

**MINUTES OF TOWN COUNCIL MEETING
TOWN OF EAGLE MOUNTAIN, UTAH,
Eagle Mountain Fire Station, 1680 East Heritage Drive**

DATE: JULY 14, 1998

A. OPENING:

1. Roll Call:

The meeting was called to order by Mayor Debbie Hooge at 7:20 p.m.

The following Council members were present:

Mayor: Debbie Hooge
Council: Rob Bateman and Cyril Watt
Dan Valentine was excused; Diane Bradshaw arrived late

Town Staff:

Town Planner: Dave Conine
Town Attorney: Jerry Kinghorn
Town Clerk: Janet Valentine
Deputy Clerk: Barbara Wren, recording

Also Present: David Adams, Bowler Development; Nick Berg, Eagle Mountain Properties; Doug Guillian, Joe Santos, Epic Engineering; Steve Sowby, Sowby & Berg Consultants; Gary Tassainer, Tasco Engineering; Michael Wren, MCM Engineering

2. Pledge of Allegiance: Janet Valentine led the Pledge of Allegiance.

3. Approval of Agenda:

MOTION *Rob Bateman moved to approve the agenda. Cyril Watt seconded. Ayes: 3, Nays: 0. Motion passed.*

4. Approval of Minutes (6/23/98):

Page 2, last sentence of #7 should read, "Sales trailers on a project site may be issued a Permitted Use license". Page 9, third MOTION, first sentence, should read, "Cyril Watt moved to to adjourn the meeting".

MOTION *Rob Bateman moved to approve the minutes of the Council meeting of 6/23/98, as amended. Cyril Watt seconded. Ayes: 3, Nays: 0. Motion passed.*

5. General Discussion/Questions/Announcements:

Joe Santos of Epic Engineering distributed for discussion a memo to the Council from the Planning & Utility Department regarding "Draft Language for Fast Track in Subdivisions". Jerry Kinghorn asked that the memo be rewritten as follows: To: All Builders/Developers; From: Town of Eagle Mountain Engineer, Building Inspector, Council; Re. Policy For Building Permits. He explained that this memo is necessary in order to make our policy clear and to eliminate misunderstandings. The words "fast track" should be deleted as they may be misleading; the final sentence and signature portion of the memo should also be removed. Janet Valentine will revise the memo for Mayor Hooge and Rob Bateman's final approval.

MOTION

Rob Bateman moved to adopt, as Town policy, the substance of the draft language provided but recommending that it be redrafted, as indicated, for the signatures of the Town Building Inspector and the Town Engineer and to be reviewed by Mayor Hooge and Rob Bateman prior to being given to developers. Cyril Watt seconded. Ayes: 3, Nays: 0. Motion passed.

Janet Valentine distributed to the Council, in behalf of Dan Valentine, a document "Report to Town Council from Public Works Board Meeting June (July) 7, 1998". Discussion ensued. Jerry Kinghorn suggested this be put on the Agenda for formal action. Rob Bateman said we would deal with this in Departments at the next Council meeting in two weeks. Mayor Hooge asked if anyone was building a batch plant without the Town's permission. Gary Tassainer said no, and explained that what the Utility Board would like to see is a Temporary Use Permit and have a set time period when that batch plant has to be relocated or abandoned.

Rob Bateman questioned who is approving all the new trailers erected near Town Center as he has seen only one Conditional Use Permit come through the Planning Commission. Mayor Hooge explained that those putting trailers on the property are supposed to get inspections from the police and firechief and obtain Conditional Use Permits from the Planning Commission. Nick Berg has been granting permission because of his interpretation of the Development code that allows a temporary construction trailer. Jerry Kinghorn stated that some of the trailers have been hooked up to utilities without paying connection fees. Rob Bateman said, in those cases, we need to find out who hooked them up and issue fines. It was agreed that fines should be issued to those not in compliance. Rob Bateman will work with the inspector, Kent Partridge, and follow up on this.

Mayor Hooge expressed a concern about the attitude of Eric Taylor, the Fire Chief, regarding working with the Lehi Fire Department (working with Eagle Mountain has been the only source of revenue for Lehi's Fire Department for past 20 years). Mayor Hooge explained, they are relying on this and we are going to have to rely on Lehi to fight our structural fires for at least another year. Eric seems to be aggravating problems with Lehi. Rob said he has discussed this with Eric. The Mayor said that if we take their only source of revenue it's not only a bad neighbor policy but we need them. Rob said we need to come to some sort of agreement with the County where they can station a couple trucks here and we provide some type of first response capability. Rob agreed that we don't want to take Lehi's contract away from them. Rob Bateman, Cyril Watt and Eric Taylor will meet to discuss this. Mayor asked them to put together an informational report on when the truck will be dressed out, when the gear is to be bought and when we start manning the station.

Rob Bateman said he has noticed some front-facing garages and other irregularities in the Patterson development. Dave Conine explained that some of the houses do not appear to be built on plans that he has approved. There are some designs being used that are not allowed in the

guidelines. Rob Bateman will meet with Dave Conine this week to look over the building sites and the plans.

6. Warrant Register:

Janet Valentine explained why there were several Warrant Registers. Mayor Hooge asked Janet if she could put in a separate code on Corey Walker's bill that breaks out "General Engineering For The Town" from the "Pass-Throughs" as it is difficult to calculate when they're listed together. Janet explained that all the figures under "Date PD" column are Pass-Throughs. The Mayor will talk to Corey Walker about it when she meets with him on Monday.

MOTION *Rob Bateman moved that we pay the bills as listed in the Warrant Register. Cyril Watt seconded. Ayes: 3, Nays: 0. Motion passed.*

7. Public Comment

Nick Berg said that of the four trailers parked in Town Center, one of them should be set up AGA handicap accessible. Nick gave Jerry Kinghorn a copy of the contract for his review.

8. Impact Fee Study Report/Lewis Young Burningham & Robertson

Mayor Hooge gave an overview of the basic issues within the Study. Jerry Kinghorn stated the two inter-related issues: 1) What engineering report and financial study does Gary Tassainer need to do for the 1998 Revenue Bond Anticipation Notes (RBANs). He said we need better definition of that from Jesse Smith, Seattle Northwest Securities, before we can finish it, and 2) We need to look at the impact fee calculations to see which systems are most suitable for treatment under Special Improvement Districts (SIDs), as that might provide us information about which service areas ought to be given credit against impact fees. Jerry continued, we need to create some different service areas depending upon how people financially contribute to the capital facilities. Jerry said that he and Gary Tassainer hope to set up a time next Monday to go through and develop a recommendation for the next Council meeting. Mayor Hooge asked that the report be broken down by facility. Rob Bateman stated that we must get this implemented soon.

Council Member Diane Bradshaw joined the meeting at 8:05 p.m.

MOTION *Rob Bateman moved that we table consideration of the Impact Fee ordinance until the next Town Council meeting and ask Tasco Engineering and the Town Attorney to do everything possible to work with Lewis Young Robertson & Burningham to get the numbers ready so we can act on them at the next meeting. Cyril Watt seconded. Ayes: 4, Nays: 0. Motion passed.*

9. Consideration to Approve Memorandum of Intent Regarding the Construction and Use of a Sewage and Wastewater Delivery System

Jerry Kinghorn stated that the Memorandum Of Intent is moot as, apparently, Saratoga Springs is not going to participate. He said that it would be a mistake to approve it in this form. Discussion ensued. Mayor Hooge asked Janet Valentine to write another letter to Saratoga Springs (Bill Way) telling them that we are going to proceed without them and would like a letter from them saying they are not going to participate, if indeed they are not.

10. Consideration to Approve an Agreement between the Town of Eagle Mountain, Utah and Timpanogos Special Service District to provide sewer services

Regarding the Final Agreement, Jerry Kinghorn had a serious problem with one provision under Exhibit "A", Sewer Treatment Services Contract, page 11, Article XI. He explained that they are asking us to covenant not to create our own treatment system and this needs to be changed. Jerry said if we wish to put this on our next agenda he would contact their attorney and get the language corrected. The other point in question is how we deal with the maintenance, Exhibit C. These two issues are the two questions that Jerry feels need to be resolved with their attorney before he can recommend approval.

MOTION

Rob Bateman moved that we give the Mayor approval sign the Memo of Intent, once the language has been altered to the Town Attorney's satisfaction, to provide for the Town having a separate sewer system of its own and with minor changes to the line Maintenance Agreement. Diane Bradshaw seconded. Ayes: 4, Nays: 0, Abstain: 1 (Mayor Hooge). Motion passed.

11. Consideration to Approve Resolution No. 13-98; a Resolution Adopting Compensation for the Elected Officials of the Town of Eagle Mountain

After lengthy discussion it was decided to have Janet Valentine set this for a public hearing with two weeks notice and inform the public that we are contemplating setting up some type of compensation for the Council. Diane Bradshaw stated if compensation is instituted, the expenses need to be separate from the income. Jerry Kinghorn agreed. Mayor Hooge suggested forming a citizens committee to make a recommendation. The names of Bill Chipman, Mark Lindsay, Jennifer Thulin were mentioned as good candidates for the committee. The Mayor asked Diane Bradshaw to meet with the citizens committee as a representative of the Council. This committee would meet prior to the public hearing and make their recommendations.

MOTION

Rob Bateman moved that we table Resolution 13-98 and that we ask Janet Valentine and Diane Bradshaw to put together a committee of local residents who can give this some thought and make recommendations as far as compensation for the Council members. Cyril Watt seconded. Ayes: 4, Nays: 0. Motion passed unanimously.

Regarding item #9, Consideration to Approve Memorandum of Intent Regarding the Construction and Use of a Sewage and Wastewater Delivery System, Mayor Hooge told Steve Sowby that, since we are reasonably sure that the Town of Saratoga Springs is not participating, that we disregard the Memorandum Of Intent and go right to the Contract Agreement between the Town and Timpanogos. The Mayor informed Steve of the two items on the Agreement that we will need to change: 1) the issue in the contract that says we cannot have our own wastewater treatment plant, and 2) if we can get them to maintain all our lines then we would be interested in a maintenance contract; if not, we would have to buy the equipment for this section of town anyway so we may as well use that equipment for both sections instead of entering into a maintenance agreement. Jerry Kinghorn said the MOI requires three signatures and if Saratoga Springs is not going to sign it we ought to revise it so it only requires two. Jerry will talk to Commissioner Grover about changes to the MOI and will speak to Mr. Carlyle, who represents Timpanogos Special Service District (TSSD), about making the changes to the Agreement.

12. Capital Improvement Agreement with Eagle Mountain Properties for Re-payment from SID and/or RBANs / Jerry Kinghorn

Jerry Kinghorn explained that as we proceed with these projects there is some advance funding required. Eagle Mountain Properties has offered to advance funds, providing they would be reimbursed with interest. Mr. Kinghorn has talked with them about the Town accepting that offer provided that we would only reimburse them if the RBANs were issued and the funds were available out of the RBANs to reimburse them. Mr. Kinghorn stated that this is critical as we need to get the gas tap deposit paid. He thinks we can structure a short reimbursement agreement with Eagle Mountain Properties, and with The Ranches if we get into a situation with them where there is some advance funding required for facilities coming out of their SID. Mr. Kinghorn continued, we drafted a reimbursement agreement last year that contemplated annual projects. He would like to take last year's reimbursement agreement and shorten it down to provide for reimbursement of advance funding, if the Council approves. He mentioned that the interest charged should be set where they're not profiting from it and we're not exploiting them. Mayor Hooge said, subject to Mr. Kinghorn drafting the agreement, the Council members should each receive a copy and if they have problems with it we will put it back on the agenda. If not, we will proceed. Jerry Kinghorn stated he would write a letter to Eagle Mountain Properties tomorrow advising them of this action and within 2-3 days draft a Reimbursement Agreement.

MOTION

Diane Bradshaw moved that we approve Jerry Kinghorn to draft a Capital Improvement Agreement with Eagle Mountain Properties, to be given to each member of the Council and, unless there are any changes made, the Mayor will have approval to sign the Agreement. A stipulation would be that the interest rate, if any, represents the actual cost of their fund and they need to provide evidence of their cost. If they don't, we will establish that it will be bond rate. Rob Bateman seconded the motion. Ayes: 4, Nays: 0, Abstain: 1 (Mayor Hooge). Motion passed.

13. Consideration to Approve the Natural Gas Sales Agreement with Wasatch Energy/Gary Tassainer, Tasco Engineering, Inc.

Gary Tassainer said there are three things about this Agreement that make it desirable: 1) it is cancelable, 2) it is non-inclusive, and 3) each transaction requires a separate letter. Discussion ensued.

MOTION

Rob Bateman moved that, based on the recommendation of the Town Attorney and Tasco, we approve the Natural Gas Sales Agreement with Wasatch Energy. Cyril Watt seconded. Ayes: 4, Nays: 0. Motion passed.

14. Discussion regarding creating a Special Improvement District in Cedar Pass Ranch and North Ranch for the purpose of installing a Natural Gas Line

MOTION

Diane Bradshaw moved that we suspend the provisions of the Conflict of Interest ordinance as it affects all members of the Council who are present. Cyril Watt seconded. Ayes: 4, Nays: 0. Motion passed.

Gary Tassainer distributed maps of the area and explained that they have designed a 4" line up the west boundary of Cedar Pass Ranch connecting into Cedar Pass North. That basically ties the line into what is being proposed, coming from south to north, with high-pressure gas. Gary added, the

4" line continues into what is The Meadows and not part of this SID, and through The Ranches, which is not part of this SID. The Meadows line is being installed and The Ranches is proposed and pretty much accepted in terms of putting that line in and the SID. Gary explained that what they did with Cedar Pass Ranch was to tie into both the line coming from the south and the lines surrounding those areas, in order to get the numbers where there are. He said the numbers are not pleasing. Gary invited the Council to look closely at the layout at Cedar Pass Ranch and inclusive of a portion of Cedar Pass North and The Meadows because the costs that we estimated originally were based on the Overland Trails subdivision. Those were estimated to be in the nominal, \$1,000 per lot figure. However, it has turned out that Cedar Pass North is about \$1,000 per lot, but Cedar Pass Ranch is closer to \$2,000 per lot. Mr. Tassainer said when you compare, on the same scale, Cedar Pass Ranch lot size is at least twice as large which means you have to run the line twice as far. Gary stated the other caveat that is meaningful to landowners is that this cost does not include taking it from where we've designed to the house, or the meter regulator. This could run you up to another \$1,000 - \$1,500. Cedar Pass North is around \$1,920 and Cedar Pass Ranch is at \$1,100. Gary said this is an annual cost and owners would have a choice of 5/10/15 years to finance it. Mayor Hooge said when we set the SID we will have that choice. Mr. Tassainer explained that this is a preliminary engineering estimate and they would like to make sure that everybody feels good about it since it's twice as costly. Rob Bateman added that, at the cost of propane, people would probably prefer to pay the extra \$20 or so that it would cost to finance the line. Another option Gary mentioned for Council consideration - they could go back and design everything right to the house and when folks build they get the gas service and it's billed into the SID. In answer to Rob Bateman's question as to the cost if we included all the laterals in the SID, Gary estimated the trench would be about \$2 per foot - \$1,000 for trench, pipe would be \$.35 - \$.40 per foot, and the meter would be about \$130 for a total of \$1,500. It would amount to \$3,500 in Cedar Pass Ranch and Cedar Pass North would be \$2,200. Jerry Kinghorn suggested we resend the ballot based upon the \$3,500 estimate and see what the reaction is. Rob Bateman stated that we should send a notice to all property owners that the amounts will vary because of some engineering issues, etc. and that we're having a public hearing on it and invite them to attend and have their say. Mayor Hooge requested we have a public hearing in two weeks and work with Blaine Carlton to get the Notice of Intent forms ready.

MOTION

Rob Bateman moved that we schedule a special Council meeting on Thursday, July 16 to pass a Notice of Intent for the formation of an SID for the purpose of bringing natural gas into Cedar Pass Ranch and Cedar Pass North; also that we schedule, as soon as possible, a Public Hearing for August 25 and instruct Gary Tassainer to work out the engineering issues that we discussed and go ahead and start getting bids. Cyril Watt seconded. Ayes: 4, Nays: 0. Motion passed.

The Notice of Intent meeting was set for 4:45 p.m. on August 16.

Mayor Hooge recused on items 15 and 16 because of conflict of interest. Rob Bateman served as Mayor Pro-Tem.

15. Discussion of Development Agreement with Patterson Construction

Jerry Kinghorn informed the Council that there were several compromises we were proposing to make with Wayne Patterson, Patterson Construction, for Plats A, B, and C. These are plats that were finally approved for recordation before the new Development Code went into place and we were proposing that we accept a system of gravel trails in a couple of places and that he be allowed to tract a couple of additional lots. Mr. Patterson will need to get preliminary approval again from the Planning Commission. Mr. Patterson wants to amend Plat C to make some smaller lots and will gain 5 lots in the process. Six lots would be added back if the Planning Commission

did approve. This would offset the cost of the trails, the additional water for the parks and some of the equipment and landscaping he would have to buy for the center park. Mr. Patterson is dedicating more open space than he is required to dedicate in these three plats in the Development Code and so he is asking if he can bank that open space credit and use it on an adjoining project. Rob Bateman suggested that since the Council hasn't had an opportunity to review this that we table this issue until the next meeting.

MOTION *Rob Bateman moved that we review the issue of the Patterson Development Agreement on Thursday evening. Diane Bradshaw seconded.*

Discussion ensued. Mike Wren, MCM Engineering, asked the Council to consider between now and the Thursday meeting, the fact that Mr. Patterson is spending \$880,000 to build, maintain and landscape this park so why would he pay the impact fee. Jerry said he visited with Mr. Patterson today and if this park is one of the capital facilities that the park impact fee is supposed to pay for, he would get credit for that. Mr. Kinghorn said the recommendation is that these small parks be not included in the capital facilities plan for parks, the only thing we build with the impact fees are the large regional parks. We did leverage him into putting in improvements that are required under the new Code that were not required under the old Code. The tradeoff was that we would try to get him some additional lots to provide him compensation. It does not fully compensate him but will help to balance it a little bit. Rob Bateman asked Janet Valentine to make sure each member of the Council gets a copy of the Patterson Development Agreement before the Thursday meeting.

Ayes: 3, Nays: 0. Motion passed.

16. Discussion of Patterson Homes Water Rights

Jerry Kinghorn explained that Wayne Patterson had people deed water rights to us and deeded us some East Jordan Canal shares which we can't use because we can't segregate the water rights to this area and East Jordan won't allow us to change it to our well. Jerry stated that we need to work out a mechanism to give that water back to Patterson in exchange for water rights that he would give us.

MOTION *Rob Bateman moved that we authorize the Town Attorney to draft an agreement that allows for exchange of water shares to meet the requirements of the State for municipal handling of water rights and that once the Attorney has determined those water rights which we are receiving are acceptable, according to the State Engineer's office, that we authorize the Mayor to sign the agreement. Diane Bradshaw seconded. Ayes: 3, Nays: 0. Motion passed.*

17. Adjournment into a Closed Executive Session for the Purpose of Discussion Personnel Issues

MOTION *Diane Bradshaw moved that we adjourn to Executive Session. Cyril Watt seconded. Ayes: 3, Nays: 0. Motion passed.*

Mayor Hooge returned to the meeting.

The meeting adjourned to Closed Executive Session at 9:45 p.m. to discuss personnel issues.

The Closed Executive Session began at 9:50 p.m. Present in the Executive Session were Mayor Debbie Hooge, Rob Bateman, Diane Bradshaw, Jerry Kinghorn and Cyril Watt.

18. Action from the Closed Executive Session

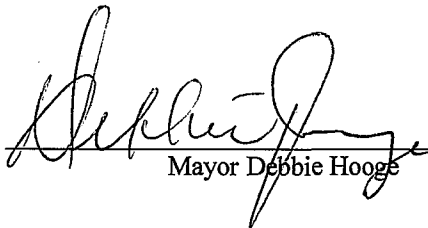
MOTION *Rob Bateman moved that we change the pay for the Town Clerk to \$28,000 per annum salary effective next pay period. Diane Bradshaw seconded. Ayes: 4, Nays: 0. Motion passed.*

19. Adjournment

MOTION *Cyril Watt moved to adjourn the meeting. Diane Bradshaw seconded. Ayes: 4, Nays: 0. Motion passed.*

The Closed Executive Session adjourned at 10:35 p.m.

Approval:



Mayor Debbie Hooge

Date: August 11, 1998

The foregoing minutes were at the Eagle Mountain Fire Station, 1680 East Heritage Drive, Eagle Mountain, Utah, the bulletin boards at Cedar Meadows Subdivision and the Cedar Pass Ranch Trailer by _____, Town Clerk.