

AMERICAN FORK CITY
COUNCIL MEETING MINUTES
SEPTEMBER 24, 2013

ATTACHMENT

PUBLIC HEARING

The American Fork City Council met in a public hearing on Tuesday, September 24, 2013, in the American Fork City Hall, 31 North Church Street, commencing at 7:00 p.m. Those present included Mayor James H. Hadfield, Councilman Brad Frost, Councilmember Heidi Rodeback, Councilman Robert Shelton, and Councilman Clark Taylor.

Staff present: Administrative Services Director/City Treasurer Melanie Marsh
Associate Planner Wendelin Knobloch
City Administrator Craig Whitehead
City Attorney (Civil) Kasey Wright
City Engineer Andy Spencer
City Planner Adam Olsen
Deputy Recorder Terilyn Lurker
Finance Officer Cathy Jensen
Fire Chief Kriss Garcia
Library Director Sheena Parker
Police Chief Lance Call
Public Works Director Dale Goodman
Street Department Lead Eric Hyde
Technology Director George Schade

Also present: Barbara Christiansen, Carlton Bowen, Maxine Steele, David Rodeback, Jess Green, Michael Georgeson, Leisa Hatch, Nikki Hyde and two daughters, Mike Privett, Doral Lish, Christopher Lish, Brent and Geannie Woolsey, Robert Allred, Scott Okelberry, Jim Pack, Kristin Kmetzsch, Jean Abram and approximately 40 additional people.

7:00 p.m. Receiving of public comment with respect to (a) the issuance of general obligation bonds and (b) any potential economic impact that the improvements, facilities or properties financed in whole or in part with the proceeds of said bonds may have on the private sector.

Mayor Hadfield explained they were there to receive public comment concerning the upcoming bond. He turned the time over to Public Works Director Dale Goodman for a presentation.

Dale Goodman gave a power point presentation on the street infrastructure improvements program. See ATTACHMENT #1.

Mr. Goodman explained that he wanted to give a quick explanation for the street infrastructure improvement program. He explained that they were looking at bonding for \$20 million. There are a lot of streets that have infrastructure that needs to be improved along the way; they do not want to fix the streets and then have to cut them up to fix infrastructure. This project includes funds for water, sewer and storm drain infrastructure repair. (See breakdown on slide 2 of the

attachment). It was noted that utility rates would be covering some of the costs for the infrastructure repairs.

Councilmember Rodeback asked for clarification on the total cost of the project and how much over the \$20 million it would be. Mr. Goodman explained that the total cost would be about \$22.5 million.

Mr. Goodman went on to explain that the total inventory of streets was worth about \$138 million. They were looking at working on 15.4 centerline miles for \$22.5 million; this was about 12% of the street inventory. He stated that only about 13% of the City's streets are maintainable, which means that they could do things that would extend the life of the road. He stated a new road has a service life (RSL) of 20 years; as that road ages and breaks down, that number goes down. There were things they could do to extend the RSL. In 2013 they brought in \$580,403 in B & C Road Funds, which was basically gas tax, and \$500,000 in annual allocations. This was a small fraction of what was needed to maintain the streets.

Mr. Goodman noted the map showing the roads to be included in this project. He explained that the roads were spread across the city, roads that would impact a lot of families. One road was 1120 North where they have a bad road and safety issues; as they address this road, they will address the safety issue. He pointed out that work is being done by almost every school.

Mr. Goodman explained that once the roads are repaired, they need to maintain those roads. They have a more aggressive maintenance program that they have had in the past. Reconstruction is expensive, and they can extend the life of the road with high-density mineral bond or chip seal. It was important to understand that they will be aggressively maintaining those roads to keep the road life high.

Mr. Goodman stated there were goals with this project. They want to maximize the funds available, improve safety for pedestrians and children and vehicles, use revenue sources as much as possible without exhausting those revenue sources, complete all utility work prior to street improvements and limit road cuts for five years after the project, comply with ADA requirements, and bring these streets to a 20-year RSL.

Mr. Goodman stated there were pros and cons to the project. Some of the positives to the project include improved safety, taking advantage of low interest rates and lower prices, fixing deteriorating roads which will reduce damage to cars, and addressing a backlog of needed repairs. He pointed out that had the City installed the pressurized irrigation system could have been installed for \$8 or \$9 million; but cost the City \$46 million when it was finally installed. With only 13% of the streets maintainable, 87% of the roads were unmaintainable; there is a backlog of streets that needed to be brought up to the 20-year RSL so they are maintainable. This program would not address that 87% of the roads.

Mr. Goodman stated that the cons associated with the bond were that it would increase the property taxes on the average home by about \$7.00 per month. It would also increase the City's debt limit percentage from about 20% of what debt the City could have to about 26%. The City

was allowed to have up to 12% of the total assessed value in debt. At 25%, that was very low compared to surrounding municipalities.

Craig Whitehead explained that a copy of the presentation was on the table, as well as an information flyer.

Mayor Hadfield invited the public to come forward with any comments and questions.

Geannie Woolsey stated that if this only covers 12% of the 87% of roads that are in dire need of repair, then what are they going to do next year? Will they add another \$20 million bond? That was a 27% property tax increase. That was not small tax for citizens when health insurance was going up, and everything else around us, inflation was going up and they need to keep costs low. As far as the safety issue on 1120 North, when students get out of school it was crazy. It was not the roads fault. There are crosswalks there. The students are not educated. The parents aren't educated on where to park. It has nothing to do with the road. It has to do with teaching the students to use the crosswalk and parents to not line up illegally. She was aware of 1120 North, she drives it multiple times a day and it really wasn't that bad.

Ms. Woolsey asked if her question would be answered. Mayor Hadfield explained that they would contact her if she would fill out a form. She indicated she would.

Carlton Bowen read from a prepared statement.

"Fellow Citizens, Mayor, City Council, Staff, "Only a dead fish goes with the flow."

Those who argue for the bond say we must continue borrowing, and continue raising taxes now, or raise taxes even more in the future. I would like to point out that over the last five years, this city has borrowed 38 million of the 56 million currently owed, more than half, in a short period of time. During this same period, utility rates have skyrocketed. Now the city is seeking to borrow even more, 20 million dollars more, and increase taxes yet again. Higher taxes and massive new borrowing is the wrong direction for our city to go and is not a viable solution.

No one disputes the need for road improvements. The question is how road improvements will be paid for. Those who argue for the bond want you to think the only answers are more debt and higher taxes. But more debt and higher taxes are not the only answer! There is another way, a harder way, but a better way. It's called, living within our means.

Let me give you an example of how this would work. There was \$500,000 dollars more in June of 2013 from Sales Tax revenue, than the city had originally planned on. There was 2.7 million dollars more revenue than originally planned on, from our high utility fees. American Fork City recently paid off the internet bond. The money that had been spent on that, can now be spent on roads.

Combined, that's more than 4 million dollars, and that's without digging. That's just looking at the surface. That 4 million is 40% of the 10 million the city wants to borrow next year.

I would like to point out that no matter what the interest rate is, money borrowed via a bond will not be paid back for 20 years. That's a long time. And even with low interest rates, there is still interest due, in this case more than a million dollars a year in interest. We can save that money by simply not borrowing, living within our means, and using our existing means to fund our priorities.

What will our city do, if a true emergency comes up in the future? Having already maxed out our card, so to speak? The city will be in an even more difficult position, being highly leveraged with debt. This bond pays for less than 15% of the urgent road needs identified. Does the city plan to borrow a bunch more two years down the road, and raise taxes again? This is the wrong direction for our city to go.

Some arguing for the bond will say that it will cost more on down the road, if we don't borrow now. But that assumes that we are not addressing the road issue now, and that's not what I'm advocating. I'm saying, we can address our road needs now, without massive new borrowing, and without higher taxes. I know it's not as easy to live within our means. It's much easier to just whip out the credit card. But anyone who has done that knows that it hurts later on, when the bill, including extra money for interest, has to be paid.

I urge this community to not saddle our future generations with our bad spending habits now. We can effectively address this current need now, with our existing means. It is not the easy solution, but it is the right solution. It's the best solution to help keep our great city great.

We cannot continue this devastating path of borrow borrow borrow, tax tax tax. It will ruin our city. Higher taxes and more debt are not the solution, and is the wrong direction for our city to go. Being fiscally responsible, living within our means and keeping taxes low is the right direction. I, like many, vote No on the bond.”

Jess Green stated he was a little concerned about using bonding as a method of finance. Most people have heard of his dislike of bonding because it makes one party rich, and that was the purchaser of the bond. He was concerned with the amount of debt that has been incurred by the City through bonding, not only the pressurized irrigation system but additional bonding that has been added. One must remember that with a GO bond, the indebtedness is on the individual's property. A revenue bond is automatically spread and it doesn't concentrate on whatever the bond buyer selects to discharge his debt. Mr. Green continued that \$84 annually is a considerable amount to pay. It is not any more than the other utilities that are all going up, and he understood that. In the end, how much interest would we pay on the bond? He stated it was pointed out that, if he heard correctly, was \$1 million a year on this \$20 million bond. He

thought that should be a consideration in their thinking. He was not sure if that was accurate or not.

Mr. Carlton stated he got that information from the City Finance Director, Cathy Jensen.

Mr. Green continued that the biggest gainer of the bond would be the buyer because they can only gain 1% or 1% plus on passbook savings if they were trying to do it that way, even with an extended note. Have they made a decision on the interest rate? Or is that determined by the person negotiating the bonds for them, the person that will charge them a hefty fee? There was always a cost to borrowing. Using the example of 1120 North, and he travels that street every day, and it was in fairly decent shape; there was a problem with the students as they come and go to school. That was an educational process that the district has not exactly been willing to address; there have been problems for a long time and he did not see that changing very quickly to address the safety of the students. He was really concerned about indebtedness for the city. He and Councilman Taylor knew that, when they served on the Council together, bonded indebtedness was puny compared to what it was today. He wanted the Council to take a serious look at the increased indebtedness and think about the people whose homes will be directly and individually indebted by the bond. He was concerned about that. Mr. Green thanked them for their time.

Michael Georgeson stated he has been a citizen of American Fork for 40 years. In that time, he has been disappointed in the amount of attention paid to the maintenance of our infrastructure. He would hope that the explanation of the Public Works Director was accurate and that more attention would be paid for maintenance. There was no sense in new roads or rebuilding them if they would be allowed to deteriorate again. Past administrations have seemed to feel that was not something that was of great importance to the City. Another comment was what was being done to minimize the cost for financing the project? Would the utility replacement be part of the bond that would be sold to private parties? He knew there were a number of financing options available through state bonding programs that would greatly reduce the cost of borrowing. Lastly, he noticed there was an acceleration of road deterioration due to busses now traveling on 100 East to the south of the freeway. Has any effort been made to reduce that amount of damage to those roads by the large volume of busses traveling? Also, UTA busses have caused greater deterioration. What is being done to alleviate that problem or to pass the cost on to those who are causing the damage? In closing, he was in favor of replacing the roads that need to be replaced but he has yet to see any criteria that were used to make the call for which roads were involved. It needed to be done, but he had great concerns about doing it all at once. However, the financial market was probably the best and would only go up in the future. But they need to pay attention to what they are going to do after this. There are a great number of other needs in the City with roads and other infrastructure. He urged them as a City Council to pay close attention to those and try to balance the best they can how to meet the needs. As Jess Green indicated, GO bonds are a tax and the taxpayers become liable for that indebtedness. Thank you for the opportunity to speak.

Cathy Jensen wanted to clarify on a comment made that the interest would approximate \$1 million a year. Ms. Jensen clarified that the interest and principal would be approximately \$1.3 million annually; it was estimated the interest component to be an average of \$300-\$400,000 a

year. Initial amortizations show total interest, on both bond issues to be about \$6 million over the term of the bonds (20 years).

Robert Allred stated he lives at 1154 North 450 West. He had several questions to submit to the Council. He wanted to know what the standard was for an acceptable road, what the average RSL was of the City roads, he wanted to know what it was before the pressurized irrigation project. Mr. Allred stated he wanted to know the funding plan was before this bond and what was currently in place. If he used the City's own numbers, at 13.33% of the unmaintainable roads, in the 20 year lifespan, they will be addressing this issue every 2 years 7 months. He asked what they were going to do 2 years and 7 months from now. If they can extend the life to 30 years, they would be addressing it every 4 years. Again, the question was what they would do 4 years from now. At what point does another plan have to be implemented? He does not envy them for having to figure this out. But he only saw one path if they accept this bond and that was continually adding upon it to get the other roads done. What are they going to do? He didn't see the bond as being a solution. He was in construction and it goes against his personal interests, but he thought it was a plan fraught with folly. He would like to have those other answers, and he would submit them, but based on the city's own numbers, this was a death spiral. Thank you.

Scott Okelberry state he was a 20-year resident of American Fork. He has also been in the road construction business for twenty years. To clarify, he did not think he had a conflict of interest because he didn't believe he did city work in particular; he was not here for his own interests. He was concerned about the condition of the city's roads. He thought that the decision before the City was selecting the lesser of two evils. He didn't think anyone was a fan of increasing the debt. But in his opinion, he thought that investing in the roads now was the lesser of the evils. The reason he says this was because he believed that costs would continue to increase based on his experience in the business. Right now the cost for road construction and road maintenance are low compared to what they were before the downturn in the economy. In his opinion, and he shared this figure with a council member a few months ago, they are 5% lower than what he thinks they will be in a short time. He believed that construction costs are going up higher than the rate of inflation. He believed that if they kick this can farther down the road, it will be similar to the irrigation project and will get more expensive faster than even the cost of interest on the bond yearly. He wasn't a fan of tax increase, and he wasn't here to promote it, but he thought it was the more wise decision to invest now with the dollars that were reasonably cheap to get a head start on what needs to be done to bring many of the roads to a reasonable condition. The Utah Department of Transportation subscribes to a philosophy that good roads cost less and he believes this city should subscribe to this also. If they build a good road and maintain the roads properly, they can preserve and extend the life of the road. If they do a little bit with what they have, that was fine but they would never catch up. He thought they had to make the unpopular decision to make the investment so they can preserve what they have and improve what was basically down the drain. All the roads in the city, due to the pressurized irrigation project, have cracks at all the joints. None of those cracks have been filled in his area. All those cracks allow water to get under the road which will deteriorate the roads at a greater rate. It was stated that maintenance can extend the remaining service life of the road, but not doing that maintenance can accelerate it. They won't get 20 years out of road design if they don't maintain it. If they continue to let water get down in the sub-grade of the roads, they will get worse and worse at a rapid pace. Then they will look back, in his opinion, in 5 or 10 years and say we

should have done it back then because now they are in really bad shape and we can't afford it. So we will just live with a sub-standard infrastructure throughout our city. Thank you.

Brent Woolsey stated he lived off of 1120 North and he had a couple of comments. The total estimated cost between the bond and the fee increases is over \$22.5 million. The bond is not to exceed \$20 million. His concern was with the fees at \$2.5 million. The bond itself will increase taxes on the average household at \$7 per month. The other \$2.5 million in fees has not been addressed and how much that will increase. He was in the construction industry and when they say the total cost is estimated at \$22.5 million, estimated was a general word and once they start cutting into things and turning things up they almost always incur more costs and will find other problems. They will want to go ahead and repair that and it would cost more money. Another thing was the guaranteed moratorium of cutting into the road for 5 years. He understood there would be emergencies, such as water line breaks, that would not be part of the moratorium. Another thing he wanted to address was the pressurized irrigation and how it was brought up that if they had done that sooner it would have saved them money. By doing the pressurized irrigation system, it was his understanding that the water fees would go down but they have actually increased. They have cut into every single road in American Fork and that has cut the life of every road by 5 years according to the Public Works Director. He was not seeing how they were saving money by doing that.

There were no other comments, so Mayor Hadfield closed the public hearing. He announced that they would be holding several Open Houses at various elementary schools in October as an educational program where all these questions can be answered. In view of the time and the meeting agenda, they will not answer the questions this evening.

Mr. Whitehead stated that there will be four meetings where they will have information available and staff available to answer any questions citizens may have. The meetings will be held on the following dates and locations starting at 7 p.m.:

Tuesday, October 14 at Shelley Elementary
Wednesday, October 15 at Legacy Elementary
Thursday, October 24 at Greenwood Elementary
Tuesday, October 29 at Barratt Elementary

Mayor Hadfield stated this would go to the general public for a vote on November 5.

Councilman Shelton thanked the citizens for their comments and questions. He stated he would answer any of those questions on an individual basis. This has been in the process for 18 months and it was tough to pack all that information into a 30-minute meeting.

REGULAR SESSION

The American Fork City Council met in a regular session on Tuesday, September 24, 2013, in the American Fork City Hall, 31 North Church Street, commencing at 7:45 p.m. Those present included Mayor James H. Hadfield, Councilman Brad Frost, Councilmember Heidi Rodeback, Councilman Robert Shelton and Councilman Clark Taylor.

Staff present: Administrative Services Director/City Treasurer Melanie Marsh
Associate Planner Wendelin Knobloch
City Administrator Craig Whitehead
City Attorney (Civil) Kasey Wright
City Engineer Andy Spencer
City Planner Adam Olsen
Deputy Recorder Terilyn Lurker
Finance Officer Cathy Jensen
Fire Chief Kriss Garcia
Library Director Sheena Parker
Police Chief Lance Call
Public Works Director Dale Goodman
Street Department Lead Eric Hyde
Technology Director George Schade

Also present: Barbara Christiansen, Carlton Bowen, Maxine Steele, David Rodeback, Nikki Hyde and two daughters, Mike Privett, Doral Lish, Christopher Lish, Scott Okelberry, Jim Pack, Kristin Kmetzsch, Jean Abram, Jim Phelps, Lynne Phelps, Josh Walker, Amy Hone, Rosemarie Taylor, Tiffani Olds, Gaylene Richards, Peggy Narhuminti, Mindy Childs and approximately 35 additional people.

Mayor Hadfield welcomed those present. He stated that 4 of 5 Council members were in attendance, which would require 3 affirmative votes in order for a motion to pass.

PLEDGE OF ALLEGIANCE; PRAYER BY ANDY SPENCER; ROLL CALL

Mayor Hadfield led the audience in the Pledge of Allegiance and Andy Spencer offered a prayer. Roll call was taken.

PRESENTATION OF THE EMPLOYEE OF THE MONTH

Mayor Hadfield invited Eric and Nikki Hyde, along with Dale Goodman and Craig Whitehead, forward to present Eric Hyde as the Employee of the Month.

Mayor Hadfield stated that the City received a wonderful letter from Connie Smith and her daughter concerning work Mr. Hyde did for them. He invited Ms. Smith forward.

Ms. Smith stated she has lived in American Fork for 81 years and she has always known American Fork was a wonderful place to live and raise a family. The work that was performed by Mr. Hyde so that her daughter, who suffers from MS, could have better access to her home has been wonderful. When the snow falls, it would be even better. She was thankful to live in this wonderful community.

Ms. Smith closed with a song:

I love those dear hearts and gentle people
Who live and love in my hometown
Because those dear hearts and gentle people
Will never ever let you down.

RECOGNITION OF THE STEEL DAYS COMMITTEE

Mayor Hadfield stated that on June 4, 2013, American Fork celebrated 160 years. They wanted to recognize the members of the Steel Days Committee for all their work for a successful 2013 Steel Days Celebration.

Mayor Hadfield and Councilman Frost presented certificates to the Steel Days Committee members and employees.

Jean Abrahms, General Chair
Jim Phelps
Lynne Phelps
Josh Walker
Holly Baxter (not in attendance)
Marianne Taylor (not in attendance)
Blaine Thompson (not in attendance)
Randy Spafford (not in attendance)
Amy Hone
Maxine Steele
Jodi Frost (not in attendance)
Mike Privett
Rosemarie Taylor
Tiffani Olds
Gaylene Richards
Kristin Kmetzsch
Frank Pulley (not in attendance)
Kathleen Millward (not in attendance)
Peggy Narhuminti
Mindy Childs
Parks and Recreation
Police Department – Chief Call
Fire/Rescue – Chief Garcia
Public Works – Dale Goodman
Library – Sheena Parker
Building Maintenance
Youth Council – Mr. Lish
Administration – Ms. Marsh

Mayor Hadfield thanked the committee members for all their hard work. There was general applause.

RECOGNITION OF DONNA SMITH

Mayor Hadfield stated that Donna Smith served on the Beautification Committee for many years. She was involved in the placing a tree in the American Fork Library Rotunda, beautifying down town with flower pots along Main Streets, and she was a wonderful example on maintaining and beautifying yards. Ms. Smith shared her knowledge with the community by serving on the

Beautification Committee. The City wanted her family to know how much she would be missed on the Beautification Committee and in the Community. One of the homes on the Steel Days Garden Tour was Ms. Smith's home; she did her own yard work and it was a beautiful yard.

Kerry Smith was presented with the award for his mother. Mr. Smith stated that on behalf of his family, he wanted to thank the Beautification Committee for all they did for their mother and helping her be a part of the City. His mother spoke a lot about the Beautification Committee. It was an extension of what she did and her way to share what she loved with the community.

SWEARING IN OF THE YOUTH CITY COUNCIL FOR 2013-2014

Mayor Hadfield stated that he has reviewed a list a names for those youth to be nominated to serve on the Youth City Council. They are:

- Youth Mayor – Nathan Turner
- Youth Councilmember/Mayor Pro-Tem – Daniel Hampton
- Youth Councilmember – McKayla Jensen
- Youth Councilmember – Christopher Lish
- Youth Councilmember – Brennan Jensen
- Youth Recorder – Monica Lish

Councilman Shelton moved to accept the nominations to the Youth City Council. Councilman Taylor seconded the motion. All were in favor.

The Youth Council came forward to be sworn in. Deputy Recorder Terilyn Lurker issued the Oath of Office to Youth Recorder Monica Lish, who in turn issued the Oath of Office to the Youth Mayor and Youth Council.

TWENTY-MINUTE PUBLIC COMMENT PERIOD – LIMITED TO TWO MINUTES PER PERSON

Jim Pack stated he has lived here for 20 years. He thought that any individual, family, or organization would do better when they govern themselves or their families or their organization on principles, as opposed to what was expedient. As they consider the governance of the City, one of those principles was to live within your means. You don't spend more than you make. When times are tough, you tighten your belt and you prioritize what was important. When times are going great, that is the time you say you have a little extra money. He thought that things for the City and the families were tight. He did not disagree with the need to fix the roads and he did not know where roads fell in the priorities; it may be that they should do all of the roads. It sounded like the road need was about 2% of the annual budget. If it was 2% and was really high, then let's find 2% that was lower and just live within our means. When things are tight, you don't increase your spending and you prioritize your needs. If the roads need to be fixed, fine but find a lower priority that doesn't need to be done. Let's govern by principle and not expediency.

CITY ADMINISTRATOR'S REPORT

Mr. Whitehead reiterated that the information given tonight at the public hearing would be on the website and in the city newsletter.

Mr. Whitehead reported that last week the Police and Fire employees had the chance to perform real-life drills. They had access to a house that was to be torn down, so the Police Department used the home for SWAT training first and then the Fire Department set fire to the house several times. He noted that they have another house that would be available for training; they would get more information to the Council.

COUNCIL REPORTS

Councilmember Rodeback expressed her appreciation for those who spoke at the public hearing. While questions were raised, they do have answers and numbers and she hoped they come to the open houses. She would be willing to talk to anyone concerning the bond.

Councilman Taylor stated they did appreciate those who were willing to come and voice their opinion. Whether they agree or disagree, this was the forum for that. He wanted to make clear, that as the City Council and Mayor, they were charged with the responsibility to look after the city with fidelity. They were to go through the process to put the best solutions possible in the citizen's hands and let them make that choice. They are letting the citizens of American Fork make that choice with the GO Bond. The Council has not bound the citizens in any way; it was up to the citizens to make that decision. The City Council has provided the citizens one way to solve the problem. As a Council, they have had the luxury of up to 18 months of research. They have talked to different cities and different financial people and they believe this to be a good solution. However, it was one solution and it was up to the citizens to vote on that. He wanted them to understand that the City Council has not bound them in any way; it was their choice and the choice of their neighbors. He asked them to keep in mind that the opportunity was there for the citizens to be educated. Several things were presented tonight that was presented in a light that was false; fortunately, the Finance Director was able to clear that up. Perception was not always reality. Do the work. Study the situation. Make your own decision. It will be dressed up in several ways, both for and against, and they would have to make the best decision for them and for businesses. There were many things that come into play. Research has been done. Councilman Taylor gave them his word that they have done the work necessary to put this before them. They are educated and can talk to them about it. It was not a decision that was made quickly. This was done in their best benefit.

Councilman Frost stated that they always complement those who serve, but he wanted to put a face to those people who put a lot of time and effort into Steel Days. The award was just a piece of paper. The Committee members do not do this for recognition. He has the privilege to work with them for 10 months of the year. He thanked all those who volunteer their time for the city. Volunteerism was being passed down to the next generation.

Councilman Frost stated that he would consider himself extremely conservative in the way he governs his finances in his house and his business. They have gone through an incredible and thorough budget process for years and they have been trying to find the right time and money to do this. These are open and public forums. Nine times out of ten, when they go through those processes, these chambers are empty. He appreciated them for coming to the meeting tonight. He encouraged them to vote and vote what they felt was best for their families and the city. The Mayor told him once that they need to vote so they can sleep at night because there were issues

that would come up that would need to be studied. The right thing for him to do was to give this to the voters. On November 5, his vote will weigh just as much as any of the citizens. He hoped they would educate themselves. It was the responsibility of the City to educate them of the pros and the cons so the citizens can decide. This was not Washington. The City has a balanced budget and they do live within their means and they always will. They hear the complaints and they realize this was a ticking time bomb. They have had to go through tough times with people. There has been a reduction of force, but it was in the best interest of the City to do that. They have seen the tears and anger when they reduced the force. The Youth Council did a fundraiser so they could give money back to the library. They are conservative people and they felt this was the most conservative thing for the city. If they wait, it will only get bigger. It was their job to educate them on the facts as they stand.

Councilman Shelton stated that one of his greatest experiences while campaigning was knocking on doors. One door that sticks out was Donna Smith's door. He was glad they honored her tonight.

Councilman Shelton stated that being involved with the Youth Government organization they have arranged a Meet the Candidate night. It will be announced in the newsletter. They will be held on October 17 and 23; times and locations will be advertised. There are a few candidates on the ballot as well as the road bond. The Rotary Club will be putting on the October 17 event and the Youth Council will be putting on the October 23 event.

Councilman Shelton attended the Economic Summit at Sundance put on by the Utah Valley Chamber of Commerce. It was a great event and attended by Speaker of the House Becky Lockhart and Lt. Governor Greg Bell. One of the presentation points was that roads had a tie to economic vitality and it was important that they focus on reconstruction. Ms. Lockhart also addressed roads as being an issue; neither saw each other's presentation. It was great to hear from many business leaders. North Pointe Business Park was highlighted.

Councilman Shelton stated that a lot has been said about living within their means. He encouraged residents to read the State of the City address that the Mayor gave in January. It gave a list of what has been done to save money and cut costs. Many times they see only what was in front of them and not the surrounding material. They have eliminated 6 full time jobs, which was tough to do. He thought it was important that when they think about living within their means that they remember when you don't change the oil in your car you run the risk of blowing an engine and that would be more expensive down the road to fix. It was not a matter of luxury. It was a tough decision that needed to be made when prioritizing projects. What do they give up? Do they give up sidewalks, sewer lines, or water lines? He was glad they had the chance to hear from the public.

MAYOR'S REPORT

Mayor Hadfield reported there were several new businesses in town with ribbon cutting ceremonies planned.

Mayor Hadfield stated that American Fork City was healthy and was doing well on the sales tax and they were able to accomplish many things that were not revenue generating because of the sales tax.

COMMON CONSENT AGENDA *(Common Consent is that class of Council action that requires no further discussion or which is routine in nature. All items on the Common Consent Agenda are adopted by a single motion unless removed from the Common Consent Agenda by the Mayor or a Councilmember and placed in action items.)*

1. Approval of the September 10, 2013 city council minutes
2. Approval of the City bills for payment and purchase requests over \$1,000.

Councilman Shelton moved to approve the Common Consent Agenda. Councilman Taylor seconded the motion. All were in favor.

ACTION ITEMS

REVIEW AND ACTION ON THE ANNEXATION AGREEMENT FOR THE CLIFTON-JEX ANNEXATION CONSISTING OF 4.28 ACRES AT APPROXIMATELY 860 EAST 1100 SOUTH - Staff

Mayor Hadfield stated this was the property adjacent to Stewarts RV on the east side. He has met with the Mayor of Pleasant Grove as this property was in both American Fork and Pleasant Grove City's policy declaration. Pleasant Grove Mayor Call understands that this property was being acquired for a future storm drain detention storage facility. There was an agreement between cities on that drainage and how much came from the cities and the participation. There has been some discussion with Pleasant Grove staff members and it will be addressed at the Mayor's level. Mayor Hadfield also explained that they took the width of the freeway and the width of Sam White Lane to make the boundaries meet with adjacent cities.

Councilman Taylor moved to approve the Annexation Agreement for the Clifton-Jex Annexation consisting of 4.28 acres at approximately 860 East and 1100 South. Councilmember Rodeback seconded the motion. All were in favor.

REVIEW AND ACTION ON AN ORDINANCE ADOPTING AMENDMENTS TO SECTIONS 17.5.128 C.4 AND 17.5.128 D.6 OF THE AMERICAN FORK CITY DEVELOPMENT CODE, TITLED SIGNS AND ADVERTISING STRUCTURES - Staff

Adam Olsen explained that this text amendment would do three things: increase the number of allowed project identification signs from 1 to 2, decrease distance requirements from 800 to 700 feet, and to allow project identification signs in the interior of a project. Currently, only monument signs are allowed in the interior of a project. Mr. Olsen noted that there was an agenda item that related to this.

Councilman Shelton asked for clarification on if there would be any changes on the area requirements. Mr. Olsen stated that no changes would be made to the area requirements.

Councilman Taylor saw this as something beneficial to the business community; it was a small compromise that would make a substance difference.

Councilman Taylor moved to approve Ordinance 2013-09-34 adopting amendments to Sections 17.5.128 C.4 and 17.5.128 D.6 of the American Fork City Development Code, titled Signs and Advertising Structures. Councilman Frost seconded the motion.

Councilmember Rodeback asked if this would allow a billboard-type signs along the freeway and if those could then be converted to electronic signs. Mr. Olsen stated this did not address billboards, only project identification signs; that issue had been addressed a couple of months ago.

Mayor Hadfield called for a vote on the motion. All were in favor. The motion carried.

REVIEW AND ACTION ON SUBDIVISIONS, COMMERCIAL PROJECTS, CONDOMINIUMS, AND PUD'S INCLUDING 1) PLAT APPROVAL; 2) METHOD OF SATISFACTION OF WATER RIGHTS REQUIREMENTS; 3) POSTING OF AN IMPROVEMENT BOND OR SETTING OF A TIME FRAME FOR IMPROVEMENT INSTALLATION; AND 4) AUTHORIZATION TO SIGN THE FINAL PLAT AND ACCEPTANCE OF ALL DEDICATIONS TO THE PUBLIC AND TO HAVE THE PLAT RECORDED

- a. Review and action on an Ordinance amending the commercial site plan for Lot 1, Plat A, of the Utah Valley Business Park for placement of a billboard at 732 East Utah Valley Drive – Top Ad Media

This was on the Woodbury's property; they have now gone into advertising. The map shows that they meet the distance requirements from other billboards.

Mr. Olsen explained that the Planning Commission's main concern was that this not be located within the current distance requirements of billboards, which was not being proposed to be changed. There are no other billboards in that distance. The Planning Commission recommended approval.

Councilmember Rodeback asked if this billboard could be electronic. Mr. Olsen stated it was allowed and that the lighting standards would apply. He pointed out that the one electronic billboard had been evaluated and found to be too bright; Reagan Signs did tone down the brightness.

Councilman Taylor pointed out that the Planning Commission notes indicate the address was 738 East Utah Valley Drive, but this indicated 732 East Utah Valley Drive.

Councilman Taylor moved to approve Ordinance No. 2013-09-35 amending the commercial site plan for Lot 1, Plat A of Utah Valley Business Park for placement of a billboard, located at 732 East Utah Valley Drive in the PI-1 Planned Industrial Zone with instructions to the City Recorder to withhold publication of the ordinance subject to posting of a performance guarantee to ensure the timely construction of required public improvements. Councilman Frost seconded the motion. All were in favor.

- b. Review and action on an Ordinance approving an amended commercial site plan for the Meadows Project regarding placement of project identification signs in the vicinity of 300 North Meadow Lane and 200 North Meadow Lane, located in the SC-1 Planning Shopping Center zone – Woodbury Corporation

Mr. Olsen stated this was in conjunction with the ordinance just approved. They would like the signs for the opportunity for extra project identification signs to show the new stores coming in. It would give the interior area more visibility.

Councilman Frost moved to adopt Ordinance No. 2013-09-36 approving an amended commercial site plan for the Meadows Project regarding placement of project identification signs in the vicinity of 300 North Meadow Lane and 200 North Meadow Lane with instruction to the City Recorder to withhold publication of the ordinance subject to posting of a performance guarantee to ensure the timely construction of required public improvements. Councilman Taylor seconded the motion. All were in favor.

REVIEW AND ACTION ON A SECOND MODIFICATION TO THE AGREEMENT WITH AMERICAN FIBER, INC. – Staff

Mayor Hadfield stated this was discussed at a previous executive session and they were now ready to move forward.

Councilman Shelton appreciated George Schade's hard work.

Councilman Shelton moved to approve the Second Modification Agreement with American Fiber, Inc. Councilmember Rodeback seconded the motion. All were in favor.

REVIEW AND ACTION TO ENTER INTO A MEMORANDUM OF UNDERSTANDING BETWEEN AMERICAN FORK CITY AND THE NATIONAL PARKS SERVICE

Mayor Hadfield stated that this was a boilerplate agreement with the National Parks Service for anyone who does any type of activity in a National Park. This would allow the City to repair the collection boxes for the springs in American Fork Canyon.

Councilman Shelton moved to approve the Memorandum of Understanding with the National Parks Service. Councilman Taylor seconded the motion. All were in favor.

REVIEW AND ACTION ON A CLASS A BEER LICENSE FOR 7-ELEVEN SALES CORPORATION (DBA 7-ELEVEN STORE #36765 H) LOCATED AT 109 EAST MAIN – Debra Bartlett

Mayor Hadfield stated that this business has been recently purchased by 7-Eleven Sales Corporation. They are opening September 30 and would like to start stocking beer.

Councilman Frost moved to approve granting the Class A Beer License to 7-Eleven Sales Corporation (DBA 7-Eleven Store #36765 H) located at 109 East Main. Councilman Shelton seconded the motion. All were in favor.

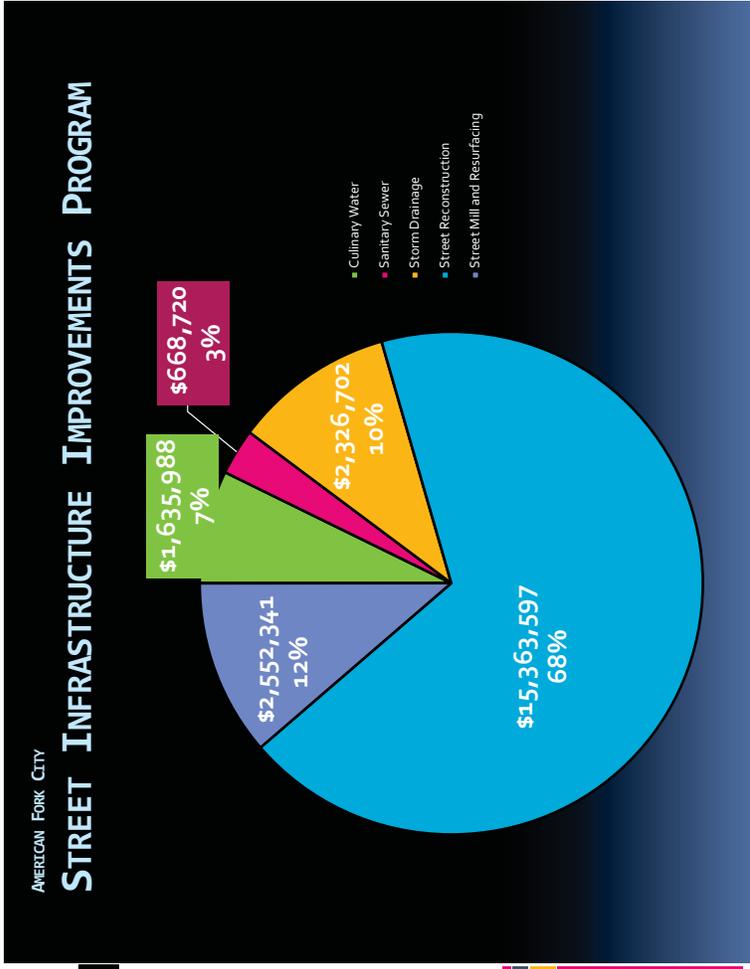
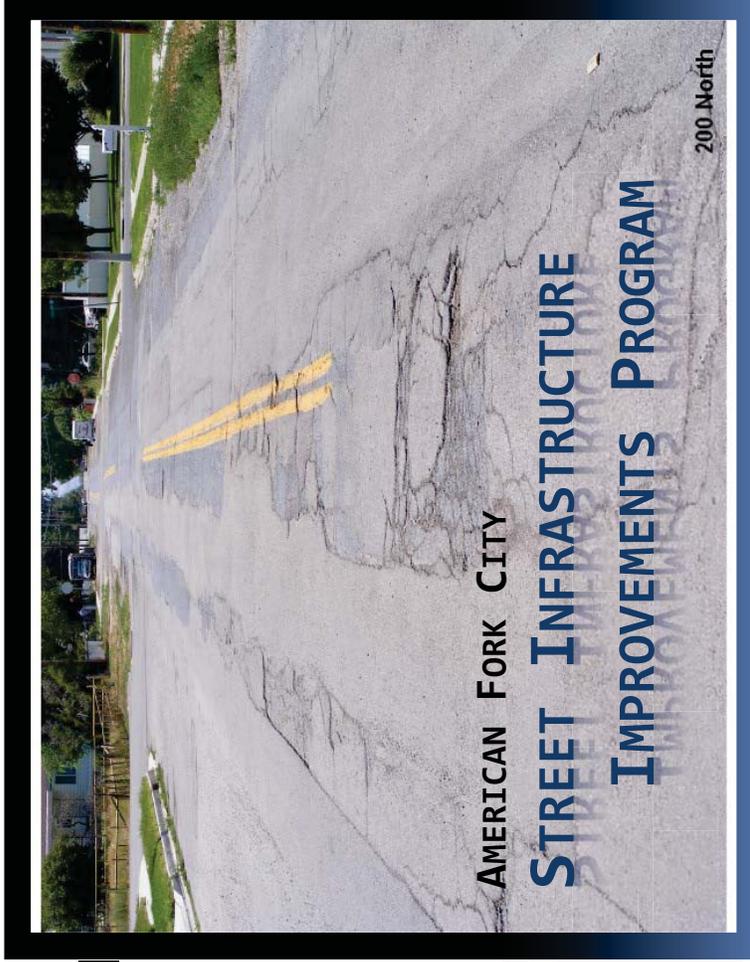
ADJOURNMENT

Councilman Taylor moved to adjourn the meeting. Councilman Shelton seconded the motion. All were in favor.

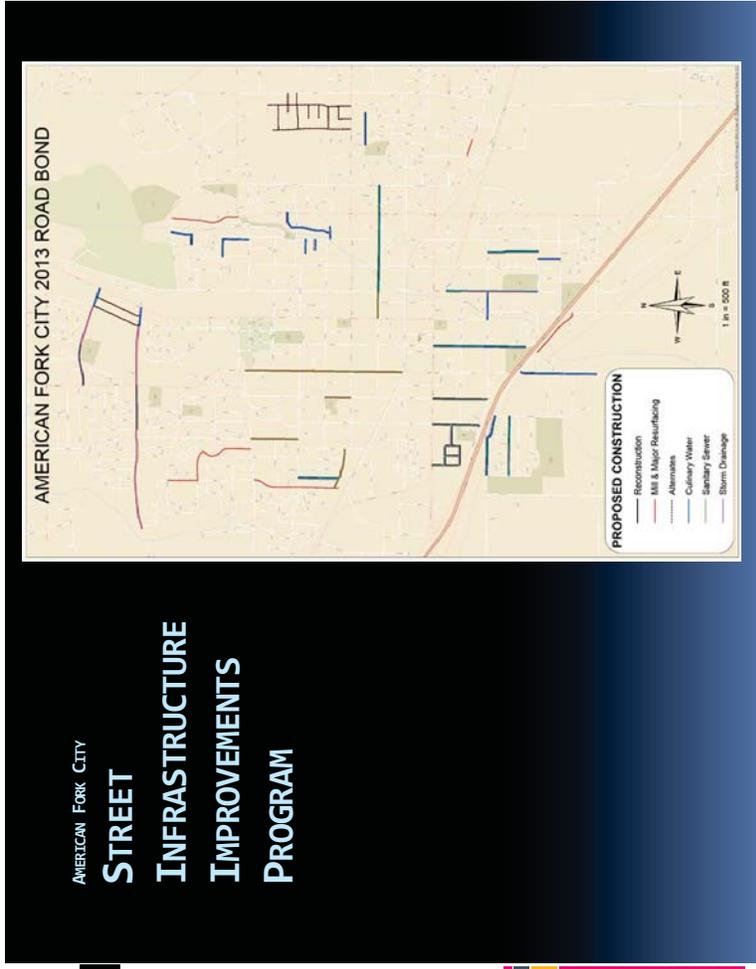
The meeting adjourned at 8:45 p.m.

A handwritten signature in cursive script that reads "Terilyn Lurker".

Terilyn Lurker
Deputy Recorder



- AMERICAN FORK CITY
STREET INFRASTRUCTURE IMPROVEMENTS PROGRAM
- Inventory replacement cost \$138,000,000
 - \$22,547,350 estimated project cost
 - 15.4 centerline miles
 - Less than 12% of the City's street inventory in this program
 - Only 13.33% of the City's 90 miles of unmaintainable streets
 - B&C Road Funds 2012-13 = \$580,403
 - Annual General Fund allocation = \$500,000



STREET INFRASTRUCTURE IMPROVEMENTS PROGRAM

Appropriate maintenance treatments, done at timely intervals, save money by protecting the asphalt and base course materials from water infiltration and solar radiation, extending their life and maintaining safety and ride quality.

Maintenance Options & Costs

Treatment	Cost/Block	RSL Increase (yrs)
High-density Mineral Bond (HA5)	\$5,280	7-5
Micro Surfacing	\$5,940	5
Chip Seal	\$7,260	7-5
Cape Seal	\$21,120	7-5
Thin Overlay	\$22,968	10
Thick Overlay	\$28,512	13
Reconstruction (for comparison only)	\$145,200	20

STREET INFRASTRUCTURE IMPROVEMENTS PROGRAM

GOALS:

- Maximize funds impact on driving surfaces
- Improve safety of roads for children and other pedestrians walking and riding around neighborhoods.
- Use utility fee revenues to the extent possible
- Complete all associated utility work prior to street improvements
- Comply with ADA requirements
- Bring streets up to a 20 year Remaining Surface Life
- Restrict street cuts for at least 5 years
- Apply the City's comprehensive street maintenance program to the new streets

STREET INFRASTRUCTURE IMPROVEMENTS PROGRAM

PROS:

- Improves safety and ride quality, which means safer conditions for children and others who walk or ride bikes to school and around neighborhoods
- Takes advantage of historically low interest rates & low construction costs – delaying reconstruction only increases costs over time
- Fixes deteriorating roads which will reduce damage to vehicles and help prevent accidents that threaten the safety of drivers, pedestrians and bicyclists
- Addresses backlog of needed repairs - brings 15.4 miles of streets back to a 20 year Remaining Surface Life (RSL)

CONS:

- Increases property taxes on the average home by about \$7.00 per month.
- Increases the City's debt limit percentage from 20.3% to 28.2% of the legally allowable limit (12% of total assessed value)



STREET INFRASTRUCTURE IMPROVEMENTS PROGRAM