MINUTES
EAGLE MOUNTAIN CITY COUNCIL MEETING

March 18, 2014

Work Session 4:00 p.m. Policy Session 7:00 p.m.

Eagle Mountain City Council Chambers, 1650 East Stagecoach Run, Eagle Mountain, Utah 84005

4:00 P.M. WORK SESSION – COUNCIL CHAMBERS

ELECTED OFFICIALS PRESENT: Adam Bradley, Donna Burnham, Ryan Ireland, Richard Steinkopf and Tom Westmoreland.

CITY STAFF PRESENT: Ifo Pili, City Administrator; Jason Walker, Assistant City Administrator; Jeremy Cook, City Attorney; Fionnuala Kofoed, City Recorder; Melanie Lahman, Deputy City Recorder; Paul Jerome, Finance Director; Ikani Taumoepeau, Economic Development Director; Rand Andrus, Fire Chief; Chris Trusty, Public Works Director; Steve Mumford, Planning Director; Adam Ferre, Energy Director; Kent Partridge, Building Official; Linda Peterson, Public Information Director; Eric McDowell, Sheriff's Deputy.

Mayor Pengra called the meeting to order at 4:06 p.m.

1. CITY ADMINISTRATOR INFORMATION ITEMS – This is an opportunity for the City Administrator to provide information to the City Council. These items are for information and do not require action by the City Council.

   A. 2011 Gas and Electric Revenue Bonds Status Report

   Energy Director Adam Ferre reported on the status of the 2011 Gas and Electric Revenue bonds. The planned projects are almost complete and several additional projects have been added. Both the planned and additional projects have come in under budget, so there are funds remaining in the bonds.

   Mr. Pili commended Mr. Ferre and his staff for managing the bond funds so well.

2. AGENDA REVIEW – The City Council will review items on the Consent Agenda and Policy Session Agenda.

   14. Pony Express Days Rodeo Appropriation

   Councilmember Bradley asked why the appropriation is capped at $140,000. City Attorney Jeremy Cook stated that the study needed to list a proposed amount in order to be published. The Council has authority to adjust the amount actually appropriated.

   Councilmember Ireland asked why the appropriation is being discussed as a contribution to a nonprofit when part of it is actually being paid to Powder River, a for-profit company. Mr. Cook said the City is making a nonmonetary appropriation to the nonprofit by assigning the benefit of the payment to the nonprofit organization.

   Councilmember Burnham asked how an appropriation study is triggered, since the City has aided other nonprofits without doing a study. Mr. Cook said that, according to State statute, a study should always be done when a city provides a nonmonetary contribution to a nonprofit, but the City hasn't done one up until now.

Mayor Pengra allowed representatives of the Rodeo Committee make a presentation.

Councilmember Bradley asked Jared Gray, President of the Rodeo Committee, what changes he would like to see in the contract. Mr. Gray pointed out that the committee hadn't requested $140,000. He wanted to remove the item regarding bleacher rental, as they plan to buy bleachers. He would like City staff time defined more clearly, to include time for discussions with the City Administrator and City Attorney and perhaps help from City staff with miscellaneous repairs.

Councilmember Burnham mentioned a request made by Mr. Gray in an email, to change the wording that referred to an attempt to continue the rodeo, because they will definitely hold the rodeo.

Councilmember Ireland noted that the resolution only refers to 2014. He asked if there was an expectation for help in the future. Mr. Cook said that in the future there will probably only be a lease agreement for the rodeo grounds. No other assistance is expected.

15. TM Crushing Impact Fee Agreement

Scott Hazard of The Real Estate Group explained that TM Crushing never paid an impact fee because it was planning to be a temporary use. "Temporary" was never defined. TM Crushing has requested additional electrical power and expects to be a long-term temporary power user, so it plans to pay the impact fee for the electric infrastructure it needs. Mr. Hazard requested an installment agreement dividing the fee into four payments.

Councilmember Bradley asked why this question is being brought to the Council. City Attorney Jeremy Cook read Eagle Mountain Municipal Code Chapter15.110.050, which specifies that impact fee exceptions must be determined by the Council.

16. Rural Economic Development Loan/Grant Program

Economic Development Director Ikani Taumoepeau and Economic Development Board President Justin Loera explained the REDL/G program. It is a Federal program designed to promote small business in underserved rural areas. It is a combination grant/loan program. Direct Communications has requested that the City participate in the program so the company can build an office building. Direct Communications will pay all of the costs, but they need the City to administer the loan for them. The program is not exclusively available to Direct Communications. Any other business in the City can apply to the program through Direct Communications, which has committed to provide the service to other businesses.

Councilmember Bradley asked what risk there is to the City. Mr. Loera said there is no risk because Direct Communications is taking out a bond to guarantee the costs of the building.

Councilmember Ireland asked how the Federal program stays funded if it disburses $1.3M and only receives $1M in return. Mr. Loera said as long as the USDA chooses to offer the program and the City's population remains under 50,000, businesses in the City can apply.

Mr. Loera said that the City has lost business development because land was too expensive for the potential buyer. This program might have helped those businesses locate here.

Mr. Pili pointed out that this program provides a revolving loan fund that will serve a niche market that banks don't serve. If an applicant applies for money that could be borrowed from a bank, they'll have to go to the bank rather than the program.

Mr. Taumoepeau noted that Utah Valley University has expressed interest in using some of the office space in the new building for an educational center.

3. ADJOURN TO A CLOSED EXECUTIVE SESSION – The City Council will adjourn into a Closed Executive Session for the purpose of discussing reasonably imminent litigation and the purchase, lease or exchange of real property pursuant to Section 52-4-205(1) of the Utah Code, Annotated.

MOTION: ***Councilmember Burnham moved to adjourn into a Closed Executive Session for the purpose of discussing reasonably imminent litigation and the purchase, lease or exchange of real property, pursuant to Section 52-4-205(1) of the Utah Code, Annotated. Councilmember Ireland seconded the motion. Those voting aye: Adam Bradley, Donna Burnham, Ryan Ireland, Richard Steinkopf and Tom Westmoreland. The motion passed with a unanimous vote.***

The meeting was adjourned at 5:51 p.m.

POLICY SESSION – CITY COUNCIL CHAMBERS

ELECTED OFFICIALS PRESENT: Adam Bradley, Donna Burnham, Ryan Ireland, Richard Steinkopf and Tom Westmoreland.

CITY STAFF PRESENT: Ifo Pili, City Administrator; Jason Walker, Assistant City Administrator; Jeremy Cook, City Attorney; Fionnuala Kofoed, City Recorder; Melanie Lahman, Deputy City Recorder; Paul Jerome, Finance Director; Ikani Taumoepeau, Economic Development Director; Rand Andrus, Fire Chief; Chris Trusty, Public Works Director; Adam Ferre, Energy Director; Kent Partridge, Building Official; Linda Peterson, Public Information Director; Eric McDowell, Sheriff's Deputy.

4. CALL TO ORDER

Mayor Pengra called the meeting to order at 7:06 p.m.

5. PLEDGE OF ALLEGIANCE

Boy Scout Troop 1061 presented a flag ceremony.

6. INFORMATION ITEMS/UPCOMING EVENTS

- **PRCA Rodeo Camp** – A PRCA Rodeo Camp will be held on Saturday, March 22, from 9:00 a.m. to 2:00 p.m. at the rodeo grounds. It is free to attend and offers instruction in bareback, saddle bronc and bull riding. Participants will learn about safety techniques, learn the correct spurring moves, have riding equipment checked/fixed, learn chute procedures, handling livestock, working with pickup men and an overall review of the rodeo business. Camps are for ages 8 and older. No live buck-outs. Registration is required and is available on the City website, Events page.
- **Seniors Garden Preparation Class** – The Seniors will host a garden preparation class in the City Council Chambers on Monday, March 31 at 5:00 p.m.
- **Spring Clean-up** – The City will offer our annual spring clean-up dumpsters for yard and general waste from April 1-20. Dumpsters will be located near the Public Works building, in front of the wastewater treatment plant. A schedule for the dumpsters to be emptied and

a list of items unacceptable for the dumpsters is available on the City website, News page. Utah County is offering a household hazardous waste collection day on April 12 at the Provo Towne Centre Mall. Information for this event is also available on the City website.

- **Blood Battle Blood Drive** – The third annual Blood Battle blood drive, sponsored by Horrocks Engineers and administered by the Red Cross, will be held on Tuesday, April 8, in the Council Chambers from 8:00 a.m. to 1:00 p.m. The drive is a friendly competition among northern Utah County cities to provide much-needed donations for the blood bank. Eagle Mountain City has been the winner of the battle for the past two years. Employees from Horrocks will donate community service hours to the city with the most donors. This year's theme is Community Hero, in honor of Sgt. Cory Wride. Donation jars will also be available for Sgt. Wride's family. Registration is required and is available via the City website, Events page.

7. PUBLIC COMMENTS – Time has been set aside for the public to express their ideas, concerns and comments.

David Busk, of the Executive Board of Directors of the National Little Britches Rodeo Association, presented Mayor Pengra with a plaque thanking Eagle Mountain for its support of the association and its events.

Kristy Strongo, representing the Westlake Ute Football League, said that their 7th grade team won its division and the 5th grade team took third place. The teams also competed in the USA Invitational in Mesquite. They practice and play in Mid Valley Regional Park. Because the program is growing, the League is applying for a grant to expand the playing fields. She requested that the City budget some funds to add to the grant funds.

Bruno Hunziker, a White Hills resident, said that during the last election, he went to several meetings in which a major issue was keeping the cost of Pony Express Days down. He would like the rodeo to be privately managed. He said that when Pole Canyon and White Hills were annexed, the developer promised to build rodeo grounds. He asked the elected officials to hold him to his promise. He asked Mr. Pili to see that the White Hills Park is completed this year.

Heather Woffinden asked the Council to spend no more than the contracted $61,000 on the rodeo.

Jen Morrison objected to the rodeo. She felt that the money was wasted, rodeo animals are mistreated and the rodeo appeals to nonresidents more than residents.

Brian & Lindsay Bills, owners of the Little Dress-Up Shop, said that they've been unable to find affordable retail space in Eagle Mountain. They asked the Council to support the REDL/G loan and grant program that will be voted on at this meeting.

Luke Pannell, a White Hills resident, said that if the City had held the developer to the master development agreement when White Hills was annexed, the rodeo wouldn't be a problem because a rodeo grounds was to be built as part of the agreement. He encouraged everyone to stop talking about special interest groups and be united, and he asked the Council to support the incubator program and small businesses.

Wendy Lojik, a member of the Rodeo Committee, wanted to clarify what the committee was asking for to help hold the rodeo, as there has been some misunderstanding, especially on social media. The committee is requesting the $61,400 the City is already contracted to pay the stock

contractor, $14,000 for half the purse, and the PRCA and WPRCA dues. She said the Rodeo Committee is not just about the rodeo, it's about building the community. She volunteers in every area she can for the community. She's disturbed at how the Rodeo Committee is sometimes portrayed. It had to be started as a new entity to expend funds, but it's composed of experienced volunteers who want to support City events without using taxpayer funds.

Mayor Pengra thanked everyone for speaking and asked that all residents remember that they're one city, even though everyone can't always agree.

8. CITY COUNCIL/MAYOR'S ITEMS – Time has been set aside for the City Council and Mayor to make comments.

Councilmember Steinkopf
Councilmember Steinkopf said it's great to hear everyone's comments and to see Boy Scouts attending the meeting. It shows that the City is unified.

Councilmember Burnham
Councilmember Burnham asked those under 18 to stand, and asked those in attendance to give them a round of applause. She loves it when youth are involved in City government. She appreciated all the volunteers who help the community. She asked everyone to remember that the Rodeo Committee is made up of volunteers. Whether or not residents agree with the proposal, they should respect the efforts of the volunteers on the committee. She reminded everyone that the Republican caucus meetings will be held on Thursday.

Councilmember Burnham also said that several months ago, a resident from White Hills asked about the status of the agreement with the developer who annexed White Hills to the City. Mayor Jackson had responded that she would be meeting with the developer to go over the contract and there would be a follow-up report. Councilmember Burnham asked for a copy of the report. Mayor Pengra said he would provide it directly after the meeting.

Councilmember Ireland
Councilmember Ireland expressed appreciation to those in attendance, especially those who made public comments. He loves seeing Boy Scouts in uniforms attending the meeting.

Councilmember Westmoreland
Councilmember Westmoreland said everyone has different opinions, but everyone's goal is to improve the City. He thanked Luke Pannell for reminding the residents of the City to be unified. Working together allows people to get things done, make friends and become interested in each other's concerns.

Councilmember Bradley
Councilmember Bradley was excited to be part of this process and excited for the residents' involvement. He wasn't able to attend the 5K Run for the Fallen, but he heard it was a great, well-run event.

Mayor Pengra
Mayor Pengra thanked Boy Scout Troop 1061 for presenting the flag ceremony.

9. PRESENTATION – I.P.S.A. Safety Awards

Energy Director Adam Ferre stated that the Electrical Department received an award from the Intermountain Power Superintendents' Association for going five years without a lost-time accident. Mayor Pengra commended the Energy and Public Works employees for their focus on safety.

10. PROCLAMATION – Child Abuse Prevention Month

Mayor Pengra read the proclamation declaring April, 2014, Child Abuse Prevention Month.

MOTION: ***Councilmember Steinkopf moved to approve the proclamation declaring April, 2014, Child Abuse Prevention Month in Eagle Mountain City. Councilmember Burnham seconded the motion. Those voting aye: Adam Bradley, Donna Burnham, Ryan Ireland, Richard Steinkopf and Tom Westmoreland. The motion passed with a unanimous vote.***

Councilmember Ireland said that approving a proclamation doesn't accomplish a lot. He requested that the City actively support child abuse prevention. He suggested putting information and resources on the City's website and Facebook page.

CONSENT AGENDA

11. MINUTES
    A. March 4, 2014 – Regular City Council Meeting

12. BOND RELEASE – Into Warranty
    A. Meadow Ranch V, Plat 1 – Subdivision Improvement Bond
    B. Meadow Ranch V, Plat 1 – Onsite Utilities Bond
    C. Sunset Ridge A, Plat 1 – Onsite Utilities Bond

MOTION: ***Councilmember Ireland moved to approve the Consent Agenda. Councilmember Burnham seconded the motion. Those voting aye: Adam Bradley, Donna Burnham, Ryan Ireland, Richard Steinkopf and Tom Westmoreland. The motion passed with a unanimous vote.***

SCHEDULED ITEMS

PUBLIC HEARING

13. ORDINANCE – Consideration and Adoption of an Ordinance of Eagle Mountain City, Utah, Amending the Fiscal Year 2013-2014 Budget.

This item was presented by Finance Director Paul Jerome. The proposed amendments to the FY 2013-2014 budget are for paying the fiscal year 2014 road bond payment from the General Fund, reimbursing the transportation impact fee fund for the fiscal year 2013 road bond payment and for HVAC improvements to City Hall.

Mayor Pengra opened the public hearing at 7:47 p.m.

Tyler Shimakonis asked where in the General Fund the money was being taken from to fund the amendments. Mr. Jerome explained that it will come from the unrestricted General Fund balance.

Mayor Pengra closed the public hearing at 7:49 p.m.

MOTION: ***Councilmember Burnham moved to adopt an Ordinance of Eagle Mountain City, Utah, amending the fiscal year 2013-2014 budget. Councilmember Steinkopf seconded the motion. Those voting aye: Adam Bradley, Donna Burnham, Ryan Ireland, Richard Steinkopf and Tom Westmoreland. The motion passed with a unanimous vote.***

PUBLIC HEARING

14. RESOLUTION – Consideration and Adoption of a Resolution of Eagle Mountain City, Utah, Approving an Assignment and Addendum to the Pony Express Days PRCA Rodeo, Eagle Mountain, Utah Rodeo Contract.

This item was presented by City Attorney Jeremy Cook. Due to budget constraints and changes in policy, Eagle Mountain City will not conduct a 2014 rodeo. Certain residents have formed a non-profit committee, separate from the City, to conduct the rodeo. The City has agreed to rent the rodeo grounds to the committee, and to assign the original rodeo agreement to the non-profit committee. The proposal documents the terms of the agreement.

Jared Gray presented the Rodeo Committee's plan for the rodeo. They noted that the rodeo began in 2010 when the City built the rodeo grounds and hosted the rodeo all within 45 days.

He also discussed options for purchasing bleachers, assuming a nonprofit committee can purchase amenities for public facilities. Mr. Gray said that, because there are plans to build a rodeo grounds in Pole Canyon, the rodeo can be moved to that facility if desired. Other events that could be held in the rodeo grounds include Little Britches rodeos, which are already held there, 4-H, BMX, and a demolition derby.

He noted that some people have objected to the rodeo because it appeals to a relatively small group of residents. He pointed out that there are 43 other parks, plus a splash pad and a skate park, each of which appeals to a limited segment of the population.

Mr. Gray distributed copies of the anticipated budget for the event. He pointed out a number of expenses that the City incurred due to the rodeo that will be paid by the Rodeo Committee if it is allowed to take over the rodeo. He said the committee is only asking for cash support for the stock contract, half of the purse and the PRCA and WPRCA dues. The cost of the stock contract has to be paid by the City whether the rodeo is held or not. As a nonprofit, if the committee acquires any extra funds, the City can approach it for donations to community improvement projects. The Rodeo Committee considers the rodeo itself an improvement to the community.

Mayor Pengra opened the public hearing at 8:04 p.m.

Peggy Hunziker, a resident of White Hills, stated that the Pole Canyon annexation agreement included a promise that a rodeo facility would be built in Pole Canyon by 2015. She said Councilmembers Burnham and Ireland voted for that agreement and had failed to require the developer to meet that commitment.

Paul Riley, a resident of North Ranch, said his daughters had grown up participating in rodeos. He and his family were supporters of the rodeo. Since the approximately $60,000 being requested by

the Rodeo Committee is contractually required to be paid by the City, the committee will make it useful. As to rodeo participants being a minority, so is every other group of sports fans in the City.

Matt Morrison asked if the City Council has seen proof that the Rodeo Committee has 501©3 nonprofit status. Mayor Pengra said that he had looked it up and it does.

Luke Pannell said that he joined last year's Rodeo Committee two days after returning home from Afghanistan because he cared about the City and the events it holds. This year's Rodeo Committee proposes to take over the rodeo so that the City doesn't have to use taxpayer money to fund it. He noted that the Pendleton Round-Up in Oregon is run by a nonprofit group and brings 50,000 people to the city every year. He wanted Nate Shipp of DAI and the Mayor and Council to do what they agreed to do.

Diana Bird said that before she came to this meeting, she was against the rodeo because of the cost. Through listening to the discussions in this meeting, she felt that the cost was a concern for both sides and was more inclined to support it if it doesn't cost the City too much.

David Busk, of the Little Britches Rodeo Association, stated that all municipal rodeos are run by civic improvement associations and all of them bring money into their communities. If the City is going to allow a rodeo, they should allow experienced people like those on the Rodeo Committee to manage it.

Travis Gray said he's lived in the City for eleven years and has been a rodeo fan his whole life. He hasn't seen a lot of opportunities to volunteer in the City. The rodeo provides the opportunity to volunteer, save the City some money and perhaps provide money for improvements to other parks.

Wendy Pendleton asked about the statement that 20% of the City is horse property. She wondered how much of that property actually had horses. She thought it was a very small percentage. She felt that the City has never held developers to their promises. The developer of her subdivision didn't follow through, and neither has the developer that annexed White Hills to the City.

Nick Jessen came to the meeting to understand more about the rodeo issue. He felt that the issue was creating momentum for the City. If the City is locked into a contract anyway, it should let the committee show the detractors it can be successful.

James Crandall, a White Hills resident, said there's been some talk that support of the rodeo will detract from White Hills getting what it was promised. He felt with the current Mayor and City Council in place, there's a way to make the rodeo happen and bring White Hills more into Eagle Mountain.

Doreen Turner stated that her daughter Brianna is very involved with 4-H. The Eagle Mountain 4-H is huge and is utilizing the rodeo grounds. She asked the City to support the rodeo because of the great opportunity it provides to the youth.

Angie Burgess, a resident of Valley View Ranch, said that she has horses, but doesn't participate in rodeo. She felt that the rodeo is a great opportunity to get to know people and the rodeo grounds will improve the community.

Melissa Garrett has been in Eagle Mountain for 14 years. She felt that the rodeo grounds provide activities for kids and adults and bring money into the City and the surrounding communities.

Dwayne Webber used to come to Council meetings regularly because he needed his water meter moved and the Mayor promised it for years. Then Nate Shipp of DAI promised that for years. The meter was finally moved after Luke Pannell went to Nate Shipp and told him he needed to move the meter. He felt that the City needs to hold him to his commitments.

Becky Painter of Cedar Pass Ranch has all kinds of animals. She's done 4-H for years, almost always in Spanish Fork. 4-H is in Eagle Mountain now, and she encouraged the City to make the rodeo grounds available for kids in 4-H who work with all kinds of animals.

Casey Mascaro said that he plans to move to Eagle Mountain soon and locate his rodeo stock contracting company, Circle J, into the area. He commended the Rodeo Committee for taking on the project. He felt the rodeo could be managed for much less than it has cost so far.

Mayor Pengra closed the public hearing at 8:34 p.m.

MOTION: ***Councilmember Burnham moved to adopt a Resolution of Eagle Mountain City, Utah, approving an assignment and addendum to the Pony Express Days PRCA Rodeo, Eagle Mountain, Utah Rodeo contract, removing item 5 from the contract. Councilmember Ireland seconded the motion. Those voting aye: Donna Burnham, Ryan Ireland, Richard Steinkopf and Tom Westmoreland. Those voting no: Adam Bradley. The motion passed with a 4:1 vote.***

Item 5, removed from the contract, was an appropriation to help pay for bleacher rental for the rodeo grounds.

Mayor Pengra expressed appreciation for everyone who came to the meeting to talk about the rodeo. He said he didn't support the rodeo because he felt he was elected to be fiscally conservative. He was happy that the Rodeo Committee was willing to raise the money and hold the rodeo.

Councilmember Westmoreland explained that he voted yes because he felt the cost of Pony Express Days needed to be reduced and the rodeo needed to be made private. He was grateful that residents stepped up to make it happen. They will make mistakes and correct them, and will be a model for others who want to take up other public projects.

Councilmember Ireland appreciated everyone being at the meeting, especially those who stepped up to make public comments. He appreciated the Rodeo Committee. He hoped that everyone understood that the City entered into an agreement with a third party to run a rodeo because the City was obligated to pay the $61,000 to the stock contractor. If a rodeo was held, the City was obligated to pay the entire purse. This agreement reduces the City's obligation to half of the purse. He voted "no" on the rodeo for four years, because he didn't want taxpayer funds committed to make the rodeo happen. He hoped the Rodeo Committee was very successful.

Councilmember Bradley congratulated the Rodeo Committee. He explained that his "no" vote didn't mean he didn't support them. He supported them and their venture; but he couldn't vote to fund a private entity with taxpayer money. He hoped to help however he could.

15. <u>AGREEMENT – Consideration and Approval of an Electrical Service Impact Fee Installment Agreement with TM Crushing.</u>

This item was presented by Energy Director Adam Ferre. TM Crushing leases property north of SR 73 and operates a stone and gravel pit on the property. The proposed agreement is for additional electrical service to the site. If the agreement is approved the City will allow a three-year period in which the company can pay the $175,452.59 in electric impact fees as a condition to connecting to the system improvement and for new electrical services.

Mr. Ferre explained that TM Crushing began working in Eagle Mountain in 2011, powering their rock crushers with diesel generators. Within a year they decided to connect to the City power system. They installed infrastructure that didn't meet City standards because it was a temporary use. They signed an agreement with the City to maintain it at TM Crushing's cost. The Council waived impact fees on a temporary basis.

The impact fees now need to be paid. TM Crushing proposes to pay the fees in four payments over three years.

Councilmember Bradley asked what would happen if the Council voted this proposal down. He felt that approving the agreement gives the company a three-year, interest-free loan. Mr. Ferre said that TM Crushing will have to pay the fee, be disconnected from the system, or propose another solution.

Councilmember Westmoreland asked who installed the line. Mr. Ferre said that TM Crushing paid the Energy Department to install and maintain the power line. Because it wasn't a permanent location for the line, it wasn't required to meet City standards.

Councilmember Ireland said a temporary, conditional use permit isn't charged impact fees. He asked what the impact to the system will be in 20 years or so when the company is no longer operating in Eagle Mountain. Mr. Ferre said that it will impact the rates. The City has to build a system that meets their need, which is 2000 amps.

MOTION: ***Councilmember Westmoreland moved to approve an electrical service impact fee installment agreement with TM Crushing and authorize the Mayor to sign the contract. Councilmember Burnham seconded the motion. Those voting no: Adam Bradley, Donna Burnham, Ryan Ireland, Richard Steinkopf and Tom Westmoreland. The motion failed with a unanimous vote.***

Councilmember Ireland asked Mr. Ferre what his next step would be. Mr. Ferre and Mr. Pili responded that they will meet with representatives of TM Crushing, explain the Council vote and discuss their options. Mr. Ferre invited the Councilmembers to email him and Mr. Pili with their suggestions for reasonable terms for an agreement with TM Crushing. The Mayor invited TM Crushing's representatives to send their suggestions to him and the Council.

City Attorney Jeremy Cook pointed out that the two-year time limit on TM Crushing's temporary agreement ends on August 2nd, so they have that long to work out an agreement on paying the impact fees.

16. <u>MOTION – Consideration and Approval of the Rural Economic Development Grant and Loan Letters of Conditions.</u>

This item was presented by Economic Development Director Ikani Taumoepeau and Economic Development Board President Justin Loera. The REDL/G provides zero-interest (0%) loans for ten years to promote sustainable economic development and job creation projects in rural areas. For this project, Eagle Mountain City would serve as a pass-through intermediary for Star West Properties, which is interested in building an 11,000 sq. ft. office building in the Eagle Mountain Business Campus. "Pass-through" means that Eagle Mountain City won't pay any taxpayer money into the program. The $60,000 grant fee will be paid by Direct Communications. Ultimately, the City will receive $300,000 for a revolving loan fund to help small businesses.

Councilmember Burnham has struggled with this, largely because she has a hard time taking money from the government. Although this is a wonderful program, she feels that the City should not take money from the Federal government that it doesn't have.

Councilmember Bradley said he objected to this program because he felt that the federal government is side-stepping the free market. However, he is willing to approve it because it fills a need not being met by the private sector.

Councilmember Westmoreland pointed out that this is a loan that will be paid back, so it doesn't add to the national debt. At this point, the City is losing businesses because there is too little commercial space for them to use.

Councilmember Ireland said that banks don't give zero-cost loans because there are costs to giving loans. There are costs to this loan, as well. City employees have already spent a lot of time working on this proposal, which is a cost.

MOTION: ***Councilmember Ireland moved not to approve the Rural Economic Development Grant and Loan Letters of Conditions. Councilmember Burnham seconded the motion.***

Councilmember Bradley wondered why the City would vote to fund a private group so it can hold a rodeo, but not to fund a permanent improvement to the City.

Those voting aye: Adam Bradley, Richard Steinkopf and Tom Westmoreland. Those voting no: Donna Burnham, Ryan Ireland. The motion failed with a 3:2 vote.

MOTION: ***Councilmember Westmoreland moved to approve the Rural Economic Development Grant and Loan Letters of Condition with the condition that Direct Communications pay the $60,000 for the grant portion. Councilmember Bradley seconded the motion.***

Councilmember Westmoreland noted that this vote doesn't bind the City to the agreement. This just puts the USDA on notice that the City is interested in the program.

Councilmember Burnham pointed out that banks do make loans for projects like this office building, because all of the office buildings in Eagle Mountain have been built using bank loans.

Councilmember Steinkopf asked Mr. Cook if the Council can require the applicant to pay the $60,000. Mr. Cook said it could.

Those voting aye: Adam Bradley, Richard Steinkopf and Tom Westmoreland. Those voting no: Donna Burnham, Ryan Ireland. The motion passed with a 3:2 vote.

17. RESOLUTION – Consideration and Adoption of a Resolution of Eagle Mountain City, Utah, Amending the Policies and Procedures Manual.

This item was presented by Assistant City Administrator Jason Walker. The Policies and Procedures Manual is being amended to clarify the sick leave policy and to change the time card policy to bring it in line with FLSA guidelines.

The time card policy says that the City can delay payment to employees who fail to complete their time cards properly. Eagle Mountain has never done that in practice, but the wording is in the manual and needs to be removed. The sick leave policy is being changed to clarify that a three-day absence due to illness must be documented by a note from a doctor.

MOTION: ***Councilmember Ireland moved to adopt a Resolution of Eagle Mountain City, Utah, amending the Policies and Procedures Manual. Councilmember Steinkopf seconded the motion. Those voting aye: Adam Bradley, Donna Burnham, Ryan Ireland, Richard Steinkopf and Tom Westmoreland. The motion passed with a unanimous vote.***

18. AGREEMENT – Consideration and Approval of an Interlocal Agreement for NPDES Phase II Storm Water Public Education and Outreach BMPs Compliance.

This item was presented by Public Works Director Chris Trusty. As part of the Storm Water Management Plan, Eagle Mountain City proposes joining the Utah County Storm Water Coalition. The Coalition will provide the City with staff training, public education and outreach opportunities.

MOTION: ***Councilmember Burnham moved to approve an interlocal agreement for NPDES Phase II storm water public education and outreach BMPs compliance. Councilmember Ireland seconded the motion. Those voting aye: Adam Bradley, Donna Burnham, Ryan Ireland, Richard Steinkopf and Tom Westmoreland. The motion passed with a unanimous vote.***

19. ORDINANCE – Consideration and Adoption of an Ordinance of Eagle Mountain City, Utah, Amending Chapter 13.75 of the Eagle Mountain Municipal Code, Storm Water Management.

This item was presented by City Attorney Jeremy Cook. On February 18, 2014, the City Council adopted the Eagle Mountain City Storm Water Management Program. The program is required in order to comply with the City's Municipal Separate Storm Sewer System (MS4) Permit. The amendments to Chapter 13.75 coincide with the Program.

MOTION: ***Councilmember Steinkopf moved to adopt an Ordinance of Eagle Mountain City, Utah, amending Chapter 13.75 of the Eagle Mountain Municipal Code, Storm Water Management. Councilmember Bradley seconded the motion. Those voting aye: Adam Bradley, Donna Burnham, Ryan Ireland, Richard Steinkopf and Tom Westmoreland. The motion passed with a unanimous vote.***

20. CITY COUNCIL/MAYOR'S BUSINESS – This time is set aside for the City Council's and Mayor's comments on City business.

Councilmember Steinkopf
Councilmember Steinkopf reported that he attended the Public Works Board's meeting last week. They discussed the storm drain management program and road maintenance.

Councilmember Burnham
Councilmember Burnham thanked everyone who stayed until the end of the meeting. She felt that there had been some good discussion.

Councilmember Ireland
Councilmember Ireland said that the Library Board meeting scheduled for Thursday has been cancelled due to the caucus meetings scheduled for that evening.

Councilmember Westmoreland
Councilmember Westmoreland thanked everyone for participating. He was glad that the discussions weren't contentious.

Councilmember Bradley
Councilmember Bradley stated that the Planning Commission meeting scheduled for last week was cancelled. He was excited about the process in the meeting tonight.

Mayor Pengra
Mayor Pengra congratulated the Rodeo Committee and looked forward to what they bring to the community.

21. CITY COUNCIL BOARD LIAISON REPORTS – This time is set aside for Councilmembers to report on the boards they are assigned to as liaisons to the City Council.

22. COMMUNICATION ITEMS
    a. Upcoming Agenda Items
    b. Financial Report

23. ADJOURNMENT

MOTION: ***Councilmember Ireland moved to adjourn the meeting at 9:20 p.m. Councilmember Westmoreland seconded the motion. Those voting aye: Adam Bradley, Donna Burnham, Ryan Ireland, Richard Steinkopf and Tom Westmoreland. The motion passed with a unanimous vote.***

APPROVED BY THE CITY COUNCIL ON APRIL 1, 2014.

Fionnuala B. Kofoed, CMC
City Recorder