

**Minutes of the
Bountiful City Council Meeting
City Council Chambers
March 12, 2002 -7:00 p.m.**

Present: Mayor Pro Tempore: Barbara Holt
Council Members: R. Fred Moss, John S. Pitt, J. Gordon Thomas
and Thomas Tolman
City Manager: Tom Hardy
City Attorney: Russell Mahan
City Engineer: Paul Rowland
City Recorder: Kim Coleman
Planning/RDA Director: Blaine Gehring
Department Head: Cliff Michaelis, Power
George Sumner, Fire
Recording Secretary: Nancy T. Lawrence

Excused: Mayor: Joe L. Johnson

Official Notice of this meeting had been given by posting a written notice of same and an Agenda at the City Hall and providing copies to the following newspapers of general circulation: Davis County Clipper, Deseret News, and Salt Lake Tribune.

Mayor Pro-tem Holt called the meeting to order at 7:00 p.m., following which the pledge of allegiance was led by Councilman Tolman and Councilman Moss offered the invocation.

MINUTES OF FEBRUARY 12, 2002 APPROVED

Minutes of the regular meeting of the City Council held February 12, 2002 were presented and unanimously approved as written on a motion made by Councilman Tolman and seconded by Councilwoman Holt. Councilpersons Holt, Moss, Pitt, Thomas and Tolman voted "aye".

**EXPENDITURES, EXPENSES, AND TOTAL DISBURSEMENTS
APPROVED FOR THREE PERIODS**

Mayor Pro-tem Holt presented the report of Expenditures and Expenses Greater than \$1,000 for the periods February 7-20, 2002 in the amount of \$586,690.82, February 21-27, 2002 in the amount of \$1,109,446.94, and the Summary of Expenditures for the Month of February totaling \$3,296,927.33. The staff responded to questions from the Council, following which Councilman Pitt motioned to approve the three reports, as presented. Councilman Thomas seconded the motion and voting was unanimous. Councilpersons Holt, Moss, Pitt, Thomas and Tolman voted "aye".

**RECOGNITION OF RETIREMENT OF
RICHARD HALES, FIRE DEPARTMENT**

Mayor Pro-tem Holt recognized Captain Richard Hales who is retiring after 30 years of employment with the City. She thanked him for the time that he has dedicated for betterment of the City. Chief Sumner noted that it is difficult to summarize the events of a 30-year career, particularly when he (the chief) has been here just two years. He shared a recent experience he had with Captain Hales in which Richard stated that he didn't feel it was dangerous to work with certain chemicals and bio-hazardous materials, "if you know what you are doing". The Chief indicated that Richard was well trained and always knew what he was doing – a characteristic that

was very important in firefighting. Chief Sumner thanked Richard for his years of service and dedication and wished him well on his retirement. The Mayor Pro-tem then presented him with a gift of appreciation on behalf of the City.

APPROVAL GIVEN FOR ECHO HYDROELECTRIC PROJECT SPILLWAY IMPROVEMENTS

Mr. Michaelis reviewed with the Council the three major power outages which occurred during the past month, noting that it is very unusual for three major outages to occur in such a short time. Two of the outages related to the 46 kV line and the third was the result of failure at a UP&L substation.

Mr. Michaelis explained that the City has an Operation Agreement for the Echo Hydroelectric Project between the City and the Weber River Water Users Association (Water Users). This agreement provides that the City will pay for one-half of all the Water Users capital costs with respect to the Echo Dam. Although the City has allocated money for this project in past budgets, the Water Users have not made any capital improvements and the budgeted amounts have been put in the Future Power Account. Nothing was included in the budget for the 2001-02 fiscal year, and the Water Users have made capital repairs totaling \$134,787.75 . They have billed the City for our 50 percent share of \$67,393.88. It is the recommendation of the staff and Power Commission that this payment be approved for the spillway upgrades, per the Agreement, to be funded from the Future Power Account. Councilman Moss motioned for approval as recommended, Councilman Thomas seconded the motion and voting was unanimous. Councilpersons Holt, Moss, Pitt, Thomas and Tolman voted "aye".

Mr. Michaelis informed the Council that it is the intent of the Water Users to complete additional repairs next year, at a cost of \$295,000 and \$147,500 will be included in next year's budget to cover this planned expenditure. In continuing Council discussion, it was clarified that the Water Users and the City share expenses unique to these organizations. However, the Bureau of Reclamation (BOR) assumes a major role in the operation and maintenance of the Echo reservoir, above and beyond the expenditures of the City and the Water Users.

APPROVAL GIVEN FOR UAMPS MARKET COSTS STABILIZATION RECOVERY CHARGE

Mr. Michaelis reviewed the financial problems encountered during the past two years relating to high energy costs, including the forward purchases of power last spring. He noted that FERC encouraged the forwards, then implemented a curb on energy prices which resulted in forward purchases being at a higher price than market. The City (and UAMPS) ended up with contracts much higher than market which created significant losses.

It has been necessary for UAMPS to acquire a \$40 million note from Zion's bank in order to provide operating cash flow. Approval for this note was given based on the condition that the members of UAMPS would unanimously agree to a repayment procedure (cost stabilization recovery charge) priced to recover the full cost of the note. Doug Hunter, general manager of UAMPS, was in attendance and explained the details of this repayment procedure and the conditions that the members have agreed upon. After the note to Zion's is repaid, members will be eligible for rebates based on both the forward market prices (for members who purchased

forward) and the amount of power that has been purchased and included in the Cost Recovery add-on amount.

Councilman Moss asked how this repayment plan will affect the financial ability of UAMPS. Mr. Hunter explained that the base plan gives UAMPS ten years to complete its obligation – five years to pay Zion’s and then five years to pay members. However, depending on market prices and the IPP No. 3 project, the time period could vary. He also noted that the action which has been taken (approval of the note by Zion’s and unanimous member support) is considered financially prudent and has resulted in a positive impact on the credit rating. Following discussion of the repayment vehicle, Councilman Moss made a motion to accept the Market Costs Stabilization Recovery Charge as presented. Councilman Thomas seconded the motion and voting was unanimous. Councilpersons Holt, Moss, Pitt, Thomas and Tolman voted “aye”.

PURCHASE OF PICKUP FOR FIRE DEPT APPROVED

Chief Sumner reported that the budget included the purchase of a new pickup truck to be used as a grass wagon. Quotes were received from four vendors and it is the recommendation of staff to accept the bid from Willey Ford (Bountiful) in the amount of \$23,806.00. (This bid was \$248.60 higher than a bid from Butterfield Ford for identical equipment. However, the fire department prefers to support a local business and to have local access to the dealership for service and warranty if necessary). The request for approval is for a Ford F-350 XL 4WD 1-Ton pickup, based on State bid price. Councilman Thomas motioned to approve this purchase as requested and recommended. Councilman Tolman seconded the motion and voting was unanimous. Councilpersons Holt, Moss, Pitt, Thomas and Tolman voted “aye”.

PRELIMINARY AND FINAL APPROVAL GRANTED TO MILL STREET QUARTERS CONDO CONVERSION

Mr. Rowland reviewed the request of Cavalier LLC for approval of the conversion of three apartment buildings located at 313 East Mill Street into a 10-unit condominium complex. This request has been reviewed by staff and the Planning Commission and it is their recommendation that approval be granted, subject to the following conditions:

1. Minor correction to the condo plat and submission of a complete mylar plat;
2. Payment of fees as follows: Checking fee (10 units at \$100/unit) =
\$1,000.00
Recording Fee (2 sheets at \$50/st) = 100.00
3. Add one more designated parking stall.

Councilwoman Holt motioned to approve the condo conversion as presented. Councilman Thomas seconded the motion and voting was unanimous. Councilpersons Holt, Moss, Pitt, Thomas and Tolman voted “aye”.

PRELIMINARY AND FINAL SITE PLAN APPROVED FOR 4-PLEX - 36-82 EAST 650 NORTH - C. SALMON, DEV.

Mr. Gehring reviewed that Craig Salmon would like to develop a new 4-plex at 650 No. Main where an older single family home has been. The Planning Commission and staff have reviewed this request and it is their recommendation that preliminary and final site plan be approved, subject to the following conditions:

1. The south, east and west sides of the apartment building meet the provision of 50% masonry or brick exteriors.
2. The garbage enclosure match the exterior materials of the apartment building and city issued garbage containers be used rather than a dumpster.
3. The 6-ft. high screened barrier fence to be provided along the east property line should not extend beyond the required 30-foot front yard setback and be approved by the Planning Director.
4. Provide one 1½ inch connection and meter rather than four ¾ inch meters.
5. Provide a 7-ft. utility easement along 650 North and Main Street frontages.
6. Use existing sewer lateral.
7. Pay the following fees:
 - a) Water impact fee of \$4,503.20 (\$5,606.00 minus credit for one unit).
 - b) Sewer impact fee of \$4,668.00 (4 units @ \$1,556 minus credit for one unit).
 - c) Storm drain fee of \$652.00 (0.3105 acres x \$2,100 per acre).
 - d) Standard building curb and gutter bond required at time of building permit.
 - e) Street patch fees assessed based on actual size of road cuts.
 - f) \$100.00 site plan review fee.

Following a short discussion, Councilwoman Holt motioned for preliminary and final site plan approval, as recommended. Councilman Moss seconded the motion. Councilpersons Holt, Moss, Pitt, Thomas and Tolman voted “aye”.

SINGLE EVENT PERMIT APPROVED FOR ST. OLAF’S

Mr. Hardy reported that St. Olaf’s has requested a Single Event Permit for Saturday, May 18, 2002 from 5 p.m. to 1 a.m. They will be holding their annual event where alcoholic beverages will be served. Mr. Hardy noted that the City gives “consent” for an alcoholic beverage permit to be issued by the State Department of Alcoholic Beverage Control. There have been no problems in the past and it is recommended that approval be given and the Mayor Pro-tem authorized to sign the approval. Councilman Pitt made a motion to this effect, Councilman Moss seconded the motion and voting was unanimous with Councilpersons Holt, Moss, Pitt, Thomas and Tolman voting “aye”.

COUNCIL COMMITTEE REPORTS

Councilman Pitt reported that the Mayor asked him to review with the Council the proposal which had previously been discussed to have a work session for the purpose of making a prioritized list of projects. A tentative time was set for March 28th, Thursday, noting that the time would be determined later and proper public notice would be given.

EXECUTIVE SESSION SCHEDULED

At the request of the Mayor Pro-tem, Councilman Moss made a motion that an Executive Session be held immediately after this meeting for the purpose of discussing property acquisition. Councilman Tolman seconded the motion and the open meeting adjourned at 8:23 p.m. Councilpersons Holt, Moss, Pitt, Thomas and Tolman voted “aye”.

Attendance at Executive Session

Councilpersons Holt, Moss, Pitt, Thomas and Tolman

Mr. Hardy

Mr. Mahan

Mr. Rowland

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BARBARA HOLT, Mayor Pro Tempore

KIM J. COLEMAN, City Recorder

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