

NOTICE AND AGENDA

Notice is hereby given that the City Council of the City of Santaquin will hold a City Council Meeting on Wednesday, November 16th, 2016 in the Council Chambers, 45 West 100 South, at 6:00 pm.

1. **ROLL CALL**
2. **PLEDGE OF ALLEGIANCE**
3. **INVOCATION/INSPIRATIONAL THOUGHT**
4. **DECLARATION OF ANY CONFLICT OF INTEREST**
5. **CONSENT AGENDA**
 - a. Minutes:
 1. November 2, 2016
 - b. Bills:
 1. \$433,656.06
6. **PUBLIC FORUM, BID OPENINGS, AWARDS, AND APPOINTMENTS**
7. **FORMAL PUBLIC HEARING**
8. **UNFINISHED BUSINESS**
 - a. Discuss and Possible Action with Regard to the Bella Vista Preliminary Plat (400 E. Approx. 600 N.)
9. **BUSINESS LICENSES**
10. **NEW BUSINESS**
 - a. Presentation, Discussion and Possible Actions with Regarding Culinary and Irrigation Water
11. **INTRODUCTIONS AND ADOPTION OF ORDINANCES AND RESOLUTIONS**
12. **CONVENE OF THE COMMUNITY DEVELOPMENT BOARD**
13. **CONVENE OF THE SPECIAL SERVICE DISTRICT FOR ROADS MAINTENANCE**
14. **CONVENE OF THE LOCAL BUILDING AUTHORITY OF SANTAQUIN CITY**
15. **PETITIONS AND COMMUNICATIONS**
16. **REPORTS OF OFFICERS, STAFF, BOARDS, AND COMMITTEES**
 - a. City Manager Reeves
 - b. Assistant City Manager Marker
17. **REPORTS BY MAYOR AND COUNCIL MEMBERS**
 - a. Mayor Hunsaker
 - b. Council Members
18. **EXECUTIVE SESSION** (May be called to discuss the character, professional competence, or physical or mental health of an individual)
19. **EXECUTIVE SESSION** (May be called to discuss the pending or reasonably imminent litigation, and/or purchase, exchange, or lease of real property)
20. **ADJOURNMENT**

If you are planning to attend this Public Meeting and, due to a disability, need assistance in understanding or participating in the meeting, please notify the City ten or more hours in advance and we will, within reason, provide what assistance may be required.

CERTIFICATE OF MAILING/POSTING

The undersigned duly appointed City Recorder for the municipality of Santaquin City hereby certifies that a copy of the foregoing Notice and Agenda was e-mailed to the Payson Chronicle, Payson, UT, 84651, posted in 3 places; City Center, Post Office and Zions Bank as well as posted on the State of Utah's Public Website.

BY: _____
Linda Midgley, Deputy City Recorder

**MINUTES OF A CITY COUNCIL MEETING
HELD IN THE COUNCIL CHAMBERS
November 16, 2016**

The meeting was called to order by Mayor Kirk Hunsaker at 6:00 p.m. Council Members attending: Keith Broadhead, Dave Hathaway, Mandy Jeffs, and Marianne Stevenson. Nick Miller entered the meeting at 6:06 p.m.

Others present: City Manager Ben Reeves, Assistant City Manager Dennis Marker, City Engineer Norm Beagley, Police Chief Rod Hurst, Fire Chief Steve Olson, Public Works Director Wade Eva, Adam Arrington, Hillary Langlois, Steve Pitts and other unidentified individuals.

PLEDGE OF ALLEGIANCE

Council Member Stevenson led the Pledge of Allegiance.

INVOCATION/INSPIRATIONAL THOUGHT

Fire Chief Olson offered an invocation.

DECLARATION OF ANY CONFLICT OF INTEREST

No conflict of interest was declared.

CONSENT AGENDA

Minutes:

November 2, 2016

Bills:

\$433,656.06

Council Member Hathaway made a motion to approve the Consent Agenda. Council Member Jeffs seconded the motion. The vote was as follows:

Council Member Broadhead	Aye
Council Member Hathaway	Aye
Council Member Jeffs	Aye
Council Member Stevenson	Aye

The vote to approve the consent agenda was unanimous.

PUBLIC FORUM

No comments were addressed to the Council.

UNFINISHED BUSINESS

Bella Vista Preliminary Plat 400 East approximately 610 North

Dennis Marker said Mr. Adam Arrington is proposing to build a subdivision of 148 units at approximately 400 East and 610 North. Mr. Arrington had originally approached the City in 2014 about developing this property. Since that time he has added additional property to the proposed site. The new proposal has been reviewed and forwarded conditionally by the DRC, and forwarded with a positive recommendation by the Planning Commission, under the condition that the review process be completed. The property was annexed into the City in 2004, and a development agreement put in place at that time.

Bella Vista Preliminary Plat, continued:

Petitioners at that time included Bill Ferguson, the Stratton family, Pamela Walters and other property owners. An extension of 300 East was planned, and the proposal was for single family homes and approximately 105 units. The General Plan shows a mix of high and medium residential for this area. Originally the school district planned to place a new elementary school on the east side of 400 East, and now plan to build east of Center Street. The 2014 layout showed a mix of single and townhomes, for a density of 6.3 units per acre. This proposal shows 4.6 units per acre, which places it in the medium density residential category.

Adam Arrington addressed the Council. He said the townhomes would be bordered by single family homes. There would be a lot of open space, some wrought iron fencing, and two entry signs with an apple motif. The homes on 400 East would be front facing, but rear loaded off of 380 East. This is designed to discourage parking on 400 East. Vinyl fencing would be used around the project, next to the warehouse and behind the residential lots on 400 East. A meandering sidewalk will be placed in front of the townhomes.

Mayor Hunsaker said the plans to connect 300 East shown on the earlier plat did not show on this plat. Mr. Marker said the developer is proposing to stub 300 East to the south property line so it can be extended in the future. Mr. Arrington said the proposal included three tot lots and a pavilion with a barbeque area.

Mr. Marker said one of the main issues was the sewer, which would need to run down 400 East to the railroad tracks, the Highline Canal and west to Ginger Gold Road. As this is a major expense, the 2004 agreement called for cost reimbursement as development occurs. This reimbursement has a 15 year limit, so is in place until 2019. The Council can extend this period if they wish to. It was anticipated in 2004 that development would move ahead quickly. Mr. Marker said, in consideration of the downturn in the economy which began in 2007, it might be appropriate to reconsider the timeline. He suggested a five to ten year extension. Council Member Broadhead said Summit Ridge is being reimbursed with impact fees. Mr. Marker said Summit Ridge has a maximum amount but not a time frame limit. Council Member Broadhead said he preferred not having a time line, considering the City would participate in the trunk line. The trunk line will be done during the final plat phase. Mr. Arrington said he also would prefer impact fees instead of a time limit, as the market can be unpredictable. Mr. Marker said this can be brought back as a package proposal.

Council Member Hathaway said there had been a water issue before. Mr. Arrington said they have the water now.

Mr. Marker reviewed the setbacks proposed for the subdivision. The developer is showing a 25 foot setback in front. The Planning Commission has suggested a 15 foot setback minimum in front, which would allow for larger homes. Some conflicts have arisen with the driveway lengths in front of the townhomes. The driveways are short, which means that some vehicles might extend over the sidewalk and be a danger to pedestrians. The Commission recommended the east sidewalk be eliminated, which would allow for 25 foot driveways and help prevent conflict between vehicles and pedestrians. Mr. Marker said the developer is proposing that the road design be modified.

Bella Vista Preliminary Plat, continued:

Some roads would be 43 feet, eliminating the park strip. The other roads would be 55 feet with enlarged park strips. Under ADA requirements, four foot sidewalks need to have intermittent turn out areas. On the roads with four foot sidewalks, the driveways can work as turnouts. Originally all roads were shown as private drives, but the DRC had recommended, because of utility lines, that as many roads as possible be public. Council Member Broadhead asked about snow removal. Mr. Marker said snow removal areas had been designated. After some discussion on possible difficulties for the public work department snowplows, Wade Eva said this would be easier to take care of than cul-de-sacs. Council Member Broadhead told the developer to make sure the residents knew to call the HOA about snow plow issues, not the City.

Mr. Marker reviewed the amenities provided for the density bonus received. Council Member Miller asked about the bonus received for decorative fencing, as only part of the project will have the fencing. Mr. Marker said he would look at the proportionality of the fencing. Mr. Arrington said he was happy to put up decorative fencing in any area that was visible to the public.

In answer to a question from Council Member Hathaway, Mr. Marker said under the agreement pertaining to 300 East, it was anticipated the developer would bear the cost of extending it to 400 North. Should the developer not be able to work out a reasonable purchase price, the City could exercise eminent domain. Alternately, the Council can determine other improvements are sufficient. Traffic will flow down 400 East. It is estimated approximately 1000 trips per day will be generated by the development, which is not enough to warrant the expansion of 400 East. The North Orchards development had a traffic study done on the entire area which indicated that when 400 East approaches 7000 trips per day, expansion will be needed.

Council Member Miller said the 400 North road narrows at one end, and asked if that would be 'cleaned up'. Mr. Marker said the original town plat ends at 450 North, with a 99 foot right of way. 400 East is at the edge of the plat, and has enough width for a three lane road. Some right of way dedication will be needed on 200 East. Mr. Arrington said he has spoken to Pamela Walters concerning connecting the road through her property. This would give her two lots. Mr. Marker said a new agreement could define the option for 300 East, including an extension reimbursement. The City attorney could determine what would be the best option.

Council Member Broadhead made a motion to approve the Bella Vista Orchards preliminary plat at 400 East 610 North, including amending the development agreement to exclude the extension of 300 East, and based on the condition of extending 550 North to 200 East, with reimbursement of the sewer trunk line determined by advice from the City attorney. Council Member Miller seconded the motion. The vote was as follows:

Council Member Broadhead	Aye
Council Member Hathaway	Aye
Council Member Jeffs	Aye
Council Member Miller	Aye
Council Member Stevenson	Aye

The vote to approve the Bella Vista preliminary plat was unanimous.

BUSINESS LICENSES

No new business licenses have been issued by the City.

NEW BUSINESS

Culinary and Irrigation Water

Ben Reeves said he had been contacted by some City Council members requesting a review of where the City stood with culinary and irrigation water. As strategies will need to be adjusted as the City moves forward, regular meetings will be held with the Council to update information.

Mr. Marker said he did not expect all issues would be resolved at this time. He noted his presentation would include looking at the culinary system, irrigation system, and policy changes. Information on the current City water rights and culinary demand projected were reviewed. It is anticipated the City will cross the threshold between water rights and demand in approximately 40 years, with build out at 4800 residents. The master plan for culinary indicates the City will need at least one well and multiple storage facilities. The City capacity will increase with additional wells, but water rights will not.

Culinary projects in the master plan include reducing the use of culinary water for the PI system, building a booster pump on the east side, and replacement of the lead lines in 400 South and 100 South. The lead line replacement will be paid out of user fees out of this years budget. Norm Beagley said other projects may need to be moved up. For example, design and construction of booster pumps from the Zone 10 tank to Zone 11 E tank, which was projected to be needed in 2027, should be moved up to 2017. Mr. Reeves said the design can be done this fiscal year, with construction during the next two years. This can be looked at during the budget retreat. Mr. Eva said this would give capability to the east area from the best source.

Usage and buildout of City irrigation systems was reviewed. Because of the type of irrigation water sources, the amount of water can fluctuate, less in a dry year, and picking up in a flood year. The water reclamation facility resources will increase as well. If CUP water comes to Santaquin, there will be a spike in the supply, if not, more irrigation water will be needed.

Mr. Beagley said the CUP water is identified in the master plan, but it is very expensive, about 200 times what the City now pays. However, it has some advantages, it comes from Strawberry Reservoir and is clean and pressurized. Mr. Marker said calculations are based on new connections being on quarter acre lots, and with current market trends that line may flatten out. He said it is possible agreements can be worked out with farmers for irrigation water, so the City has some wiggle room. Council Member Broadhead said the State has a goal for conservation of outdoor water use. Mr. Beagley said a conservation plan could bring down the water needs.

Mr. Beagley said the City will need additional storage on the east bench and in the Summit Ridge area. Five irrigation projects need to be done by 2020, including the Hansen pond acquisition, design, and construction, a booster pump for the 500 South well, Summit Ridge intermediate pond and pumps, and increasing the WRF booster capacity.

Culinary and Irrigation Water, continued:

Mr. Reeves said that impact fees help to pay the current debt, and there are not enough additional funds to pay for many of the upcoming projects. He explained how the bonds are paid and issues for the general fund and enterprise funds. Council Member Broadhead expressed his concerns that a recession would cause problems for the City, as impact fees could go down. Mr. Reeves discussed the balance on the bonds and what payments were expected. He also reviewed the progress the city has made with its financial standing since the downturn in the economy.

Possible policies that would increase funds for the City were discussed. Currently the City has a culinary water surplus, and that water could be leased to the agricultural community. Mr. Reeves said Summit Creek Irrigation Company would need to buy into the idea. There is additional capacity in the wells which could be generated and leased which would help the farmers and generate revenue for the city. Such a relationship could continue until (or if) agricultural lands convert to residential uses and leased water is needed for municipal purposes. Mr. Marker indicated that Randall Ercanbrack has asked about leasing ten shares of the City's water. It was noted that the City cannot lease its own water rights, but the District can, and the City Council is the Board for the District. Duration of leased water was discussed and Mr. Reeves said that Tod Rowley has indicated that they generally lease by the year.

A tier fee structure for PI use could be put in place, which would help conserve water. A utility rate study project could be undertaken if the city were to hire a BYU finance intern. Some increased commercial revenue opportunities will be here in the near future, and property tax increases can be looked at for general fund needs.

Wade Eva said in a drought year, Summit Creek has a big drop. Council Member Hathaway asked how the City would be affected if the drought continues. Mr. Bagley said he could not say for sure if the City would lose capacity, but USGS does extensive water modeling, and it might be that the wells would have to be drilled deeper. The City has the right to water but not at a certain elevation. The governor has a water task force that looks at these issues.

Wielding water was discussed. Mr. Reeves said if users are wielding through the City systems, the City has more responsibility, and an obligation to deliver. He said metering the system is critical, and the irrigation company needs to put in meters so we could tell what water is allocated per share when wielding water to share owners. There are some issues for the Summit Creek Irrigation Company regarding metering. If wielding, the City would want to lease its surplus to the farmers. A partnership with the irrigation company would be needed to make it work. Mr. Marker said it is anticipated that if someone's water is put in the system, they should pay a base rate to wield the water but usage fees would be waived. If using more than allocated, a user rate would kick in. Mr. Reeves said it would not be difficult to track.

The Council suspended business from 7:55 p.m. to 8:01 p.m.

Mr. Reeves said the City is continuing to cooperate with irrigation company maintenance and trying to improve efficiency. He said the City wants to maintain good relationships with regional companies on costs and projects. Mr. Reeves said the Summit Creek Irrigation

Culinary and Irrigation Water, continued:

Company was asking for an additional \$1720 per year for Jay Franson Engineering's work on recharge and recovery. Concurrently, the City will need to create more storage pond if recovery is not approved.

Council Member Broadhead said this bill was for work already done, and he has some concerns about projects going forward without prior approval. He said the City was paying assessments like other shareholders, and he feared that the city would be expected to pay more in the future. Mayor Hunsaker said the State has some issues with recharge and recovery permits, and it was sometimes hard to get them to move.

Money in lieu of water was discussed. Mr. Reeves said the Council had occasionally accepted money for some water because it had never been irrigated while requiring water shares for properties that had been irrigated in the past. He suggested that a methodology of scoring development criteria be developed for determining whether money in lieu of should be accepted so the determinations are not seen as arbitrary and capricious from developer to developer. Staff is looking at a policy with a scoring mechanism for criteria such as "does the project create jobs or taxes", "has it been irrigated before", etc. This would provide a guideline for future councils and consistency for staff as well. Council Member Hathaway said there were a lot of shares in town if developers needed to buy some, and asked at what point the projects would all need to have water. Mr. Marker said the State Legislature is looking at water requirements from cities. They are indicating if the City has an apparent surplus they cannot require exaction from developers.

Council Member Broadhead said the policy should include where the money will be spent. Mr. Beagley said Spanish Fork has created a fund to pay for CUP water. Currently no restrictions are in place on where the money can be spent.

Mr. Reeves said it appeared the Council would like staff to work on taking a more assertive approach toward protecting water shares, creating a scoring mechanism for water requirements, coming up with language for water wielding and leasing, budget projections, finding a BYU intern for a rate study, and taking a leadership role with the State on recovery. Council Member Hathaway asked if anything could be done about metering. Mr. Reeves suggested the request for payment of the recovery study might give the City opportunities for leverage such as paying in exchange for having meters put in.

CONVENE OF THE COMMUNITY DEVELOPMENT BOARD

No Community Development Board business was discussed.

CONVENE OF THE SPECIAL SERVICE DISTRICT FOR ROADS MAINTENANCE

No Special Service District business was discussed.

CONVENE OF THE LOCAL BUILDING AUTHORITY OF SANTAQUIN CITY

No Local Building Authority business was discussed.

PETITIONS AND COMMUNICATIONS

No Petitions or Communications were addressed.

REPORTS OF OFFICERS, STAFF, BOARDS, AND COMMITTEES:

City Manager

Mr. Reeves reported

- After some discussion, the date of January 28, 2017 was chosen for the budget retreat.
- The City Christmas party will be held Wednesday, December 7 at 6 p.m. in the senior center.
- The City Council will meet once next month, on December 14th.
- 360 evaluations will kick off in December for all Directors.
- Mr. Reeves met with Pam Smith and her attorney in regard to selling the home on 200 North. He said it was a positive meeting, and she is looking at potential properties to come up with some options. Mr. Reeves will meet with Mark Ridley next week and offer him any information available from Ms. Smith.
- In regard to closing on the Rowley right-of-way for the second access to Summit Ridge, the title company is pulling documents for closing. Survey information was needing to be updated and the Rowleys need to obtain a lean release on those parcels from their financing company.
- Asphalt will be in soon for the light at 200 West.
- The Storm Water Master Plan is out to bid. Mr. Beagley will bring further information to the City Council in the December 14th meeting.
- The Website is projected to go live in February.

Assistant City Manager

Mr. Marker said he had received a photometric plan for the rodeo grounds this afternoon, with two scenarios, one for LED lighting and one for metal halide lighting. Recommendations for rodeo grounds indicate 50 candle power is best. The metal halide lighting shows an average of 30 candle power, the LED shows less. Metal halide lighting is also less expensive. Eight poles are shown in the plans. Council Member Broadhead noted that Calloway field has five poles. Wade Eva suggested a cost estimate be obtained from another company. Various rodeo options were discussed. Mr. Marker agreed to keep looking into the options.

Mr. Marker said he had been approached by a development group regarding the Johnson property at 500 West Main Street. The property is over an acre, and the zoning would allow for multi-family or townhomes. The City's master plan shows 500 West extending through the property and tying into Lark Lane. About a third of the property would be needed. Although the raw ground would only be worth around \$50,000, it is anticipate the owner would expect additional compensation as they could put homes on the property. The Council will need to decide how important it is to have 500 West extend to Lark Lane.

Mr. Marker said he meet with the North Orchard developers, and they are moving forward into their next phase. The phase after this one will include the clubhouse. They are disappointed in the new PUD material requirements. Three more 6 plexes will be built in the next phase.

REPORTS BY MAYOR AND COUNCIL MEMBERS

Mayor & Council Members

Council Member Hathaway said he had discussed the future of the rodeo grounds with Council Member Broadhead, including adding bleachers, lights, etc.

Council Members report, continued:

Council Member Hathaway asked how the Council felt about creating a main entertainment hub in the arena. Council Member Broadhead said there had been some discussion on building an amphitheater at the Theodore L. Ahlin Park, and the City could not do both. Mr. Marker said the Golden Spike Arena had a hard surface they could bring in for concerts, and it was possible the City could do something like that. Possible options for the rodeo grounds were discussed.

Council Member Broadhead said the Mt. Nebo Water Company was meeting on Monday, and it was still unknown if Santaquin City would be on the Board. SUMWA's last meeting was mostly taken up with setting up next year's meeting schedule. They plan to meet with the CUP water people during their January meeting.

Mr. Reeves said the legislature has passed the gas tax, and distributions will be coming in from last year.

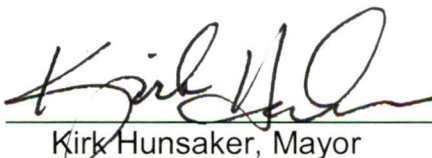
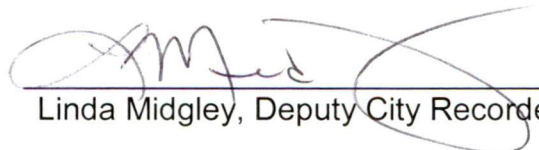
EXECUTIVE SESSION

No executive sessions were held.

ADJOURNMENT

At 9:13 p.m. Council Member Miller made a motion to adjourn. Council Member Stevenson seconded the motion. The vote to adjourn was unanimous.

Approved on December 14, 2016


Kirk Hunsaker, Mayor
Linda Midgley, Deputy City Recorder