

MINUTES OF A REGULAR MEETING
OF THE SANTAQUIN CITY COUNCIL
HELD MARCH 3, 1987

Mayor Herb Lloyd called the meeting to order at 7:00 o'clock p.m. The following Councilmen were also present: Sherman Jones, Clara Goudy, Raymond Rowley, Art Adcock and Lamar Openshaw. The Mayor stated that the meeting was a regularly called meeting and that notice of the time, place and agenda of the meeting had been provided the Payson Chronicle, the Daily Herald and the Deseret News by mailing copies of the Notice and Agenda at least two days before to each of them, and to the governing body by mailing of the agenda and information to their homes. City Recorder/Clerk Sam Sellers recorded the meeting.

Mr. Sam Sellers offered the invocation and Councilman Jones led the pledge of allegiance.

Prior minutes. The minutes of February 3, 1987, February 7, 1987, and February 17, 1987, were reviewed by the Council. Councilman Goudy asked for clarification on the license fee for signs. She said that she thought that the fee was set at \$.50 per square foot per side. Mayor Lloyd, Councilman Adcock and Councilman Rowley said that the thought it was \$.50 per square foot for the whole sign no matter how many sides were advertised.

Councilman Jones moved that the minutes be approved as corrected and Councilman Openshaw seconded. The motion passed unanimously.

Myron Olson - request zone change on property from T-5 to RA-2. Councilman Jones said that the Olsons would like to change the zone for the property which they annexed from T-5 to RA-2. He said that this has been approved by the Planning & Zoning Committee and meets the current Annexation Policy Ordinance.

Councilman Jones moved that the zone change be approved and Councilman Goudy seconded. The motion passed unanimously.

LaVorn Sparks - yearly sign fee. Mr. Sparks explained that he has a problem with the increase of the license fee for the billboard he owns east of the freeway. He explained that his attorney has called this a discriminatory tax because it only involves two entities. He said that when the increase is 400% it is only right that the city justify why this increase is only imposed on two business, one of which is a landowner.

Mr. Sparks stated that the fee increase was obviously not to raise revenue because the extra \$150.00 was not going to make the city go one way or the other. He stated that there must be another reason and if the other reason involves his civil rights, he will scream bloody murder.

Councilman Adcock said that he didn't think a business license is the same as a tax and that the fee is directed to any sign which

advertises off-premises vendors. He said that he didn't feel the Council was being selective in treating signs alike. Mr. Sparks said that his point is that when a fee increases for one or two people and not for others, then this looks very selective and discriminatory. He also said that no other city from Salt Lake to Fillmore charges a license. He said that the Counties and Santaquin City are the only ones to do so.

Mr. Sparks said that he is not complaining about doing his fair share. He said that he pays taxes on his land, etc. He said that when he starts paying more than his shares, then he feels discriminated against. Mr. Sparks said that he is trying to figure out how the city all of a sudden comes up with the 400% increase in his license fee. He asked why he should pay \$200.00 per year for his sign when the commercial businesses are only paying \$100.00. He said that he is being asked to double their fees while their gross revenue is many, many times over his.

Councilman Goudy asked Mr. Sparks in what way his sign is an asset to the community. Mr. Sparks said that this point should have been argued at the point of issuing him a license. Mr. Sparks said that he has a tenant in the city who needs a billboard, but not where this one is placed. He said that, unfortunately, Santaquin does not have any business which needs attraction from traffic coming from the south. Councilman Goudy said that Mr. Sparks is sending the traffic to the north and south of Santaquin.

* Councilman Goudy said that she feel the sign is taking away business which might stop in Santaquin for gas, etc. Mr. Sparks said that ~~he~~ his preference would be to rent to someone in a city as opposed to someone in another city. He said that the reason is that the closer a person is to a sign the greater the need. He explained that Santaquin City does not have anyone like this. Councilman Goudy said that the sign is not an asset to the community.

Mayor Lloyd said that the group in attendance in the last meeting hashed the fees around and came up with the \$.50 per square foot figure. Mr. Sparks asked where the figure came from. Councilman Adcock said that the figure came up in a public meeting. Mr. Sparks said that the figure in essence was pulled out of the air. Mayor Lloyd said that another sign representative was in attendance and felt as if it were fair.

Mayor Lloyd said that Santaquin is a bedroom community and that the license fees have all been reviewed. He stated that, at \$.50 per square foot, it was felt that the large signs would pay quite a bit more, so a maximum of \$200.00 was set.

Mr. Sparks said that, based upon what he has heard during this meeting, the fee set for his sign is a discriminatory tax which the Council is calling a license. He said that first of all, the city has a meeting in which it is indicated that a lot of people are against the billboard, which he says is public sentiment and that business has

nothing to do with public sentiment in this country as the constitution prohibits this. Mr. Sparks stated that, secondly, there is a member of the Council who is saying that because he doesn't help the community, then they are against him. He said that he is now talking about his civil rights and the Council cannot pull out of the air a 400% increase which only effects a few businesses. Mr. Sparks said that he has already discussed this with an attorney and they are ready to go to the Attorney General's office.

Mr. Sparks said that he would like to work the problem out without going to court. He said that what he is seeing here is an obvious prejudicial licensing which really is a tax.

Mr. Sparks said that he knows there have been some people against the billboard since he put it up. He said that he has purchased the property, he owns the property, he pays taxes on the property and he pays taxes on the billboard. He said that he feels he is doing his fair share and that he doesn't like what is going on in this situation. He said that he feels this is obviously discriminatory and prejudicial.

Councilman Goudy said that she didn't think it was because, to begin with, the Council did raise the licenses. Mr. Sparks asked if they were raised 400%. Councilman Goudy said that the businesses were raised the same amount Mr. Sparks was. She said that when Mr. Sparks was first licensed he only had one face advertised and when another face was added, this should have added another \$50.00 to the fee.

Councilman Goudy said that the other businesses, whose license fees were increased, came in and pled their case before the Council as well. She said that this was not prejudicial. Mr. Sparks asked if anyone else's license went up 400%. Councilman Goudy said that the commercial fees went from \$50.00 to \$100.00 and Mr. Sparks went from \$50.00 to \$100.00 per side. Mr. Sparks said that the charge last year was not \$50.00 per side. Councilman Goudy said that the fee should have been \$50.00 per side. Mr. Sparks said that the ordinance was \$50.00 per sign. He said that the license fee is a fee to do business and that the city cannot license him per side.

Councilman Goudy said that the way the Council has set this up now is that the fee is based upon the square foot of the sign. Mr. Sparks said that what Councilman Goudy is saying that the fee could be worse and what he is saying is that it is still discriminatory.

Mayor Lloyd asked if the ordinance had been reviewed by the City Attorney and what his comment was. Mr. Sellers said that he is not going to comment on the fees unless the city has a specific problem with them. Mr. Sellers was asked to check this out with Mr. Johnson.

Mr. Sparks said that he has already checked with his attorney who has stated that, according to the laws of the State of Utah, this is absolutely a discriminatory tax. Councilman Goudy asked if it were discriminatory to license a billboard. Mr. Sparks said that the

Council is licensing the billboard per side and this is called taxation. He said that you license a business to do business, not per side.

Councilman Goudy said that the Council listened to the businesses who complained about the license fees being raised. Mr. Sparks said that he understands that the Council backed down on the increase in the fees. Councilmen Jones and Goudy said that the Council backed down on this fee as well. Mayor Lloyd said that when they rewrote the fee for signs they felt that Mr. Spark's fee would be exorbitant, so they put a cap of \$200.00 on it.

Councilman Rowley asked Mr. Sparks what he felt the ceiling should be. Mr. Sparks said that he feels that the city has chosen to license signs, which he is not complaining about. He said that a 400% increase in one year needs to be adequately supported to be non-discriminatory. He said that because this only applies to a few people, he thinks it is discriminatory.

Councilman Goudy said that there are other communities who license on a gross sales method, which Santaquin has not chosen to do. Mayor Lloyd said that the rates are the same for everyone. Mr. Sparks said that this is not completely accurate because the city has two big signs which are unpopular and some small signs and the larger signs pay more. Councilman Adcock said that he feels they are not being discriminatory because all sign companies are being treated the same.

Mr. Sparks said that he is voicing his complaint because he feel it is exorbitant. Councilman Goudy said that other communities in other states use signs as a business and charge fees for them. Mr. Sparks said that the County charges \$50.00. Mayor Lloyd asked if this were per side and Mr. Sparks said that they cannot charge per side and this is \$50.00 per sign.

Councilman Openshaw said that maybe what the city ought to do is go with the \$.50 per square foot and do away with the ceiling of \$200.00 so everyone is charged the same. He said that there would then be no discrimination. Mr. Sparks said that the case would then be a no question, open and shut case that it is discriminatory because the city couldn't show any other business in the city that has that kind of licensing fee, based upon the revenue and profit.

Mayor Lloyd suggested that Mr. Sparks have his attorney call the city's attorney and discuss this. Mr. Sparks said that he would just as soon file suit because the the high cost of his attorney working on this issue. He said that he would like to come in and resolve the issue and make it equitable. Councilman Goudy asked what Mr. Sparks would feel is equitable. Mr. Sparks said that he feels if the city places a fee of more than \$100.00 per year on him for a billboard, they have stretched this beyond imagination. He said that this would be doubling the license fee over last year. Councilman Goudy asked how they would make it equitable for the other signs and Mr. Sparks said that the city has placed a per square foot figure for them.

Councilman Goudy asked if he then feels the ceiling should be \$100.00 and Mr. Sparks said that yes and this would be doubling his license fee.

Public Hearing on proposed Sign Ordinance. The people present had no discussions for or against the Sign Ordinance. Councilman Jones moved that the Public Hearing be closed and Councilman Rowley seconded. The motion passed unanimously.

Councilman Jones moved that the ordinance covering the signs in the city, Ordinance No. 87-2, be approved and Councilman Goudy seconded. The motion passed unanimously.

Approval of Business License Ordinance ammendment. The Council explained that another portion of Section 8 was to be deleted. Mr. Sellers did so. Councilman Goudy moved that this ammendment, Ordinance 87-3, be approved and Councilman Openshaw seconded. The motion passed unanimously.

Approval of resolution setting new business license fees.

Councilman Goudy said that the city cannot do anything with this until something is done on the sign fees. Councilman Adcock asked Mr. Sellers how holding this resolution effects the city. Mr. Sellers said that, technically, the city is now under the same fees set in December and that accepting anything different places the office staff in jeapordy and places the businesses in violation of the ordinance.

Councilman Goudy asked the Council how they felt about placing a ceiling of \$100.00 on signs. She said that this would not be equitable. Councilman Jones said that he would rather wait and find out what the city attorney says, but doesn't feel this is discriminatory.

Decision concerning Rainbow Bar license appeal. Mayor Llloyd explained that the governing body had sat in on an appeal with Roger and Rosie Torres and their attorney and that the facts of the allegation of selling beer to minors was presented at the hearing under oath.

Councilman Rowley explained that the appeal hearing was held last week and that the formal decision as to whether to let the Torres' renew their license to sell beer will be made during this meeting. Mayor Lloyd stated that the Torres' will probably bring suit against the city if the governing body chooses not to renew the license.

Mayor Lloyd stated that his biggest concern is the safety of the citizens of Santaquin. He said that he has felt this establishment to have been a menace to the community and very detrimental to the image of the city. Mayor Lloyd explained that he would recommend to the Council that they support their decision to not renew the beer sales license for the Torres'.

Councilman Adcock stated that since the establishment has closed, the

trouble caused in the Rainbow has moved to Payson.

Councilman Adcock moved that, based on the Findings of Facts which surfaced during the administrative hearings and appeal, the Council not re-issue a beer sales license to the Torres' for the Rainbow Bar. Councilman Goudy seconded the motion and it passed unanimously.

Apply for JTPA Summer Youth Program workers - Mr. Sellers asked if the Council would like to have the city apply for some Summer Youth workers for this summer. The Council asked him to contact the Supervisors and determine how many each need and then to make application.

Business license applications - The following licenses were reviewed by the Council:

Steven M. Parsons "Steven Parsons"	15.00
Donald Asay "The Corner Mart"	475.00
Merlin Phillips "Walt's"	725.00
Kim Barlow "Barlow's Carpet Cleaning"	15.00
Steve Pasiro "National Advertising"	200.00
Neil Merrill "Starise"	15.00
Keith Broadhead "V & K Construction"	15.00
Holly Broadhead - Betty Quinn "Santa Queen Drive Inn"	175.00
David Smith "Cabinet Shop"	30.00
Mac Steele "Steele Brothers Construction"	15.00
Jim L. Gause "Gause Repair"	30.00
Kurt Stringham "Stringham's Hardware"	50.00
Bonnie Rees "Serendipity VIP Kennels"	30.00
Merle Jones "Jones Concrete Co."	HAS NOT PAID
Rex Mendenhall "Mendenhall's Market"	350.00
Judy Vincent "Judy's Styling"	15.00
Clara B. Goudy "Tax Service"	15.00
Susan J. Hallett "Summitt Creek Rock Products"	15.00

Councilman Rowley moved that the licenses be approved and Councilman Adcock seconded. Those voting in favor were Councilmen Rowley, Adcock and Openshaw. Councilman Goudy and Jones abstained.

Councilman Openshaw. Councilman Openshaw mentioned that there appeared to be problems concerning the extension of 500 East. He said that if the city extended this road, it would receive additional funds from the State B and C Road funds. He explained that he was getting the problems worked out. Mayor Lloyd asked why the road was being opened up. Councilman Openshaw said that it was to alleviate some neighborhood contentions and to receive more state funding.

Councilman Openshaw said that the Utah Department of Transportation was coming to the March 10, 1987, meeting with the Flood Committee because they have problems with the city having flooded out the South Santaquin I-15 exit. Councilman Jones explained that the State Engineer's Office had to have approved the plan in the beginning because the course of the flowing water was changed.

Councilman Goudy. Councilman Goudy explained that Patti Foster has been named as the small library representative to the Utah Library Association for the second year.

Councilman Goudy suggested the 16th through the 18th of April, 1987, as the Spring clean-up days for the city. The Council accepted this and stated that the crew would be around on the 17th to pick up material which is too large for the homeowner to handle.

Councilman Jones. Councilman Jones asked how the sidewalk and ramp at the Family Tree Restaurant was going and Councilman Openshaw said that there needs to be more work on this.

Councilman Jones explained that, from what he can determine, the owners of Mecham's Trailer Court were supposed to have put a fire hydrant within their trailer court.

Councilman Jones said that he is going to be meeting with the Utah County officials concerning fire hydrants in the County.

Councilman Jones stated that the clean water bill which Congress recently passed over President Ronald Reagan's veto will be causing the water rates for the city to rise. He said that this might be a quite large rise in rates.

Councilman Jones apologized to the Council concerning an action which they took during the last meeting. He said that they extended the time for Bart Olson to make his payments due for his annexation. He said that, actually, the Council had no authority to do this. He also said that the time period allowable for annexations to be completed, which are authorized by the current annexation ordinance, of 90 days had expired prior to the last meeting. He said that, basically, Mr. Olson needs to come in and reapply for annexation to the City Council and should not do this until he is ready to meet the requirements. Councilman Jones said that the annexation map isn't even complete because it has not been signed by the engineer who drew it up.

Fire Department Projects. The Fire Department Representatives explained that, after the tragic fire which had just occurred in Payson, they would like to go door to door and sell some smoke detectors in conjunction with Stringham's Hardware. The Council explained that they felt this would be OK.

The Firemen also asked about having a Firemen's Ball. The Council said that they felt this would be OK.

Mayor Lloyd. Mayor Lloyd stated that Wasatch Bank would be taking care of the city's Queen contest again for this year.

Mayor Lloyd asked about the apparent conflict of interest with Judge Balliff and the Genola case. The Council suggested that the city ask for a change of judges on the case.

Mayor Lloyd showed the Council a letter which he had received from Mountain Bell concerning subdivisions. The Council stressed the point that it is difficult enough to keep track of the city's requirements without this additional burden and felt that Mountain Bell can keep track of their own.

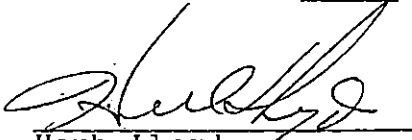
Current bills. The Council reviewed the following bills:

Robert B. Clark.....	\$ 30.00
AT&T Information.....	11.50
Bureau of Public Water Supplies.....	30.00
Randy Clem.....	300.00
Office Essentials.....	16.18
International Institute of Municipal Clerks.....	35.00
Kim-Ko.....	152.00
Tischner Ford.....	277.28
Macey's Sack and Save.....	144.65
Waterworks Equipment Co.....	1,259.20
Nolan B. Money, M.D.....	38.00
Leasing Services Corp.....	91.75
Cooper's Office Equipment.....	444.00
Stan Bonham Co.....	42.76
Pexton Wholesale.....	118.14
Utah Library Association.....	42.50
L&J Waste.....	3,127.42
Chief Extinguishers.....	232.95
Ralph Coomes.....	79.31
Smith Uniform.....	727.90
Totals.....	\$7,200.54

Councilman Jones moved that the bills be paid and Councilman Openshaw seconded. The motion passed unanimously.

Councilman Adcock moved that the meeting be adjourned and Councilman Rowley seconded. The motion passed unanimously at 8:45 p.m.

Approved this 17th day of March, 1987.


Herb Lloyd
Mayor

ATTEST:


Sam Sellers
City Recorder/Clerk