# A Ride from the Past on a Road to the Future

A History of Eagle Mountain



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Written By Marci Purnell

Edited By Leah Woodard

With Contributions By Mayors Hooge, Bond, Bateman, and Bailey

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## **Preface**

As with any city, a history helps to preserve a solid foundation and creates an identity for the citizenry who participated in its establishment and for those that follow afterwards. Without a record and knowledge of our past, we can not appreciate our future and we will inevitably repeat the past unnecessarily.

Marci Purnell, a graduate of BYU, was commissioned in April 2004 by Mayor Kelvin E. Bailey to assemble a compilation of personal interviews and research materials to construct a record of the history of Eagle Mountain. He felt it was important to put the facts together early on so that others might gain an appreciation of how the city came into existence and what led to the direction and path it has taken.

Marci spent many hours in her historical research, City Minutes, City Financial Records and review of interviews and emails with developers and citizens in order to create a story of the key events and people who played a major role in this great effort to build a city out of the desert, just as their forbearers had done over a 150 years ago.

By August of that same year and due to work and school demands placed upon Marci, she was unable to finish the entire writing of this history. Leah Woodard, also a graduate of BYU, as well as a former employee and resident of Eagle Mountain, was then commissioned to complete this challenging task.

Leah also spent many hours completing the work initiated by Marci, writing the story and verifying the assembled facts by communicating with Mayor Hooge, Mayor Bateman, Mayor Bond and Mayor Bailey and other city officials. This work is a result of the efforts of both Marci Purnell and Leah Woodard.

Their collective efforts will provide the foundation for future generations to keep the story alive and a recorded history of Eagle Mountain fresh in the memories of those that follow and available for the citizenry. However, this history can only be of value if the leaders of the future continue to keep a record of events in order to keep the story alive on "A Road to the Future".

# Acknowledgements

This history was written more from the perspective of those who came with a vision and a dream to achieve the uncommon. And without their courage and bold determination to do what few others could, this city would not exist today.

Regardless of your view on how things could or should have proceeded, the point is, they have been done. We are here today because those unique individuals made it all happen.

The public service of many who served on various boards, commissions and many elected officials helped to keep the dream alive and the energy to overcome the obstacles that would have been daunting to most. Building a new city would present unique challenges in this day and age; however, without the collective sacrifice of all, perhaps this history would have been much different.

We would like to thank all public servants, whether voluntary or compensated, for the sacrifice of time and energy which were equally important in creating and building a community that future generations could and should take great pride in.

May this story inspire others to serve and succeed and to know that we can each make a difference in the lives of others if we can only believe and dream in something greater than ourselves.

Eagle Mountain is symbolic of how the American Dream can become a reality in spite of the challenges placed before it!

### THE AMERICAN DREAM

### HISTORY OF THE VALLEY

The story of America is the story of families coaxing homes out of the wilderness; men and women and children working together to build, almost ex nihilio, communities where once only desert, or prairie, or forests were. The history of Eagle Mountain City is one such story.

Although the City's history is short, the history of the valley in which it resides is rich. Even before the Mormon pioneers arrived in 1847, Native American tribes inhabited the area and Mexican traders had established trading routes. The predominant Indian tribe for this valley was the Goshutes. The Goshutes...are an offspring of a disaffected portion of the Ute tribe that left their nation. Some of the other known tribes in Utah were Fremont, Northern and Western Shoshone, Northern Ute, Southern Piute, Nez Pierce and Navajo. There are still pictorial signs of these inhabitants in areas of the city.



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<sup>&</sup>lt;sup>1</sup> Our Roots Grow Deep

In 1847, the first Mormon pioneers arrived in what is present day Salt Lake City. As more people arrived and the city grew, Brigham Young sent out groups of people to colonize areas surrounding the Wasatch Front. These faithful members created settlements from Northern Idaho to Southern Nevada, from Eastern Colorado as far west as the pacific islands. But the area west of Lake Mountain was never home to much more than jackrabbits and coyotes and the Goshutes until 1852. Settlers, seeking pasturelands, first entered the valley in 1852. They found three small springs of cool water and the first settlement was built on one of the creeks flowing from the south spring. Even today, culinary water for the community comes from these springs. The first settlers built an enclosure for the houses with the creek running through the center. Later, they erected cedar pickets between the houses to form a fort—hence its name today. This was done by standing large cedar posts upright and close together with a sharpened end up. In 1854 a town site was surveyed by A.J. Stewart, with blocks 33 rods square, eight lots in a block and four rods allowed for streets.<sup>2</sup>

The first federal military post in Utah, Camp Floyd, was established in the southwestern portion of Cedar Valley. At its high point, Camp Floyd housed one third of the country's army reserves and boasted 3,500 troops and officers, 500 wagons, 600 horses and 3,000 mules. That is not to mention the merchants and camp followers that pushed the community population to nearly 7,000. Because Brigham Young didn't want his people mingling with the soldiers and the vices they brought with them, he staked an area on the western edge of the Salt Lake Valley and Utah Valley with redwood stakes. Mormons were not to settle beyond this Redwood Road. Because of this, settlements west of the Redwood Rd were rare and grew slowly.<sup>3</sup>

The valley is most famous for the Pony Express Trail, which crossed through the current boundaries of Eagle Mountain City from Northeast to Southwest. Due to the development of the telegraph the Pony Express lasted for only 18 months. Historically, the Pony Express and the Stagecoach routes are the most significant occurrences on the land where Eagle Mountain City now stands. The Pony Express Station located within the borders of present day Eagle Mountain City was called Joe's dugout, so named for Joseph Dorton. Dorton ran a trading post out of an adobe building, which served as the stop for the stage lines and the Pony Express. But the desert won out in the end and illustrated exactly why no one had settled that area. Joe was never able to find a reliable source of water. He dug a very deep well in the area that unfortunately failed to produce anything and led to the closure of the station. Many legends and tales emerged from this era, including the exploits of some of the colorful characters of the time.<sup>4</sup>

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<sup>&</sup>lt;sup>2</sup> Our Roots Grow Deep

<sup>&</sup>lt;sup>3</sup> Our Roots Grow Deep

<sup>&</sup>lt;sup>4</sup> Pony Express Historical Resource Study

### FROM GRAND IDEA TO REALITY

### VISION FOR THE FUTURE

By legislative act and approved by Brigham Young on January 5, 1856, the inhabitants of Cedar Valley were organized as a county of the Utah Territory, with Cedar Fort named as the county seat. This county served until 1861, when it was dissolved and the area included with neighboring counties. Most of the area is now part of Utah County. The Fitzgerald family was one of the original families that settled in the valley. They were sheep ranchers who settled on a huge tract of land then known as West Desert. They had a dream to create a city where they would be comfortable raising their families. The Fitzgerald's wanted to replace the typical asphalt jungle with a wholesome natural atmosphere where parents and children would be content to live. The Utah County Commission approved a zone change from grazing and mining to residential for the Fitzgerald's in 1979. A Provo real estate developer, Norbert Lafranca, was selected to facilitate their dream. He said he had never seen anything like their plan. The plans included an airport, a golf course, churches, school, a subdivision and a recreation area.<sup>5</sup>

Although as long-time landowners, the Fitzgerald's would have liked to develop their land, but the financial struggles and a death in the family resulted in the loss of the land through foreclosure. The incorporation of Eagle Mountain City as such was in part the result of the purchase of this land by businessmen, developers, and entrepreneurs such as John Walden, Phil Nolen, Grant Marsh, and CUAB.

Even though Mr. Walden's permanent home was in Florida, he had spent a lot of time in Utah to stay at his condo in Park City and ski in the winter. He started investing money in different land developments and realized that in Utah, one needed water rights. As in other western states, water is a defined resource with use controlled through a state-recognized right. Once a right is procured, it can be transferred or traded only under certain conditions. Water rights and a well from which to draw the water are needed in order for development to take place anywhere in the state. As Joe Dalton had learned, nothing, including cities, grows without water.

### EARLY DEVELOPMENT OF EAGLE MOUNTAIN PROPERTIES

John Walden initially came out to Cedar Valley looking to purchase water rights. There was a land sale (the Fitzgerald's) of about 8,000 acres with water rights attached to it where the City Center area of Eagle Mountain is today. The previous use of the land as a sheep ranch assured that the water rights came with the sale. In an effort to purchase the water from the bank, John Walden joined with Howard Ault, a local owner of a sod farm, to out bid Scott Mclachlan, a mink farmer. Mr. Walden and Mr. Ault won the bid.

Later on some of his visits out to the property, he noticed a new development called Cedar Pass Ranch and often stopped into talk with those selling the lots and properties to talk

<sup>&</sup>lt;sup>5</sup> Our Roots Grow Deep

about the area and possibility of development. In April of 1994, John Walden and medical doctors Andrew Zorbis and Scott Gettings purchased the land. Initially, they planned to transfer the water rights to other developments in other areas, but soon discovered that these rights could not be transferred to the areas Mr. Walden desired. Determined to turn his misfortune into fortune, Walden later picked up where the Fitzgerald's left off and envisioned the creation of a new and innovative city.

Mr. Walden placed Nick Berg, a manager of four other Walden projects in Utah, to work to assemble a team that included three land planners (Ira Hodges, David Conine and Lee Nellis), along with real estate professionals, engineers, attorneys, government consultants, landscape architects, and a hydro-geology company to evaluate the development opportunities for the property.

Mike Wren was an Employee of MCM Engineering, one of the primary engineering firms involved in this project. Mike stated, "Our concept was a little lofty, but our instructions by John Walden were this: build a town of the future like nobody else has ever done—be creative. Our slogan was: 'You should be able to be born here, go to school here, go to college here, buy a home here, go to church here, work here, retire here, die here, and get buried here.' This meant that you would need a hospital, schools, colleges, businesses, churches, residential areas, an industrial area and a cemetery. Nick Berg, Mr. Walden's project manager characterized their vision by saying, "We kind of like to think of ourselves as the city of tomorrow with the values of the past."

After many revisions and alterations, the team was finally satisfied with the plans and prepared to present them to the County. They were, however, discouraged by the restrictive County policies on development in unincorporated areas. Edward Carter of the Deseret News stated, "County Commissioners in the past have discouraged residential development in unincorporated areas, favoring instead to push growth into the cities." Therefore, if you planned to make a big development, you had to be an incorporated entity – at the least, a town. So Eagle Mountain LLC began researching how to incorporate the area. Mike Wren explained, however, that such a move was not part of the original plan, at least not so early on, "the development was going to take place either way, but the bottom line was that public policy forced us to become a town instead of developing in the county."

One hundred residents are required to sign a petition to incorporate a town. Unfortunately, this created a dilemma. They couldn't develop without incorporating and they couldn't incorporate without residents who were registered to vote. There were perhaps three or four houses along the bench area near the Fitzgerald property—not more than 15 people.

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<sup>&</sup>lt;sup>6</sup> Interview with Mike Wren

<sup>&</sup>lt;sup>7</sup> Deseret News 1996

North of John Walden's land, however, there was another five acre development called Cedar Pass Ranch LLC, as well as a development called Harvest Haven. The CUAB, the Church of the United Apostolic Brethren, had wanted to develop more lots on their land, but county regulations and restrictions on development blocked their efforts. Walden and his organization asked Debbie Hooge, who was currently building her home in Cedar Pass Ranch, to approach both groups with the request to sign a petition to form a city that would include these land areas. Enough were in favor to meet the required number of signatures to approve the petition to incorporate. Walden and his team had the numbers that they needed to become an official town. The certified petition for the town's incorporation was submitted to the Utah County Commission sometime during the week of October 25, 1996.

On Friday, October 25, 1996, an article in the Deseret News stated: "A group of developers are working to make Eagle Mountain the first town incorporated in Utah County since Vineyard a decade ago. The proposal entails building a town from scratch on nearly 27,000 acres west of Lehi in Cedar Valley." This would create the third largest geographic city in the state of Utah, with only about fifty houses within the boundaries.

On November 27, 1996 Deseret News announced: "The Utah County Commission adopted a resolution Tuesday approving a petition to form the Town of Eagle Mountain on 42 square miles in Cedar Valley. All that remains now for Eagle Mountain to become Utah County's 22<sup>nd</sup> municipality is for town leaders to file articles of incorporation with the lieutenant governor's office."

It took months prior to this to decide what the name of the city would be. A number of names were discussed and considered, but in the end the name Eagle Mountain was chosen. Many had favored the name Nauvoo West, as most of the people involved in the planning and engineering were members of the Church of Jesus Christ of Latter-day Saints and as a reference to the city raised by Mormon pioneers from the swamps of Illinois. Some were concerned that such a name would be too exclusive though. In further discussions, Bob Lynds came up with the idea of Eagle Mountain because one can always see eagles flying in the valley and nesting on the side of the hills and mountains in the area. The name was settled and agreed upon. <sup>10</sup>

### EARLY DEVELOPMENT OF THE RANCHES AREA

Meanwhile, Grant Marsh and Phil Nolan purchased 800 acres of property at the northeast corner of the valley from Grant and Rose Smith, Glenn Smith, and Paul and Lucille Evans, all Lehi residents who had long farmed in Cedar Valley. John Jacob, whose family had raised sheep in Cedar Valley for many years, brought Phil Nolan to the area in 1994. In 1995, Cedar Pass LC

<sup>9</sup> Deseret News 1996

<sup>10</sup> Interview with Mike Wren

<sup>&</sup>lt;sup>8</sup> Deseret News 1996

approached the County Commission for development approval of 134 lots. Under the agricultural zoning in Utah County, however, the minimum lot size was determined to be 0.25 acres for a home and 5 acres for agricultural use. The Cedar Pass Ranch subdivision would thus be approved with a minimum lot size of 5.25 acres. Property owners in this area would ultimately provide most of the votes needed for incorporation of what would become Eagle Mountain.

The County later reduced the number of lots to 115. Faced with losing money on their project, Cedar Pass LLC, began exploring the possibilities of incorporating the community too. In late 1995, Eagle Mountain Properties contacted Cedar Pass LLC to learn about the County's attitude toward development of unincorporated areas.

Before approving incorporation, the County Commission wanted to see how utility services and access would be provided. Debbie Hooge negotiated with the Smiths to secure road access to Walden's property that had no access to it on paved and dedicated roads. This would become the current Eagle Mountain Blvd. Bob Lynds directed the effort to set up municipal services such as sewer, water, electricity and gas. None of this was available at the time. The existing homes were on septic systems and wells. Eagle Mountain Properties LLC approached the telephone company (then US West), the gas company (Questar) and the power company (UP&L) to see what it would take to get them to bring out the needed infrastructure. The utility companies could not speculate on whether the development would be successful and indicated that the developers would need to pay the full cost--several million dollars--to extend service to the Town Center. Mr. Walden indicated his willingness to possibly finance these utility extensions.

Cedar Pass Ranch at this time was already connected to US West and UP&L, but was forced to use septic systems for sewer and propane gas for their homes. In order to provide utilities for this development and the surrounding area, they too needed additional services to be provided. It too would take money up front to bring out these services since the utility companies were not allowed to speculate. The cost to provide these services would be enormous for all of the developers.

As soon as the county commissioners approved the incorporation, however, the possible offer by Walden to provide the utility financing was withdrawn. Eagle Mountain Properties then proposed that the town mayor and council borrow the necessary funds to build the needed utility systems. The idea was that the town could own its own utilities and would be able to generate revenue. Rather than force the developers to bring the utilities to the town, the mayor and council agreed to enter into the utility business with the idea that it would be an economic boon to the city in future years. So, in 1997 Eagle Mountain City obtained RBANs (Revenue Bond Anticipation Notes) to finance the town's gas, electric, water, sewer and telecom systems for a total of \$7,475,000 dollars.<sup>11</sup> Being a new town, they had no credit or assets, but Mr. Walden

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<sup>&</sup>lt;sup>11</sup> City financial records

agreed to use his property to guarantee these notes for a short term until the town could establish its own credit. These RBANs were needed to get the Town Center going and Walden's development off the ground. The Ranches area in the north agreed to stop using other regional utility providers, such as UP&L and US West, and hook up to the town's utilities, but looked to the town for the ability to finance this massive increase in their related infrastructure costs. Cedar Pass Ranch would remain on these regional providers, but future development would go to the town, with the exception of gas into North Ranch. This would be done through the creation of an SID (Special Improvement District), which would be backed by the town as a cosigner again, and the land would be the collateral to secure the loans. These debts would be paid back as the lots were sold, but the RBANs would be converted to revenue bonds that would be repaid through user rates from the new residents moving in to this bustling little town.

Using public debt to further real estate development and utilities would become a major source of controversy in the new community. Once the decision to use RBANs and SIDs was made, there were few viable alternatives for future leaders if growth were to continue. The need for rapid growth and utility revenues became a requirement for meeting bond payments. Early attempts to sell the systems to established utility companies met with little interest or resulted in offers that would not cover the debt. Regardless of whether one agrees with this approach to financing, it is fair to say that Eagle Mountain would not have come to exist in its current form had the town not approved the use of RBANs and SIDs, unless the developers had paid the millions of dollars up front that would have been required to bring out the regional utility providers as some felt should have been done.

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It took months prior to this to decide what the name of the town would be. A number of names were discussed and considered, but in the end the name Eagle Mountain was chosen. Many had favored the name Nauvoo West, as most of the people involved in the planning and engineering were members of the Church of Jesus Christ of Latter-day Saints and as a reference to the city raised by Mormon pioneers from the swamps of Illinois. Some were concerned that such a name would be too exclusive though. Bob Lynds came up with the idea of Eagle Mountain because one could often see eagles flying in the valley and nesting on the side of the hills and mountains in the area. The name was settled and agreed upon. 13

### INCORPORATION AND JOURNEY TO CITY STATUS

<sup>&</sup>lt;sup>12</sup> Deseret News 1996

<sup>&</sup>lt;sup>13</sup> Interview with Mike Wren

By the time the town was incorporated on December 3, 1996, there had been almost two and a half years of planning and engineering. Test wells were dug and the soil was analyzed. Many maps were made. The drainage plan wasn't just for Walden's 8,000 acres-it was for the entire valley.

In December 1996, the County Commission appointed Debbie Hooge as the first Mayor of Eagle Mountain. The first council consisted of Nick Berg, John Jacob, Cyril Watt and Diane Bradshaw. Until this time Debbie had been working as the real estate agent for the area north of Walden's property which was known as Cedar Pass Ranch. She worked with Scott Kirkland, their managing partner, to sell lots in this five-acre-lot subdivision. Nick Berg was one of John Walden's key employees and had initially brought the Fitzgerald property to his attention. John Jacob, a water developer, and Diane Bradshaw were residents of Cedar Pass Ranch and Cyril Watt was a leader of the CUAB in the Harvest Haven subdivision on the north side of Hwy 73 across from Cedar Pass Ranch. As there were some who asserted that certain leaders may have conflicts of interest, and the "commissioners, saying that they wanted to avoid stacking the deck in favor of Walden's development company, they rejected Dave Conine, who was a key land planner for Walden, as one of the council members and appointed resident John Jacob instead." 14

Shortly after incorporation, a lawsuit was filed by a Cedar Valley resident who challenged the legitimacy of the town, since the mayor did not yet actually reside in the community at the time of incorporation. There were also questions of conflict of interest raised by residents concerned about members of the council approving developments from which they would personally benefit. After several months, the courts agreed the law was based on "intent" and that Mayor Hooge and the town were legal. <sup>15</sup>

Mayor Hooge, who had been working with the Cedar Pass LLC and Scott Kirkland, left and began working with John Walden, only later to leave John Walden to work with Bob Lynds on developing the land to the east of Cedar Pass Ranch and north of the current Pony Express Pkwy. They would work closely with Cedar Pass LLC and Scott Kirkland again with their recent purchase of the land south of Pony Express Pkwy.

During the year of 1997 Mayor Hooge spent many hours with the council working to lay the foundations of a city. Council meetings were initially held in Lehi since there were no buildings in Eagle Mountain. Creating a new city would require a tremendous amount of time, effort and planning. The new town had to not only continue to develop and build the utilities, they had to create a development plan, general plan, development agreements with developers and determine future zoning of the thousands of vacant land within the town limits.

Much needed to be accomplished to begin the creation of a city, and this was the first of many major steps to make it all happen. Early subdivision approvals were North Ranch, Harvest

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<sup>&</sup>lt;sup>14</sup> Deseret News 1996

<sup>&</sup>lt;sup>15</sup> Our Roots Grow Deep

Haven and the final 30 lots of Cedar Pass, which had caused Cedar Pass LLC to explore incorporation initially. The council approved the first major development agreement in 1997. It was between John Walden, Eagle Mountain Properties LLC and the Town of Eagle Mountain. This development agreement was approved with many developer incentives such as; a density (homes per acre) of 3.01 dwelling units overall with no minimal lot size, no minimal lot frontages and the ability to have multifamily units in various areas of their 7,610 acre project along with areas zoned for commercial, industrial and an airport. <sup>16</sup>

Following this agreement, funds were needed by the developer to put the necessary utility infrastructure in, so in December 1997 Eagle Mountain Properties LLC and the Town of Eagle Mountain entered into another agreement, but this time it was an SID (Special Improvement District) for \$2.2 million to be used for the Town Center area. Again the town became the cosigner, so to speak, and the land became the collateral. This method of financing allowed the developer to get the best possible rates.

Debbie Hooge later became the first elected mayor in the election of November 1997. Hooge had originally determined not to run for mayor, but no one else placed their name on the ballot and, according to the town's attorney, Jerry Kinghorn, if no names were on the ballot the sitting mayor would continue to be the mayor. Because the early incorporation had created anger and frustration by early residents, Hooge believe that voters ought to be able to voice their frustrations and concerns by the ballot, so at the encouragement from members in the community; she officially placed her name on the ballot. She won with 61 votes against J.L. McDonald, a write in candidate with 42 votes. Robert Bateman, Diane Bradshaw, Daniel Valentine and Cyril Watt were elected to be on the council. During the term of the initial council, Mayor Hooge had often recused herself from votes on properties in which she had an interest. Responding to resident concerns that a majority of the initial council members had potential conflicts-of-interest related to their own development activities, the first ordinance enacted by the newly-elected council prohibited its members from voting on items in which they had a personal financial involvement.

Many early residents were concerned with the high overall density allowed Eagle Mountain Properties under the original development code. The new council quickly began revising the Code to reduce allowed density and maintain open space, but The Ranches submitted their plans before the new document could be completed and were thus "vested" under the old Code. Through a cooperative relationship, however, the Ranches LLC gave up some density, agreed to dedicate hillsides to open space and committed to design guidelines that would provide appropriate amenities for a high density plan.

Until this point, the council had been relying largely on technical expertise hired by the developers. They quickly recognized that the town needed access to impartial professional advice. Epic Engineering was selected as the town engineer and Gerald Kinghorn of Parsons, Davies, Kinghorn and Peters was chosen to provide legal advice.

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<sup>&</sup>lt;sup>16</sup> City Planning Department

At this juncture, tension began to develop between Eagle Mountain Properties and the town administration over financing. The council felt that developers should pay for improvements and all costs associated with development of their property. The fast growing community needed more money to expand its utilities, so in 1998 the Town of Eagle Mountain obtained additional RBANs for the gas, electric, water, sewer, and telecom systems for a total of \$4,295,570 dollars, making a total of \$11,770,570 for both the 1997 and 1998 RBANs. The infrastructure needed to start a new city was well on its way, but so was the mounting debt required to achieve it. Being a new community with high growth potential, but no credit history, required that these RBANs be backed by and guaranteed by Mr. Walden until the town could refinance them based on its own financial ability.

Many of the county's original concerns with the approval of Cedar Pass Ranch were related to fire safety and emergency response. Under Mayor Hooge, the town took the first steps by building a combination firehouse and telecom building, which were dedicated in May 1998<sup>18</sup>. John Walden built the building and the town later repaid him the cost of it from the RBANs on the telecom system.

Construction on the roads began immediately as shown in the aerial picture below. This was the first round about to be built in Utah County, which was a new urban design soon to catch on in other towns as well. To the upper right you can see the construction on the first fire station and town offices.



These RBANs were needed to get the Town Center going and Walden's development off the ground, but The Ranches area in the north needed funding to provide for its needs too. This

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<sup>&</sup>lt;sup>17</sup> City Financial Records

<sup>&</sup>lt;sup>18</sup> Our Roots Grow Deep

would be done through the creation of an SID (Special Improvement District), which would be backed by the town as a cosigner again, and the land would be the collateral to secure the loans. These debts would be paid back as the lots were sold, but the Revenue Bonds (RBANs) would have to be paid back through user rates from the new residents moving in to this bustling little town.

### EARLY GOVERNMENT

The job of running the town required the sacrifice of many hours from those serving the community. In September 1998 Debbie Hooge resigned from the position of mayor. This forced the town council to choose another mayor to serve until the next election. On October 1, 1998 the council appointed Robert Bateman to fill the mayor's seat. Mayor Bateman had served on the Planning Commission and City Council in Alpine before building a home in Cedar Pass Ranch. He had agreed to run for a two-year term on the council, taking a leave-of-absence from a doctoral program in public administration at the University of Utah for this period. Mayor Bateman's emphasis was on putting in place the administrative processes needed by the new community and encouraging developers to pay for those improvements that would benefit their own developments.

John Newman, the new city administrator selected by Mayor Hooge, assisted Mayor Bateman in this effort. John had served as the city administrator in West Valley for 18 years and later in Highland, where Mayor Bateman had worked with him in the formation of the North County Public Safety District. John Newman took managing this small, but financially complex town, to a new level. He brought on new staff to assist in the day-to-day operations. Being a new town and with few people wanting to commute, many employees were long-time residents, relatives of others working elsewhere in the administration, or friends of friends. For example, Bob Wren, father to Mike Wren was hired as the Public Works Supervisor and became a key employee of the city. His future efforts were essential to the success of the utility operations. Barbara Wren, Bob's wife, became John Newman's administrative assistant.

The economy was the strongest it had ever been locally and nationally it was the longest running economic boom in decades. There was a sense that leadership inconsistency amplified the normal growing pains. However, Mayor Hooge only committed to resigning after having worked carefully with Rob Bateman for a year. She was confidence he knew and understood the financing of the community and had the ability to continue to manage and continue many of the programs implemented in her administration especially in regards to the utility bonds. Bateman was not necessarily a proponent of the utilities but had accepted the obligation and the course that had been set by the mayor and council. In addition, the political unrest and the criticism were discouraging to individuals who might have volunteered for the challenging and controversial service. One of the largest problems faced by the town was educating residents about the financing of the town and how it was set-up. Over the next year, the town leaders started holding meetings throughout the community in an effort to educate residents. The owning of utilities and the financial requirements to own them created a lot of concern by new residents. The original decision to enter the utility business was the primary results for this controversy, but it also forced future administrations to deal with the ramifications of those decisions.

On November 10, 1998 the council appointed William Chipman to fill the vacancy left by council member Robert Bateman upon his appointment as the new mayor.

Earlier in 1998 the development agreement between the Town of Eagle Mountain and The Ranches was finally approved with a density (homes per acre) of 2.79 dwelling units overall with some areas allowed higher density (village cores) and others at a much lower density. In addition there was no minimal lot frontage or minimal size lot for their 2,792 acre project. Over 10,000 acres was now master planned making the Town of Eagle Mountain one of the first to be master planned with urban design concepts from the ground up.

Eagle Mountain Properties petitioned the town council to enter into another SID for \$5.1 million dollars to build additional utility infrastructure in the City Center area. That same year, The Ranches and the Town of Eagle Mountain entered into an SID for \$12,105,000 dollars to build utilities, parks, and road infrastructure in The Ranches area. These two areas of the city were growing fast and furious and so were the philosophical differences between them. One was basing their project upon amenities such as grassed parkways, parks, trails and homeowner associations (HOA)s to maintain them. The other was basing their development upon affordable homes, but few completed green space amenities, trails or HOAs. The town was starting to take shape, but the debt was increasing along with it.

The Eagle Mountain Fire Department (EMFD) was organized just prior to February 1999. The initial Volunteer Fire Chief was Eric Taylor. He was assisted by several of his cofirefighters from Orem Fire Department in taking Eagle Mountain's first Fire Engine and refurbishing it to put it into operating condition. The first roster for the EMFD is difficult to determine, but included Firefighter Jerry Sosa, Firefighter Eric Sauerwein, Captain Brian Hansen, Captain Jason Davis, Captain Randy Johnson, Firefighter Hunter, Captain Robert DeKorver Jr., Captain Kevin McCarthy, Justin Sprague, Matt Sprague, Firefighter Elliot, Captain Passmore, and Firefighter C. Andersen. The fire department started with two pieces of apparatus. The main one was a 1975 American LaFrance Fire Engine. John Walden of Eagle Mountain Properties purchased it from Murray City for \$9851.00. It came with a Detroit diesel 6V92 motor, an Allison automatic transmission, a 1500 GPM American LaFrance Twinflow two stage pump, a 750 gallon stainless steel water tank which was replaced in 1981, two 200 foot hose reels, a mounted deck gun, a 14 foot ladder, a 24 foot ladder, a 10 foot pike pole, two axes, On Spot automatic tire chains, and miscellaneous nozzles and appliances. The second piece of apparatus was a brush truck. It was a red 1997 6.5 liter turbo diesel C-K extended cab 4 wheel drive Chevrolet truck with dual rear tires. The city paid \$33,874 from Salt Lake County Fleet Management for the revamped truck which also contained a light bar, 250 gallon water tank with integrated 10 gallon foam tanks, a Waterous PB18.2515B Vanguard V-Twin water pump, and a top mounted 160 foot booster line hose reel and appropriate valves. The first two calls the EMFD went on were illegal burns. The third call was an auto accident rollover on SR 73 with three victims. At that time Lehi Fire Department were the EMTs and transporting agency for medical calls. There were a total of four calls that first month documented as of May 27 through May 31, 1999. Other activities included things such as placing license plates on the trucks. trainings, area familiarization exercises, vehicle and equipment checks, washing apparatus, and mowing lawns.<sup>20</sup>

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<sup>&</sup>lt;sup>19</sup> City Planning Department

<sup>&</sup>lt;sup>20</sup> Chief Robert DeKorver

### THE FINANCIAL CHALLENGES

### UTILITIES

Throughout the year of 1999, Eagle Mountain's major issue was that the town owned its own gas, electric and telephone companies. The majority of cities do not own these utilities and none in Utah had owned their own telephone company before. Two groups emerged within the community as a result of these concerns. Members of the first council and many early Town Center residents thought that the town would benefit from having control of its own utilities. On the other hand, a considerable number in Cedar Pass and North Ranch were against government ownership of the utilities.

Significant contention arose between the two camps. Many citizens were in favor of selling the utilities. They did not want the debt or the higher user rates they feared would result. Others hoped that if the town sold its systems, these services would be extended to their properties at no charge. It seemed to some residents that political leaders were stalling in efforts to sell them and they were unconvinced of the wisdom in allowing the local government to continue to own the utilities. Mayor Bateman and the council recognized early that it would be very difficult for a small telephone company to keep up with communications technology, so they began looking for potential buyers for the phone system, but found little interest in a service with so few existing subscribers. The council also entertained an offer from Questar, the regional natural gas company, for the town gas system, but the amount proposed would not have covered the debt incurred to build the system. The potential sale fell through and many were disappointed.

During this controversial time good things were happening too. Eagle Mountain's Public Library was created by an ordinance passed by the council on November 19<sup>th</sup>, 1999. Three days later, property was deeded to the Friends of Eagle Mountain Public Library, a non-profit organization. The first staff was composed of four residents; Liisa Nusz, the founder of the library and the Library Chairman, Wendy Swain, secretary, Janae Wahnschaffe, and Carolyne Royce. During the meeting that month, a proposal was made to create Summer Reading, story time, and the official appointment of a volunteer librarian. On December 31, 1999 the EMFD received their Emergency Medical Technician (EMT) Basic First Responder status from the State. This was the first step to becoming a viable fire department.<sup>21</sup>

In late 1999 and at the request of some residents in Cedar Pass and North Ranch, former Mayor Hooge initiated an effort to extend the gas utility into two major subdivisions in the North; Cedar Pass Ranch and North Ranch. Rob Bateman, as mayor, proceeded with the necessary steps to create an SID to finance this proposal. Until this time these residents were using propane in outside storage tanks. This action would increase the number of users on the system and help to speed repayment of the town's debt. It would have also provided natural gas

<sup>&</sup>lt;sup>21</sup> City Library

to those residents who preferred natural gas over propane, but would have required the residents to pay for extending the gas lines to their properties.

Cedar Pass Ranch, North Ranch and Meadow Ranch were the three subdivisions from which the majority of the dissatisfaction about town utilities came, although the latter subdivision was already connected. Very little development of the area south of Pony Express Pkwy existed at this time. The major population was in these three subdivisions. A group of citizens formed in The Ranches, whose initial goal was to prevent any more expansion of utilities in their area. A majority of Cedar Pass and North Ranch residents voted not to extend the lines, many believing that Questar was about to purchase the system and would put in the lines at no charge. However, since the SID for Cedar Pass Ranch did not proceed and, where a majority favored paying to have gas service, property owners were given the option of paying individually to have natural gas, which some did. Thus, a pocket of Cedar Pass Ranch did receive access to natural gas, but the majority of properties did not. Opposition to the town utilities and financial concerns later developed into a desire to disconnect from the town altogether. The primary members of this group were David Lifferth, Randy Johnson, Roxanne Clark, Bill Nethery and Dave Tomsic.

Over three hundred homes were built in 1999 and new people were interested in serving their community. In the election of 1999, Bill Chipman ran for the position of mayor, only later to drop out once information regarding past legal issues about him were brought to light. Paul Bond was elected and took office in January of 2000. There were no other opposing candidates other than a write-in candidate by the name of Troy Baldwin, but he garnered only a small number of votes. Mayor Bond finished the remaining two years in Mayor Hooge's original term of office. It would take three mayors to complete Eagle Mountain's first elected mayoral term of office

On January 2000, Paul Bond was sworn in, with Brigham Morgan and Greg Kehl as the newest members of the council. The new council consisted of the two above mentioned as well as Dave Albrecht, who had been appointed to finish the term of Cyril Watt, who had resigned after the November election and before the inauguration, and Dan Valentine. Dan was later hired to work for the telephone company and was a great asset due to his extensive experience in this field. His wife, Janet, had been hired early on as the town recorder.

On May 2000, thanks to the efforts of Natalie Kershaw a former Miss Utah in 1994 and resident of North Ranch, the first Miss Eagle Mountain pageant was held. She recruited the help of Kim Southworth in Cedar Pass Ranch and Stacey Hazard in North Ranch to be her assistants. Being a young community with so many young families, it was a challenge to find girls old enough to take advantage of this opportunity for young women. But, determined to start a new tradition for their town, they moved forward and held the event in the Lehi High School since there were no physical buildings large enough in Eagle Mountain at this time. The winners were

Katie Lee as Miss Eagle Mountain, daughter of Robert and Gail Lee and Miss Teen Eagle Mountain was Katie Faulkner, daughter of Carl and Cathie Faulkner.<sup>22</sup>

Mayor Bond and the council were faced with the daunting challenge of determining the best path for the future of Eagle Mountain. John Newman held the majority of the responsibility for determining the day to day operations of the organization. In addition to the utilities and debt, there was a major need for emergency services. Providing ambulance services and securing an elementary school in the community would become some of Mayor Bond's major goals during his term. He was the third mayor of a single term to take on this overwhelming responsibility. He, like his two mayoral predecessors, devoted many hours and resources to the community, with no more financial compensation than a modest stipend.

Although the economy was the strongest it had ever been locally and the longest running economic boom nationally in decades, the town spiraled further into debt in order to move forward. The leadership inconsistency only amplified other growing pains. In addition, the political unrest and the criticism were discouraging to individuals who might have volunteered for the challenging and dubious service.

There was a significant amount of controversy in 2000 when the town, already under a heavy debt load, began considering the idea of borrowing millions of dollars more in hopes of putting the utilities in a financially viable condition. An energy crisis in the western U.S. caused rates to jump for power and gas, making residents increasingly frustrated with their utility rates. John Newman, the city Administrator, felt the council needed to conduct a feasibility study to support the borrowing of this money, this study became knows as the Black and Veatch Report. It was a financial study conducted to demonstrate the growth that would be essential to repay the amount of money they were proposing to borrow.

The RBANs had been the initial tool used to build these utilities, but the need to expand them again or to stop growth almost completely was looming on the horizon. Developer commitments to expand capacity for their projects were slow to materialize. Mayor Bond and the council recognized that the RBANs would soon need to be converted to revenue bonds which could also include funds for future construction needs. The council felt that it was time to refinance the utilities to allow further growth and development to occur.

The controversy continued between town leaders and residents primarily in The Ranches area. Due to the high concentration of members of the Church of Jesus Christ of Latter Day Saints involved, ecclesiastical leaders finally became involved in an effort to help find a resolution to the increasing tension and controversy. The division between civic leaders and citizens in The Ranches was intolerable and the conflict finally came to a head when the goals of the group favoring disconnecting from Eagle Mountain and forming their own city became a possibility. They even came up with an unofficial name; Independence, Utah.

<sup>&</sup>lt;sup>22</sup> Natalie Kershaw

Ecclesiastical leaders held a meeting with community leaders and members of the disconnect group in an effort to bring peace to the community and stop efforts to separate from the rest of the town. Those at the meeting were Stake President Carl Faulkner, President Keith Burnham, Councilman Dave Albrecht, Roxanne Clark, Dave Lifferth, former Mayor Robert Bateman and Kelvin Bailey.

Councilman Dave Albrecht drafted a resolution that would address the procedure for which to sell the utilities. This document was approved and adopted by the council. This resolution formally documented the ability of the council to consider the sale of the utilities and provided a procedure for appraisals, public input, etc. It was hoped that with this resolution an acceptable compromise would be reached. However, once adopted, the decision of whether or not to sell was still left at the "sole and exclusive discretion of the mayor and council." Many felt that they had been returned to square one with this clause as part of the ordinance; however, such decisions are ultimately the responsibility of a community's elected leaders. Citizens have the opportunity to participate in both public hearings and a referendum if one is placed on the ballot by the mayor and council.

The Eagle Mountain Fire Department was moving forward and on February 1, 2000, Robert DeKorver was placed in the position of Deputy Chief over training and as the fire chief's assistant. Kevin McCarthy was put in as the Emergency Medical Services (EMS) Deputy Chief. The operational Captains approved were Dave Lee, Brian Hansen, Justin Sprague, and Channing Jones. In 2001, the department purchased the city's first ambulance. It was a demonstration unit from Braun Industries. It was purchased at the same time as a second Brush Truck unit similar to the original one the city purchased, and the two vehicles were combined on a lease. 24

But the controversy on utilities continued. Kelvin Bailey, who had been involved with many of those in favor of disconnecting, after examining all the possible ramifications of that decision, chose to oppose the plan and sent out a letter stating so. He stated, "....The purpose of this letter is to let everyone know, even though my name appears on the petition to disconnect from the City of Eagle Mountain and to form a new city that I am not in favor of it. I have stated in the beginning that I didn't feel disconnect was the best choice and I still feel that way. I can't deny at the same time that there were times in this process that, I too, felt like perhaps the only way to solve the problem was to disconnect. However, upon saying that, I feel that every one has the right to vote for it if they desire to do so, for that is the political process we have established in this country so as to avoid the wars we see all around us in the world.... My greater concern now is not whether we disconnect or get out of the utility business, but how do we unite as a group of citizens and neighbors without harboring ill will towards one another. How do we repair the damage in our relationships with our neighbors? We may not be at physical war; however, a political war can be just as devastating and tragic. I think we all need to take a step back and ask ourselves what is this war of words really worth to us and are we willing to accept the consequences of it? Pride has a tendency to get in the way of our views no matter which side of the issue we are on; however, is our pride worth destroying our community and our friendships? Having a difference of opinion is good and healthy in our society, but it is not when those differences divides us and tear us apart. Do we want this to occur to our community? I suggest we all stop and think long and hard on it, no matter what side we wish to be on. There is no side that is good or evil here, only two opposing views; however, the

<sup>24</sup> Chief Robert DeKorver

<sup>&</sup>lt;sup>23</sup> City Ordinance

actions that either side takes to support its views can result in good or bad for our community and ourselves. What really makes a community good is not the taxes it pays or doesn't pay, not the utilities it has or doesn't have, but rather the unity and the neighborly love that exist between one another. We need to remember that there are many cities that don't have utilities and do very well, just as there are cities that do well that have them.<sup>25</sup>

Things seemed to quiet down some and daily life continued, as did the business of the town. Although it seemed the situation had been resolved to a degree, there was another SID approved during this period for \$11,935,000 dollars to build more utilities, parks and road infrastructure in The Ranches area.<sup>26</sup>

The only thing constant and consistent in Eagle Mountain was change. In May 2000 Dan Valentine resigned from council and Bert Ankrom, from the Town Center was appointed to fill his seat until his term ended in 2002. In addition, a proposal was also made and approved by the council to appoint a paid librarian. Later, in September, Liisa Nusz resigned as librarian and Michele Graves was hired to replace her.

In May 2001, Eagle Mountain held its Miss Eagle Mountain 2<sup>nd</sup> annual pageant and crowned their new royalty during the Eagle Mountain Pony Express Days in June. This event was a result of the efforts of Natalie Kershaw a resident of North Ranch in Eagle Mountain. She recruited other volunteers, such as, Kim Southworth of Cedar Pass Ranch and Suzie Basset of North Ranch to assist her in this exciting and fun occasion.

The Daily Herald reported on June 16, 2001 the following story by Debra Hart:

Eagle Mountain – Eagle Mountain crowned Ashley Allen as Miss Eagle Mountain and Kapree Roberts as Miss Teen Eagle Mountain at its annual Pageant recently.

Allen, 19, daughter of Chris and Maria Allen, was a graduate with the Class of 2000 at Centennial High School, in Boise, Idaho. She said she feels that "as a community, we must better serve our children by ensuring that they all develop literacy skills and we must rescue those who have reached adulthood but are still functionally illiterate."

Marilee Watts, 20, was elected as the first attendant.

Kapree Roberts, 15, the daughter of Bob and MaryAnn Reding, was crowned Ms. Teen Eagle Mountain. She will be a sophomore at Lehi High School next year. Her personal philosophy is "the golden rule – do unto others as you would have them do to you."

Shannon Lee, 16, the daughter of Robert and Gail Lee, was named first attendant.

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<sup>&</sup>lt;sup>25</sup> Kelvin Bailey

<sup>&</sup>lt;sup>26</sup> City Financial Records

Hilary Geddes, 14, daughter of Patrick and Carmen Geddes, was voted as Ms. Photogenic. Lisa Bailey, 18, daughter of Kelvin and Maritza Bailey, was elected Ms. Congeniality.

The competition included personal interviews, talent and evening gowns, plus an aerobic wear competition for the teens and a swimsuit competition for the young women. During the interview portion, each teen contestant described their personal philosophy and Miss Eagle Mountain contestants explained their platform.

Kato Fakatoumafi was the master of ceremonies for the evening, which also included performances by the pop group 2XL.

Natalie Kershaw, who was Miss Utah 1994, directed the pageant. Kim Southworth and Suzie Basset worked as assistant directors. Kelly Messerly, Phil Cook and Sandy Brimhall judged the competition and Susan Dixon was the auditor....<sup>27</sup>

On July 15, Eagle Mountain sent an Engine Company along with the fire engine to Salmon, Idaho for structure protection on a large wildfire. That crew returned August 4, 2000. During that time, the city borrowed fire trucks from Orem Fire Department and then from the Utah Valley State College's Fire and Rescue Academy. Orem needed their truck returned. Soon after his return from Idaho, Chief Eric Taylor chose to resign from his position. Deputy Chief Robert DeKorver acted as Interim Chief until the position could be filled. In October 2000, the city officially appointed Robert K. DeKorver Jr. as the new Volunteer Fire Chief for the Eagle Mountain Fire Department.<sup>28</sup>

As early as September, Eagle Mountain City approved an additional RBAN exclusively for electricity for \$348,348. The City also entered into a lease agreement that month for the telecom system in the amount of \$1,619,430 dollars. This increased the total debt of the utilities to \$13,738,348 dollars.<sup>29</sup>

In October 2000, the city officially hired Robert K. DeKorver Jr. as the new Volunteer Fire Chief for the Eagle Mountain Fire Department and the Black and Veatch Report was completed.

The Black and Veatch report, that cost thousands of dollars, showed the growth rates that would be necessary to support refinancing the previous RBANs for the utilities. The report assumed that 540 building permits would be issued in 2001, 600 building permits in 2002, 660 building permits in 2003, 720 building permits in 2004, and on into the future. These projections were based on developer estimates and many other variables pertinent to a professional analysis. The actual new permits issued were 387 in 1999, 602 in 2000, 457 in 2001, 435 in 2002, 374 in 2003, and 409 in 2004. Repayment of the debt was based completely upon the revenue that would be generated according to the growth numbers in the report. Without these growth rates

<sup>28</sup> Chief Robert DeKorver

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<sup>&</sup>lt;sup>27</sup> Daily Herald News 2001

<sup>&</sup>lt;sup>29</sup> City Financial Records

the only other option to meet the debt obligation was utility rate increases for the citizens. The new Revenue Bonds would obligate the city to grow at the proposed rates if it were to meet its debt obligations.<sup>30</sup>

The beginning of the financial restructure started in December 2000 when Eagle Mountain refinanced the water and sewer RBANs with its first Revenue Bonds for a total of 8.7 million dollars. The RBAN debt owed prior to this was \$4,240,000 on Sewer and \$2,140,000 on water making a total of 6,380,000.<sup>31</sup> This meant the city borrowed an additional \$2,320,000 (this money was used to pay for cost of refinance and to make payments on the following two years interest payments only). This paid off that portion of the RBANs from 1997 and 1998. Later in the spring of 2001 the city would refinance its Gas and Electric RBANs with new Revenue Bonds for a total of 20.8 million dollars. The RBAN debt owed prior to this was \$2 million on the gas and 2.2 million on the electric with almost \$11 million going for future electric projects and the rest in cost of issuance, debt reserve, capitalized interest, etc.<sup>32</sup>

Along with these changes the library continued to change. Becky Oakly resigned from the position of chair of the library board and Brenda Park was nominated to take over. Karyn Larson was named as co-chair. Later in the year Darrell Jackson and Gayleen Pierce joined the board

In May, 2001 Eagle Mountain was classified as a City of the Third Class. This action added another member to the Council and removed the voting power from the mayor. Mark Lofgren was appointed to fill this seat until the next election, which would be that same year in November.

There was a ground breaking ceremony held that summer for the first elementary school to be built in Eagle Mountain. It was the result of the efforts of many residents. Without the support of these residents the school bond needed to provide for the construction would not have passed. The school was aptly named Pony Express Elementary and was built in the Smith Ranch area.

In August, 2001 Eagle Mountain City refinanced Telecom RBANs with Revenue Bonds for 4.4 million dollars. This paid off the remaining portion of the RBANs on the telecom system and created new Revenue Bonds for all of the city owned utilities.

Mayor Bond was determined to help create viable emergency services for the area, rather than depend on services from the nearby city of Lehi. With the help of staff and Deputy Fire Chief Kevin McCarthy, the city was able to create its first ambulance service. The City entered into an annual lease agreement for an Ambulance in the amount of \$168,000. This would help to provide better service for the citizens of Eagle Mountain. The fire department continued to grow and became one of the best-run volunteer fire departments in the area. Chief Robert DeKorver worked full time for the Sandy Fire Department and part time for Eagle Mountain.

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<sup>&</sup>lt;sup>30</sup> Black & Veatch Report

<sup>31</sup> Black & Veatch Report

<sup>&</sup>lt;sup>32</sup> Black and Veatch Report



Eagle Mountain City continued on this path. Debt and its friend, Interest, are tenacious captors—their will is sometimes more powerful than is realized. History has demonstrated time and again that they will hold on until there is nothing left. Eagle Mountain City definitely needed new direction if this trend were to change. It found it in the leadership of a new mayor and council.

The election campaigns in 2001 caused a major roller coaster ride for the citizens of Eagle Mountain. There were three seats coming open on the council and the seat for mayor. The mayoral race consisted of three primary candidates, Greg Kehl, current council member, Kelvin Bailey and Vincent Liddiard. Linn Strouse, Diane Jacob, Isaac Hao, Mark Madsen, Mark Lofgren, current council member, ran for the vacant council seats.

In the October Primary Elections, following some very intense written and verbal attacks, and contrary to an internet poll, Kelvin Bailey won over Greg Kehl by a 10% margin. Liddiard fell out of the race, but quickly placed his support behind Bailey. In November, Kelvin Bailey was elected mayor with 54% of the vote. Linn Strouse, Mark Madsen and Diane Jacob won the vacant seats on the council. Mayor Bailey was quick to send an article to the local papers that read:

### Thanks to all the voters of Eagle Mountain

This is truly a time to celebrate because of our rights to express our views, beliefs, and aspirations for the way we wish to be governed by our representatives.

Voting in the elections make known who and what is important to not only the candidates running, but to the ones still in office. Eagle Mountain had a 42% voter turn out on Tuesday's

Election! And I would like to personally thank all of the voters who showed up at the polls no matter which candidate they chose. These are great results in comparison to other cities. Voting is so important and each and every vote means something.

I would encourage those who did not vote to take a moment to reflect just how great a privilege it is we have to vote and determine our own destiny. Make a commitment to yourself to take the time and effort to vote in the next election. Those who are not registered to vote I would encourage you to go out today and register so that you too can take part in this great opportunity in the future. Do not procrastinate being a part of you and your family's destiny. Without everyone voting, not only is your voice not heard, but you are directly responsible for abdicating your power to others.

In addition, I appreciate the efforts from all of the candidates and supporters who ran campaigns by taking the high road and not choosing to sling mud at their opponents. These are the kind of individuals that make good leaders for our community. Working together is what makes a difference. Defaming others by making false and misleading statements only creates greater conflicts and contention.

In conclusion, I would like to say Eagle Mountain has a great future ahead of us because of individuals that we have working for the city as employees, as volunteers, as board and commission members and also a new council that will bring fresh ideas to the table. This new council will have the ability to work in a professional and harmonious manner. They may not always agree on issues or solutions, but together they will make us proud as a community and as citizens. I look forward to the privilege of working with everyone!

Thank you and God Bless, Mayor Kelvin E. Bailey

As the city and the library grew, so did the need for someone to help out with the daily duties as well as the activities that the library sponsored. In December, 2001, the council approved an assistant librarian position. Michele hired Susan White in August of the following year.

One of Mayor Bond's last acts as mayor was to officiate at the ground breaking ceremony for the new Eagle Mountain Fire Department building in The Ranches. This was done the first week of January 2002. He had been working very hard to make this a reality for over a year and it was a great note on which to end his term in office. Fire and Emergency services for the citizens of Eagle Mountain had been one of his primary goals.

### CATCHING UP TO THE FUTURE

### **GROWING PAINS**

On January 7, 2002, Linn Strouse, Mark Madsen, Diane Jacob and Kelvin Bailey took office and held their first council meeting the same day. Building permits had reached an all time low of 15 permits for the month of January. In spite of the financial and political challenges that lay ahead, this Administration seemed optimistic about the future.

The City was holding its council meetings in a modular trailer owned by Eagle Mountain Properties LLC. Mr. Newman had begun the process of expanding the offices with an additional modular unit. There were about 3,000 square feet in the existing building where the general staff worked and the goal was to double that in order to add additional offices and provide a better space in which to hold council meetings. Mayor Bailey wanted to look at other options, but soon discovered that with the limited resources of the city, there were no other options. The council authorized the expansion of the existing offices and within a few months the city staff had more space and the council had an actual council chambers with a diesis and executive chairs instead of just folding tables and chairs.



First Council Meeting held in leased modular building from John Walden

Mayor Bailey wanted to start things off on a positive note. In an effort to bring the citizens together after having been through such a divisive time, the new mayor authorized and helped organize the first mayoral inaugural ball. He commissioned Erin Madsen and other volunteers to organize the event, in which the former leadership and the new leadership could come together to welcome in the new and thank those who had served before. It was also used as an opportunity to have fun and raise some money for the fire department. Several thousand

dollars were raised, plenty of food was served, and the attendees danced into the night. It was a successful and enjoyable event for all, thanks to Erin Madsen and her group of volunteers.



Former Mayor Bond and his wife with Mayor Bailey and his wife dancing

Mayor Bailey began sending out monthly newsletters to keep the residents informed and to counter any confusion that might arise from rumors. He got the idea from former Mayor Rob Bateman, who had also sent out an occasional newsletter on specific issues. This was the first of many newsletters that was sent out to help keep the citizenry better informed.

### The Mayor's News Bulletin

This will be the first of many events to keep the citizens of Eagle Mountain informed about their city government.

The past three weeks have been exceptionally busy to say the least. I have spent a minimal of 50 hours per week in order to identify and find solutions for the many concerns that we all have about our city government.

I felt it was important to create better ways to communicate with the citizens of Eagle Mountain. A three-fold effort has been initiated to accomplish this. First, we have determined the need for a newsletter, and this is the first edition. Second, we have examined ways to create communication districts, not voting districts, to open bi-directional communication between citizens and council; this is still being examined and explored. Third, we are working on improving the city website that will be not only an informational tool for the citizens, but a marketing tool for the city to help promote commercial growth in Eagle Mountain. This will expand the work and time already invested by many to create a new standard for city governments. We are meeting with various web designers and have looked at many other city websites to get ideas on how to improve this tool of communication.

The council and I have also determined the need to improve in the area of customer service; we have many dedicated employees who are willing to put forth the effort to improve our service. We have met and found ways to rearrange schedules so employees can maintain a 4-10 workweek, and yet, allow the city offices to still be open on Fridays. Starting February we will have extended hours and the doors will be opened 5 days a week. Also, we are working on the phones being answered more consistently during office hours. To do this, we need to buy and install computer software that allows our phone system to handle multiple calls on the city's established main line, which at this time does not function. Until this is done the only phone numbers you can call are the direct numbers (the ones you currently call) for each department. In the meantime, the staff is making every effort to answer all messages left on voice mail within 15 minutes. We ask for your patience until we can make the technical changes to improve our phone system. Another concern is the problems our utility billing system has had, which many of you have experienced, but again we have identified these problems and are in the process of correcting them. Once again, we ask for your patience and hope that within the next 30-45 days all of these types of problems will hopefully be solved. We will continue to address and solve other customer service problems as we go along, because Customer Service will be #1 in Eagle Mountain.

Furthermore, we need to improve our image with developers and builders in and out of our community. We have met with many of them in order to find out the problems they have had in working with the staff, the commission, the council and the citizens. With this information, we are looking at solutions that will not only expedite the developing and building process in our community, but also more importantly improve the relationship between all parties. We have to recognize that we exist in a symbiotic relationship, which requires that we all work together in mutual respect. We are not living in an established community, but rather a development in progress. It is much the same as living in your house while it is being constructed. This type of environment is very susceptible to conflict and requires tolerance and patience on the part of all. However, we still need to respect individual rights with mutual civility and integrity. Another concern at hand is the fact that we are a community with a large debt due to the fact we are in the utility business. This truth does not allow us to have the luxury to say, "We wish to remain a sleepy bedroom community". Instead out of necessity, we are required to grow, not only with residential construction, but also with commercial.

In regards to commercial, we have seen a new office complex completed over the last year with another one hoping to start this year. Moreover, there are two other contractors looking to build in the town center during the next year, because they feel confident the city is striving to promote and support growth. For example, during the last two weeks we have met with a company looking for a location to build a million square foot distribution center and we have a second meeting setup for further discussion later this month. This would not only jump start our commercial growth needs, but they also would employ about 600 employees the first year and almost 1200 by the third year of operation. However, regardless of the outcome with this company, our Economic Development Board and I are actively searching out other prospects to do business in Eagle Mountain. Also, many have seen the renewed interest in the Airport and we are working closely to help bring this endeavor to fruition. As you can see, we are doing much in spite of the slowed economy to improve the growth of Eagle Mountain. We are in the process of making many adjustments over the next month to help facilitate this growth potential.

We are proceeding with plans as of this week to expand the city offices with almost 3,000 square feet more to accommodate the operations of the city, utilities and the library. This will also improve the ability of employees to function and serve the citizens better. Unfortunately, we are

expanding into additional modular offices like the ones we currently have. We looked very hard at trying to lease a permanent facility from one of the future office buildings; however, we cannot wait another year to expand without having to farm out different departments of the city to other locations throughout the city. In doing so, we would have lost employee efficiency, increased cost of leasing space, as well as, required citizens and businessmen to go to multiple locations to take care of their business needs. Nevertheless, be assured we will do everything possible to move out of these modular buildings and into our own city hall within the next two to three years.

There are many other things that are going on and we will keep you informed as we go. I apologize for the length of this newsletter, but there has been so much to report and this is just a small portion.

I ask for your continued support, patience and input as we make Eagle Mountain a community to be proud of.

Sincerely, Mayor Kelvin Bailey<sup>33</sup>

Mayor Bailey was soon to find that many things were worse than expected. In January it was discovered that the financial records had not been kept for the prior two years, bank reconciliations had not been done, taxes had not been paid and there was no one willing to accept accountability. In addition, it was found that some negotiations had been going on with another telephone company for over two years, completely unbeknownst to the public. John Newman had been in control of these negotiations and little had been done to expedite them. Mayor Bailey immediately took over and sought to bring the deal to fruition. He was determined to sell the utilities, if at all possible. Direct Communications, a company out of Idaho, was the suitor and they were eager to move forward. Kip Wilson and Leonard May said they had been trying to purchase the city system since 2000, but indicated that Newman just wasn't pushing the process forward.

A pleasant surprise occurred in February 2002. The Winter Olympic Torch was scheduled at the last minute to come through Eagle Mountain in recognition of the Pony Express Riders. Preparations quickly began with the help of Eldon Fletcher, committee co-chair for the Pony Express Days, and Carl Minks. Mayor Bailey was asked to send a letter along with the Pony Express Rider and the Olympic Torch. It was a bitter cold morning and a crowd of about 300 people gathered to celebrate the momentous occasion. Angie Ferre sung the National Anthem in the bitter cold and the crowd rallied with patriotic pride. Mayor Bailey had chosen to address the letter to President George Bush, feeling that this would be the first time in many years that a letter was actually sent by Pony Express to a President of the United States.

<sup>&</sup>lt;sup>33</sup> City Records



Pony Express Rider holding Olympic Torch at the Pony Express Park in the City Center

The following is a copy of the letter sent via Pony Express:

# **City of Eagle Mountain**

Eagle Mountain, Utah

1680 East Heritage Drive, Eagle Mountain, Utah 84043 Phone (801) 789-2888 Fax (801) 789-5889

February 6, 2002

President George W. Bush Washington, DC

### Dear President Bush:

It is my honor and privilege to address you on this special occasion to celebrate the 2002 Olympics. As the Olympians have come to represent their respective countries, I address you on behalf of the citizens of the great City of Eagle Mountain, Utah.

This letter has been delivered to you in part via a pony express rider who represents the spirit and courage of men who risked their lives to allow citizens of a young and vast nation to communicate with one another. Eagle Mountain is the only city that holds a celebration in honor of these riders. These men were exemplary of the same indomitable spirit of the Olympians and the soldiers who serve and protect our country in times such as ours. They are a part of our proud heritage and they help to instill the belief that we as men and women, citizens, civic leaders and Olympians can reach for the stars and achieve whatever we set our hearts and minds to achieve.

It is this spirit that makes us unique in the world, not just during the Olympics, but also on a day-to-day basis.

You have exemplified this spirit in your efforts to unite us as a world to fight against those forces that tear down this belief through terrorism. We support you and honor you for the strength and courage in which you are serving not only our country but also our world.

The City of Eagle Mountain has some of the finest examples of these types of individuals. We are a fledgling city that was formed out of the desert only four years ago. We are much like our founding fathers in that we are a melting pot of individuals from all parts of this country and other parts of the world. I, myself, am a fellow Texan and my wife is from Chile. We are proud to be part of a community that is struggling to make a dream come true. Together we are building a united community that will benefit us and our posterity and will make our corner of the world a better place to live and raise our children.

We invite you to come and visit to see the beauty of our desert home and feel the spirit of Eagle Mountain. It would be our honor and privilege to have you as our guest as we celebrate Pony Express Days this June 14-21, 2002. Better yet, it would give us an excuse to have a Texas-style barbeque, as humble as it might be, in your honor.

Sincerely,
Mayor Kelvin Bailey<sup>34</sup>

There was a response two months later from this letter respectfully declining the invitation, but at least the letter actually arrived via Pony Express and from the US Postal Service.

Things were happening fast in this new administration and in February of 2002, Kent Parker was hired as the new finance director. His primary responsibility was to get the finances back in proper order. The annual audit and bank reconciliations had not been completed or filed for the previous two years.

Later that same month, and after reviewing the situation of the financial records in more depth, Mayor Bailey asked John Newman to resign from his position. He felt that the mismanagement of the city finances were unacceptable, regardless of the challenges the city had faced. No multimillion dollar corporation could be managed effectively without financial records. Since he chose not to resign without discussing it with the council first, a closed executive meeting with the council was held. Greg Kehl and Brigham Morgan were not in favor of this action. They had formed a mutual respect for the city administrator during their two years of service and, in spite of the financial records mismanagement they did not want to let him go. Morgan was unable to attend the meeting, though, and the remaining council members, aside from Kehl, consented to ask Newman to resign.

John Newman had been hired in 1998 to be the city administrator, but was later asked to act as the public works director as well as the finance director. He was being paid over \$90,000 a year plus benefits and a three month severance package that had to be paid at his dismissal.

<sup>&</sup>lt;sup>34</sup> City Records

With Newman's departure, Mayor Bailey was left with the responsibility to fill these vacancies himself until new personnel could be hired.

The city staff needed more space and the council needed more professional council chambers and so the decision was made to expand the current building by 3,000 square feet making the offices twice the size. Below is a picture of the building once the expansion was complete.



The two major sources of contention still in the community were the utilities and the development code. Many were upset because development based on new urbanism guidelines was not happening the way they felt it should. Mayor Bailey agreed that the development code needed a major review and possible changes. So in March of 2002, the council began holding joint meetings with the Planning Commission to overhaul the development code, general plan and annexation policy plan. This process continued for almost a year.

In March, after Michele Graves, the city librarian, completed all of the UPLIFT courses required by the State Library for certification, the library received certification. The Eagle Mountain Public Library was the first new library certified in the state of Utah in almost 20 years. In April, the State Library Board presented the new library with the framed certification.<sup>35</sup>

After many interviews with potential administrators, Chris Hillman was hired in May as the new City Administrator. He had been working as an assistant to the City Administrator for Sandy City for the previous four years, was young and energetic, and had lots of ideas about how to improve the administration of the city and the staff.

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<sup>&</sup>lt;sup>35</sup> City Librarian Michele Graves

That June, the 4th annual Pony Express Days were held and it was a great success, due to the time and sacrifice of Eldon and Jan Fletcher, Carl and Wendy Minks, Michelle DeKorver and hundreds of other volunteers. There was a parade held, activities throughout the week, and a marvelous fireworks show put on by Chief DeKorver and the volunteer fire department. On Saturday, Mayor Bailey parachuted in with a sky diving team, which was quite the treat for those watching.<sup>36</sup>



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<sup>&</sup>lt;sup>36</sup> Eldon Fletcher





The volunteer fire department continued to improve under the leadership of Chief Robert DeKorver. The state raised the Fire Department's level of service to EMT Intermediate and the EMFD started Ambulance transport service on July 17 of 2002 with a ribbon cutting ceremony. This was a predominantly volunteer department and was shaping into a first class organization.<sup>37</sup>

<sup>&</sup>lt;sup>37</sup> Chief Robert DeKorver

A month later in August 2002, Mark Sovine was hired as the Public Works Director. His job was to help improve the customer service and day-to-day operations of the Public Works Department. Mark had been serving for several years before this on the city's Public Works Board as a volunteer and worked full time for Provo City Power. Bob Wren had been the Public Works Supervisor and had been doing a terrific job, but as the city grew, there was a need for someone to fill this position that had been filled by John Newman and temporarily filled by Mayor Bailey.

August was a busy month. Natalie Kershaw and her key assistants, Kim Southworth and Suzie Basset, kept the Miss Eagle Mountain Pageant going and that year they decided to hold the event in August when it was easier to reserve space in school buildings that were not yet open. This event proved to be more successful each year. The following is a report in the Daily Herald by Debra Hart:

#### EAGLE MOUNTAIN CROWNS ROYALTY

Michelle Vanderhoef and Katie Faulkner were crowned as Miss Teen Eagle Mountain and Miss Eagle Mountain, respectively, on Aug. 17.

Michelle Vanderhoef, 15, is the daughter of Gary and Susan Vanderhoef. Her personal philosophy is "The way you act can have an effect on others" and her talent in the competition was dancing and tumbling.

McKenna Lindsay, the daughter of Mark and Suzanne Lindsay, received the honor of  $1^{st}$  Miss Teen Attendant and Kylee Neilson was named  $2^{nd}$  Miss Teen Attendant.

Katie Faulkner, 18, the daughter of Carl and Cathie Faulkner, served as Miss Teen Eagle Mountain in 2000 and her platform is "To continue my efforts in making a difference with the special-needs kids."

Her talent in the competition was singing, which she says she has been doing since she learned to talk

Eagle Mountain's spunky new queen bravely sported her favorite bedroom slippers under her dazzling gown during the competition.

They're comfortable, "she said with a smile, remembering how badly her feet hurt a few years ago following her competition for Miss Teen.

Lisa Bailey, the daughter of Kelvin and Maritza Bailey, received the honor as first attendant to Miss Eagle Mountain.

The honor of Miss Photogenic was awarded to Kylee Neilsen, and McKenna Lindsay was voted Miss Congeniality.

Additional contestants for Miss Teen Eagle Mountain included Stephanie Christiansen, Alissa Johnson, Brittany Monson and Karalee Monson.

Miss Teen Eagle Mountain 2001, Kapree Roberts, and Miss Eagle Mountain 2001, Ashley Allen, also took their final stage walk prior to passing the crown to this year's royalty.

The pageant was directed by Natalie Kershaw, who was crowned Miss Utah in 1994. Suzie Basset, Melissa Herbert, Kin Southworth and Valorie Taylor worked as assistant directors. Martha Chavez, Wendy Killian and Tino Saiki judged the competition, and Linda Tuttle was the auditor.

The stage show was choreographed by Maren Black. Make-up and hair-styling were provided by Lisa Slater and Traci Schroeder.<sup>38</sup>

This would be the last pageant until 2005 because Natalie Kershaw would move during the next year and there was no one to take over this very time consuming event.

The new Pony Express Elementary school was opened in August and was welcomed as the first school to be built in the community. This was an exciting moment for the residents of Eagle Mountain. The dedication for the school was held later that fall.

In September, water and sewer rates had to be adjusted because the capitalized interest account set aside in the 2000 Water and Sewer Revenue Bonds had been depleted and growth did not occur as projected in the Black & Veatch report leaving no choice but to raise sewer rates as was predicted in the report if growth did not occur.<sup>39</sup> A special newsletter by the mayor was distributed to the residents to explain the need for the increase:

The issue of sewer rates is different from water rates because they are two separate systems. The water system is connected to the North and South and serves both parts of the city. They were also both funded and paid for in the same manner making the operational expenses and the debt service to be shared by all. Just for the record, after closer evaluation we are looking at raising the ceiling levels for all lots in regards to the maximum amount of water that can be used before the rate goes up. The current levels were based on State projections and recommendations, but they seem to be low compared to actual usage of lots less than 11,000 s.f. These levels were set to encourage water conservation and nothing more. The \$20 base rate on water is to pay direct and fixed cost for debt service, before these payments were due the \$20 did not pay any debt service that is why 10,000 gallons was included in the base rate; in addition, the rate per thousand has gone down from \$1 to \$0.76.

As for the sewer rates, one must understand that the sewer was financed through revenue bonds that **by law** must be paid back by the users of that system. I don't agree with this type of financing for the circumstance this city was in, but that was the way it was done. Also, the few impact fees that have been collected did not pay the debt back, instead they were used for improvements and upgrades for the current system and some may have even gone towards interest on the original loan. However, even had 100% of the impact fees been used for the debt service, \$600 was about a fourth of what it should have been in order to pay back the original debt. Now since the beginning, the city instead of adjusting rates to go towards paying the debt back simply rolled the interest over and over until the revenue bonds were in place and then borrowed more on top of that to pay the interest payments until October 2002 in hopes of increasing the growth during that time, which would allow the cost to be dispersed over more

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<sup>&</sup>lt;sup>38</sup> Daily Herald News 2002

<sup>&</sup>lt;sup>39</sup> Black & Veatch Report

people. As we all know that growth did not occur and the time to start paying back the debt has come. We cannot continue to put off the debt nor **by law** can we have others pay for debt on a system that they do not directly benefit from. The North financed the sewer transportation system through SIDs on their property, which in turn made the cost of their lot more expensive than in the South. Also, the debt of the treatment plant owned and operated by TSSD on Lake Utah charges an impact fee of \$2,480 per home at time of building permit. This pays them back for the expense of their plant that serves the North residents. To ask them to pay that debt back, the increase cost of their lots for the infrastructure put in by the developer which is owned by the city and then on top of that expect them to pay a portion of the debt of a system in the South is not only unfair, but illegal. The truth is that the North would have an even cheaper rate if not for the operational cost of treating the sewer in the South. All have shared this cost because we cannot separate out how many hours are spent by employees on operations in the North vs. the South. So to a certain extent the North is still subsidizing the South through operational expenses, but that is something we can still legally do and yet those in the North are not complaining about this even though they could.

This decision was very hard to make, the council understands and feels for the situation and for that reason has been working very hard to help promote more growth in the City Center. We have issued more permits for the City Center in the last three months than have been issue in nearly two years and so growth is close in coming. We have two major developers seriously looking to come into the City Center next spring. We also have the compounded problem of dealing with lack of capacity for water and sewer in the South to support the growth in the future. We are working diligently to resolve this in the next few months. This council did not create the challenges that have been dealt to it. We are simply trying to apply prudent economic changes that will help to meet debt obligations that were made over five years ago by others. As mentioned in my Newsletter, these rates should have been looked at over a year ago just to prepare for this October, because they were not the whole City through water revenues is now paying the payment for this year and then is loaning the money for the next three years just to keep the payment at \$45. If growth goes as planned today then these rates may be able to be adjusted next year, but if not then they will stay at this rate for some time. This is why it is so critical to get housing going in the South. Had the sewer system in the South been done differently and had everyone paid an impact fee of over \$2,000 at the time of building then we would not be in this predicament.

We appreciate your concern and if someone has a better idea that is legal, then we are more than willing to listen to other alternatives, but we are doing the best we can with what we have been given. We recognize this is not easy, but our only choice is to grow and with growth goes the problem. However, this growth has to occur in a prudent manner or we only compound the problem in the future. I hope everyone is taking proper perspective of the increases also. The sewer rate has gone up \$20 from what it was not \$45 more, just in case there is some confusion on that issue.

Thanks, Mayor Bailev<sup>40</sup>

Eagle Mountain's second fire station was built in the Ranches on Pony Express Parkway. It was officially opened on September 14, 2002 with a remembrance held for September 11, 2001 during the hose-cutting ceremony. The station at that time basically consisted of two

<sup>&</sup>lt;sup>40</sup> City Records

double deep bays, a bathroom, laundry room, and an office. The initial fire engine for the city was moved to that station and a second engine was purchased from Texas to replace it in the City Center. That same month, the city had a contest to design the first official city flag. The council and the mayor chose Dave Dresden's design.



As Kent Parker, the new finance director, and staff were bringing the financial records up to date for the previous two years, it was discovered in October 2002 that the city had not paid sales taxes collected for all the previous years for the utilities. This would cost the city over \$296,764 in past due taxes, late fees and penalties. The city owed \$29,168 in penalties, interest and direct staff cost for the audit. In addition, the city had to pay \$71,591 in taxes owed, but not collected. Fortunately, the remaining amount had been collected, but was never sent in to the State Tax Commission. The most costly and damaging expense was the increase in the bond insurance that BNP Paribas charged for insuring the Gas and Electric Revenue Bonds. Due to the failure of the city to submit its financial records they were in technical default of the bond agreement. As such, BNP increased their rate from 1.75% to the maximum of 4% on the \$20.8 million dollar bond as their legal remedy for the city's default in not submitting financial records during the fiscal years of 2000 to 2002, which meant the city would be paying over \$460,000 more each year over the next two years until the city was no longer in "technical default". Lastly, it was discovered that the financial records for the fiscal years of 1998 to 2000 were completely missing. No hard copies, no back up disk copies, or hard drive copies could be found. The only records still available for those years were the annual financial audit reports that were submitted in late 2001, but there were no records supporting the thousands of transactions that occurred making it much more difficult to calculate the late taxes owed. Estimates were made by basing the number of permits with the average utility rate for an average home. 41

In October the city adopted a new impact fee ordinance that would allow monies to be collected for future infrastructure needs as building permits were pulled. There had been an

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<sup>&</sup>lt;sup>41</sup> City Financial Records

impact fee ordinance in the beginning, but it was basically removed in the fall of 1999. Mr. Walden felt the fees were too high and that it was curtailing growth. The market in the city center was price point sensitive due to its location. He publicly stated that unless the fees were lowered to a more reasonable amount that he would need to shut down their operations. Mayor Bateman and the council at that time agreed to remove these fees after initially refusing too once Eagle Mountain Properties closed their doors to prove they were serious. They had their backs against the wall since growth was essential to the city's ability to meet its debt obligations. These fees were reinstated in 2002, however, and the goal was to raise them annually until they reached the needed levels. This method would allow for market adjustments in a gradual way rather than shocking the market all at one.

Another important event occurred this month; the new golf course had its grand opening. It would be a limited opening in preparation for the spring of 2003, but they wanted to celebrate its completion. The mayor parachuted in for the event with a skydiving team just as he had for the Pony Express Days. They all landed safely on the 9<sup>th</sup> hole, just south of the newly built Club House.





Serious negotiations with Direct Communications had continued from January until the fall of 2002. These negotiations and the potential sale were communicated to the residents. Mayor Bailey wanted to find out how the community felt about the possibility of the sale and to seek their approval through a referendum. There were those who were against it and felt it was not in the best interest of the city to sell. The key leaders of this group were Mark Lofgren, former council member, Brigham Morgan, current council member, and David Loper, DSL tech for telecom and chairman of the Arts Council. A referendum was placed on the ballot and the turn out was great. So, in November 2002 a referendum to sell the Telecommunication system was approved by 94% of those that voted.

Now the process to continue the sale was moving forward, but time would prove this not to be the most challenging aspect of the deal. Getting the PSC (Public Service Commission) and the FCC (Federal Communication Commission) to approve the transfer would be the larger hurdles to overcome before this process was complete. Diane Bradshaw, a former council member, was hired to be the part time business manager and department head for the Telecommunications Department. She became very instrumental in keeping this department financially viable until the sale could occur.

Although, the political environment was still on edge, most of the year was peaceful and the new council had worked together and had accomplished much. At the beginning of the New Year, Mayor Bailey wanted to have the first mayoral State of the City Address for the end of January. In an effort to maintain a sense of good will within the council, he proposed to have each council member give a State of the City Address over their respective responsibilities. Greg Kehl was over Public Works, Diane Jacob was over the Planning Commission and Airport Planning Commission, Mark Madsen was over the Library Board, Linn Strouse was over the Pony Express Day, Youth Council, Youth Sports, and Neighborhood Watch, Brigham Morgan was over the Arts Council and the Telecom Board.

The mayor would then give an overall view and perspective of the city and its progress as a whole. Plans were made and the meeting was scheduled for the 20<sup>th</sup> of the month. Unfortunately, Mayor Bailey had to go out of town on business and, as Vincent Liddiard had been appointed to be his Chief of Staff, he was asked to stand in for him and read the address. Vincent read the address as it were written, but several of the former elected officials found offense at some of what was said during the council addresses as well as some comments in the mayor's address. As a result, many of the hard feelings from the past were renewed. The following is Mayor Bailey's address:

## **State of the City Address January 2003**

My fellow Friends, Neighbors and Citizens:

It is my pleasure and honor to report the State of the Eagle Mountain City at the beginning of my second year in office.

First, let me briefly express my sincere appreciation for the trust and confidence you have granted to me and to each member of this council. In addition, I am thankful for the opportunity to serve our City and especially for the support that many have rendered during my term thus far in office.

Without question this has been one of the most challenging and eventful years for our City since its inception only six years ago last month. Working together, we've accomplished much. Yet many more challenges lie before us. Some challenges are easily solved. Others take time and require difficult decisions that will or can greatly affect our citizens. Through it all we are becoming stronger, wiser and better prepared for a marvelous future that does not begin at a point to far off in the distance, but rather begins as early as tomorrow.

Eagle Mountain in just six short years has grown from roughly 250 residents to over 8,000 residents. We are the third largest geographic city in the state of Utah. These two facts alone have created one of our largest challenges, growth.

What have we accomplished these past 12 months? With much-appreciated assistance from innumerable individuals and organizations we've completed and improved dozens of acres in parks, trails, and streetscapes; expanded and improved our power and water systems to handle our astonishing growth; expanded our police, fire, and medical services; improved our youth sports program and created a youth council program; grappled and brought under control our financial system; negotiated the sale of our telecom system with a 94% approval rating; revamped our development code and master plan; expanded our library; launched our new website; created an exciting new marketing strategy; adopted a new city flag and installed new flag poles; dedicated a new elementary school; had property purchased for another elementary school and attempted to make Eagle Mountain City the most customer-service oriented municipality in the state. All in all, I would say it has been a fun and challenging year.

We began with three newly elected council members; each determined to help in making a difference. In the first two months we hired a new Finance Director, Kent Parker. Next, we let go of our City Administrator, John Newman, who had been serving as the City Administrator, Public Works Director and City Finance Director all in one. With his

departure I was forced to accept those responsibilities except Finance Director, without compensation and at the same time continue to serve as mayor. This was a difficult decision and some on the council felt it was a major mistake. Even though this placed a tremendous burden on my family and me, it was a necessary change to repair the enormous financial and organizational mess that had been left behind. I am so thankful for those council members who supported this decision and their strong support during this transition. I am also appreciative for the cooperation from the two former council members. It started off a little rocky, but with time we have become a team and have worked well together over the remainder of the year. I look forward to a continued team effort from the entire council.

Kent Parker, the new Finance Director, was given the enormous challenge of not only making sure that all financial transactions of the city were kept up on a daily basis, but also, would be required to bring the past two years financial records current.

Unfortunately, the former Administrator, City Treasurer, nor the City Council had taken the appropriate action to avoid allowing our financial information to reach such a critical state. Not even the independent auditors, who were aware of the financial status along with the City Administrator and City Treasurer bothered to go directly to the council about these problems. Naturally it was disappointing to find that these financial matters were not being addressed with the importance they deserved.

The heart and core of any organization are the financial records, without them it is difficult to make prudent and wise decision, plan for the future, and have the ability to judge the effectiveness and productivity of various city departments and employees.

After three months of searching we were fortunate enough to hire Chris Hillman as our City Administrator. With his unique skills in organization, marketing, budgeting and dedication we have been better able to identify the problems and find solutions for them. He has been very instrumental in bring order and focus to our staff. He is there on a daily basis to oversee the day- to-day operations and assure that things are running well. He has worked closely with me to improve our image inside and outside the city. His services have been invaluable and he is and will continue to be a tremendous asset to Eagle Mountain City's future.

In July we hired Mark Sovine to be our new Public Works Director. Again we have been fortunate to be able to add his knowledge and skills to the many other talented individuals that have been serving in the Public Works Department. This department has literally kept the city physically together under the leadership of Bob Wren, our Public Works Supervisor, who has put countless hours into making it all happen when it comes to your utilities. Dan Valentine has done the same with our Telecommunications system. We are indebted to these two individuals and those who work directly with them.

Concurrently with all this going on, we worked to improve our relations with our current developers and potentially new developers, i.e. Centex Homes, Alpine Homes, Hubble Homes, Ames Construction and others. This was and is essential to our City; they are the future to our growth. We are in essence a business dependent upon having their business in more ways than one. The majority of our general funds are derived from their investment activities in Eagle Mountain. Their marketing efforts are the primary reason that new residents come to Eagle Mountain, which in turn results in more utility users to help fund the Enterprise Funds (our utilities) of the city. We need the revenues from developers to operate the city because very little revenues are derived from the residential tax base of homeowners

and the profits in the Enterprise Funds are not there due to the operational expense and debt service on them.

We have worked feverishly with Eagle Mountain Properties in the Town Center in a cooperative effort to create an SID (Special Improvement District) to obtain the necessary funds to expand the sewer system, improve roads, build new parks, and drill a new well and more, all in an effort to stimulate growth in this area. Without this or other resources the Town Center will not be able to continue to grow without interruption, on the contrary, it would become stagnant and unable to grow. We now have Patterson Construction moving forward again with over a hundred new homes going in this year, Hubble Homes is also going to build new homes in the Town Center. They are developing 160 acres, which will result in over 300 new homes. However, for this to happen we need to solve capacity deficiencies through this SID or other means.

This effort has cost the city thousands of dollars and would have with or without working on an SID. We would have still spent thousands of dollars in other areas in an attempt to find ways to stimulate the growth in the Town Center. I can honestly say that of the incalculable hours that I have spent in the service of this City, by far the majority has been spent in addressing the Town Center area problems. However, to do less would be a disservice to the residence there. There are many reasons as to why growth has become stagnant in the South, but regardless, it is essential that we solve this problem for the good of the entire City. There is no North or South, we are one city with one objective and that is to grow as one. We must work together and draw development towards each other. Unfortunately, there are two specific circumstances that have created a wedge between the two parts of town. One is the lack of a road between the North and the South. I am pleased to announce that through much effort we now have a verbal commitment from the State Trust Lands to build their portion of that road this year, which will create that geographic link we so desperately need, binding us closer to each other. The other is the fact that we have two separate sewer systems, which create an undesirable cost disparity between the North and South Service areas. Again we are working on ways to join the two or to find ways to reduce the cost of debt service so that there will be less cost disparity between them.

Some are probably wondering what will happen with the utilities? When or even if they will ever sell? As for the Telecom System, we are nearly there. We hope to close on the deal by July 2003. As for the Power and Gas Systems we have been in negotiations with UP&L and Questar for the past 7-8 months. Questar has finished with their analysis and are ready to move forward; however, without UP&L running concurrently with them we cannot move any further forward with them due to the fact that the revenue bonds are tied to both utilities not just the one. In other words, we cannot sell just one or the other; they have to be sold simultaneously. As of November UP&L contacted and informed me that they were no longer interested in purchasing our system for the time being. With that information I moved forward into looking at another idea. That was to look at finding a Rural Electric CO-OP to buy us out or to possibly form a CO-OP of our own. As of now that is a real possibility and we will continue to investigate further to know all the pros and cons of that path. I am confident that we will find ways to take the burden of the utilities off the backs of the city, but this will take some time given the debt service on them. With patience and persistence we will make things better.

As I reflect upon the challenges before us as a city I am reminded of a story a close friend shared with me. There was an old farmer who had a mule that fell into the farmer's well. The water wasn't very deep, so the mule was able to stand on the bottom. The farmer heard

the mule praying, or whatever mules do when they fall into a well, and went to investigate. After assessing the situation, the farmer sympathized with the mule, but decided that neither the mule nor the well were worth saving. The farmer called his neighbors together and told them what had happened and enlisted them to help haul dirt to bury the old mule in the well and put him out of his misery. Initially the mule was hysterical, but as the farmer and his neighbors continued to shovel dirt on his back a thought struck him. It dawned on the mule that every time a shovel load of dirt landed on his back he would shake it off and step up. This he did, blow after blow of dirt hitting his back. Shake it off and step up... shake it off and step up... shake it off and step up. The mule repeated this statement over and over to encourage him self no matter how painful the blows or distressing the situation seemed, the old mule fought panic and just kept on shaking it off and stepping up. It wasn't long before the old mule, battered and exhausted, stepped over the wall of the well. What had seemed would bury him actually saved him because of the manner in which he handled his adversity. That's life. If we face our problems and respond to them positively and refuse to give into panic, bitterness or self-pity... the adversities that come along to bury us often have within them the very real potential to benefit us.

We, like the old mule, fell into a well. If we don't panic and if we continue to shake it off and step up we will overcome our adversity. This adversity can be our ally or our enemy. In the past it was our enemy, but I am pleased to report it has become our ally. We now have peace and hope where contention and despair were. We now have citizens with just the right skills and expertise in positions to help improve our city and community. We now have elected officials very cognizant of our financial circumstances. We will rise above all these difficulties and challenges and be better for it.

Even more is in store for 2003. Not only will City services continue to improve, but also an additional 2,000 people will likely claim Eagle Mountain their new home. Also, many new businesses are making plans to join us. Eagle Mountain is a wonderful community with great potential and a bright future. It is a privilege to be a part of Eagle Mountain, "Utah's **New** Frontier".

Thank you and God Bless. Mayor Kelvin E. Bailey<sup>42</sup>

The unintentional perception created by these addresses was the final definition of two distinct political camps. Greg Kehl, Brigham Morgan and Diane Jacob moved to band together on one side and Mayor Bailey, Mark Madsen and Linn Strouse on the other. This created an imbalance because the mayor did not have a vote on the council, whereas Councilwoman Diane Jacob had been the swing vote on many issues over the previous year, in the meetings to come, that would no longer be the case.

A flag ceremony has held later that month. Councilwoman Linn Strouse was in charge of the planning of the event along other volunteers. Chief DeKorver and the Fire Department presented the colors and the City's Official Flag on this special Presidents Day Celebration. The city was able to hold this flag ceremony thanks to the donation of flag poles from Scott Kirkland and the Ranches earlier last year even though the round about which was used by the city was not in their development. This was a generous offer made and appreciated by the city officials.

<sup>&</sup>lt;sup>42</sup> City Records



In spite of the good things that occurred, the attitude from the previous meeting continued to loom over the council and would become a major stumbling block for the 2003 year. The first was in February when a discussion to change the form of government of Eagle Mountain was brought to the council's attention. The mayor was trying to remove some of his CEO responsibilities and this would be a way to help achieve that goal. By creating and adopting a manager form of government the City Administrator would become the City Manager and CEO. This was not Mayor Bailey's preferential choice for municipal government, but it would have taken away a lot of the responsibility and specific powers given to the mayor under the current form of government. The following was a statement he read at the beginning of the discussion.

We are here tonight to consider possible changes in the form of government that we have been operating under. As mayor of the city, not CEO, it is my responsibility to bring to the attention of the council any recommended changes that need to be made in the key operational structure of the city. Last year we saw the need to separate the position of City Administrator from Finance Director and Public Works Director. It took a few months to effectuate this, but it has resulted in a better organization that is able to be more productive and effective in fulfilling the needs and demands of the city. This and having a full time CEO were part of the reason we were able to get so much done over the past year. Our continued growth and demands for daily executive decisions have continued to increase and require that we continue to have a full time CEO. I have, for

the past year, filled this position as required by my elected position as mayor and CEO under our current form of government. I had hoped once we got through most of the major hurdles we have overcome this past year that this position of CEO would be less demanding. However, the demands continue to be there due to the complexities of our city and the fact that we are a multimillion-dollar corporation, which requires a CEO to be at the helm as any other corporation this size does.

In an effort to ease concerns of this issue becoming personal or political, I suggest that we look at this as we would any other position in the city and separate the person currently occupying this position and only look at the needs, demands and requirements for the city. We are now at another juncture that needs to be considered. Again as we did last year, I recommend we simply look at this problem as we have many other problems in the past and evaluate the best solution for the city, then consider what and how to best deal with the position of CEO. We need to be objective, logical and businesslike in this decision and leave aside any and all personal issues during this very important discussion. This is all I am asking as we go through the consideration of possible changes that need to be considered for the position of CEO, not mayor, of the city.

I have asked staff in this case to help present the facts for the council so that each of you can make a logical, informed and educated decision that will best serve the city and the citizens of Eagle Mountain.

So simply put, as mayor, I am asking the council to consider various options on how to continue to provide the Executive decision making authority on a daily basis as is needed. And just as we separated the position of City Administrator last year, in my opinion we now need to consider separating the position of CEO from that of the mayor or explore any other possibilities that we can discover here tonight. 43

This meeting turned into more of a warm debate than a productive discussion of ways to improve the management of the city. The issue was tabled indefinitely and the animosity continued to grow. There was more focus placed on whether to have a paid mayor rather than a restructure of the form of government, as had been proposed. Mark Madsen was the primary proponent in recognizing a need for compensating the mayoral position. He, along with Mayor Bailey, had been the primary driving forces behind the efforts to write a new and innovative development code that had been very controversial. Mark Madsen had been working extensively over the previous few months with the City Attorney in order to write the legal language for this new code that the council and the Planning Commission had been discussing over the previous year and had come to a consensus on the goals for it.

On March 26, 2003, a special council meeting was held to approve the newly proposed development code. The meeting turned into political posturing on both sides and so no action was taken. Many residents chose to voice their opinion by standing in the back of the building, holding up signs and making noises. These actions contributed to the general tension and irritation that already existed. Because of this tension, the council chose to table the issue indefinitely. The mayor was very troubled over the direction things were going.

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<sup>&</sup>lt;sup>43</sup> City Records

The burden of trying to manage such a new and volatile community weighed heavily on Mayor Bailey. In addition to the months of serious controversy, he was struggling with personal financial problems due to the huge amount of time and energy he spent dealing with city issues. On top of everything else, his wife Maritza had suffered a stroke in February. In March, his anxiety and frustration boiled over.

On March 27, 2003 and on his way home from a pheasant hunting trip with the city engineer, Korey Walker, Mayor Bailey began driving to clear his mind and to work through some of the issues that he was confronting in his life. As he drove, he became increasingly upset and anxious. Before he realized it, he had driven for 14 hours and 500 miles. He was in California and it was the next day. He realized that he needed to call Maritza, his wife, and let her know he was okay and to explain where he was, but he became concerned that if she realized the state of mind he was in, that her concern for him might put her at risk to have another stroke. Still not thinking very clearly, especially after 48 hours with no sleep, he decided to tell her that a hitch hiker had forced him to drive to California, but that he was now fine and free and returning home. He thought that would somehow be less stressful for her. He had thought that once he got home he could discuss this unfortunate event with her face to face; he would try to explain what had happened even though at that moment he was not sure how he got where he was.

When he called and told her his story, he had been missing for over 14 hours. Frightened for him, she had called a friend of their family and a sheriff's deputy in her neighborhood, Jim Bingham. He was there in minutes of her call and just prior to Mayor Bailey's phone call. She handed the phone to Deputy Bingham and the mayor repeated his story. His cell phone died and so he was not able to retract his story when he realized what he had done. After another long drive with no sleep, he stopped at the sheriff's county offices in Spanish Fork on his way home to explain to them what had happened. By that time, the whole event had become a media frenzy. During his conversation with officers, his emotional state and physical exhaustion were obvious and the officers contacted his ecclesiastical leader and wife to come and pick him up. It was apparent to the interviewing FBI officer and to the sheriff's officers that he had had an emotional breakdown. The following Monday the FBI said that they would not pursue any legal action, the sheriff's office indicated the same, but the County DA's office did not commit to what, if any action they would take. In fact, two weeks later the DA's office filed charges against Mayor Bailey for providing false information to a law enforcement officer, a class B misdemeanor equivalent to many traffic violations.

Mayor Bailey took two weeks off and during that time issued a public statement in the local newspaper. It read as follows:

There have been numerous stories over the past few days regarding what happened last March 28<sup>th</sup> with the Mayor of Eagle Mountain. Unfortunately, no matter what any public official does or says he or she is always scrutinized to the extreme, a scrutiny, which can often yield a picture of, mixed facts and fiction. This is one of the mixed blessings of democracy, freedom of speech, and freedom of the press. These are rights that I support with all my heart.

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<sup>&</sup>lt;sup>44</sup> Interview with Mayor Bailey

I would like to apologize for the embarrassment and anxiety that I have certainly caused, to my family, friends and associates who know me from many parts of Utah, but also particularly to the citizens of Eagle Mountain. I have been amazed, overwhelmed and humbly grateful for the hundreds that have come to lend their support over the last few days. It only reaffirms my belief in the people of this community. As I have said before what makes a community great is the people not its physical characteristics, and because of the people in Eagle Mountain we will continue to be a great place to live and raise our families.

I cannot turn the clock back and erase an event that, under any other circumstances, would have simply been a disappointing and discouraging day. But I do genuinely apologize that I allowed stress to drive me (literally!) to a point that I had disassociated myself with my surroundings. I want to assure everyone that I am taking the necessary steps to reprioritize my life to reach the appropriate balance between what is best for both my family and for my community.

The events of last week and some of the ways they have been reported have portrayed me in a light very far from who I am and how I act as an individual. I pray that you will stop and listen to the facts and the circumstances.

Since the beginning of this year my concerns for the city have increased tremendously. I have continued to work over 160 hours per month for our city – most of those hours having unavoidably been spent during the work day –making it very difficult to accomplish the work needed to support my family. The City's financial records have become increasingly clear after more than two years of being in the dark and it greatly troubled me. Furthermore, after the council meeting on Wednesday 26<sup>th</sup> it had become obvious to me that our progress could come to a screeching halt, which would likely compromise our future growth at what I would consider a critical juncture for us. Due to emotional stress I began to feel as though we were losing everything we had worked for over the past year and that the weight of the world was on my shoulders with everyone depending on me to make it work. In addition to these issues, I saw my personal financial demise looming in the near future if I did not focus more on it – which significantly conflicted with the equally immediate demands of my civic responsibilities.

All these and other important family-related factors combined to weigh increasingly heavy on my mind. Thursday afternoon the tension reached a peak. After more than 24 hours of no sleep prior to an all-night drive, reality set in and I remembered the most important thing in my life, my family. In my exhaustion I concocted a story that I planned to tell only my wife that would explain where I had been until I could get a chance to talk to her in person. Unbeknownst to me she had already notified the authorities. It was poor judgment that perpetuated this story and I take full responsibility for it. In route home I realized that the right thing to do was to go to the authorities and correct this error, which I did.

Regardless of recent events, I am able to step back and still look at our progress. I see we have made great strides over the past year. I still firmly believe in the great opportunities that lie ahead for our community. The phenomenal growth that we have experienced over the past year even in light of the down turned economy has poised us for even greater progress. Our city will continue to encourage more residential and business development and through this growth the indebtedness will be reduced. Our city will finish getting the financial records in order and become financially sound.

Thank you for your understanding and God Bless. Mayor Kelvin E. Bailey<sup>45</sup>

At the next council meeting Mayor Bailey did not attend, but there was a large crowd there. The following is a report of that meeting by the local news.

## City Hall Crowd Backs Its Mayor Who Fibbed

By Mark Eddington The Salt Lake Tribune

**EAGLE MOUNTAIN** – Residents of this growing town are not resigned to having Mayor Kelvin Bailey step down.

An overflow crowd at the City Hall Tuesday night made it clear they want their runaway mayor to stay put, even though he fibbed last week about being kidnapped.

In a scene reminiscent of the Frank Capra film "It's a Wonderful Life," most people at the council meeting spoke of Bailey in glowing terms.

Planning Commissioner Leslie Montgomery was among those asking Bailey – who told investigators he lied about being abducted because he was feeling overstressed and under-appreciated – not to bail out.

"He's made the ultimate sacrifice for this city," she said.

OK, resident Mark Ackerman added, the mayor is not perfect. "We all make mistakes. But most of us don't become politicians because we don't want our mistakes to become public. Few are brave enough."

Jess Romrell said, "Kelvin has a very good skill of making a redneck like a yuppie. This town is made up of a lot of rednecks and yuppies."

Bailey was a no-show at the meeting and is not commenting about his plans.

Councilman Greg Kehl, the mayor pro tem, said Bailey has not talked about resigning.

But some disagreed with "business as usual."

Ruth Brandt said, "Maybe the best thing for {the mayor} to do would be to step down. Maybe he needs Prozac, I don't know. Maybe he needs to see a psychiatrist."

<sup>&</sup>lt;sup>45</sup> City Records

Planning Commissioner Rick Pierce also want the mayor to step aside. "I have no confidence in him. I have stress in my life too, and I go to the medical doctor and take medication...But I've never lied to my wife because I need quiet away time."

If Bailey does resign, he will do so of his own accord. Unless an elected official commits a felony, there are no legal grounds for removal from office.

Filing a false report to a police officer, a class B misdemeanor, does not rise to that level. Even if it did, the U.S. Attorney's Office has declined to press federal charges and Utah County Attorney Kay Bryson is still undecided about filing charges.

Instead of punishing Bailey, several residents lobbied the council to make his lot easier by raising his pay or creating the position of deputy mayor.<sup>46</sup>

At the following meeting on April 16, 2003, Mayor Bailey attended council meeting and read the following statement.

I am so grateful that honesty and integrity are not defined by a single event in one's life, but rather by a series of many events that cumulatively define one's moral character. I have always strived to make good honest decisions, but unfortunately under the pressures of an emotional breakdown I made a poor personal choice.

However, my actions over the past 15 months are an indication of my ability to make good solid decisions for the benefit of our community and that honesty and integrity are as much a part of my life as they have always been.

I am disappointed that some could think that this unfortunate decision was made with intention to deceive anyone. Why would anyone make such a decision knowingly and risk destroying his integrity and all that he has worked for and achieved?

I would like to reassure everyone that my family and I have taken these past two weeks to evaluate, prioritize, and restructure where necessary to allow for continued stability in handling all my family and civic responsibilities in the future.

Again, I would like to express my deepest thanks to the tremendous support I have received over the past few weeks. It has been amazing to say the least. Also, I want to thank the council for stepping in after informing them that I would take a couple weeks leave of absence to evaluate the situation. My desire to serve the people of Eagle Mountain is the same as it was when I started this challenge. Thanks to the kind and overwhelming support of the people of our community, I would like to make it perfectly clear that I will remain at my post as Mayor of Eagle Mountain. We have made great progress over the past 15 months and we will continue to do so.

I recognize that there are some who may be disappointed with my decision to complete my term as mayor. To such I extend the same invitation for communication that has seemed to become my trademark as mayor: Please come talk with me and let us reason together. There may be differences that we cannot agree upon, but let us peacefully

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<sup>&</sup>lt;sup>46</sup> Salt Lake Tribune 2003

understand each other's concerns and ideas. Furthermore, I am determined to see that the positive out weighs the negative, the progress overshadows the weaknesses, and not dwell on the bad when there is so much good in motion and yet to be accomplished. We've come a long way since the election, and I will finish what I started.

I would invite all to join the community and work in a cooperative effort. I look forward to helping Eagle Mountain become "Utah's New Frontier" and be among the many other fine cities in Utah.

Thank you and God Bless, Mayor Kelvin E. Bailey<sup>47</sup>

In anticipation of Mayor Bailey's announcement of his decision to stay in office, three of the council Members prepared a statement to read during council meeting. Diane Jacob was selected to read the following statement signed by her, Greg Kehl and Brigham Morgan demanding Mayor Bailey's resignation.

As council members and residents, we are all pained and saddened that Kelvin went through the events of the past few weeks. We don't know of a single resident who wishes for the mayor or anyone else to break down under stress. However, this compassion for Kelvin does not negate the fact that in his mayoral role, he MUST accept accountability for his actions.

Many individuals have made assumptions as to our position on Mayor Kevin Bailey's decision to stay on as mayor and have publicly attacked our assumed opinion, despite our silence. We chose to remain silent out of respect for the mayor and his family. Now that Kelvin has publicly announced his decision, we feel the time for silence is past. There are numerous concerns that must be addressed. Many residents of Eagle Mountain have urged us to speak in their behalf. Their apprehension is real, and the trivial information that has been shared will not overcome it. They want their questions answered.

The mayor indicated he was running away. Most residents want to know where he went, and why he ran from his executive responsibilities, supportive neighbors and church members, and even his own family. Residents of this city also want to know what would compel a mayor to place his constituents in a situation where they would rightly feel the need to police him, to questions his decisions, and to wonder about the credibility of his statements and negotiations. They are concerned that we have a mayor who purportedly lied to authorities in a very public manner. It concerns them that we still are not hearing the full story, and we still have not received a full apology from our mayor.

In his letter of apology, the mayor summarized what he had learned from the March 26<sup>th</sup> council meeting, where the Development Code was discussed:

"It had become obvious to me that our progress could come to a screeching halt, which would likely compromise our future growth at what I would consider a critical juncture for us."

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<sup>&</sup>lt;sup>47</sup> City Records

Had the mayor communicated with all members of the council prior to this date, he would have quickly realized that the revised Development Code (that, incidentally most council members received for the first time three weeks before the scheduled vote) had unresolved issues. We could have then dealt with it appropriately. In our opinion, much of his stress he brought on himself. Kelvin discouraged developers from moving ahead with development under the existing code, and apparently made personal commitments to push the code through as quickly as possible—absolutely no later than April 1<sup>st</sup>. Had he not done this, the concerns expressed by both council members and residents would not have become the critical issue he created it to be.

Accounting for the events of March 28<sup>th</sup>, Kelvin explained:

"In exhaustion I concocted a story that I planned to tell only my wife that would explain where I had been until I could get a chance to talk to her in person.

Unbeknownst to me she had already notified the authorities. In [sic] route home, I realized that the right thing to do was to go to the authorities and correct this error, which I did."

According to this statement, the only communication Kelvin had with law enforcement authorities was to clear up the missing persons report made by his wife. However, when Utah County Attorney Kay Bryson commented on the class B misdemeanor charge, he said "If he [meaning Kelvin] had not provided false information to police, we would not have filed this charge."

Which version is the truth? Clearly the mayor's statement to the press does not match his statement to the Utah County Sheriff. The "apology" that was printed in our local paper places accountability on others and fails to acknowledge the misdeeds in question.

On Kelvin's campaign website he mentioned the importance of a unified town:

"We are one town and we must be united no matter what part of town we are from if we are to ever solve the problems that confront us as a community."

Unfortunately, his questionable, erratic actions have caused a major lack of unity in our city. It is not a geographical division, as referred to in his comment, but rather a large division of confidence or non-confidence in our mayor. Understandably, there is a lot of emotion on both sides of this issue. Many of our citizens support Kelvin and desire to see him remain in office. Alternately, many citizens feel that Kelvin has lost credibility and should not continue to serve as our mayor.

As council members, we are not concerned about the perception of our current administration. How can we expect the residents to trust that our city's relationship with other government agencies and developers will be taken seriously? What will the first thoughts be of our mayor? Will these important contacts think of past accomplishments, or will they first remember that they are dealing with the "runaway mayor" who admittedly used poor judgment and apparently lied to such an extent that charges were filed? We are worried that council members, employees, and citizens of Eagle Mountain will continue to be looked upon as members of a city whose mayor couldn't handle everyday pressures, so he not just fled, but concocted a story as a cover. In our concerned opinion, this negative public perception combined with the mayor's reduced credibility will be an issue for the remainder of his mayoral term.

We implore the mayor to set aside his own personal interests and desire to remain serving as mayor long enough to sincerely prioritize the needs of the citizens he serves, seriously considering the integrity of the office and the integrity of this council. We ask him to place these issues above his personal desires. It is the entreaty of the majority of this council that the mayor fully acknowledges the mistakes he has made and their direct impact on the city. We expect him to actively seek restitution to the full extent of his ability. In our opinion, this means submitting his resignation so the current negative perception can entirely be associated with Kelvin Bailey and will no longer reflect poorly on the office of mayor, the residents and City of Eagle Mountain.

Sincerely,

Greg D. Kehl Brigham S. Morgan Diane K. Jacob<sup>48</sup>

Their statement did not change his decision to stay, but it did fuel more animosity and contention in the community. But the business of the city continued to be done in spite of the obvious division on the council.

The financial audits for July 2000 to June 2001 were completed and available to the public in May 2003. These should have been completed by December 2001. But progress was being made and the financial picture of the city was becoming clearer.

In July, the volunteer fire chief's position was changed to be a paid part time position. A municipal utility tax of 3% was implemented to fund the public safety grants awarded to the city for fire personnel and equipment. There was a balanced budget without this increase, but in order to fund these needs it was essential to increase taxes slightly through a utility tax and a modest property tax increase. With these funds and the COPs grant, a federal grant for the police force, the city was able to bring in an additional 4 officers over the next year.

The financial audits for July 2001 to June 2002 were also completed that month and made available to the public. The deadline for these reports was December 2002. Unreserved Funds (Savings Account) had to be used to compensate for under estimated revenue projections from the 2001 budget approval by the previous administration. This resulted in a \$481,000 deficit for general fund in 2002. Had budget cuts not been made by Mayor Bailey between January, 2002 and June of 2002, this deficit would have increased another \$168,000. As it was, the city was left with only \$30,000 in its bank account.

The City had a great interest in preserving its historical heritage and took pride in holding its Pony Express Days Celebration. As such, Councilwomen Linn Strouse, being the liaison on the council for this event, had been working with the Official Pony Express organization in an effort to identify and protect any historical sites located in the city boundaries. Joseph Nardone agreed to come out in August and assist in efforts to GPS these sites and the city would place

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<sup>&</sup>lt;sup>48</sup> City Records

temporary markers to identify them until such time that the Pony Express Historical organization could place permanent makers.



Marker for the Pony Express Station, located on Pony Express Road south of Red Hawk Ranch



In August, property taxes were increased to fund the necessary public safety grants awarded to the city and provisions were made to bring in six new officers over the next two years. The land for the new city entrance monument was donated by The Ranches and Scott Kirkland. Along with the land, the funds from their SID paid for the construction of the City's new entrance Monument on Hwy 73 on the east end of the city at the The Ranches Golf Course entrance. It was not complete until early the following year.



Good things were still happening in the growing city. The new Eagle Valley Elementary held a groundbreaking ceremony for the new elementary school that had been approved earlier in the year for the city center area. All the residents were excited about having another school in the community, especially those in the City Center area.



Eagle Mountain City held its fourth municipal election in November 2003. Linn Strouse won a second term and was the first public official to ever be reelected. She received the largest amount of votes for a total of 835. Vincent Liddiard won against incumbent Brigham Morgan with a total of 768 over Morgan's 597. David Blackburn won against Harry Bakken with a total of 726 over Bakken's 585. All three were politically aligned with Mayor Bailey. Brian Olsen, who had won the Primary Election, dropped out of the race prior to the November Election.

# POLITICAL UNITY AND PEACE ON THE HORIZON

In December, monies were received from SITLA (State Institutional Trust Lands Association) to construct Pony Express road and Sweetwater road, which finally connected the north part of Eagle Mountain with the south part. The completion of this road was a high priority of city officials. This road would help to eliminate a psychological, as well as physical divide between The Ranches and the City Center. It was the hope of Mayor Bailey, as well as the council that this would finally better unite the northern area of the city with the southern. Once this road was completed, then development along the road could occur and the barren space between the two areas would be filled. It also cut off almost three miles from City Center to Pony Express Elementary.

On January 7, 2004 the two newest council members took office along with Linn Strouse. With these changes, much of the tension that had existed before was gone. There were still problems from some citizens in attendance at times, but this council was cohesive and unified.

On January 8, 2004 Kent Parker the finance director was terminated for failure to complete work responsibilities on time, as mandated by State Statues and by the deadlines established by the finance department. An outside accounting firm was brought in to finish up the 2003 records and to help get the current fiscal records up to date. The financial records continued to be a problem even though tremendous progress had been made.

In an effort to maintain good relations with Camp Williams, a military facility adjacent to the northern boundary of the city, some of the council members attended a meeting hosted by Col. Scott Olsen. He had invited elected officials from all of the surrounding cities. Mayor Bailey attended this meeting as a representative from Eagle Mountain.

Prospects for the third year of Mayor Bailey's term were good. In January he gave his second State of the City Address. This time, he was the only official to give one.

### State of the City Address January 2004

My Fellow Friends and Neighbors:

It is indeed an honor and privilege to give the second State of the City Address for Eagle Mountain. I am pleased to report much progress has been made again over the past year.

As you may recall, I had three major goals before coming into office two years ago; they were to improve communication with the citizens, to create an environment conducive towards improved growth, and to improve the situation with the utilities. Since coming to office, I have strived to keep those commitments along with having to add a couple of new goals, which were to have better fiscal responsibility in our government finances and complete the road between the City Center area in the South and The Ranches area in the North.

I am excited to say that communication has improved. Our website (<u>www.emcity.org</u>) for the first time ever in Eagle Mountain allows citizens the opportunity to review things

such as: the minutes from council meetings; the votes cast for issues by their elected officials; the monthly newsletters; information on city planning and building permits and much much more. All this was helpful during the recent Election, the majority of voters were able to get reliable information so that they were able to make informed decisions and vote in like manner. We will continue to improve upon this site so that residents and non-residents alike will be able to find the information they are looking for about our community. The past mayoral newsletter provided in the utility bills have also helped to provide information about important issues; we now have replaced this with the "Eagle Mountain Highlights" newsletter. The continual articles in our local papers have been used to provide current and important news on a regular basis. The ability to contact the mayor and council by email and by phone has helped answer questions and concerns by residents. And most importantly for the residents, as of January 2004 we now have a live person to help answer the city's main phone number. In short, our government has become more open and communicative.

Along with communication, growth has continued during a very sluggish economy. According to recent reports we are among the top three cities in Utah County for having the highest growth rates. Growth was a major point of controversy during the last election. Some claimed growth was out of control, but what is uncontrolled growth? Is it the number of homes being built in a year? If so, then that could not have been the problem last year. We pulled 423 permits during 2002 and we pulled only 374 during 2003. A decline in homes being built cannot be defined as uncontrolled growth. But even if we built 600 homes in a year as the city did in 2000, it is not uncontrolled growth unless we cannot build the infrastructure needed to go with it and provide the necessary public services. Is it the types of homes being built that makes it uncontrolled? Some may say they find certain types of exterior materials unattractive and undesirable, but that choice should be left to the buyer. If we truly believe in freedom then every home in this town should be built according to the choice of the buyer whether it be built in siding, brick, rock or stucco, if not for freedom, then because they are the ones paying for it! Is it the number of condos being built that makes it uncontrolled? If that were the case, then again we built fewer condos last year than we have in the past three years.

The simple fact is uncontrolled growth only occurs when there is an inability to provide the basic services and utilities to accommodate that growth. We have not experienced uncontrolled growth in Eagle Mountain now or in the past. The reason we must continue to grow, is to meet the financial obligations placed on us by the utilities we own.

The original decision of the city to enter into the utility business is what has forced growth on us since our inception; however, just because we need to grow does not mean we must grow at all cost! Let me assure you, we will continue to encourage well balance growth, more improved open space, parks and trails, more step up homes, larger lots, and more commercial! We will enhance these goals through a new and improved development code! We will be holding public meetings to allow for public input again during the process. In addition, the new council, which has a strong desire to work in an objective manner to find solutions for improving our future, will work to create a code that will benefit our community long into the future.

Furthermore, our utilities have improved on many fronts. Our Gas and Electric service has improved and our costs have remained constant in a very volatile energy market and as of the first quarter of 2004 our debts on these utilities will be reduced by at least a million dollars. Also, we finalized the contracts for the sale of the Telecommunications

System last December and hope to close on them the first of March and no later than the first part of May. This will eliminate another 4.5 million dollars of debt. We have sought out potential buyers for the Gas and Electric over the past year, but so far we have not been able to find an interested party because of the excessive debt owed on them. We will continue the search and we will continue to find ways to reduce the debt.

Lastly, the financial records of the city have been a major set back for us. Since 2002 we brought in a new Finance Director and have been in a catch up mode ever since, trying to keep up with the day-to-day records and get the audits done for the previous years. We finally completed the audits for 2001 and 2002 back in May and July 2003 respectively. This was one year and five months late for 2001 and seven months late for 2002. We had hoped that we would be able to get our records for 2003 to the auditors and completed by the end of December 31, 2003, which would have been a new record for the City; however, due to problems with our Finance Director over the past six months we did not achieve that goal. We did get the majority of records submitted to the auditors for their review, but we still do not have our audit completed as should have been. The Finance Director is no longer with us as of January 8, 2004 and we have brought in outside accountants that we used in the past year to help us complete the records for the auditors. According to the auditors they plan to be done by the end of February. If so, then we will be only two months late. Progress is definitely being made.

Also, as a result of not submitting records in on time in earlier years the city has suffered losses in penalties and interest to the state, along with holding back state funds due the city from those same years. Moreover, the city has been penalized on the Gas and Electric revenue bonds with insurance premiums that have cost the city more money. Normally the city pays 1.75% of the total bond debt in an annual insurance premium; however, the city now pays 4.0%. That amounts to more than \$470,000 per year just because financial records and reports were not sent in as required.

It is disappointing to still not be totally caught up and to have to pay penalties, but at least there is good news amidst the bad. Our preliminary records indicate a clear surplus for the end of the 2003 fiscal year, which is wonderful considering we had almost a \$450,000 deficit the previous year. The state has also released some of the monies owed to the city, which were held for the years of 2000 - 2002 since those audits were turned in just last year. We are in hopes of getting the insurance rate reduced once we are able to submit the current audit and show that we are finally up to date and are performing in a fiscally responsible manner. Also, the interest rates on the same revenue bonds have been at an all time low of about 0.96 % which helps make up for the additional insurance premiums we have been paying. It has been a long hard two years for the finance department.

I am excited to say we have overcome the major financial record keeping problems, but the price they have cost the city will linger on for some time not just in dollars and cents. We hope that with time we will be able to find what led to this financial mismanagement and where some of the missing records from previous years are.

Lastly, the completion of Pony Express Pkwy and Sweetwater Road that will connect the North service area with the South service area is under contract and construction thanks to the careful negotiations made with State Trust Lands who have put up the money for this construction project as well as 50 acres for the permanent site for our future City Hall. We also negotiated many other benefits to our community with them. They have

become an integral partner with the City as the other three master developers have been in the past.

We are also in the process of building a new Public Utilities Administration Building. This building will become our interim City Office Building allowing us to move out of the trailers while we prepare to build a permanent City Hall on the 50 acres donated by the State Trust Lands in the South Service area along Pony Express Pkwy. Not only will this give the city a more professional look, but will provide the necessary room for our continued growth.

In conclusion, I would like to say that I am optimistic that the worst is behind us. Many improvements have occurred over the past year. We have a beautiful new city monument on the East boundary of our city, courtesy of The Ranches; The Ranches entrance has been completed; construction on the Sweetwater and Pony Express roads will be completed in the Spring; new commercial development will also be completed in the Spring, bringing a gas and grocery store, a pizza place, a day care center and more; a new elementary is being built in the city center area; improvements along Hwy 73 are moving along with more planned in the near future; a new amphitheater and a new well will be built thanks to agreements made with Development Associates; more parks are being completed in the city center; and we have more police and fire protection. In addition, we have a new Arts Guild and the Gina Morgan Children's Choir in our area that can grow and function in ways the city sponsored arts council could never do. They have many new events planned for the future and opportunities for all to participate in. These are just a few of the accomplishments over the past year.

We are blessed with many wonderful and caring people, who are willing to serve in the various positions in the city and share their wealth of knowledge, skills and insights to the improvement of our community.

I would hope that the good people of this country and community would continue to take courage, stand up, and serve. It is what makes this county and our community great and unique.

In addition to this, I have come to realize that not only our willingness to serve, but our perspective of life and the circumstances that confront us is sometimes more important than finding solutions for it. I recall a story my sister shared with me some years ago and I would like to share it with you now.

There was once a King in Africa who had a close friend that he grew up with. The friend had a habit of looking at every situation that ever occurred in his life (positive or negative) and remarking, "This is good!" One day the King and his friend were out on a hunting expedition. The friend would load and prepare the guns for the King. The friend had apparently done something wrong in preparing one of the guns, for after taking the gun from his friend, the King fired it and his thumb was blown off. Examining the situation the friend remarked as usual, "This is good!" To which the King replied, "No, this in NOT good!" and proceeded to send his friend to jail.

About a year later, the King was hunting in an area that he should have known to stay clear of. Cannibals captured him and took him to their village. They tied his hands, stacked some wood, set up a stake and bound him to the stake. As they came near to set

fire to the wood, they noticed that the King was missing a thumb. Being superstitious of eating anyone that was less than whole, they decided to untie the King and send him on his way.

As he returned home, he was reminded of the event that had taken his thumb and felt remorse for the treatment of his friend. He went immediately to the jail to speak with his friend.

"You were right" he said, "It was good that my thumb was blown off." And so I am very sorry for sending you to jail for so long. It was bad for me to do this."

His friend paused for a moment and replied, "No, this is good!"

"What do you mean, 'this is good'! How could it be good that I sent my friend to jail for a year?"

Quickly he answered, "If I had NOT been in jail, I would have been with you and I am not less than whole."

I believe that if we adopt this kind of attitude about the challenges that come our way, we too, may be able to say, 'this is good' and see the solutions to the adversity in our lives with a different perspective.

It has been an extremely emotional and challenging year for me. I would be remiss if I did not take a moment and extend a heart-felt appreciation for the tremendous support of so many kind and thoughtful citizens. I am grateful for the support from Councilwoman Linn Strouse and Councilman Mark Madsen, they have made serving enjoyable. But more importantly, I want to thank, from the bottom of heart, my wonderful wife, Maritza, who has been there for me through the most challenging moments and has been willing to sacrifice the hundreds and hundreds of hours spent away from her and our children for the benefit of our community.

I am happy with the achievements that have been accomplished over the last year. I am pleased to work with the new council members. I appreciate their respective attitudes and look forward to working together as a united team. We have great potential and with great leaders we will become "Utah's New Frontier"!

Thank You and God Bless, Mayor Kelvin E. Bailey <sup>49</sup>

That same month, plans were presented to the council to propose the construction of a new and permanent city office building. As the population of the city continued to grow, so did the number of staff needed to take care of logistics. As a result, space in the triple wide modular units was tight again. Mayor Bailey had wanted to find a way to make the City Hall a more permanent structure when he had first entered office, but the resources at the time were not there. Since Chris Hillman had been hired as City Administrator, the financial management of the city was completely reworked and they were now in a position to consider a building with a foundation. In addition, plans were being made to build a much needed Public Works Building.

<sup>&</sup>lt;sup>49</sup> City Records

This would help to improve the aesthetics in City Center area and would promote future growth. It would also lend a more professional and permanent air to the community itself.

By February, the land for the new building was decided upon. As the finances neared completion, it was determined that there was enough construction money remaining in the Gas and Electric Revenue Bonds, about three million dollars that had been slated for construction and capitalized interest no longer needed, to pay for the new city hall. The city could choose to pay down the debt with that money, but that would not lower the annual payments, just the term in paying off the bonds. If the city were to borrow more money to build a building they would increase their annual expenditures because of the new bond payment that it would be required to make on a building. In the end, it was deemed wisest to proceed with the new building using these funds to finance it. As the mayor explained to BNP the holders of the letter of credit on the bond, "these monies will generate more utility users on the system by building a new city hall and Public Works Building than by purchasing more electric generators that we do not need". 50

The land that had been decided to build upon was owned by John Walden. In February, city officials entered into an agreement with him to swap that two acre lot for a .91 acre parcel they owned on the south portion of South Sweetwater Road. The parcel had also belonged to Mr. Walden in the early days, who donated it to the city for use as an LP site for the city's gas system. Once the city converted to natural gas, the site was unused and was not large enough for any structure that the city might build. SITLA had donated to the city 60 acres along Sweetwater Rd in their master development plan approval the previous year. This land was located between the City Center and The Ranches and was planned to become an eventual park and municipal center and the site of the final and permanent city hall, but there were neither utilities in that area, nor any residence at the time. The decision was made to build a temporary city hall that would later be used as a Public Safety building or anything else the city might need, until the area for the permanent city hall was developed and the final building built. The best site available to meet the needs of the plans they had in mind was owned by Mr. Walden. It was a two acre lot to the south of the new Eagle Valley Elementary school in the City Center and just north of the modular units they were using at the time.

An agreement was made with Eagle Mountain Properties to exchange the .91 acre lot for one of the two acres. The other acre would be given to the city for the cost of the SID assessments and the property taxes against both of the acres, in the amount of 10,800 dollars. It was a bargain for commercially zoned land, centrally located in the City Center area.

The land swap became a source of suspicion and contention for some, due to the fact that the land was owned by Mr. Walden, who had helped support, along with others, the campaigns of the newly elected members of the council at that time. Some felt that the city was too much in the pocket of Eagle Mountain Properties and that this purchase was somehow an indirect payback to him. The deal went through, but not without some hesitancy from several residents and a member of the council.

In addition to a new city hall, plans were made to purchase an additional 5 acres north of and adjacent to the public works building and the waste water treatment plant from Mr. Walden.

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<sup>&</sup>lt;sup>50</sup> Interview with Mayor Bailey

This land was used as the site for an expansion of those facilities and was purchased for \$40,000 an acre. The agreement was finalized in March and construction began at the end of that summer.

This new site would house all of the equipment, trucks and supplies of the Public Works and was far enough away from the development of the community so as to be totally contained within the industrial zone. It was also adjacent to the existing sewer facilities and bordered on 23 acres to the west that could be used in the future to expand the winter storage ponds. It was large enough to suit the needs of the public works facility for the next 10 years. Other sites were investigated, but none suited the needs of the city and the PW department as well.

Due to the concerns Diane Jacob and several other residents had over the land purchase, there was an article written in the local paper and a presentation made at the council meeting regarding the issue.

## **Mayor Defends Land Purchase**

Larry Myers Thursday March 18, 2004

Eagle Mountain Mayor Kelvin Bailey told those who were in attendance at the March 2, meeting there were a lot of questions, concerns and rumors about the city's consideration to purchase a 5-acre piece of land for a public works maintenance facility.

So he held class.

The public listened. Afterwards there was no public comment.

The mayor came down from the dais, took the floor and proceeded to give a step-by-step account of how the city researched and ultimately narrowed down the possibility of buying the five-acre site currently under consideration.

"Sometimes you need to take time to dispel rumors before they get out of hand," Bailey said. "Besides, it never hurts to take some time out and educate residents on how the system works - to let them know how their tax dollars are being spent."

There were no backroom deals, he assured the audience. Just a thorough investigation which begun more than 18 months ago when Public Works director Mark Sovine identified the need for more space for the public works department.

Once the need for land was identified, the Eagle Mountain staff began looking at parcels.

"It was the city's responsibility to diligently look at every possibility to make sure the correct decision was made on this property," the mayor said. "The city staff was very thorough in their research on each site."

The mayor detailed the pros and cons of sites considered by the staff. Among the sites the city explored was a 2-acre site near the Lone Tree subdivision which the mayor said was a site more suitable for a community center than a public works facility.

"One of the major difficulties we had with the site selection for a public works facility is the nature of its use," the mayor said.

"I don't think many residents want to have a waste treatment facility, storage tanks or anything related to utilities steps away from their front door. That's why many of the parcels may have been something to consider from a price standpoint, but the mere thought of placing such a facility in the neighborhood would have made the affected residents irate. So we had to limit our search to industrial zoned parcels."

A bedroom community such as Eagle Mountain is extremely limited in industrial sites, he said. Shawn Warnke, from the city planning office, presented a color-coded city zoning map so those in attendance could see what parts of the city were zoned industrial and therefore a more logical location for the public works facility site.

According to the mayor, after exhaustive research, the city staff recommended the current five-acre parcel.

"Of course we did the necessary appraisals on the property and we negotiated with the owners on the price. But given the limited amount of industrial zoned properties in Eagle Mountain, we didn't have much to leverage," the mayor said and added. "We do, however, feel the property owners did come back to us with a fair price. What's more, we have the option to expand the public works facilities as the city grows. With this piece, the staff feels we have addressed immediate and long terms needs. It's called prudent planning." S1

The next stage was to put out RFPs (Request for Proposal) to local contractors for bids to build the two buildings. This process took several months, and many businesses in the Salt Lake and Utah Valley areas submitted bids, but in the end Ellsworth Paulsen won the bid for the city hall and Rimrock Construction won the bid for the Public Works building. In July both companies submitted plans for approval by the council.

Gordon Burt, an accounting temp that had been working with the City for several months to help sort out the financial records, had been hired in March of 2004 as the new financial director to replace Kent Parker. His experience in the accounting field, as well as his first hand experience with the specific problems of the city made him the ideal candidate for the position. He had his hands full, but was confident that he and his staff could finish doing the job as needed. The finance department dedicated long hours into the evening and on weekends in order to sort out the tangle of financial records so that they could submit the final records for the previous year to the auditor and begin organizing and preparing the records for the next year.

Even though the political atmosphere had improved over previous years, the community was growing, and the finances were beginning to take shape, no city is without struggles.

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<sup>&</sup>lt;sup>51</sup> The Daily Herald 2004

Problems in the Sports Board had been brewing for several months, and everything came to a head in the month of April.

After much consideration and many heated board meetings, Mayor Bailey brought a proposal to the council to eliminate the Youth Sports Board in favor of an in house Sports and Recreation organization. Although it is not unusual for larger cities to employ a Sport Director, in charge of youth and adult sports, it was not intended to happen in the budgetary timeline of the city for some time. Rather than reorganize the Sports Board, just to later disband it as population growth demanded, and in light of the internal conflicts that had been growing, Mayor Bailey decided to move forward immediately to incorporate the program into the paid city staff. The council agreed and the appropriate action was taken. There were many displeased with this action, especially the former members of the board, but ultimately the mayor and all members of the council aside from Diane Jacob, decided it was best. Jacob felt like the timing was inappropriate especially because no measures had been taken or discussed for the transition. Because no one had been hired when this action was taken, as had happened in the past, current employees absorbed the responsibility for the department until permanent plans could be made on how and who would manage the organization that still had tens of volunteers assisting in the organization.

# Sports Board disbanded to form city department

Thursday April 22, 2004 THE DAILY HEARALD Elizabeth Nardi

Eagle Mountain 3-year-olds will still be kicking soccer balls at Saturday's soccer camp, even though three members of the City's volunteer sports and recreation board resigned Wednesday and the fourth intends to resign today.

The board, established in 2002 and responsible for all youth sports in the city from baseball to football, was dissolved by the Eagle Mountain City Council on Tuesday night.

Instead, the city will hire a part-time employee as a sports and recreation director and create a department within the city. Officials say the new department is needed because the sports and recreation programs are growing so fast. The decision came as a surprise to the board members.

"Basically, I feel like the rug has been pulled out from underneath us," said board member Clint Chidester, adding that because the city did not ask the members' opinions on restructuring the city's sports program, he did not want to be involved with it anymore.

Though the actual end date for the board was set for April 30, the four board members decided that they would resign this week.

The city will begin to look at applications for a part-time sports and recreation director, with hiring happening within the next month, said Mayor Kelvin Bailey. In the meantime, the city will keep existing programs running.

The decision comes because of a need for better organization of a program that is growing rapidly, Bailey said. Because there have been some internal problems and there are open positions on the board, Bailey said it seemed like a good time to make a change.

"The board has experienced growing pains," he said. "It is to the benefit of the program and the city to create a new city department. The problem is not the people, the problem is the structure, and we are fixing the structure."

The new paid sports and recreation position will start out volunteer, since the city did not budget for the job, and then it will become a paid position next fiscal year, Bailey said. That person will be responsible for organizing other volunteers within the program. The council had hoped current board members would be willingly to volunteer.

City Councilwoman Diane Jacob, who voted against getting rid of the board, said it was not "courteous" to leave the sports board out of the decision-making process when it affected them more than anyone else.

"I think we could have handled it in a more professional manner and let them know before today," she said.

The board has organized and operated youth baseball, football and soccer programs in the city and added Junior Jazz basketball last year. In the past few months, internal problems arose, but board members said those issues were starting to be resolved. Only four people remained on the six-person board after one left over conflicts and the other quit because she was burned out, said Laurie Champagne, board director, who was surprised by the city's action.

"I am surprised that more research didn't go into their decision, and they are prematurely taking it the direction it will eventually need to go," she said.

The success of the program has been the result of the volunteers with little help from the city, Champagne said.

"The city did not assist us in any way shape or form as far as running the program," she said.

Chris Hillman, city administrator, said the city was going to work so that residents would not notice any change from the board to the department. But he did tell the council that the city had no money for the new department.

"Recreation programs rarely, if ever, pay for themselves," he said. "The reason why it has turned a profit is because it is completely run by volunteers. I don't believe the money brought in from recreation funds will pay for equipment as well as a staff member."

Champagne said the sports board has always been self-sufficient and was projected to turn a profit this year of \$10,000 to \$20,000, which the board had hoped would go to paying for new sports facilities.

DeNae Anderson, board member, said it was too soon to switch to a city department, especially since she felt like the board had just started to get under way with baseball season. She understood the need for a recreation department, someday, but not yet.

"I felt like we were just starting to get going as a board, we were finally getting to a good place," she said. "It's a little too soon to let the reins go." 52

Leah Woodard, the administrative assistant for Chris Hillman and the mayor, assumed the role of Sports Director and responsibility of the sports organization until it could be restructured permanently. The program continued without any major glitch and the kids continued to play ball all summer long. Jeff Weber, the Parks, Recreation and Roads supervisor, would also become intimately involved and later become the director of this program. It made sense given his employment role and personal involvement in the organization as a coach prior to this change.

The mayor and council were invited to Camp Williams in May for the second time in two years to discuss the cohabitation of the military facility and the surrounding communities. This year they were taken on a tour of the valley by helicopter. The intent was to show the local leaders how the city and the military facility are connected and to discuss possible measures that could be taken to mitigate future problems between the camp and the cities in the area.



From left to right: Councilman Mark Madsen, Councilwoman Diane Jacob, City Administrator Chris Hillman, City Planner Adam Lenhardt, Mayor Kelvin Bailey, Councilman David Blackburn and City Administrative Assistant Leah Woodard

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<sup>&</sup>lt;sup>52</sup> The Daily Herald 2004



The Saturday activities for the 5<sup>th</sup> Annual Pony Express Days began with a ribbon cutting ceremony and a speech by Mayor Bailey. The microphone system was not working and had to be given from the car speaker on the Sheriffs vehicle.



Speech by mayor prior to Pony Express Days Parade.

#### Commemoration of Joining the City Center and The Ranches

We are here today to celebrate Pony Express Days and the valiant men that served in this noble endeavor. We are blessed with this historical heritage by virtue of our city boundaries. This has been a blessing to us because we are able to have an event to celebrate and give us cause to grow closer together as neighbors and as individuals we are able to take pride and honor in our heritage. It gives us roots to draw from and build upon. Without the past it is hard to define our future, without the past it is hard to learn and maintain our principles of honor and integrity learned by our forbearers.

We are also gathered here today as a city to commemorate an important event which is symbolic in binding our city closer together. Our historical heritage has given us cause to unite emotionally, but geographically we have been divided for several years, but now, after two and half long years of hard work we are able to conquer that geographic divide by uniting our two parts of town by celebrating the connection of the South area and the North area with the completion of Pony Express Pkwy and Sweetwater road.

Those of you who have lived here know very well that we have been like two cities within one, divided geographically and philosophically. A little over two years ago when I came to office I made it one of my primary goals to unite us as one. Since then, we have come along way in uniting together, working together and growing together. Pony Express Days has become an annual event in which that unity is demonstrated the most. Last year was a tremendous success and it was because of all the wonderful volunteers from both the City Center area and The Ranches that made that happen. This year will be equally successful for the same reasons. We are more united philosophically than ever before, but today mark's a special turn of events that will go down as a historical turning point in our city.

Today we are here to celebrate and commemorate the joining of our city geographically for the first time ever. Just as the joining of the eastern U.S. with the western U.S. was done by creating the Pony Express mail route followed shortly thereafter with the telegraph line and later with the railroads connecting, today, Pony Express Pkwy and Sweetwater Road will be the first major symbolic step in uniting us geographically. This will create that geographical bond that we need as a community and it will enhance growth, development and commercial for both.

Today, I would like to declare that we are no longer divided geographically, but rather we are one city, one people and one community working together for the good of all.

Eagle Mountain has great potential and I appreciate the opportunity to serve and be apart of helping so many wonderful people come together as one, united, strong and vibrant.

Thank you and God Bless Eagle Mountain<sup>53</sup>

Pony Express Days in 2005 were better than the last. Council member Linn Strouse, Wendy and Carl Minks, and Michelle DeKorver spent almost the entire year in planning. Everything went smoothly throughout the day and attendance reached a record high. By the end of the day there were over 10,000 people that had come to enjoy the celebration. The closing concert with Peter Breinholt was great in spite of some problems with the sound system the first

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<sup>&</sup>lt;sup>53</sup> City Records

half of the show. The fireworks were wonderful, but due to winds, had to be cancelled before completion. All in all it was the best Pony Express Days ever. The city was becoming known as a respectable community within the valley more and more each year.



Ribbon cutting ceremony with mayor, council members and their families.



Concert held during the Pony Express Days at the Pony Express Elementary School.

#### THE ROAD TO FINANCIAL STABILITY

In July the 2003 audit was completed and the news was better than expected. A clear sign the financial situation of the city was making a major come back after many challenges.



# PRESS RELEASE For Immediate Release

Wednesday, July 14, 2004

Contact:

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#### Eagle Mountain Ends Year With \$730k Surplus

Reverses \$480k deficit from year before

EAGLE MOUNTAIN- Eagle Mountain's financial direction did a dramatic about face Wednesday with the completion of the 2003 fiscal year audit that confirmed what city leaders expected: a surplus.

The city's general fund recorded at \$730,000 surplus at the end of the 2003 fiscal year, which ended last June. This reverses a \$480,000 deficit in the same fund just the year before.

A tight control on spending, conservative budgeting, and implementing impact fees are the reasons for the \$1.2 million change in direction said mayor Kelvin Bailey. "We reasonably underestimated our revenues and overestimated our expenses while holding off on service expansions," he said. "We wanted to make sure our revenues caught up with our expenses."

More than 70 percent of the surplus is reserved for parks, roads, public safety and other improvements. However, \$170,000 is unreserved and falls into the fund balance.

Starting the year with just over \$30,000 in savings and ending with more than \$200,000 helps city administrator Chris Hillman breath easier. "We can stop looking in the couch cushions for spare change," he said.

Although the audit confirms the good news city leaders expected, Hillman said the city is not out the financial woods yet. "We still have a long way to go to secure the city's long-term financial stability, especially for our utilities" he said. "This is a great first step."

Some of the city's utility funds were not as fortunate. Although the water utility recorded at \$400,000 surplus and the gas utility recorded at \$50,000 surplus, the electric, sewer, and telecom utilities combined for a \$1.7 million loss. Because utility funds are managed like individual businesses, much of that loss is attributed to depreciation as well as high interest cost on bonds. More than \$27 million in retained earnings will help offset that loss.

"We simply don't have enough users paying for the service to offset the high fixed cost of providing that service," Hillman said. However, he added that more than 350 new homes a year being built within the city adds more users and brings in more revenues. "In terms of revenue, we have a choice of either broadening the user base or increasing the utility rate. We'd rather broaden the base and keep rates as low as possible," he said.<sup>54</sup>

Another financial report was placed in the August utility bills to communicate to the citizens the measures being taken to make the city a financially viable organization. It read as follows:

#### Final and Current Financial Report

For your information, we submitted a press release the middle of July concerning our 2003 audit report; however, one newspaper made significant mistakes regarding the facts, but later corrected them.

It is important to understand that audits are not performed on an upcoming year's budget, but rather audits are performed at the end of a year to determine how an organization performed in relation to its budget. In light of the above information, I would now like to give a more complete report to the citizens of Eagle Mountain on our audit report.

As many of you may recall we have been in a catch up mode with our financial records for over two years now. Well, I am happy to announce that our financial records are current and we intend to keep them that way.

It has been an arduous process, but we can say we are now operating as we should when it comes to the financial records, best of all, our financial outlook is good and it is time to report on how we have done.

Last year we reported a \$480,000 deficit (loss) in the general funds for the end of the fiscal year (FY) June 30, 2002. Because the city records had not been kept current there was no way to know the extent of the financial crisis that we were in. In January 2002 we implemented budget cutting measures to address the situation and by June 30, 2002 we had saved or cut an additional \$168,000 from the approved budget of July 2001. This helped to mitigate further increases to the deficit. We continued prudent financial management during the following year, however, due to the time spent bringing past fiscal years financial records up to date and keeping the current year's records updated, we have not been able to see the results of our financial policies and audited results for June 30, 2003 until now. It is with great pleasure that I announce that we had a \$730,000 surplus only one year late. We achieved these results in spite of a weak US economy. This is terrific news for our city and is an indication that we are on the road to financial stability. I wish to thank the Finance Department staff for the terrific job that they have done in completing this challenge.

It is our intent to be very prudent with the surplus funds. More than 70 percent of the surplus is reserved for parks, roads, public safety and other improvements. However,

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<sup>&</sup>lt;sup>54</sup> City Records

\$170,000 has not been reserved and falls into the general fund balance. This provides us a "savings account" with \$170,000 in it.

We have now just completed our FY June 30, 2004 and expect our records to be submitted to the auditors in September and we hope to have that audit completed by October. We officially have until December 30 to have it them completed. We plan to do better than that. This will be the first time in the history of the city that the audit will be completed and submitted on time.

Also, as mentioned in other reports last year, we have been paying over \$400,000 more per year since 2002 for our letter of credit fee on our Gas and Electric Revenue Bonds due to failures in submitting quarterly and annual reports from 2000 to 2002. Until we could submit our annual reports into BNP we have been obligated by our bond covenants to pay a penalty of 2.25%. As of this month we are now in compliance with our bond agreements and we have met with BNP to request a reduction in this rate. They will be meeting to discuss our financial situation as well as our compliance. They will come back with a reduced rate in the next few weeks. We do not know what that will be at this time, but as soon as we do, we will let the citizens know how much this will save us.

I appreciate everyone's patience during this time. It is our goal to provide current and regular financial reports to the citizens of Eagle Mountain. I have included a set of graphs as I did last year to visually show how we are doing in relation to not only our general funds, but our utility funds as well for the fiscal years in the past and the most current year 2003. If anyone has any questions or concerns about the audit feel free to stop by the finance department and they will be happy to answer any questions you may have.

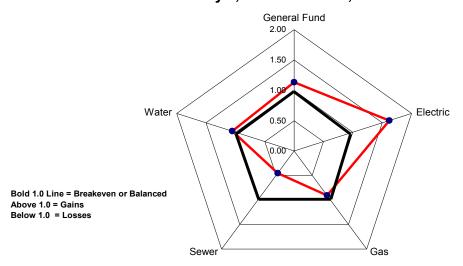
Thanks and God Bless, Mayor Kelvin Bailey 55

The following charts were also provided in the news letter in an effort to give a visual report to understand the financial progress that had been made.

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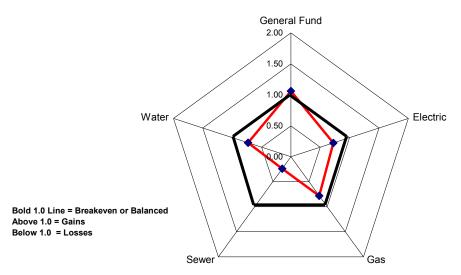
<sup>55</sup> City Records

#### Financial Health Indicators July 1, 1999 - June 30, 2000



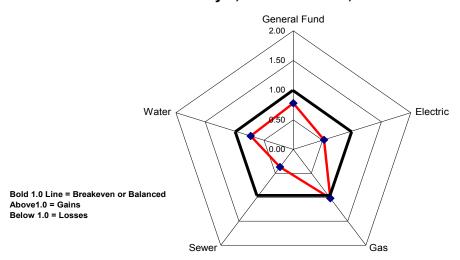
Losses sustained in Utilities below 1.0 were brought even by drawing upon profits from other utilities. FY 2000 saw a Beginning Unreserved Fund Balance of \$202,101. There was an Ending Unreserved General Fund Balance of \$389,145.

### Financial Health Indicators July 1, 2000 - June 30, 2001



Losses sustained in Utilities below 1.0 were bought even by drawing upon capitalized interest. FY 2001 saw a Beginning Unreserved General Fund Balance of \$389,145. There was an Ending Unreserved General Fund Balance of \$459,649.

#### Financial Health Indicators July 1, 2001 - June 30, 2002



Losses sustained in Utilities below 1.0 were brought even by drawing upon capitalized interest. FY 2002 saw a Beginning Unreserved General Fund Balance of \$459,649. There was an Ending Unreserved General Fund Balance of \$33,607. The General Fund was brought even by drawing upon the Unreserved General Fund Balance from previous years.

With the financial records in order the city was in a position to better plan its financial future. Mayor Bailey took immediate steps to find ways to improve the City Center area with new landscaping and road improvements. Eagle Mountain Blvd was in need of serious repairs that would cost hundreds of thousands of dollars and the medians were in need of serious improvements too. The mayor and council chose to finance this project through Zion's Bank and were able to obtain a loan for \$1.2 million dollars to improve the park strip medians in the City Center area as well as The Ranches area with xeriscaping. This type of landscaping had been implemented in the new development code and would be practiced by the city too. The financial arrangements were done so that the annual payment for the loan would come from the Class C & B road funds that the city receives annually and has to be used for road maintenance and improvements only. The council felt it was better to tackle this project as a whole rather than piece meal year after year.

Classes began in the new Eagle Valley Elementary school in the City Center area in August. City Center residents were enthusiastic about the new school and how it added to their part of the city.





On September 7, the city held a special ground breaking ceremony for the New City Hall. All the residents were invited along with other dignitaries outside of Eagle Mountain.

On September 21, the Development Code was finally finished and adopted. The approval process for it took a year and a half, beginning in March of 2003.



Pony Express Road and Sweetwater Road were completed connecting the City Center area with the Ranches area. The city was finally connected physically.

The end of 2004 brought several changes to the face of the local government. Citing personal and family issues as the reason, Diane Jacob resigned from the council. She submitted the following letter of resignation.

December 6, 2004

Mayor Kelvin E. Bailey 1630 East Heritage Drive Eagle Mountain, UT 84043

Dear Mayor and Council:

This letter is to inform you of my resignation from the City Council effective immediately. I have enjoyed my years of service to the City of Eagle Mountain. I've served this city since Dec. of 1996 and after 8 years through 3 missionaries, 3 weddings and a death have decided that my life and my desires now lie in another direction. I have had the pleasure of serving with every mayor and council member since the incorporation and have fond memories of it all. Thank you for the pleasure of representing the city and its citizens. I have enjoyed the ride and will remember the journey most of all.

Sincerely,

Diane Kimball Jacob Eagle Mountain City Council<sup>56</sup>

<sup>&</sup>lt;sup>56</sup> City Records

Mark Madsen had won a seat in the State Senate in the previous November election and so he left city government to tackle issues at the state level. He submitted the following letter of resignation.

December 23, 2004

Mayor Kelvin Bailey Eagle Mountain City Council Citizens of Eagle Mountain:

I hereby submit my resignation from the Eagle Mountain City Council, effective immediately upon the adjournment of the December 23, 2004, Special Session of the Eagle Mountain City Council.

It has been an honor to serve the great people of Eagle Mountain for the past three years. During that period great improvements have been accomplished as our city government has become an infinitely better steward of the peoples money, the people's rights have been given greater respect, appropriate standards and policies for city employees have been created, a constructive relationship with the private sector has been established, and the quality of the law under which the city operates – the code – has been dramatically improved.

I leave with the utmost confidence in the mayor and my council colleagues to manage the affairs of the city with integrity and in accordance with sound principles. The city is blessed and privileged to have Kelvin Bailey as its mayor. He deserves by far the greatest share of the credit for the positive direction the city has taken in the last three years. The council as now constituted is a group of individuals with varied background, opinions and expertise, but with a common desire to serve, rather than rule over, the people of Eagle Mountain.

Finally, I want to thank the many, many people of Eagle Mountain who gave to me their "quiet support" during my time on the council. I appreciate the countless calls and e-mails from those who simply wanted to let me know that they supported the principles and policies I have advocated on the council. I tried to respond as often as I could; to the rest of you, please accept my heartfelt gratitude.

I look forward to continuing to serve and represent Eagle Mountain albeit in a different capacity.

Respectfully, Mark Madsen<sup>57</sup>

Applications were accepted and a special council meeting was held in December to discuss the departing council members. Janiece Sloan, a former medical assistant and a stay at home mom at the time of her appointment, was chosen during this meeting to replace Diane Jacob. In a later meeting held in January, Brian Olsen, who had served on the Planning

<sup>&</sup>lt;sup>57</sup> City Records

Commission, was appointed to fill the vacancy of Mark Madsen who resigned officially at the last meeting in December.

In addition, the new public works building was completed and the new city hall was still under construction, but would be completed in May 2005. From offices that weren't even located in the city, to a basement, to a triple wide trailer, the city staff would finally have a permanent structure in which to work in the near future.

The City ended the year with a 1.1 million surplus in the budget and a submission of its financial audit to the State Auditors for the first time ever in its short history. The surplus was in the reserved fund account as well as the general fund account and was a result of impact fees, road bonds, and conservative budgeting practices. What had been a financial nightmare was becoming a stable and self-sustaining community.

In the January meeting of COG (Council of Governments), a group of mayors from all of the cities in Utah County nominated Mayor Bailey to be the Chairman of this political body by a unanimous vote of those present. Mayor Bailey was honored that his mayoral colleagues would hold him in such high regard. Mayor Bailey also saw this as an opportunity to improve Eagle Mountain's public relations even though it would take additional time out of his busy schedule.

January 2005 began with these appointments and the third State of the City Address given by Mayor Bailey. The County Sheriff's Department, the contract police department for this city, began the meeting with a special presentation and was followed by the national anthem sung by Angie Ferre.

#### State of the City Address January 2005

My Fellow Friends and Neighbors:

It is my privilege once again to address each of you and report on the progress of our city. It is an honor to be able to report that we have made significant progress over the past year, my third State of the City Address. Some of these recent accomplishments are a result of the efforts of the previous three years which are just now beginning to bearing fruit. So at this time, I would like to take a few moments and cover only some of the highlights. I have provided another sheet that covers many other achievements that I will not have time to address in this meeting tonight.

First, we have experienced major financial challenges over the past three years and it is with great pleasure that I report we have for the **first time ever** in our short eight year history filed and submitted our audited financial reports to the State Auditors office on time this past fiscal year. Managing a multimillion-dollar corporation without financial records is much like flying a big Boeing 747 in the clouds without any flight instruments. Obviously, we can fly the plane, but knowing how to navigate and fly in a safe and proper way is very difficult. Now that we have our financial house in order we are now able to fly with flight instruments. It has improved our ability to manage the affairs of

the city in a fiscally prudent manner and has provided the opportunity to evaluate the direction we need to go to improve our future. As a result of better financial records our letter of credit has been reduced saving the city hundreds of thousands of dollars per year.

Over the past three years we have paid down on the total debt obligation of the city, including Revenue Bonds and SID's, from \$63.5 million dollars to \$51.5 million dollars. That is a reduction of almost \$12 million dollars. Once we sell the Telecommunications system that will reduce it roughly another \$4.9 million dollars.

Due to the required PSC (Public Service Commission) and the FCC (Federal Communications Commission) approvals it has taken more than two years to finalize the sale of the Telecommunications system owned by the city. Once this is completed in March, we hope, not only will it reduce our debt, but that it will reduce the base rate for dial tone service. Optional features will probably go up, but they will be competitive with other major phone companies.

Speaking of utilities, we have been able to keep our gas rates competitive and actually below that of Questar over the past year. Our water rates have been the lowest ever for the past two and half years and our sewer and electric are showing improvement and promise. We will continue to make every effort to improve on these. Also, I would like to take a moment and recognize a few of our employees directly responsible with making our public services such as road, parks, and other utilities what they are today. The service you receive on a 24 hour a day basis 365 days a year are a direct result of supervisors such Jeff Weber, who is over our parks and roads. We have Jordan Harris, who is over our culinary and waster water systems. We have Adam Ferre, who is over gas and electric systems. These three individuals play a key role along with Mark Sovine the Public Works Director to make the quality of life just a little bit better here in Eagle Mountain. We owe them our respect and appreciation for the time and energy they put into serving our community. I would like to present a plaque of our appreciation tonight to each of them.

Second, the growth of our city has been constant with an average of 400 new homes per year equating to an 18-20% growth rate, this is phenomenal. The past year alone has shown an 8% increase in building permits from the previous year. One of our biggest achievements in the area of growth has been the adoption of a new innovative Development Code that encourages larger lot subdivisions, more incentives for step up homes, and more amenities for higher density. In addition, the development that is currently underway should increase the average number of permits over the next few years. We also annexed more property into the city last year and there is more in the process for this year. With these annexations we continue to be the third largest geographic city in the State of Utah.

Along with growth of new residential homes we have experienced the first real commercial development over the past year. Along with our existing professional services such as, Family First Dentistry and Miller Chiropractic, we now have Village Pizza, Great Clips, a Dance Studio and more to come in the future. In addition, I have met with a major commercial developer from California with interest to expand into the Eagle Mountain area over the next year and there is the possibility of a gas station convenience store in the works. Simply put, we are poised to open the doors to commercial development in Eagle Mountain in the near future.

One of the keys to this commercial growth will be transportation. I have been working diligently with MAG (Mountainland Association of Governments, UDOT (Utah Department of Transportation), and Mountain View Corridor in an effort to finalize plans for our future transportation needs. We now need to focus on the state legislature to reinforce the desperate need for funding of the proposed projects. The more each of you can contact our State Representatives and Senators over the next month the more likely funding will be provided. Until then we must continue to work with UDOT and find ways to make our highways safer and more efficient. Naturally, the more local commercial businesses we have and the more we support those businesses, the less need to travel out of Eagle Mountain, so please support your local retailers.

Third, our educational facilities for our children have improved. Through the efforts of our Citizens, School District, PTA, City Staff, and City Council support we now have the new Eagle Valley Elementary and The Ranches Academy making schools closer and more accessible for our children.

Fourth, our community has experienced great success with the Pony Express Days over the past few years with the last year being a record turn out. We had over 10,000 attendees during the past year event. This was made possible only through the hard work of our committee, Wendy Minks, Michelle DeKorver, Carma Scott and the hundreds of volunteers that assisted in so many ways I can not begin to mention all of them. In addition, we could not have succeeded without the financial donations of many of our local developers and businesses.

This event has reached a point that we have had to bring the key planning of it in-house and this year Angie Ferre, the administrative assistant for the city, will head up this event with many of the same wonderful volunteers from last year. We will have "Black Hawk" playing at the concert this year. We will have a carnival and many other events for the first time and it will all be at the new amphitheater located in Silver Lake Ranch on the East side of our city. This new amphitheater was donated by Development Associates, who have voluntarily expanded this theater so that we could use it for many other events in the future.

The Lake Mountain Arts Guild under the wonderful leadership of Kelly Johnson and her team has brought many theatrical productions to our city and the surrounding communities and we will be cosponsoring many other events at this new theater, such as summer movie nights as they did last year, plays, concerts etc. They have truly brought the arts alive in our community and I would like to thank them for their dedicated efforts.

Fifth, we have completed the construction of the road between The Ranches and the City Center joining us together geographically. This was done by working with SITLA and their development which lies between both The Ranches and the City Center area.

In an effort to not only join us geographically, our school children, under the direction of Kevin Rocque, from both the Pony Express Elementary and the Eagle Valley Elementary have worked together to find ways to join our community emotionally by proposing a new sign be erected at the pass entering in from The Ranches and into the City Center area. They have proposed to name this pass "Unity Pass". They felt this would be one more step in creating an emotional bond between all citizens, helping us to feel and act as one. In addition to this, I have proposed, in conjunction with erecting this sign that we hold a special event at the same time and at this event we will create a human chain from

The Ranches and the City Center with both groups meeting at the sign. I have been working with representatives from all three Elementary schools, PTAs and local churches to hold this city wide event on April 16, 2005. This event will be called "The Linking of a New Beginning". This will require a very large number of our residents to make this possible, so please be there and help to create a physical bond by literally joining hands with our residents and in this case nearly every man, woman, and child in our city. Let's make history, but most of all let's join hands in the true spirit of unity and show those who live outside Eagle Mountain just what kind of community we really are!

Sixth, we have taken the opportunity to use Class C & B road funds to secure financing for needed road and landscape improvements throughout the city and especially in the City Center area. We have used funds from the gas and electric bonds that were slated for electric generators that are not needed and instead built a new desperately needed Public Works Building. In addition, we are in the final stages of completing the first brick and mortar City Hall for Eagle Mountain. This will do more to generate growth, stability, and prosperity for Eagle Mountain. Best of all, we have built these two projects without borrowing additional money, which keeps our debt service the same.

We will be holding an open house for the New City Hall in May. We have planned a time capsule to be buried on site with comments from many of the children in our schools and our City Council Members. We are working on additional plans to build and construct new parks and we will be presenting various ideas on how to achieve these projects in the near future.

We are but a young sapling amongst the great cities of this State and Country. We have suffered and sacrificed much as a city and as citizens, but we have begun to grow into a fine beautiful tree. I recall a poem that I have always enjoyed and I would like to share it with each of you at this time. It's entitled:

#### Trees and Man

The Tree that didn't have to fight For sun and sky and air and light But lived out on the open plain And always got its share of rain, Never became a "Forest King", But lived and died a scrubby thing.

The man that never had to toil, The man who never tasted spoil, Who never had to win his share Of sun and sky and light and air, Never became a manly man, But lived and died where he began.

Good timber does not grow with ease
The stronger the winds the tougher the trees,
The further the sky the greater the length,
The more the storms the more the strength,
By sun and cold and rain and snow
In "trees and man" good timbers grow

Where thickest stands the "Forest Growth", We find the "Patriarchs" of both, Who hold a converse with the stars Whose broken branches show many scars Of many winds and much of strife, This is the common law of life.

In Conclusion, and understand when a Texan says in conclusion that means he's just getting warmed up. Not quite, but there are many other things that I would like to share, but time does not permit. Suffice it to say, our community has grown, our people have grown, our children have grown and Eagle Mountain will continue to be "Utah's New Frontier".

None of this could have happened without the hard work of our staff in general and specifically Chris Hillman and Angie Ferre who have become my right and left hands, the City Council, who are my colleagues and my advisors, and last but not least all the other volunteers who have sacrificed so much of their time in behalf of the citizens of this wonderful community. We are indeed blessed to have such people to be our leaders.

I appreciate the opportunity to serve and I am pleased to share our achievements over the last year. I am grateful to our City Council Members and for the time and support they have lent in making this a reality, but most importantly I want to thank my family, my wife and my children for being the anchor to my soul and the light of my life.

Thank You and God Bless, Mayor Kelvin E. Bailey<sup>58</sup>

One of the local newspapers reported the following from this meeting.

#### EM STATE OF CITY

THE DAILY HERALD Elizabeth Nardi

Eagle Mountain Mayor Kelvin Bailey compared the 8-year-old city to a young sapling that has weathered some storms and has "begun to grow into a fine beautiful tree," during his State of the City address.

In his third such address as mayor, Bailey talked Tuesday night about everything from the city's improving finances to continued explosive growth.

There was more growth in 2004, with 400 new homes and enough annexations into the city that Eagle Mountain is still considered the third largest city geographically in Utah, Bailey said.

He thanked the city staff and the Eagle Mountain City Council for all their hard work and was very happy to announce the progress of the finances of the city. The city's overall

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<sup>&</sup>lt;sup>58</sup> City Records

debt has been reduced from \$63.5 million to \$51.5 million in three years, he said. Most of the savings have come from better budgeting and refinancing of bonds, Bailey said. The city has had problems with finances in the past, especially because before last year the city had never gotten its financial audit in to the state on time.

"Managing a multimillion dollar corporation without financial records is much like flying a big Boeing 747 in the clouds without any flight instruments," he said. "Obviously, we can fly the plane, but knowing how to navigate and fly in a safe and proper way is very difficult. Now that we have our financial house in order, we are now able to fly with flight instruments."

Besides finances, the mayor mentioned the few new businesses that had opened in 2004, including Great Clips and Village Pizza. Mayor Bailey alluded to the fact that more business should be coming soon. "I have met with a major commercial developer from California with interest to expand into the Eagle Mountain area over the next year and there is the possibility of a gas station convenience store in the works," he said. "We are poised to open the doors to commercial development in Eagle Mountain in the near future"

Another key issue the city is facing is the need to unify the north and south ends of the city, he said. There has been a lot of discussion in the past few months that residents feel a division because half the city's residents live in one end of the city, and the other half live more than a mile away.

Last month, a group of fourth-graders from Pony Express Elementary came to the City Council to ask if the road that links the two areas could be named Unity Pass. The council agreed, and now a committee has been started that will work on unifying the city. Bailey announced that when the road is dedicated in April, the whole town will link hands, creating a human chain reaching from Eagle Valley Elementary in the south to Pony Express Elementary in the north.

Kevin Rocque, fourth-grade teacher at Pony Express Elementary, said the event will be a wonderful way for the students to see the difference they can make in their city and in the world. He is not surprised his students were able to motivate change. "When you have a group of 24 children, what they can accomplish, well, the list goes on and on -- it's immeasurable," he said.

Bailey said unifying the city will prove to the state what Eagle Mountain is all about.

At the end of his address, the mayor became emotional when he thanked the city staff, council and his family. "I want to thank my family, my wife and my children for being the anchor to my soul and the light of my life," he said.<sup>59</sup>

Councilman Vincent Liddiard added some short comments following the address and they were reflective of the attitude of the council over the past year and that to come.

"In reflecting on how the council behaves and works over the last year it strikes me that our success has not been due to coming to the table with one voice but in leaving with one. The council's discussion is open to all ideas but resolves with one voice and clear intent. Certainly each council member has had a wealth of experiences and personalities

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<sup>&</sup>lt;sup>59</sup> The Daily Herald 2005

that differ greatly. This independence however has been tempered by the resolve to do good, to work for progress and to strive for unity once action is determined.

I am grateful for a mayor that has had the foresight to mark the course around the most formidable barriers and my team members who continue to pull the oars. Collectively we have made great progress.

Our work, it seems will be to forever pursue that destination that lies beyond the horizon. Our goal is to ensure that we continue to progress towards a rising sun and not a setting one. Our success is in the un-hindered progress of the journey.

It is an honor and a privilege to know and work with each of you. Thanks to each of you, the past year has been a greatly rewarding challenge. I look forward to the events and opportunities of 2005."

Vincent Liddiard 60

On January 24<sup>th</sup> Mayor Bailey and Chris Hillman flew to Washington D.C. to meet with Senate and House Representatives in efforts to procure federal aid to assist in funding a desperately needed sewer expansion in the City Center area. In addition, they met with Michael Kennedy, a Washington lobbyist. Michael would prove later to be very instrumental in this effort.



Angie Ferre, a residents and employee of the city, out of a desire to help the young women of the community, picked up where Natalie Kershaw had left off on the Miss Eagle Mountain Pageant. After months of preparations and planning the event was held, but this time

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<sup>&</sup>lt;sup>60</sup> City Records

in the New Eagle Valley Elementary School, making it the first time this event was actually held in Eagle Mountain, since there hadn't been any buildings to use in earlier years. One other change would be that this Miss Eagle Mountain Pageant would be part of the Official Miss America Scholarship Pageant, which would allow the girls to compete for scholarship opportunities.

The Daily Herald reported prior to the event the following:

Eagle Mountain—Mayor Kelvin Bailey and Chris Hillman, city administrator, have asked Angie Ferre to raise funds for a Miss Eagle Mountain Pageant, essentially asking her to get the pageant program running again. The upcoming Miss Eagle Mountain Scholarship Pageant is set for Feb. 26 at Eagle Valley Elementary School. The theme is "Standing Out From the Crowd". As well as raise funds for the pageant, Ferre needed to form the pageant's committee. The committee members are Alicia Eaton, committee director; Jenalee Cheever, Angela Cox, Melissa Smith and Brianna Hawkes. The committee has had seven girls register for the pageant competition...... 61

The event was a great success and the building was full of attendees. The event was ceremony was conducted by Amy Davis, the current Miss Utah, and by Chris Hillman, the city administrator. Everyone enjoyed themselves along with a special Women of the Year Award presentation for Sergeant Joe Murphy, Eagle Mountain contract Chief of Police. Sergeant had been working with Eagle Mountain almost since its inception and she had become an integral part of the city and the citizens.

The winners of the pageant were Michelle Vanderhoef as Miss Eagle Mountain 2005 and Lindsey Ellers was selected as second attendant and Tori Risenmay was selected as first attendant. Each of the winners would receive scholarship money ranging from \$200 to \$1,000. The Directors Award went to Heather Weber and the Miss Photogenic Award went to Tori Risenmay. Vanderhoef will be responsible for making appearances and being a role model in the community and will compete in the Miss Utah Pageant in June. 62

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<sup>&</sup>lt;sup>61</sup> Daily Herald News 2005

<sup>&</sup>lt;sup>62</sup> Angie Ferre





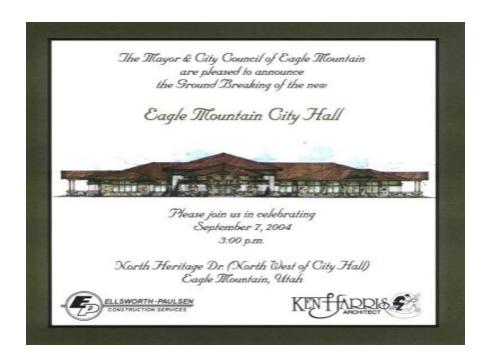
Miss Eagle Mountain Scholarship Pageant Ceremony



All the participants in the pageant

In March, Mayor Bailey began discussion with neighboring communities in Utah County in an effort to explore the possibility of creating a quasi-county library system. Michelle Graves worked closely in this effort and helped to coordinate this goal.

Also, the New City Hall was nearing completion and the council needed to name the new street that would be running on the north side of the building. There were discussions to name it Pennsylvania Avenue since the address was so close to being 1600, but at the end the feeling was to come up with a name more appropriate and in line with the natural elements of the valley. The name chosen was Stage Coach Run. The city sent out invitations for the upcoming open house for the beautiful new city hall.



The following month, Kevin Rocque from the Pony Express Elementary worked to involve his fourth grade students in ways to make a difference in the community. The children made a very special presentation and erected a new sign at the beginning of the extension of Pony Express Pkwy and Sweetwater Road. Rocque hoped to highlight the benefits of being united as a community during this presentation, which involved speeches and musical number by the children and a speech by the mayor.

The news media was there to cover the event along with about a hundred residents. The following was an article from the newspaper.

## Road sign unites city

#### Gretchen Willard NORTH COUNTY STAFF

Light blue balloons fluttered in the breeze at the unveiling of the Unity Pass sign in Eagle Mountain on Saturday.

Kevin Rocque's fourth-grade class hosted the unveiling, as the idea for the sign came from their classroom.

"This is a historic day for me, my class and the City of Eagle Mountain," said Riley Ordell, a student in Rocque's class.

Four months ago, the class approached Eagle Mountain City Council members with the idea of naming the pass between The Ranches and the City Center.

"As we looked and talked about the city, we saw that there were two separate communities," student Dallas Mendanhal said. "A new road was built to connect the two areas and we came up with the idea to name the pass."

Since the approval of the project, the class has been planning the unveiling event, which had the theme "Unity, Pass it On."

Residents who attended the unveiling were asked to take a balloon and pass it on to a friend, neighbor or family member. Tied to the balloon was a note with an explanation of the unity project and a Web site, unitypassiton.org, where people are asked to share their ideas about unity.

"People can share ideas on how unity can impact their city, their state and their country," Taylor Lund said.

Members of Rocque's class shared information about their project and the ongoing projects the city plans to do.

"This is an important first step," said April Gatica. "There will be many other activities over the next year."

In June, the city will be sponsoring an event called "Linking a New Beginning," where residents will be asked to form a chain of cars between the communities.

Fourth-grade student Jackson Eager asked residents to think about what unity means to them.

"When we work together we can create something more," he said. "Children have great ideas. We all have something to share and contribute."

Kelvin Bailey, Eagle Mountain mayor, spoke at the sign unveiling about his appreciation for the children's idea.

"This is taken from the voices of our children," he said. "This was completely their idea."

Bailey said the presentation by the class to the council motivated the city.

"It was an emotional and awe-inspiring experience," he said. "They are helping to lead us to a new level and I give my gratitude and thanks to them." 63

May 7<sup>th</sup> marked an unexpected change; the resignation of Mayor Bailey. Mayor Bailey submitted the following letter of resignation by reading it in the last meeting to be held in the old City Hall. The next meeting would be held in the new offices with an open house for all to attend.

To My Friends, the Residents of Eagle Mountain,

I have had the fortunate opportunity in my life to work and serve in a variety of positions. Many of these have presented challenges and obstacles to overcome, but without a doubt serving as mayor and CEO of Eagle Mountain has been perhaps one of my greatest challenges. Eagle Mountain is unique in many ways and to most of the world we probably appear small and simple; however, we are anything but simple.

After a lot of hard work and through the support of key Council Members we have made a great impact for the good. For example:

<sup>&</sup>lt;sup>63</sup> The Daily Herald 2005

- Our financials are finally complete and up to date. We have come from a \$481,000 deficit in June 2002 to a \$730,000 surplus in June 2003. We experienced another surplus in 2004, but this time we had a \$1.1 million dollar surplus. We submitted our financial records in on time last year for the very first time in our history.
- The overall City debt has been reduced by over \$12 million dollars, (approximately 20%) and current action is underway to help reduce the remaining debt.
- Businesses are starting to see the benefit of our community, and coming into our city. This process will progressively continue.
- Development and residential building actions are increasing.
- A new and improved development code has been completed.
- Two new permanent city buildings and city library facility have been completed
- New roads to connect our city residents have been completed.
- There are literally hundreds of other improvements that have occurred and our future looks bright.

I feel as though the City of Eagle Mountain was a bright new "Titanic" that was moving full steam ahead without fear of sinking, until we scraped into several icebergs in our city's path. Even so, we have stopped the leaks and turned this big ship in the right direction and at the right speed. We still need to be cautious of the path ahead and keep a close eye out for other possible icebergs.

At this time, I would like to take a moment and let all of you who have been such a tremendous support over the past few years know how much I appreciate your personal and emotional support. I appreciate all the city staff and all the volunteers that have helped make these changes a reality. I am especially grateful to Brice Pettibone, David Lifferth, Mark Madsen, Linn and David Strouse, Carl and Wendy Minks, Chris Kemp, Brian Olsen, David Blackburn, Vincent Liddiard, Tom Maher, Terry and Kathy Barney, Traci Schroeder and scores of others that have been there at my side during this critical transition in Eagle Mountain's history.

I have personally found that the action of serving as mayor or any other public office demands a lot of time, energy and perseverance. We should all be grateful to those who serve and have served on the city council whether we have agreed or not agreed with them. They all deserve our respect if for no other reason than they were, and are, willing to serve and sacrifice their time and families in your and my behalf. I would hope that the past few months is evidence that as a community we have matured to the point that even when we disagree that we can still respectfully and mutually agree to disagree.

Remember the "voice of the people" was my campaign motto during my election and I still firmly believe that the majority of people will choose that which is good and right given the opportunity and the correct information to base their vote on. The majority has chosen those who are currently serving, they may not be perfect, but they are striving to serve to the best of their ability in your behalf. I ask that you continue to give your support, and allow them to do just that.

At this time it is with deep regret that I announce my resignation from the office of mayor and CEO of Eagle Mountain effective June 30, 2005 at 5pm.

It has now come time for me to focus on my family, who has been the anchor in the storm and the light of my soul. It is time to reinvest in my business, which has suffered greatly

during this time. I have served more than three years for many reasons, but it can be summed up in a quote by one of my favorite fictional heroes from Star Trek, who said, "the needs of the many out weigh the needs of the few or the one"; however, the time has come that "the needs of the one out weigh the needs of the many".

I would have enjoyed finishing my term in office had circumstances been different. However, I have achieved the goals I set out to reach when I began this quest and I had no political aspirations beyond what I have done. Now that the city has been turned around and is heading in the right direction with qualified leaders at the helm, I can step down with a peace of mind.

I will continue to assist in every way to make this transition as smooth as possible. I will continue to be a citizen of the community and participate in making Eagle Mountain a better place to live. I would hope that whoever is chosen to finish this term will be given the proper respect they deserve by all citizens regardless of their political views or differences.

Again, thanks to all and wishes of luck to those who remain in our service.

Thank you and God Bless, Mayor Kelvin E. Bailey <sup>64</sup>

The political landscape would change again over the next few months, but at least the city was in better financial shape to deal with the changes.

The Open House for the New City Hall was held on the 17<sup>th</sup> of May, with all the pomp and ceremony that one would expect for such a momentous event. From food, to a patriotic presentation by the fire and police departments, to special musical numbers by Connie Jensen a local vocalist, to skydivers jumping in. The landscaping was not complete, but the building and its interior were and it was time to start operating in this new building.

Prior to the normal business of the meeting the council members had planned a little surprise of their own as part of the festivities. Coucilman Vincent Liddiard, Mayor Pro-tem, began a presentation with the help of City Administrator Chris Hillman on behalf of all Council Members. They presented Mayor Bailey with a gift, a watch with a special engraving on it, and also announced with the support of the Council Members that in honor of Mayor Bailey's service and dedication that they had agreed to name the conference room in the planning department after him. It would be the "Kelvin E. Bailey Conference Room". It was obvious that Mayor Bailey was totally surprised by the Council Members actions. In addition, Linn Strouse was chosen to be their spokesperson to read the following statement:

The Eagle Mountain City Council wishes to express our city's heartfelt appreciation to Mayor Bailey, who has decided to resign as of June 30, 2005. While we recognize that

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<sup>&</sup>lt;sup>64</sup> City Records

the mayor still has time to make contributions, we would like to respond to this recent announcement today. He has given his heart and soul along with innumerable hours of hard work for our city. It has been our privilege to serve with him. As a Council, we support him in this difficult decision, knowing that he would have loved to finish his term. We believe that ANY local political office holder would be very satisfied and pleased to complete their public service with their office in such an improved state as ours after a full term, let alone leaving office early.

Mayor Bailey has proven that he is more than a leader. He is a true statesman dedicated to pursuing and preserving Constitutional principles, sacrificing his own welfare for the benefit of the people he serves. He has always been diligent in researching the issues and has been open-minded and willing to change his opinion when the facts supported it. He has been very diplomatic while discussing issues and during numerous negotiations that benefited Eagle Mountain. Most valuable has been his understanding of the economics of development and the proper line between private property rights and over regulation of development. He truly understands the proper role of government and respects the rights and obligations of a free people.

There is a myriad of accomplishments and contributions that we can attribute to Mayor Bailey. A full accounting cannot be made here, but we would like to highlight some points of interest.

Under Mayor Bailey's direction, the financial status of our city has been defined, dramatically improving from a \$481,000 deficit, to a \$730,000 surplus, followed by another surplus of \$1.1 million dollars the subsequent year. The city debt has been reduced by \$12 million by paying down and restructuring bonds. With financials now current, Mayor Bailey also renegotiated the Eagle Mountain letter of credit, saving the city an ongoing amount of over \$400,000 per year. Our utilities are more financially stable, and Eagle Mountain will soon reduce more city debt with the pending sale of telecom and bond restructuring of our gas and electric services.

During Mayor Bailey's administration, our public safety has been greatly improved. We have seen an increase in service and coverage of our firefighters, paramedics and police forces. He has supported increased citizen participation and safety through various programs including CERT, Neighborhood Watch, the Citizens Academy, and the RAD program. Our community is much more prepared for emergencies with the implementation of our Emergency Preparedness Plan.

Mayor Bailey made great efforts to communicate Eagle Mountain's state of affairs with the city residents on a regular basis, and provided thorough explanations of all issues. He implemented the monthly newsletters, the annual State of the City address and an official city website. Mayor Bailey has always made himself available in person, by phone or by email to answer the questions and concerns of the public, city staff, developers, builders and other public officials. He has also developed and maintained good relations with neighboring cities and organizations through meetings with local leaders and his association with Mountainland Association of Governments, Council of

Governments, Camp Williams, UDOT and other organizations. He has also met with our representatives on state and national levels to promote Eagle Mountain's needs and our progress.

The Mayor has been persistent in pursuing our needs to have better transportation corridors to Eagle Mountain. As a result, we have seen improvements on SR 73 and will soon see more. His meetings with Governor Leavitt and others have pushed our transportation needs to the forefront, resulting in two different studies for planning future roads in the Northwest area of Utah County.

Mayor Bailey has been a strong advocate for responsible growth and development through the implementation of a new development code, as well as negotiations with developers. As a product of such negotiations, we also have a new road connecting the Ranches and City Center providing greater unity and convenience in Eagle Mountain.

Under Mayor Bailey's administration, Eagle Mountain has seen the completion of six of its seven permanent public buildings. City improvements and enhancements include new entrance monuments, landscaping throughout the city, improved parks and a new amphitheater. With the help of the Pony Express Trail Association, Mayor Bailey identified historical sites located in Eagle Mountain for future preservation and public enjoyment. He also commissioned and assisted in establishing a history book of Eagle Mountain City.

At this time, Eagle Mountain would like to pay tribute to Mayor Bailey's family for their support and sacrifice while he served the city. We thank his wife and children for sharing him with us. Along with Mayor Bailey, we also acknowledge the hard work of our dedicated city staff, citizen volunteers and prior councils, without whom we would not have been able to see so many accomplishments in our city.

This city will forever owe a debt of gratitude to Mayor Bailey. He has dramatically changed the course of history and brightened the future of Eagle Mountain residents and we have only begun to see the fruits of his efforts. He was the right man at the right time for a young city that faces so many unique and complex issues.

With Eagle Mountain currently on firm ground and headed in the right direction, we can all look forward to our future with confidence. As a council, we are honored to be a part of its ongoing leadership as Eagle Mountain progresses to be a leading community in Utah.

Sincerely,
Eagle Mountain City Councilmembers
Linn Strouse
David Blackburn
Vincent Liddiard
Brian Olsen

## Janiece Sloan<sup>65</sup>



Mayor and Council ready to cut the ribbon at the Open House for the New City Hall



Mayor and Council cutting ribbon for the Open House of the New City Hall

<sup>&</sup>lt;sup>65</sup> City Records



Front View of New City Hall with Landscaping complete two months later



Rear View of City Hall with landscaping complete



New Council Chambers 1<sup>st</sup> meeting held on 17<sup>th</sup> of May 2005



In an effort to support our local artists and beautify the new building, the city held a competition to submit paintings indicative of our community. These would be judged by the city council and hung on the walls of the new city hall. There were not a lot of submittals, but it was narrowed down to two choices that were both declared winners and awarded \$500 for their work. Jenalee Cheever and Joseph Fletcher were the exuberant winners and the paintings were put on display at the council meeting that night.





The 6<sup>th</sup> annual Pony Express Days were held, and for the first time ever directed by a city employee. As with the sports program, the city felt it was time to have an employee head up this annual event. It would still require many volunteers, but the growth of the city and the demands to execute such a big event required a full time employee. Angie Ferre had been chosen for the task and had worked for months with her committee of volunteers in preparation for the celebration. The city brought in a carnival for the first time and a very popular band, Black Hawk, to provide a concert. A professional fireworks company was also employed to end the event.



Eagle Mountain fire truck in Pony Express Parade



Mayor, Council Members, and their families in Pony Express Parade

There were numerous challenges to overcome, but Angie Ferre and her committee of volunteers tackled each one and everything went exceptionally well. There were over 4,000 attendees at the concert alone and many more at the two day event on June 3<sup>rd</sup> and June 4<sup>th</sup>. The Baby Contest, headed up by Anjanetta Loftgren, grew once again with more participants than ever. But having 40% of the population under the age of 12 provided many potential candidates for such an event.



Eagle Mountain's First City Float with Royalty

That summer and preceding his resignation, Mayor Bailey proposed that the mayoral position become a full time compensated position. After serving 3  $\frac{1}{2}$  years, he felt that the time demands on the mayor were too great for it to remain a part time position with only a small financial stipend. This would be the primary conversation up and until his final council meeting held on June  $28^{th}$ .

On the June 21<sup>st</sup> meeting there were many in attendance because the discussion for a full time mayor was on the agenda. Many spoke, some in favor of the proposed change and others against it, but all did so in a calm and reasoned manner. Mayor Bailey did a special presentation in support of this action and the council members continued the discussion for over an hour and presented concerns and support in light of the accomplishments of a mayor who had served full time, but was not compensated for it. Since this issue was on the agenda for discussion only, no vote was taken. There would be a special meeting held on the 28<sup>th</sup> for this and for further interviews for a full time Fire Chief.

On the 28<sup>th</sup> Mayor Bailey gave a review of the presentation for a full time mayor again. Further discussion by council members was held and soon afterwards the council members were asked by Mayor Bailey to make a motion to approve this action. Linn Strouse made the motion

after expressing passionate support for it. Janiece Sloan seconded it after quoting George Washington and Thomas Jefferson. Brian Olsen, with equal enthusiasm voted for it. Vincent Liddiard and David Blackburn voted against it. David Blackburn had expressed mixed feelings and stated that perhaps the only way to know for sure was to see what would happen once action had been taken. Vincent Liddiard felt the form of government should be addressed first, but in the end all demonstrated great respect for the views and opinions of each member, whether they agreed or not. The motion passed and would take affect beginning with the next mayor when appointed to fill the remaining term of Mayor Bailey.

Before leaving, Mayor Bailey left the council with the challenge and charge to begin the process of evaluating a change in the form of government from what it currently was, a "traditional form mayor/council" to a "strong mayor/council" form, which would create a separation of powers.

In 1996, Lynds stated in the Deseret News that "Eagle Mountain could boast a population as large as that of Provo within 20 years. The area is attractive for people who work in Salt Lake City or Provo and don't mind the commute in exchange for tranquility." The recent past has witnessed a very rapid growth in the city, which is expected to continue now and in the future.

The development of a community is a process that usually takes a generation or two. Every community has "growing pains". It is a normal process. It is essential for Eagle Mountain to have had and continue to have the experiences that will allow it to grow and develop into what it has the potential to become. Communities struggle and grow, some succeed and others don't. Those that succeed do so in spite of, or perhaps because of, the experiences and challenges of their creators.

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<sup>&</sup>lt;sup>66</sup> Deseret News 1996