

PAYSON CITY
CITY COUNCIL MEETING AND WORK SESSION
Payson City Center, 439 W Utah Avenue, Payson UT 84651
Wednesday, September 18, 2024

CONDUCTING William R. Wright, Mayor

ELECTED OFFICIALS Taresa Hiatt, Brian Hulet, Anne Moss, Ryan Rowley, William R. Wright

EXCUSED: Brett Christensen

STAFF PRESENT David Tuckett, City Manager
Cathy Jensen, Finance Director
Kim E. Holindrake, City Recorder
Jason Sant, City Attorney
Robert Mills, Development Services Director
Travis Jockumsen, Public Works Director/City Engineer
Scott Spencer, Fire Chief
Jill Spencer, City Planner
Michael Bryant, Planner II
Tracy Zobell, Parks & Golf Director
Karl Teemant, Community Services Director
Shawn Black, Power Director

OTHERS Diane Jensen – Chamber of Commerce, Marilyn Spencer, Larry Myler, Wes Zufelt – Evolve Building and Development, Sara Ogden

A. CALL TO ORDER

William R. Wright, Mayor, called this meeting of the City Council of Payson City, Utah, to order at 6:00 p.m. The meeting was properly noticed.

B. PRAYER & PLEDGE OF ALLEGIANCE

Prayer offered by Ryan Rowley.

Pledge of Allegiance led by Taresa Hiatt.

C. CONSENT AGENDA

1. Approval of the September 4, 2024, City Council Meeting Minutes

MOTION: Councilmember Hulet – To approve the consent agenda. Motion seconded by Councilmember Rowley. A roll call vote was taken as follows and the motion carried.

Yes	-	Taresa Hiatt
Yes	-	Brian Hulet
Yes	-	Anne Moss
Yes	-	Ryan Rowley

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50 D. PETITIONS, REMONSTRANCES & COMMUNICATIONS

51 1. Payson/Santaquin Chamber Business, Employee, or Community Service Award
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53 Diane Jensen announced the Chamber Business Award to Sandwich Queen owned by Wayman and
54 Debra Campbell.
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56 2. Public Forum (6:05 p.m.)
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58 Marilyn Spencer stated she has lived at 49 South 200 West for over 50 years. She loves Payson and has
59 always been proud of the city. The corner property on Utah Avenue and 200 West is her rental
60 property. Her home and rental properties have become a dog park. Dog owners have the right to go out
61 and walk their dogs along city streets and on city property. Through the years, dog owners have
62 walked their dogs along in front of their home and most of the time they are very conscientious
63 cleaning up after their dogs. Now she has a big problem on all her properties. Since the apartment
64 complex with eight units was completed, she is the official dog department. The complex has
65 absolutely no grass or walkways for animals. She questioned if these apartments were approved with
66 animal rights because they all have two and three dogs. If approved for animals, where did the city
67 think the animals would do their duties, which happens more than once a day. When she first notice the
68 increase of animals using the sidewalks and her lawns, she asked around and found they live in these
69 apartments. It has become a real problem with them using all her grassy areas, around the porch and
70 deck, and by the trees. A few days ago, she opened her bedroom curtains about 7 a.m. to find a lady
71 from the apartments having fun with her dog running around outside her window on her lawn. Most of
72 the dogs are on leashes, but the owners drop the lease to let them run. Some do carry doggy bags, and
73 some are good to clean up after their dogs; but her properties are being destroyed with dog poop and
74 peeing. It stinks and ruins the grass and attracts other dogs and animals to come to those places. She
75 asked one of the tenants who stated the landlord said they could take their dogs around the block as
76 long as they cleaned up after them. This isn't acceptable to us as homeowners. She questioned how she
77 gets this resolved.
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79 Larry Myler stated he is the developer of a new golf community in Salem called Three Bridges. He
80 likes to talk to surrounding communities and introduce themselves. They want to be good neighbors.
81 They are beginning to clear for roadways and fairways. He handed out some information.
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83 3. Staff and Council Reports (6:14 p.m.)
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85 Staff Reports
86

87 RECREATION – Karl Teemant reminded everyone of is Festival Latino de Payson this weekend at
88 Peteetneet.
89

90 PLANNING – Jill Spencer stated staff is on the final stages of the Payson Downtown Gateway Plan,
91 which is the north Main Street Corridor. It includes an expanded interchange, transit-oriented
92 development, Utah Valley University (UVU) campus, and many north end projects. The changes to
93 north Main Street are being analyzed, whether good or bad. An open house will be held on Thursday,
94 October 3 from 5:30 p.m. to 7 p.m. A team of consultants have identified some of the concerns with
95 solutions. Everyone is invited to attend. A flyer will be finalized and sent out tomorrow via email and
96 social media. Mayor Wright noted the city is not looking at widening north Main Street. Jill Spencer

agreed, it is not part of this plan. Also, the Main Street interchange is working through the contract process on a design, which will then lead to construction.

DEVELOPMENT SERVICES – Robert Mills stated staff met with UDOT yesterday. A consultant has been selected for the design phase, which will take it to about 2026. Construction should begin in 2027, which is the anticipated schedule. This is just phase 1, which is the interchange east to Highway 198.

ADMINISTRATION – Dave Tuckett reported October 16 is the Main Street downtown ribbon cutting and block party. Students from the Advance Learning Center preparing invitations. This is a council meeting night, but staff is moving items to other meeting dates. Traffic will be shut down with a small parade and activities. Mayor Wright noted the Main Street businesses and others have been invited.

FIRE AND AMBULANCE – Chief Spencer stated the Emergency Preparedness Fair was held last Saturday from 9 a.m. to 1:30 p.m. It was well attended with more turnout than previous years. Payson and Santaquin are rotating each year so the next one will be in March in Santaquin. The coloring contest with the elementary schools is underway for October 8. One from every grade is selected, picked up, and provided a programs and luncheon.

Council Reports

Councilmember Hulet stated a pharmaceutical company is coming to Payson on Monday for a site visit. Another company out of France is coming in October that makes hydrogen using waste from landfills and sewer treatment plants, which leaves only about 20% of the landfills so it lasts longer. The Economic Development Golf Event is next Wednesday, September 25. He handed out invitations if anyone knows of a company or entity to recruit that is retail or a restaurant or would bring jobs to Payson. The upper division class at UVU is helping update the city's ordinance and design guidelines for the historic downtown. The professor was here last week and said if Payson had stock he would be buying.

Councilmember Rowley thanked Jonathan Knight and Travis Jockumsen for the Main Street project, which looks good. He's happy to have it completed.

Councilmember Moss reported she attended the chamber breakfast last week, which was very informative with a speaker talking about using social media for your business. She attended the library board meeting last week. The library has some amazing ideas and events coming up next month. She encouraged people to support the library. She thanked all the staff.

Councilmember Hiatt noted Main Street looks great, and she has received a lot of positive comments. People were amazed at the change.

Mayor Wright stated he met with Mountainland Association of Governments. People were there from all over the county who were very complimentary as well the Main Street project.

E. ACTION ITEMS

1. Resolution – Amended Consulting Agreement with Executive Consulting LLC (6:27 p.m.)

Staff Presentation:

Dave Tuckett stated this is an amended agreement regarding the lobbyists, who have been very effective over the last couple of years. They were instrumental getting an extra two million to help with the downtown project and another one million is coming. Most municipalities use a lobbyist; they have been effective. The city also received money for the interchange project.

Council Discussion:

Mayor Wright stated the lobbyists have been very cost effective for Payson.

Councilmember Hulet noted they have been very good for the city. Without a lobbyist, the city would not have gotten any funds.

Councilmember Rowley stated it's wise to continue with the agreement.

MOTION: Councilmember Hulet – To approve the (resolution) amended consulting agreement with Legislative Executive Consulting LLC. Motion seconded by Councilmember Rowley. A roll call vote was taken as follows and the motion carried.

Yes	-	Taresa Hiatt
Yes	-	Brian Hulet
Yes	-	Anne Moss
Yes	-	Ryan Rowley

2. **Ordinance - Request to vacate Lot 2, Payson Business Park, Plat F and create American Way Warehouse Condominiums, Plat A, located at 1548 W American Way (6:30 p.m.)**

Staff Presentation:

Michale Bryant reported this building is across from Rocky Mountain ATV. The plat vacation is required in order to create the condominium plat. Originally this was approved administratively but then needed to be vacated according to the county. Additional utilities will be required to each unit. The easements and rights-of-way are not changing. The applicant wants to get owners instead of lessees.

MOTION: Councilmember Rowley – To approve the (ordinance) request to vacate Lot 2, Payson Business Park, Plat F and create American Way Warehouse Condominiums, Plat A. Motion seconded by Councilmember Moss. A roll call vote was taken as follows and the motion carried.

Yes	-	Taresa Hiatt
Yes	-	Brian Hulet
Yes	-	Anne Moss
Yes	-	Ryan Rowley

F. WORK SESSION

1. **Evolve Spring Creek Landing (6:36 p.m.)**

Staff Presentation:

Wes Zufelt stated they heard the city and community concerns and went back to the design board. The green space has been moved to the edges of the residential along with the amenities. The buildings have been reduced to two levels with a maximum roof pitch of 30 feet and positioned closer, which

gives more usable green space for a playground and amenities. A concrete fence will be installed around the residential area first and then all around later. The trash locations have been moved to the north of the buildings and away from the fence line. Previously, pine trees were discussed along the residential side for privacy, which don't grow quickly. He asked for other suggestions. The parking has been removed from the back along the residential side and is overparked by twelve. The residential units have been reduced from 68 to 48 units and include three bedroom and two bath units totaling 1,300 and 1,450 square feet. The commercial was changed from 20,000 to 23,130 square feet. The second traffic study was completed. UDOT recommends a right-in right-out entrance, which they will work with the planning commission on how to accommodate right-in right-out. UDOT suggested using the shoulder on 800 South for a right turn in, which is wide enough to make a right turn lane. The owner hasn't declared what they want for the number of sales and rentals; they are waiting until the number of doors is set. One building may be rentals and the other condominiums, which may be determined by the lending requirements. He reviewed renderings of the buildings.

(Internet lost at 6:45 p.m.; returned 6:50 p.m.)

Council Discussion:

Mayor Wright thanked them for their extra work. What has been brought back is very impressive.

Councilmember Hulet noted he spoke with Chad Rowley with the Payson Fruit Growers who stated he wished he had been informed of the project. Mr. Rowley is concerned with residential high density next to a business like Payson Fruit Growers as manufacturing and is concerned about resident complaints and their trucks coming in at night. Councilmember Hulet suggested that Wes Zufelt contact Mr. Rowley.

Wes Zufelt stated the Payson Fruit Growers is an established business that the renters will know exists next door, but complaints are inevitable. Their Springville project is next to the sewer treatment plant. Another business can't be shut down but is a concern.

Councilmember Moss noted a lot of thought and effort has been put into the project; it looks great.

2. Moderate Income Housing (6:54 p.m.)

Staff Presentation:

Robert Mills handed out the strategies in Utah Code for moderate income housing (A through Z). The City adopted the Moderate Income Housing Element in the General Plan on December 7, 2022, which included B, E, and F mainly because of the city's investment in infrastructure. There are two concerns with only having three strategies. First, meeting the implementation of all three strategies every single year, which reporting is annually on August 1. Additional strategies would be very helpful to make the plan more robust and give some leeway if one strategy doesn't make compliance. Five strategies allows the city to become illegible for prioritization for transportation funding. From the possible strategies list (A through Z), he suggested choosing from the following strategies.

- W – Develop and adopt a station area plan in accordance with Section 10-9a-403.1.
- J – Implement zoning incentives for moderate income units in new developments.
- X – Create or allow for, and reduce regulations related to, multifamily residential dwellings compatible in scale and form with detached single-family residential dwellings and located in walkable communities within residential or mixed-use zones.

- Y – Create a first home investment zone in accordance with title 63N, Chapter 3, Part 16, First Home Investment Zone Act.
- Q – Create a housing and transit reinvestment zone pursuant to Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act.
- H – Amend land use regulations to eliminate or reduce parking requirements for residential development where a resident is less likely to rely on the resident's own vehicle, such as residential development near major transit investment corridors and senior living facilities.

Robert Mills noted that W would be best because the station area plan is almost done and is funded by the Utah Transit Authority. The remaining strategies (J, X, Y, Q, H) aren't in an order that is easily achievable but could be achieved over the coming years. The recent emphasis at modern income housing meetings has been on what are your strategies and how they will be implemented over time such as community incentives and motivation. Moderate income housing is housing that is affordable to those persons making 80% of area median income. Affordable is defined as no more than 30% of gross income. 80% of the area median income (AMI) for a household in Payson is \$76,800. For members of Payson only making 30% of the AMI, the city is deficient 283 units; 40% is deficient 315 units. In 2021 in Payson, 1,166 were renters and 4,686 were owners.

Some highlights from the 2024 Payson Moderate Income Housing Report:

- # of units currently entitled through a development agreement that do not have a building permit is 965. This does not include Redbridge.
- # of units currently entitled through an overlay zone is 1,488.
- # of units that could be built on vacant land without a zone change is 365.
- Total is 2,818.

These are just available units and are not all affordable housing units. A deed restriction could be one of the incentives for more density. Staff will make a recommendation for adoption at a future meeting.

Councilmember Rowley is not in favor of L, which reduces, waives, or eliminates impact fees related to moderate income housing.

Councilmember Moss is not in favor of I, which amends land use regulations to allow for single room occupancy developments.

Councilmember Hulet suggested looking at V, which develops a moderate income housing project for residents who are disabled or 55 years old or older.

3. Discussion regarding Power Transmission Line (7:45 p.m.)

Staff Presentation:

Shawn Black reported there is about \$2.2 million available in power impact fees, which was updated a few months ago; and \$2.9 million in reserves for a total of \$5.1 million available. Some reserve needs to be maintained. On the map, the Suter Substation is an SESD substation, but the city needs a substation in this location. Land was approved in the Arrowhead area for a substation (\$4.5 million), which takes about two years to install a substation and lines. Loads are climbing by Walmart and the LDS Temple, so a substation (\$2.5 million) is needed in the south part of town. He proposes power line Route 1 (Highway 198) at a cost of \$3.4 million from the six routes reviewed at the previous meeting. With the SESD settlement, the city has five years to take on customers within Payson (\$1.3

million) plus build infrastructure to reach home clusters. Current distribution deficiencies total \$1.4 million. To buy a couple of years, staff proposes a tie circuit from 730 to 510 to support the lack of a substation in the south part for \$250,000.

Proposed Distribution Routes and Costs:

- Route 1: 2.03 miles at a cost of \$3.41 million with 33 homes affected.
- Route 2: 2.09 miles at a cost of \$4.75 million with 69 homes affected.
- Route 3: 2.05 miles at a cost of \$4.47 million with 71 homes affected.
- Route 4: 2.06 miles at a cost of \$4.36 million with zero homes affected.
- Route 5: 3.67 miles at a cost of \$8.98 million with 50 homes affected.
- Route 6: 3.97 miles at a cost of \$3.14 million with 47 homes affected.

The drawbacks to putting power underground:

- The support structures for going in and out of the ground are massive.
- Conduit is required to be encased in cement.
- Wire/conductor is expensive and large with thick insulated jacket.
- Vaults are required.
- Maintenance is very expensive.
- Road paving and restoration are required.
- Personnel may need special training and equipment.
- The cost is 6.1 times for the same distance.

He reviewed pictures of Teton Village line encasing, towers, vault, road in front of Payson Junior High School looking south, then going south along the road. Route 1 has 2.5 to 3 blocks that are clean with no poles. The distance between poles is between 300 to 400 feet. Poles start on the west side and then jumps to the east side at 1400 South at the double churches. Further south, there are a lot of poles, so this project can clean those up and reduce the number of poles and lines.

He is looking for direction from the Council. He feels this is the best route for the lowest cost. There could be some problems getting right-of-way easements. The line stops at 1900 South (12000 South County).

Council Discussion:

Councilmember Rowley stated Route 1 makes the most sense, affects the least amount of residents, and costs less by far.

Councilmember Hulet feels the same about Route 1. The city would spend another \$1 or \$1.5 million otherwise and affect more residents. Taxpayer's money and impact fees will be paying for this. Route 2 (canal) is almost impossible as well as Route 4 (middle of Main Street) putting islands down Main Street. Routes 5 and 6 are really expensive. Route 3 (side of Main Street) affects twice as many houses.

Councilmember Moss stated she is very anti Route 1. The residents already fought this fight. Whatever route is chosen, all the residents who will be impacted need to be notified. Then a council meeting needs to be held. One concern with Route 1 is UDOT might want to do something else with that road by widening it. With anything such as cars and houses, she likes to price things out and never goes with the less expensive or the most expensive. Route 4 (side of Main Street) is best because it doesn't impact any homeowners, it's the best way to go because it doesn't betray the residents and isn't

inconsiderate of them, it isn't a quick fix like Route 1, and it is only \$1 million more. She wants to hear from the residents before a decision is made. If the residents are okay, she will change her mind.

Councilmember Hiatt noted there can't be islands on Main Street. Route 4 needs to be removed because there is too much infrastructure in the road.

Shawn Black explained that if the city purchases the easements, UDOT would have to move the power lines. If it's in the UDOT right-of-way, then the city moves the power lines. The road is pretty wide already. Easements would be better. Easements will be needed around the south end and through Red Bridge for the future. The engineers would need to look at islands on Main Street. There are islands on 800 South, which is five lanes. The city may get to a point where no one wants power lines, but the city must have power. Summer outages (July and August) could last a while.

Sara Ogden noted her friend lives in the Spring Lake Subdivision and the Spring Lake Substation will be in her back yard. It's a beautiful area because there are no power lines in the area. She's speaking up for her.

Shawn Black stated a substation needs to go somewhere down there. It will take a couple of years to build. Lead times are long; about 80 weeks for transformers and poles.

Councilmember Hulet stated the City needs to move quickly with a good choice.

Dave Tuckett explained that the City Council doesn't legally need to hold a public meeting with the residents. Staff needs to know which area in order to start getting easements. The Council can have a public hearing and always a public meeting. Staff needs a decision to get engineering and easements secured. The Council holds the purse strings and needs to weigh in on it. A public hearing, public meeting, or an open house can be held. It all takes time. If UDOT needs to widen a road, they do it.

Councilmember Moss feels an open house is not personable; she wants a public hearing.

Mayor Wright noted sometimes a decision needs to be made by the Council. The Council needs to be concerned with the other 25,000 residents in the city as well. Currently three council members are for Route 1, and one is against. We need to hear from Councilmember Christensen.

Jason Sant asked the Council to keep in mind that even if a regular meeting is held, Mayor Wright can allow people to speak. Public hearings are reserved for land use issues, and this is not technically a land use issue. It is a budgetary issue that has been budgeted.

Further discussion to hold a work session on October 2 and allow the public to speak. Remove Route 4, explain the remaining choices, and present Route 1 as the preferred choice. The Council can spread the word because a notice will not be sent out. Information can be put out on social media and the city website. Then put an action item on November 6 for the Council to make a decision.

G. ADJOURNMENT

MOTION: Councilmember Hulet – To adjourn. Motion seconded by Councilmember Hiatt. Those voting yes: Taresa Hiatt, Brian Hulet, Anne Moss, Ryan Rowley. The motion carried.

384 The meeting was adjourned at 7:55 pm. p.m.

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Kim E. Holindrake, City Recorder

DRAFT