

MINUTES OF A REGULAR COUNCIL MEETING  
HELD IN THE CITY CENTER  
MAY 6, 1997

The meeting was called to order at 7PM by Mayor Keith Broadhead. Councilmembers present: Paul Bean, Dennis Howard, Marianne Stevenson, Lynn Adams and Calvin Wall. City Manager Tom Austin was also present. Lynn led the pledge of allegiance.

Others present: Judge Timothy Haveron, Attorney Mitchell Maughan, Attorney Craig Smith, Greg Tidwell, Kevin Davis, Brent Turner, Jim Norton, Val Butler, Brent Vincent and Judy Vincent.

Sunrise Engineers: Joe Santos & Mark Huntsman.

Mt. Fuel representatives: Bob Reed, Carl Galbraith, Charles Greenhawt, Alan Allred & Mark Johnson.

Appointment and Swearing in of New City Council Member: Mayor Broadhead recommended Lynn Adams be appointed to serve as councilman for the remaining eight months of Hottt Carter's term. Marianne moved to approve Mayor Broadhead's recommendation, Dennis seconded, motion carried 4-0. Judge Haveron administered the Oath of Office to Mr. Adams.

Ordinance 5-1-97 / Moratorium on New Annexations: Mayor Broadhead discussed the need for the moratorium. Paul read the ordinance. Paul moved to approve Ordinance 5-1-97, Calvin seconded, motion carried unanimously.

Ordinance 5-2-97 / Creating Natural Gas Enterprise Department For Santaquin City: Vote to be taken after discussion scheduled for 8PM.

Resolution 5-1-97 / Appointing the Mayor as Environmental Certifying Officer for CDBG: Tom explained it is a HUD requirement to designate an Environmental Certifying Officer for CDBG funding. Dennis moved to appoint Mayor Broadhead Environmental Certifying Officer, Paul seconded, motion carried 5-0.

Planning & Zoning / Reports and Recommendations: Shawna Johnson expressed some concerns with Mike Carter's subdivision proposal regarding roads, annexation in process and future annexation. It was agreed the new annexation will be subject to the moratorium. The development cannot be increased to thirty units. Open space and fencing is to be determined. Mayor Broadhead had questions concerning the road dedication.

*Burton Olson*  
Presentation of Preliminary FY 97/98 Budge: Mayor Broadhead reviewed the preliminary budget. Cuts in each department are required to balance. Each councilmember should be prepared to propose adjustments at the work meeting Friday at 7PM.

Bills: Dennis moved to approve the warrants in the amount of \$28,012.14, Marianne seconded, motion carried 5-0.

Business Licenses: Marianne moved to approve a license for Daniel Davis, DeLyle Kay and Sam Evans, Dennis seconded, motion carried 5-0. Dennis moved to approve a license for Brent

Stevenson, Paul seconded, Marianne, abstained, motion carried 4-0.

Approval of the Minutes of April 15, 1997: <sup>regarding</sup> Mayor Broadhead read a letter from Mountainland Apples regarding fire flow improvements. Joe Santos stated their current system is not adequate. The fire code allows the Fire Chief to approve if he feels his department could handle a fire. This discussion was in reference to Mountainland Apples annexation. Calvin moved to approve the minutes, Paul seconded, motion carried 5-0.

Miscellaneous: Tom stated a letter will be sent to a resident on Main Street explaining the code which denied him a building permit. It is the intent to re-zone Main Street "mixed-zoning".

Vacation for Tom was approved from May 23rd to June 2nd or 4th.

Paul asked the status of the codification. Tom said information will be sent from Sterling next week. Dennis and Tom will rewrite the animal ordinance.

Tom will write a letter of recommendation for Country Garbage.

Marianne reported Lorraine Kursa is anxious for the City to sign the rental agreement with the Housing Authority. Attorney Mitch Maughan saw no problem with the agreement. Mayor Broadhead read the agreement. Marianne moved to authorize Mayor Broadhead to sign the agreement, Dennis seconded, motion carried 5-0.

Elaine asked each department head to remind their people to turn in billing invoices.

Mayor Broadhead reported tailings are available at Mona. Dennis Barnes will check on the City getting two loads.

Mayor Broadhead reported twenty nine applications were received for the recorder position. An interview panel will be comprised of Mayor Broadhead, Payson City Recorder, Councilman Howard, Brenda Wall of Caselle Software Systems and Kirk Greenhalgh (citizen). Hire date is June 1st, start date July 1st.

Discussion on Creating a New City Utility--Natural Gas: Mayor Broadhead turned the time over to Sunrise Engineering. Joe Santos stated Sunrise Engineers were contracted to complete a feasibility study regarding Santaquin City providing natural gas service to the City. Three options are available. (1) Santaquin buys out the remaining 27 year non-exclusive franchise from Mt. Fuel and provides service to the entire city. (2) Mt. Fuel continues to maintain the present city with Santaquin providing service to new business. (3) Santaquin does not enter the natural gas business. Sunrise recommends action taken under alternative number (2) with the source of gas through Nephi Gas Company. This report was prepared by Alden Robinson and Dave Kenington.

Mark Huntsman gave a history of Sunrise Engineers experience with natural gas projects. He requested any questions or answers regarding this study be addressed in writing. Mr. Huntsman reviewed the study and answered concerns.

Charles Greenhawt, Attorney for Mt. Fuel, voiced legal concerns

regarding Santaquin establishing a natural gas enterprize fund. He stated if Santaquin voted tonight to proceed with this proposal it would be premature and may trigger legal action. Craig Smith ask what rights would be taken from Mt. Fuel if Santaquin approved this ordinance. The two attorneys debated the issue. Joe Santos stated this is a preliminary report. Nephi wants to know if the City is serious before they give hard numbers and answer all questions regarding costs.

Carl Galbraith, rate setter for Mt. Fuel, said the forty years he has been with Mt. Fuel there have been no complaints. He is preplexed as to why Santaquin would want to own their own system. He compared costs associated with Mt. Fuel and Nephi Gas Company. He stated Mt. Fuel has a 1.1 million improvement project scheduled for South Utah County.

Mayor Broadhead expressed appreciation to Mt. Fuel for their input. He invited them to study the preliminary report and ask questions in writing. Dennis agreed Mt. Fuel needs access to the preliminary study. But Santaquin needs the ordinance to obtain information from Nephi. Lynn Adams stated the ordinance just provides a way to get figures. Craig Smith voiced his legal opinion confirming this concept. Dennis moved, based on this information, to approved Ordinance 5-1-1997, Calvin seconded, motion carried unanimously. Joe Santos agreed to provide studies to Mt. Fuel. Mayor Broadhead suggested all parties involved study the information meet again for review.

Adjournment: At 9:05 P.M. Dennis moved to adjourn, Lynn seconded the motion, motion carried unanimously.

Approved this 20th day of May, 1997.

  
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Mayor Keith Broadhead

  
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Elaine Tasker, Recorder