

MINUTES  
EAGLE MOUNTAIN SPECIAL CITY COUNCIL MEETING

March 30, 2010

5:00 p.m.

Eagle Mountain City Council Chambers, 1650 East Stagecoach Run, Eagle Mountain, Utah 84005

*\*\* This meeting may be held telephonically to allow an individual to participate \*\**

**5:00 PM – BUDGET RETREAT WORK SESSION**

ELECTED OFFICIALS PRESENT: Councilmembers Donna Burnham, Eric Cieslak, Ryan Ireland, Nathan Ochsenhirt and John Painter.

CITY STAFF PRESENT: John Hendrickson, City Administrator; Fionnuala Kofoed, City Recorder; Gordon Burt, City Treasurer; Linda Peterson, Public Communications Coordinator; Ifo Pili, Assistant City Administrator; Jason Walker, Management Analyst; Steve Mumford, Planning Director; Chris Trusty, Public Works Director; Adam Ferre, Energy Division Director; Kent Partridge, Building Official; Rand Andrus, Fire Chief; Michele Graves, Librarian; Angie Ferre, Mayor's Executive Assistant.

Mayor Heather Anne Jackson called the meeting to order at 5:10 p.m. Mayor Jackson changed the order of the agenda, conducting items of business on the Consent Agenda and Policy Session first. The Budget Work Session was conducted directly following the Policy Session.

1. Review of FY 2009-2010 Budget Current Status
2. Review of FY 2010-2011 Budget
3. ADJOURNMENT

**SPECIAL SESSION – CITY COUNCIL CHAMBERS**

4. CALL TO ORDER

**CONSENT AGENDA**

5. FINAL PAYMENT
  - A. SR-73 Gas and Power Extension – Probst Electric
6. FINAL BOND RELEASE – Out of Warranty
  - A. Lone Tree Plat D
7. DEVELOPMENT AGREEMENT
  - A. Northmoor Plat 2B

**MOTION:** *Councilmember Ireland moved to approve the consent agenda. Councilmember Ochsenhirt seconded the motion. Those voting aye: Donna Burnham, Eric Cieslak, Ryan Ireland, Nathan Ochsenhirt and John Painter. The motion passed with a unanimous vote.*

## SCHEDULED ITEM

8. AGREEMENT – Consideration of an Agreement with The Ranches Homeowners Association for the Safety Landscaping Improvements and Site Amenities Project along Ranches Parkway and Pony Express Parkway.

This item was presented by City Administrator John Hendrickson. The proposed agreement is between Eagle Mountain City and The Ranches HOA to remove some median features as a safety precaution along Ranches and Pony Express Parkways. The proposal also includes additional landscape improvements along both corridors.

Mr. Hendrickson explained that the funds that would pay for the City's portion of the project were from SID 2000-1. Funds from the SID had been transferred into the Capital Fund for the Porter's Crossing project and there was approximately \$100,000 remaining that would cover the cost of the proposed landscaping project. Funding this project was an appropriate use of the SID 2000-1 funds. The City's portion of the proposed landscaping was approximately \$68,795, which would be reimbursed to The Ranches HOA. The City had been working on the proposal for approximately a year and a half and Mr. Hendrickson recommended moving forward. The Ranches HOA had collected the necessary bids for the project and a finalized agreement would be brought back to the City Council for approval at the April 20<sup>th</sup> meeting.

Councilmember Ochsenhirt asked whether the cost for some of the materials was negotiable as he believed them to be excessive, specifically, the benches and the trash receptacles.

HOA Manger Brian Haskell stated that the benches were a branded steel product and they didn't foresee having to replace them. The trash receptacles were also steel and were assumed to be durable, with a 20-year life expectancy.

Councilmember Ireland asked why they were planning on hauling in new soil and what would happen to the trees that were removed.

Brady Pitcher, Ranches HOA, responded that they were trying to improve the quality of the soil and that it needed to be replaced. The trees they removed would be recycled and would be replaced with a variety of deciduous trees that were known to grow well in Eagle Mountain. Previous experience with replanting trees in Eagle Mountain has shown a 20% chance of survival, which isn't worth the time or expense. There would be no extra charge to remove the old trees.

Councilmember Ireland suggested that they dig large enough holes when planting the new trees so the roots wouldn't hit the old soil and would have a better chance of survival and longevity.

Mayor Jackson pointed out that the actual bids had come in less than Mr. Pitcher had estimated and indicated on the spreadsheet that had been submitted to the City.

Councilmember Ireland wondered whether this was the best time to do this project and asked if it could be put off until the roads needed to be expanded with the future development of Hidden Valley.

City Engineer Chris Trusty stated he wasn't aware of any plans to expand Ranches Parkway and Pony Express Parkway. Traffic on these particular roads would be alleviated with the future construction of the Hidden Valley Expressway and he didn't anticipate that they would need to be expanded. Mr. Trusty was unsure of the build-out for Hidden Valley but thought that the service on Ranches and Pony Express Parkways would probably be reduced from an A2 to a D at peak times with the development of that area.

Councilmember Cieslak thanked the HOA for using a company from Eagle Mountain. He asked whether some of the landscaping would be replaced with xeriscape.

Mr. Haskell responded that, in the long run, grass was more cost effective than xeriscape. It took more time and effort to maintain the xeriscape even with the use of good landscape paper. It was easier to maintain good healthy grass than weed around the rocks used to xeriscape. The HOA would continue to maintain the property and cover that cost.

Councilmember Ochsenhirt asked what caliper of tree they intended to plant. He recommended a 3" caliper.

Mr. Pitcher responded that the trees were 2" caliper.

The Council reviewed the proposed plans.

**MOTION**      *Councilmember Painter moved to authorize staff to prepare an agreement with The Ranches Homeowners Association for the safety landscaping improvements and site amenities project along Ranches Parkway and Pony Express Parkway in an amount not to exceed \$70,000.00. Councilmember Ochsenhirt seconded the motion.*

Councilmember Burnham stated that given the current economic times, she appreciated the partnership with The Ranches HOA and that this project was a cooperative effort.

Councilmember Ireland wanted to clarify that the agreement would be bought back for approval at a later time, documenting the terms of the agreement. Any improvements to the fountain at the entrance to The Ranches were not included in this particular proposal and would be addressed at a later time.

Mayor Jackson concurred and suggested that Councilmember Ireland discuss the issue of the fountain with the HOA and that it could be placed on the agenda at the Council's request.

Councilmember Ochsenhirt called the question.

*Those voting aye: Donna Burnham, Eric Cieslak, Ryan Ireland, Nathan Ochsenhirt and John Painter. The motion passed with a unanimous vote.*

9. BID AWARD – Consideration and Approval of a Bid Award to W-W Equipment for the Pony Express Days Rodeo Arena and Rodeo Equipment.

The proposed bid award would provide the City with rodeo arena equipment for the Pony Express Days Rodeo. Mayor Jackson opened the discussion, stating that the recent Pole Canyon annexation included the construction of rodeo grounds. With the upcoming Pony Express Days

Mayor Jackson wanted to consider the possibility of the City hosting a rodeo. Angie Ferre contacted Westlake High School to see if they would be interested in participating at a high school level.

After several meetings with the FFA, they recommended that the City do a Professional Rodeo Cowboy Association (PRCA) event. The City researched their options and determined that if they purchased the equipment and hosted the PRCA event, eventually, if the City continued to host a yearly rodeo, it could be self sufficient and cover the total costs of Pony Express Days. DAI, the developer for the Pole Canyon annexation, would repay the City for the cost of the equipment, \$25,000 now and the remaining amount over a 5-year period for a total contribution of \$107,000. This would cover DAI's obligation included in their Master Development Agreement. The City would have an initial upfront cost of approximately \$98,000 for equipment and a later cost of approximately \$45,000 for 3000 bleachers for the event.

The rodeo for 2010 would be held adjacent to Pony Express Park in City Center and the equipment could be relocated to the proposed Pole Canyon rodeo arena site when it was ready.

The City had taken the first step and submitted an application and had been accepted as a member of the PRCA. Contact had also been made with rodeo celebrity Rusty Allen who is a resident of Eagle Mountain. Mr. Allen had agreed to be an ambassador for the City and assist with the event.

Assistant City Administrator Ifo Pili presented the Council with the current cost of Pony Express Days, stating that the City generally spends approximately \$85,000 for the yearly celebration. If the City decided to do the rodeo as a yearly event, there would be a deficit the first year but the City could expect to be in the positive for future years. The City would borrow the necessary funds from the utility fund which would be refunded over the next five years. (Projections were estimated at \$5/ticket.)

Councilmember Painter asked what interest rate DAI would be charged to repay their portion of the cost.

City Administrator John Hendrickson replied stating that the City was still negotiating the terms of the agreement.

Councilmember Painter expressed his concerns regarding the anticipated turnout. The City was counting on the rodeo selling out to cover the costs – 3000 seats per night for three nights. What would happen if only 500 people showed up?

Angie Ferre responded that the City was going to advertise and that they had already received a lot of interest in the event. Ms. Ferre was confident that it would sell out. The City had been fund raising and had over \$100,000 already pledged. An additional \$30,000 had been pledged in trade. Ms. Ferre added that she had always met her goals in fund raising and didn't foresee it being a problem in the future. Pledges had always followed through. Ms. Ferre noted that it was much easier to raise funds for the rodeo than for Pony Express Days, there was a much greater interest in the rodeo.

Discussion ensued regarding the pricing and what other cities charged in comparison. Ticket prices would be: adults \$7; children \$5; and family night on the Friday evening was \$30/family.

Councilmember Burnham asked about parking and wanted to make sure that the ball fields would be protected. Mayor Jackson said that there would be sufficient parking and that the ball fields wouldn't be impacted by the event.

Councilmember Burnham asked whether there was an entrance fee for the participants.

Ms. Ferre said that they didn't have one in place but she would check with other cities to see if they charged.

Councilmember Ireland commented that the City had raised about \$45,000 in previous years for Pony Express Days and that he was concerned that the number anticipated to collect in fund raising would almost triple. Councilmember Ireland asked how confident was Ms. Ferre in raising these funds not only for this year but in the years to come.

Mayor Jackson believed that people would be calling the City to sponsor the event.

Ms. Ferre noted that there were only three rodeos in Utah County and she was confident that the event would sell out. This rodeo would mainly draw people from Utah County.

Mr. Hendrickson stated that the amount of funds taken from the general fund would be reduced over time. He was confident that the City would be successful.

Councilmember Ireland stated that people involved with rodeos like to travel and thought that the event would attract people from other cities.

Mr. Pili added that if the event didn't sell out and only half of the sponsorship came in, the City wouldn't be far from covering what it generally contributes to Pony Express Days.

#### **MOTION**

*Councilmember Cieslak moved to approve a bid award to W-W Equipment for the Pony Express Days Rodeo Arena and Rodeo Equipment for \$98,369.20. Funds will be taken from FY 2009-2010 budget from the Telecom Reserve Fund. Councilmember Ochsenhirt seconded the motion.*

Discussion ensued regarding the interest rate and what rate should be charged to DAI to repay the equipment costs. The terms of the agreement would be brought back to the Council for approval as an addendum to their original Development Agreement. The Telecom Fund would be collapsed into the Capital Facilities Fund and that is where the money would be repaid to by DAI. The interest rate charged to DAI would be determined by staff; however, Mayor Jackson recommended that the interest rate charged by the City will never be less than the interest that the City would generate from the funds, and that the rate not exceed 4.5%.

Councilmember Ireland asked if the marketing costs will need to be increased to market the rodeo as the numbers that were presented didn't include an increase.

Mayor Jackson stated that the budget will need to be amended to address those additional costs.

Ms. Ferre stated that she had budgeted \$30,000 for marketing and that she didn't anticipate any additional costs as she had worked out an arrangement with Channels 5 and 13 for some

advertising. This was a trade sponsorship arrangement, there may be a small cost but she didn't know at this point.

Mayor Jackson added that Kassing Andrews had also agreed to help with advertising.

Councilmember Painter asked if these types of events were ever done privately.

Ms. Ferre discussed creating a 501c(3) where funds could be generated to support the event and not have to be put back into the General Fund. Initially, the City would run the rodeo and then transfer it where it could generate revenue and be run by a community committee. That's the direction the City wants to go.

Mr. Pili stated that the City has wanted to move Pony Express Days to a 501c(3) but has been subsidizing the event for years. It makes sense to move in that direction when the event is making money, generating revenue and not impacting the General Fund.

*Those voting aye: Donna Burnham, Eric Cieslak, Ryan Ireland and Nathan Ochsenhirt. Those voting nay: John Painter. The motion passed with a 4 to 1 vote.*

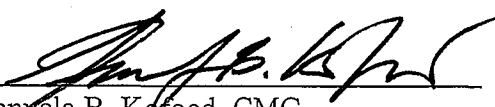
Councilmember Painter stated that he did not feel like he had adequate time to make an informed decision on the item. Additional time was needed to study it all out, get analysis and see what the details are. He believed that there were too many unanswered questions. It wasn't that Ms. Ferre wasn't capable of pulling the event off, but that additional time was needed to make the proper decision. He felt that he was placed in a difficult position that was sprung on him without enough time or information to comfortably prepare and make a decision. His "no" vote was that he just didn't know.

Councilmember Ireland agreed with Councilmember Painter; however, based upon the numbers that were presented, the City wouldn't have to subsidize that much more than they already did for Pony Express Days even if the rodeo didn't do as well as was anticipated.

## 10. ADJOURNMENT

Councilmember Ochsenhirt moved to adjourn the meeting at 9:10 p.m.

APPROVED BY THE CITY COUNCIL ON APRIL 20, 2010

  
Fionnuala B. Keofoed, CMC  
City Recorder