

NOTICE AND AGENDA

Notice is hereby given that the City Council of the City of Santaquin will hold a **SPECIAL** City Council Meeting on Wednesday, April 27, 2011, in the Council Chambers, 45 West 100 South, at 7:00 pm.

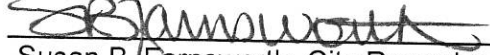
AGENDA

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. INVOCATION/INSPIRATIONAL THOUGHT
4. FORUM, BID OPENINGS, AWARDS, AND APPOINTMENTS
Public Forum is held to a 30-minute maximum with each speaker given no more than 5 minutes each. If more than 6 Speakers, time will be adjusted accordingly to meet the 30 minute requirement
5. NEW BUSINESS
 - a. Discussion and action pertaining to the Letter of Denial sent to the applicants for the petition to place the sewer revenue bonds on the November Ballot
6. EXECUTIVE SESSION (May be called to discuss the character, professional competence, or physical or mental health of an individual)
7. EXECUTIVE SESSION (May be called to discuss the pending or reasonably imminent litigation, and/or purchase, exchange, or lease of real property)
8. 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

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.

BY: 
Susan B. Farnsworth, City Recorder

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® Amendment to the agenda

**MINUTES OF A SPECIAL COUNCIL MEETING
HELD IN THE COUNCIL CHAMBERS
APRIL 27, 2011**

The meeting was called to order by Mayor James E. DeGraffenried at 7:00 pm. Council Members attending: Filip Askerlund, James Linford, Rick Steele and Brent Vincent. Martin Green arrived at approximately 7:30 pm.

Others attending: City Manager Ben Reeves, Community Development Director Dennis Marker, Sergeant Rod Hurst, Legal Counsel Brett Rich, Ryan Lind, Lance Wollebaek, Marie Durney, Claudia Peterson, Philip Rowley, Jeremy Roos, Nick Horton, Kathy Brandon, Dennis Brandon, Idonna Crook, Maureen Ross, LaVon Ross, Norman Taylor, Allen Gurney, Jace Rowley, Richard Payne Marie Durney, Jesse Smith, Oran Wall, Judy Vincent, Marianne Stevenson, Brent Stevenson, Barbara Bean, Francell Pearce, Joann Bradford, Stephanie Green, Marilyn Clayson, Randy Peterson, Clarice Peterson, LaDue Scovill, Lynn Adams, Carl VanAusdal, Debra VanAusdal, Carla Carter, Scott Brown, Tracy Brown, Keith Broadhead, Dennis Lamb, Shayne Ahlin, Ted Jones, Doug Rohbock, Jake Kester, Dennis Haskell, Pat Neff, Thomas DeGraffenried, Catherine Underwood, Dennis Underwood, Candi Higley, Diann Bowen, Brendon Bowen, Rex Bean, Jeremy Spenset, Brent Garner, Ferrell Craig, Barbara Craig, Janet Kelley, and other unidentified individuals.

PLEDGE OF ALLEGIANCE

City Manager Reeves led the Pledge of Allegiance.

INVOCATION/INSPIRATIONAL THOUGHT

Mr. Gurney offered an Invocation.

Director Marker reviewed the process in which the wastewater is processed (see attachment "A" for the presentation).

PUBLIC FORUM, BID OPENINGS, AWARDS, AND APPOINTMENTS

Council Member Linford moved to extend the Public Forum until all of those residents who have signed the registry have had time to speak. Council Member Askerlund seconded the motion. Council Members Askerlund, Linford, Steele and Vincent voted in the affirmative.

City Manager Reeves read a letter submitted to the Mayor and Council Members from the Utah County Commission (see attachment "B").

Mr. Lind began by thanking the Mayor and Council for their hard work. He stated he knows the Mayor and Council do not receive the credit they deserve for the work that they do. He continued by saying, "Until the bids for the project were opened, the Mayor and Council were united in supporting the project. At the time the bids exceeded the engineer's project estimates, the Mayor once again secured the funding, at a lower interest rate, to fund the project. After speaking with a number of neighbors and friends who were contacted by supporters of the Referendum Petition, which I was also contacted about, I believe that if those who signed the Referendum Petition were provided with accurate information such as presented tonight, they never would have signed the petition." Mr. Lind said he did not remember the lady's name who came to his home, but she was provided with inaccurate information and wondered what she had done by stopping at his home, as he kept her in the front yard for a couple of hours reviewing the correct facts.

Mr. Lind quoted a statement that Connie Hansen, a past Council Member, made during the May 13, 2009 Council Meeting, 'There is a decision that the Council Members need to make for the best interest of the City as a whole, not just for two members'. Mr. Lind said "She (Ms. Hansen) included two names that I will leave out. She continued by saying, 'This Council needs to sit down, cut out the bullshit, forget whose payroll you are on, and cut out the unwritten agendas and make a decision which is the best we can get and by God we had better support it'. She also mentioned there were so many unwritten agendas that the Council Members were going to 'fall down and kill themselves trying to get around them'. I know the Council has changed but there still seems to be some unwritten agendas. I am the single income provider for my wife and family of 4 children and someone who lives on the far North of this city. I support the proposed wastewater treatment facility and where is it going to be, in my back yard."

Council Member Vincent said "They had 573 people sign a petition and 558 sign a second petition that was certified by Brian Thompson from Utah County who is the Clerk Auditor. Do you believe the Citizens of Santaquin should not have the ability to vote?"

Mr. Lind replied by saying, "They should have the ability to vote. Since I have been here, and looking back at the history of Santaquin, there has never been a vote to bond on any dollar amount that we have, including the Public Safety Building. There has never once been a referendum to go back and undo what the elected City Council Members have voted to do."

Council Member Vincent continued, "There has been now, and it was certified by the County, it is a certified petition for \$9 million to have them be able to vote on the bonding."

Mr. Lind stated, "To certify that, what do they do? They, one, are a legal resident of Utah County, of legal voting age, and also registered to vote? Do they actually ask them if the information, and granted, not everybody read the petition and understands it, but when someone comes to your door and says, 'Hey, this is what this is,' not knowing, you go off of misinformation."

Mr. Wollebaek, resident of Santaquin, began by saying, "Ryan is going to pass out a Council Voting record as of April 27, 2011 as I speak. I went to Ben Reeves about a week or so ago and started trying to get some information. Quite frankly, I have been to a number of City Council Meetings and have been around for quite a few of the votes. I will first off say I have no problem with referendums. I think they are a political tool. I think the people need to vote, but this process has been going on for a number of years and this City Council, the majority of the Council, have been in on the majority of the votes. There have been 32 votes on this and 22 of the times have been unanimous, in favor of this sewer treatment plant." Mr. Wollebaek stated the votes cast were: "Mr. Askerlund, 82% votes casted for, Mr. Green 100%, Mr. Linford 97%, Mr. Steele 100% and Mr. Vincent 64%. This is more than 50% of the time the majority of the folks have voted for the treatment plant." Mr. Wollebaek indicated Council Member Vincent made the motion to increase the sewer rates by \$20.00, with Council Member Steele seconding the motion. All but Council Member Linford voted for the increase. He encouraged those in attendance to review the information handed out regarding each of the Council Members' participation in making motions and seconding motions as well as their voting history. He questioned, "If we were going to do a referendum, why didn't we do it 31 votes ago? The Council has made the decision to go forward the majority of the time. We elected you folks to do that. Now you are trying to throw it back on the Citizens. We know Mr. Steele is the swing vote. We know this is an emergency session. We know the shenanigans. My opinion is, if you had better options, you would be banging that drum, but I'm not hearing it. I am just seeing a lot of political maneuvering, people wanting to be Mayor in the future, possibly, stacking the Council, political axes to grind, being beat over the head by other people, being called 10 times a day, heck, if I knew I could call 10 times a day, I would. I don't

want to appease people. I don't want you to appease people. I want you to do what is right for the City. I wish this referendum would have been done way up front because we spent all this money. It is time to move on. The Citizens of Santaquin want to be treated correctly. We want to be respected, we're smart, we can make decisions."

Mr. Scovill said he sustains the Council and the decisions they have made since 2006. "We voted you into office for you to do just exactly that. I, as a Citizen, haven't had the opportunity to study the issues as you have studied them. So I have to have confidence in you, in your vote and in the decisions you make in relationship to these issues that we face as Citizens here in Santaquin City. I agree with the determinations and the decisions you have made. I think that the problems that we have with the existing facilities are real and the solution to those facilities is a band-aid approach. I think we need to move forward with the plan that you have introduced. We need to bite the bullet or whatever you want to call it, in order for this thing to take place. We talk about future growth for this City. If I am correct, there are some developments that will happen West of Santaquin City in the Elberta area. I am told those are close to fruition and I understand they are very close to being consummated. I think if we postpone the construction of this system, which you have designed and accepted, not only do we lose the money that we are in the process to try to mitigate this problem with, but as the new bids come out, the price may go from 14 million or 19 million, whatever your current figure is, to probably well over double that. Council Member Vincent asked if we don't agree that the Citizens ought to have a vote. I suggest they already did, they voted for you. They expressed in you, confidence. We expect you to be of trust to us not only of the funds that you extract from us in a way of fees or taxes, but we expect you to be trustworthy in relationship to the realities and the facts before you. True, you have more information than I. But the information that I have indicates to me that the decision that you have made since 2006 is the decision you need to pursue in the future."

Mrs. Durney reported her good friend Janice Steele told her if she needed a "boost to her spirit" she should wear pink. She stated she needed to have her spirit lifted so she is wearing "pink". Mrs. Durney read an open letter to the Citizens of Santaquin (see attachment "C" for a copy of the letter).

Mrs. Claudia Peterson said, "About 30 years ago when I moved from Southern Utah to Northern Utah, my husband and I was driving along the freeway and there was a big billboard on the road that said Spanish Fork – the home of pride and progress. I said to my husband, that is where I want to live. And we lived there for 17 ½ years. I wouldn't have even considered Santaquin in the years past but our children moved here. Coming to Santaquin has been such an inspiring journey. I have survived cancer, raised 8 children, I have 33 grand children and I have 28 great grand children today. If I want my grandchildren and great-grandchildren to grow old with me, we have to have a facility that will allow this or else I have to leave. This progress needs to happen so your children or grandchildren can stay here. If we build the facility big enough, businesses will come and then your children can stay here."

Ms. Neff said, "This is really scary". She said last week she heard that there had been a petition passed around town about this facility. Somehow her home got missed so her voice was not heard. She said "I thought it was time that I came to let you hear my voice. I am a single long term resident of Santaquin. I am grateful to someone in the past who paid for oiled roads, street lights, a peaceful place to live, good drinking water, paid to have natural gas come into our community,

telephones to come into our community. People who were thinking ahead for me, someone they would never see. As I said, I am a single person, I have a debilitating disease and I have to pay a lot of money for medication to keep going, to even stand up here to even talk to you today. But I can find in my pockets somewhere this extra money to pay for this facility so that if my nephews choose to live here with their families, my cousin's families, or your families, can live here and have a nice facility like this. Why does Santaquin always want to be last? Why don't we want to be first to set the standard for this state? I have always been taught that you were supposed to leave a legacy. To me a legacy is leaving something to a generation that you may never see. I feel like, as a single person, I can afford this rate to have a nice facility. Also this world it turning mean and vicious. We all need to practice a little more kindness to each other as neighbors and friends. We can oppose something without attacking each other viciously, attacking someone's reputation, their integrity, and so forth. I am for this development."

Mr. Phillip Rowley reported he was asked to serve on the Citizens Committee and was somewhat involved in the first effort of Santaquin when they built the lagoons. "I was impressed in the difference in the way it was approached and by the way it was thought of. I don't think the same effort was made when the original sewer lagoons were installed. In the end, the Citizens Group voted to have the MBR System and in my opinion, the MBR system is head and shoulders above any other system because it allows for water reuse." He said he can't see sending our water somewhere else. If we can use the water it provides growth opportunity. He believes the public has been informed through all the public meetings and open houses. He believes the studies have been done and have been done well. He said "It would be my suggestion that we have the MBR type of facility so we could reuse the water and I would say that we need to move ahead with this project and this program so we don't lose the funding that we have already got in place."

Mr. Roos thanked the Council for their service. "I know it can be a thankless job and I know you do a lot of service on our behalf." He said that as a business owner in Santaquin he would like to urge the Council to keep in mind that the future growth in Santaquin is paramount on his mind; and the potential risks with possibly changing to a referendum after the money is already spent is what has him concerned. He said, "I am not opposed to the public voting on moving forward with items when it is the time for that, and the proper procedure is given. But for my business I would like to urge the Council to keep in mind all the businesses in town, and a lot of them moving here are excited about the growth in Santaquin and are worried over the potential risks to that."

Mrs. Brandon stated, "I am here for one reason tonight and that is the love of this community. I am a lifetime resident here. My grandfather and grandparents lived here, my children and grandchildren live here. So I don't feel like no one is more invested in this community than me and my family. There may be people who are the same but there in no one more vested. I think it is time as a Council that we got together. It seems like right now in this community we have a Civil War going on and we are about ready to fight the Gettysburg Battle. We need to be serious about what we want for our community and it is time to take the blinders off. This isn't tonight about whether we are going to have the sewer or whether we're not. It is about whether we are going to give the Citizens the right to vote. Isn't that right, isn't that what we're talking about tonight is the right to vote or is it that we're going to vote tonight on the sewer? Because I feel like we all have the right to say what we want. I am not saying rather I'm for the sewer or against the sewer, I'm saying I think the Citizens have spoken. We have a Certified Petition that people signed willingly, whether they were misinformed or they weren't, I don't know. But I don't ever sign anything that I

don't know exactly what it is that I put my name to. And I would think that most the people in this community is smart enough to sign something that they want. We hear all of these buzz words all the time like transparency or the debt or the deficit or how much money we are going to save. This has been going on now since 2004 and I think you have the people in this community so confused about what is going on with this sewer project that they don't know which way to turn. Now we have spent money, and I have been a banker for 30 years, and I am one person who doesn't spend money needlessly. But my understanding is that money is not thrown out the window. Is that right? It could be placed on hold but it is not out the window. And now we have a few more months to decide whether we should be able to vote or not vote and someone in our community has said no. Did the Council say no? Who made the decision to not accept the petition and that we can't vote in November? Can one person on this Council answer this for me? Not the Mayor, the Council. Who made the decision? Fil, Brent, who made it?" Council Member Vincent stated he had no idea.

Mrs. Brandon continued, "Nobody has made the decision." Council Member Linford said he could tell her. He said, "By State Law, the Recorder of the City could refuse or accept the petition based on law." Mrs. Brandon asked, "Who quoted the law? That is not the understanding that we have heard from the County. There is a million interpretations of the law and I'm not so sure the interpretation you have is right." Council Member Linford asked, "Who in the County?" Mrs. Brandon said it was the person who certified the petition and the County Attorney. Mayor DeGraffenried asked City Manager Reeves to read the Ordinance or Resolution the Council voted on that gave him the authority to deny the petition.

City Manager Reeves showed the public the binder that contained all the Mayor and Council actions taken with regard to the sewer issue. He continued by saying, "On January 19, 2011, this past January, there was a Resolution passed by Council where 3 things took place. First a repeal of the bonds that were authorized, and then there was the issuance of 9 million dollars in bonds and 900,000 dollars of bonds. What this issue really boils down to is, when is it appropriate for the Citizens to vote? We all believe; the Mayor, the Council, the public at large, believe that we have the right to vote. The opportunity to vote, by State Code, is when there is a legislative act and the legislative act of the Council took place in May before the City had expended 1.4 million dollars. If the vote of the Council had been contested back then and a vote of the people was requested at that time, it would have been entertained and put on the ballot, just like the UTA. So the question of does the Citizen have the right to vote, that is absolutely a fundamental right that you have but the appropriate time was to do it in May before the City had expended 1.4 million. When this was put forth, it was put forth on the Bond Resolution, the Administrative Act, which is basically giving the authorization to the Mayor to move forward with this project based on a prior Legislative decision. At that legislative decision, there was a Public Hearing at which the Public spoke up, 5 for and 2 against. The Council, because of the threat of litigation, wanted to make sure their position was as strong as it possibly could be before the Supreme Court, with regard to a Legislative vs. an Administrative act, so they made this decision to approve a 9 million dollar bond and a 900,000 dollar bond. In that Resolution it says, 'Authorizing the taking of all necessary actions to the consummation of the transaction contemplated by this Bond Resolution and related matters'. It was fully known to the Council at the time that this decision was made so we would be in a good legal position before the Supreme Court. The question is of timing, not of right. The Council made a decision at that time authorizing the Mayor to go forth with the best legal position to protect the Citizen's investment that they have made in this project."

Mrs. Brandon said, "Something like that, that has been put in place, can also be removed. Isn't that correct?" City Manager Reeves responded, "If we want to walk away from an investment of 1.9 million dollars that we have expended, sure."

Council Member Vincent interjected by saying, "Just for the public's awareness, I never had any intentions of that, turning total control over to the Mayor, and as a Council, I no longer cared to have any input on the bonding of this project. I read nothing in that Resolution that meant that. All it meant was that the majority of the Council authorized the Mayor to move forward with the bonding. I never seen anywhere in there, or recognized anything ever, that stated that I totally remove myself from having any more to do with the bond."

City Manager Reeves stated that was absolutely correct, and at the time the petition was filed and brought in by Mr. Broadhead approximately 3 weeks ago today, the Council could have made the decision to place the issue on the agenda. He said "If there was a decision to do that, it was yesterday. There were no motions, nothing to put it on the agenda until yesterday". Council Member Askerlund interjected by saying, "Ben, there were multiple discussions, both from myself and from Council Member Vincent expressing our desire that it be put on the agenda and that it be put on the ballot in November, and no action was taken. Not on our part, but on your part, or whoever's part it is to put it on the agenda". City Manager Reeves said "If you go to the minutes, there was discussion, but there was no request or motion made". Council Member Askerlund stated, "There was no motion made, but there was request."

Mrs. Brandon asked, "Are you saying it is not transparent?" City Manager Reeves indicated often times the Council will have a discussion, but the staff has to move forward with the mandate that has been given until they are given a different mandate. He said, "There was no direction given until yesterday."

Mrs. Brandon concluded by saying, "Several people have talked about a legacy they would like to leave for our Community. I have been involved in community service here in Santaquin and I definitely want to leave a legacy for my children and my grandchildren. But the legacy I want to leave is maybe a scholarship fund or something that is going to benefit them with an education, not a legacy of debt that they cannot afford and will keep them from being able to do the things our City wants to be able to do. We want to have a grocery store; we wanted to be in running for the Temple. We want to have a hotel. There is so many things we wanted to do. Now if we do the sewer project, it is my understanding, that we can no longer bond for anything else."

Mrs. Brandon was told the information was not entirely accurate. The City would be able to bond for projects that do not require obligating sewer revenues. Mrs. Brandon indicated, "There are a lot of unanswered questions on this sewer. We don't know where the reclaimed water is going to go. We don't know the costs on operation. I talked to a gentleman from Eden who has this very system and it is leaking and their operational costs were a lot more then they expected it to be. I don't know how many of you are aware that Coalville also just had their 5 million dollar grant rescinded. That is a possibility, if it happened to Coalville, it could happen to Santaquin and then what are we going to do? They don't know what they are going to do. I know we don't have that kind of money in our budget here in Santaquin. I'm not saying I don't want the sewer. What I'm saying is I think we need to rethink it. I think the timing may be wrong because of the economic downturn. I want to be as progressive as anyone. I love this little community and I want what is best for it and the Citizens. I've lived here my whole life, I love everyone in this little town. The bottom line is, the people have stood up, they have signed the petition, they have tried to do everything that they know how to do to make their voices heard. There may be a technicality out there that they didn't do something exactly right. But if we have 120% more names than we need on that petition, isn't it time we listened? Isn't it time we wanted to do what the Citizens want to

do? This is the City for the Citizens. It is not just the City for this Council that is sitting here. We all need to think about that. You were elected to do something, and you had people who voted for you that are expecting you to do the right thing. They are expecting you to vote your conscience and vote what they put you in office to do and it is time you did that. I am not saying I am against the sewer. I'm saying it's time to give the people the right to vote even if we have to make a change to some ordinance that these guys didn't know if it was transparent enough."

Mrs. Vincent began by saying, "I want everyone to notice how red Council Member Vincent's face is going. I was told that this meeting was about the right to vote. Not that we were going to have a presentation that said this and this and this. It was the right to vote. That citizens signed. It was a petition. I am going to tell you what I believe, and maybe we should listen to a few things that these people who signed this petition said. First of all I will read how I had it wrote because I wasn't so hot when I wrote it. Thank you for giving us the opportunity to express my opinion on my right to vote. I believe the Mayor and Council of Santaquin are equal, not greater than the Citizens of Santaquin. I believe in a democracy, not a dictatorship. I believe that the Citizens of Santaquin are intelligent. For all of you who think you are a lot smarter than us sitting out in the audience, guess what, you're not. I believe the Citizens of Santaquin hold close to their heart the right to vote. I believe that if this sewer is the greatest and the best thing ever, the Citizens will vote for it. I also believe that they will all do their homework and they should be given the right to decide. When I walk into a voting booth I vote the way I want. No one has the right to know how I vote. Let the Citizens of Santaquin make the final decision. Let's quit spending all this money on lawyers."

Mr. Taylor stated he was a concerned Citizen in this town. "I love it. I moved back here not to make it like Salt Lake City but to stay like Santaquin. I don't mind a little town. Anyway I got up here and forgot what I was up here for. Anyway I thought the deck was kinda stacked, the first five people who got up. I figured you found the loophole, Mayor. You've lived on loopholes all your life. And that come right out of your mouth. I found a loophole to get around this. I hate waste. Dennis, you told me at the last meeting I come to, all the improvement down on Main Street out to the Maverik, is going to be torn out. It only cost us 400,000 dollars for that. Didn't cost us a cent, it was all grant. Well, I pay Federal tax too. Now isn't that a shame that they can't think ahead that far. Now this is what I'm saying, I have read that Utah County will build a sewer plant in Lake Shore for all of the communities to hook on to. You won't be paying 42 dollars a month or 68 to go to Payson, you'll be paying around 14 to 17 dollars like they do over in Lehi and American Fork. That's where I come from. You come up awhile back and said you had a survey. I want to go over that survey with you, Mr. Linford."

Council Member Linford ask what survey Mr. Taylor was talking about. Mr. Taylor stated, "The survey where all the communities were within that price range of 42 dollars." Council Member Linford indicated the estimated bill for the South Utah Valley Municipal Wastewater Plant would be in the millions just to get to the plant. After it was up and running, it would be much higher than the 42 dollars. The project is planned to begin in 2025 or 2030. Mr. Taylor said, "Every government agency is cutting back right now, the County, the State and the Federal Government. We are in a bad time; we need to cut back too. Now, getting back to what I come for, it is slowly coming back. I thought I come here to see if the Council was going to have this put on the ballot. Like I said, I thought it was pretty well stacked. I though I was in the wrong meeting. What is wrong with putting in on the ballot? I went out and got a hundred and eighty-two signatures and I had four that wouldn't sign. I think the Citizens want to vote on it and what's wrong, what are you hiding?"

City Manager Reeves reported between January 19 and today, the costs have increased for steel, copper, for fuel, and for power. This increase is projected to be between 300,000 to 400,000 dollars. He said it is the fundamental right for the Citizens to vote but questioned if it was worth the project cost increase to have a vote. He said, "If it is, then it is. That is the cost and that needs to be relayed to the people as well."

Mr. Taylor said he attended a meeting one time where Dick Kay voiced his concern with the project and felt the Council Members didn't pay attention to what was being said. He concluded by saying, "I just don't want to see the waste. If you build this plant down here and the Lake Shore one goes in, is that a waste? Are we going to rip it out like they are going to do to Main Street? Let's get it on the ballot."

Mrs. Gurney stated she was beginning to be one of the "old timers" here in town. "I have been here long enough to see this town divided over several issues. I remember when the first sewer issue came up. I don't recall if we got to vote on that or not. I don't think we did, but I am senile. Anyway, I was totally opposed to the sewer because I am one of the people who would like to shut the gate, lock the gate and throw away the key and keep Santaquin just like it was when I waved to every car that went by and I knew everybody in town. Realizing that I can't do that and some of my best friends are some of the new people who have moved into this town. I now have 4 children who have moved back and built houses in this town and I am working on the last 3 to get them back. I don't like growth and I don't like the new sewer, I didn't want the other sewer but I realize we have to plan ahead, that we have to keep control of our town. I feel like we have had 4 years. We have had meetings, you've come to the Seniors, we've had all the input. When I don't like what you guys are going, I'll tell you. I have never had any problem speaking my mind about any issue but I feel this is so far down the road. I voted for you guys and I expect you to do what you are voted in for. The previous Mayors, I supported them when they put the sewer in, I didn't like it but I supported them. As each Council comes and does new things, you have the inside on it. You have done the homework. It looks to me like you have studied every option there could possibly be and it is time to just go forward. Hopefully if you try to raise the rates on us, we will vote you out or we will get some new people in who can find a new way. But I trust you and as we've had other decisions in the past, I support the City Council. I want to say the contention that comes up whenever our town goes through this is not a good thing. We know who starts contention and we don't want to be a part of it. We can disagree, but we need to work together and stop the contention."

Mr. Payne began by thanking the Council and stated he was friends with all of them. "I appreciate you doing what you feel is right. This is not a new issue. This something that has been around a long time, we heard that today. This is something that has needed addressing for sometime now. I keep hoping we can come to some sort of consensus on this, that we can understand what needs to be done and take the long view. To realize that is not just our current pocketbooks we are affecting, but we are affecting generations to come. We are affecting our children who may want to move back here and I believe that this MBR plant is the right thing to do. It is taking the long view. It may be uncomfortable at first. It may be the difficult decision. I believe after studying this, looking at it and having served on the Planning Commission for 3 years. It is the right thing to do. I also understand that there is a method and there is an order to what we need to do. We have laws. We have ordinances. And we have those for a reason; so we don't get ourselves into situations like this. So we can proceed without being hindered at every turn. Now if there is something that we don't like there is a way to fix that. And there is a right way to do that. That's

why we elected you. We can bring forward recommendations and ordinances and they can be presented and made part of our law. But at this point, that is not the case. We have laws on the books. We have a procedure for making these things happen. I know that this does not make everyone happy. I have friends that are on the other side of this that are not in agreement with this MBR plant. I respect their opinions and I hope we will all have respect for the procedures and order that those before us have established. And that we will take this as an opportunity to look at that and say, are there changes we would like to make, let's make them in the future. Right now we have committed resources; we have committed our Citizens money; we have committed money from grants and from other low interest loans and we need to take advantage of that. I have heard people talk about cutting back. There are times to cut back and there are things to cut back on. You cut back on the things that are not necessary. But when there is something like this that provides us a leg up in the future, that provides us an opportunity to invest in the future at a lower entry point, those are things you take advantage of in a downturn. I have a brother-in-law who is a developer. Land is on sale right now. He is not cutting back. He is buying land right now because it is a good deal. As Mr. Reeves has said, costs are going up. We can argue that both ways. But usually they only go one way. It is very rare that at the end of a downturn when demand is low, things will go down. We have an opportunity here, I hope that the Council will pull together on this and you will realize that this is in the best interest of the City. It may not be the popular decision, but you can't please everyone. You can take the long view of what needs to be done. You can look at what needs to happen in Santaquin and you can position us for the future. Growth will come. We don't have a way of stopping that, we really can't. People want their services; people want the niceties here in town. We've got to position ourselves for that and I hope that we would see past our differences and would be able to come to some consensus on that and move forward."

Council Member Linford read a letter submitted by Roberta McGee (see attachment "D"). After reading the letter, Council Member Linford reported he had Shane and Sharleen Robins contact him with regard to signing the petition. They thought that by signing, they were supporting the facility.

Ms. Clayson stated that most everybody in the audience knows her. She said, "I've lived here all my life. I am a concerned Citizen. I know what you guys are going through. I've served 10 years on the Council. Three different times, different Mayors, different Council people, so I know it is hard to make decisions. I wrote these little notes before 'cause I can't remember what to say, all that I want to say. Some of it is a little more concern about the sewer and not just to be the voting. But I do think if I was a Councilman and I was here before and I had a 17 million dollar project, I think I would've let the Citizens vote on it. That is just my opinion. I know we tried to do what the Citizens wanted. You can't satisfy everybody and I know that. And I don't think you are going to satisfy everybody. I was on the Council when the sewer system was put in. So when I see going a whole different direction because the sewer was planned for two different expansions, it kinda hurts my feelings. I spent a lot of time putting that in. Why don't you do the two expansions, I'm thinking? I know something needs to be done. I know we've got a lot more growth. If you have a car and it needs new tires, you don't go buy a new car. You go buy new tires. So to me, I would like you to do the cheapest way for the Citizens, 'cause they have to pay. So then you talk about your expansion. I was always concerned about this is going to be for 20 years. We are going to take people's tax dollars to pay for this for 20 years. Now we are going to go out and pay for 40

years? I don't believe in paying for my grandkids infrastructure. My grandkid can make their own money and pay for their own infrastructure. That's how I feel. I just don't think you know the economy is down, you put these fees on people who are on fixed incomes; a lot of people are unemployed. I was one of the people who took those petitions out. Some of them would ask me questions and I would give them some opinion. But mostly I would say this gives you the right to vote. This isn't whether you want the sewer or you don't want, this gives you the right to vote. That's all I'm doing. I only had 1 person turn me down. But I only got 70. Maybe I've told you mostly what I wrote down, I don't know. You say you've had all these meetings; I've been to some of them. I don't think they even listened to anything we had to say. I know what it is like, you have the meeting; you've got your minds made up, mostly. But I think on a project this big it should have been. But anyway, I checked out the surrounding cities and what they are paying. Before we took that 20 dollar raise, Santaquin was almost higher than all the other cities surrounding us. I got up and told you guys that. I even gave you their quotes. And I even suggested that you guys call the other cities around us. Ask them what their sewer bill is. I mean, we've got to be competitive. There are options to look at, there are needs to be, other bids. I understand that we didn't get another bid from another Engineering firm. I can't believe that. I can't believe you would go do a project and not get other Engineering firms to bid it. That is one of the things I mostly disagreed with."

Community Development Director Marker commented that we had at least 3 other bids on the project. Ms. Clayson stated she was glad to know that, "because that isn't the rumors that I have heard. And I may have had some rumors here that I don't know about so I will just talk to you a little bit about that. I got told you didn't have any other bids so I've been giving out some wrong information there also. I read articles in the paper about all of these meetings, and I just think it is kind of funny that you would have a meeting on the 23rd of December, another one on the 22nd of December. Who do you think is thinking of City problems a few days before Christmas? I mean we are out there doing Christmas shopping. We aren't thinking about some big issue the City's going to be planning on doing. Like I said, I did attend some of them and I know in one of them the Payson Engineer got up and spoke and he said you guys gave a bid on what Payson, what it took to go to Payson, and he said he had never seen those facts. I mean shouldn't the Payson Engineer know? Shouldn't he be giving you those facts?"

Mayor DeGraffenried stated that yes, he should, and he did. And the City has the e-mail to back it. Ms. Clayson continued, "I just kinda wondered about that. I wanted to know where Santaquin got that bid from so I've been told that the bid's been give for when, like Santaquin expanded to 70,000 Citizens. Wow, I don't want to pay for the infrastructure for that far out. And I don't want my kids, I have kids that live here too, and I don't want them to have to pay that either. So I don't know if that's a rumor or not either. I just think that we ought to look at the other options and I question about this amount that goes to Payson 'cause I've talked to a couple of Council Members in Payson and they told me they didn't talk about costs. I can't imagine them charging, I mean I'm wondering if they gave you those costs? Where did those costs come from? The Citizens have the right to vote on a project as big as this. This is how I feel. I'm not in favor of putting this new system in that we are the first to do. I mean, you know when you put something in new, look at all the problems you might have. We don't have the tax base here; we have a very small tax base, so where's it going to come from? It's going to come from our utility bill. I mean that's the only place that you guys have to get it is from our utility bill. And so I am not in favor of something that hasn't been tried somewhere else. I mean you don't know what the maintenance might be. They tell you what it is but nothing is the way they tell you. Like Kathy says, there is no guarantees. I just think, we the Citizens are paying and we should have the choice to vote on it."

Mr. Brandon said, "Give me liberty or give me death. That is what our founding Fathers based their procedures of going forward in life. Now, Jim, I've sat in your office several times. And you know as well as I do, this isn't the first time I've asked for a vote. Before you was elected this last time, I was in your office and I said why don't we let the Citizens make a decision. Recently I was in Washington D.C. On almost all the structures there it says 'We the People'. We the people means the Citizens of this community. I'm not going to sit here and argue the facts of whether the MBR is great or whoever thinks this is wonderful, or we've wasted a lot of time. We have wasted a lot of time. I've been to a lot of these meetings and I've watched the direction of this thing go forward under one person's direction. I think it is sad that our Citizens and our City Councilmen have been taken out of the loop when it comes to knowing what's going on. It is pretty sad that one man makes a decision on 688 people that signed a petition. As far as that guarantee of that rate of \$42.50, good luck. We seen what happened with our pressurized irrigation. I'll end it with that."

Mr. Ahlin addressed the Mayor and Council by saying he also has been a long term resident of Santaquin. "The biggest reason I am here is because I would like to see this whole thing go to a vote. It should have gone to a vote a long time ago, I understand that. Sometimes you've just got to stop the bleeding and figure out what you gotta do to get it on the right path. Some of these people are talking like it is the MBR plant or nothing. That's the only option we have. I've been to a few of these meetings myself and it seems like I have been sold a car. You know, that's the only car you need, that's the only car we got, you've got to have this car, you can't look at anything else. Oh, they're over there. We've looked at them a little bit. We need to have this because they are the best. You need this, it's the best. I don't believe that. I think there a lot of things to do. The question I have is about the operation costs of this MBR plant. I don't know that's ever been discussed. At least I don't know that it has. If you put every thing in a pipe and send it to Payson, I don't think there is going to be near the operation costs, the utility costs and everything else there would be with this MBR. I also had a question about the retracted bid. Someone said Utah Power or somebody, GE? retracted their bid. If they bring us a new bid and it is much higher, where will we get the money for that?"

Mr. Ahlin was told that this is the danger that all the bids are running into. Mr. Ahlin stated, "So we say it's, I don't know, what this paper says, 9.9 or 24 million whatever it is, we don't really know what its really going to be. It might be what's on this paper, it might overshoot that by 10 million dollars by the time everybody gets done. We can't get any more grants, where is that money coming from? You know we can't raise it over 42 dollars, something's got to go up. You know you're not going to charge Payson for it or the County or nobody else. Its coming out of Citizens of Santaquin's pockets someway. I think this is something that everyone needs to consider. For as long as we have been beating this thing up, there are so many questions that has to be answered. I think, put it to a vote, let the Citizens vote on it and decide. I also don't understand if it is such a wonderful thing why are we so afraid to put to a vote? Why are we doing logistic maneuvers to make things not administrative or whichever way you did that cute little trick with rescinding one thing and re-voting on it when Mr. Vincent wasn't sure what was going on and I'm sure a lot of other people on the Council wasn't either. So it all smells kinda funny. Anyway I think it ought to go to a vote and let the intelligent Citizens of Santaquin decide what they want to do."

Mr. Broadhead said he guessed he was part of the reason the meeting was being held this evening. He said, "By default or somehow, I don't know, I ended up the ring leader on this. I really don't want to be but here I am. I think it is safe to say I am here representing 668 people that

signed the petition. You may not see them here but they did sign it. Last Friday night I was informed by a letter that came from the Police Department to my house at 8 o'clock, and it was signed by Susan Farnsworth the Santaquin City Recorder and it said that they had, I didn't bring my glasses so I can't read it, anyway it said that the City had received the petition back the day before on the 21st, it never mentioned if it was certified or not. I had to do some detective work to find that out myself. Evidently we lost about 100 votes because of duplicates, not being able to be read and some that were registered but not in the City or they've moved and didn't change their address. But regardless there were 668 people who signed this petition. We all went to the Supreme Court a few weeks ago. The Judges said we had the right to petition so we went and petitioned. I think most the people who signed this felt there was going to be an election after this and they were going to get to vote on it. I'm not saying everybody who signed that thing is against it. They never said but they want the right to vote. When I got this letter I called Council Member Askerlund and said when did you guys vote on this? He said when did we vote on what? And that's when the bell went off that who made this decision that this can be denied. I've still yet to get a straight answer. I heard earlier that Susan has the right to do that, I guess she did it on her own or else someone told her to do it. But the reason this meeting got put together is 'cause three Council Members actually put this meeting together. I didn't think it was supposed to be a public hearing like it's turned out to be. The only thing that was supposed to be on this agenda tonight was why our petition got denied and who done it. And that is the only question I wanted answered 2 ½ hours ago. We sure made a dog and pony show out of this thing one more time and it shouldn't have been. With that I guess there is some more business and this question will get answered later in the meeting."

Mr. Adams indicated every thing he had to say had already been stated.

NEW BUSINESS

Discussion and action pertaining to the Letter of Denial sent to the applicants for the petition to place the sewer revenue bonds on the November Ballot

Council Member Askerlund, "Guess I'll start the ball rolling. I appreciate everybody being here whether you're in favor of the new wastewater treatment facility or whether you're opposed to it. I've stated my opinion many times of what I think of the technology and I think it is awesome. My only issue with this has been that what it started out to be is not what it has ended up to be from a financial and Engineering stand point. When Mr. Broadhead called me on Friday night at 8:30, I had been told earlier that day that we had not yet heard from the County when in fact the Mayor was informed of this last Tuesday. I wasn't at City Council last week so I don't know if it was brought up but from discussions with other Council Members, I am under the impression that it was not. So with that knowledge and with a kinda sick feeling in my stomach, I went to the Attorney General's Office and spoke with the Deputy Attorney General for the State of Utah. Had a nice conversation with him, and he gave me some direction and he sent me to the County Attorney in Provo. We met with the Deputy County Attorney as well as the Clerk Auditor for Utah County. I think it would be fair to say that they were, stunned is probably too harsh of a word but they were surprised that this petition had been denied. Their understanding that they imparted to me, was that the Citizens had met the requirements, required by State Law, that the petitions both A and B had been certified, and that it was a, that they were entitled to put it on the ballot. So with that being said and knowing that, as Mr. Reeves spoke of earlier, that it had not been put on the agenda, despite the discussions, and that is probably, I will take responsibility for that and it won't happen in the future. From now on when I want something on the agenda it will be in written form

and there'll be at least 2 City Council Members who sign it and then it will be put on. But I assumed in conversations with this body of good men that as we discuss those things that they would be put on, they weren't which left me with 2 options. That was to put this letter together, try to get 2 or 3 signatures and to ask for this special City Council Meeting, which is what I did because the other option would have been cost prohibitive. So with that being said, the sole purpose of doing it is not to stop the MBR. If the Citizens of this community have the opportunity to vote in November, and it wins by one vote, I publicly state here and now that I will support it 1000 percent. But I want the people of this community to have the opportunity to tell me what to do. I don't want to make the decision for you. There has been a lot of talk about debt, there has been a lot of talk about water, and there has been a lot of talk about decisions and votes and everything else. What it comes down to for Fil Askerlund is that you have the opportunity to decide what direction we need to go."

Council Member Vincent said, "I would also like to make a statement to the Citizens. When this all started, unsolicited by anyone up here, the Citizens came in and asked for an application for a petition to have a chance to vote on the bonding. They were denied that application. To back up just a touch, 2 of the petitioners were asked to come down and meet with the Mayor and our City Manager without the consent of anyone on this Council, and I don't know what happened there, I'm not going to say. All I know is those 2 decided to take their name off of the petition after the meeting. Other petitioners stepped up. It went to the Supreme Court. Keith Broadhead called me and said, did you know I'm suing you? I said suing me for what? We've formulated a petition, we've taken it to the Supreme Court and you're named on there as part of the Council and we are suing you for the right to vote. That was on a Tuesday, Wednesday night was City Council and not a word was said. We had never been told one time that we had a petition, that it had went to the Supreme Court and that the Supreme Court had made a decision. But Keith Broadhead had called and told me. So I asked the Mayor in Council if he could inform me of what was going on. He explained that the Supreme Court asked that our Recorder give them their petition and that they would be able to take it around. I did know that they did take that petition around. I did know that they brought it to our Council and showed it to us and told us that they had given it to the County to have it approved/certified. Then once again after Fil had received this phone call on Friday night to tell him, he told me that their petition had been denied. All through this process, none of us Council was asked our opinion on this process. None of us was asked if we thought it was a good idea to talk to petitioners privately. None of us was asked if we wanted to go to the Supreme Court and spend money on our lawyer. None of us was asked if we wanted to deny this petition and that's why we are here tonight because we want our voice heard this time. That's why we are going to... that's why we are here tonight. That's why on our agenda we are going to talk about and make a decision on the denial of this petition."

Council Member Green said, "Mayor, I would like to make a couple of comments. First of all I sit here and I have a real hard time when people get up to the microphone and say I've lived here in Santaquin all of my life. It makes me feel like I don't matter because I moved here 13 years ago. In the 13 years that I have lived here, I've spent 3 years on Planning and Zoning and now almost 8 years on City Council for a total of 11 years. And you can ask my wife, I've spent countless hours trying to improve this City. I've had countless hours of not sleeping, worrying about things that go on in this City. I've sat here with 3 different Mayors and have voted on other bonds that didn't go out to a vote. I've sat here with other Mayors and City Councils both past and present that have brought in annexations and developments fully knowing where we are at with our sewer and

approving those without even thinking twice. Sometimes it is hard to sit here and make decisions. I think it was Sandy Gurney that made the comment that we were elected to make those decisions. As tough as it is, and this I don't take very lightly, I've lost good friends over being on City Council, but I think if you look back over the last 3 ½ years, and it has been stated several times in City Council Meetings, and if you want to you can go back and listen to them, members of this City Council have made the comment that the election that happened 2 ½ years ago, was about the sewer treatment plant. The Mayoral race. I get tired of sitting here listening to people voicing their opinion of - I'm so tired of the contention in the City. I'm so tired of the bickering that goes on and then I look at those that are stirring the pot that brings forward a lot of that discontent. I have a really hard time with that. Sometimes it is a very difficult thing. I don't take this vote lightly. I was in Boise, Idaho last night and I got a phone call telling me we were going to have this meeting and finished my work up there and drove to be here. I just look back over the last 3 ½ years of trying to put this sewer treatment plant together, I can't remember the time frame but sometime ago when we lost our City Manager and we had interviews for the City Manager Position, and the gentleman who is bringing this lawsuit to the City sat in front of this Council and was asked, 'If you were the City Manager would you be behind the new sewer treatment plant, and he looked at the Mayor and said, 100% behind the sewer treatment plant if I'm your City Manager'. Sometimes I think in a small community, we have axes to grind, we don't like somebody and so we go out, we spread rumors. I've had people call me and make comments about how the Mayor is going to make a million dollars off this sewer treatment plant. That's the rumor that's going around, Mayor. Very interesting that a company that this body approved has any ties to the Mayor is beyond me. You sit here and you want to talk about the little meetings that go on. I would like to be a little fly in the corner at the coffee shop and listen to all the rumors and, excuse my French, but I have to say it, the bullshit that goes on at the coffee shop. The things that get stirred up in this community. I don't know if we will ever get to that point where we can see eye to eye. We probably won't but sometimes it is a difficult thing to sit behind this desk and make decisions that affect everybody in this community. As I said before, we have been working on this for 3 ½ years, if you wanted to make this big of a deal out of it, where were you 3 ½ years ago when it first started? Someday I hope we can all look at each other and be friends again because I don't see that in this City any more. I don't know who it was but someone made the comment that they use to wave to everybody when they drove by them. I don't know who everybody is in town but I still do a little wave as I drive past 'cause that's Santaquin to me. And sorry, I wasn't raised here but I still give a wave to everybody that I see."

Council Member Linford said, "A lot of people out here served in the City, I understand that. I understand who it was and I understand how recent it has been. And you deserve a lot of credit. I'm not going to say it's tough, I'm going to say it is interesting. Because it is. But if you go back and look at the previous decisions that were made in the City, some of them were good and some of them were bad but some of them were always there. The previous sewer project in 1994 for 4 million dollars didn't go to a City vote. Because the City Council then as it is now was elected by the Citizens, to represent the best they could with their voice. 4 million dollars in 1994 was close to this amount of money in today's dollars. Kathy mentioned there aren't any economists here. I'm not an economist but I am an accountant with an Economic Minor. So I've dealt with this some. I think I understand the value of money, I think I understand the value of dollars. I also understand that during the recovery of a recession, which we have been in, prices always, always outpace the recovery. We wait for the recovery, the cheaper prices that we can actually afford right now and that we are bonded for will be the best way to go because when the recovery does come, we're

going to have growth. Most the growth I didn't vote for, I wasn't here. I've been in the City now for about eight years. I've been on the Council for six. To be honest with you I can go out and shake about half a dozen, maybe a little more, hands in the audience and say I've met you, I know you. But for the most part, give me another 20 years and I may learn all your names. But I don't think that is the issue. I think the issue is economic. I'm an accountant. And also laws that we have to abide by. Economics, we wait until November, it is going to cost us more money than we have to spend because of the increased cost of this system. The system costs are going to go up. I don't know if any of you invest in the stock market, but if you don't own gold, silver, or any other metal, copper, buy it, 'cause it is going through the roof. And unfortunately all those materials are going to be a part of this new system. Do we need a system? We need a system really quick. Another misconception is, the sewer is going to take about 18 months to build, it isn't going to happen tomorrow. The contract says our first payment on that system isn't for another year. So we have 21/2 years before we have to worry if the economy is going to recover or not. Because it is going to recover, it may be slow but it is going to come back. And when these houses start to be built, we can actually say, 'gee, you can have a building'. When a contractor we promised can build these homes, some six thousand of them, come in and say 'gee I want a building permit' we can actually say, you can have a building permit. The State in not going to allow us to enlarge the sewer lagoons, we can get more application, spending a lot of money, we can get a lot more aeration to make the bugs so they are healthier and grow better, and that's all good and fine and that's going to take money also that will not be funded by the State, that will not have any grants that will all come out of our own pockets. And then your rate will go up because we have no way to defer it. We still have to apply for bonds because we don't have that kind of money in the system, the City coffers, to pay for it outright. So we would still have to be bonded. We have a triple A bond rating on these last bonds. That's pretty high, that's really good. That's why we got such a good interest rate. If we delay this and we lose that funding, and we very easily could, because we could afford to make up the difference between now and the election, then we won't be rated triple A anymore because we've spent our money, we've spent that 2 million dollars that was in our coffers to get that triple A rating for the bond. We don't have it any more. Basically we are stuck. To go forward one way or the other, it is basically going to take 18 months. One way you see the expense you have, the other way it is going to be a lot worse and that is my humble opinion. I really am glad to see all of you here. I'd like to see you here every week. We typically have 1 or 2 out here in the audience. My personal opinion is that it is going to cost us a lot more money if we don't start that sewer tomorrow."

Council Member Steele said, "A couple of comments, truly set on opinion only. We talk about previous sewer systems being voted on, I am of the feeling that the reason we are in the situation we're in right now is because it wasn't voted on. That sewer system that we've got sitting out there should've never in that location that it's in. I truly believe that if it was in a different location, we wouldn't be having this discussion right now and if the Citizens would have had the opportunity to vote on it, I don't think it ever would have ended up out there. I believe the Citizens need the right to vote on the one we are doing right now."

Mayor DeGraffenried said, "Before we vote, I have to make a comment. It's not about the sewer. Mr. Brandon made a comment that in general, I'm a genuine jerk. Mr. Brandon told me before I even before I went into office that if I were to run a second time, I'd regret the day I did, because he would do everything in his power to stop it. He told me that up in my office. The point I want to make is not about Mr. Brandon. It's not about Keith Broadhead. It's not about anybody. But the

fact is, the vicious rumors that you have sent out about Jim DeGraffenried, how in heaven's name can Jim DeGraffenried get a vote from our City Council without telling them what they are voting on. Now, come on folks, let's wake up to the facts; they do the voting, I've voted twice. It comes from them. I respect these men up here. I always have. I don't respect their opinion sometimes. What I'm trying to say is; I'm tired of the viciousness that goes out about Jim DeGraffenried embezzling money, of Jim DeGraffenried owning the Dairy Queen. I've never had an interest in owning a Dairy Queen. I'm tired of people saying that Jim DeGraffenried is running this City by himself. I'm just tired of all the vicious rumors that you're spreading. I know where many of them come from and I know that they're false. Now having said that, I think it is time to entertain a motion that is on the agenda."

Council Member Askerlund moved that we rescind the letter of denial which was sent to the applicants for the petitions and that we place the Sewer Bonds "A" and "B" on the November ballot. Council Member Vincent seconded the motion. Council Members Steele, Askerlund, and Vincent voted in favor of the motion. Council Members Green and Linford voted against.

Mayor DeGraffenried, "Before you leave, you've done a very effective job, congratulations. We'll move forward and we'll see what happens."

EXECUTIVE SESSION (May be called to discuss the character, professional competence, or physical or mental health of an individual)

Nothing

EXECUTIVE SESSION (May be called to discuss the pending or reasonably imminent litigation, and/or purchase, exchange, or lease of real property)

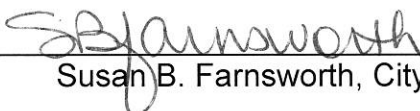
Nothing

ADJOURNMENT

At 9:40 pm Council Member Vincent moved to adjourn. Council Member Askerlund seconded the motion. Council Members Askerlund, Green, Linford, Steele and Vincent voted in the affirmative.

Approved on May 18, 2011.

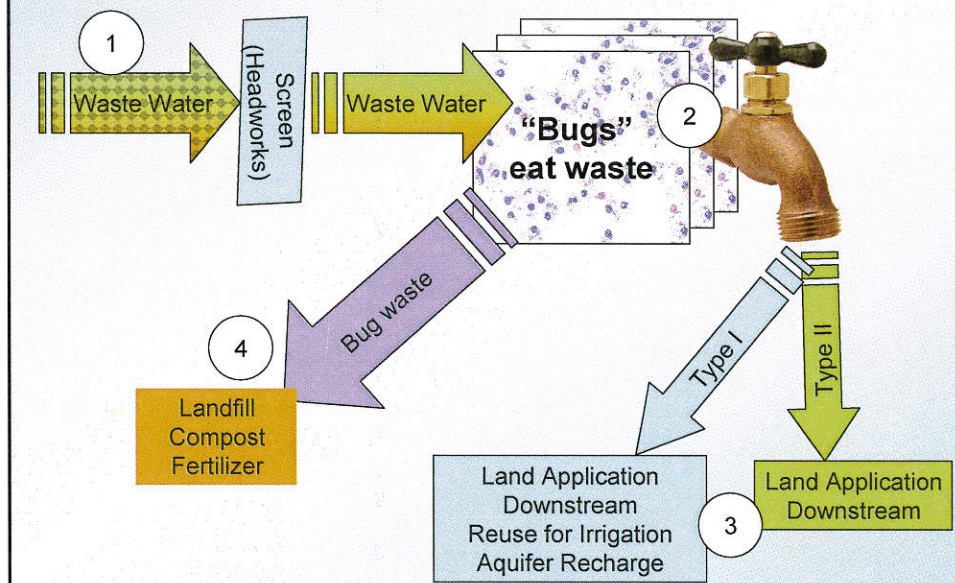

James E. DeGraffenried, Mayor

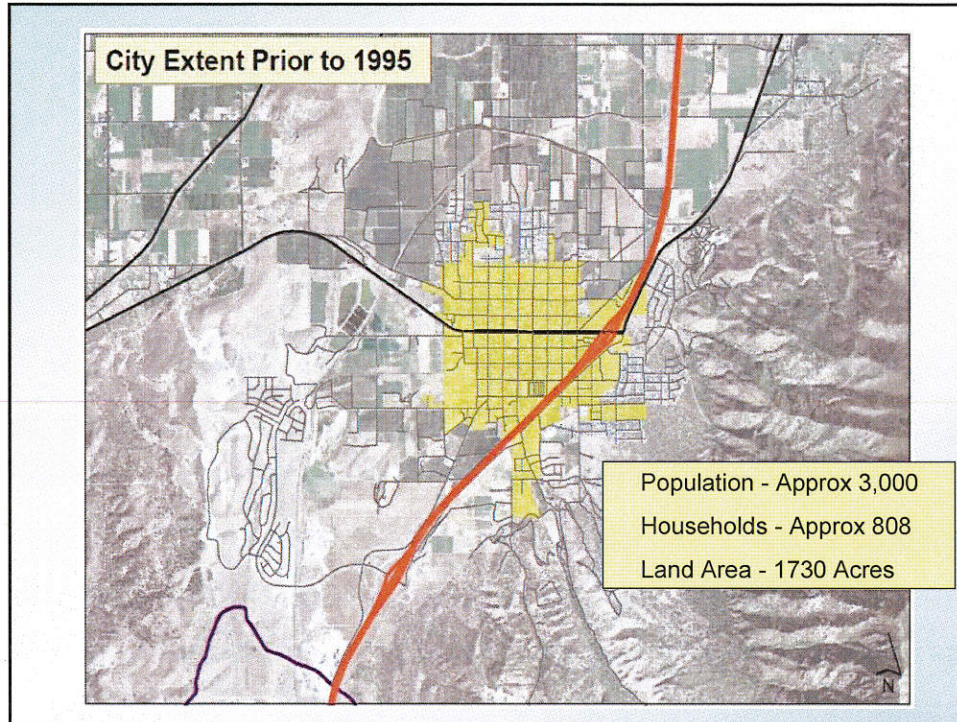

Susan B. Farnsworth, City Recorder

Overview of Current Wastewater System and Alternatives

Prepared by Dennis L. Marker
April 27, 2009

Treatment System Basics

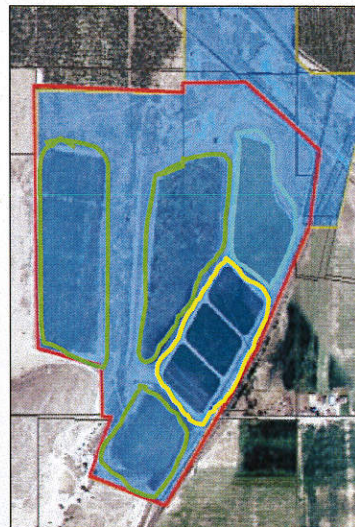




Treatment System in 1994

Basic Facts – The Beginning

- The City's population approx. 3,000.
 - Approx. 808 ERU Connections
- City bonded for over \$3 million.
 - USDA 1993 Series C \$333,000
 - USDA 1993 Series B \$509,200
 - State of Utah 1993 Series B \$1,307,000
 - State of Utah 1994 Series A \$1,000,000
- The City's sewer lagoon treatment system was constructed.
 - ① Gravity flow and Lift Station @ 420 W.
 - ② 3 four acre treatment ponds able to handle 494,000 gallons per day,
 - ③ 54 acres of irrigable land to dispose of water on crops during the irrigation season, and 1 winter storage pond able to contain 120 days worth of water (approx. 52 million gallons) during the non-irrigation season.
 - ④ Bugs have yet to be dredged.



2

Treatment Capacity

3 four acre treatment ponds able to handle 494,000 gallons per day,

Designed flow rate = 0.4939 MGD or 2,420 ERU

(ERU = 3.71 persons per household x 55 gallons/person)

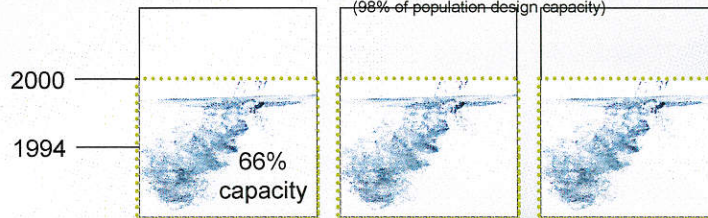
**Designed to reach a 2012 population projection of 4,939
(1331 units),**

per capita use of 100 gallons per day (State design standard) and 30 day treatment process.

The system was started at 1/3 its design capacity.

**Between 1994 and 2000 City population had increased an
average of 8% annually. Census Population at 4,840**

(21 annexations between '94 and '00)
(98% of population design capacity)



2

City Extent Prior to 2004

Between '00 and '04

20 annexations

Development Agreements
for 5,918 lots

2004 Population - Approx 6,545

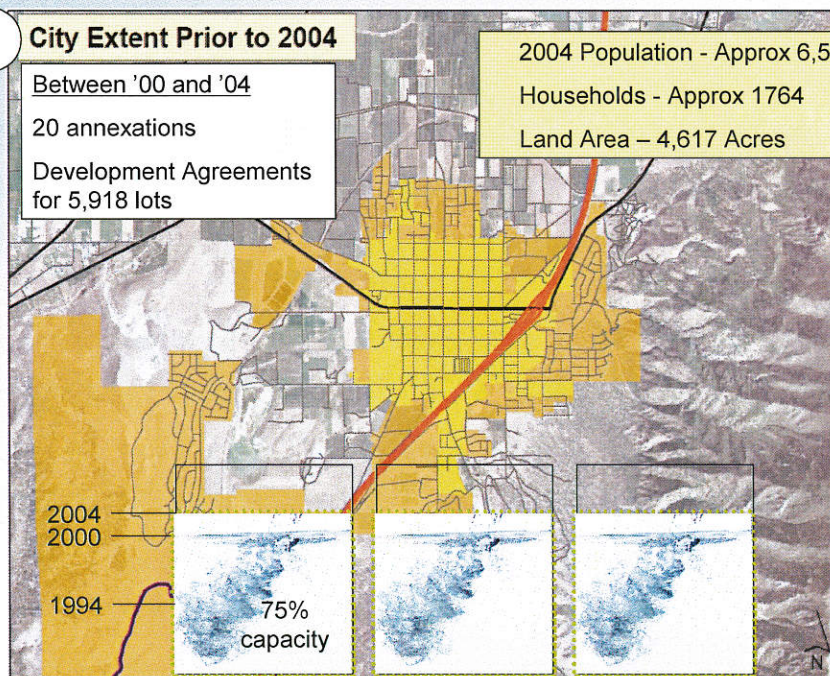
Households - Approx 1764

Land Area - 4,617 Acres

2004
2000

1994

75%
capacity



Treatment System (2004)

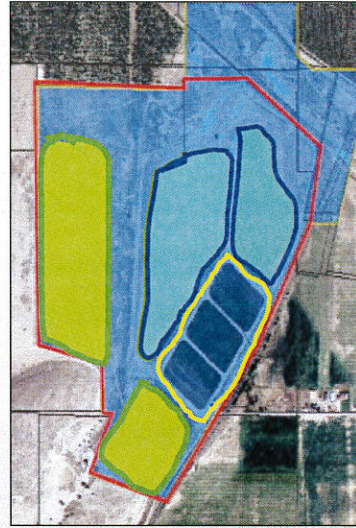
Basic Facts – Expansion

– In 2002, the City hired EPIC Engineering to prepare an "Interim Wastewater Treatment Study" to address City growth and future treatment options including tying into Payson's treatment facility.

② No new treatment ponds or aeration were added.

③ Based on the prepared study, an additional winter storage pond was added to the system, which enabled 126 million additional gallons to be stored during the non-irrigation season.

③ The new winter storage pond eliminated 20 acres of irrigable land needed to dispose of water during the irrigation season. **State mandated 4.18 acre feet per acre maximum land application on 32.5 acres** and additional land needed for water disposal. **No NEW Land Acquired.**



2 Current City Extent - 2009

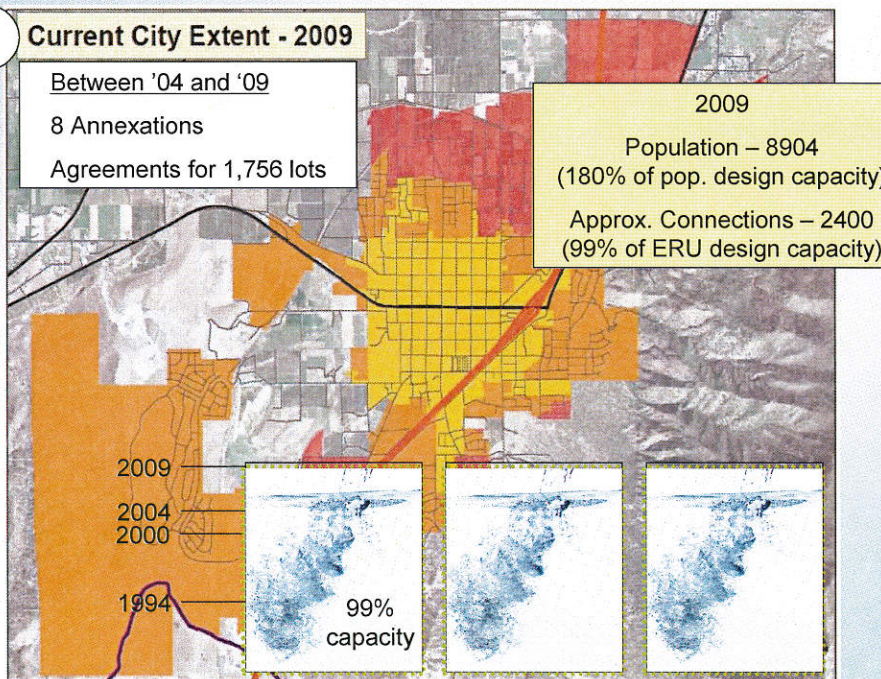
Between '04 and '09
8 Annexations
Agreements for 1,756 lots

2009

Population – 8904
(180% of pop. design capacity)
Approx. Connections – 2400
(99% of ERU design capacity)

2009
2004
2000
1994

99%
capacity



2

Current Sewer Treatment Cells

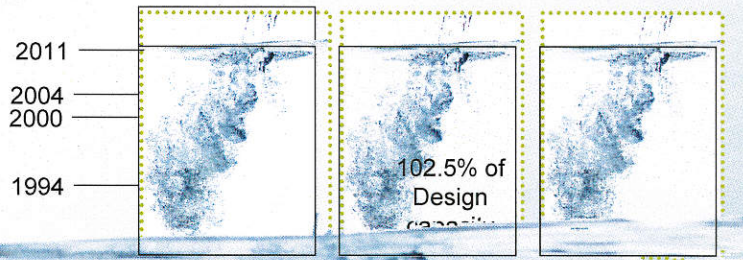
Designed flow rate = 0.4939 MGD

88 new homes since August 2009

Recorded flows Jan – Mar.

Maximum flow 0.670 MGD, Avg. 0.506.1 MGD

The water coming out of the lagoons has not yet failed water quality standards tests.



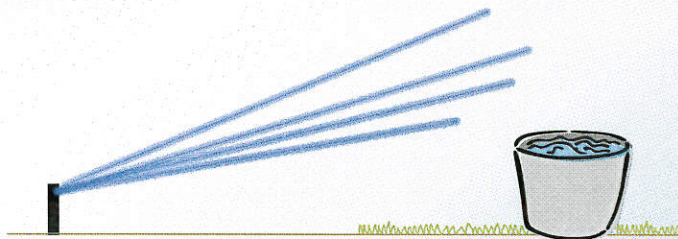
3

Current Land Application

Currently 48.5 Acres of irrigable ground

State allows max. of 4.15 c.f. per ft.

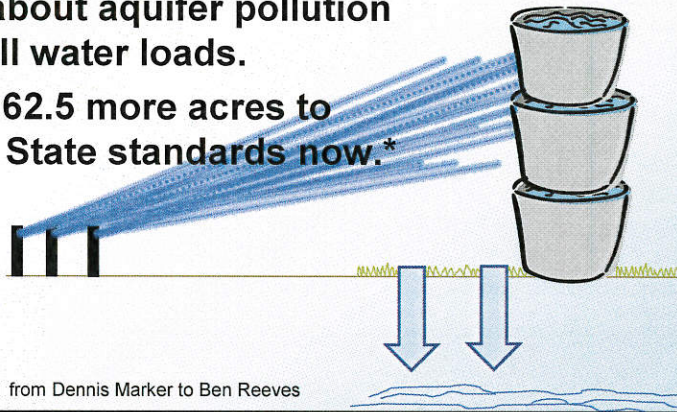
(letter from DEQ dated April 4, 2004).



3

Current Land Application

- **Over-applying 2.8 times the amount of water authorized by the State.***
- **Concerns about aquifer pollution due to Type II water loads.**
- **City needs 62.5 more acres to comply with State standards now.***



*Memo dated February 23, 2011 from Dennis Marker to Ben Reeves

1

420 West Pump Station

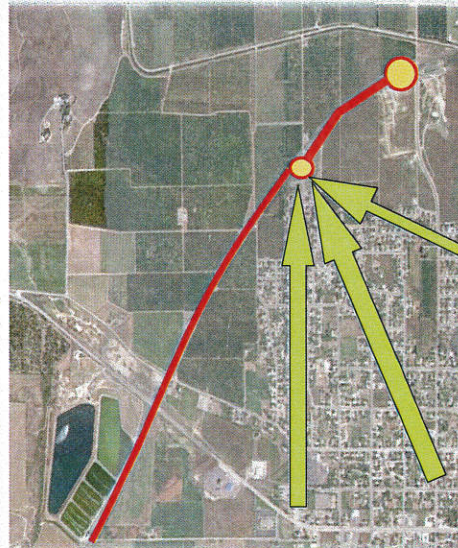
Nearly 60% of City waste water is pumped up from 420 West lift station.

Station includes two pumps designed to pump 550 gpm individually (approx. 850 gpm together). Current flows through system are requiring both pumps to operate during peak hour flows.

State law requires one standby at all times.

"Your pump is maxed out. The amount of inflow has increased beyond the original design conditions of these pumps."

Pump supplier letter dated March 2, 2011,



New Center Street pump station will pump into the 420 West station at a 1,000 gpm rate.

City Actions to Address Needs and Goals

- 2/15/2006 - Council discussed receiving bids from Engineering firms (i.e. JUB & Aqua) to update City's culinary and sewer capital facilities plans. (Starley, Green, Unanimous)
- 11/15/2006 - Authorization for JUB Engineering to prepare a Waste Water Plan. (Linford, Unanimous)
- 10/17/2007 - Rezone 184 acres around WWTF from Public Facility to Industrial. (Linford, Green, Unanimous)
- 10/17/2007 - Adopted Sanitary Sewer Collection System Capital Facilities Plan. (Green, Linford, Unanimous)
- 1/17/2008 - First Citizens Advisory Committee Meeting to discuss treatment situation and possible alternatives to treatment type and locations.

Dennis	Kenyon	Dan
Barnes	Farley	Olsen
Shayne	Dennis	Phil
Bott	Marker	Rowley
Mark	Robert	Todd
Brown	Mattinson	Rowley
Stefan	Robert	Nan
Chatwin	McMullin	Taylor

- 3/27/2008 - Citizen Advisory Committee recommends MBR system and relocating the treatment processes to the north end of the City.

City Actions to Address Needs and Goals

- 12/17/2008 - Council authorized mayor to seek federal funding to construct a water reclamation demonstration facility. (Green, Hansen, Unan)
- 3/18/2009 - City Council authorizes JUB Engineering to proceed with preliminary design of the new Water Reclamation Facility. Committing \$998,480 toward the project. Additional work contingent on
 - receiving funding,
 - reuse approval by the Division of Water Quality (Askerlund, Green, Unanimous) (Note: Reuse granted 10/20/2009).
- 5/6/2009 - Public Hearing on Wastewater Master Plan, Ordinance adopting Wastewater Master Plan. (Linford, Hansen, Green (Yea), Askerlund, Vincent (Nay))
- 5/13/2009 - City Council subcommittee begins meeting to review water treatment information and evaluation of MBR technology providers.

Council	Dennis	Mayor
Members	Barnes	DeGraffenried
Ask	Dennis	David
erlund	Marker	Thurgood, JUB
Lin	Wade Eva	Trevor Lindley,
ora	Jason	JUB
Ste	Galloway	

- 6/3/2009 - Council approved adoption of analysis and implementation of wastewater impact fee using MBR technology in analysis. (Linford, Askerlund, Hansen (Nay) all others (Yea))
- 7/1/2009 - Council approves MBR technology as new treatment process and moving of processing location based on
 - ability to obtain property on satisfactory terms (Askerlund, Linford, Unanimous) (Note: Property purchased for \$433,242 on 5/19/2010).

	Option 1 Maintain Existing System	Option 2 Expand Lagoons and Continue Land Application	Option 3 Expand Lagoons and Discharge to Utah Lake	Option 4 Send all Water to Payson	Option 5a MBR at North Site & Reuse Water	Option 5b MBR at Lagoon Site & Reuse Water
				Costs (Million \$)		
Contingency (10% of Project)		1.95	0.91	1.30	1.66	1.68
Engineering (10% of Project)		2.43	0.19	1.21	1.46	2.42
Engineering - Construction		0.94	0.06	0.61	0.93	0.94
Replace Gender at Lagoons to meet peak hour flows		0.89	0.05			
Increase aeration capacity (add blowers)		1.85	1.85			
Increase Contact Tank Capacity (new cell)		0.29	0.29			
Increase Clarification capability		0.12	0.13			
Increase Winter Storage (new holding pond)		1.45	0.16			
Increase King Lear Storage Season after Yearly?		0.25	0.37	0.11	0.11	0.11
Change from irrigation pump station to application system		0.42			0.10	0.10
Land Application System		0.49		0.23	0.23	0.23
420 West LR Station (replace Existing)		0.64	0.61			0.23
Install Additional 10" force main from 420 West to Lagoons		0.90	0.8			0.8
Lagoon Solids Removal		0.14	0.1		0.1	0.1
Land Purchase (\$50,000 per acre)		22.24			0.5	0.5
Cross Highway 6 with Discharge Pipeline	N/A		0.1			
Pressure Pipeline across Highway 6			0.7			
Security Line to Canyon			0.29			
Connect to Canal ¹⁴			0.83			
Improve Soil Disch			1.31			
Esmeralda Acquisition			0.05			
City Collection System Improvements				4.85	0.75	
Approx. 11700 South to Payson Connection				1.74		
Spring Creek LR Station				0.99		
Utahns Payson 10" line				0.88		
Decommission Lagoons				0.12		
Land Application Lease				0.22	0.55	0.05
Buy-in Costs for existing connections				7.25	11.69	11.69
Construct Water Reclamation Facility					0.43	
Reclaimed Water Pump Station					0.2	
Convert 10" force lines to Reclaimed Water Force Main					0.05	0.05
McCall Hobbs in Community						
Summary of Today's Cost (\$Millions)						
Estimated Project Cost		53.37	8.07	13.04	16.1	15.91
Expenditures Already Paid Toward Option	N/A	0.11	0.11	0.11	1.9	1.11
Committed Grant Money Applicable to Option ¹		0	0	0	6.2	0.3
Total Remaining Cost						
(does not include interest for options 2-5)	1.1611	33.26	8.96	12.93	9.9	11.51
Projected 20 Year Life Cycle Costs (\$Millions)						
Operation and Maintenance		\$10.55	\$10.09	\$25.71	\$15.28	\$15.23
Connector Fees Paid to Payson	N/A			\$6.51		
Reclaimed Water Sales Benefit					(\$3.33)	(\$3.23)
Total (does not include interest)		\$43.81	\$19.95	\$45.45	\$21.85	\$24.40

In Payson Rate Analysis

- **Current Santaquin User Costs**

- Current debt service will still need to be paid = \$5/month*
- If staff is maintained, current staffing & O&M costs = \$9.50/month)*
- Current Average City user fees = \$7.50 (\$.60/thousand gal used)

- **Future Additional Costs if connected to Payson**

- Payson user connection fee = \$24/month**
- New debt service for pipeline to Payson will need to be paid = \$22/month (\$11.04 mill. for 30 years @ 4% with 2400 connections)

Santaquin User Rate if in Payson = \$68

*Based on current budgeted revenue and expenditures of the 2009-2010 City budget.

** Number confirmed by Glade Robbins – Nov. 23, 2009. This is the charge to Elk Ridge now. Elk Ridge does have additional sewer costs on top of this rate.

Santaquin Rate Analysis

- **Current Santaquin User Costs**

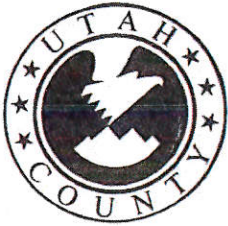
- Current debt service will still need to be paid = \$5/month*
- If staff is maintained, current staffing & O&M costs = \$9.50/month)*
- Average City user fees before increase = \$7.50 (\$.60/thousand gal used)
- City Raised Base Rate \$20 on August 18, 2010 (Vincent, Steel, Linford (Nay) all others yea)

Santaquin Average User Rate = \$42.00*

* USDA requirement for providing \$4.954 million grant is that average user fee can not exceed \$42.50. Annual inflation rate may be added after bond closing.

Summary

- Land Application must be fixed.
 - New MBR would bring land application into compliance because of reuse.
- Address 420 West Pump Station
 - Will need to be rebuilt now (\$800,000) with or w/out MBR
- Possible addition of aeration to lagoons
 - Funding for MBR includes contingency to cover these costs until new facility is built. Additional aeration not needed with MBR and DWQ not in favor of adding any at this time.
- City has expended \$1.99 million of unrecoverable funds and will need to find additional funding sources, without available City funds for match, to pay for a change of course.
 - Where will additional City matching funds come from? Rate increases, increased impact fees, Tax increases?
- Only option, which is less expensive than continuing with the MBR at this time is expanding the lagoons, losing water to Utah Lake, and hoping the City can afford to mechanize the system when Utah Lake limits are imposed.
- Sewer project funding is not required to go the vote of the citizens and any means of beginning construction sooner and defraying increasing costs will only benefit the residents.



Utah County Commission

LARRY A. ELLERTSON
GARY J. ANDERSON
DOUG WITNEY

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WWW.UTAHCOUNTYONLINE.COM

April 27, 2011

Santaquin City Council
45 West 100 South
Santaquin, Utah 84655

Dear Council Members,

As County Commissioners, we have watched with great interest and anticipation, the development of your water reclamation facility plans. We recognize the importance of what you are doing and the tremendous value that such a facility will have, not only for Santaquin, but for Utah County and the State of Utah as a whole.


Population growth patterns in Utah County indicate the need for such water conservancy measures, due in part to the projected increase in residential and economic development in the South end of the County. As a result, one of our primary concerns has increasingly turned to water. The advantages of conserving and extending water supplies in the West are significant, both economically and ecologically, and will continue to accrue in the future. Based on the desirability of water reclamation and reuse technology on the state and local levels, Santaquin received \$6 million in grant funding. These types of projects will be able to satisfy the needs of your expanding community for years to come.

We wanted you to be aware that, as a Commission, we fully support and appreciate your efforts to move ahead with this project. It is an effective demonstration of the forward-thinking, future-minded decisions Santaquin City is becoming known for. Please let us know if we can be of any assistance in this effort.

Sincerely,

UTAH COUNTY COMMISSION


Gary J. Anderson


Larry A. Ellertson


Doug Witney

An Open Letter to the Citizens of Santaquin

As a citizen I have thrilled with the progress as the city was beautified, expanded and moved forward with plans for a state-of-the art sewer project that would allow the city to be poised and ready for exciting possibilities now on its doorstep.

My elation diminished, however, as a cloud descended on the horizon, with neighbor shunning neighbor and relationships deteriorating.

City officials have tried to move ahead with the sewer project, laboring countless hours, even to the detriment of their health and personal welfare; this over a 4-year-period of time. They researched, planned again and again, secured necessary funding, etc. but were repeatedly rebuffed. The delay has cost the city thousands of dollars and the threat of losing promised funding. Efforts to delay the project brought challenges questioning the integrity of city officials. Facts were distorted and reputations maligned.

Therefore, citizens of Santaquin, I invite you to join me in a grassroots crusade to become a truly informed citizenry, armed with factual valid information rather than hearsay. The development of an adequate sanitary system is a complex issue; there are many valid points on both sides of it. Let's study the relevant points on both sides and make sincere, informed decisions without resorting to personal attacks.

After carefully studying both sides of the issue, it is imperative to make a choice and to know that we must be prepared to accept whatever happens as that becomes our destiny.

Sincerely with love,
Marie Durney
Marie Durney, LCSW

Dear Jim & Cheryl -

We are on our way to NY
and NC to see our new get
Grandkiddo. We will be gone 3 & 4 weeks.
I haven't seen you at Sesser so I
wanted to let you know! I must apologize
to you and the merger. I made a
big mistake when I signed that stupid
sewer petition why? I don't know my
only reason was to go along & get along.
I had told the young lady her argument
didn't hold water, and then I signed
it. Dumb Dumb

I know how much work was put
into the work to get grants, other funding

and getting info out.

I hope the council will do the right thing and go ahead with the plan.

A little voice kept telling me how stupid my decision was!

Excuse the horrible handwriting -
My new glasses aren't helping much.

See you soon

Kate