The following are the minutes of the Work/Study Meeting of the Springville City Council. The meeting was held on **Tuesday, July 17, 2012 at 5:15 P.M.** in the Springville City Civic Center, Council Chambers, 110 South Main Street, Springville, Utah. Adequate notice of this meeting, as required by law, was posted in the Civic Center, on the City’s website, and delivered to members of the Council, media, and interested citizens.

Mayor Wilford W. Clyde presided. In addition to Mayor Clyde, the following were present: Councilmember Chris Creer, Councilmember Mark Packard, Councilmember Dean Olsen, City Administrator Troy Fitzgerald, City Attorney John Penrod, and City Recorder Venla Gubler. Also present were: Community Development Director Fred Aegerter, Generation Foreman Shawn Black, Public Safety Director Scott Finlayson, Power Director Leon Fredrickson, Recreation Director Charles Keeler; Operations Manager Rod Oldroyd, Finance Director Bruce Riddle, Buildings and Grounds Director Alex Roylance, Public Works Director Brad Stapley, and Library Director Pam Vaughn. Councilmember Child and Councilmember Jolley were excused.

**CALL TO ORDER**

Mayor Clyde called the meeting to order at 5:15 p.m. He excused Councilmember Child and Councilmember Jolley.

**COUNCIL BUSINESS**

1. **Minutes**
   
   COUNCILMEMBER OLSEN MOVED TO APPROVE THE MINUTES OF MAY 29, 2012 AS CORRECTED. COUNCILMEMBER PACKARD SECONDED THE MOTION, AND ALL PRESENT VOTED AYE.

2. **Calendar**
   
   - July 24 – Pioneer Day, City Offices Closed
   - August 7 – Work/Study Meeting 5:15 p.m., City Council Meeting 7:00 p.m.
   - August 14 – Work/Study Meeting 5:15 p.m.
   - August 21 – Work/Study Meeting 5:15 p.m., City Council Meeting 7:00 p.m.
   - September 3 – Labor Day, City Offices closed
   - September 4 – Work/Study Meeting 5:15 p.m., City Council Meeting 7:00 p.m.

   Administrator Fitzgerald asked about scheduling a Mid-Year Retreat to discuss policy issues with the Council. He suggested the last week of September on the 24th to 25th. He
explained how the Mid-Year Retreat was scheduled in previous years as an overnight excursion with spouses, or as a day-long event. It was decided to pencil in September 24th afternoon and September 25 morning for this event. Mayor Clyde asked if there were any other calendar items. There was none.

3. **Discussion on this evening’s Regular Meeting agenda items**
   a) Invocation – Cl. Child
   b) Pledge of Allegiance – Cl. Creer
   c) Consent Agenda
      2. Approval of all City purchase orders properly signed (Springville City Code §2-10-110(5))
      3. Approval and consent to the recommended Arts Commission Grants – Charles Keeler, Recreation Director
      4. Approval and authorization to sign the 2012 Municipal Recreation Grant contract with Utah County – Charles Keeler, Recreation Director

Mayor Clyde reported that Item #3, Arts Commission Grants, is being pulled by the Director. Administrator Fitzgerald noted that the item can be deleted from the agenda with the motion to approve the agenda, or in the motion to approve the consent agenda. Mayor Clyde asked if there were any questions on the agenda. There was none.

4. **DISCUSSIONS/PRESENTATIONS**
   a) Presentation of concept ideas for the Civic Center Park and Water Feature – Alex Roylance, Buildings and Grounds Director

Director Roylance reported that his intent for this presentation is to get the Council’s input on the design of the water feature and the Civic Center Park. He informed the Council that an RFP had been let out and MGB+A had been hired to be the architect on this project. He listed some of their subcontractors that will help with the water feature design and engineering. He has taken the Council’s suggestions to MGB+A, and they have created a concept plan. He presented the suggested concept plan to the Council. He noted that the water feature has been moved to the west and the restroom to the south. The walkways have been connected to facilitate pedestrian traffic. He noted the fences have been continued along the police parking lot and building, and the fire department building and parking lot have been fenced. Director Roylance listed the features of the water element: stream, sprayers, sculpture, and seating for watching parents. He reported that the concept has been designed to preserve green space, and to facilitate access and traffic flow. He added that a meeting with contractors has been scheduled for Friday. The park is scheduled for completion by November, and it will be open to the public next spring.

Councilmember Olsen asked about the sprayers. Director Roylance replied that the sprayers would be mixed to jet in several directions on a program that will be activated by the presence of children in the area. He was asked the area encompassed by the water feature. Director Roylance replied that the feature was 150-feet long or about from the wall of the old
library to the middle of the old parking lot. The Council complimented Director Roylance on the concept and design and gave him the authority to proceed.

b) Discussion concerning the installation of base-load generation at the Whitehead Power Facility – Leon Fredrickson, Power Director

Mr. Shawn Black, Generation Foreman of the Power Department, reminded the Council that the City is looking to replace some base load contracts that are ending, so the Power Board and the Department has been exploring resource options. One of the options is what he would like to discuss with the Council tonight—the purchase of CAT generation equipment to install in the Whitehead facility with a hedged fuel contract. He reported that a 10-year hedged fuel contract is available now. He presented an overview on the recommended generating engines, the CAT CG260. He reported that the engines are built by a German company acquired by CAT in 2011, and that German technology is ahead of the U.S. in fuel management. He offered a short history of Mechanical Workshop Mannheim founded by Carl Benz in 1871. He listed some of the advantages that prompted the acquisition of the company by CAT.

Mr. Black reported that the proposed genset would produce 8966 BTU at 4,000-feet for a 41.9-percent efficiency rate. Emissions would be a low rate of 0.5 g/bhphr Nox, and would run a recommended 80,000 hours before a major overhaul would be needed. He presented a chart showing the cost of the project with a 20-year payoff at 4-percent and $3.00 fuel cost based on the utilization. He noted that the costs are comparable to current costs for the purchase of energy.

Mr. Black reviewed the benefits of the project. He stated that the purchase of the gensets would give the City a locally controlled resource at a competitive cost per megawatt hour. They have a high electrical efficiency rate, long engine life, low maintenance, and industry-leading product support from Wheeler/Caterpillar. He offered an installation timeline to the Council. He added that these units, in addition to the existing gensets in the Whitehead facility, would allow the use and then replacement of the older engines in the facility. There is also the possibility of expanding the Whitehead facility and offering the generation to UAMPS partners as another project that will reduce the cost to the City.

The Council discussed the price of coal generation and gas generation on the market. Transmission costs were also discussed. Councilmember Packard asked if the projected costs include bonding costs. Mr. Black replied yes. Councilmember Packard asked about the useful life of the genset. Mr. Black replied that the units are expected to run 80,000 hours before a rebuilt is necessary. Mr. Black introduced Mr. Steve Green from Wheeler to answer questions about the genset. Administrator Fitzgerald commented that one advantage for Springville to this proposal is that the staff is trained to operate and repair the gensets. Mr. Black commented that if the City decides to present the proposal to UAMPS, the City can charge the other participants for operational expenses. Councilmember Packard asked if there is interest from other cities in this option. Director Fredrickson replies yes. He reported that one particular entity is experiencing exponential growth, but has no peaking generation. They would like to use the generation to meet their peaking load needs, while Springville is looking to meet their base load needs.
Councilmember Packard asked about locking in fuel prices. Mr. Black replied that there are contracts available for a 10-year period. Director Fredrickson cited an example of the shared genset project in southern Utah. Mayor Clyde asked the useful life of the existing gensets in the Whitehead facility. Mr. Black replied that the facility currently consists of three 7-MG units and one 5-MG unit that have 3,000 to 5,000 hours each. The units are rated to run 30,000 hours before a major rebuild. However, the company that produced the units has gone out of business and parts may be hard to get. The heat rate is okay in today’s market, but running them makes it hard to meet the pricing of the market. Administrator Fitzgerald commented that where the City used to spend $1 on fuel, now the cost is $0.85. The Council and Mr. Black discussed how and when the current gensets are used to cover the current loads. Mr. Black commented that the CAT gensets can be used to replace the older gensets as they deteriorate without bonding, by using the Department’s reserves, or by using income from other cities in a UAMPS project to offset costs. This approach would use the existing infrastructure to create income. It was noted that the current air permit would cover the new engines along with the old engines. The Council gave authority to pursue a project with UAMPS and the purchase of the CAT gensets with a fuel contract. It was reported that the contracts would come back to the Council for final approval.

c) Discussion regarding the City’s experience on facility rental – Troy Fitzgerald, City Administrator

Administrator Fitzgerald observed that the City now has 2-years’ experience with the rental policy and he would like to ask three questions. 1) Is the Council happy with the utilization of the facilities? 2) Would the Council consider a charge for set up and audiovisual support? 3) Would the Council like to look at letting the department running the facility to directly benefit from the rental income? Administrator Fitzgerald commented that he does have some “war stories” on the success of the policy, and there has been mixed success. He listed some of the issues to be resolved—audiovisual support, confusion on the deposit policy, staff support for closing a facility, loopholes in the policy that allow questionable events, and commitments for service projects by charitable organizations to enable a fee waiver.

Mayor Clyde commented that he expects the service project to be completed before a fee waiver is granted. Administrator Fitzgerald replied that the City has received applications one-day in advance of a proposed event and in an effort to provide enhanced customer service, the staff accepted a commitment for the future. Councilmember Packard agreed that the City should not accept a commitment, but expects the service to be completed in advance. He suggested communicating this expectation to the service organizations in Springville. Mayor Clyde agreed that the application for a waiver should be done in writing well in advance so the service project can be completed before the projected event date. Councilmember Olsen asked about the quality of the completed service projects that have been accepted. Administrator Fitzgerald replied that the work done has been beneficial, but the projects have been done by kids as a rule.

Administrator Fitzgerald asked about the Council’s interest in an additional charge for audiovisual support and set up of a room. Mayor Clyde pointed out that most users have no
knowledge of the facility. Councilmember Packard agreed and noted that the user should pay for the service. The Council agreed.

Administrator Fitzgerald asked about allowing a direct benefit as an incentive to make the facility available. Mayor Clyde suggested a split like the Museum. He recommended the direct benefit be enough to cover the costs and a little extra.

Mayor Clyde asked about restricting events and some activities in City facilities. The Council discussed fundraisers, and businesses using facilities as their base of operations. Mayor Clyde contended that some activities are inappropriate and should be monitored. He added that commercial uses should be limited. He commented that the City cannot provide everything to everyone. Administrator Fitzgerald commented that the changes would be incorporated into the policy and then brought back to the Council for approval.

Mayor Clyde asked if there was other discussion or comment. There was none.

5. CLOSED SESSION – TO BE ANNOUNCED IN MOTION

The Springville City Council may temporarily recess the meeting and convene in a closed session to discuss pending or reasonably imminent litigation, and the purchase, exchange, or lease of real property, as provided by Utah Code Annotated §52-4-205.

There was no closed session.

ADJOURNMENT

COUNCILMEMBER PACKARD MOVED TO ADJOURN THE WORK/STUDY MEETING AT 6:40 P.M. COUNCILMEMBER OLSEN SECONDED THE MOTION, AND ALL VOTED AYE.