

# **WORK MEETING**

**HEBER CITY CORPORATION**  
**75 North Main Street**  
**Heber City, UT 84032**  
**City Council Work Meeting**  
**October 16, 2014**

**6:00 p.m. Work Meeting**

**TIME AND ORDER OF ITEMS ARE APPROXIMATE AND MAY BE  
CHANGED AS TIME PERMITS**

- I.** Call to Order
  
- A.** Discuss Proposed Amendments to the General Plan Land Use Map and the Heber City Zoning Map for Property Located at 1600 South Highway 40 from Highway Commercial to Mixed Use Zone
  
- B.** Update on the Development of the Airport Industrial Park
  
- C.** Discuss Purchase of Additional Hydro Excavator
  
- D.** Discuss City Council Open House Format
  
- E.** Board Reports from Council Members

In accordance with the Americans with Disabilities Act, those needing special accommodations during this meeting or who are non-English speaking should contact Michelle Kellogg at the Heber City Offices (435) 654-0757 at least eight hours prior to the meeting.

Posted on October 09, 2014, in the Heber City Municipal Building located at 75 North Main, Wasatch County Building, Wasatch County Community Development Building, Wasatch County Library, on the Heber City Website at [www.ci.heber.ut.us](http://www.ci.heber.ut.us), and on the Utah Public Notice Website at <http://pmn.utah.gov>. Notice provided to the Wasatch Wave on October 9, 2014.

# Memo

**To: Mayor and City Council**  
**From: Mark K. Anderson**  
**Date: 10/09/2014**  
**Re: City Council Agenda Items**

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**WORK MEETING 6:00 p.m.**

**Item A – Discuss Proposed Amendments to the General Plan Land Use Map and the Heber City Zoning Map for Property Located at 1600 South Highway 40 from**

**Highway Commercial to Mixed Use Zone:** MEGCO Development is requesting that 36 acres of land between South Highway 40 and Daniel Road be rezoned from C-2 Commercial to MURCZ Mixed Use Residential Commercial. This property has been known as the Turner property. See enclosed staff report and plat map. The Planning Commission has held a public hearing and is recommending approval subject to certain conditions.

To facilitate the zone change, the General Plan Land Use Map must first be amended to change the proposed use from Highway Commercial to Mixed Use Zone. Once this change is made, the Council could amend the Heber City Zoning Map to zone the property as Mixed Use Residential Commercial Zone (MURCZ).

To feel comfortable recommending the zone change, the Planning Commission is recommending that the zone change be conditioned on certain provisions found in the attached Subdivision Agreement. Because available commercial property is limited, the Planning Commission did not want to see more than 10 acres of the property used for residential purposes. Mark Smedley has discussed this issue with David Church to identify issues we should understand as we consider entering into a conditional zone change that has a covenant running with the land. The only concern expressed by David Church is that conditions attached to the zone changes may not be enforceable if the property were to go through a foreclosure. Therefore, we may want to codify some of the more important conditions within the MURCZ Ordinance to ensure that a change of ownership would not affect the enforceability of the conditions.

**Item B – Update on the Development of the Airport Industrial Park:** Councilman Rowland, Brad Baird, Ryan Starks and I have met on three or more occasions to discuss the development of the Airport Industrial Property. There have also been parties that have

expressed interest in acquiring some of the property. Based on that interest, a concept plan for development has been created with significant input from Tony Kohler. (See exhibit) At this point, we want to discuss the next steps as to how we make it known that the City is looking to develop/sell the property and is looking for interested buyers. If enough legitimate interest exists, then we would look to obtain Planning Commission approval and start design of the subdivision improvements with the hope of commencing construction next spring.

In discussing the development of the property, the group has concluded that the long term lease of the property is unlikely to be successful based on the limited acreage of the property. As this project moves forward, we also want to make sure we are headed in a direction the Council supports.

**Item C – Discuss Purchase of Additional Hydro Excavator:** This issue was briefly discussed at the end of the last City Council work meeting. Attached is an email provided by Stephen Tozier on this issue. Stephen has also provided me bids in the amount of \$428,953, \$413,416 and \$428,000. The estimated bid to replace the existing debris body (debris tank) is \$100,000. In speaking with Stephen, he indicates that the proposed equipment would be used in the following departments: Water 62.5%, Sewer 25% and Utility Fund 12.5%. This would equate to the following cost allocation assuming a budget of \$425,000:

Water	\$265,625
Sewer	\$106,250
Utility	\$ 53,125

I contacted Brian Baker with Zion's Bank to determine what debt service we would have if we were to borrow \$400,000 over a five (5) year period. (See exhibit) If interest rates do not significantly change in the next nine months, the annual payment would approximate \$84,809. I do have concern that we are only covering a small percentage of depreciation expense in the water and sewer fund which would be responsible for most of the cost. I also acknowledge that this equipment is very valuable to Public Works in performing their duties.

**Item D – Discuss City Council Open House Format:** At the last City Council meeting the Council agreed to hold an open house on November 20<sup>th</sup> to allow the public the opportunity to meet with the Council and ask questions and express concerns about City services. The Council should take time to discuss the proposed format of the meeting to make sure it meets their objectives.

**Item E – Board Reports from Council Members:** The Council should take time to report on boards on which they serve.

# TAB A

Heber City Council  
Meeting date: October 23, 2014  
Report by: Anthony L. Kohler

**Re: Turner Mill Zone Change and General Plan Map Amendment**

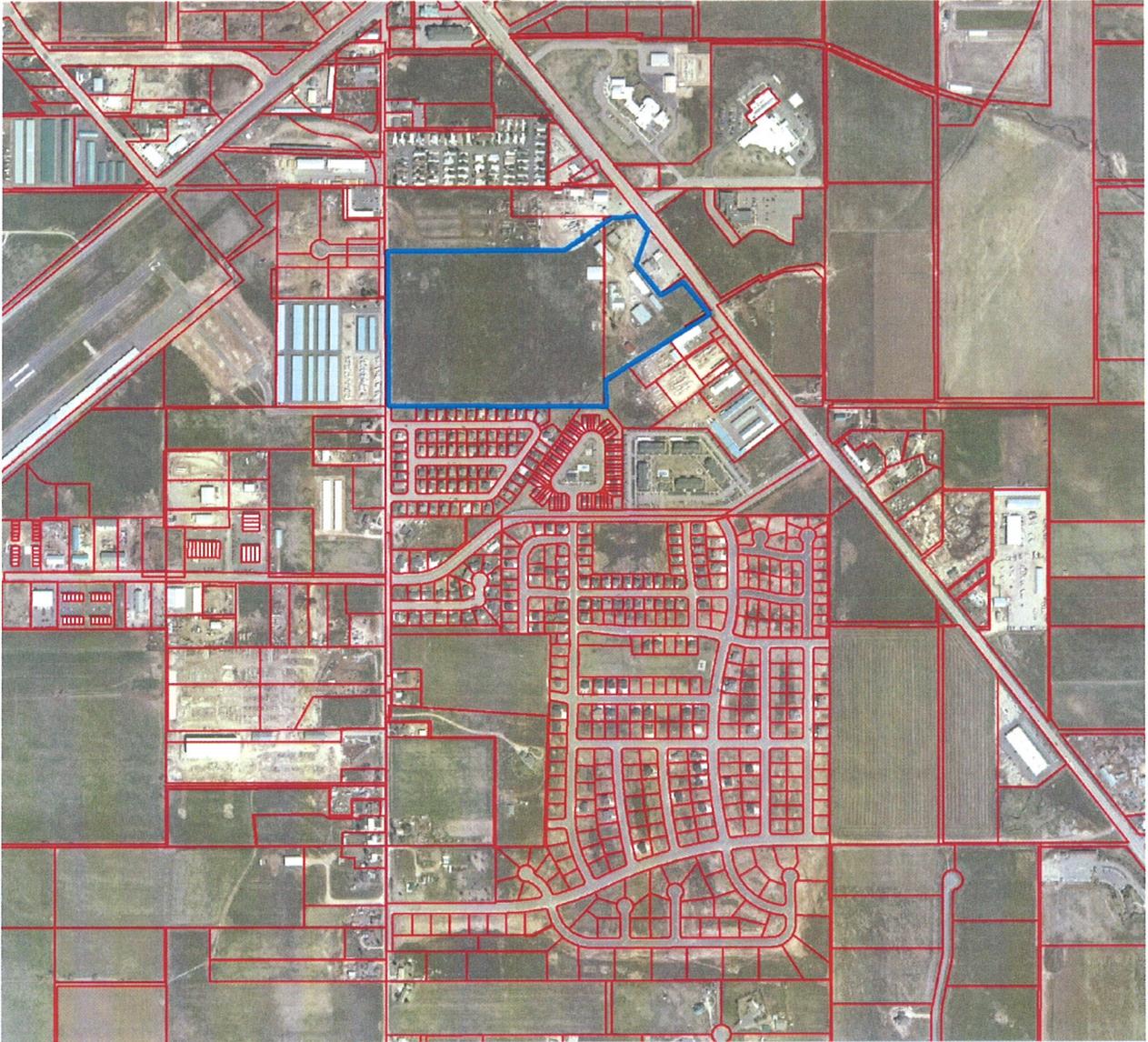
The petitioner is proposing to change the General Plan Landuse Map from Highway Commercial to Mixed Use, and to change the Zoning Map from C-2 Commercial to Mixed Use Residential Commercial (MURCZ) for 36 acres. The petitioner would like to construct an apartment complex on 10 acres near Daniels Road.

The property is ideally suited for a mixed-use development, given its location next to the future bypass and its location within an area that will in the future have nearly 2,000 residents. This area includes the Town of Daniel, Daniels Gate Subdivision, Wheeler Park Subdivision, Harvest Field Subdivision, Wing Point Apartments, Greenfield Townhomes, Mountain Meadows Subdivision, and approximately 10 acres of undeveloped residential land in Heber City. The area generally lacks sidewalk and is at least a mile from convenient shopping services.

A walkable center in the neighborhood would benefit the area so residents need not drive along Main Street and contribute to the already congested Main Street for some of the commonly needed convenience services. Smaller businesses would help fill this need, such as small office, church, medical clinic, café, deli, small retail market, bakery, dance and exercise studios, daycare centers, preschools, and public and private schools, barbershop, hair salon, and beautician, pet care and grooming, laundromat, community post box, and shoe and clothing repair.

The Turner property is one of the more substantial remaining undeveloped commercially zoned properties remaining in the city, and the city should be cautious to not have the entire property become nothing but residential uses. The Planning Commission expressed that concern, and on September 25, 2014, recommended approval of the proposed zone change and general plan amendment conditional as outlined in the development agreement.

**Property Location**



SUBDIVISION AGREEMENT  
AND  
COVENANT RUNNING WITH THE LAND  
(MEGCO Development)

THIS AGREEMENT is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2014, by and between Heber City (the "City") and MEGCO (the "Developer").

WHEREAS, the Developer has proposed a rezone of property located at approximately 1500 South highway from C-2 Commercial to MURCZ Mixed Use;

WHEREAS, the Developer is desirous to construct some housing units on the property;

WHEREAS, the city is desirous to assure the commercial tax base of the city is maintained.

NOW, THEREFORE, the Parties hereby agree as follows:

1. **Housing to commercial ratio:** A minimum of 20 acres shall be devoted to commercial uses. A maximum of 10 acres shall be devoted to residential uses.
2. **Affordable vs. market housing:** The residential units shall be market rate, not subsidized housing.
3. **Mixture of housing types:** Rental housing shall constitute no more than 30 percent of the housing mix.
4. **Land Use Concept:** Developer shall provide a rough conceptual plan prior to the zoning map change becoming effective.
5. **Mixture of uses:** The commercial portion may contain residential units above or below the main story.
6. **Walkability:** The development shall be oriented to local streets, focusing on pedestrians with pedestrian amenities, with buildings located at the street and off-street parking located in the side or rear of the building.
7. **Open Space:** Developer shall provide at least 30 percent of the residential portion of the property as permanent open space near existing residential development to the south. Developer will explore the possibility of providing pedestrian connections to the Heber Landing and Greenfield open spaces.
8. **Architecture:** The development shall have a unified architectural theme.
9. **Bypass:** Developer will dedicate land for construction of the proposed bypass; city and developer will work out a fair and equitable way for construction of the bypass.

IN WITNESS WHEREOF, the Parties hereto have hereunto set their hands the day and year this agreement was first above written.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

HEBER CITY:

By: \_\_\_\_\_  
Alan McDonald, Mayor

ATTEST:

\_\_\_\_\_  
Heber City Recorder

MEGCO Partners, LLC, Developer:

By: \_\_\_\_\_  
MEGCO Partners, LLC

STATE OF UTAH            )  
                                  : ss.  
COUNTY OF WASATCH    )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2014, personally appeared before me the above named authorized representative of Developer, who duly acknowledged to me that Developer is the owner in fee of the land described herein and executed the same as such.

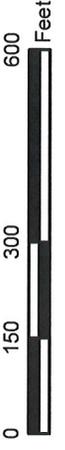
\_\_\_\_\_  
NOTARY PUBLIC

LEGAL DESCRIPTION

**BEGINNING AT THE WEST QUARTER CORNER OF SECTION 8, TOWNSHIP 4 SOUTH, RANGE 5 EAST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE NORTH 00°03'25" WEST ALONG THE SECTION LINE 952.09 FEET; THENCE SOUTH 89°26'55" EAST 1047.06 FEET; THENCE NORTH 57°01'05" EAST 369.75 FEET; THENCE SOUTH 89°26'55" EAST 143.18 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF U.S. HIGHWAY 40; THENCE SOUTH 37°59'20" EAST ALONG SAID HIGHWAY RIGHT-OF-WAY 99.12 FEET; THENCE SOUTH 21°34'40" WEST 216.59 FEET; THENCE SOUTH 38°35'31" EAST 236.70 FEET; THENCE NORTH 53°06'40" EAST 184.29 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE U.S. HIGHWAY 40; THENCE SOUTH 37°59'20" EAST ALONG SAID RIGHT-OF-WAY LINE 293.41 FEET TO THE NORTHWESTERLY BOUNDARY LINE OF THE LAKE CREEK RANCH DEVELOPMENT CORPORATION PROPERTY; THENCE ALONG SAID NORTHWESTERLY BOUNDARY THE FOLLOWING THREE COURSES AND DISTANCES: (1) SOUTH 57°51'29" WEST 291.08 FEET; (2) THENCE SOUTH 55°27'32" WEST 467.07 FEET; (3) THENCE SOUTH 00°06'31" WEST 133.70 FEET TO THE NORTHERLY BOUNDARY LINE OF THE GREENFIELD TOWNHOMES SUBDIVISION; THENCE SOUTH 89°51'14" WEST 1324.94 FEET ALONG SAID NORTHERLY BOUNDARY LINE AND THE NORTHERLY BOUNDARY LINE OF HEBER LANDING SUBDIVISION TO THE POINT OF BEGINNING.**

SERIAL NUMBER: OHE-1653-0-008-045

**TAB B**



1 inch = 300 feet

# Industrial Park Concept

October 1, 2014

**TAB C**

## Mark Anderson

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**From:** Stephen Tozier <stozier@ci.heber.ut.us>  
**Sent:** Thursday, October 02, 2014 6:15 PM  
**To:** 'Mark Anderson'  
**Subject:** Hydro-Excavator Repair & Replacement Cost Estimates  
**Attachments:** 2014 Hydro-excavator bid - Vacall HydroEx Quote.pdf; Hi-Vac Hydro-excavator bid - Heber City UT 14-704A demo unit offer 2014.pdf; 2014 Hydro-excavator bid - Heber Budget Estimate debris body. 092914.docx; Heber 012014 budgt (2) (246 KB)

Dear Heber City Council & Administrative Management,

Please find attached the 1996 Vactor Sewer Combination Truck debris tank replacement cost estimate, as well as replacement cost estimates from Vactor, Aquatech and Vacall distributors. These companies are currently going into their new vehicle production runs in preparation for this coming years budget cycle. We are not looking to award a purchase order to any manufacturer at this time. We are moreso, attempting to acquaint and provide the City Council with an introspective as to the condition of our existing 1996 Vactor Sewer Combination Vacuum Truck and the financial commitment necessary to either maintain or replace our existing circumstance.

Should we make a commitment to fund this absolute necessity, we currently stand to be the beneficiary of an extremely competitive circumstance, pitting Vactor, Aquatech and Vacall, all more than mildly interested in providing extreme cost reductions and creative financing proposals for a vehicle equipped well beyond its price tag, as they would all very much like take their finest offering presented at the largest Hydro-excavation Symposium in the country. I know that the costs at which we are looking are substantial, but we are generally looking at an offering of a vehicle typically worth \$485,000.00 (next years pricing will exceed \$500,000.00) at a discounted price of \$430,000.00 for the simple consideration of allowing it to appear in the aforementioned Symposium.

I know your immediate thoughts might very well be, "didn't we just buy one of these vehicles", to which my response would be, "we did". My further response would be that both our 1996, as well as our 2012 Vactor Sewer Truck are sewer jetting and vaccing vehicles primarily, although each is equipped with a hydro-excavation package, intended for emergency hydro-excavation and not built for a steady diet of a far more abusive vocation such as hydro-excavation.

We have to date and as of a period from which we began tracking vehicle repair costs expended nearly \$150,000.00 repairing our nearly twenty year old Vactor Sewer Jetting Truck. Our new replacement of that same vehicle is not nearly as robustly built as its predecessor of twenty years. More than eighty percent of our Water Department's work load is performed by our 1996 Vactor Sewer Truck, having done very little sewer cleaning other than responding emergency sewer collection system backups. That in and of itself is a full time job which has gone unattended as act of hydro-excavation has monopolized the majority of its time.

If we intend on continuing to serve our community with as few of employees as we currently staff, while maintaining current production and efficiency levels, we are going to have to provide the equipment that provides two employees with the capability to perform as if they were several more.

Respectfully,

Stephen B. Tozier  
Heber City Public Works

**Heber City, Utah**

\$400,000 Equipment Lease Purchase

Dated November 5, 2014

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## Heber City, Utah

\$400,000 Equipment Lease Purchase

Dated November 5, 2014

### Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
11/05/2014	-	-	-	-
02/05/2015	18,952.23	2.250%	2,250.00	21,202.23
05/05/2015	19,058.83	2.250%	2,143.39	21,202.22
08/05/2015	19,166.04	2.250%	2,036.19	21,202.23
11/05/2015	19,273.85	2.250%	1,928.38	21,202.23
02/05/2016	19,382.27	2.250%	1,819.96	21,202.23
05/05/2016	19,491.29	2.250%	1,710.94	21,202.23
08/05/2016	19,600.93	2.250%	1,601.30	21,202.23
11/05/2016	19,711.18	2.250%	1,491.04	21,202.22
02/05/2017	19,822.06	2.250%	1,380.17	21,202.23
05/05/2017	19,933.56	2.250%	1,268.67	21,202.23
08/05/2017	20,045.68	2.250%	1,156.54	21,202.22
11/05/2017	20,158.44	2.250%	1,043.79	21,202.23
02/05/2018	20,271.83	2.250%	930.40	21,202.23
05/05/2018	20,385.86	2.250%	816.37	21,202.23
08/05/2018	20,500.53	2.250%	701.70	21,202.23
11/05/2018	20,615.85	2.250%	586.38	21,202.23
02/05/2019	20,731.81	2.250%	470.42	21,202.23
05/05/2019	20,848.43	2.250%	353.80	21,202.23
08/05/2019	20,965.70	2.250%	236.53	21,202.23
11/05/2019	21,083.63	2.250%	118.60	21,202.23
<b>Total</b>	<b>\$400,000.00</b>	<b>-</b>	<b>\$24,044.57</b>	<b>\$424,044.57</b>

### Yield Statistics

Bond Year Dollars	\$1,068.65
Average Life	2.672 Years
Average Coupon	2.2500016%
Net Interest Cost (NIC)	2.2500016%
True Interest Cost (TIC)	2.2500015%
Bond Yield for Arbitrage Purposes	2.2500015%
All Inclusive Cost (AIC)	2.2500015%

### IRS Form 8038

Net Interest Cost	2.2500016%
Weighted Average Maturity	2.672 Years

## Heber City, Utah

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\$400,000 Equipment Lease Purchase

Dated November 5, 2014

### Sources & Uses

Dated 11/05/2014 | Delivered 11/05/2014

#### Sources Of Funds

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Par Amount of Lease	\$400,000.00
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<b>Total Sources</b>	<b>\$400,000.00</b>
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#### Uses Of Funds

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Deposit to Equipment Lease Purchase Fund	400,000.00
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<b>Total Uses</b>	<b>\$400,000.00</b>
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