

1 Minutes of the Centerville **City Council** meeting held Tuesday, February 5, 2013 at 7:06 p.m. in
2 the Centerville City Hall Council Chambers, 250 North Main Street, Centerville, Utah.

3
4 **MEMBERS PRESENT**

5
6 Mayor Ronald G. Russell

7
8 Council Members Justin Y. Allen
9 Ken S. Averett (arrived at 7:10 p.m.)
10 John T. Higginson
11 Sherri Lyn Lindstrom
12 Lawrence Wright

13
14 **STAFF PRESENT**

15 Steve Thacker, City Manager
16 Blaine Lutz, Finance Director/Assistant City Manager
17 Lisa Romney, City Attorney
18 Cory Snyder, Community Development Director
19 Katie Rust, Recording Secretary

20 **VISITORS**

Interested citizens (see attached sign-in sheet)

21
22 **PLEDGE OF ALLEGIANCE**

23
24 **PRAYER OR THOUGHT** Councilman Justin Allen

25
26 **OPEN SESSION**

27
28 No one wished to comment.

29
30 **MINUTES REVIEW AND ACCEPTANCE**

31
32 The minutes of the January 8, 2013 Council work session and the January 15, 2013
33 work session and Council meeting were reviewed. Councilman Allen made a **motion** to
34 approve all three sets of minutes. Councilman Higginson seconded the motion, which passed
35 by unanimous vote (4-0).

36
37 **SUMMARY ACTION CALENDAR**

- 38
39 a. Amend City Fee Schedule – Consider Resolution No. 2013-05 adopting the revised
40 Park Impact Fee of \$2,057
41 b. Accept easements for Centerville Corporate Park Subdivision Amended
42 c. Re-approve Assignment and Assumption Agreement for the Centerville Corporate
43 Park Subdivision regarding assignment of rights and assumption of obligations for
44 Lot 202 under the Corporate Park Governing Documents

45
46 Councilman Allen requested the Council discuss item (a) on the Summary Action
47 Calendar separately. Councilman Allen made a **motion** to accept items (b) and (c) on the
48 Summary Action Calendar, accepting easements for the Centerville Corporate Park Subdivision
49 Amended, and re-approving the Assignment and Assumption Agreement for the Centerville
50 Corporate Park Subdivision regarding assignment of rights and assumption of obligations for Lot
51 202 under the Corporate Park Governing Documents. Councilman Higginson seconded the

1 motion, which passed by unanimous vote (4-0). Councilman Averett arrived shortly after the
2 motion passed.

3
4 As a result of conversations with developers, Councilman Allen asked if it is standard
5 practice to charge the same Park Impact Fee for single-family units as for individual multiple-
6 family units. He also asked if staff had considered charging a slightly lower fee for the individual
7 units in multiple-family structures than for single-family dwellings. Steve Thacker, City Manager,
8 responded that staff did not survey to determine if other cities have multiple rates. It is his
9 understanding that some cities have a uniform rate and some cities have two-tier rates. Mr.
10 Thacker reminded the Council that they approved a uniform Fire Impact Fee increase near the
11 end of 2012, and indicated staff would be willing to survey Davis County cities and report to the
12 Council. He commented it may be necessary to raise the single-family rate to compensate for a
13 decrease in the multiple-family rate in order to achieve the same financial result. Councilmen
14 Allen and Wright both expressed an interest in finding out the policies of other Davis County
15 cities. Councilman Wright made a **motion** to table the issue to the next Council meeting,
16 directing staff to research whether other Davis County cities have uniform or tiered Park Impact
17 Fees. Councilwoman Lindstrom seconded the motion, which passed by unanimous vote (5-0).
18 Councilman Allen added he had received positive feedback regarding the amount of the
19 proposed Park Impact Fee and the process used by staff and the Council.

20 21 **REPORT FROM COUNCILWOMAN LINDSTROM REGARDING WASTE DISTRICT**

22
23 Councilwoman Lindstrom reported on a recent update of the Wasatch Integrated Waste
24 Management District's Solid Waste Management Plan. The Plan provides a comprehensive,
25 long-term blueprint for solid waste management for its member communities.
26 Councilwoman Lindstrom also updated the Council on other Waste District issues. The main
27 issues of note are: a) the possibility of a \$35 million project to provide Hill Air Force Base with
28 more steam to heat their building; b) the district is watching the developing technology of using
29 waste as a major compound in biofuels to help replace the use of coal. Councilman Wright
30 thanked Councilwoman Lindstrom for the time she has spent as the City's representative with
31 the Waste District.

32 33 **CODE ENFORCEMENT PROGRAM**

34
35 Lisa Romney, City Attorney, presented background information and analysis regarding
36 code enforcement methodologies and approaches used by local jurisdictions. Code
37 enforcement is authorized by State law, and can be viewed as an obligation of the City to
38 preserve property values and ensure a pleasant community atmosphere. A number of tools are
39 available to the City for code enforcement and it is important to use the right tool for the
40 appropriate situation. There are two basic approaches to code enforcement: the proactive
41 systematic approach and the complaint based approach. Some communities have one or more
42 dedicated code enforcement officers. Ms. Romney feels it is important to know what methods
43 are used in neighboring communities, but stressed that code enforcement is individualized with
44 many factors to consider, including the character of the community and the staffing and
45 resources available. Centerville receives a relatively low number of complaints and has a high
46 compliance rate when notice is given. It is staff's recommendation that Centerville continue to
47 use the complaint-based methodology for code enforcement. Such enforcement methodology
48 may be supplemented with the occasional use of systematic enforcement for particular issues or
49 problem areas. Systematic enforcement has been used and can be used in the future to
50 address issues such as sign code violations along Parrish Lane or tree limb encroachment

1 along Main Street. In these instances, the City can do a proactive sweep of an area and issue
2 correction notices or citation for violations. Staff can conduct such sweep operations as
3 deemed necessary to curtail excessive violations in a particular area, to address specific issues
4 of safety concern, or as specifically directed by the City Council. Other than these limited
5 instances, it is staff's opinion that the complaint-based system is adequate and appropriately
6 tailored for Centerville's resources, community philosophy and staffing. It is staff's opinion that
7 there is sufficient capacity with current staff to handle code enforcement on a complaint basis
8 and as needed to address occasional systematic enforcement. Hiring a dedicated code
9 enforcement officer is not necessary or warranted at this time.

10
11 Regardless of the methodology used for code enforcement within the City, there are a
12 few changes that can be made to the current practices and policies to improve the
13 accountability, effectiveness and efficiency of the system:

- 14
- 15 • Set up a clear complaint process and procedures
- 16 • Retain initial mandatory 10-day notice
- 17 • Eliminate mandatory 10-day notice for repeat offenders
- 18 • Add a graduated penalty clause for repeat offenders
- 19 • Increase the civil penalty amount - currently \$120 for a first offense, staff
20 recommends increasing to \$150 for a first offense, \$300 for a second offense, and
21 \$500 for a third offense in a one year period
- 22 • Compliance tracking
- 23

24 Staff recommends adoption of the proposed amendments to the Civil Enforcement Ordinances
25 and the Civil Penalties as set forth in the City's Consolidated Fee Schedule. Similar changes
26 will be recommended for the Zoning Code if the City Council is supportive of the amendments
27 recommended tonight in the Municipal Code.

28
29 Councilman Wright thanked staff for the work put into the Code Enforcement Program.
30 Councilman Wright feels the fines for first and second violations should be increased. He
31 suggested \$250 for a first violation and \$350 for a second violation, keeping the fine for a third
32 violation at \$500. Mayor Russell asked if increasing the fines to \$250 and \$350 would cause
33 staff to be reluctant to take that step. Cory Snyder, Community Development Director,
34 responded that setting the fine for a first violation at \$250 would create tension in discussions
35 with violators. He feels \$250 would make negotiation difficult and would create negative
36 feelings towards city government, but stated that staff will cooperate with what the Council
37 decides. Councilman Wright feels there should be a significant incentive to comply with the law.
38 Mr. Thacker pointed out that the Council will receive feedback from the community regarding the
39 fines and will have to defend whatever decision they make. Councilman Wright would not want
40 the City to enforce unfairly. He has confidence staff will work with citizens and give them every
41 opportunity to comply with the law. Councilwoman Lindstrom stated she is comfortable with the
42 staff recommendations. Mayor Russell commented it would be helpful to compare the civil
43 penalties in other cities. Councilman Averett would not want it to appear to citizens that the
44 Council views the penalty as a revenue source. He would not want to raise the fee for a first
45 offense too much, but feels the fines for a second and third offense should be significant. Mayor
46 Russell recommended the Council adopt the proposed Ordinance No. 2013-02 amending
47 procedures for code enforcement and postpone approval of the resolution amending the Fee
48 Schedule.

1 Councilman Wright made a **motion** to adopt Ordinance No. 2013-02 amending various
2 provisions of Title 1, Chapter 6 of the Centerville Municipal Code regarding procedures and
3 penalties for civil code enforcement. Councilman Higginson seconded the motion, which
4 passed by unanimous vote (5-0).

5
6 A citizen stood and asked if the City is required to comply with the Codes in the same
7 manner as individuals and businesses. He is a resident of Chase Lane Village and expressed
8 frustration with the fire hazard posed by the condition of the City-owned property on the
9 Frontage Road next to the Community Park.

10
11 Councilwoman Lindstrom made a **motion** to table approval of Resolution No. 2013-07
12 until more information is collected. Councilman Higginson seconded the motion, which passed
13 by unanimous vote (5-0).

14
15 **FY 2013 BUDGET (CURRENT FISCAL YEAR)**

16
17 City Manager Thacker explained amendments to the FY 2013 Budget recommended by
18 staff:

- 19 • Allocate budget for full-time in-house attorney
- 20 • Repayment of the loan made earlier from the General Fund to the Parks Capital
- 21 Improvement Fund for trails
- 22 • Increase budget for the South Davis Metro Fire Agency assessment
- 23 • Allocate additional budget for increased snow plowing costs
- 24 • Allocate additional funding for street projects
- 25 • Allocate budget for UTOPIA operating assessment

26
27 Mr. Thacker explained the UTOPIA OpEx assessment and recommended Centerville's
28 share be drawn from General Fund reserves rather than current revenues so the assessment
29 does not affect the allocation of funds for other services during the normal budget process. He
30 displayed a graph that shows revenues related to the UIA Phase 1 bond now exceed the debt
31 service. Revenues in excess of the debt service are used to pay operating costs. The original
32 UTOPIA bond debt is paid through the pledges of member cities.

33
34 Councilman Averett feels the City should not continue paying any funds to UTOPIA. He
35 pointed out that Payson no longer contributes, yet some of their citizens are still connected and
36 benefit from UTOPIA. He feels there are ways for Centerville to avoid liability and not "go dark."
37 Steve Thacker responded that if too many cities refuse responsibility UTOPIA will cease to
38 operate. The debt would remain without the benefit of connection. The specific issue before
39 the Council is a proposed budget amendment that would represent Centerville's payment
40 towards UTOPIA's OpEx for the remainder of the fiscal year. The related issue is whether
41 UTOPIA should continue to include an operational subsidy in future bonding, or whether that
42 subsidy should be paid directly from the cities, and if so, according to what formula. An OpEx
43 subsidy has been included in every bond issue to date, including the first phase of the UIA
44 bond. \$65 million in UIA bonding was authorized two years ago by eight UTOPIA cities, with
45 \$30 million issued in the first tranche. The intent was to issue a second tranche last year, but
46 the Legislative Audit released last August criticized the practice of paying operating expenses
47 with bonding. The UTOPIA Financial Advisor and the City Managers involved agree that it
48 would be better for the cities to pay the subsidy directly. With the planned approach, the OpEx
49 subsidy would be eliminated in approximately three years.

1 Mr. Thacker explained the business plan that has been developed during the past six
2 months. Regarding how the operating expenses should be shared by the member cities, the
3 bigger cities proposed a formula with four factors, which would place a large portion of
4 responsibility on the built-out cities. Mr. Thacker proposed a formula with two factors, or 50/50,
5 which he feels is a more fair distribution and reduces Centerville's obligation compared to the
6 four-factor formula. Using the two-factor formula (50% based on the pledge percentages
7 associated with the repayment of UTOPIA debt and the 50% based on the value of assets
8 within each city), Centerville's portion of the OpEx would be 6.5%, or \$73,000 for the remaining
9 five months of the current fiscal year. The amounts would have to be adjusted if other cities
10 refuse to participate. As asset value increases in other communities, Centerville's portion of the
11 OpEx will reduce.

12
13 City Manager Thacker mentioned the following potential conditions of approval that
14 could be placed on Centerville's participation (Note: These had been mentioned by Council
15 members in earlier discussions.):

- 16
- 17 • The assessment should be considered a loan to be repaid to the cities
- 18 • The assessment should be approved fiscal year by fiscal year
- 19 • When and if RUS lawsuit settlement proceeds become available, they should be
- 20 used to reimburse the cities that contributed and used to pay remaining OpEx
- 21 • Comprehensive Performance Review of management staff
- 22 • Initiate the Baldrige process in a few months
- 23

24 Paul Cutler, former City UIA Representative, stated he understands the frustration with
25 UTOPIA's financial situation. He feels the UIA Board, staff, and the City Managers have worked
26 hard to find the best solution. UTOPIA is making progress, and improvements need to continue.
27 He recommended the Council support UTOPIA and the other member cities that have stood
28 with Centerville. He feels Mr. Thacker has negotiated a good, fair deal. He recommends
29 focusing on reducing the operational subsidy (not bonding for operating expenses), and feels
30 the wrong thing would be to pick a fight with Centerville's partners of UTOPIA. The amount of
31 money involved, while important, is relatively small compared to the City's larger commitment to
32 make UTOPIA successful. Mr. Cutler feels the financial amount is not worth the cost of the
33 damage that would be done by trying to break UTOPIA apart. He feels the City should go
34 forward with the operational subsidy and make the necessary progress. Councilwoman
35 Lindstrom asked how Mr. Cutler feels about drawing on the next tranche. Mr. Cutler responded
36 UTOPIA is making better progress than it has in the past and needs to have more focus on
37 optimizing operations rather than bonding for large amounts to build-out the network. There
38 may be a need and a justification for borrowing in smaller amounts and proving that operations
39 can be improved. He agrees with the idea of bonding for capital, but not for operational costs,
40 and he feels UTOPIA staff should be held accountable for improving performance.

41
42 Councilman Allen asked if the City could be forced by UTOPIA to participate if the
43 Council votes against further involvement. Mr. Thacker responded it is understood that the
44 assessments are subject to budgetary funding from each city. Centerville could choose not to
45 be a player, but Mr. Thacker would not recommend that option. He feels the City has benefited
46 from UTOPIA participation in that it is the only city completely built out, and it would be
47 extremely bad faith not to continue to be a team player. Councilman Wright stated he has
48 respect for the amount of work that has been done. He is concerned about the pattern of
49 assumptions being made in the absence of fact. Councilman Wright views the plan as a
50 concept plan - a skeleton without the meat. He would like to see a strategic plan and operating

1 plan with metrics that allow measuring progress. Councilman Wright mentioned some of the
2 problems and shortfalls he can see in the work that has been done. He would like the UTOPIA
3 Board to present a strategic plan to the cities rather than just a concept plan. He advocates
4 withholding funds until an adequate business plan is put in place.

5
6 At 9:05 p.m. Mayor Russell called a brief recess. The Council reconvened at 9:11 p.m.

7
8 Mayor Russell opened a public hearing for the purpose of hearing comments regarding
9 the proposed amendments to the FY 2013 Budget at 9:14 p.m.

10
11 Rick Bingham – Mr. Bingham asked for clarification regarding the revenue/bond debt
12 graph used during Mr. Thacker's presentation. Staff responded that the revenue line reflects
13 funds collected from customers. The UIA is a financial mechanism to provide bonds for
14 additional build-out of UTOPIA. The UIA bond is being repaid by connection fees customers
15 pay upfront and by fees collected by the service providers. Mr. Bingham believes Centerville is
16 in UTOPIA and needs to find a way to make it work. He referred to the Legislative Audit Report
17 and asked what subscription rate is needed in Centerville to cover the costs. Mr. Lutz
18 responded Centerville had a 23% residential rate as of last December. Mayor Russell reminded
19 those present that the purpose of the public hearing is to hear comments about the proposed
20 budget amendments. Mr. Bingham stated he feels the subscription rate must be increased in
21 order to make UTOPIA a success. He disagrees with the idea that the average revenue per
22 user is more important than the subscription rate. Mr. Bingham feels the proposed subsidy
23 should be considered a loan that will be paid back to the cities. He agrees with requiring
24 UTOPIA to account for its progress. He views the situation as a financial crisis for the City and
25 feels that quarterly check-ups should occur. He thinks it is a shame that a current Council
26 member is not serving on the UTOPIA Board or the UIA Board. Mayor Russell responded that
27 as of last month he is the representative on the UIA Board.

28
29 Jerry Cook – Mr. Cook feels government should act more like a business with fiscal
30 responsibility. To that end, he is not aware of many business relationships where profits and
31 losses are not shared equally. He feels the claim made by UTOPIA ten years ago that high
32 speed internet was not available in Centerville was not true. He recommended the Council
33 stand firm and honor obligations, paying Centerville's share but not paying someone else's
34 share. He was opposed to UTOPIA at the start, but he now hopes it succeeds. He cautioned
35 the Council to look at the whole accounting picture. He has been disappointed in the way that
36 the RAP tax has been implemented. It is his understanding that there is no money left for
37 recreation and parks. The Recreation Arts and Parks Tax has become an Arts Tax. He feels if
38 Centerville doesn't have the money, it doesn't have the money. He hopes the Council will listen
39 to the people and value the feedback they receive. Mr. Cook thanked the Council for all the
40 work they do. Mr. Thacker commented that with a recent increase in Park Impact Fees, the
41 expansion of Community Park will begin this year.

42
43 Kyle Green - Mr. Green asked how many of the Council members subscribe to UTOPIA.
44 Many of the Council members indicated they subscribe. Mr. Green feels Centerville should own
45 up to its current obligation, but not put more into it until a business plan is in place. No business
46 can operate in the red. He feels government should be held to business standards. Mr. Green
47 thanked the Council for what they do.

48
49 Lee Skabelund – Mr. Skabelund feels everyone has a different condition and situation.
50 He is glad to hear the assessment is being viewed as a loan. He stated he does not generally

1 give loans to his tenants, but he acknowledged there are circumstances when it is appropriate
2 after carefully vetting the situation. He feels Centerville is serving 24% of the population with a
3 luxury. Government should provide basic needs and basic services that serve all citizens. Mr.
4 Skabelund doesn't want to see UTOPIA fail, but he does not see a need for it in his home. He
5 suggested an incentive for customers who recruit new customers. He believes the City should
6 tighten its belt and stick with the basics. He would like to see UTOPIA succeed.
7

8 Peter Weeden – Mr. Weeden chose to go with UTOPIA because of the cost advantage
9 and feels it has worked out well. He enjoys the service. As an effort to boost the subscription
10 rate, he asked if the City could include information in the City newsletter regarding how much it
11 would cost citizens to connect to UTOPIA and how much the monthly cost would be.
12

13 Scott VanOrman – Mr. VanOrman feels the City should be judicious and careful in using
14 funds. He requested the City hold on borrowing or using funds that were committed to other
15 things before allocating them to service operating costs of UTOPIA. He asked if there is a way
16 to increase revenues by increasing subscriptions. He is not a UTOPIA customer. He does not
17 feel it would be practical for the needs in his home. The Council commented that UTOPIA now
18 offers several different connection options. Mayor Russell added that City resources cannot be
19 used to market for UTOPIA. Mr. VanOrman acknowledged that many more subscribers are
20 needed to make UTOPIA successful in Centerville. He feels UTOPIA should have to frequently
21 report on progress before additional funds are given.
22

23 Carl Roberts – Mr. Roberts is a UTOPIA subscriber. He supports Councilman Wright's
24 comments.
25

26 Kyle Green – Mr. Green stated he agrees with the comment that UTOPIA will become
27 an antiquated service as wireless becomes more popular. He also stated that if UTOPIA cannot
28 be profitable there is nothing wrong with letting it fail. He feels there should be a plan in place
29 before more money is spent.
30

31 Mayor Russell closed the public hearing at 9:50 p.m. Mayor Russell is confident that the
32 vote of the UIA Board will be in favor of the 50/50 formula. Councilman Higginson stated that
33 regardless of what the Council decides, if any other city refuses to pay, their portion will have to
34 be reallocated. Mayor Russell added that the amount allocated in the Budget will show what
35 Centerville is willing to pay regardless of the formula decided upon. Mr. Thacker feels the
36 \$73,000 would be a show of good faith and would put pressure on UTOPIA to not ask for more
37 in the current fiscal year. He is anticipating UTOPIA will report better revenues next week. Lisa
38 Romney sees an advantage in the Council taking a vote to show the Board that Centerville is
39 willing to participate but only up to a certain point. She agreed with the Mayor that Centerville
40 does not have a significant vote, but she feels the Board will consider Centerville's position and
41 that a budget allocation would give a strategic advantage. Councilman Averett feels allocating
42 the proposed amount of up to \$73,000 would be validating the 6.5% assessment, which he does
43 not support.
44

45 Mayor Russell stated that when the process began, the cities agreed to a percentage of
46 the bond debt and it was anticipated that operating expenses would come out of the bond debt.
47 To avoid borrowing for operating expenses like the Federal Government, a new way to cover
48 operation costs needs to be negotiated and agreed on. Each city has its own interests and its
49 own perception of what is fair. Mayor Russell feels the 50/50 formula reflects the different
50 interests and is as fair as possible in this situation. He agreed with Councilman Wright that

1 there is still a lot of work to do to build-out the Plan. The Mayor pointed out that the OpEx
2 subsidy will only be necessary in the short-term. He thinks there will be significant drops in the
3 operating deficit in the future. Mayor Russell stated he thinks it makes sense to support the
4 proposal and make the budget amendment now, sending the message that Centerville wants to
5 cooperate with the conditions discussed. He said the percentages will be examined and
6 adjusted quarterly to accurately reflect the level of assets in each city.

7
8 Councilman Wright stated the problem is that the operating deficit does not represent the
9 total costs for operations. He feels a lot of the decisions are being based on assumptions that
10 are not proven yet. He would like to stick with the 3.3%, and agree to the 6.5% only when
11 certain conditions are met. He would like to see a business plan that has meat to it and has
12 metrics included. Councilman Wright thinks it is a bad idea to look for revenue by expanding
13 into non-UTOPIA cities. As a City he feels Centerville has been a team-player all along. The
14 cities with majority votes chose to build-out the network in areas where revenue would not be
15 significant, and he feels a solution should be found that stays within the framework originally
16 agreed on.

17
18 Councilman Allen does not like the amount that the City pays for UTOPIA every year.
19 He would like to see those funds used for something else. However, he feels the City's vote in
20 favor of the refinance has been validated. He agreed with an earlier comment that wireless will
21 be important in the future, but fiber to the home will be "it" moving forward. He does not feel the
22 UTOPIA technology will be outdated anytime soon. Councilman Allen supports the idea of
23 having elected officials on the Board, but does not think it is fair to claim UTOPIA has been
24 making decisions like a chicken running around with its head cut off. The last six months there
25 has been an effort to improve, strategically, how things are run. He feels if the City wants to be
26 taken seriously and have a say in what happens moving forward, it will have a stronger position
27 if the Council continues to be a team-player. He believes there is some fairness to having a
28 little more responsibility for the operating expenses since Centerville is fully built-out, and he
29 could support the 6%. He also feels it could be defensible to refuse to pay more than the 3.3%.
30 He is glad there are more positive feelings about UTOPIA in general. He paid the \$2750
31 connection fee upfront and has been happy with the service. He commented that even those
32 not subscribing to UTOPIA have benefited because other companies have had to stay
33 competitive.

34
35 Councilwoman Lindstrom agrees with Councilman Allen that improvements have been
36 made. She sees the positive changes that have been made and at the same time does not feel
37 she is blind to the problems involved. She supports the 50/50 formula and could live with the
38 3.3% as well, but she adamantly feels the proposed conditions should be attached.

39
40 Councilman Averett has never supported additional funding for UTOPIA during his five
41 years on the Council. He referred to the comments that UTOPIA should be treated like a
42 business and asked why money should be put into a business that is not profitable. He feels it
43 is the responsible thing to do to get out. He stated UTOPIA has been in business for 10 years,
44 has spent half of a billion dollars, and has 10,000 customers. They have added 1,000
45 customers per year at a cost of \$47,000 per customer. Centerville is going to pay almost half a
46 million dollars towards UTOPIA this year. The City is subsidizing each of the Centerville
47 UTOPIA customers \$547 per year. He cannot support continuing to put good money after bad,
48 and does not support approving any funds for UTOPIA.

1 Councilman Allen pointed out that Centerville does not have the option to pull out at this
2 time. Councilman Averett believes Centerville can vote no just like Payson did. Councilman
3 Allen stated that, if Centerville had chosen to pull out before the refinance like Payson did it
4 might have been an option, but at this point it is not.

5
6 Councilman Higginson has carefully considered his decision. He feels UTOPIA is like a
7 snake eating its own tail - eating through the funds of member cities. Member cities knew they
8 would be part of the equation before the building phase began. The decision to build-out
9 Centerville was made by UTOPIA, not Centerville. He would feel differently about paying a
10 larger portion because of assets if Centerville had been a part of the decision to build-out. The
11 50/50 formula does not reflect that some of the assets were paid for by Centerville customers by
12 way of the connection fee. Councilman Higginson feels it is a risky loan and approves moving
13 forward with the previously agreed on 3.3% with the strict proposed stipulations in place.

14
15 Staff clarified that 3.33% is the City's pledge percentage for the UTOPIA debt, and
16 3.52% is Centerville's percentage of the UIA debt. Councilman Averett stated it does not matter
17 what the Council approves because the larger UTOPIA cities will determine Centerville's
18 allocation. If Centerville does not pay the full amount it will be seen as not pulling its weight and
19 not contributing.

20
21 Councilman Higginson made a **motion** that Centerville City contribute the original 3.52%
22 pledge amount, amending the FY 2013 Budget by up to \$40,000 for the UTOPIA OpEx
23 assessment conditioned upon: (1) approval of the assessment on a year by year basis; (2) the
24 assessment be classified as a loan to be repaid by revenues or lawsuit proceeds, whichever
25 comes first; (3) UTOPIA initiate the Baldrige methods or a similar program. Councilman Wright
26 suggested that the other proposed budget amendments listed in Resolution No. 2013-06 be
27 added to the motion and seconded the motion. Councilman Averett asked if the other budget
28 amendments could be voted on separately since he intends to vote against the UTOPIA
29 assessment but would like to vote in favor of the other budget amendments. Councilman Wright
30 withdrew his addition to the motion. The Council and staff discussed how to phrase the motion.

31
32 Councilman Higginson made a new **motion** to adopt Resolution No. 2013-06 amending
33 the Fiscal Year 2012-2013 Budget; provided the transfer for the UTOPIA expenditure for
34 operational assessments is changed to \$40,000 to reflect the City's UIA pledge participation of
35 3.52% and conditioned upon: (1) approval of the assessment on a year by year basis; (2) the
36 assessment be classified as a loan to be repaid by revenues or lawsuit proceeds, whichever
37 comes first; and (3) UTOPIA initiate the Baldrige methods or a similar program. Councilman
38 Wright seconded the motion, which passed by majority vote (4-1), with Councilman Averett
39 dissenting. Councilman Averett clarified that his dissenting vote is related to the UTOPIA
40 assessment. He is in favor of the other budget amendments.

41
42 **MAYOR'S REPORT**

43
44 Council members indicated to the Mayor they have found the goal setting process used
45 in the past to be valuable, including a work session with the Planning Commission.

CITY MANAGER'S REPORT

The new City website will be available for Council review within the next week or two. Staff would appreciate Council feedback by the end of February. The website will be launched in March.

City Manager Thacker reported that Chick-Fil-A plans to open by the end of the year. Plans for a four-story office building on the west side of the freeway are under review, as well as plans for a retail building in the Legacy Crossing development. Wasatch Running currently has an option on the property north of Iggy's.

MISCELLANEOUS

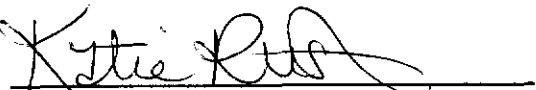
Mayor Russell recommended that Melinda Mitchell be appointed to another three-year term on the Landmarks Commission. Councilman Averett made a **motion** to reappoint Melinda Mitchell to the Landmarks Commission. Councilwoman Lindstrom seconded the motion, which passed by unanimous vote (5-0).

ADJOURNMENT

At 10:45 p.m. Councilwoman Lindstrom made a **motion** to adjourn the Council meeting. Councilman Allen seconded the motion, which passed by unanimous vote (5-0).


Marsha L. Morrow, City Recorder

3/5/13
Date Approved


Katie Rust, Recording Secretary



CENTERVILLE CITY COUNCIL MEETING

Tuesday, Feb 5, 2013
7:00 p.m.

NAME (PLEASE PRINT)	ADDRESS**
Nancy Scott	1237 N. 575 W
Sam Smith	" "
Dan Barber	84 W 1350 N
Jeff Thomas	225 E. 800 So.
Trick Bingham	290 E. Casa Loma Dr.
Josh Pace	1215 S. Cave hollow lane
Emily Pace	1215 S cave hollow
Heather Campbell	579 E Pages Ln
Zeke Green	579 E Pages Ln
Kyle Green	250 N 650 E
Taylor Money	355 S 160 W
Jackson movie	79 W 1350 N Beautiful
Tim Rusnforth	110 W walton Ln
Matt Rusnforth	110 W walton Ln.
JAKE MARSHALL	104 Klorintine lane
CJ Wang	88 W 50 S FZ
Cory Monley	355 S- 160 W.
Joshua Boon	740 E 700 S
John Boon	"
Keri VanOrman	55 E 475 S (Canyon Breeze)
Alli VanOrman	" "
Cherie L. Lisk	478 E. 1200 N-

** Your address will be used only in the event the City staff needs to contact you pertaining to an issue discussed in the City Council meeting.

CENTERVILLE CITY COUNCIL MEETING

Tuesday, Feb 5, 2013
7:00 p.m.

NAME (PLEASE PRINT)	ADDRESS**
NEIL J. LISH	478 E. 1200 N
Jim Higbee	26 W Bradley Dr
TRAVIS DAVIS	111 CANYON BREEZE
Charlie Rawlin	439 Racine
Charlie Johnson	
Lee Skabelund	466 E. 200 S.
Dixie Lee Skabelund	11 11
Allen Wells	720 North Main
Travis K. Campbell	683 So. 850 E
Jerry Cook	631 Pheasant Way - 84014
Kyle & Aimee Roberts	498 N MAIN
Ginny Averett	556 W 250 N.
Bruce Smith	75 East 100 North
Susan Sperry	895 S. 300 E.
Noah Anderson	90 E 735 S Centerville
Joseph Houley	426 S. 300 E. Cent.
Sam Erickson	169 E. Canyon Breeze Dr.
Cameron Hatch	48 E Canyon Breeze Dr
Creed Hatch	11
Scott VanOrman	55 CANYON BREEZE DR
Dixie Lee Skabelund	
MARK ORIGSCHAEGER	1787 N 300 W

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