

PAYSON CITY
CITY COUNCIL AND REDEVELOPMENT AGENCY MEETING
Payson City Center, 439 W Utah Avenue, Payson UT 84651
Wednesday, May 7, 2025

CONDUCTING William R. Wright, Mayor

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

STAFF PRESENT David Tuckett, City Manager (online)
Cathy Jensen, Finance Director
Kim E. Holindrake, City Recorder
Brandon Dalley, City Attorney (online)
Brad Bishop, Police Chief
Robert Mills, Assistant City Manager
Melanie Marsh, Human Resources Director (online)
Travis Jockumsen, Public Works Director/City Engineer
Scott Spencer, Fire Chief
Jill Spencer, Development Services Director
Tracy Zobell, Parks & Golf Director
Karl Teemant, Community Services Director
Shawn Black, Power Director
Shelby Bohling, Communities That Care Coordinator

OTHERS Easton Brady, Miles Anderson, Camille Kenworthy, Jim Rowland – Payson
Santaquin Chamber, Ezekiel Andrew, Sarah Ogren, Gabriel Andrew, Kim
Bennet – PARC Tax Committee

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 Bill Wright.

Pledge of Allegiance led by Easton Brady.

C. CONSENT AGENDA

1. Approval of the April 2, 2025, City Council Meeting Minutes
2. Approval of the April 15, 2025, Special City Council Meeting Minutes
3. Resolution - Bergstrom Deferral Agreement at approximately 400 N and 1663 West
4. Resolution – Villages at Arrowhead Park, Plat H, Development Agreement
5. Proclamation – Police Week
6. Proclamation – National Public Works Week
7. Proclamation – EMS Week
8. Proclamation – Arson Awareness Week

Councilmember Hulet questioned the process of following up on deferral agreements.

Travis Jockumsen stated there are triggers in the agreement such as if infrastructure comes within 300 feet or additional improvements are done, then the property owner has to connect. The agreement is recorded against the property and it's put in iWorQ.

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

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

D. PETITIONS, REMONSTRANCES & COMMUNICATIONS

1. CTC: Mayor's Youth Recognition

Mayor Wright and Shelby Bohling presented Mayor's Youth Recognition Awards to Miles Anderson, Mt. Nebo Middle School and Camille Kenworthy, Payson Junior High.

2. Payson/Santaquin Chamber Quarterly Report

Jim Rowland gave the Chamber Quarterly Report noting the Chamber is dedicated to helping businesses find resources, provide networking, and get support. The Chamber works to make the community a better place for businesses to operate. As businesses succeed, the local economy improves, which in turn enhances the quality of life in the community. Payson is one of the fastest growing community in Utah County. Members of the business community in Payson are united by a common goal, to make the community a better place. Working together, the Chamber and the City are reaching goals, and the Chamber appreciates the partnership and financial support of the City.

The first quarter included the Annual Chamber Awards Gala with Jones Paint and Glass and Lions Pride Insurance as generous sponsors of the event. The Chamber hosted the Third Annual Bowling Night emphasizing the importance of balancing work with family with over 130 participants enjoying networking and fun. Last month, the Chamber released its Annual Community Guide Magazine with over 300 activities and events. He courage everyone to review the chamber members listed in the back and explore the advertisements. The Chamber hired an intern this year from the high school. Payson has over 680 business licenses that the Chamber classified into categories, which included about 35 restaurants, 19 automotive dealers, and 17 salons. The Chamber celebrated Good Rest Med Spa's reopening, Tabatha's Way new facility in Spanish Fork, and several ribbon cutting ceremonies, which generate unity and excitement in the community. Two ribbon cuttings are scheduled for the new Payson High School on May 19 at 6 p.m. and Memories on Main on June 5 at 6 p.m. The Chamber received a \$92,000 grant from the Governor's Office to support home based businesses in marketing efforts to grow from garage to greatness. The Santaquin Hometown Market event begins June 30 for seven Monday nights where homebased businesses launch their products and businesses. The Passport to Summer begins soon and includes 61 fun summer activities to explore and learn new skills away from electronics.

98
99 3. Youth City Council Officer Elections (6:17 p.m.)
100

101 Councilmember Rowley noted the Youth City Council (YCC) continues to grow and all the members
102 are in attendance tonight. Several members are running for office tonight to help move the YCC along,
103 give them further leadership opportunities, and speaking opportunities. Each member running will give
104 a speech and then ballots can be completed.
105

106 Positions:

107 Youth Mayor - Serves as a lead representative of the Payson Youth City Council acting as a voice for
108 the youth of Payson and promoting civic engagement, leadership, and community service. The Youth
109 Mayor works closely with other council members, city officials, and community leaders to plan events,
110 advocate for youth interests, and strengthen youth involvement in local government.
111

112 Youth Assistant Manager - Supports the youth mayor in leading the Payson Youth City Council and
113 plays a key role in planning, coordination, and community engagement efforts. This position is ideal
114 for a youth leader who is passionate about public service and eager to help elevate the voices of their
115 peers in local government.
116

117 Youth Council Manager - plays an essential behind the scenes role on the Payson Youth City Council,
118 focusing on organization, communication, and project coordination. This position is ideal for someone
119 who enjoys planning, managing details, and helping teams succeed. The Youth manager ensures that
120 the council activities run smoothly and efficiently while supporting the Youth Mayor, Assistant Mayor,
121 and council members.
122

123 Ezekiel Andrew stated in my desire to serve the citizens of Payson. I'm excited to run for Mayor for
124 our city's Youth Council. I stand before you today not just as a candidate, but as a passionate member
125 of this community. I know that we, as the Youth Council, can not only learn about our city; but with the
126 right drive and leadership, we can really be a benefit for our community. For as long as I can
127 remember, I've been interested in the Government and how it affects our daily life. While our city
128 Youth council was inactive, I searched for a way to get involved, and when I found out it was
129 reactivated, I joined as soon as I could. This perseverance and commitment is why I believe that I am
130 the best candidate to help the good people of Payson. I will prioritize collaboration by working
131 together with local organizations and community leaders. I will do my best to find opportunities for us
132 to serve and get involved with Payson's wonderful community. But I can't do this alone. I need your
133 support, your ideas, your energy, and you're personality to make this vision a reality. Let's empower
134 each other, uplift our friends and neighbors and lead the change we want to see. I hope I can count on
135 your vote for Mayor.
136

137 Sarah Ogren stated I'm in 9th grade. I have been serving on the Payson Youth Court for a little over a
138 year, and I volunteer regularly in Tabitha's pantry in Spanish Fork. I'm running for Youth Council
139 Mayor, because I am passionate about making a difference for our community now and for the future. I
140 strongly believe that we, especially the youth, can create positive change and help implement ideas to
141 improve our city. I am fascinated with law enforcement and the justice system, and am working and
142 studying now to become a lawyer. I look forward to continuing helping others, being a part of making
143 fair decisions, and contributing to creating a safer and even stronger community here in Payson. I want
144 to focus on building stronger connections between the community and the leaders, so all people's
145 voices are heard. Together, we can organize events, raise awareness on important issues, and support

causes that are valuable to us, especially with the youth. I'm dedicated to working with all of you to make our amazing city a place where people want to come more often to enjoy and even explore our rich history and sites. I am ready to put in the work and time as youth mayor to represent Payson with dedication. Thank you for your time and consideration. I'd be honored to have your vote.

Gabriel Andrew stated it's great to see you all here today. I hope you're all excited as I am. My name is Gabe, and I'm an academic high school student here, because I want to make a difference in our city. As a student with a near 4.0 GPA, I know the ups and downs of school life. I want to share what has worked for me and help my fellow students achieve better grades and develop effective learning strategies. It seems like we're all trying to balance extracurriculars, homework, and maybe a little social life, if we're lucky. I will also frequently give to the community through service and encourage my peers to do the same. But to do this I need you. Your support can turn this vision into reality. Together, we can make our community a better place for everyone by voting for Gabe Andrew.

Councilmember Rowley thanked everyone on the YCC. It takes a lot of courage to come up, give a speak, and run for office.

4. Public Forum

No public comment.

5. Staff and Council Reports

Staff Reports

RECREATION – Karl Teemant thanked everyone who attended the Cinco de Mayo event as well as Janeen Dean, Wes and parks crew, and Ruben with the Latin community for putting it all together. Upcoming events include Adventure Day on June 7. In recreations, the school track meets just finished, the youth track program started with 100 athletes, youth soccer wrapped up, coed adult softball started, and youth baseball and softball games begin next week. In conjunction with Salem, Payson is hosting the Baseball Utah tournament with 72 teams on Friday and Saturday. He thanked Daniel and Kyle with facilities and Robbie the pool manager for getting the pool ready to open Memorial weekend. Seasonal staff has been hired for the summer, and training/certification of new guards begins next week.

DEVELOPMENT SERVICES – Jill Spencer reported the I-15 Interchange Project will resume monthly updates on May 21 and are ready to launch the project website. Along the same lines of the interchange and northeast area of the community, she invited the council to attend a design work session with the Planning Commission next week, which staff has been working with a consultant on land use and infrastructure plans for this area.

ADMINISTRATION – Robert Mills gave a shoutout to Steve Spencer for the new audio visual equipment in the council chambers as well as his team and Dale Shaw with IT.

Council Reports

Councilmember Christensen gave a shoutout to engineering and public works for fixing issues at the Payson Creek. Staker Paving replaced the road in front of his home today and did a great job. He's excited for the interchange and hopes to get everything in order to do it right.

Councilmember Hulet stated with all the proclamations for police, fire, ambulance, and public works, he asked that they be put out on social media and thanked them for their work. He can actually hear with the new sound system. He thanked Shawn Black for reaching to Wheeler Machinery, who visited MTECH and may invest in MTECH.

Councilmember Rowley thanked Steve Spencer for all his hard work on the new sound system, cameras, visuals, and lights. He thanked Janeen Dean for all the events she organizes. He thanked Shelby Bohling for all her work with the YCC; he cares a lot for the youth. He loves the staff and thankful for the fire and police.

Mayor Wright noted the National Day of Prayer included a prayer run with over 100 people participating. He participated in the county National Day of Prayer in Provo, which was a wonderful program as well. Last night he attended the Hope of America at the Marriot Center in conjunction with the Freedom Festival, which is a patriotic program with over 7,000 schoolers, 100 different schools, and runs two more nights.

Councilmember Moss echoed gratitude for staff, police, fire, and EMS. With the 930 West construction of box culverts, the road has never been better. It's an honor to work with all the staff.

Councilmember Hiatt noted the Parks Department has several people who are awesome; they work hard. It's a small number of people who do a lot of work.

3. Youth City Council Officer Elections (continued)

YCC Officers Results:

Shelby Bohling announced the YCC results. Youth Mayor is Sarah Ogren, Assistant Mayor is Ezekiel Andrew, and Youth Manager is Gabriel Andrew.

E. ACTION ITEMS

1. Ordinance - General Plan Amendment regarding various elements of the Moderate Income Housing Plan (6:45 p.m.)

Staff Presentation:

Robert Mills stated these are some updates to the Moderate Income Housing Plan to remain compliant. The city has made really good progress on this over the last couple years. The Plan was adopted in November 2022 with some items being accomplished. Previously, there were three strategies but it was difficult to meet all the requirements every year. At the recommendation of several cities and the state, six additional strategies were added for buffering, flexibility, and to remain compliant.

New Strategies:

- Develop and implement zoning incentives for moderate income residential units in new residential and mixed-use developments.
- Apply for, or partner with an entity that applies to state and/or federal funds or tax incentives to promote the construction of moderate-income housing.

- Develop and adopt a station area plan in accordance with Section 10-9a-403-1 of the Utah State Code.
- Consider the creation and implementation of a housing and transit reinvestment zone.
- Consider the creation and adoption of a home ownership promotion zone and/or a first home investment zone.
- Consider the reduction of regulations related to multifamily residential dwellings that are compatible in scale and form with detached single-family residential dwellings within areas that are part of walkable communities.

This brings the total number of strategies to nine with each having implementation measures. The next task is to finish the report, send to state, and then wait to see if compliant. The Planning Commission reviewed the proposal and are in support. He asked that the motion include making any grammatical and punctuation corrections.

Council Discussion:

The council discussed the city's ongoing efforts to comply with state requirements for moderate income housing. It was confirmed that all Utah cities with a fixed station are required to develop a Moderate Income Housing Plan. While the state provides a wide list of strategy options to choose from, many cities tend to focus on the more achievable ones. Some of the strategies listed by the state were seen as unrealistic for a city with limited resources, and staff expressed concern about taking on more than the city could handle financially.

The council acknowledged that other cities such as American Fork, Salt Lake, and Sandy have adopted Housing and Transit Reinvestment Zones (HTRZs), although the extent of their implementation is unclear. A suggestion was made for council members to take a field trip to visit some of these cities and observe their progress firsthand, which was met with enthusiasm.

In terms of local progress, Payson has taken notable steps by going beyond state mandates to allow not just internal, but also external accessory dwelling units (ADUs). While adoption of ADUs has been slower than expected, the option remains available to residents and contributes to the city's overall housing strategy. Recently, the state started pushing for ADUs in commercial zones so staff has updated one of the strategies to explore this idea further, though some skepticism remains.

The conversation also touched on a growing concern that, if cities fail to demonstrate meaningful action, the state may begin to enforce more rigid, one-size-fits-all regulations. Council members expressed a shared desire to avoid such mandates by showing that the city can successfully address housing needs on its own terms.

One concern raised the issue of the number of strategies being pursued, noting that reporting on each one could become burdensome. Staff explained that the state has streamlined the reporting process and that they are working on creating a monthly routine to track progress, which would make future submissions more manageable. It was also clarified that strategies can be amended or removed later if needed, giving the city flexibility to adjust its approach.

The discussion covered opportunities to qualify for three-year reporting relief by adopting specific strategies, which has already been incorporated into two such strategies.

The council explored the concept of a First-Time Homebuyer Investment Zone (FIZZ), which would focus on deed-restricted, owner-occupied housing. A proposed annexation north of the city boundaries may serve as a test case for implementing this model. While the state currently mandates only a five-year deed restriction, cities can opt for longer durations, up to 25 years or even longer. Some discussions at the state level are considering restrictions as long as 99 years, or even in perpetuity, to support the idea of generational housing.

The council expressed general support for the current direction and strategies, while remaining open to revising or scaling back as needed.

MOTION: Councilmember Hulet – To approve the (ordinance) General Plan amendment regarding various elements of the Moderate Income Housing Plan with any minor adjustment for grammar, punctuation, etc. Motion seconded by Councilmember Rowley. A roll call vote was taken as follows and the motion carried.

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

2. Ordinance – Review and adoption of the Fiscal Year 2025-2026 Tentative Budget and set public hearings for certified tax rate, enterprise funds, local government officers compensation, and final budget (7:00 p.m.)

Staff Presentation:

Cathy Jensen reviewed the budget highlights.

- City-wide proposed budget is \$118,463,000.
- A 6% adjustment to individual wages was added to keep wages competitive (3% through COLA, 3% merit).
- Required Utah Retirement System contributions range between 15% to 33%.
- Requested operational budgets for departments given in most cases, which have been conservative.
- Mayor's economic development has been reallocated through multiple line items such as golf tournament, lobbyist, etc.
- Insurance renewal includes general liability - \$434,766 (6.95% increase), workers compensation - \$117,514 (6.95% increase), employee health insurance (5.5% increase), and dental insurance (10% increase).
- Proposed utility rate increases:
 - Last year's independent rate analysis suggested a power rate increase of 5.5% for the next 3 years to provide for the new electrical plant, operations, and SUVPS bonding obligations.
 - Proposed 3% utility rate increase for water, sewer, storm, and landfill to keep pace with the CPI index and increased costs.

Water Fund (\$9,469,389)

- Forebay bond amount transferred from General Fund to allow additional projects.
- Proposed 3% rate increase.

- Continued replacement of meters, valves, and hydrant repairs using 2019 water bond proceeds.
 - Federal lead and copper lateral replacements.
 - Federal EPA, Water Infrastructure Finance and Innovation Act (WIFIA) funding options for capital water, sewer, and storm drain being sought.
 - Water rate studies budgeted through enterprise funds.
 - Funded: Update culinary and PI master plan - \$50,000, water tank design - \$400,000, water rate study - \$30,000, WIFIA professional services - \$33,000, meters - \$280,000, Patterson pump station - \$950,000, valves - \$600,000, and lead and copper replacements - \$115,000.
 - Not Funded: Fire flow main line replacement 450 S 900 W - \$450,000, 800 W culinary and PI replacement - \$1,000,000, 2027 WIFIA funding Nebo Belt Route - \$2,000,000, and water lead position.
- Water Impact Fees (\$467,000)
- Solid Waste Fund (\$4,542,652)
- Large landfill scale project completed.
 - Sweeper requested to keep sensitive equipment for the new scales clean.
 - Large portion of budget for the landfill pertains to maintenance and improvements.
 - Solid waste also handles garbage collection and snow plowing.
 - Funded: Self-propelled sweeper - \$70,000, fencing - \$75,000, and 10-wheel dump - \$275,000.
- Electric Power Fund (\$22,576,632)
- Large capital projects include transmission line (mostly impact fees), SUVPS participation in bonding and true-up, power plant construction, and lighting projects.
 - 2026 is the second of a four-year rate increase plan.
 - New electric plant payments made through UAMPS operational billing.
 - Funded: Meters - \$250,000, SUVPS true-up - \$1,089,318, underground reel trailer - \$85,000, and transmission line (impact fees) - \$2,550,000.
 - Not Funded: 800 W 100 S to 800 S - \$200,000, Sunny Hill Circle - \$43,000, and balance of transmission line - \$450,000.
- Electric Power Impact Fees (\$2,663,850)
- Sewer Fund (\$27,398,498)
- Continued construction of the new sewer plant.
 - Sewer Master Plan and sewer rate updates.
 - WIFIA funding option for sewer bonds.
 - Lift station by Pit property to attract commercial to the area (sewer fund & impact fees).
 - Approximately 56% of operational revenue goes to debt service.
 - Funded: Update master plan - \$50,000, sewer rate study - \$30,000, WIFIA application - \$33,000, east lift station - \$40,000, pit lift station - \$500,000, and pit lift station impact fees - \$1,500,000.
 - Not Funded: 615 S 600 W MH 317 - \$60,000, 800 W from 100 S to 800 S - \$2,000,000, replace aging/degraded lines - \$600,000, new Nebo belt route sewer - \$1,000,000, Main Street/400 N - \$500,000, video truck - \$225,000, and jet truck - \$625,000.
- Sewer Impact Fees (\$1,740,700)
- Ambulance Fund (\$1,582,168)
- Major source of expenditures is operational. Staff is almost at capacity. Future equipment, employees, and fire station are being addressed and explored to more fully meet the needs of the city.
 - Funded full-time position by eliminating fund transfers from the ambulance fund to the general fund.

- Ambulance ordered last year and financed through the revolving loan.
 - Fire and ambulance impact fee study being updated.
 - Funded: asphalt station 92 - \$32,000, and 1 full-time position.
 - Not Funded: Second new ambulance - \$250,000, and 14 full-time fire fighters and EMTs.
- Golf Fund (\$2,586,291)
- Exploring options for a 9-hole golf course; expected to bring in additional revenue.
 - RV park has become quite an asset.
 - Funded: People moving cart - \$20,000, paving RV Park - \$150,000, #16 cart path - \$15,000, slurry seal parking lot - \$10,000, design par 3 - \$80,000, reel grinder - \$40,000, GPS - \$181,000, filter system - \$10,000, top dresser - \$18,000.
- Storm Drain Fund (\$2,248,627)
- Primary purpose is to help enforce EPA regulations regarding illicit discharge, detention, and elimination.
 - Allocated \$300,000 yearly for curb and gutter projects.
 - WIFIA funding option for Nebo Beltway project. Study projected to be \$33,000.
 - Box culvert grant project (\$300,000) expected to still be in construction.
 - Funded: Curb/gutter city-wide - \$50,000, 600 S 100 E to 600 E curb - \$250,000, box culvert (grant funded) - \$300,000, and WIFIA funding - \$33,000.
- Internal Service Fund
- Vehicle Maintenance (\$670,763) – Funded: Heavy duty scan tool - \$10,000, pit expansion - \$50,000, air compressor - \$20,000, and alignment equipment - \$7,500. Not Funded: Fuel tanks - \$500,000.
 - IT (\$771,749)
 - All expenses are allocated through other departments.
- Revolving Loan Fund (\$1,355,000)
- Finance new equipment and vehicles.
 - Equipment costs are assessed to departments to reimburse the fund for future allocation.
 - Conservative this year because of some tight enterprise fund budgets.
 - Vehicle replacement based on assessment of vehicle maintenance director.
 - Funded: 11 vehicles - \$680,000.
- PARC Tax Fund (\$385,150)
- General Fund (\$32,322,783)
- Sales tax is steady. Payson is one of two cities in the state that has not lost sales tax over the last month.
 - Building permit revenues reflect an uptick due to Red Bridge permits.
 - Budget reflects various planning studies.
 - Increased animal shelter fees reported by police.
 - Wage increases and some increases in police positions to remain competitive.
 - Truth in Taxation proposed to hold property taxes steady.
 - General Fund also includes B&C revenue, utility tax, Scottish Festival, historic preservation, Peteetneet, Payson Community Theater, CDBG, and Salmon Supper. These are accounted separately and then rolled together.
 - B&C – Funded: Pommel Drive RSL 6-8 - \$204,600, 1200 E 370 S Salm Canal Rd - \$204,600, 300 S reconstruction - \$328,200, 100 S 900 to 1300 - \$100,000, slurry seal - \$138,810, miscellaneous repairs 0-2 RSL roads - \$830,544. Not Funded: B&C operator 1.
 - Building Maintenance – Funded: Steam cleaner/graffiti - \$24,000, carpet - \$60,000, roof 40 S Main - \$11,000, cemetery roof/HVAC - \$46,000, and administration HVAC - \$70,000.

- Cemetery – Funded: Slurry seal roads - \$25,000 and mowers - \$54,000
 - Engineering – Funded: Survey equipment - \$40,000. Not Funded: additional engineer.
 - Parks – Funded: Jesse Taylor Park extension - \$70,000, Part-time secretary, Tennis court lights (impact fees) - \$150,000. Not Funded: Parks maintenance worker.
 - Fire – Funded: Hydrant testing equipment - \$6,000, Active shooter/hostile event - \$6,000, natural gas detectors - \$8,000, and engine loose equipment - \$60,000. Not Funded: Ladder truck - \$2,111,121.
 - Police – Funded: Patrol position (midyear, and evidence vents/firearms range - \$45,000. Not Funded: Narcotics officer.
 - Grounds – Funded: Winter snow groomer blade - \$6,500.
 - ARPA – Funded: Council chamber improvements - \$150,000.
 - Recreation – Funded: Backstop/dugout - \$25,000 and gator - \$20,000.
 - Petetneet – Funded: Restroom (scaled down) - \$275,000.
 - Streets – Funded: iWorQ mapping - \$45,000, transportation fee - \$20,000, parking lot - \$300,000, sidewalk repair - \$188,400, and parking lot - \$300,000. Not Funded: Corridor maintenance, operator 1, and operator 1.
 - Pools – Funded: UV panel replacement - \$32,000 and helical slide refurbish - \$58,000.
 - Seniors – Funded: Balance improvement - \$20,000.
 - Using \$3,164,344 in fund reserves.
- Transfers and Indirect Costs
- Indirect costs are charges to enterprise funds for services that would otherwise have to be outsourced for payroll, accounting, legal services, etc.

From	Purpose	Amount	To
General fund	Indirect Svcs.	\$ 268,304	Vehicle Maintenance
			Information Technology
Electric (Power)	Indirect Svcs.	\$ 902,433	General Fund
			Information Technology
			Vehicle Maintenance
Solid Waste	Indirect Svcs.	\$ 522,612	General Fund
			Vehicle Maintenance
			Information Technology
Water	Indirect Svcs.	\$ 919,699	General Fund
			Vehicle Maintenance
			Information Technology
Ambulance	Indirect Svcs.	\$ 106,667	General Fund
			Vehicle Maintenance
			Information Technology
Golf Course	Indirect Svcs.	\$ 110,340	General Fund
			Vehicle Maintenance
			Information Technology
Storm Drain	Indirect Svcs.	\$ 327,747	General Fund
			Vehicle Maintenance
			Information Technology
Sewer Fund	Indirect Svcs.	\$ 1,039,048	General Fund
			Vehicle Maintenance
			Information Technology

Interfund Transfers

From	Purpose	Amount	To
Water Fund	Operating Transfer	\$ 596,673	General Fund
Solid Waste Fund	Operating Transfer	337,922	General Fund
Electric Fund	Operating Transfer	946,308	General Fund
Storm Drain	Operating Transfer	98,262	General Fund
Sewer Fund	Operating Transfer	351,533	General Fund
General Fund	Operating Transfer	7,000	PCT
General fund	Bond Coverage	260,000	Electric Power Fund
General Fund	Bond Coverage	581,820	Water Fund

Redevelopment Agency

- Town (\$36,000) – Walgreen Agreement (ends October 2028).
- Business Park (\$1,045,200) – MTECH maker space and employee.

Public Hearings and Final Budget

- The motion to accept the tentative budget must set the public hearings (date, time, and place) for the final budget, transfers, salary increases, and certified tax rate. If proceeding with Truth in Taxation the date is August 6 at 6 p.m. at the Payson City Center, Council Chambers.
- The certified tax rate isn't released until mid-June.

Council Discussion:

Councilmember Christensen questioned the animal shelter payment and proposed a temporary 72-hour holding facility, which may not be worth it.

Mayor Wright noted this was looked at years ago and was very costly.

Councilmember Rowley voiced it is money well spent to allow others to take care of it.

Brad Bishop explained any licensing and fees come back to Payson. The biggest problem is most owners don't redeem their animals. The idea of a 72 or 24-hour facility never works out. A facility requires a veterinarian on staff. He doesn't think it would save any money. Payson had a facility when he first started, and it turned into a nightmare with animal groups involved. The current situation is the proper way to handle it professionally. A proper facility would cost millions.

Councilmember Hulet commended Cathy Jensen for doing a fantastic job preparing the budget. He questioned the power meters at \$250,000 and if it was replacing bad meters. He questioned the tennis courts lighting in parks and the fifth-fifth in transportation and where the funds go. He wants to see a five-year plan from department heads. It's good to have a plan, and it allows the council to go back and evaluate them for consistency.

Shawn Black explained that the power meters is putting in a new remote controlled meter system over the next five year and replacing old meters.

Karl Teemant explained the tennis court lighting are the two courts at the high school, which the city uses.

Cathy Jensen noted the fifth-fifth funds go to B&C. A five-year plan didn't go out this year. One problem with the five-year plans was reconciling all the requests with the actual budget requests. She will work on it and come up with a method.

Councilmember Rowley questioned the 10% increase in dental, which is a huge increase.

Councilmember Hiatt stated many places have done away with dental and questioned if it's really worth it.

Melanie Marsh stated the city pays 50% and the employee pays 50% for dental. Many cities offer dental; she would be concerned about competitiveness if removed. An individual is \$10.28 monthly (city & employee each) and a family is \$66+ (city and employee each).

Councilmember Rowley noted that the city can maintain competitiveness by offering benefits such as dental that the private sector doesn't offer.

Councilmember Hiatt stated that as a business owner, she give merit raises when an employee goes above what the job entails. Some employees aren't working like they should, which she has seen throughout the years. Department heads know their employees and who goes above and beyond. Those are the ones who should be getting a raise. A raise shouldn't be given just to do it.

Melanie Marsh explained a few years ago, a model was tried where a merit raise could be given following the evaluation process and obtaining a specific score. Payson has had some challenges being competitive in the market.

Councilmember Hiatt questioned how many employees leave the city; she understands police officers have left. People want to work for a city. Payson has awesome employees. Some employees will move on even for less pay just for a new experience. She doesn't have a problem with merit-based raises, but not cost of living raises because the employee doesn't go above and beyond.

Mayor Wright noted that some positions have been advertised over a year.

Melanie Marsh clarified that one position took two years to fill because cities are competing with the private sector. Equipment operator positions have been very difficult to fill. The Water Department has lost some employees. It is important to look at what other entities are doing and try to be competitive.

Councilmember Moss is in favor of merit raises if the employee exceeds or makes improvements on specific things. It keeps good people and weeds out the mediocre. An employee's progress would need to be documented and measurable for a merit raise. A really good merit-based system can be created.

Councilmember Hult believes this budget is a combination of a cost of living and merit base. Every employee gets a cost of living raise and could get a merit raise as well. He likes the combination.

Councilmember Rowley is still on the fence about merit raises in the government sector. He likes being competitive through benefits. He has concern with merit raises being a source of stress or playing favorites on department heads. He doesn't like raises being a 50/50 split. The city is asking a lot of residents with rate increases, new fire station, and other needs over the next few years. He wants to show the residents that the city is cutting cost where possible. A total 6% raise is the third highest raise in 10 years. He would like to see a flat raise of 4.5%.

Melane Marsh noted that surrounding cities are proposing a combination between 6% and 7%, which is the trend in the state.

Robert Mills asked Councilmembers Moss and Hiatt if they are advocating for a 100% merit raise and no cost of living.

Councilmember Hiatt stated employees in the public sector don't get a cost of living raise; raises are based on merit. An employee should get a raise for going above and beyond.

Councilmember Moss is okay with a mix but not 50/50.

Further discussion to stay competitive so employees don't leave. If employees aren't performing, they should not be working for the city. Merit raises can foster personal growth and job satisfaction. Staff will provide additional background on merit raises and specific examples on how it would work.

Councilmember Hiatt questioned the Patterson water tank cost.

Travis Jockumsen explained this is the booster pump to get water to the Patterson tank as a redundancy if contamination occurs through the first way getting water to the tank.

Councilmember Rowley questioned the power base rate increase versus use.

Shawn Black explained the base rate pays for infrastructure and keeps the system stable. The base rate ensures solar customers pay their fair share to the system/infrastructure.

MOTION: Councilmember Hulet – To accept the (ordinance) Fiscal Year 2025-2026 Tentative Budget and set the public hearing for August 6 at 6 p.m. at the Payson City Center Council Chambers. Motion seconded by Councilmember Moss. A roll call vote was taken as follows and the motion carried.

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

3. Resolution – Parks, Arts, Recreation, & Culture (PARC) Tax Committee's recommendations on funding projects (8:00 p.m.)

Staff Presentation:

Kim Bennet with the PARC Tax Committee reviewed the PARC funding projects with a total request of just over \$474,000 and available funds of \$380, 000.

Mini Grant Applications (\$82,200)

Mini Grant Applicant	Amount Requested	Amount Proposed
Utah Live Concerts – Event Expenses, Marketing, Operation	\$7,000.00	\$4,500
Halfpenny Youth Theatre – Theater backdrop projector	\$5,000.00	0 – City Budget
Payson Civic Chorale – I-Pad, Conductor Chair, Music and uniforms	\$4,600	\$3,400
People Preserving Peteetneet – Carpet Replacement / Rose Garden	\$22,925.76	\$10,000 Rose Garden Below
Payson Community Theater – Performance Expenses, Tech Equipment and Trailer	\$25,000.00	\$17,000
96 West Productions – Getting the word out	\$14,000	\$4,000
Huish Performing Arts... - Architectural, Pitch Deck, Insurance, Fire suppression	\$50,000	\$20,000

Payson Scottish Festival –Event Expenses and Celtic Bands	\$12,000	\$6,000
Payson City Band – Timpani Replacement	\$5,000	\$5,000
Payson Choralais – Music Binders	\$300	\$0
Payson Downtown – First Friday Night Events, Events Coordinator	\$20,000	\$20,000
Total	\$165,826.00	\$82,200

- The Committee proposed that the city (Peteeetneet) purchase and own the projector requested by Halfpenny Youth Theatre and rent it out. The Committee proposed that the \$10,000 for the Rose Garden requested by the People Preserving Peteeetneet be included in a city/Peteeetneet tree replacement project. It was found that the Payson Choralais does not meet the not-for-profit requirements so this wasn't funded. The Committee discussed making changes to the guidelines so requests like this could be funded if under \$1,000.

City Projects (\$302,950)

City Project	Amount Requested	Amount Proposed
Rec -Trail Repair Dry Creek Trail UORG Grant Match	\$27,057.50	\$27,000
Rec -Tiny Robot Painter	\$30,000	\$30,000
Rec -8th South Planter improvements	\$10,000	\$0
Park -Playground at Memorial Park - \$350, 000 over two years	\$175,000	\$175,000
Park – City wide and Peteeetneet Tree Replacement , now Rose Garden	\$10,000	\$13,000
Rec – Pool Pavilion Security Door	\$1,278	\$0 - Just use Pool Budget
Peteeetneet Amphitheater – Acoustical Tiles	\$20,000	\$20,000
Payson Library – “ Color Our World”	\$1250	\$1250
Forebay Trails – Parking Lot Extension - Gravel	\$28,000	\$26,000
Latin Festival – Event Expenses	\$5,700.00	\$5,700
Total	\$308,285.50	\$302,950 USING PARC Fund Balance

- The proposed funding is over about \$36,950. The Committee proposed using contingency and \$5,000 from the PARC fund balance. The Committee proposed the pool pavilion security door be funded from the pool budget.

Council Discussion:

Discussion that most of the requests are from the same entities. The 96 West Productions was a new entity. The Committee would like to begin creating plaques for items that are supported by the PARC tax funds. The City Attorney will review the guidelines to see if not-for-profit entities could receive funds.

MOTION: Councilmember Rowley – To approve the (resolution) Parks, Arts, Recreation, and Culture Tax Committee’s recommendation on funding projects as proposed. Motion seconded by Councilmember Hiatt. A roll call vote was taken as follows and the motion carried.

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

4. Resolution – Project selection for the 2025 Municipal Recreation Grant (8:10 p.m.)

Staff Presentation:

Jill Spencer stated each year cities are given the opportunity to apply for grant funding that goes towards tourism, recreation, culture, and convention. This funding is regulated by Utah Code and must be used for specific things. The three proposed projects include tourism videos for the new golf carts, breezeway improvements in downtown for the film industry, and updating promotional RAP cards. There is about \$41,000 available, which is cumulative from several years. The project completion deadline has been extended to one year.

Council Discussion:

Councilmember Hulet would like to see the Payson puzzle put up in the breezeway.

Jill Spencer noted that it is part of the project.

MOTION: Councilmember Hulet – To approve the resolution for the projection selection for the 2025 Municipal Recreation Grant. Motion seconded by Councilmember Rowley. A roll call vote was taken as follows and the motion carried.

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

F. ADJOURN TO REDEVELOPMENT AGENCY (8:15 p.m.)

MOTION: Councilmember Christensen – To adjourn to Redevelopment Agency. Motion seconded by Councilmember Hulet. A roll call vote was taken as follows and the motion carried.

Yes	-	Brett Christensen
Yes	-	Taresa Hiatt

645 Yes - Brian Hulet
646 Yes - Anne Moss
647 Yes - Ryan Rowley
648

649 1. Resolution – Review and adoption of the RDA Fiscal Year 2025-2026 Tentative Budget

650
651 **MOTION: Director Christensen – To adopt the (resolution) RDA Fiscal Year 2025-2026**

652 **Tentative Budget.** Motion seconded by Director Hiatt. A roll call vote was taken as follows and the
653 motion carried.

654
655 Yes - Brett Christensen
656 Yes - Taresa Hiatt
657 Yes - Brian Hulet
658 Yes - Anne Moss
659 Yes - Ryan Rowley
660

661 **MOTION AMENDED: Director Christensen – To set the public hearing for August 6 at 6 p.m.**
662 **at the Payson City Center Council Chambers in conjunction with the budget meeting.** Motion
663 seconded by Director Hiatt. A roll call vote was taken as follows and the motion carried.

664
665 Yes - Brett Christensen
666 Yes - Taresa Hiatt
667 Yes - Brian Hulet
668 Yes - Anne Moss
669 Yes - Ryan Rowley
670

671 ADJOURN FROM REDEVELOPMENT AGENCY

672
673 **MOTION: Director Rowley – To adjourn from the Redevelopment Agency.** Motion seconded by
674 Director Hiatt. A roll call vote was taken as follows and the motion carried.

675
676 Yes - Brett Christensen
677 Yes - Taresa Hiatt
678 Yes - Brian Hulet
679 Yes - Anne Moss
680 Yes - Ryan Rowley
681

682 ADJOURN TO CLOSED SESSION

683
684 **MOTION: Councilmember Moss – To adjourn the regular meeting and go into closed session on**
685 **May 7, 2025, at 8:19 to discuss pending or reasonably imminent litigation.** Motion seconded by
686 Councilmember Hiatt. A roll call vote was taken as follows and the motion carried.

687
688 Yes - Brett Christensen
689 Yes - Taresa Hiatt
690 Yes - Brian Hulet
691 Yes - Anne Moss
692 Yes - Ryan Rowley

- 693
694 1. Discussion regarding pending or reasonably imminent litigation
695

696 ADJOURN FROM CLOSED SESSION

697
698 G. ADJOURNMENT
699

700 **MOTION: Councilmember Christensen – To adjourn from Closed Session and the regular**
701 **meeting.** Motion seconded by Councilmember Rowley. Those voting yes: Brett Christensen, Taresa
702 Hiatt, Brian Hulet, Anne Moss, Ryan Rowley. The motion carried.
703

704 The meeting was adjourned at 8:35 p.m.
705
706

707 _____
708 Kim E. Holindrake, City Recorder
709