

Pleasant Grove City Council Minutes
December 14, 2010
6:00 p.m.

PRESENT:

Mayor:

Bruce W. Call

Council Members:

Val Danklef

Lee Jensen

Kim Robinson

Jeff Wilson

Excused:

Council Member Cindy Boyd

Chief Tom Paul, Public Safety

Colleen A. Mulvey, Deputy Recorder

City Recorder:

Kathy T. Kresser

Others:

Scott Darrington, City Administrator

Dean Lundell, Finance Director

Tina Petersen, City Attorney

Lynn Walker, Public Works Director

Richard Bradford, Economic Director

Captain Mike Roberts, Public Safety

Degen Lewis, City Engineer

Marc Sanderson, Fire Chief

Ken Young, Comm. Dev. Director

Deon Giles, Leisure Services Director

The City Council and staff met at the City Council Chambers at 86 East 100 South, Pleasant Grove, Utah

1. CALL TO ORDER

Mayor Call called roll for the Council and noted that Council Members Danklef, Jensen, Robinson and Wilson were present.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was lead by Scout Josh Brown.

3. OPENING REMARKS

Opening Remarks were given by Director Bradford.

4. APPROVAL OF MEETING'S AGENDA

ACTION: Council Member Jensen moved to approve the agenda with moving Item “b” before Item “a”. Council Member Robinson seconded and the motion passed unanimously with Council Members Wilson, Jensen, Robinson, and Danklef voting “Aye.”

5. **CONSENT AGENDA** (Consent items are only those which have been discussed beforehand, are non-controversial and do not require further discussion)
 - a. City Council and Work Session Minutes:
 - City Council Work Session Minutes – July 27, 2010
 - City Council Minutes – November 3, 2010
 - City council Work Session Minutes – November 9, 2010
 - b. To consider approval of paid vouchers (December 9, 2010)

The Mayor asked for a motion on the consent agenda.

ACTION: Council Member Wilson moved to approve the consent items. Council Member Jensen seconded and the motion passed unanimously with Council Members Jensen, Wilson, Danklef and Robinson voting “Aye.”

6. **OPEN SESSION**

Mayor Call explained to those present that if an item was not a public hearing or on the agenda, the public was welcomed to come forward and address the Council.

Mr. Don Newman, 911 North Mahogany Drive, came forward and addressed the Council. He commented that he has appreciated the help that he has received from Staff and we have a great community. One thing he wanted to address is that back in 1997, Ordinance 97-20 was the first time storm drain fees were added to the utility bills. He built his house in 1988 and at that time he paid an off-site fee of \$304.13 with his building permit. He was told at the time, because he was in disagreement and wanted to know where this money was going, that it was to cover storm drains.

Mayor Call asked if that was an impact fee. Administrator Darrington replied that it may have been a hook up fee.

Mr. Newman said that it is an off-site fee, that is what it is called on the building permit, and he was told this by Doug Bezzant the Building Official at that time. He doesn't see how the City can legally charge a monthly storm drain fee, to him or anyone else, who has a building permit that shows that they have paid an off-site fee that was collected by the City, he thinks that is paying twice for something. Mayor Call commented that it is similar to sewer; you paid a hook-up fee for the sewer when you build a house. Mr. Newman responded that it was not a hook-up fee it was called an off-site fee.

Mayor Call then asked what this off-site fee is. Attorney Petersen replied that it was a term that was used back then for something similar to a hook-up fee or an impact fee. She said that she isn't familiar with that term, and that term has not been used since she has been with the City. She then explained that the state statute allows municipalities to charge ongoing fees for services, the fact that you were charged a onetime fee that had to do with utilities doesn't mean that you can't be charged with ongoing fees for operation and maintenance. Mr. Newman said that he

isn't opposed to paying his share he just doesn't think that it is right because he has already paid his share with the building permit. He also said that he will pay his share along with everyone else, but he thinks there have been mistakes made by the Council on the recent vote adopting the utility rate increase by everyone of you. Mistakes were made and he would like to see them fixed particularly the storm drain. He cannot see where seven million dollars in land purchases over the next four years that is needed. He also said that he would like to know what area of town the land purchases will be made, seven million dollars goes a long way in buying property today.

Mayor Call thanked Mr. Newman for his efforts in attending the City Council meetings and suggested that he contact the City Administrator Scott Darrington and set up a time with him and show Mr. Newman exactly how the City is going to use the money with the fees. Mr. Newman said that he would be glad to do that.

Mr. Newman then commented that he would like the Council to address how each of them voted for the rate increase. He felt that the public didn't really realize how the voting went. There was one vote that he would like to know why that person voted that way. Mayor Call explained that that is why the minutes and how things were voted on all public record.

Mayor Call then asked if there was anything else for the open session. There wasn't anything, he then closed the open session part of the meeting.

7. BUSINESS:

b. PFC LONGSON TO DO A PRESENTATION ON THE COMMUNITY COVENANT PROGRAM.

Mayor Call then read this item. He indicated that PFC Longson had another commitment and couldn't be here tonight and Lt. Buffington would be doing the presentation instead. Mayor Call indicated that all of the Council has received information from him as to what he would like the City to do for the Community Covenant program. He then turned the time over to Lt. Buffington.

First Lt. Promotable Mark Buffington from the Utah National Guard said that he is here this evening to introduce to the Council a relatively new program that is designed to bring communities together with existing military programs to better serve the service members in all components and capacities that live together in a community. The name of the program is called The Community Covenant Program. Since September 11, 2001, there has been an increase in "operational tempo" for all branches of the uniform services, the Coast Guard, Army, Navy, Marines and Air Force; be it through National Guard Reserve or active duty status. He then explained what he meant by "operational tempo" this is the time between being called up for active duty service, and most of the time being in a hostile fire area, and the time that they return home. We have done a lot of research and have found out when these soldiers come home they have a lot of different issues, some have financial issues, and some deal with post traumatic stress disorder (PTSD) and others employment issues. He commented that when he returned home after being deployed he had some issues with reintegration with his family. He then related that after being gone for a year he changed and his family had changed and it was hard to figure out where you fit in. These are just some of the things that our service members struggle

with and we as a community here in Utah need to do better to serve our members inside of our area and that is what the Community Covenant Program is all about. Here in Utah we adopted this program and started doing it last year on February 23, 2010, he then passed out the official citation that the State has adopted showing the endorsing signatures of the State Legislature (see Exhibit "A".) From there the military has been going around Utah talking to people about the Community Covenant Program which is a formal declaration of support that the cities make towards the service members, not only for those that are serving but also for those who have served before, our veterans, because there is no one who deserves it more than those that have gone before and fought for the freedom of the community.

The entire purpose of this is to help support the service members; one of the great things in Utah is that we are the only state that has dedicated an entire team that is going out to local communities to get support. Another thing that we have is the utility abatement program, which Pleasant Grove City is a part of.

Lt. Buffington then mentioned that the number one concern for those who aren't fulltime soldiers is not what is going on in front of them but what they left behind. He said that he spent every day worrying about his family and how they are being taken care of and those that are lower enlisted that took a pay cut when they were deployed. So what he would like to propose to the Council tonight is to adopt the Community Covenant Program to and to get a committee together or assign a liaison that they could work with so we can have a Community Covenant signing ceremony. Lt. Buffington then said that that is all he had.

Mayor Call asked if there were any questions from the Council for Lt. Buffington, there weren't. The Mayor then said that the Council has received great information from PFC Longson and asked if the Council should work with PFC Longson or contact him. Lt. Buffington replied that they are both in the same office and the City can work with either one of them. The mayor then thanked Lt. Buffington for coming and said that the Council now has a good understanding of the program and will now move forward.

a. **DISCUSSION ON LAND USES IN THE GROVE INTERCHANGE SUBDISTRICT ZONE.**

Mayor Call stated that for this item Dennis Baker and Dan Torfin would like to address this issue.

Mr. Torfin, 250 South Beechwood Boise Idaho, said that he is here representing Dennis Baker. He said that this is a continuation from the City Council meeting that was held on November 23, 2010 and he would like to abbreviate what was presented at that meeting. He then went on to say that many of the Council are familiar with their project and the quality of work that we do. We are the developer of the Grove and have been working on this project since the 1990's and we have been in partnership with the City through the project. The discussion item tonight is a convenience food, McDonalds, came to us and they would like to build in the Grove area, as we stand right now the City has enacted a temporary zoning ordinance that does not allow fast food and fuel services in the Grove zone. He then pointed to the master plan that they had developed and said that in the November 23rd meeting we made presentation and asked the City to rescind

the temporary zoning ordinance because convenience food and fuel are uses that have been allowed the entire time in the zone. He then said that this meeting was for the purpose of having the entire Council here so they could again ask that the temporary zoning ordinance be rescinded. Mr. Torfin said that he understands the concern that the Council has in allowing a convenience food to be the first thing to come into that area and he felt that they have demonstrated that we can integrate all those uses with architecture, site plan, landscaping and all the ingredients that make a successful development. Mr. Torfin then said that they do still have a contract with McDonalds and would like to make the request again to rescind the temporary zoning ordinance so they can move ahead. He then handed out to Council a concept plan that they have been working with (see Exhibit "B".) He said it doesn't show the hotel in the area but it does show uses that would be appropriate in this area.

Mayor Call felt that since he wasn't at the previous meeting he wanted to ask the Council how much of a fear there is of having this area overrun with fast food or was it a factor or all. Mayor Call said that the reason that he brought this up is because the concern of the Council is that we are not opposed to one but we are opposed to many. Council Member Danklef said that he is concerned with having just one fast food place coming in.

Mr. Torfin responded that the meeting on the 23rd of November it seemed that there was indication that it wasn't "McDonalds" you were restricting you were restricting any convenience food and fuel or hardware stores and things like that. To us it didn't make sense because when we started investing money into this area those uses were allowed and then all of the sudden to have these things taken away when it will be the only real activity that has been proposed in the area within the last two years, just doesn't make sense.

Mayor Call said that he can't speak for the Council but his particular concerns are, the City has an opportunity to have the land in that area developed in a way that doesn't require knocking down buildings because it is all virgin land. Another concern is the City needs to be very careful in how we approach what we want in there, we have the opportunity to be distinct from other places. He also commented that Mr. Baker has been very instrumental in creating a vision for that area that he absorbed once he came on the Council and became part of the elected body. Coming into it five or six years ago he would have glad to see anything happen down there and Mr. Baker was the one reigning in the Council on what would be appropriate in the Grove area. Now that he has become converted to the idea he is a little reluctant to allow something that isn't really part of that fit.

Mr. Torfin interjected that what he handed out was a plan that was done in 2003 and it was done by Thomas Consultants and it contemplated fast food and fuel services. Council Member Robinson asked if this plan was presented to Council and did they accepted this. Mr. Torfin said that yes it was presented and we have been partners with the City, we have zoning approval, we have partnered on road projects for the BMW project, many of you were not here at time, it was back in 2003 and it has been part of our vision. The BMW dealership wasn't part of the plan and when it presented itself we invested in it, the same is true with the hotel and convention center. We have always contemplated those uses in this area and it is appropriate for a development adjacent to the I-15 Interstate to provide those traveling convenient services to make it successful. We have a lot of people in that area that would like to have more restaurants; we

think this activity will generate additional activity. We don't want to see fast food row but have always envisioned that those types of uses would be appropriate. Mr. Torfin then showed the Council a picture of a Chevron station in Idaho that is stationed next to a Chase Bank and said that this is a high end development and the way to implement the station into the area was done with architecture and landscaping. Historically the fast food services have been allowed and a McDonalds here would be fantastic and would be a beautiful addition to the area.

Mayor Call asked Mr. Baker if he or Mr. Torfin is aware of anywhere there is a development about this size where the Council has said, "No fast food?" Mr. Baker responded that he hadn't and we see fast food at almost every development. Mr. Baker said that McDonalds is a national chain that is a high quality user that does their homework. Mayor Call said that he didn't have any doubts that Mr. Baker and Mr. Torfin would do a high quality project; it's just the content not the package.

Administrator Darrington commented that at the meeting in November the feeling in that discussion was that we are not necessarily opposed to McDonalds, its being on the prime corner. When you look at the master plan the prime corner doesn't have a fast food restaurant on it, the restaurants are along 2000 West, which we have said all along that is where we would like to have them. Our issue tends to be the prime quadrant where you have 2000 West and Pleasant Grove Boulevard, Central Bank is on one corner and there are three corners left to develop and McDonalds might not be the best use for that corner. I don't think we have ever said "no fast food," we have said that we would like it somewhere else.

Mayor Call asked Mr. Torfin if they have talked with McDonalds and are they willing to locate on another spot. Mr. Torfin replied that they have had discussions with McDonalds and have showed them other locations with the encouragement from the City and Economic Development and McDonalds said absolutely not. The only other location they would be willing to look at is the northwest corner of 2000 West.

Council Member Robinson commented that back in November the discussion was only about the one site, is that correct, and what she took from the discussion was that we are open to McDonalds coming in at a different location. She then said that when the City did the temporary zoning ordinance she was under the impression that we were talking no fast food, and then this came before us. Administrator Darrington responded that the ordinance doesn't allow any fast food in the Interchange zone so if the Council decides that they would be okay with a different sight then the Council can take away the temporary zoning ordinance and allow them on a different parcel. In the November meeting there was a short discussion about zoning restrictions that if you put the McDonalds here then we will put a radius around and not allow any other fast food to come into that area. We haven't sat down and hammered that out with Mr. Baker but that is something that we could look at.

Attorney Petersen said that the temporary zoning ordinance was to allow the City time to flush out what our philosophy really is. We wanted to protect that prime corridor, those four corners, we had anticipated in getting an additional study and additional staff work done and then educate the Council as to whether or not that there are other areas in the zone that would be appropriate.

Mayor Call then asked the Council if they had any further questions for Mr. Torfin or Mr. Baker, there weren't any. The Mayor then asked the Council to express their feelings as to what should be allowed in the Interchange zone.

Council Member Danklef commented that because he is fairly new and he hasn't seen this concept plan before tonight. He wouldn't have a problem with what is laid out on the concept plan realizing that on the boulevard there are no fast food restaurants shown. In the way that this is laid out with the mixed uses this would be a great plan. He then said that from his stand point this would fit the needs of the City in the Grove area. Obviously some of this couldn't happen because of the hotel and conference center that is envisioned in the area. He also commented that he thought that the vision was to shrink the Interchange zone down to 2000 West. Mayor Call asked if he still had the concern of protecting the four corners. Council Member Danklef replied that he would like to protect at least two corners.

Council Member Robinson agreed with Council Member Danklef, this is the first time that she has seen the concept plan, but we have also discussed bringing another company with another concept. She also commented that the partnership that the City has with Mr. Baker, being he is the majority property holder, she would like to identify the potential area that we want protected and then open up other potential sites for McDonalds. We need to continue the partnership with Mr. Baker as we have in the past and come up with solutions where we would be open to allowing McDonalds to come in. She said that she knows that it is hard not seeing any progress on the hotel, it's hard because we don't want to turn away any business at this point.

Mr. Baker asked the Council if he could address them at this time, he then thanked the Mayor and Council for the time to speak to them. He went on to say that this project started back in 2003-2004 and he didn't think that any council has seen the concept plan that was presented tonight because we haven't officially asked for concept approval. We know that this project will need to be market driven; and we need to know who wants to anchor and come to the various names of different districts that have been determined by Pleasant Grove. He said that when word got out that McDonalds is interested in coming to Pleasant Grove he felt that immediately there was a concern with fast food in this area, he said that they also had the same concern. When we first started this project the concern was that we didn't want a mismatch of development we want something that would be unique. If Council will let us work with the Staff to identify where the fast food and convenience locations are and the design for them and designate those areas and get it in ordinance form so the City has the protection then at the same time we know what we will be able to market and work with and we would like the Council's cooperation in this matter.

Mayor Call then asked the Council Members for their input.

Council Member Jensen commented that his experience with the Council and Staff that we have now is that we are trying to reduce as much as possible from mistakes that he was part of in the past and the mistakes that we made before. This Council is committed to total transparency in everything and all that we do. He felt that what is being talked about now is a historical moment for the City in laying the ground work for what this particular Council feels is the best interest of the City at an economic stand point and going forward with no economic development coming to

Pleasant Grove. Personally he suspects that if we started in Ogden and went down to Springville or Spanish Fork every interchange has a McDonalds, or other fast food type restaurants and convenience store/gas stations. The idea of the very first retail to come into Pleasant Grove is laying the seed work to replicate and duplicate what is on every other interchange along the I-15 corridor. He then said that he didn't see that as being the kind of future that he wants for the City or the beginning of development. He went on to say that he didn't have a problem with McDonalds coming in; his concern is how we begin that process. He felt that McDonalds could be an anchor, but an anchor for what? An anchor to convenience stores, gas stations, or for more fast foods to come forward? Council Member Jensen then said that he thought the intent of the temporary zoning ordinance was to establish some kind of "status quo" that allows this City, this Council, and this Staff to have sufficient time, at whatever means possible that we can find, to carefully analyze and take a look at what it is that we really want at the beginning of the Gateway in Pleasant Grove, he doesn't not want a series of gas stations, fast foods, and convenience stores to be what people see as they come off I-15 and come into Pleasant Grove. He then said the said that he feels that it is the duty of Staff and Council to point out other areas in the Grove as to where McDonalds could go and he didn't think that McDonalds is unique enough for what he has in mind for the Interchange area. He went on to say that tonight is the first time that he has heard that McDonalds might be interested in going on the corner to the north and he thinks that should be considered by the Economic Director and Staff to see how it would fit in that particular location. We are committed to mixed use and personally he felt that it is a question of timing and to be certain if we want a particular development to precede other kinds of developments and does McDonalds fit into that first wave?

Council Member Wilson then commented that he is okay with fast foods coming in and it's not just because we do not have anything being developed out there at this time. He is trying to look at the City as a whole and not just individual people. He sees a lot of young men and women and families going to McDonalds because that is what they can afford. He then said that he knows what the Council wants but we need to look at it as a whole and what would be the best for the City.

The Mayor said that we have established the ordinance as a temporary measure to utilize not only our brains but the brains of others to really come together and decide what we want in a very specific way, what we want with specific corridors and what we want in that entire Grove district. He then asked the Council if anyone was opposed to continuing the temporary zoning ordinance even if it means losing McDonalds. Council Member Wilson stated that he is against continuing on with it. Council Member Robinson said that there might be something else that would come in and we should hear every proposal. She then said that she is a little bit nervous about a developer wanting to come but won't because of the restrictions.

Administrator Darrington commented that the temporary zoning ordinance is only for six months and he believes that we are already two months into it, so it does have an expiration date. He thought that the idea was to have a more complete idea of what the vision is before the four months are up. If there are others that are knocking at the door and then saying I don't want to come because of the restriction, the fact that this is temporary tells them that maybe they can't come tomorrow but they can come in four months. He went on to say that today was the first

time that he has heard about McDonalds being interested in the other site and this is something that we should look into.

Mayor Call then addressed Mr. Baker and Mr. Torfin and said that he understands that a company like McDonalds can say “We either go here or go here” and we don’t want to lose something that is anxious and ready to go, but on the City’s end we have to make sure that this is what we want. He then asked them to be patient with the City while we are moving down the path of what corridors are good for this and what corridors aren’t.

Council Member Wilson commented that he would like to hear what Economic Director Richard Bradford has to say about this.

Director Bradford commented that he been researching this since Dennis and company brought this forward in the first place which has been about ten months. He has been working with their realtors and has proposed six potential sites but the one they immediately focused on is the one we have talked about until today. We have not had a chance to evaluate the second site that was proposed and he agrees with Council that we need to do some more fact finding. He went on to say that he has also solicited opinions from other developers including major mall developers throughout Utah. We asked what is the order of things and one of the things that we heard from that inquiry is that usually you put your anchors in first and then that determines what kind of restaurants that will come in, we also have been advised that we should respond to market needs. He said at this point he would like to carry out the will of the Council and what he is hearing tonight is that the Council’s will is to try and find a place off of the main boulevard that will work for this project. Fast Food is a good indicator and instigator of economic development action and it will call attention to the fact that Pleasant Grove is progressive and because McDonalds has chosen Pleasant Grove it shows that we are a viable market place. There are many pluses to this but we have also been cautioned that if we desire a certain upscale image for a lifestyle mall that perhaps fast food should come in after the lifestyle mall begins construction. He feels strongly about looking at the second location and gather as much information possible and then bring it back to Council.

Council Member Jensen asked Mr. Baker what his time frame is for responding to McDonalds. Mr. Baker replied that the time frame has come and gone or about to expire. This isn’t a high pressure sale but what we want to know is what can we do, where can we put anyone with a fast food or convenience store.

Council Member Danklef mentioned that when we did the temporary zoning ordinance he thought that we were going to shrink the Interchange area down to protect the areas that we really want to protect and that will open up other areas. He then said that prior to the November meeting he was picturing a situation like Walkers in Lindon, where you have a gas station and a McDonalds in the gas station and he was opposed to that, however, after meeting with them he realized that this is a standalone restaurant and not only is it different than what we have on State Street but this is more like the one in American Fork that they just rebuilt and to him that is a much better solution.

Mayor Call asked if there was any further discussion, there wasn't any. He then said to move forward we will have Staff look at the additional proposed site and we will follow up on Council Member Danklef's suggestion at shrinking the Interchange district to the areas that we specifically want to protect. He then thanked Mr. Baker and Mr. Torfin for coming.

C. TO CONSIDER FOR ADOPTION A RESOLUTION (2010-063) AUTHORIZING THE ISSUANCE AND SALE OF \$1,000,000 AGGREGATE PRINCIPAL AMOUNT OF ITS TAXABLE WATER REVENUE BONDS, SERIES 2010(FEDERALLY TAXABLE-ISSUER SUBSIDY-BUILD AMERICA BONDS); CONFIRMING THE SALE OF SAID SERIES2010BONDS; AUTHORIZING THE EXECUTION BY THE ISSUER OF AN EIGHTH SUPPLEMENTAL INDENTURE, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTION CONTEMPLATE BY THIS RESOLUTION; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

Mayor Call read this item and then turned the time over to Finance Director Dean Lundell. Director Lundell stated that back in March the City was approved by the Utah Drinking Water Board for a million dollar low interest loan. The loan is at 2.7% interest and the reason that we want to act on this quickly is because of the Build America Bonds, we can get a portion of the interest rebated back to us in future years. The proceeds from the loan will go towards the items that are on the Capital Projects list like replacing lead joints in the lines and up sizing some of the lines particularly those dealing with fire flows. To get this loan and the low interest rate we had to get our water rates in place to show that we will have the revenue to repay the bond; the annual debt service on this will be around sixty five thousand dollars a year, which was shown in the rate study. Director Lundell asked the Council if they had questions for him or Cody Deeter from Lewis, Young, Robertson and Burningham.

Council Member Jensen wanted to make sure that he understands what is going on. This resolution authorizes the City of Pleasant Grove to borrow one million dollars. What is the one million dollars going to be used for? Director Walker answered that it will be a start to replace the lead joint lines, which are illegal, and to replace the undersized lines in the City. The one million dollars represents about 20% of the total cost of the replacement of the lines. Council Member Jensen asked what about the other 80%. Director Walker replied that we will have to bond again to pay for that but we will do that as we go.

Director Lundell suggested that Council Member Jensen look at the Capital Projects list there were six or seven different instances where they had a different year for replacement of the water lines, we are just trying to get the project going with the million dollars and we will upgrade what we can with the money.

Council Member Jensen asked the length of the bonds. Director Lundell replied 20 years.

Administrator Darrington commented that we have pinpointed the projects that need to be done now and some of those were included in the rate study so the intent is not to have the whole City

done in five years but to do what needs to be done and then there are other areas that are pinpointed to be done and as revenue comes. As revenues come in we can do the “pay as you go” option to start on the other replacements but if money comes available from the State at a low interest rate then we can apply to the State for another loan and save the reserves if that is the direction the Council wants to go.

Council Member Jensen asked if the million dollars will carry us to the point of pay as you go. Administrator Darrington replied that it doesn't, this only takes care of 20% of the work that needs to be done. We can do pay as you it but it might take us fifteen years to get enough revenue coming in because the rate study only went out to 2018, so the projects on the list to be replaced, 20% of it will be completed with million dollars but there is still the other 80% that is not going to be done before the year 2018. If the City wants to bond for four million dollars and get it all done that is an option but it wasn't built into the rate study.

Council Member Jensen said that his thought was that the rate increase would be sufficient so at some point in time we wouldn't have to go out and borrow the money, we could just pay as you go. He asked at what point do we reach the point where we can afford let's say for example a three hundred thousand dollar project this year and two hundred seventy five thousand dollar project next year. Administrator Darrington replied that the rate study shows that by 2013, because we have raised our rates we will have that three hundred thousand dollars in the bank and then that is when we will do that project, but if some reason we want to bite off more than that, the revenues won't be there so we will have to increase the water rates again and save money to pay as you go or we bond. Council Member Jensen interjected or we don't do the projects until we have sufficient money to do them. Administrator Darrington replied that that is right, but because we have raised our rates today we are counting on these revenues to do projects in the future years, we won't get them done right away but we will eventually.

Council Member Jensen voiced his concern about the process we went through of just raising our rates, it will be difficult for some of our citizens to pay that rate increase, and now we turn around and borrow a million dollars to do these projects. Administrator Darrington said that all of this was part of the rate study. Council Member Jensen retorted that he didn't think that there was a single citizen out there who attended these meetings, who had in their mind, “Oh two weeks from now there will be a one million dollar bond that will be purchased by the City to add on to the rates.” He then said that there is no guarantee that next year there won't be another million and the next year another million. Mayor Call responded that that is what the whole rate study was about, raising the rates in order to be able to borrow the money, it never was to pay as you go. He said he doesn't think it will surprise anyone. He also reminded Council that we had to raise the rates in a timely manner because if we didn't raise them we would not come into compliance that would allow us to apply for the extremely low interest rate on the bonds.

Council Member Danklef commented that his first thought was to use the reserve money to do the needed projects, but when you look at how inexpensive it is to borrow the money he thinks it would silly to not apply and get this money.

Mayor Call asked if there was any further discussion, if not he will call for a motion.

ACTION: Council Member Robinson moved to approve Resolution 2010-063 authorizing the issuance and sale of \$1,000,000 aggregate principal amount of its taxable Water Revenue Bonds, Series 2010 (Federally Taxable-Issuer Subsidy-Build America Bonds); confirming the sale of said Series2010Bonds; authorizing the execution by the issuer of an Eighth Supplemental Indenture, and other documents required in connection therewith; and authorizing the taking of all other actions necessary to the consummation of the transaction contemplated by this Resolution; providing a severability clause; and providing an effective date. Council Member Danklef seconded and the motion passed unanimously with Council Members: Danklef, Jensen, Robinson and Wilson voting “Aye.”

8. NEIGHBORHOOD ADVISORY BOARD AND STAFF BUSINESS

- Director Young commented that recently in our discussion in the Grove zone, there has been sideline discussion in regards to “branding” of the area especially with regards to the Interchange and how that related to the branding of the entire Grove area. He thinks that there are some questions regarding this branding and he didn’t think everyone was on the same page. He suggested that maybe in January at a work session meeting we can discuss specifically how the City would like the branding in the area. He also mentioned that there are two openings on the Planning Commission so if they Mayor would like to start thinking about replacements. The Mayor replied that he is already looking at that and hopes to have some names very soon. The Mayor then mentioned that Curtis Miner resigned from the Commission recently and the alternates have moved up but Heather Pack has indicated to him that she no longer wants to stay on the Commission.
- Director Giles reported on the lights on Main Street. He said that Test Out came to him and the Mayor and said that they wanted to redecorate the lights on Main Street and due to the City’s current budget and power issues on Main Street he told them that the City couldn’t install lights this year. Test Out came back to them and proposed a gift of five thousand dollars which would light the trees on Main Street and also provided monies for the equipment to do it with. He would like to put an article in the paper thanking them for the great thing that they have done for the City. The Mayor mentioned that on November 11, 2011 Test Out will be their twentieth year in business on Main Street. They have done wonderful things for the City and we are very grateful for their business.
- Engineer Lewis reported that the widening of State Street from IHC InstaCare in Orem and down the Lindon will begin soon. The States proposal is to also make some changes on 300 East 700 South intersections to offer a double left turn on 300 East. He wanted to let the Council know that will raise issues on 300 East so looking at it the City will want to restrict parking about 450 feet up from the intersection which will eliminate on street parking for about 3 existing homes on each side of the street. With doing the work here it also raises the issue of 600 South as to whether to block it off or not. Looking at past minutes a couple of mayors ago put barriers up but that didn’t work out so well for garbage trucks trying to turn around. He then showed the Mayor and Council a picture of the area and how by blocking off the road at 350 East – 400 East would be more beneficial. He said that by working with the State and having them put in curb, gutter and sidewalk along 600 South instead of milling the asphalt on 300 East and replacing it because we just repaved it, will be a greater benefit for the City. We will need to have a public hearing on the road closure so the residents will have an opportunity to make comment. He indicated that he will be meeting with the State on Thursday and if Council agrees

with this proposal he will go ahead and work out the details with the State. Mayor Call asked what the time line is on this project. Engineer Lewis replied that they would like to notice in January and start construction in April. Council Member Jensen asked how much frontage will those homes on the east side of 300 East lose. Engineer Lewis replied that will not be much just a couple of feet. He said that he does have the plans in his office if the Council would like to review them. Mayor Call then asked the Council if they were ok with Engineer Lewis moving forward with the State. The Council agreed.

- Administrator Darrington said they have had their first meeting on the secondary water rates. He said that Rick Heilbut and Scott Wells have done an excellent job in creating a spreadsheet that pretty much takes every account in Pleasant Grove and attaches them to a lot size. There are some issues that we are working through but should have everything ready to present to Council at the January 18th meeting. He also indicated that he has met with the legislative committee and immigration is going to be the number one issue that will be discussed and how it is going to affect cities which will depend on what the State does. They can require local law enforcement to spend time tracking down illegal immigrants which could be a large strain on the police department budget so the State needs to give us some money for this or figure out a different way to fund it. It is a big issue with the State but locally it hasn't made it to Council level, but this is something that the Utah League of Cities and Towns will be right there monitoring. He then asked Council if they would like to meet with our legislators and have lunch and go over some of these concerns. Mayor Call asked him to go ahead and set the meeting up. Administrator Darrington then reminded Council that there will be a meeting on the 21st of December. The Manila Water Board wants to come and meet with just the Council. The Mayor indicated that he would like that meeting to take place in an executive session. Attorney Petersen said that she didn't think that it would qualify for an executive session. The Mayor suggested that the two of them get together and discuss it.

- Attorney Petersen then said that she had gotten a notice from the National Benefits Service our third party administrative party for our cafeteria plan. They said that there has been some changes made to the cafeteria plan and we need to update our plan before December 30th to be in compliance with federal regulations, the amendments will need an authorizing resolution and we will have that on the December 21st meeting.

9. MAYOR AND COUNCIL BUSINESS

- Council Member Danklef reported that he will not be to the meeting next week.

- Council Member Robinson also reported that she will not be to the meeting next week and was concerned about it because she wanted to be at the discussion with the Manila Water Board. The Mayor asked Recorder Kresser to check with Council Member Boyd to make sure that she will be at the meeting next week so there will be a quorum.

- Council Member Jensen wondered that if the names that the Mayor is considering for Planning Commission were the two names that he had given him. The Mayor replied that they are. He then said that there has been little discussion about the impact of a second McDonalds in Pleasant Grove. Council Member Wilson responded that at the November meeting there was discussion. Council Member Jensen then wondered if anyone has been in contact with the franchise owner of the first McDonalds. Mayor Call said that if there is ever a model of how to franchise properly and to the benefit of the franchisees is McDonalds. From a cooperate standpoint he can't imagine that they wouldn't have very specific rules that would benefit all the

franchisees. Administrator Darrington noted that he was at Wal-Mart in Orem and they have a McDonalds in their store and one in the north parking lot so he didn't think that this will be a huge deal to the franchisees. Council Member Jensen felt that as a courtesy the City should contact the franchise owner on State Street. Mayor Call then asked Director Bradford if he would contact this person and discuss this with him.

- Mayor Call stated that he would like to take some time in executive session to discuss the meeting with the Manila Water Board.
- Council Member Wilson said that he would like to include a personnel issue in the executive session.

10. SIGNING OF PLATS

There were no plat's to sign.

11. REVIEW CALENDAR

There was nothing added to the agenda for next week or for the calendar.

12. APPROVE PURCHASE ORDERS

There were no purchase orders to sign.

Note: The Council took a five minute break before going into executive session.

13. EXECUTIVE SESSION TO DISCUSS PENDING OR REASONABLY IMMINENT LITIGATION (UCA 52-4-205 (1)(c)); THE PURCHASE, EXCHANGE OR LEASE OF REAL PROPERTY (UCA 52-4-205 (1)(d)) AND TO DISCUSS THE CHARACTER, PROFESSIONAL COMPETENCE, OR PHYSICAL OR MENTAL HEALTH OF AN INDIVIDUAL (UCA 52-4-205 (1)(a))

Mayor Call asked for a motion to go into executive session for pending or imminent litigation.

ACTION: At 7:30 p.m. Council Member Jensen moved to go into Executive Session to discuss pending or reasonably imminent litigation. Council Member Robinson and the motion passed unanimously with Council Members Wilson, Jensen, Robinson and Danklef voting "Aye."

PRESENT:

Mayor:
Bruce W. Call

Council Members:
Val Danklef
Lee Jensen
Kim Robinson
Jeff Wilson

Others:
Scott Darrington, City Administrator

Tina Petersen, City Attorney
Kathy Kresser, City Recorder
Libby Lowther, Lowther and Associates
Jody Barnett, Utah Local Government Trust

ACTION: At 8:16 p.m. Council Member Danklef moved to go into Executive Session to discuss the character, professional competence or physical or mental health of an individual. Council Member Wilson seconded and the motion passed unanimously with Council Members Wilson, Jensen, Robinson, and Danklef voting “Aye.”

PRESENT:

Mayor:

Bruce W. Call

Council Members:

Val Danklef

Lee Jensen

Kim Robinson

Jeff Wilson

Others:

Scott Darrington, City Administrator

Tina Petersen, City Attorney

ACTION: At 8:30 p.m. Council Member Wilson moved to go back into regular session. Council Member Jensen seconded and the motion passed unanimously with Council Members Wilson, Jensen, Robinson, Danklef and Boyd voting “Aye.”

14. ADJOURN

ACTION: At 8:30 p.m. Council Member Wilson moved to adjourn. Council Member Jensen seconded and the motion passed unanimously with Council Members Wilson, Jensen, Robinson, and Danklef voting “Aye.”

This certifies that the City Council minutes of December 14, 2010, full and correct copy as approved by the City Council on January 18, 2011.

Kathy T. Kresser, City Recorder