENGINEER may, in its sole discretion and without notice, suspend its services hereunder should CLIENT not pay in full any amount invoiced within thirty (30) days of the date of invoice. ENGINEER further reserves the right to withhold from CLIENT any instruments of ENGINEER's services pending payment on CLIENT's account.
 - 2.2 **Reimbursable Expenses** Expenditures made by the ENGINEER, its employees or its consultants in the interest of the project, including but not limited to: transportation, subsistence and lodging when traveling in connection with the project; long distance or toll telephone calls, telegrams, messenger service, field office expenses, and fees paid for securing approval of authorities having jurisdiction over the project; reproduction, postage and handling of drawings, specifications, reports or other project-related documents; computer time including charges for proprietary programs, renderings or models shall be paid by Client.
- ### ARTICLE 3- SPECIAL TERMS AND CONDITIONS
- 3.1 **Construction Estimates** ENGINEER's opinions, if any, of probable construction costs, quantities or times are subject to change and are contingent upon persons and factors over which ENGINEER has no control. ENGINEER does not guarantee the accuracy of such estimates.
 - 3.2 **Record Documents** Any record documents provided or drafted by ENGINEER are based upon information provided by the contractor, who is to document variations between design and actual

- construction. ENGINEER is entitled to rely upon and has no legal or contractual duty to verify the accuracy of such information and does not warrant the accuracy of record documents.
- 3.3 **Access** CLIENT warrants timely access for ENGINEER, et al. to all property reasonably necessary to the performance of their services.
 - 3.4 **Problem Notification** CLIENT will provide prompt written notice to the ENGINEER whenever the CLIENT observes or otherwise becomes aware of any defect in the services being performed under this agreement. The purpose of the notice is to allow the ENGINEER an opportunity to correct the problem consistent with its desire to provide quality engineering services.
 - 3.5 **Construction Services** ENGINEER's construction observation or monitoring services, if any or unless specified otherwise, are neither exhaustive nor continuous and consist solely of periodic visits to the project site to determine whether construction is progressing in general conformance with the plans and specifications. ENGINEER is not responsible for the timeliness, means, methods or sequences of construction nor for the safety of workers or others at or near the project site. ENGINEER does not guaranty the performance of the contractor, subcontractors, suppliers or others providing labor, material or services for the project, nor is it responsible for their acts, errors or omissions. Unless expressly agreed otherwise, ENGINEER's compensation for any such services contemplates one (1) construction contract being let and construction completion within the specified time period. Should more than one (1) construction contract be let or said period for construction be exceeded through no fault of ENGINEER, ENGINEER's compensation shall be equitably adjusted. Should ENGINEER not be retained to provide construction observation, monitoring, or similar services, CLIENT waives and agrees to hold harmless, indemnify and defend ENGINEER, et al. from and against any and all Claims against ENGINEER, et al. based in whole or in part upon actual or alleged defects in construction, workmanship and/or materials; excepting those arising out of the indemnitee's negligence.
 - 3.6 **Site Conditions** Unless expressly agreed otherwise, ENGINEER's services and compensation contemplate (i) the absence of Hazardous Materials on, in or under the project site or nearby properties and (ii) site conditions like those represented in information provided by, through or on behalf of CLIENT and/or those reasonably anticipated for a site of this nature and locality. Should such Materials be discovered or should actual conditions vary materially from those represented or anticipated, either party shall have an absolute and unconditional right to terminate or suspend this agreement. CLIENT waives and agrees to hold harmless, indemnify and defend ENGINEER, et al. from and against any and all Claims against ENGINEER, et al. actually or allegedly, directly or indirectly arising out of or related to (i) the detection, generation, presence, escape, release, discharge, movement, seepage, stabilization, abatement, handling, removal, transportation, storage or disposal of Hazardous Materials and/or (ii) any material change in represented or anticipated conditions; excepting those arising out of the indemnitee's negligence.

ARTICLE 4 – CLAIMS AND DISPUTES

- 4.1 **Claims (or Claim)** Shall be defined as any and all claims, actions, causes of action, rights, demands, liabilities, damages, costs, expenses, and/or fees (incl. expert and attorneys) of any nature whatsoever actually or allegedly, directly or indirectly arising out of or related to the project, whether or not accrued, known, suspected, discovered, discoverable, and/or latent.
- 4.2 **Dispute Resolution** Any dispute related to this agreement, either parties' performance hereunder, and/or ENGINEER, et al.'s services shall be submitted to mediation before a mutually acceptable mediator prior to initiation of litigation or other formal adjudicative procedures.
- 4.3 **Limitation of Liability** In recognition and equitable allocation of the relative risks and benefits of the project, CLIENT limits, to the fullest extent permitted by law, the total aggregate liability of ENGINEER, et al. to CLIENT and all contractors, subcontractors and suppliers on all Claims arising out of, on or related to the project, to the ENGINEERS contract value or \$50,000, whichever is less. Prior to the initiation of ENGINEER's services hereunder, this limit may be increased up to ENGINEER's then effective insurance limit upon mutual agreement and CLIENT's payment of an additional fee of 0.5% of the amount of any increase in coverage.
- 4.4 **Jurisdiction; Venue** This agreement shall be interpreted and enforced according to the laws of the State of Utah. Venue of any litigation arising out of or related to this agreement or the services hereunder provided shall be exclusively in Utah County, State of Utah.
- 4.5 **Force Majeure** Any default in the performance of this agreement caused by any of the following events and without fault or negligence on the part of the defaulting party shall not constitute a breach of contract: act of God, government, or public enemy; strike; embargo; fire, flood, epidemic, unusually severe weather and/or other extraordinary natural event or disaster; and/or quarantine.
- 4.6 **Attorneys Fees** In the event of default hereunder, the defaulting party agrees to pay all costs incurred by the non-defaulting party as a result thereof, including reasonable attorney's and expert's fees, whether incurred through formal legal proceedings or otherwise.
- 4.7 **Severability Waiver** In the event any provision of this agreement is invalid or unenforceable, the remaining provisions shall remain valid and enforceable. Waiver of a breach of any provision is not a waiver of a subsequent breach of the same or any other provision.
- 4.8 **Third Party Rights** No third party beneficiary rights are created by this agreement, nor does this agreement create any cause of action in favor of any third party against either party hereto.
- 4.9 **Limitation Periods** Statutory periods of limitation for CLIENT Claims against ENGINEER, et al., shall begin to run no later than the date of substantial completion, the date of occupancy of the project or the portion of the project as to which the Claim is made, or the date of abandonment of the project, whichever date is earliest.
- 4.10 **Mediation** In addition to and prior to arbitration, the parties shall endeavor to settle disputes by mediation in accordance with the Utah State Bar (USB) regulations currently in effect unless the parties mutually agree otherwise. Demand for mediation shall be filed in Writing with the other party to this agreement and with the USB. A demand for mediation shall be made within a reasonable time after the claim, dispute or other matter in question has arisen. In no event shall the demand for mediation be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitations.

Authority from Client for Notice to Proceed

Date

Printed Name:

Title:

BILLING SERVICES AGREEMENT
[Form]

This Billing Services Agreement (this “Agreement”) is entered into by and between Gold Cross Services, Inc., a Utah corporation doing business as Gold Billing Services (“Gold Cross”), and Spanish Fork City, a political subdivision of the State of Utah (“Customer”), effective as of September 23, 2010 (the “Effective Date”).

RECITALS

- A. Gold Cross is in the business of providing billing and account receivable collection services to ambulance transport service providers in the State of Utah.
- B. Customer provides ambulance transport services, pursuant to one or more licenses issued by the Bureau of Emergency Medical Services of the State of Utah.
- C. Gold Cross desires to provide certain billing and accounts receivable services for Customer, and Customer desires to engage Gold Cross to provide such services.

AGREEMENT

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Services. Subject to the terms and conditions of this Agreement, Customer hereby authorizes and engages Gold Cross to perform, and Gold Cross hereby agrees to provide for the benefit of Customer, billing and account receivable collection services described on the attached Schedule A (collectively, the “Services”). During the Term of this Agreement, the Customer shall not engage any other individual or entity for the provision of the Services. Notwithstanding any other provision contained herein, Gold Cross shall have the right to enter into one or more agreements with other ambulance service providers for the same or similar services as are covered by this Agreement.

2. Compensation. In consideration of the Services provided to Customer by Gold Cross, Customer agrees to pay Gold Cross the following compensation:

- (a) 5.5% of the total dollar value of the amounts billed and collected for Customer by Gold Cross pursuant to this Agreement each month, less any refunds of overpayments by payors.

3. Indemnification. Customer acknowledges and agrees that Gold Cross will rely on the information submitted by Customer for use in the billing process, and Customer agrees to indemnify and hold harmless Gold Cross for any cause of action, damages, attorneys’ fees or expenses related to any legal claims that may arise out of any erroneous information provided to Gold Cross by Customer. Without limiting the foregoing, each party will indemnify, defend and hold harmless the other party and its members, managers, officers, directors, shareholders,

employees, and agents from all claims, actions, suits, proceedings, costs, expenses, damages, and liabilities, including attorneys' fees, solely arising from the acts of gross negligence or willful misconduct of the indemnifying party or its officers, directors, shareholders, employees, and agents.

4. Insurance Coverage. Gold Cross shall obtain and maintain in force during the term of this Agreement comprehensive general liability insurance, including blanket contractual liability insurance, automobile insurance, and completed operations insurance coverages with minimum limits of One Million Dollars (\$1,000,000.00) per occurrence and Three Million Dollars (\$3,000,000.00) annual aggregate. In addition, Gold Cross agrees to obtain and maintain (or otherwise provide proof of such coverage) professional liability insurance for the Services with minimum limits of One Million Dollars (\$1,000,000.00) per occurrence and Three Million Dollars (\$3,000,000.00) annual aggregate. Upon request, the parties agree to furnish to each other appropriate certificates of insurance.

5. Initial Term and Extensions. Gold Cross agrees to provide the Services, as described herein, for a period of five (5) years commencing as of the Effective Date. This Agreement shall automatically renew for successive renewal terms of one year each, unless (a) one party gives the other party written notice that the Agreement will not renew, at least thirty (30) days prior to the end of the then-current term, or (b) this Agreement is otherwise terminated under the terms hereof.

6. Termination. Either party shall have the right to terminate this Agreement upon written notice of such termination to the other party in the event that the other party is in material breach of any provision of this Agreement and the breaching party has not cured the breach within five (5) business days of receipt of notice from the non-breaching party. Gold Cross may, for any reason, terminate this Agreement upon ninety (90) days written notice to Customer. If this Agreement is terminated as provided herein, Gold Cross shall calculate and invoice Customer on the basis of actual Services performed, as described herein, and Customer shall promptly pay such invoice.

7. Public Officers' and Employees' Ethics Act. Gold Cross represents that it has not: (a) provided an illegal gift of payoff to any of Customer's officers or employees or former officers or employees, or his or her relatives or business entities; (b) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees or bona fide commercial selling agencies for the purpose of securing business; or (c) knowingly influenced any of Customer's officers or employees or former officers or employees to breach any of the ethical standards set forth in the conflict of interest policy or any of the provisions of Utah Code Title 67, Chapter 16.

8. Notice. All notices under this Agreement will be in writing and will be deemed to have been duly given if delivered personally or by a nationally recognized courier service, faxed or mailed by registered or certified national mail service, return receipt requested, postage prepaid, to the Parties at the addresses set forth below. All notices under this Agreement that are addressed as provided in this Section 8, (a) if delivered personally or by a nationally recognized courier service, will be deemed given upon delivery, (b) if delivered by facsimile, will be deemed given when

confirmed, and (c) if delivered by mail in the manner described above, will be deemed given on the date received by the recipient as reflected on the return receipt. All notices shall be directed to the parties hereto as follows:

For the Customer:

Spanish Fork City

Attn: Kent Clark
40 South Main
Spanish Fork, UT 84660
Fax: 801-804-4510
Tel: 801-804-4520
Attention:

With a copy to (which shall not constitute notice):

S. Junior Baker
40 South Main
Spanish Fork, UT 84660
Attention: City Attorney

For Gold Cross:

Gold Cross Services, Inc.
1717 South Redwood Road
Salt Lake City, UT 84104-5110
Fax: (801) 975-4373
Tel: (801) 520-9532
gmoiffitt@goldcrossservices.com
mmoiffitt@goldcrossservices.com

9. No Third Party Rights. Gold Cross's obligations under this Agreement are solely to Customer, and Customer's obligations under this Agreement are solely to Gold Cross. This Agreement shall confer no third party rights whatsoever.

10. Entire Agreement. This Agreement and the schedules and exhibits attached hereto constitute the entire agreement between the parties on the subject matter covered herein. The parties represent and acknowledge that they have not relied on any statements or promises of any kind other than those specifically set forth in this Agreement.

11. Independent Contractor. Nothing contained in this Agreement shall be construed as establishing a partnership, employment, or joint venture relationship between Customer and Gold Cross. Gold Cross will at all times be deemed to be an independent contractor of Customer, and neither party's employees or agents will be regarded as employees of the other party.

12. Waivers and Amendments. No waiver of the enforcement or breach of any agreement or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof or of the enforcement of any other agreement or provision herein contained. No extension of time for performance of any obligations or acts shall be deemed an extension of the time for performance of any other obligations or acts. This Agreement may only be amended in writing signed by each of the parties hereto. If, as the result of legislative action or rule-making, any of the provisions of this Agreement becomes inconsistent with Utah law, the parties will promptly meet to negotiate in good faith such amendments as may be necessary to comply with Utah law.

13. Severability. If any provision of this Agreement shall be held or deemed to be, or shall in fact be, invalid, inoperative or unenforceable to any extent, the remainder of this Agreement shall not be impaired and shall be enforced to the fullest extent permitted by law.

14. Force Majeure. Any delay in or failure of performance of the Services shall not constitute a default hereunder if and to the extent such delay or failure of performance is caused by occurrences beyond the reasonable control of Gold Cross or the agents of Gold Cross providing such Services, including acts of God or the public enemy; compliance with any order or request of any governmental authority; acts of war, riots or strikes or other concerted acts of personnel; network failures or failures in communications; or any other causes beyond the reasonable control of Gold Cross or agent of Gold Cross providing such Services, whether or not of the same class or kind as those specifically identified above; provided that Gold Cross must (a) promptly notify Customer in writing and furnish all relevant information concerning the event of force majeure; (b) use reasonable efforts to avoid or remove the cause of nonperformance; and (c) proceed to perform its obligations when such cause is removed.

15. Section Headings. The headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

16. Counterparts. This Agreement may be executed in one or more counterparts, each of which when so executed shall be deemed an original, but all of which together shall constitute one instrument.

17. Choice of Law. The interpretation of this Agreement and any dispute concerning its provisions shall be governed by the laws of the State of Utah.

18. Confidentiality. The parties shall maintain the confidentiality of patient medical records in accordance with state and federal laws. Each party further acknowledges that information regarding the other party and its business operations, including, but not limited to, procedures, policies, programs, billing codes and system, reimbursement schedules, contracts, business plans and such other business records is proprietary and confidential. Each party agrees to hold such information in strict confidence and not to disclose or make available such information to any third party, except as required by law. This provision shall survive any termination of this Agreement.

19. Assignment. This Agreement may not be assigned by either party without the written consent of the other party. If consent to an assignment is obtained, this Agreement is binding on the successors and assigns of the parties to this Agreement. Notwithstanding any provision of this Agreement to the contrary, Gold Cross shall have the right to assign or otherwise transfer its interest under this Agreement to any “related entity.” For the purposes of this section, a related entity shall be deemed to include a parent, subsidiary, any entity that acquires all or substantially all of the Gold Cross assets or operations relating to this Agreement, and the surviving entity of any merger or consolidation involving Gold Cross. Any assignment to a related entity shall not require the consent or approval of Customer in order to be effective.

20. Authority. The individual(s) executing this Agreement on behalf of, or as a representative for a corporation or other person, firm, partnership or government entity, represents and warrants that he or she is duly authorized to execute and deliver this Agreement on behalf of the corporation, person, firm, partnership or government entity and that this Agreement is binding upon the entity in accordance with its terms.

21. Use and Disclosure of Protected Health Information. Gold Cross is a “covered entity,” as that term is defined in the HIPAA Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 160 and Part 164, Subparts A and E (the “Privacy Rules”), and, as such, must comply with the Privacy Rules. The Privacy Rules require Gold Cross to enter into an agreement containing minimum safeguards with each of its “business associates” as that term is defined in 45 C.F.R. § 160.103 (the “Business Associate Agreement”). Customer is a business associate of Company pursuant to the Privacy Rules, and, consequently, the parties must enter into the Business Associate Agreement, substantially in the form set forth as Schedule C hereto.]

(Rest of Page Intentionally Left Blank)

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the Effective Date.

SPANISH FORK CITY

GOLD CROSS SERVICES, INC.

Signature

Signature

Title

Title

Dated

Dated

SCHEDULE A

Description of the Services

I. Gold Cross Shall Provide the following services:

Billing Agent. Gold Cross, as the authorized billing agent for Customer, shall provide billing and account receivable collection services for ambulance services provided by [Customer or Customer's ambulance services provided by third parties], all as directed by Customer. Using Electronic Patient Data (as defined below), Gold Cross will create, make inquiries with respect to, process, and follow up on, billings to Medicare, Medicaid, insurance companies as applicable, other third party payors, and/or patients. Gold Cross's billing and account receivable collection services shall be conducted in accordance with applicable laws, special instructions from Customer, and Gold Cross's policies and procedures in effect from time to time. Gold Cross shall not be responsible to Customer, Medicare, Medicaid, insurers, other third party payors, or patients if the services or documentation provided by Customer to Gold Cross are inaccurate or incomplete or otherwise failed to meet the medical requirements of the patient.

II. Responsibilities of Customer.

In addition to Customer's other obligations under this Agreement, Customer shall be responsible for the following:

A. Ambulance Service Charges. In order to enable Gold Cross to provide the billing and accounts receivable collection services contemplated by this Agreement, Customer shall provide to Gold Cross a current listing of all rates and charges it intends Gold Cross to use to bill for ambulance transportation, disposable supplies, and/or any other product or service for which Customer intends to charge.

B. Electronic Patient Data. Customer will transmit to Gold Cross all ambulance trip ticket information in electronic format. The information provided electronically (hereinafter referred to as "Electronic Patient Data") is necessary for Gold Cross to complete its Services and contains EMS Data that may be required by law to be reported to the State of Utah. To transmit Electronic Patient Data to Gold Cross, Customer shall use computer equipment ("Equipment") owned or leased by it, and Gold Cross shall be under no obligation to provide Equipment to Customer hereunder. Customer agrees that it shall only use that certain licensed software identified as ESO Pro™ Software (the "Software"), licensed by Customer for the purpose of recording and transmitting to Gold Cross the ambulance trip ticket information described herein. Gold Cross agrees to provide the Software to Customer to be installed on Customer's Equipment. Customer shall obtain any and all necessary non-exclusive, world-wide, non-transferable licenses (the "Licenses") for Customer's use of the Software during the term of this Agreement. Customer is solely responsible for the maintenance and operability of the Software and the Equipment.

C. Daily Uploading Electronic Patient Data. Customer personnel will, on a daily basis, export over an appropriate, available internet connection the Electronic Patient Data

identified in Section II.B above, to the ESO Solutions, Inc.'s Network (the "Network") so that Gold Cross may download the Electronic Patient Data into Gold Cross's billing system. Customer is solely responsible for obtaining and providing its own broadband connection(s) to the Internet, and Gold Cross makes no representations to Customer regarding the advisability of any provider or particular network. Gold Cross takes no responsibility for, or makes any representation with respect to, the accuracy and/or security of the Electronic Patient Data and/or the maintenance or functionality of the Network.

III. Additional Responsibilities of Gold Cross.

In connection with the foregoing and as part of the Services, Gold Cross will be responsible for the following:

A. Payments Received. Gold Cross will receive and post payments for Customer's billed accounts receivables. Receipts of payment from billed accounts receivables will be deposited, in a timely manner, in an established account with bank designated by Customer. It is understood that certain payors will transmit their payments using an Electronic Funds Transfer ("EFT") process. In these cases, the payor will send its payment with an electronic explanation of benefits ("EOB") to Gold Cross. The EOB allows Gold Cross to accurately post payments to the correct patient account.

B. Collections Activities. Gold Cross will utilize its established system of billing, collection, phone calls, letters, and notices for a period of one hundred eighty (180) days. Gold Cross is responsible for the cost of forms, processing, and postage. It is expressly understood by Customer that Gold Cross does not guarantee the performance or collectability of any accounts receivable. Unless instructed by Customer to do otherwise, Gold Cross will on a periodic basis provide Customer with a list of accounts older than 180 days. Customer will then decide whether or not to write the account off or pursue more aggressive collection action. The decision made by Customer must be forwarded to Gold Cross for appropriate action.

C. Records Ownership and Access. The records of Customer held within the offices of Gold Cross shall remain the property of Customer and shall be available for access and review by Customer at during normal business hours upon providing Gold Cross reasonable notice.



Memo

To: Mayor and City Council
From: Richard Heap, Public Works Director/City Engineer
Date: September 20, 2010
Re: Electric Cost of Service and Rate Study

Staff Report

Here is a copy of the Electric Cost of Service and Rate Study Proposal. A rate study should be done periodically to ensure that rates are fair and appropriately distributed to commercial, industrial and residential users. The Utah Municipal Power Association (UMPA) recently pass on some significant rate increases to the city. We have not conducted a comprehensive rate study for quite some time and with UMPA rate increases we feel it would be wise to do this cost of service and rate study. Sawvel and Associates had the low bid at \$21,000 which was well within our budget for this project. We therefore recommend that the city council approve the contract to conduct this rate study.

Attached: Electric Cost of Service and Rate Study Proposal from Sawvel and Associates Inc.





August 5, 2010

Mr. Kelly Peterson, Electric Supervisor
Spanish Fork City Corp.
40 South Main Street
Spanish Fork, UT 84660

**RE: Electric Cost of Service and Rate Study Proposal
Work Order No. 0501.002**

Dear Kelly:

Sawvel and Associates, Inc. (Sawvel) is pleased to provide this proposal to Spanish Fork, Utah (City) to prepare a Cost of Service and Rate Study. This proposal provides background information, the purpose of the proposed Study, Sawvel's approach to the Study, schedule and compensation.

BACKGROUND

The City owns and operates a municipal electric utility system. The City's electric system provides electric service to approximately 10,000 customers located in and around the City. The City is a member of the Utah Municipal Power Agency (UMPA) that provides power supply resources for the power and energy needs of the City's customers. We understand the UMPA wholesale energy rate is increasing approximately 20%. The City wants electric rates charged to retail customers to reflect the changes in the power supply cost structure and to recover costs fairly and equitably among rate classes.

The City is empowered to establish rates and charges for the services provided by the electric system to customers to provide revenues sufficient to cover the cost of maintaining its electric system, including the cost of acquiring property and constructing facilities to provide electric service, and to comply with debt service and associated bond covenant obligations as well as maintain adequate reserves and fund balances (collectively referred to as the "revenue requirements" of the City's electric system).

The City's electric system revenue requirements have increased in recent years primarily because of increases in power supply costs. This in turn has resulted in changes to the costs incurred by the City to serve each of the various customer classes (i.e., often referred to as the customer class "cost of service").

The City wishes to maintain rate competitiveness with neighboring electric utility rates and to recover revenues from each customer rate class proportionate to the costs incurred by each rate class.

PURPOSE

The purpose of this Study is to develop retail electric rates that are fair and equitable and recover revenue requirements. A Purchased Power Adjustment is to recover power supply costs that are not included in base rates. Rates should be set at a level that maintain funds to recover local customer and distribution costs.

APPROACH

We will gather and review required information, including financial and technical data, billing information, rate schedules and other information relating to the Electric System expenses. The information will be used to prepare projected revenue requirements for FY2010 to FY2015. Revenue requirements will include a test year for the cost of service. A projected revenue requirements status report will be prepared and presented to the City. After the City approves the projected revenue requirements, a cost of service analysis will be prepared. The results of the cost of service analysis will be presented to the City. After the City reviews and approves the cost of service analysis results, a rate plan will be prepared using the cost of service analysis as a consideration. Electric rate schedules will be prepared and typical bills using the new rates will be compared to bills using existing rates and rates from neighboring utilities.

A draft report of the cost of service and rate study will be prepared and presented to the City. After the City reviews and provides comments on the draft report, the report will be finalized and copies will be delivered to the City.

To execute this assignment, the following tasks will be completed:

Task 1 – Collect Data and Information

Customer, billing and financial information will be requested. See the attached Cost of Service and Rate Study Information Requirements for a list of information needed for this effort.

To the extent that portions of the requested data are not readily available in the form requested, we will work with the City to identify alternative means of obtaining the material.

We understand the City operates on a fiscal year beginning July 1 and ending June 30. The financial analysis and report in this study will reflect the City's fiscal year.

Task 2 – Project Revenue and Revenue Requirements

Revenue requirements are costs associated with the operation, maintenance, capital improvements, transfers and/or deposits of electrical utility monies to other funds and debt service less non-operating revenues. Revenue requirements will be projected for the five-year period, FY2010 to FY2015. Revenue requirements will be developed to include a net margin equivalent to the net margin from the most recent fiscal year or as specified by the City.

Revenue requirements will include the following cost categories:

- Power Supply
- Transmission
- Distribution
- Customer Accounting
- Customer Service
- Operation and Maintenance
- Administrative and General Expenses, Taxes and Contribution in Lieu of Taxes
- Funds to Support Annual Capital Expenditures
- General Fund Transfers
- Debt Service Requirements
- Operating Margin

Task 3 – Prepare Revenue Requirements Status Report

A status report showing projected revenue requirements will be prepared and provided to the City. The report will include projected load forecast, power supply costs and revenue requirements. We will meet with the City via conference call or in person, if requested by the City, to review the projected revenue requirements status report and to select a test year for the cost of service study. The cost of service analysis will not be prepared until the City approves the revenue requirements.

Task 4 – Prepare Cost of Service Analysis

The cost of service study assesses the level of revenue recovery required from each customer rate class. The cost of service is not the only factor that should be considered when developing new rates. However, the cost of service rate levels provide an important measure of revenue that may be needed to ensure an equitable recovery of costs from each rate class.

We will prepare the cost of service analysis based on traditional cost of service methods for municipal utility systems. The cost of service subtasks include the following:

- **Functionalization** - This separates the rate base and expenses into functions such as production, transmission, distribution and customer related. Functionalization is important because it provides data needed to identify investment and costs to be applied to each class of service.
- **Classification of Costs** - As a basis for the allocation to individual rate classes, we will classify the test year costs as: 1) demand; 2) energy; 3) customer and 4) direct costs.
- **Development of Allocation Factors** - Based on the characteristics of the City's rate classes, allocation factors based on energy, peak demand, non-coincident demand and number of customers will be developed for each cost component. The allocation factors will be used to allocate test year costs to each rate class.
- **Calculation of Allocated Cost of Service** - Using the allocation factors developed above, the allocated cost of serving each rate class will be calculated. The resulting cost allocations will be used to develop electric rates in Task 6.

The cost of service study will be conducted for each of the following rate classes:

1. Residential Service
2. General Service
3. Large Power

We will provide cost of service rates for each rate class and compare the cost of service results to revenues from each rate class using the City's current rates.

Task 5 – Cost of Service Status Report

A status report showing the cost of service results will be prepared and provided to for the City. The report will include a comparison of revenue from existing rates to the cost of service by rate class. We will meet with the City to review the cost of service status report via conference call or in person if requested by the City. A rate plan will not be prepared until the City approves the cost of service results.

Task 6 – Development of Electric Rates

Based on the results of the cost of service model, we will prepare rates and rate structures appropriate for the City. The power cost adjustment will be reviewed and continued to be applied to the rates to pass through changes in power supply costs.

Electric rate schedules will be prepared for the City's review. Typical Bill Comparisons will be prepared at various usage levels showing how customer bills using the City's existing rates compare to proposed rates and PacifiCorp rates.

Task 7 – Prepare Report

A draft of the final report will be prepared. After receiving comments from the City, a final report will be prepared and five (5) copies of the final report and rate schedules will be delivered to the City.

MEETINGS

Meetings and teleconferences will be conducted with the City to discuss and review project activities. We will attend additional meetings as requested and authorized by the City.

SCHEDULE

We expect to complete the study four months from the time that all information is received. We anticipate providing a draft revenue requirements status report to the City two months after receipt of requested data and information.

COMPENSATION

The estimated compensation amount for this effort is \$21,000. The estimated compensation does not include meetings in Spanish Fork. Sawvel will invoice monthly for time and expenses incurred during the previous month in accordance with the then current Standard Billing Schedule (see attached). We will not exceed the estimated compensation amount without prior approval from the City. City shall make prompt payments in response of our monthly invoices

Mr. Kelly Peterson

August 5, 2010

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as set forth in Section 4 – Payments to Sawvel of the Professional Consulting Services Agreement.

If you have any comments or questions regarding this proposal or the attached information request, please call me at (419) 422-4812, extension 104.

Sincerely,

A handwritten signature in cursive script, reading "Donald E. Gruenemeyer". The signature is written in black ink and is positioned above the typed name.

Donald E. Gruenemeyer, P.E.

DEG:bks

SAWVEL AND ASSOCIATES, INC.
STANDARD BILLING SCHEDULE FOR CONSULTING SERVICES
(Effective January 1, 2010)

LABOR

<u>Employee Classification</u>	<u>Hourly Rates</u> <u>As of 1/1/10</u>
Managing Executive	\$159.00
Principal Executive	\$145.00
Executive	\$137.00
Principal	\$122.00
Supervisor	\$110.00
Senior	\$100.00
Associate	\$ 95.00
Analyst	\$ 85.00
Assistant	\$ 74.00
Technician	\$ 64.00
Office Services	\$ 50.00

EXPENSES

Expenses will be at the cost or rate associated with the expense incurred in completing the services. Expenses include, but are not limited to, travel, facsimile, copying, postage and shipping, computer services and other direct expenses.

**COST OF SERVICE AND RATE STUDY
INFORMATION REQUIREMENTS
SPANISH FORK, UT**

Please send requested information to

SAWVEL AND ASSOCIATES, INC.

Don Gruenemeyer or Dale Sleppy
100 East Main Cross Street, Suite 300
Findlay, Ohio 45840-4889
419-422-4812 (ext. 104 Don or ext. 107 Dale)
Fax 419-423-5076
Email: degruen@sawvel.com or dksleppy@sawvel.com

Please send the following information in electronic format if available:

GENERAL INFORMATION

1. UMPA wholesale rate schedule and agreement.
2. Spanish Fork retail rate schedules.
3. Copies of ordinances, resolutions, rules, or regulations that apply to electric rates.

CUSTOMER BILLING INFORMATION

3. Customer sales information *by customer rate class for* Residential (RS) by month for FY2008, FY2009 and FY2010 year to date.
 - a. Energy Sales (kWh)
 - b. Number of customers
 - c. Revenue (\$) by the following categories:
 1. Customer Charge
 2. Energy Charge
 - d. Are there any taxes that are applied to the customer bill? If so, please provide the name of the tax and how it is charged.
4. Customer sales information for General Service (GS) by month for FY2008, FY2009 and FY2010 year to date.
 - a. Energy Sales (kWh)
 - b. Number of Customers
 - c. Metered Demand (kW)
 - d. Revenue (\$) by the following categories:

1. Customers Charge
 2. Demand Charge
 3. Energy Charge
5. Customer sales information for General Service-2 (GS-2) by month for FY2008, FY2009 and FY2010 year to date.
- a. Energy Sales (kWh)
 - b. Number of customers
 - c. Metered demand
 - d. Revenue (\$) by the following categories:
 1. Customer Charge
 2. Demand Charge
 3. Energy Charge
6. For *each customer* served under the Large Power Service (LS) rate class, please provide the following information by month for FY2008, FY2009, and FY2010 year to date:
- a. Energy Sales (kWh)
 - b. Metered Demand (kW)
 - c. Billing Demand
 - d. Power Factor
 - e. Indicate whether the customer is served at 3-phase, primary voltage or secondary voltage.
 - f. Indicate if the customer transformer is utility owned or owned by the customer.
 - g. Revenue (\$) by the following categories:
 1. Customer Charge
 2. Demand Charge
 3. Energy Charge
 - h. Are there taxes that are applied to the customer bill? If so, please provide the name of the tax and how it is charged.
7. Street Lighting (ST)
- a. Number of lights by wattage and bulb type
 - b. Revenue from street lighting by month for FY2008, FY2009 and FY2010 year to date.
8. Security Lighting Service (SL)
- a. Number of Lights by wattage and bulb type.
 - b. Revenue from security lights by month for FY2008, FY2009 and FY2010 year to date.
9. Free Services or own use is electric service used by the Village that does not provide revenue to the electric system. Some examples of free services are Village Owned Facilities, Street Lights, Traffic Lights, etc. If the Village has any of these types of

services please provide the following by month for FY2008, FY2009 and FY2010 year to date:

- a. Name of facility
- b. Energy Consumption (kWh)
- c. Metered Demand (kW), if applicable
- d. Number of Street Lights (by wattage and bulb type)

HISTORICAL AND PROJECTED OPERATING EXPENSES AND NON-RETAIL SALES REVENUES

10. Fiscal year 2008, FY2009, and FY2010 year to date operating and maintenance expense details by account number.
11. Fiscal year 2008, FY2009, and FY2010 year to date non-retail sales revenue by account number.
12. Fiscal year 2010 and FY 2011 Operating and Maintenance Budget by account number.
13. Most recent fiscal year-end balances of plant in service (original cost, depreciation and current value of electric system) for the following:
 - a. Production Plant, including but not limited to:
 1. Land and Land rights
 2. Structures and Improvements
 - b. Transmission, including but not limited to:
 1. Land and land rights
 2. Towers
 3. Poles
 4. Fixtures
 - c. Distribution, including but not limited to the following:
 1. Load Dispatch (SCADA)
 2. Land and land rights
 3. Structures and Improvements
 4. Distribution system equipment
 5. Distribution lines
 6. Transformers
 7. Substations
 8. Poles
 9. Meters and services
 10. Security lights
 11. Street lights
 12. Traffic lights

- d. General, including but not limited to the following:
 1. Land and Land rights
 2. Billing and accounting
 3. Structures and Improvements
 4. Office equipment
 5. Tools
 6. Vehicles
14. Projected Capital Improvements for FY2010 through FY2015 (funded by debt service or revenue).
15. Annual Principal and Interest for existing debt for all electric system bonds and notes for FY2010 through FY2015. Include official statements for each bond issuance if available.
16. Monthly power supply bills for May, 2008 to FY2010 year to date.

ADDITIONAL INFORMATION

17. Copy of most recent cost of service and rate study prepared for the City.
18. Anticipated growth by rate class from planned development projects or new customers.
19. Copies of the electric utility audited financial statements for FY2008 and FY2009 (if available).
20. Please provide any other rate classes, expenses, revenue or other information not requested in this document that would be helpful to complete this study.



Staff Report to City Council

Agenda Date:	September 23, 2010
Staff Contacts:	Dale Robinson, Bart Morrill
Reviewed By:	Dave Oyler
Subject:	North Park Connector Trail Change Order #2

Background Discussion:

Sunroc is currently working on the North Park Connector Trail that goes from Chappel Drive to Center Street along Highway 6. We would like to connect the trail from Chappel Drive through the New North Park. Sunroc has agreed to complete that additional work under their existing contracted price which is very reasonable. The change order #1 which was approved last council meeting was to have Sunroc do a portion of the river trail at those same contracted prices.

The trail from Chappel Drive clear to Main Street is part of the original design for the park and is included in the existing budget. We decided to construct the trail through to the west end of north park and wait on the piece going all the way to main. The only reason we are asking for this change order is because we decided to change the design and put in an asphalt trail instead of a concrete one which will save a significant amount of money. Otherwise the trail would already have been constructed with the concrete bid. Since we didn't do that we are left with a vital piece of our trail undone and would like to complete it with this change order.

The second part of this change order is to have Sunroc install environmental controls along the River Trail Project. These controls need to be installed immediately to accommodate the inspection process we are under for the River Trail grant.

Budgetary Impact:

The estimated cost is \$51,635 which is under the budgeted amount for trails in this project and will therefore have no additional impact on the budget. The entire North Park project will be significantly under budget.

Alternatives:

We could construct just a portion of the trail. Contract change order number 2b shows the estimated cost of building the section from Chappel Drive to the East end of North Park which would be \$26,510.

Recommendation:

The staff recommends that the council approve the change order 2a which will allow construction of the trail from Chappel Drive through the New North Park. This will complete the project as was originally intended. The portion of the trail through the park is necessary to finish the park on the back end. Everything has been landscaped to that point. It would be a shame to build this beautiful state of the art park and leave a fourteen foot section of dirt for weeds to grow on. The reason we are constructing the North Park Connector Trail is so we have a connection with North Park for those on the East side of town. We would like to see the project completed at the current price and not have to come back later and pay significantly more for the much needed connection. These sections of trail are important pieces of our trails master plan.

Staff also recommends approval of the second part of the change order which is to add silt fence and waddle rolls for erosion control to stay in compliance with environmental controls required by our River Trail Grant. This will be just under \$30,000.

Attachments:

Contract Change Order Number 2a

Contract Change Order Number 2b

Spanish Fork City

Contract Change Order

Change Order Number: **2a**

Contract for	North Park Connector Trail - 2010	Date:	9/15/2010
Owner	Spanish Fork City		
To	Sunroc		

You are hereby requested to comply with the following changes from the contract plans and specifications:

Description of Changes (Supplemental Plans and Specifications Attached)	Decrease in Contract Price	Increase in Contract Price
North Park Trail		
Demolition / Clearing & Grubbing @ \$3.10 / LF		\$ 7,285.00
Untreated Base Course 940 Tons @ \$15.00 / Ton		\$ 14,100.00
Engineered Fill @ \$22.00 / Ton		\$ 4,400.00
10 Foot Trail (2½" HMA) = \$11/ LF		\$ 25,850.00
River Bottoms Trail		
Supply and install Erosion Control Silt Fence 16,000 LN FT @ \$1.15 / LN FT		\$ 18,400.00
Supply and install Erosion Control Waddle Rolls 5,500 LN FT @ \$1.80 / LN FT		\$ 9,900.00
TOTALS :	\$ -	\$ 79,935.00
NET CHANGE IN CONTRACT PRICE :	\$ -	\$ 79,935.00

JUSTIFICATION

The proposed change order allows the City complete the North Park Trail in the 2010 construction season.

The amount of the contract will be increased by the sum of : Seventy Nine Thousand Nine Hundred Thirty Five Dollars and 00/100.
Dollars \$ 79,935.00

The contract total including this and previous change orders will be : Five Hundred Ninety Three Thousand Four Hundred Sixty Nine Dollars and 70/100.
Dollars \$593,469.70

This document will become a supplement to the contract and all provisions will apply herein.

Requested: _____ (Owner)	Date: _____
Recommended: _____ (Owner's Architect/Engineer)	Date: _____
Accepted: _____ (Contractor)	Date: _____

Spanish Fork City

Contract Change Order

Change Order Number: **2b**

Contract for	North Park Connector Trail - 2010	Date:	9/15/2010
Owner	Spanish Fork City		
To	Sunroc		

You are hereby requested to comply with the following changes from the contract plans and specifications:

Description of Changes (Supplemental Plans and Specifications Attached)	Decrease in Contract Price	Increase in Contract Price
North Park Trail		
Demolition / Clearing & Grubbing @ \$3.10 / LF		\$ 3,410.00
Untreated Base Course 440 Tons @ \$15.00 / Ton		\$ 6,600.00
Engineered Fill @ \$22.00 / Ton		\$ 4,400.00
10 Foot Trail (2½" HMA) = \$11/ LF		\$ 12,100.00
River Bottoms Trail		
Supply and install Erosion Control Silt Fence 16,000 LN FT @ \$1.15 / LN FT		\$ 18,400.00
Supply and install Erosion Control Waddle Rolls 5,500 LN FT @ \$1.80 / LN FT		\$ 9,900.00
TOTALS :	\$ -	\$ 54,810.00
NET CHANGE IN CONTRACT PRICE :	\$ -	\$ 54,810.00

JUSTIFICATION

The proposed change order allows the City complete the North Park Trail from Chappel Dr. to the East side of the North Park in the 2010 construction season and install SWPPP according to State permit.

The amount of the contract will be increased by the sum of : Fifty Four Thousand Eight Hundred Ten Dollars and 00/100.
Dollars \$ 54,810.00

The contract total including this and previous change orders will be : Five Hundred Sixty Eight Thousand Three Hundred Forty Four Dollars and 70/100.
Dollars \$ 568,344.70

This document will become a supplement to the contract and all provisions will apply herein.

Requested: _____ (Owner)	Date: _____
Recommended: _____ (Owner's Architect/Engineer)	Date: _____
Accepted: _____ (Contractor)	Date: _____



PRELIMINARY PLAT

REPORT TO THE CITY COUNCIL SPANISH HIGHLANDS NORTH PRELIMINARY PLAT

Agenda Date: September 23, 2010.

Staff Contacts: Dave Anderson, Community Development Director.

Reviewed By: The Development Review Committee, Planning Commission.

Request: The applicant is requesting to have a Master Planned Development approved.

Zoning: R-1-12.

General Plan: Residential 2.5 to 3.5 units per acre.

Project Size: 35.17 acres.

Number of lots: 112.

Location: Approximately 1400 East 400 North.

Background Discussion

Spanish Highlands North is a development that was originally approved as a Master Planned Development in 2007. As no plats within the development have been recorded, the development's approval expired one year after the original approval.

Both the Planning Commission and Development Review Committee have recommended that the proposed plat be approved. Accompanying this report are images which reflect most of the changes recommended by both the Planning Commission and Development Review Committee. The one apparent exception involves 2000 East. The Planning Commission recommended that 2000 East be constructed through this development as a Local Street, in accordance with the City's Transportation Element of the General Plan. The applicant's most recent submittal only reflects the Commission's recommendation on a portion of 2000 East.

Development Review Committee

The Development Review Committee reviewed this request in their August 25, 2010 meeting and recommended that it be conditionally approved. Draft minutes from that meeting read as follows:

Spanish Highlands North

Applicant: Ivory Homes

General Plan: Residential 2.5 to 3.5 units per acre

Zoning: R-1-12

Location: 1400 East 400 North

Mr. Anderson asked Mr. Johnson to talk through what the engineering issues were and explained that the detention basin had been added and that the lot count was 115 lots, which was a three-lot increase from the original approval. The detention basin was shown.

Mr. Johnson said they had surveyed the road and that the storm drain would be fine as long as Maple Mountain developed soon; however, if it did not,

then the applicant would have to retain all of their storm water on site or obtain an easement to retain it elsewhere. Mr. Johnson said that the Engineering Department recommended that they start on the north end of the proposal.

Mr. Burdick explained that he felt 1950 East would be a main route and would like to see a roundabout constructed at the intersection of 1950 East and 130 North.

Discussion was held regarding roads and that they would need to be built to their finished width with connector's agreements, phasing plans and easements dedicated to the City.

Mr. Anderson asked Mr. Mackay what their first phase would be. He said the west half of the southern parcel and then up into the Staehli portion.

Mr. Peterson said that his only concern was regarding how the proposal would be phased and the reimbursement for the Strawberry buyout.

Mr. Anderson said that the latest proposal was that the detention basin would be constructed with amenities in exchange for the additional units of bonus density. He feels, however, for several different reasons, that it is in the City's best interest to buy the land from Ivory for the basin and use our storm drain impact fees to construct the basin. With that being the case, he believes the development should only be approved for 112 lots.

Mr. Mackay said that he felt that proposal was fair and that he would be willing to do that.

Mr. Anderson **moved to approve** the amended Preliminary Plat for Spanish Highlands North based on the following findings and subject to the following conditions:

Findings:

1. That the City Council approved the project with 112 lots in 2007.
2. That the applicant has installed infrastructure through these properties in anticipation of developing 112 lots.
3. That the applicant has complied with our Storm Drain Master Plan; which warrants the bonus density that would be awarded to obtain 112 units.

Conditions:

1. That the applicant provides the City with a detailed phasing plan.
2. That the applicant provides the City a redesigned plat that contains 112 lots and a roundabout at the intersection of 130 North and 1950 East.
3. That the approval be subject to Ivory Homes providing any necessary easements for road right-of-way and infrastructure.

Mr. Baker **seconded** and the motion **passed** all in favor.

Planning Commission

The Planning Commission reviewed this request in their September 1, 2010 meeting and recommended that it be conditionally approved. Draft minutes from that meeting read as follows:

Spanish Highlands North

Applicant: Ivory Homes

General Plan: Residential 2.5 to 3.5 units per acre

Zoning: R-1-12

Location: 1400 East 400 North

Mr. Anderson gave background on the proposal and explained that a Final Plat had never been recorded so the Preliminary Plat expired. He said that the applicant had re-submitted and that staff recommended re-approval of the project in the form it was originally approved (the exact same layout as in 2007). He further explained that the applicant had installed infrastructure in anticipation of developing the property as it was approved in 2007. He further explained that since 2007 the City had a more detailed plan on how to handle storm water and that a regional detention basin facility would be needed in the proposed development. He said that Ivory Homes had included 112 lots (which is what the project was originally approved for), a detention basin in this proposal as well as a turnaround at the intersection of 130 North and 1950 East on the plat and that the plat was consistent with what City staff asked for. He said City Staff recommended approval with the condition that the City be reimbursed for what they paid to buy out the power at annexation, before recordation.

Chairman Christianson verified with Mr. Anderson that what he was looking at was the revised plat that staff recommended approval on. Mr. Anderson agreed.

Commissioner Marshall asked what the designation was on the streets in the proposal. Mr. Anderson

explained that the streets had been constructed as minor collector streets even though today our Transportation Element would have them be constructed differently.

Discussion was held regarding narrowing the streets and where a good transition would be.

Commissioner Gonzalez recalled a discussion about people not wanting a road to go between the proposed development and an adjacent development and asked for Mr. Anderson's input. Mr. Anderson asked the Commissioners to look at the connectivity of the streets relative to how traffic moves through neighborhoods and said that the streets between developments would need to connect.

Chairman Christianson verified that density was not increasing, that some lots were smaller and a detention basin added. Mr. Anderson agreed.

Mr. Anderson explained that the City would be paying the expense for the detention basin and discussion ensued regarding impact fees.

Chairman Christianson said that he felt that the developer should pay for some of the detention basin even though it was a regional basin.

Mr. Anderson explained the City's storm drain impact fees.

Mr. Mackay said that he did not have anything to say but would answer any questions that the Commission might have. The Commission did not have any questions.

Mr. Anderson said that Cut Bridge was a facility that was perhaps being overused and asked the City Engineer to explain the future of the facility.

Commissioner Gonzalez said that citizens have asked questions about whether or not the roads and infrastructure can support this proposal and other growth in this part of the City. He said as we look at these developments we have a few things that need to be addressed such as recreation, trails and traffic.

Mr. Anderson said that the City has prepared master plans for transportation and recreation both of which had been created within the last two years. He said the documents were available on the City's website for anyone to view. He explained that planning for trails was relatively easy and that the City has recognized the need for trails

and has required developers to build trails. He further explained that the City's best tool was to require them to be developed with construction and that was why there currently is only a patchwork of trails throughout the community. He said that the City has been proactive in obtaining grant money to construct trails and explained where the City is currently constructing trails.

Mr. Burdick explained that in 2007 a master transportation plan (Transportation Element) was adopted and it specifically showed the traffic light at Center Street and Cut Bridge would need to be re-designed. He explained that Final Plats were what triggered improvements and not Preliminary Plats. He further explained that growth was happening very fast on the east bench and that his department was compiling an RFP for the design and re-construction of the Cut Bridge. He said that the most logical time-frame and best circumstance would be to have the bridge done by August of 2011 but would be the City Council's decision as to when the bridge is constructed.

***Tyler Cope arrived at 6:41 p.m.*

Discussion was held regarding whether or not current residents pay for new development, impact fees and facility increases due to new growth. Mr. Anderson said that he felt that the City had impact fees in place now and that current residents would not be paying for new growth.

Commissioner Gonzalez asked Mr. Mackay for a timeline on his development.

Mr. Mackay said that based on the rate of sales he felt that it would be around five years to construct 112 lots.

Mr. Anderson explained that the City was typically behind on fixing development problems.

Commissioner Marshall **moved** to recommend to the City Council **approval** of the Spanish Highlands Preliminary Plat located at approximately 1400 East 400 North based on the following findings and subject to the following conditions:

Findings:

1. That the City Council approved the project with 112 lots in 2007.
2. That the applicant has installed infrastructure through these properties in anticipation of developing 112 lots.

3. That the applicant has complied with our Storm Drain Master Plan, which warrants the bonus density that would be awarded to obtain 112 units when added to the proffered installation of the trail and other improvements along 400 North and the proffered construction of the round-a-bout at the intersection of 130 North 1950 East.

Conditions:

1. That the applicant provides the City with a detailed phasing plan.
2. That the approval be subject to Ivory Homes providing any necessary easements for road right-of-way and infrastructure prior to the approval of the first Final Plat.
3. That the applicant will reimburse the City for the power buyout that took place when the subject property was annexed in 2007.
4. That the road designated 2000 East be re-designed as a local street and not a collector.

Commissioner Stroud **seconded** and the motion **passed** all in favor by a roll call vote.

Budgetary Impact

As proposed, the City would assume the obligation to purchase the land associated with the proposed storm drain detention basin and to construct the necessary improvements within that basin. No other budgetary impact is anticipated.

Recommendation

Staff recommends that the proposed Preliminary Plat for Spanish Highlands North be approved based on the following findings and subject to the following conditions:

Findings:

1. That the City Council approved the project with 112 lots in 2007.
2. That the applicant has installed infrastructure through these properties in anticipation of developing 112 lots.
3. That the applicant has complied with our Storm Drain Master Plan, which warrants the bonus density that would be awarded to obtain 112 units when added to the proffered installation of the trail and other improvements along 400 North and the

proffered construction of the round-a-bout at the intersection of 130 North 1950 East.

Conditions:

1. That the approval be subject to Ivory Homes providing any necessary easements for road right-of-way and infrastructure prior to the approval of the first Final Plat.
2. That the applicant will reimburse the City for the power buyout that took place when the subject property was annexed in 2007.

SPANISH HIGHLANDS NORTH
 SPANISH FORK, UTAH
SOUTH UTILITY LAYOUT

DATE: 01/11/2011	PROJECT NO: 2004-0733
DRAWN BY: [Name]	CHECKED BY: [Name]
BTD	1" = 80'
DATE: 08/02/2010	SHEET: 3

