

TOWN COUNCIL MEETING MINUTES

DATE: October 9, 1997

C. Consent Hearing:

1. Final Approval of Master Development Plan for Cedar Meadows and Harvest Haven/Carl Allred: Nick Berg explained to Mayor Hooge and Diane Bradshaw that Ira Hodges and Dave Wilding presenting this to the Planning Commission this evening with respects to the different land uses and connectivity to the surrounding areas. The Planning Commission recommended for this to be passed on to the Council for their approval.

Ira Hodges was asked by Carl Allred to re-design the master development plan for the Cedar Meadows and the Harvest Haven area (Harvest Haven is now considered to be a part of Cedar Meadows). Mr. Hodges explained to the Council the site analysis map that showed the topographical and geological features of the proposed land. The lot size is a one acre minimum and included in the proposed land were park areas, a church area, and access to a trail system. He relocated the Industrial land use area and Commercial land use area from the west end of the property to the south end of the property. Carl Allred said that the trailer park was eliminated and there was more open space included.

Ira Hodges continued and explained that there will be a frontage road created for the existing homes and the two existing entrances would be eliminated. One main entrance would be added and will be located across from the Cedar Pass Ranch main entrance. Mayor Hooge said there would be a development agreement between the Town and the Cedar Meadows Development. Discussion ensued. Carl Allred said that they have spent a lot of money in re-designing this development to meet the Planning Commission's recommendations and would like to have any additional fees waived.

MOTION: *Diane Bradshaw moved to approve the Cedar Meadows Master Development Plan subject to the Town reviewing and giving credit for the fees which have already been paid, the looking in to the possibility of condemning the lane and straightening out the road, the lane designation for a frontage road, tree replacement, the road which goes north and south be paved in phases (money would be put in an escrow account to assure the road would be paved), the private and public parcels are to be labeled as such, and the development agreement which will address all these issues. Nick Berg seconded. Ayes: 3, Nays: 0. Motion passed.*

Mayor Hooge thanked Carl Allred and explained that he has gone beyond what was asked of him and that he did this in the Town's best interest. The Council also expressed their thanks.

Glade Berry a property owner in Eagle Mountain referred to a letter which was sent to the Mayor in his behalf with respects to the land he owns and if it would be zoned strictly commercial. Mayor Hooge explained the way performance standard zoning works and that it could be residential if it meets the performance standards. Mr. Berry said he understood and would sometime in the future like to build a home on his property.

Items C. 1, 2, and 3. - The Sale of the Bonds: Jesse Smith said that the bonds have been sold. Investors received the documents (official statement to market the bond) last week. This bond is different in that it is not a triple A rated general obligation bond and there are some risks associated to it, so it is not marketed to the average investors. This limited the marketing of the bonds to institutional investors. Mr. Smith said he received the approval yesterday from Mayor Hooge and Scott Robertson (Town's financial advisor) to market the bonds at 5 3/8%. The bonds were sold to two banks located on the east coast. At this point there needs to be an agreement between the Town (Issuer) and Seattle Northwest (Underwriter) where the town sells the bond anticipation notes to Seattle Northwest. There will be approximately 40 final documents which will need to be completed and signed before October 21, 1997.

The Note Purchase Agreement for each utility was previously reviewed by Randy Skeen, Esq., Jerry Kinghorn, Esq., Blaine Carlton (bond council), Scott Robertson, James Stith, Esq., Seattle Northwest's attorney who is also the author, and Mayor Hooge. Jesse Smith went through the Note Purchase Agreement and explained; item #1 Purchase and Sale- Seattle Northwest agrees to purchase the bonds for 2.5% and the town would receive 97.5% at closing. These funds would then be turned over to the trustee.

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Items C. 1, 2, and 3. - The Sale of the Bonds cont: Mr. Smith continued, the second paragraph on page 2; Item #2 Notes- defines what Seattle Northwest are purchasing, i.e., water and sewer revenue notes, telecommunication notes, and gas and electric revenue notes and the contents of each of the financing.

Paragraph three; Official Statement - is saying to the Town that Seattle Northwest received approval to use the official statement to market the bonds.

Paragraph four; This includes agreements that the Town makes as part of this transaction, and says that the Town is duly organized, the Town will take the necessary action to consummate this deal, the Town will maintain the tax exemption, that there's no law suit effecting the transaction, that the Town believes the official statement to be accurate, that the Town has the authority to act, that the Town will not issue any other bonds between now and closing, the Town is not in breech of any laws, the Town has cooperated on with "Blue Sky" (an area of law that requires the marketing of bonds outside the State of Utah will be done according to the laws of that state), one of the investors is located in New Jersey and the other investor is located in Massachusetts so Seattle Northwest will blue sky in those two states. Mr. Smith continued, all authorizations have been obtained, certifications are signed and valid, the Town has not defaulted on anything, that rates and charges have been set appropriately, and that the Town is currently not in subject to state code 15 C 2 12 which has to do with a continuing disclosure of the notes.

Paragraph five; it's the Town's option to sell the notes to Seattle Northwest.

Closing is scheduled for October 21, 1997 at 9:00 a.m. at the offices of Ballard Spahr.

Paragraph eight; Termination - the underwriter can terminate this agreement between now and October 21st due to some unforeseen action by congress, an out break of war, etc.

Paragraph nine; Expenses - self explanatory

Paragraph ten; Representations of the underwriter - this says that Seattle Northwest has the authority to do what we say we are going to do. Mr. Smith continued through the document and that the document will be effective upon signing.

Scott Robertson, the Town's financial advisor commended Jesse Smith and Seattle Northwest for marketing these bonds. This would not be considered an easy transaction in selling bonds for a brand new town and Mr. Smith did a great job. Jesse smith got an excellent rate and sold the bonds at 5 3/8%.

Item C. 2-Consideration of a resolution authorizing the issuance and sale of the Town's Telecommunication Revenue Bond Anticipation Notes, Series 1997 in a total principal amount of not to exceed \$2,400,000; authorizing the execution by the Town officials all documents required in connection therewith; and related matters:

Item C. 3-Consideration of a resolution authorizing the issuance and sale of the Town's Gas and Electric Revenue Bond Anticipation Notes, Series 1997 in a total principal amount of not to exceed \$1,500,000; authorizing the execution by the Town officials all documents required in connection therewith; and related matters:

Item C. 4-Consideration of a resolution authorizing the issuance and sale of the Town's Water and Sewer Revenue Bond Anticipation Notes, Series 1997 in a total principal amount of not to exceed \$5,000,000; authorizing the execution by the Town officials all document required in connection therewith; and related matters:

Blaine Carlton explained to the Council that these three resolutions authorize the issuance and sale of these notes on the terms that Mr. Smith just described. It also authorizes the Town to enter in to the various documents required in order to issue the notes. There will be 40 documents for each transaction, so that equates to 120 documents. There are two copies of each of the documents which will be approved tonight, and these should be kept on file at the Town office for public review. Mr. Carlton briefly explained the documents; the general indenture which is the master document that authorizes the issuance of the bonds, the first supplemental indenture authorizes the actual notes.

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Item C. 2,3 & 4-Consideration of Bond Resolutions cont: Mr. Carlton continued, an Escrow Deposit Agreement is another important document and it is noted in each of the bond issues that the municipality is pledging its revenues generated from the utilities for repayment of these notes. This agreement says the developers of the property are agreeable to put up one half of the net proceeds of the sales of the property in to this escrow to secure the repayment of the notes.

He continued, there is also a Guarantee Agreement which will be signed by the three principal owners of the development company. This agreement is a personal guarantee where all of the three guarantors are basically pledging all of their personal financial for the repayment obligation in the event of a short fall of the net revenues and a short fall of the escrow deposit agreement. The trustee can then go to the guarantors for the amount of money needed. Reimbursement Agreement will be between the Town, the developers and the guarantors that says if the developers or guarantors have to front the money due to a short fall that at a future date (after the notes are paid off) the Town agrees to reimburse the developers or guarantors any money they had to front limited to a ten year period and would come from the net revenues generated from the utility systems. If there are no net revenues generated there will be no reimbursement required by the Town.

MOTION: *Diane Bradshaw moved to approve the resolution authorizing the issuance and sale of the Town's Telecommunication Revenue Bond Anticipation Notes, Series 1997 in a total principal amount of not to exceed \$2,400,000; authorizing the execution by the Town officials all documents required in connection therewith; and related matters. Nick Berg seconded. Ayes: 3, Nays: 0. Unanimous vote. Motion passed.*

MOTION: *Diane Bradshaw moved to approve the resolution authorizing the issuance and sale of the Town's Gas and Electric Revenue Anticipation Notes, Series 1997 in a total principal amount of not to exceed \$1,500,000; authorizing the execution by the Town officials all documents required in connection therewith; and related matters. Nick Berg seconded. Ayes: 3, Nays: 0. Unanimous vote. Motion passed.*

MOTION: *Diane Bradshaw moved to approve the resolution authorizing the issuance and sale of the Town's Water and Sewer Revenue Anticipation Notes, Series 1997, in a total principal amount of not to exceed \$5,000,000; authorizing the execution by the Town officials all document required in connection therewith; and related matter. Nick Berg seconded. Ayes: 3, Nays: 0. Unanimous vote. Motion passed.*

Blaine Carlton said that when we received the agenda items the exact principal amount was not available, he advised that the Council re-adopt the resolutions with the correct amounts.

MOTION: *Diane Bradshaw moved to re-adopt the resolution authorizing the issuance and sale of the Town's Telecommunication Revenue Bond Anticipation Notes, Series 1997 in a total principal amount of not to exceed \$1,215,000; authorizing the execution by the Town officials all documents required in connection therewith; and related matters. Nick Berg seconded. Ayes: 3, Nays: 0. Unanimous vote. Motion passed.*

MOTION: *Diane Bradshaw moved to re-adopt the resolution authorizing the issuance and sale of the Town's Gas and Electric Revenue Anticipation Notes, Series 1997 in a total principal amount of not to exceed \$1,350,000; authorizing the execution by the Town officials all documents required in connection therewith; and related matters. Nick Berg seconded. Ayes: 3, Nays: 0. Unanimous vote. Motion passed.*

MOTION: *Diane Bradshaw moved to re-adopt the resolution authorizing the issuance and sale of the Town's Water and Sewer Revenue Anticipation Notes, Series 1997 in a total principal amount of not to exceed \$4,910,000; authorizing the execution by the Town officials all documents required in*

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connection therewith; and related matters. Nick Berg seconded. Ayes: 3, Nays: 0. Unanimous vote. Motion passed.

Item C. 5 - Proposal from Tasco Engineering for Subdivision Layout for Natural Gas, Electrical and Communications: Mayor Hooge suggested this item be tabled because Gary Tassianer of Tasco Engineering was not present.

MOTION: *Nick Berg moved to table item 5. Diane Bradshaw seconded. Ayes: 3, Nays: 0. Unanimous vote. Motion passes.*

Item C. 6 - Proposal for placement of Four Temporary Trailers within the Town/Sherrie Smith: Mayor Hooge said Sherrie Smith with South Valley Leasing had to leave and explained the plans for four trailers to be located in the Town Center, one being for the Town Office. She also expressed her concern that no services are located where the trailers will be. However, Mike Wren informed us today that approximately \$200,000 is needed to bring the services to fire station. Nick Berg stated that the services would be provided to the fire station, it will be taken care of.

Mayor Hooge explained that the other three trailers would be for private commercial use, one would be a small grocery store, one would be an office building and one would be for Eagle Mountain Real Estate which will showcase all the projects going on in the Town. She added that these trailers are on a conditional use permit for a period of 12 months and this will give the Town some revenue. She felt that the Town Office trailer should not be exempt from the conditional use permit. Glade Berry a property owner asked where these trailers would be located. Mayor Hooge said at the round-about on Eagle Mountain Blvd. The trailers will be custom built and Dave Conine will be responsible for the colors.

MOTION: *Nick Berg moved to approve the four temporary trailers subject to conditional use permits for 12 months and to the site plan. Diane Bradshaw seconded. Ayes: 3, Nays: 0. Unanimous vote. Motion passed.*

Item C. 7 - Proposal on Caselle Software Package (Government Programs): Wayne Bradshaw stated that he was assigned by the Mayor to look into a software package and is proposing that some of the bond funds be earmarked to allow the Town to purchase a computer system and software to enable the Town staff to do bookkeeping. Currently, we are using a small business package called Quick Books Pro that is owned by the DMH Real Estate Group and our computer is on loan from Robert Lynds.

He continued, the software is especially designed for government use by Caselle Inc., located in Spanish Fork, Utah and they are used by 85% of the municipalities in Utah. It is a modular system, and the Town would require only the following modules; the general ledger for all accounting, budgeting and bank reconciliation, utility billing, payroll, accounts payable, and cash receipting. Those basic modules allow us to do what is needed. Mr. Bradshaw recommended that the Town purchase Pentium 233's with the 6.4 mega-bite hard drive with zip drives and modems in them to run the software. He added that he has also proposed the purchase two printers, a laser printer for general use and a dot matrix printer for all the utility billing.

Mayor Hooge said the Town would need three computers, one for the executive assistant and clerk, one for the town manager, and one for the treasurer. She added that the \$175,000 needed to purchase the software, computers, Town trailer, office supplies and Sue Fraley's salary will come out of the bond funds. Ms. Fraley stated that in her experience with Caselle has been excellent and they provide very good support for their product. Mr. Bradshaw added that Ms. Fraley will train the staff on all the modules, and that he and Ms. Fraley will attend training on the general ledger.

MOTION: *Diane Bradshaw moved to approve the Caselle software and purchase of the pc's as presented and approve Wayne Bradshaw to purchase the hardware and software. Seconded Nick Berg.*

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Item C. 7 - Proposal on Caselle Software Package cont: Before the vote, Councilmember Berg asked if there were any other companies researched for purchase for this type of software. Wayne Bradshaw explained that no other options were researched because most of the municipalities use this software and it was recommended by them. He added that there is a lot to be said about being a local company and getting local support. Mr. Berg expressed his concern of going with a DOS operating system, he said there has to be a software program out there that runs efficiently on Windows. Ms. Fraley said that Caselle can run on Windows, but users prefer the DOS system, it seems to be better suited to run the software. Discussion ensued.

Mayor Hooge called for the vote. Ayes: 3, Nays: 0. Unanimous vote. Motion passed.

Item C. 8 - Proposal on Supplies and Equipment for the Town Office/Janet Valentine and Sue Fraley:

Sue Fraley presented to the Council a list of the large items and misc. supplies which would be needed to set up the Town office. Sue Fraley and Janet Valentine said they would go to the State Surplus and see what is available through them. Ms. Fraley said that when she worked for Springdale, Utah as the Town Clerk they purchased some office equipment at a very low cost. Randy Skeen the Town Attorney said this isn't a budget issue and gave

MOTION: *Diane Bradshaw moved to approve the purchase of Office Supplies and Equipment subject to Mayor Hooge or Dave Conine's final approval. Nick Berg seconded. Ayes: 3, Nays: 0. Unanimous vote. Motion passed.*

Item C. 9 - Release of Hyrum Thompson and Rodger Hurst from the Planning Commission/Mayor Debbie Hooge:

Mayor Hooge told the Council that the Planning Commission is down sizing back to seven members therefor, Hyrum Thompson and Rodger Hurst have been released as Commissioners. Mayor Hooge expressed her appreciation for their willingness to serve on the Planning Commission. No action needed.

Item C. 10 - Appointment of Election and Counting Judges and Alternates/Janet Valentine: Janet Valentine said she has only been able to find two residents to serve as election judges. Maureen Anderton will serve as the head election judge and Leland Fitzgerald will serve as an election judge. Sue Fraley said it would be helpful to also appoint counting judges because it is a long day for the election judges and by 8:00 p.m. they are tired and not in the state of mind to count the votes. Mayor Hooge agreed. Janet Valentine said that she has arranged with Donna at the County Election's office to do a training class on October 21, 1997 at 1:30 p.m. for the election judges, counting judges, Sue Fraley and herself. At next weeks meeting Janet Valentine will have a complete list of names of election/counting judges then it can be addressed next week.

Mrs. Valentine brought up the issue of the Town's addressing change and that she will have available change of address packets at the Cedar Pass Ranch trailer on November 4, 1997 for the residents, along with their new assigned addresses. The Lehi Postmaster has the new address maps for Eagle Mountain so the address change is now official. No action needed.

Item C. 11 - Appointment of Sue Fraley as Deputy Town Clerk/Mayor Hooge: Mayor Hooge said that Sue Fraley has been hired as an executive assistant to herself and Dave Conine. The reason for her to be appointed as the Deputy Town Clerk is if Janet Valentine is unavailable due to sickness or vacation leave, Ms. Fraley would be able to attest to and record any necessary documents or plats.

MOTION: *Nick Berg moved to appoint Sue Fraley as the Deputy Town Clerk. Diane Bradshaw seconded. Ayes: 3, Nays: 0. Unanimous vote. Motion passed.*

Item D. New Business: Mayor Hooge addressed two issues. The Mayor would like to have a party in December for the Town Council and their significant others and the Planning Commission and their significant others to show appreciation for the many hours they have served on behalf of the Town. Mayor Hooge requested that thank you plaques be made for

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each Council Member and Planning Commission Member. The Mayor requested for Sue Fraley and Janet Valentine to be put in charge of arranging the party.

Item D. New Business cont: Mayor Hooge stated that she would like to see the Council receive a per diem of \$25.00 a day and compensation for attending meetings. The Council has spent many hours on behalf of the Town including a lot of travel and there should be sort of compensation

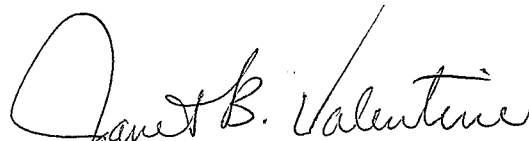
Mayor Hooge said that David Conine's job has been as a consultant, acting as the Town Manager. Mr. Conine needs to be appointed as the Town Manager. The Mayor requested a resolution to hire Dave Conine as the Town Manager be on next week's agenda. She also requested a resolution to retain Ira Hodges as a consultant to the Town, as needed, on next week's agenda.

Mr. Conine gave each member of the Council a draft of the General Plan which he has been working on for the last month. He asked the Council to review it and make comments on any of their concerns.

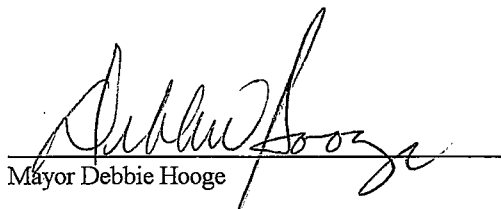
Diane Bradshaw stated that there is a was put in charge of looking in to location of Parks in Eagle Mountain. There will be a park plan available at the Town office for the Council to review. This issue will be addressed at next week's Town Council Meeting.

Mayor Debbie Hooge mentioned she would like as few as meetings possible in November.

MOTION: *Diane Bradshaw moved to adjourn the Town Council Meeting at 9:15 p.m. Nick Berg seconded. Ayes: 3, Nays: 0. Unanimous vote. Motion passed.*


Janet B. Valentine, Town Clerk/Recorder



APPROVED: 
Mayor Debbie Hooge