

**Heber City Corporation
City Council Meeting
March 6, 2014**

4:40 p.m.

WORK MEETING

The Council of Heber City, Wasatch County, Utah, met in **Work Meeting** on March 6, 2014, in the City Council Chambers at 75 North Main Street, Heber City, Utah.

Present:

Mayor	Alan W. McDonald
Council Members	Robert Patterson
	Jeffery Bradshaw
	Erik Rowland
	Heidi Franco
	Kelleen Potter

Also Present:

City Manager	Mark K. Anderson
City Recorder	Michelle Kellogg
City Engineer	Bart Mumford
Planning Director	Anthony Kohler
Chief of Police	David Booth

Others Present: Dave Hansen, Tom Meecham, Bob Werner, Jeff Mabbutt, Paul Boyer, K. Edghill, Jeff Brown, Dale Stewart, Earl Polenz, John Jack Rhodes, Terry Loboschefskey, Mel McQuarrie, Doug Wagstaff, Mauro C. Dal Canto, Fiora M. Dal Canto, Alan Robertson, Nadim AbuHaidar, Michael Blanchard, Brian Jacobsen, Kevin Miller, and others whose names were illegible.

City Council Members Will Meet at the Police Department, 301 S. Main St., to Look at the Site for the New Public Safety Building Footprint Options: This field trip was attended by Council Members Patterson, Rowland and Franco, Chief Booth, Anderson, Mumford, Jacobsen, and Miller. It was noted that Council Member Potter had visited the site at a prior time.

Mayor McDonald opened the meeting and welcomed those in attendance.

Discuss Public Safety Building Design (in the Council Chambers): Mayor McDonald stated the purpose today was to decide on a one story or a two story building design. Chief Booth indicated that Council Member Rowland had an idea of positioning the building differently to accommodate everything on one story. The idea was to construct the building to front 100 East. In the future, a two story City office building could be constructed to front Main Street, and that building would be able to accommodate the style preferred by the Planning Commission, the Council and others. Kohler was concerned that the parking lot would overwhelm the area. Miller thought Council Member Rowland's idea was very good and he supported it. Kohler indicated that the recommended zoning and setback changes from the Planning Commission would be presented to the Council at the next City Council meeting. Miller affirmed Chief Booth's previous comments that the public safety building was functional and should be treated like a

tool to fight crime. This proposed location would enable the architects to focus on the fundamental purpose of the building.

Council Member Patterson was not in favor of constructing the building on 100 East. He wanted the City to have a presence on Main Street. Council Member Bradshaw wanted to think about it, and was unsure how he felt about not having a building on Main Street for possibly decades. Anderson indicated the current City offices would be too crowded in approximately three or four years. Options for activities were discussed for the proposed open space next to the public safety building if this idea was accepted. Council Member Rowland felt this configuration would give the City many options in the years to come. Having a basement under the evidence room was also discussed. Mayor McDonald indicated there were at least three Council members that were in favor of the new design layout and authorized the architects to proceed with the 100 East site for the building. Chief Booth reminded the Council that the project was behind schedule. In order to avoid a winter build with its associated higher costs, there could not be any further delays.

Mark Smedley, Open Meeting Act Training: Mark Smedley, City Attorney, reviewed a handout he gave to the Council members regarding when it was appropriate to go into closed meetings. It was noted that no action by the Council was allowed in closed meetings; but the Council would have to adjourn from the closed meeting before making a motion in an open meeting. Mayor McDonald asked if a recording of closed meetings was required. Smedley stated an audio of the meeting was required, but it was considered a protected document. He also listed the limited reasons that were allowable to be discussed in a closed meeting, and indicated that the Council could interact with each other electronically without holding a meeting.

Nadim AbuHaidar, Presentation of Annual FBO Report: AbuHaidar indicated the last time he came before the Council to give a report was in 2011. Since that meeting, the City hired a new airport manager, Terry Loboschfsky, and AbuHaidar praised him as a great addition to the airport. He also stated a new agreement was made that extended his lease, the City fuel flowage fees were increased from two to five cents per gallon, and the City implemented landing fees at the airport, of which the FBO kept ten percent and the City received 90 percent. OK3Air (FBO) had been in business since 2000. They offered maintenance on certain aircraft, flight training, charter flights, and aircraft sales. He referred to his handout and reviewed the FBO operations for 2013. He indicated that some restrictions for the aircraft approach were lifted, which benefited the airport with increased volume. AbuHaidar stated most of the traffic was local traffic. Council Member Franco asked how the City's fuel flowage fee of five cents per gallon compared to other airports. Anderson and AbuHaidar thought it was a little below average. AbuHaidar reviewed the rest of his handout with the Council.

AbuHaidar stated he wanted to voice his opinion with regard to the hangar lease issue. Aviation did what the Airport Advisory Board asked them to do, so the backlash from some of the lessees, in his opinion, was inappropriate. The recommendation from the board was in a vacuum without context. Without terms included with the recommendation, the recommendation would mean nothing because there was nothing to support the recommendation. He didn't think it would be in the City's best interest to go to non-reversionary lease terms. Mayor McDonald asked how AbuHaidar voted on the issue. He acknowledged that he voted to recommend non-reversionary leases going forward, but upon reflection, he should have abstained or voted against it. But what he was saying tonight was that without further information, the recommendation had no value. AbuHaidar indicated that he had both non-reversionary lease and reversionary lease hangars, and

more important than the type of lease, would be the terms of the lease. He felt the City needed to keep control of the airport for future improvements. Council Member Franco asked how the FBO fee to the City compared to FBO fees to different cities. AbuHaidar guessed it was higher than average. Anderson agreed with AbuHaidar, but noted if undeveloped land were considered, the fee would be a little below average. Council Member Franco asked to review this issue. AbuHaidar indicated there were issues that were still on the table and he was willing to look at this issue.

Review Recommendation from the Airport Advisory Board Regarding the Hangar Lease Rates and Charges Policy:

Mel McQuarrie stated he was the newly elected chairman for the Airport Advisory Board and the vice chairman was Dave Hansen. McQuarrie reported that the board tried to create a policy that would protect the City. There were multiple leases at the airport and multiple people had been treated differently, so the City needed to set the pace on where the City would be going in the future.

McQuarrie felt Aviation didn't do as the board asked them. In McQuarrie's opinion, they took a lot of information from the City Manager. He reviewed the history of the airport and its hangars, and stated the board needed to find a way to equalize the leases and treat the owners the same. He recommended the City have non-reversionary leases and stated the City would still have control because it had the leasehold. Non-reversionary leases would also give tax dollars to the City and schools, and the owners would keep up their real estate. He asked that the recommended document be approved by the Council.

Dave Hansen stated he would take exception to some of the statements made today. He didn't feel the recommendation was empty as was stated earlier. He saw many different airports, and he knew there were no "norms" when it came to airports. The successful airports were the ones that could adapt. He spoke about expanding to a C2/D2 airport and noted nothing would get bigger. The growth would occur in more hangars, tenants, property taxes, etc. He spoke about the FAA requirements and the expansion in more detail.

At this time, the Council moved to the regular City Council Meeting. After the regular meeting was adjourned, the following was discussed:

Anderson stated his recommendation to not allow non-reversionary leases was based on the recommendations that came from independent consultants, recommended practices, and from visiting with other airports. Of the 67 hangars at the airport, 45 of those had reversionary leases. He knew the City insurance would cover hangar liability so that was not an issue. He looked at the tax revenue the hangars generated, and found there was \$6.7 million in taxable value from the hangars, not including the four that were sold last year, of which the City received \$7,691 of the total tax revenue collected. He also disputed McQuarrie's assessment that Anderson overly influenced the consultants.

Anderson indicated the current lease agreements offered 25 years to the hangar owners, but nothing beyond that. He would be more concerned if the people here tonight were looking to buy hangars, but were unwilling to because of the non-reversionary terms. He knew the market would support the rates and types of leases the City offered because the City just sold four hangars with that lease term within the last year. Anderson concurred with AbuHaidar's assessment that the area, and thus the airport, would only continue to grow. He felt the people that attended tonight were really trying to improve their position with the City with the leases

that were already in place rather than focus on the impact it would have on future investment. He didn't think the Airport Advisory Board looked at any significant detail that suggested hangar ownership would be an unprofitable and unwise business to get into. Anderson stated it was the most predominant practice and would develop resources that would help the airport be self-sustaining. He felt it was his obligation to inform the Council on what he felt was best for the City.

Discuss Creation of a Heber City Council Blog: Council Member Potter stated she had seen blogs in the community that accused the City of untrue things. She looked on Provo's website and saw they regularly wrote a little summary of the current issues within the city, and she felt that would be a good idea for Heber to follow. Council Member Rowland asserted the Council should decide what it wanted and then have staff implement that decision. Council Member Franco indicated she ran for office on bringing the government to the people. She wanted to help people have the long-term perspective. She thought the Council could write on a City blog and clarify that it was their opinion so as not to give the impression that the blog post was the official City position. She really wanted the Council to be proactive. Council Member Rowland thought that anything appearing on the City website would be perceived as fact. He wanted to keep the City website high level, akin to what was written in the minutes. Mayor McDonald suggested putting a link to Council members' blogs from the City website. Council Member Rowland suggested updating the City website to promote current events. Council Member Franco liked the link to Council members' blogs idea. Council Member Potter liked the Provo website which gave little summaries that cleared up misinformation. It was discussed that Kohler was going through the application process for a domain and was signing up with Google Docs.

Council Member Rowland stated in visiting other Council chambers, Heber was very technology challenged. He thought the City needed a significant increase in IT support.

Schedule Budget Work Meeting: It was decided to meet on Monday, March 17th, at 4:30 p.m. Mayor McDonald asked Anderson to report on where the City stood with regard to the current year's budget.

Discuss City Council Meeting Cancellation March 20, 2014, Due to Party Caucuses: The Council decided to cancel the regular City Council meeting to support the caucus meetings. Upon further discussion, it was determined to meet at 5:00 p.m. to address the only the critical issues.

FYI: Utah League Cities and Towns Mid-Year Convention, April 9-11, 2014, in St. George: Mayor McDonald reminded the Council of this meeting.

Council Member Patterson moved to go into Closed Session at 8:47 p.m. for the purpose of land acquisition and pending litigation. Council Member Rowland seconded the motion. Voting Aye: Council Members Patterson, Bradshaw, Rowland, Franco and Potter.

At 9:11 p.m., the Council adjourned from Closed Session

With no further business, the meeting was adjourned.

Michelle Kellogg, City Recorder