

**Adopted Minutes
Spanish Fork City Council Meeting
December 20, 2011**

Elected Officials Present: Mayor G. Wayne Andersen, Councilmembers Steve Leifson, Rod Dart, Richard Davis, Jens Nielson, KeirScoubes.

Staff Present: Dave Oyler, City Manager; Seth Perrins, Assistant City Manager; Junior Baker, City Attorney; Chris Thompson, Public Works Director; Kent Clark, City Recorder/Finance Director; Dave Anderson, Community Development Director; Dee Rosenbaum, Public Safety Director; John Bowcut, IS Director; Angie Warner, Deputy Recorder.

Citizens Present: Jon Haderlie, Richard Mendenhall, Mike Mendenhall, Ray Swenson, Carol Swenson, Tanner Nielson, Whitney Nielson, Hunter Nielson, Tricia Nielson, Shaylee Balls, Carlie Balls, Marilee Balls, Brandon Gordon, Cary Hanks, Cary Robarge, Shelley Hendrickson.

CALL TO ORDER, PLEDGE, RECOGNITION:

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

Councilman Nielson led in the pledge of allegiance.

Mayor Andersen turned the time over to Seth Perrins.

Recognition of Miss Spanish Fork Director

Seth Perrins recognized Raychellene Talbot for her service as the Miss Spanish Fork Director.

Recognition of the Employee of the 2nd& 3rd Quarter

Seth Perrins recognized the employee of the 2nd quarter, Jeremy Coe.

Dave Anderson recognized Shelley Hendrickson for the employee of the 3rd quarter.

Mayor Andersen thanked Jens Nielson for his term serving on the Council.

Councilman Davis said it has been a great time sitting next to Councilman Nielson. He has taught me a lot of patience. It's been an honor to know Jens.

Councilman Leifson said Jens is famous for saying "Mayor, I don't have anything tonight". He has been great to work with.

Councilman Dart said that he appreciates his friendship with Jens and he will be missed.

Councilman Scoubes said Jens will be missed.

Councilman Nielson thanked everyone and mentioned a few great things about his fellow Councilmen.

PUBLIC COMMENTS:

Cary Hanks, Director for the Spanish Fork/Salem Area Chamber of Commerce thanked Councilman Nielson for his service. She wished everyone a Merry Christmas and thanked the City Council for all their support. The Chamber held a luncheon today and invited Spencer Eccles with the state economic department. Cary Hanks thanked all those that participated.

COUNCIL COMMENTS:

Councilman Davis said last week at the employee Christmas luncheon and it was an honor to stand there and shake our employee's hands. He thanked all the city employees and all that they do. Councilman Davis wished all the citizens a Merry Christmas.

Mayor Andersen wished the citizens a Merry Christmas and a Happy New Year.

SPANISH FORK 101:

Chris Thompson – Snow Removal on Sidewalks

CONSENT ITEMS:

- a. Minutes of Spanish Fork City Council Meeting – December 6, 2011
- b. Spanish Fork Business Center Plat B Chappel Drive 1950 North Storm Water Design Development Agreement
- c. Strawberry Water Users Association Crab Creek Transmission Pipeline Agreement Regarding SVP Lands.

Councilman Nielson made a **motion** to **approve** the consent items.
Councilman Leifson **seconded** and the motion **passed** all in favor.

PUBLIC HEARING

Proposed Zone Change involving approximately 190 acres located north of US 6 on each side of Chappel Drive. The proposal would change the zoning from a combination of Industrial 1 and Shopping Center to a combination of Business Park and Commercial 2.

Dave Anderson said that we have received an application to change the zone for approximately 190 acres. IHC has acquired land in this location and hospitals are a permitted use in our business park zone. Staff recommends the Council approve the proposed zone change.

Councilman Davis made a **motion** to **move** into the Public Hearing.
Councilman Scoubes **seconded** and the motion **passed** all in favor at 6:40pm.

Mayor Andersen welcomed any public comment.

There was none.

Councilman Leifson made a **motion** to **move** out of the Public Hearing.
Councilman Dart **seconded** and the motion **passed** all in favor at 6:41pm.

Councilman Dart asked if there is or will be any wetland issues at the location.

Chris Thompson said that the City does not regulate that. The property owner and the Army Corp of Engineers will take care of that.

Councilman Dart said there is some noise from SAPA. He asked if this is going to cause any problems with future neighbors or the zone change.

Dave Anderson said it should not have any impact.

Councilman Dart made a **motion** to **approve** the Proposed Zone Change involving approximately 190 acres located north of US 6 on each side of Chappel Drive. The proposal would change the zoning from a combination of Industrial 1 and Shopping Center to a combination of Business Park and Commercial 2.

Councilman Nielson **seconded** and the motion **passed** all in favor.

Transportation Element of the General Plan

Chris Thompson said we have some changes for the revision. First, staff has been working with the county to create a connector road on the West side of I-15 that would run from Payson to 400 South in Springville. Second, creating a connector road from Chapple Drive to 2700 North in Spanish Fork. Third, staff has changed the Trails Master Plan to have the trail on both sides of the river to help with flood control.

Councilman Davis made a **motion** to **move** into the Public Hearing.

Councilman Leifson **seconded** and the motion **passed** all in favor at 6:49pm.

Mayor Andersen welcomed any public comment.

There was none.

Councilman Dart made a **motion** to **move** out of the Public Hearing.

Councilman Scoubes **seconded** and the motion **passed** all in favor at 6:50pm.

Mayor Andersen asked if there is an equestrian trail involved in the Trails Master Plan.

Chris Thompson said yes, the equestrian trail will be on one side of the river.

Councilman Scoubes asked if there are benchmarks on the changes.

Chris Thompson said no.

Councilman Scoubes made a **motion** to **approve** the Transportation Element of the General Plan.

Councilman Leifson **seconded** and the motion **passed** all in favor.

NEW BUSINESS:

Economic Incentive Agreement with Costco

Dave Oyler said with this project state law requires a study completed to show that the incentive offered is not greater than the incentives received. The four incentives are:

- 1. City will waive the following City-assessed fees charged in connection with Costco's development, construction, and operation of the Project on the Property: plan application fees, plan check fees, building permit fees, connection charges or fees, and impact fees imposed on the Project by the City.*
- 2. Sales tax rebate, the City generates its revenue off of the sales tax. City will provide 18 month sales tax rebate back to Costco, after the City collects the City's proportion, up to a maximum of \$1,025,000.00. (More details in the contract)*

Correction on the contract; February 28, 2013 the year needs to be changed to 2014.

3. *Free Utilities.* For the first four years of Costco's operation of the Project on the Property, commencing with the date the Project opens for business to the public, and continuing until the fourth anniversary of such opening date, the city will provide the following City-owned utilities: electric power, culinary water, sanitary sewer, storm sewer, and pressure irrigation, at no cost to Costco.
4. *Grading/Fill Work Reimbursement.* No later than the date the Project opens for business to the public, the City shall pay to Costco the sum of \$225,000.00 as partial reimbursement for the grading/fill work performed on the site by the City in the fall of 2011, and paid for by Costco.

These incentives are contingent on Costco opening.

Steve McArther said Costco is excited to be hopefully opening next fall. He thanked the council.

Councilman Dart made a **motion** to **approve** the Economic Incentive Agreement with Costco. Councilman Nielson **seconded** and the motion **passed** all in favor.

Ordinance #17-11 Amending Provisions of the City Purchasing System to Provide Better Efficiencies

Junior Baker highlighted changes in the following area of the Spanish Fork Municipal Code: 3.08.040 Bid Processes; 3.08.050 Choice of Bid Process; 3.08.060 Awarding of Bids and RFP's; 3.08.070 Exceptions to Bidding Requirements; 3.08.090 Disposal or Lease of Public Property.

Councilman Leifson made a **motion** to **approve** Ordinance #17-11 Amending Provisions of the City Purchasing System to Provide Better Efficiencies.

Councilman Dart **seconded** and the motion **passed** all in favor with a roll call vote.

Contract Award for Fairgrounds Arena Lighting

Chris Thompson said we recently bid out for the lighting for the new arena. The lowest bid was Rydalch Electric, Inc. Staff recommends the council award the bid to Rydalch Electric, Inc. in the amount of \$239,765.00.

Councilman Davis made a **motion** to **approve** the Contract Award for Fairgrounds Arena Lighting to Rydalch Electric, Inc. in the amount of \$239,765.00.

Councilman Scoubes **seconded** and the motion **passed** all in favor.

Fairgrounds Arena Change Order #1

Chris Thompson said this change order is in regard to the design of the fairgrounds arena buildings. The original request was to design two buildings and duplicate them three times. Now that request has changed to design seven unique buildings. The new proposed cost for services is \$36,000.00. Staff recommends approval of the change order.

Councilman Leifson made a **motion** to **approve** the Fairgrounds Arena Change Order #1.

Councilman Nielson **seconded** and the motion **passed** all in favor.

Utility Master Plans

Chris Thompson highlighted the following changes that were added since the last revision.

Whenever a comprehensive masterplan is first introduced there will need to be some adjustments to it as it is first implemented. While we hope that we have found the majority of such changes we believe there will still be several more this coming year.

Many of the revisions were to make minor format changes to clarify the reports. Some of the major

changes are related to defining clearly what portions of proposed projects are related to growth and therefore reimbursable by impact fees.

Other significant additions to the masterplans are the sections on renewal. Each utility's infrastructure has an estimated service life. It is advisable that the city budget a little amount each year to update facilities that have reached their service life so that we do not have to do expensive one time projects that burden a single generation with decades of maintenance costs.

Councilman Scoubes made a **motion to approve** the Utility Master Plans which include the Drinking Water Plan, Pressurized Irrigation Plan, Waste Water Plan, and Storm Drain Plan.

Councilman Davis **seconded** and the motion **passed** all in favor.

Independent Audit Report FY 2011

Kent Clark presented the City's Audited Financial Statements for the year ending June 30, 2011. The Independent Audit that is done by Larson and Rosenburger, a company here in town.

Jon Haderlie with Larson and Rosenburger said there were no findings and gave an "unqualified opinion" that Spanish Fork City has done a great job.

Councilman Leifson made a **motion to approve** the Independent Audit Report FY 2011.

Councilman Nielson **seconded** and the motion **passed** all in favor.

Councilman Dart made a **motion** to adjourn.

Councilman Davis **seconded** and the motion **passed** all in favor at 8:10 pm.

ADJOURN

ADOPTED: January 3, 2012

Angie Warner, Deputy Recorder