

MINUTES OF FRANCIS TOWN COUNCIL MEETING
MEETING HELD AT FRANCIS TOWN RECREATION BUILDING MARCH 17, 2009

The Francis Town Council convened in regular session on Tuesday, March 17, 2009 in the Francis Town Recreation Building. Mayor John Bergen called the meeting to order at 7:00 PM.

Present:	Mayor:	John Bergen
	Council:	Tim Butikofer
		John Keyes
		Lorin Prescott
		Lee Snelgrove
	Town Clerk:	Lynette Hallam
	Attorney:	Kraig Powell
	Engineer:	Scott Kettle
	Planner:	Alison Weyher
	Others attending:	Tal Adair, Brian Baker, Kit Burton, Keith Cowan, Joe Eiting, Kristi Major, Chad Mitchell, Bruce Riches and Rick Walterson

Mayor Bergen welcomed Kraig Powell fresh from the State Legislature. Mr. Powell gave an update on the legislative session.

There were technical changes made concerning open and public meetings, some changes to the GRAMA laws and impact fee accounting. Mr. Powell also discussed the priority of water rights. The bill repealed a 100-year-old provision saying municipal uses have priority in times of scarcity. It was a one-sentence statute that had never been interpreted and did not have much meaning. In order to keep the legislation from last year that allows cities to keep water rights and not forfeit them, it was a trade-off with the agricultural users that this section be repealed this time. Mr. Powell indicated there was not much opposition as there was no way to enforce the original statute.

Kraig Powell stated there was an annexation bill passed which removed the standing of Counties to protest annexation in third, fourth, fifth and sixth class counties if the proposed annex area is unimproved and contains no houses and no citizens. The only way this affects Francis Town is if we annex an area with no buildings and no citizens (vacant land), and the County would have no standing to protest the annexation under any circumstances.

There was interesting legislation that went through concerning the State building code according to Mr. Powell. The Uniform Building Code now may not be uniform; a law has been passed which puts it back in the hands of the legislature. Formerly the building code commission would recommend the Uniform Building Code be adopted each year. (The hot button issue which led to the controversy was the recommendation at the National Code Conference that fire sprinklers be required in all residential construction starting in 2011.) The changes will be recommended to the Legislature by the Commission, but the Legislature will be the one that enacts the Building Code every year.

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Kraig Powell also briefly covered the military development at Quinn's Junction that was approved by the Legislature. The bill passed is effective state wide.

Consent Agenda – Approval of 2/17/09 Town Council minutes

Lee Snelgrove made the motion to approve the minutes of the February 17, 2009 Council Meeting. John Keyes seconded the motion. The motion passed unanimously. Voting in favor: Mayor Bergen, Councilors Butikofer, Keyes, Prescott and Snelgrove.

Public Hearing – Discussion with possible approval of a zone change for Parcel FT-94, 2283 South Spring Hollow Road, from C-1 and AG to PF, Public Facilities

Alison Weyher reported in August, 2008, Francis Town purchased approximately 4.8 acres of property immediately to the north of the existing Town center. The land will be utilized for construction of a Town Hall, maintenance facilities and other expansion needs. Presently the property is zoned R-1 (residential), AG-1 (agricultural) and C-1 (commercial). The Town is requesting to re-zone the property PF (public facilities). A public hearing was held at the Planning Commission on February 25, 2009. The Planning Commission recommended approval of the zone change.

Mayor Bergen opened the hearing to public comment. There being no public comment the hearing was closed.

Lee Snelgrove made the motion to approve the zone change for Parcel FT-94, 2283 South Spring Hollow Road to PF – Public Facilities. John Keyes seconded the motion. The motion passed unanimously. Voting in favor: Mayor Bergen, Councilors Butikofer, Keyes, Prescott and Snelgrove.

Discussion Item – Continued discussion regarding opening and increasing the 2008-2009 fiscal year budget

Lynette Hallam distributed copies of the proposed budget change. Mrs. Hallam explained that the public hearing was not being held tonight because the notice sent to the paper had not been published. Mrs. Hallam explained the proposed amended General Fund Budget was increased by \$60,000. There is approximately \$475,000 in the excess fund balance which is where the additional funds will be allocated from. The total amount to be allocated will be \$243,000. Mrs. Hallam further explained that at the end of the fiscal year, some funds will probably have to be moved around, but probably no further increases will be needed in the total budget.

Mayor Bergen stated that in April these budget changes will be on the agenda for a public hearing and possible approval. The Town Clerk asked by the end of April all the Council submit their proposed budgets for the 2009-2010 Fiscal Year. The preliminary will be presented in the May meeting and the final budget will be on the June meeting agenda.

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Lynette Hallam outlined for the Council the changes on the budget which were precipitated by the purchase of the Atkinson property. The mayor suggested that if there were any questions, they should be asked now.

Tim Butikofer asked about the total amount of the transfer. Mrs. Hallam answered that the total amount to be allocated from the excess fund balance was \$243,525. The original approved budget showed an allocation of \$183,525; the additional amount of \$60,000 brought that to \$243,525.

The mayor suggested any further questions can be addressed to Mrs. Hallam before next month's meeting.

Update and Action Item – Update on LTAP report concerning Hilltop Road and possible approval of action to be taken

Mayor Bergen referred the Council to the report included in their packets. The mayor commented the LTAP puts out a brochure monthly that informs of various aspects of construction, traffic, etc. In one publication almost a year ago a program with grants to do studies on particular areas was included. Mayor Bergen applied for the grant and received it on behalf of Francis Town. The State sent their people along with UDOT people down to do a road safety audit. There was representation from the State and County road teams as well as LTAP along with John Keyes and the mayor. Mr. Bolling is the head of the department and conducted the hearing. Almost \$2,000 was expended by LTAP doing the report. Mayor Bergen asked for questions or discussion from the Council.

John Keyes asked if there would be a final report because there were some errors in the report. There will be a final report coming out which will make the necessary changes.

Mayor Bergen reported a telephone conference had been held with UDOT, LTAP, Scott Kettle, Lynette Hallam and the mayor for about an hour. UDOT is willing to work with Francis.

Scott Kettle detailed that Francis had tried to close Hilltop Road, and the referendum was passed which opposed closing the road. Francis decided to have an independent study and the mayor found the LTAP grants for such studies. LTAP looked at what is going on with the road and what can be done to improve the safety of it. LTAP's first comment was that the road should be closed. They were informed about the referendum. LTAP agreed to look at the situation and see what type of recommendation could be made. Basically, in the short-term, LTAP recommended doing some signage, some pavement markings to increase the safety as well as to bring the guardrail up to current standards. Those fixes are planned for this spring and summer. To increase the sight distances, LTAP recommended a street light be installed. Francis is working with UDOT to see who will pay for the streetlight.

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Scott Kettle reported the long-term recommendation that LTAP had was to turn Hilltop into a one-way road with the traffic heading to the west. With that recommendation, it was proposed that a median be installed in SR32 that would not allow people to turn left coming off Hilltop and eliminate people coming from Heber turning left onto Hilltop. Francis is working with UDOT to see what their maintenance people's thoughts were about the median strip. UDOT felt they may be able to come up with some safety money or other programs to help pay for these improvements. The report recommends the one-way road and to have the traffic go through Wild Willow with the one-way road continuing to the intersection with Oak Lane. Mr. Kettle recommended with River Bluffs subdivision being constructed the one-way road be constructed to that subdivision's intersecting road. Since the impact of the homes in River Bluffs is one of the issues necessitating this one-way road, Scott Kettle recommended waiting until their road is in before putting in the one-way road.

Lee Snelgrove asked if the LTAP report was available for the citizens of Francis to peruse. Lynette Hallam indicated when the final report comes out it could be posted on the website or have some copies available at the office. Mr. Snelgrove questioned the count of vehicles making left turns etc. It was indicated that an individual was physically at the intersection counting the cars.

John Keyes asked what the signage would be. Scott Kettle indicated that if the one-way road is put in, there would need to be signs indicating no left turns are allowed. UDOT has committed to putting in the Dangerous Intersection Ahead signs.

There was some discussion concerning the median which would prevent left turns off from and on to Hilltop Road.

Tim Butikofer asked if there have been any accidents at the intersection involving a fatality. Mr. Kettle indicated there have not.

Lee Snelgrove asked for clarification on expenditures on the fix. Anything on Hilltop Road would be Francis' responsibility, on SR32 the expense would be UDOT's insofar as they are able to get the funds. Mayor Bergen indicated he had made the plea to UDOT that inasmuch as they had been the cause of some of these problems when they straightened the road, they should help to pay for the solution.

Lorin Prescott inquired about the timetable for the upgrades. Mayor Bergen indicated the Town would go ahead with some parts this spring. The final report will be distributed and studied before the decision is made to spend money to implement the fix.

John Keyes advised that a decision needs to be made of how much will be done this budget year because other things are lined up that will possibly need to be delayed to allow these fixes to be done. Mr. Kettle indicated the UDOT representative was supposed to get back with him concerning how it would be handled.

Scott Kettle indicated that LTAP needed to get some feeling of what Francis would be willing to do. Tim Butikofer indicated the immediate fixes seemed like something that

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should be done, but he was not convinced Hilltop needed to be made into a one-way street. John Keyes felt that the increased traffic would raise the possibility of a serious accident, which would open Francis Town to legal action if we do not follow the recommendations. Mayor Bergen asked if the Town did not follow the recommendations of the report would the liability for the Town be increased. Kraig Powell indicated he had not had a chance to study the report which he would like to do more thoroughly before he offered an opinion.

Lee Snelgrove questioned the study results concerning the crash reduction on Hilltop. Scott Kettle indicated these were some of the questions for which he needed to try to get answers. Mr. Kettle reminded the Council that the two studies done for Wild Willow subdivision and River Bluffs subdivision indicated that Hilltop should be closed.

Resolution – Discussion with possible approval of a Resolution Providing for the Creation of a Local Building Authority, Authorizing Official Action, and Providing an Effective Date

Brian Baker, Zions Bank Public Finance, stated that Francis Town is going to the PCIB (Permanent Community Impact Board) to get funding to build a new Town hall. The ways to finance such a building are varied. General Obligation Bonds are funded by property taxes. These bonds require an election because citizens are pledging their property taxes to help make the payments. In a situation where the Town looks at its finances and determines they can make the payments with the revenues they are currently getting, they determine they do not need to have a property tax raise. The tool that is used in that instance is called a Local Building Authority. This is an artifice that enables the Town to issue debt that can be annually appropriated. Every year, the Local Building of Francis Town will meet together to determine the payment that year on the bond. The Trustees of the Local Building Authority will be the Francis Town Council. In the meetings, to adopt a bond resolution or to take any action related to the financing, the Council will adjourn from the Council meeting, reconvene as the Local Building Authority and there take official action relating to the bonds. The Authority will then adjourn and reconvene as the Town Council and the Council will ratify what the Building Authority has done. The purpose of this is to allow usage of the money the Town has on hand to make debt payments without going through the process of having a bond election and assessing a property tax against the residents. This is a very common practice when a building is being built. The way it functions is on the general obligation bond, the credit that is being put up is all of the residents' property taxes. If payments are not made, eventually the property can be seized and sold to make the payment on the bond. The collateral in the process the Town is using is the willingness of the Local Building Authority to appropriate money to make the payment on the bonds. Essentially the building will be put up as collateral. If the payments are not made, the collateral will be taken to pay off the debt. Any creditor would feel this is not something they will walk away from especially in a situation such as the PCIB. Their goal is to work hand in hand with Utah communities to get projects built that will support State growth.

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Mr. Baker felt this course of action was a great fit for Francis and commented the Scott Kettle did a great job filing the application with the CIB. A presentation will be made before the CIB concerning the application in the near future.

Mayor Bergen pointed out that Francis already owns the land and is ready to commit \$100,000 to the project, which Brian Baker said was a very definite advantage. Mr. Baker said that it would be hard to predict the grant/loan ratio. A 20% grant would not be unheard of; however, it would be advantageous if we were in a mineral producing county.

Mayor Bergen gave a short report of a meeting he had attended with the CIB.

Brian Baker summarized that the State will be the purchaser of the bonds and will give a subsidized interest rate. Zions Bank's role is as financial adviser, and they are glad to be a part of this project.

Tim Butikofer asked what amount the Town was asking for. Scott Kettle replied the total project cost was \$700,000 of which Francis will contribute \$100,000. The application was for around \$600,000. Brian Baker indicated the term of the loan would be 25 years, which is a much longer term than a bank would likely allow.

The resolution and bylaws, according to Brian Baker, will be the tool that will issue whatever debt is decided. Because it is debt that will not be voter approved, because the resources and funds are on hand to make the payments, the Local Building Authority will be the vehicle that will be used. Mr. Baker explained his decision to address this matter early to get this done and get the Local Building Authority created. Then after meeting with CIB, there will be a really good idea of the time frame, when bids will be back, etc. As soon as funding is available from CIB, anticipated the first of June, Francis would be able to issue the bonds because all of this is in place.

Scott Kettle stated one thing that was looked at before the application was finalized was if the worst case scenario happened of a straight loan at 3% and no grant. The payment for each year would be about \$30,000 a year. That is the same amount that has been being put away in the Capital Projects Fund for the last few years.

Brian Baker recommended approving the Resolution at this meeting which would essentially create the Local Building Authority of Francis Town. In the future another resolution will come before the Council – a parameter resolution which will state the amount of debt up to a certain amount, a lower than a certain interest rate, and the proposed term. That will be published in the newspaper so that anyone in the community can read it and have the opportunity to comment or object to what is being done. Once that legal process runs thirty days, provided the building is still within the set parameters, a final bond resolution would be adopted agreeing to let the CIB purchase bonds from the local building authority at the set rate over the number of years. The CIB is very amenable to working with municipalities to see that they are able to make the payments.

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Lee Snelgrove asked if as a Town Council they do not have the authority to carry this out. Brian Baker said the Council does not because something has to be pledged as collateral and the Town Council it is not allowed by itself to pledge property that the Town owns. What the Local Building Authority does is create a shell organization that is essentially the Town, but for legal purposes, it is distinct and different and the building will actually be owned by the Local Building Authority of Francis Town who will be the trust deed holder and will make the payments. The risk that the State takes is that the Local Building Authority only has as much money as is appropriated by the Francis Town Council. As the Council changes the Board of Trustees will change.

Kraig Powell clarified that this step is being taken tonight to be well positioned to take advantage of some things that are being applied for. The step has no independent significance; it doesn't bind the Town to do anything or to ever have to use this tool. It sits there empty unless the project is approved. At a question from Lee Snelgrove, it was determined that the Building Authority will stay in place for any future such projects.

Mayor Bergen recommended adoption of the resolution to assure smooth running of the process. After discussion of some needed minor corrections in the documents, the mayor suggested that if the resolution is voted on, it not be signed until the corrections are made.

John Keyes made the motion to approve the adoption of the resolution creating a Local Building Authority, authorizing official action and providing an effective date. Lee Snelgrove seconded the motion. The motion passed unanimously. Voting in favor: Mayor Bergen, Tim Butikofer, John Keyes, Lorin Prescott and Lee Snelgrove.

Department Reports

Mayor Bergen reported he has received a letter from All West Communications advising that they will no longer be able to loan out any of their equipment, such as their bucket truck, because of liability issues with their insurance coverage.

The mayor indicated there is a Planning Commission opening for which he has received one letter of application. This is for the alternate member who would attend all of the meetings and if a commissioner is absent will be entitled to vote. The mayor indicated the applicant seems to be highly qualified and recommended approval.

Lee Snelgrove made the motion to approve Kristie Bair as an alternate member of the Planning Commission. Lorin Prescott seconded the motion. The motion passed unanimously. Voting in favor: Mayor Bergen, Tim Butikofer, John Keyes, Lorin Prescott and Lee Snelgrove.

Mayor Bergen asked for an update of the proceedings concerning the Woodland Hills water company. Lee Snelgrove reported he had met with Alison Weyher and Joe Tesch

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on Friday. There is a draft for the Articles of Incorporation and By-laws amendments. Alison Weyher indicated the Operating Policies and Principles are being changed, which have not been updated since 1987. Those will reflect how the company operates. The mayor requested that before these amendments move through he would like to see them and make his comments. Lee Snelgrove commented that a work session for the Board of Trustees has been scheduled for April 6th for the purpose of refining the amendments. Two weeks later a meeting will be held to adopt the changes. Mr. Snelgrove declared a lot of work has gone into this by Alison Weyher. Mr. Snelgrove detailed that Francis Town will be represented by three members and two members from Woodland Hills. As it is being set up it would let a non-council person be appointed to the Board of Trustees. Mayor Bergen voiced some opposition to that and felt it should be looked at seriously to assure continuity.

Lorin Prescott reported that the maintenance on pavilion on the recreation building have been approved attaching back to the building and getting the necessary improvements made.

Lee Snelgrove reported that at the Rural Water Conference it was learned there are some new reports that will need to be done; Luke Thomas is aware of these requirements. Mr. Snelgrove also reported on a session that dealt with growth problems. Mr. Snelgrove stated he talked to a chlorine company about the chlorine at the sewer ponds. The company recommended Francis contact the supplier of the chlorine, and they should be able to come and take the bottles inasmuch as they have been sitting there too long to use the chlorine.

John Keyes reported that some homeowners in Wild Willow are putting big rocks in the Town's right of way. That area is for a utility right of way and for snow storage. The rocks are impeding this. There are also trees planted in the right of way. Kraig Powell stated that it would be good to have a clear ordinance that deals with this problem, even though it is the law anyway. The notification by letter would be a good option. The first letter should be an informational and non-threatening letter.

Tim Butikofer reported on the pumps at the sewer ponds.

Scott Kettle reported the lift station for Foothill Drive has been ordered. The SCADA system installed for the water and sewer is up and running.

Lynette Hallam brought up the issue of the pasture rentals. Mrs. Hallam asked that a decision be made concerning the Atkinson property. There has been some discussion of moving the Craft Show during Frontier Days down to the pasture closer to the rodeo grounds. Mrs. Hallam questioned if the animal droppings would be a problem for that.

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Mayor Bergen pointed out that a fence would have to be put up. The mayor asked the Council if they would object to not leasing this pasture this year. John Keyes felt if it is not leased, arrangements will have to be made to get the hay off because the dry grass could start a fire when cars park there during Frontier Days. John Keyes pointed out that the animal droppings could be "brush-dragged" to break them up. Mr. Keyes preferred putting up the fence and renting the pastures. The mayor suggested not putting a fence up and hay the ground. The Town Clerk pointed out the Town has to provide hay for the stock during Frontier Days. If the ground was hayed, the Town would be spared the expense of buying the hay. Tim Butikofer liked the idea of haying it. Lorin Prescott agreed.

Tim Butikofer made the motion to hay the ground this year. Lorin Prescott seconded the motion. The motion passed. Voting in favor: Mayor Bergen, Tim Butikofer, John Keyes, Lorin Prescott and Lee Snelgrove.

Lynette Hallam asked if there should be something in the notice concerning the other two pasture rentals concerning that the bid should be in cash monies instead of services. It was agreed that it should be done that way.

Approve payment of bills and Adjourn

Lee Snelgrove made the motion to approve payment of the bills and adjourn. Lorin Prescott seconded the motion. The motion passed.

The Francis Town Council meeting adjourned at 8:30 PM.

These minutes were approved at the April 21, 2009 Council meeting.

John Bergen, Mayor

Lynette Hallam, Town Clerk