

**Tooele City Council
Business Meeting Minutes**

Date: Wednesday, December 1, 2010
Time: 7:30 p.m.
Place: Tooele City Hall Council Chambers
90 North Main Street, Tooele Utah

City Council Members Present:

Scott Wardle, Chair
Mike Johnson
Steve Pruden
Dave McCall
Shawn Milne

City Employees Present:

Mayor Patrick Dunlavy
Glen Caldwell, Finance Director
Roger Baker, City Attorney
Paul Hansen, City Engineer
Sharon Dawson, City Recorder
Lisa Carpenter, Deputy Recorder
Rachelle Custer, City Planner
Chief Ron Kirby, Chief of Police
Cary Campbell, Public Works Director
Jaclynn Sagers, Communities that Care Director
Randy Sant, RDA Consultant

Others Present:

Debbie Winn, Chamber of Commerce
Tim Gillie, Tooele Transcript
Superintendent Terry Linares

Minutes prepared by Elisa Jenkins

Chairman Wardle called the meeting to order at 7:30 p.m.

1. Pledge of Allegiance

The Pledge of Allegiance was led by Boy Scout Zeke Bogwell.

2. Mayor's Community Recognition Awards

Presented by Mayor Patrick Dunlavy, Chief Ron Kirby, and Jaclynn Sagers

Mayor Dunlavy thanked all those who came to support the special young people who will be receiving this award. He appreciates the opportunity to recognize these students. He thanked the families for their support and the important role they play in their student's life. He feels that it is very important to recognize the youth in the community for their efforts.

Ms. Jaclynn Sagers explained that each student will receive a bag filled with items from local businesses along with items from Tooele City. Ms. Sagers then presented the Mayor's Community Recognition Awards to the following students:

Sydney Orton, Harris Elementary
Caterina Zapata, Northlake Elementary
Rylie Grissetti, West Elementary
Chase Larsen, Overlake Elementary
Baylee Weyland, Settlement Canyon Elementary
Taryn Wolfe, Copper Canyon Elementary
Slate Groskreutz, East Elementary
Emma Wasson, Middle Canyon Elementary

Ms. Sagers informed the parents that there is a brochure in the bags that the students received explaining the Guiding Good Choices program and invited anyone interested to please call her. She thanked all those who came. She also recognized Superintendent Terry Linares and thanked her for her support to the Communities that Care program.

Mayor Dunlavy congratulated the recipients of this award. He thanked the families again for the support they give these students. He explained that the Communities that Care program is in the schools helping students with every day situations. He said that he is very proud of these students. He also thanked Superintendent Linares and Tooele School District for their support of this program.

A brief recess was taken for a picture with the Mayor.

3. Open Forum for Public Comment

Chairman Wardle welcomed the Boy Scouts who were in the audience working on merit badges.

Chairman Wardle invited anyone from the public who would like to come forward and address the Council to do so.

Superintendent of Tooele School District Terry Linares addressed the Council. Superintendent Linares thanked the City Council and the Mayor for their support of the Community Learning Center and the donation of land to build the building. She also thanked them for their support of Tooele School District. She stated that the Community Learning Center is a great asset to the community and students are using it everyday. She introduced Mark Ernst who got the Community Learning Center up and running.

Mark Ernst addressed the Council. He thanked the Council and the Mayor for the donation of land for the Community Learning Center and their support. He stated that the center is great for the students and it is wonderful that these students are able to stay in Tooele instead of going into Salt Lake.

Superintendent Linares also thanked Chief Kirby and his staff for helping at the Community Learning Center. She invited anyone who has not seen the building to stop by.

Councilman Pruden recognized Mr. Sant and Mayor Dunlavy for their hard work and their efforts in getting the land for the Community Learning Center.

Councilman Wardle stated that it has made such a difference to keep these students in Tooele.

Debbie Winn with the Tooele County Chamber of Commerce addressed the Council. Ms. Winn echoed the words of Superintendent Linares. Ms. Winn stated that the Community Learning Center is a great asset for the Chamber. She thanked the Council and the Mayor for the use of City Hall for the Santa Parade which will be held Saturday December 4, 2010. The parade is sponsored by the Chamber of Commerce.

Chairman Wardle closed the open forum at 8:00 p.m.

4. Consideration for Adoption of a Resolution of the City Council of Tooele City, Utah, Authorizing the Issuance and Sale of \$4,600,000 Aggregate Principal Amount of its Taxable Sewer Revenue Bonds, Series 2010 (Federally Taxable-Issuer Subsidy-Build America Bonds); Confirming the Sale of said Series 2010 Bonds; Authorizing the Execution by the Issuer of a Second Supplemental Indenture, and other Documents Required in Connection therewith; and Authorizing the taking of all other Actions Necessary to the Consummation of the Transaction Contemplated by this Resolution; Providing a Severability Clause; and Providing an Effective Date

Presented by Lewis, Young, Robertson & Burningham

Mr. Burningham explained that these bonds are for the expansion of the sewer plant. He stated that the bonds will be sold in the next few weeks to the Community Impact Board (CIB) of the State of Utah. He credited the administration for their work and analyzing various options before bringing it before the Council. By using Build America Bonds this will save the taxpayers over the life of these bonds nearly a million dollars. The net effective interest rate for a 25 year term is below 3%. It has taken a little longer to get these bonds ready because they wanted to make sure they were using the most cost effective approach. Mr. Burningham distributed a debt service schedule to the Council and administration and reviewed it with them. He cautioned the Council as they look at

repair and replacement going forward that it is wise to look at the rate to make sure they are adequately funding the depreciation and replacement within the system. He stated that because of some of the cost saving benefits there will be no rate increase. They will be closing into an escrow with the CIB because there are certain conditions that will have to be met before they can get the proceeds released. The project will have to be bid out and they will have to have an acceptable bid. The cost associated with issuing the bonds would typically have to be paid by the city's general fund. But they found when looking at the city's other bonds that they have overfunded a debt service reserve fund by about \$154,000. They are recommending that the \$154,000 be released to be used for the cost of issuance of the bond and other project related costs. This consideration tonight will be the final authorizing resolution to enable the administration to sign all the closing documents and enter into the loan agreement with the CIB. He asked if the Council had any questions.

Councilman Pruden thanked Mr. Burningham and Mr. Sant for getting this completed. He also noted that with the expansion of the sewer plant it will also save the city each month the cost of disposing the bio solids as land application.

Chairman Wardle asked Mayor Dunlavy to explain for the benefit of the public what will be done at the sewer plant with this money.

Mayor Dunlavy explained the process that will be installed at the plant will take care of the bio solids with a drying process instead of land application, which is costly. They are also going to make improvements to the plant itself by adding an equipment building, adding a change room for the employees, and making some other improvements for employee safety. He also acknowledged Mr. Burningham, Mr. Sant, Mr. Baker, Mr. Campbell, and Mr. Hansen for their continued work on this. This has been in the works for a long time to make sure they get it right. They want to make sure the money they bond for will be used in the most cost effective way.

Mr. Burningham noted that this has been a long process but it has also been a significant longer term planning process. It has been a full capital facility finance planning process. They have looked at many financial options. This option will save nearly a million dollars. He is happy to recommend this to the Council.

Councilman Pruden wanted to include in his thanks Mayor Dunlavy, Mr. Hansen, Mr. Campbell, Mr. Baker, and Mr. Caldwell.

Chairman Wardle indicated that the administration and the Council became aware of the problems at the sewer plant about five years ago. He hopes that they are continuing to make the city's infrastructure better and provide this important service to the public.

Councilman Pruden moved to approve the Adoption of a Resolution of the City Council of Tooele City, Utah, Authorizing the Issuance and Sale of \$4,600,000 Aggregate Principal Amount of its Taxable Sewer Revenue Bonds, Series 2010 (Federally Taxable-Issuer Subsidy-Build America Bonds); Confirming the Sale of

said Series 2010 Bonds; Authorizing the Execution by the Issuer of a Second Supplemental Indenture, and other Documents Required in Connection therewith; and Authorizing the taking of all other Actions Necessary to the Consummation of the Transaction Contemplated by this Resolution; Providing a Severability Clause; and Providing an Effective Date. Councilman McCall seconded the motion. The vote was as follows: Councilman McCall, “Aye”, Councilman Johnson, “Aye”, Councilman Milne, “Aye”, Councilman Pruden, “Aye”, and Chairman Wardle, “Aye”.

5. Minutes: November 17, 2010; Work Session Minutes and Business Meeting Minutes

Councilman Milne moved to approve the minutes as presented. Councilman McCall seconded the motion. The vote was as follows: Councilman McCall, “Aye”, Councilman Johnson, “Aye”, Councilman Milne, “Aye”, Councilman Pruden, “Aye”, and Chairman Wardle, “Aye”.

6. Invoices

Presented by Sharon Dawson

Ms. Dawson presented the following invoices for payment:

- Russell Welding Corporation for waste water treatment plant upgrades in the amount of \$8,841.00.
- Mountain States Supply Company for approval of entire line item as this is a capital expenditure made on a needs basis exclusively for water meters in the amount of \$31,332.54.
- Warner Truck Center for one dump truck and plow in the amount of \$181,640.00.

Councilman Pruden moved to approve the invoices as presented by Ms. Dawson. Councilman Milne seconded the motion. The vote was as follows: Councilman McCall, “Aye”, Councilman Johnson, “Aye”, Councilman Milne, “Aye”, Councilman Pruden, “Aye”, and Chairman Wardle, “Aye”.

**7. Adjourn to a Closed Session to Discuss:
(a) Pending Litigation**

Councilman Milne moved to adjourn the meeting and meet in a closed session. Councilman Johnson seconded the motion. The vote was as follows: Councilman McCall, “Aye”, Councilman Johnson, “Aye”, Councilman Milne, “Aye”, Councilman Pruden, “Aye”, and Chairman Wardle, “Aye”. The meeting adjourned at 8:20 p.m.

Approved this 5th day of January 2011

Chairman Wardle