



**MINUTES OF THE REGULAR MEETING
OF THE CITY COUNCIL
OF THE CITY OF SPRINGVILLE, UTAH
COUNCIL CHAMBERS, 110 S. MAIN STREET
OCTOBER 4, 2011 – 7:00 PM**

The following are the minutes of the Regular Meeting of the Springville City Council. The meeting was held on **Tuesday, October 4, 2011 at 7:00 PM** in the Springville City Civic Center Council Chambers at 110 S. Main Street, Springville, UT. Adequate notice of this meeting, as required by law, was posted in Civic Center, on the city's website, on the State of Utah's Public Notice 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 Phillip Bird, Councilmember Dean Olsen, Councilmember J. Niel Strong, City Administrator Troy Fitzgerald, City Attorney John Penrod, and City Recorder Venla Gubler. Also present were: Power Generation Superintendent Matt Hancock, Power Director Leon Fredrickson, and Public Works Director Brad Stapley.

CALL TO ORDER

Mayor Clyde opened the meeting at 7:01 PM with the welcome to Council, staff, and visitors.

INVOCATION AND PLEDGE

Councilmember Bird offered the invocation. Councilmember Olsen led the Pledge of Allegiance.

APPROVAL OF THE MEETING'S AGENDA

COUNCILMEMBER BIRD MOVED TO APPROVE THE AGENDA AS WRITTEN. COUNCILMEMBER STRONG SECONDED THE MOTION, AND ALL PRESENT VOTED AYE.

APPROVAL OF THE MINUTES

COUNCILMEMBER BIRD MOVED TO APPROVE THE MINUTES OF JULY 19, 2011 AND SEPTEMBER 20, 2011 AS WRITTEN. COUNCILMEMBER OLSEN SECONDED THE MOTION, AND ALL VOTED AYE.

MAYOR'S COMMENTS

Mayor Clyde mentioned that Councilmember Jolley was ill, and Councilmember Packard was out of town. He excused both of the Councilmembers. He noted that there were no Scouts, students, or visitors in the audience. Mayor Clyde asked Sergeant Turnbow to make the introduction of the new City police officer. Officer Mike Stanton was introduced. Officer Stanton reported that he is an eight-year resident of Springville. His previous employment was as a self-employed framing contractor. Administrator Fitzgerald reported that the City had over 100

applicants for this position. The applicants went through extensive testing, both physical and written. Mr. Stanton was the top candidate. Mayor Clyde asked if there was any schooling required. Mr. Stanton replied that he had attended the Police Academy.

PUBLIC COMMENT

There was no public comment.

CONSENT AGENDA

1. **Approval of all City purchase orders properly signed** (Springville City Code §2–10–110(5))
2. **Approval of a Resolution requesting Recertification of the Springville City Justice Court** – John Penrod, City Attorney
3. **Approval of a Resolution establishing rates and fees for use of the Springville City Municipal Culinary Water System** – Brad Stapley, Public Works Director

COUNCILMEMBER OLSEN MOVED TO APPROVE THE CONSENT AGENDA AS WRITTEN. COUNCILMEMBER STRONG SECONDED THE MOTION. THE VOTE IS RECORDED AS FOLLOWS: COUNCILMEMBER OLSEN – AYE; COUNCILMEMBER BIRD – AYE; AND COUNCILMEMBER STRONG – AYE.

Administrator Fitzgerald mentioned that the City's Justice Court meets all the requirements of a Class I Court, although it is a Class II Court at present. Mayor Clyde asked about the difference between Class I and Class II courts. Attorney Penrod replied that the classification depends on the number of cases. Administrator Fitzgerald added that the Class I court requires full-time clerks, and special places like a jury room, etc. The current facility meets all the requirements and will transition to a Class I when the time comes. Mayor Clyde asked if the Judge has to have a law degree in order to serve in a Class I Court. Administrator Fitzgerald replied no, not at this level. He added that the Judge would have to go full-time. The current Justice Court Judge is part-time. Mayor Clyde asked if the Judge holds another job. Attorney Penrod replied yes and listed the Judge's other positions as Mapleton Justice Court Judge, and lawyer in a private firm. The Council discussed the Judge's pay.

MAYOR, COUNCIL, AND ADMINISTRATOR REPORTS

Mayor Clyde opened the meeting to Generation Superintendent Matt Hancock to introduce a presentation by Alpentel Biogas. Superintendent Hancock reported that the City has been working on projects that will move the City away from coal-based to environmentally conscious projects. They are also looking for baseload projects. He reported that Springville is not the only entity looking for environmentally conscious projects. Los Angeles is looking at converting the Delta plant to gas. Springville has talked to Alpentel Biogas about their project in Milford, and would like to present this project to the Council for their consideration. He introduced Mr. Paul Stephan, managing partner, Brady Olsen, vice president, and his companions to the Council.

Mr. Stephan introduced a 4 minute video, and explained that the project uses agricultural waste (methane) for power generation. They're working on selling out the first phase of their project in Milford. Mayor Clyde asked for more information about Alpentel Biogas. Mr. Stephan replied that he and his partners have eight-years' of experience, but formed this company two-

years ago. They're based in Provo. They have their own equity to invest in the project. Their goal is to match a competitive market and to help maintain power rates in Springville.

Mr. Olsen was asked to explain the process in Milford. Mr. Olsen replied that the company uses swine waste from the Circle-4 hog production company. This company produces 1-million hogs per year, shipping to California. Their waste management system currently releases the methane to the air. They have contracted to divert the waste to digesters where the decomposition process is accelerated, and the methane gas captured, treated, and pressurized. It is fed to CAT engines that are used for power generation. The waste heat from the engines is used to maintain the digesters. He noted that the waste is released back to the farm after this process. Mr. Olsen reported that this is not a new process. It is done on a global basis. The technology is not new. He noted that the only down time on the engines is for maintenance. Mayor Clyde asked how much power would be generated in the project. The replied was 1.6 MW per engine or 3.2 MW total.

Councilmember Strong asked what protection the City has if the hog farm closes. Mr. Jordan replied that the company has mitigated this possibility by choosing the largest and most profitable farm in Milford. This farm has plans to expand. The company's contract with the farm also helps to mitigate this eventuality. He noted that the farm has been around for a long time and it is reasonable to assume that they will stay. This is the reason they chose this producer to work with on this project.

Councilmember Strong asked about transmission of the power from Milford to Springville. Mr. Hancock replied that the City has negotiated a power purchase agreement (PPA) that is almost complete, and includes transmission through UAMPS' system. Councilmember Niel asked the cost of the power. Mr. Jordan offered the cost numbers and noted that this cost is lowered through government incentives. Councilmember Strong asked if Springville is the only participant in this project. Mr. Jordan replied that the company has opened the project to other participants, but at this stage they only have two engines and Springville is interested in the full capacity of these engines. Councilmember Strong asked how much risk there would be for Springville. He asked how much cash is required up front. He asked if this is a UAMPS project. Superintendent Hancock replied that Springville is not going to be a partner in the project, only a purchaser of the power. This is not a UAMPS project, but the Association is willing to schedule the transmission of the power. Director Fredrickson added that the City has built-in protection in the power purchase agreement. Mr. Jordan reported that Alpentel Biogas would remain the capital owners of the project, and Springville would be the purchaser of the power produced. Councilmember Bird asked the length of the power purchase contract. The reply was 12 years.

Mayor Clyde asked how this biogas project benefits the Circle-4 Ranch. Mr. Jordan replied that the Alpentel Biogas pays them a royalty; it helps them meet their EPA mandate voluntarily; and it extends the life of their waste management system. Administrator Fitzgerald reported that this is not new technology and the City has investigated a similar system for the power plant on 900 North. Mayor Clyde asked why the process by-products are not sprayed on crops as he has seen done at similar projects in the eastern United States. Mr. Jordan replied that the farm does not produce any crops, but imports all food for the hogs.

Councilmember Strong asked the timing on this contract. Mr. Hancock reported that the draft power purchase agreement had already been presented to the Power Board. He hopes to bring it to the City Council for approval of a final agreement soon. Mayor Clyde asked for more

information on the company, Alpentel Biogas, and its principals before this item comes to the Council. He thanked everyone for the presentation.

Attorney Penrod reported that the library had started to move today into their new building. The punch list had been prepared on September 26 with a 30 day deadline to complete the items on the list. Mayor Clyde noted a chain on the doors. Attorney Penrod reported that there had been a mistake and some rekeying of the doors had to be completed at the last minute. Mayor Clyde asked about the landscaping. Attorney Penrod replied that it was almost complete. Administrator Fitzgerald reported that the project is under budget and has received a temporary certificate of occupancy. He noted that over 50 volunteers have been moving the books. The shelving is in place; however, the furniture would be installed after the books were moved. Mayor Clyde asked about plans for the old building. Administrator Fitzgerald replied that although the Council had probably received a note from a citizen, the heater was inoperable, so water and other utilities would have to be shut off for the winter. There is a Playhouse production in the facility until the end of October, but after that it would be closed. The plan is to demolish the building in late winter so the property is ready for landscaping in early spring.

Mayor Clyde asked if there were other reports. There was none.

CLOSED SESSION

4. *The Springville City Council may temporarily recess the regular 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.*

COUNCILMEMBER BIRD MOVED TO TEMPORARILY ADJOURN THE REGULAR MEETING AT 7:30 PM IN ORDER TO CONVENE A CLOSED SESSION FOR THE PURPOSE OF DISCUSSING THE PURCHASE, EXCHANGE, OR LEASE OF REAL PROPERTY. COUNCILMEMBER STRONG SECONDED THE MOTION. THE VOTE IS RECORDED AS FOLLOWS: COUNCILMEMBER BIRD – AYE; COUNCILMEMBER STRONG – AYE; AND COUNCILMEMBER OLSEN – AYE. THE MOTION CARRIED UNANIMOUSLY.

THE MEETING WAS RECONVENED AT 8:17 PM.

ADJOURNMENT

COUNCILMEMBER BIRD MOVED TO ADJOURN THE CITY COUNCIL MEETING AT 8:18 PM. COUNCILMEMBER OLSEN SECONDED THE MOTION, AND ALL PRESENT VOTED AYE.