PAYSON CITY

CITY COUNCIL MEETING AND WORK SESSIONS

Payson City Center, 439 W Utah Avenue, Payson UT 84651 Wednesday, July 2, 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

Cathy Jensen, Finance Director Kim E. Holindrake, City Recorder Brandon Dalley, City Attorney

Jeffrey Seawell, Prosecuting Attorney

Brad Bishop, Police Chief

Robert Mills, Assistant City Manager

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

OTHERS Steve Terry, Jill Terry, Laura Johnston, Kevin Crook – Forebay Committee,

Richard Broadbent, Scott Wolford

A. CALL TO ORDER

William R. Wright, Mayor, called this meeting of the City Council of Payson City, Utah, to order at 5:30 p.m. The meeting was properly noticed.

B. WORK SESSION

1. Fiscal Year 2025-2026 Budget

Staff Presentation:

Cathy Jensen reviewed the proposed changes to the tentative budget.

- Added the fire station design; \$400,000 Capital Fund.
- Increased property tax revenue to reflect the potential property tax increase for the fire station debt service.
- Rolled over a B&C project for \$109,000 in repair and maintenance to finish the project.
- Rolled-over a B&C project for \$800,000 that was balanced out by a reduction in miscellaneous projects.
- Rolled-over \$281,300 for the 300 South Storm Drain by reducing the transfer to the General Fund and temporarily removed the storm drain master plan expense.
- Added \$33,000 to storm drain for the storm drain rate study.
- Rolled-over \$990,000 for the box culvert project in Storm Drain, which is grant funded.

- There was a slight payroll adjustment in order to move the merit increase to October and an adjustment for a change in the payroll accrual formula.
- Added debt service and the initial payment for the fire station.
- Adjusted the Scottish Festival budget to increase revenue estimates and offset expenditures.
- Adjusted the library budget \$9,000 for the balance of the feasibility study (total of \$11,000).
- Adjusted the library budget \$5,000 for repair and maintenance.
- Updated revolving loan amortization with actual amounts.
- \$80,000 was added for the sewer dump body, which was a budget adjustment.
- Adjusted the golf electric carts revolving loan to three years instead of five years.
- Added a full-time parks position.
- Adjusted engineering subscription budget \$16,375 to cover increased cost of software.
- Adjusted the victim advocate revenue downward \$11,100.
- Added the Nebo Belt Route betterment design of \$90,358.37 (\$30,119.46 sewer, \$60,238.91 water).
- Added \$600 for the Caselle conference for utility staff.
- Rolled over \$600,000 for the PI Bond Project and \$283,800 for the water SCADA system.
- Reduced professional services \$272,200 to cover a portion of water projects changes.
- Added \$7,500 for the police fingerprint machine.
- Added \$115,000 for the Economic Development Studies in the Mayor/Council budget for a sports complex.
- Rolled over one golf water filter and added on additional filter for \$20,000.
- Added \$25,000 for revenue and expenditures for the Onion Days Concert.
- Added \$10,000 for the Gran Fondo.
- Updated workers compensation allocation throughout the budget, which will not change bottom-line expense.
- In the General Fund, the use of fund reserves will go from \$3,164,344 to \$3,229,365, which is a difference of \$65,021.

Dave Tuckett explained that Mountain View Hospital (MVH) has been taking care of the free concert for Onion Days for a long time. The new parent company doesn't like how it's been done in the past with MVH cutting checks to the different vendors/entities. It wants to pay Payson City one check and have Payson City pay each vendor/entity. MVH still wants to support Onion Days and the concert. There are different ways to promote the concert and different options to conduct the concert such as being free or charging for tickets, which the council can discuss in the future.

Council Discussion:

Councilmember Rowley feels the 6% payroll increase is a touch too high. He prefers a 3% cost of living adjustment (COLA) and a 2.25% merit raise. He wants to remain competitive but 6% is the third largest increase the city has done. The city is increasing utilities and taxes on the residents, and he wants to show the residents the city is tightening its belt.

Councilmember Hiatt would like the merit higher and pay those that have earned the raise. She prefers a 3% merit raise and a 2.25% COLA.

Mayor Wright noted that the city doesn't want to be held hostage by employees, but the city needs to make sure employees are treated right so they don't wander. It isn't unreasonable to give a 3% COLA because that is where it is.

Councilmember Hulet is okay with a 3% COLA and a 3% merit raise.

Brian merit give 0% and someone else would get higher than 3%.

Brandon Dalley explained that a merit raise needs to be based on the expectation up front. It doesn't go well to pull out standards at the end of the year. Employees can't live up to a standard they didn't know about.

Discussion that a position description is the base line. Evaluations aren't new; the city has done them forever.

Councilmember Christensen noted that it's a good refresher to explain what the city expects from employees. He's okay with a 3% merit raise and a 3% COLA; a full 6% to those who earn it.

The consensus of the council is to give a 3% merit raise and a 2.5% COLA.

C. PRAYER & PLEDGE OF ALLEGIANCE (6:05 p.m.)

Prayer offered by Anne Moss.

Pledge of Allegiance led by Taresa Hiatt.

D. CONSENT AGENDA

1. Approval of the June 18, 2025, City Council Meeting Minutes

<u>MOTION: Councilmember Rowley – To approve the consent agenda.</u> 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

E. PETITIONS, REMONSTRANCES & COMMUNICATIONS

1. Yard of the Month (June & July)

Councilmember Moss announced the Yard of the Month to Steve and Jill Terry, 433 East 300 North, for the month of June.

Councilmember Moss announced the Yard of the Month to Laura Johnston, 593 South 300 East, for the month of July.

2. Introduction and Oath of Office for Prosecuting Attorney (6:07 p.m.)

Brandon Dalley introduced Jeffrey Seawell as the new prosecuting attorney.

Kim Holindrake administered the oath of office to Jeffrey Seawell.

3. Forebay Committee Annual Update (6:11 p.m.)

Kevin Crook stated for the past year, the Forebay Committee has made significant strides in enhancing and preserving the local trail system in the Forebay area. The Committee is proud of the progress made and looks forward to continued collaboration with the City Council to support outdoor recreation and conservation efforts in our community.

Key Accomplishments:

- Drafted a conservation easement to protect natural habitats and ensure long-term sustainability of the Forebay area.
- Developed and opened two new trails (Loading Chute and Apple Tree Springs) and continued work on the trail to Big Tree that expanded access and recreational opportunities for the community by 1.5 additional miles.
- Contributed over 120 hours of volunteer service dedicated to trail maintenance, improvement, and stewardship.
- Initiated planning for additional trails and bike park expansions to further enhance the trail network and connectivity.
- 4. <u>Public Forum</u> (6:14 p.m.)

Richard Broadbent stated he has previously brought up a number of issues to the council such as CAL King filming in Payson. The Goofy Guy store on 20 South Main was used in part of the production and also at 40 South Main. He questioned who owns 40 South Main.

Mayor Wright stated the city owns the 40 South Main building.

Richard Broadbent noted that part of this filming in 2021/2020 was done in Payson City buildings.

5. Staff and Council Reports (6:16 p.m.)

Staff Reports

ADMINISTRATION – Robert Mills reported he attended a UDOT meeting today regarding an update on the new interchange. UDOT is asking for a ballpark on what the council considers spending on betterments. He countered by asking UDOT for an estimated baseline fencing, street lighting, utilities, landscaping, etc. UDOT will work on the estimate, and staff will present it to the council. The project is moving forward with its share of challenges and concerns. Price increases will always be a challenge. UDOT does have a baseline responsibility and then estimates and negotiations can be held.

RECREATION – Karl Teemant stated that the ballpark parking lots will be closed from fireworks over concerns from neighboring residents and the new shade structures. The Scottish Festival is next weekend on Friday from 4 to 9 p.m. and Saturday from 9 a.m. to 6 p.m. The city will contribute and the Nebo School District will cover the rest to build two additional tennis courts at Payson High School along with stubbing lights for future lighting.

FIRE AND AMBULANCE – Chief Spencer explained fireworks haven't been restricted on city property previously but no fireworks signs can be put up in city parks. The city can restrict wherever, and staff will be out patrolling areas where fireworks aren't allowed. Fireworks are allowed two days before, on the holiday, and two days after. Other cities encourage people to go to parks, but some parks would be restricted such as Payson Hollow Park. Brandon Dalley noted that the city can limit time, manner, and place. Scott Spencer stated citations are issued in restricted areas or for illegal fireworks. Payson Canyon Park has not been closed to fires because the forest district hasn't closed area to fires yet. There will be a public press release for Utah County because of some of the fires that have occurred in order to educate citizens to be safe and responsible. There was a fire in West Mountain that burned 40 acres last week.

Council Reports

Councilmember Hiatt reported the music festival was awesome.

Councilmember Moss thanked to Kim Holindrake and Debbie Bushnell for helping get a washer and dryer that was dumped on the corner of 1300 West and 1400 South. She thanked the police officers and fire department; she's grateful for the first responders. The city staff is amazing.

Councilmember Rowley thanked staff and gave a shoutout to Jill Spencer for all she is working on. He thanked Shawn Black for taking him on a tour of the power plant. The caterpillar power generators are here and getting set. This is a huge resource and asset for the City. The sewer treatment plant is looking impressive. Happy Independence Day; this is the best country on the planet. We need to do more to identify ourselves as Americans. We are Americans first and our values matter.

Mayor Wright agreed that Payson has great city employees. Recently, a citizen notified him that there was a PI water leak by Spring Lake Elementary. He called Cam Phillips with the Water Department, who was on vacation; but contacted the on-call employee who took care of the problem. The power generators are to keep our power rates level.

Councilmember Hulet thanked the Beautification Committee and Anne Moss. It's great to recognize good yards. Fox 13 was here Tuesday in the downtown area doing a special on the State Main Street Program, which airs on Friday at 4 p.m. on Fox 13. The first Friday of each month from 5 to 7 p.m. is a downtown event that he encouraged all to attend. The downtown is becoming very busy; people are going there just to walk and see the downtown.

Councilmember Christensen brought up the need for time limits on parking on Main Street and adjacent Utah Avenue. Tenants and business owners are parking in the prime spots. He understands it comes back to a policing issue.

(Councilmember Rowley excused at 6:40 p.m.)

F. ACTION ITEMS

1. Forebay Bike Park Concept Plan (6:40 p.m.)

Kevin Crook noted that those serving the Forebay area have donated over 120 hours this past year. His presentation is based on information from a report by Avid Trails. His purpose tonight is to provide information on plans for the Forebay Bike Skills Park, seek acceptance of the plan, and seek approval

to execute phase 1 of the trail build. The Forebay area is about 500 acres, was purchased in 2001, has about 12 miles of trails, and is always improving with building trails. The Bike Skills Park is proposed to be located in the northern part of Forebay. The proposal includes creating five zones for bikes with a trail on the north for horses. The five zones include a short track, dual slalom, bike park core, flow zone, and tech zone. The bike park core includes an entry road, Arizona Crossing, 52- space parking lot, equestrian parking, equestrian trail, plaza with shade structures, jump line start mound, climb trail, flow trails, progressive jump lines, extra-green jump/flow, connector trail to dual slalom and short track, wallride quarter-pipe feature, vault restrooms, overflow parking/vendor space, picnic pavilions, and gas pipeline easement. Each zone has multiple trails with connections to Wakara Trail and Even Flow Trail, which are existing trails. Phase 1 includes the creation of the equestrian trail and connecting trail to Wakara Trail.

Discussion that some trails are multi use, but equestrian and bikes are not mixed. Funding is available for phase 1.

Council Discussion:

Councilmember Christensen is excited to see this. He would like staff to contact the two property owners with property that jets into the area to see if they would be interested in donating or selling. Interpretive signs are being created. Brian Hulet is amazing getting grants.

Councilmember Hulet is excited for this. He calls it the mountain bike park, but it needs to be a multiuse park so more than 10% of the Payson residents can use it.

<u>MOTION: Councilmember Christensen – To approve the (resolution) Forebay Bike Park</u>
<u>Concept Plan as presented.</u> 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

G. WORK SESSION

1. <u>Inland Port</u> (6:58 p.m.)

Dave Tuckett stated recently, staff and a couple councilmembers met with Utah Inland Port Authority (UIPA). Scott Wolford is here with UIPA to explain what it is and how it can benefit the community.

Scott Wolford noted that with him online is Ben Hart, Executive Director, Jenna Draper, Associate Vice President (southeast Utah), and Lynne Mayer, Associate Vice President (statewide 14).

A brief history, in 2018, the Utah State Legislature created the jurisdictional land of the UIPA, which includes about 16,000 acres in the northwest quadrant of Salt Lake City along with small portions of Magna City, West Valley City, and Salt Lake County. Salt Lake City sued the state. In 2022, the Supreme Court affirmed the judgment of the district court dismissing the challenges brought by Salt Lake City to four provisions of the Utah Inland Port Authority Act, holding that the challenged zoning provisions did not violate the Utah Constitution. In 2022, the UIPA board shifted from 11 to 5 members and brought in Ben Hart, Executive Director. The primary focus became creating projects of

regional economic significance with a backend focus to right-size public investment in logistical assets through those entities. Since that time, UIPA has received 40 resolutions from communities throughout Utah that has created 14 project areas, which represent over 132,000 acres of developable property across the state. The largest project area is over 40,000 acres in Juab County, and the smallest is just a couple hundred acres in Grantsville. Each project area is assigned an associate vice president to help communities build out their vision. The main tool of a project area relies on increased property tax value in the areas designated by the city council or county commission. UIPA calls it tax differential while all others call it tax increment. The property tax revenue breaks down into three streams with the first being what an entity receives today, which is frozen for 25 years. The increase is split into two streams, i.e., 25% flows to the taxing entities at the same rates and 75% flows to UIPA that remains with the project area for utilities, road, incentive for a desired industry, etc. School districts feel this takes their money, but in reality that money doesn't exist.

Project area property tax revenues include funds dedicated to the project area, increase to taxing entities, base property tax over 25 years, and base property tax. No entity's tax rate changes; just the valuation of the property as developed. The valuation of the property may affect surrounding property valuations. Project area growth statewide shows growth of Utah's project areas from 2018 to 2025. UIPA works in partnership with the Governor's Office of Economic Opportunity and Economic Development Corporation of Utah as well as a host of other trade organizations to market and recruit for each area. Recruitment functions similar to a Redevelopment Agency (RDA). To date, UIPA has commitments over \$2.3 billion for investment in these communities, over 3,700 jobs, and 30 million square feet of industrial space.

UIPA would love to help market Payson with top industries and top jobs. A project area requires four statutory conditions, i.e., public good, public benefit, economic feasibility, and statutory alignment. The process includes Resolve (project area resolution), Draft (project area plan draft & budget), Adopt (UIPA project adoption in a public meeting), and Build & Measure (construction, development, recruitment). He noted that UIPA has no land use authority, permitting authority, zoning authority, or ability to move tax differential outside of the project area.

Discussion that adjustments can be made to the project area but property can't be removed from the project area if debt has incurred on the property. The city can control the amount of traffic through the process of creating a project area. Improvements lag behind with traditional development projects and using the UIPA alleviates that issue. Incentives through UIPA are tied to the property tax. A downside for the community is a 25 year relationship, which binds future city councils. The 25-year relationship helps the city grow responsibly. Most common debt service is a public infrastructure district (PID); the PID incurs the debt usually through a government bond. If development doesn't occur fast enough to pay the debt, the PID is responsible; not the city or UIPA. The PID board is different with each project and may include developers, city representatives, UIPA representatives, etc.

Ben Hart echoed what Scott Wolford has said in that when this partnership is formed, it's a true partnership to help make the city's economic vision a reality. His background is in local economic development. He was attracted to this job by the ability of what UIPA can bring and the contributions to the city. There have been some concerns with the UIPA name; but when you look under the surface, it's a great partnership. UIPA looks at the I-15 corridor through southern Utah County as positioning Payson well to harness the vision of what Payson wants to be economically. UIPA creates centers of economic strength where people can find meaningful employment.

ADJOURN TO CLOSED SESSION

MOTION: Councilmember Hulet – To adjourn the regular meeting and go into closed session on July 2, 2025, at 7:28 p.m. to discuss property acquisition. Motion seconded by Councilmember Moss. Those voting yes: Brett Christensen, Taresa Hiatt, Brian Hulet, Anne Moss. The motion carried.

1. <u>Discussion regarding purchase, exchange, sale, or lease of real property</u>

ADJOURN FROM CLOSED SESSION

H. ADJOURNMENT

<u>MOTION: Councilmember Christensen – To adjourn from Closed Session and the regular</u> <u>council meeting.</u> Motion seconded by Councilmember Moss. Those voting yes: Brett Christensen, Taresa Hiatt, Brian Hulet, Anne Moss. The motion carried.

The meeting was adjourned at 8:30 p.m.

/s/ Kim E. Holindrake
Kim E. Holindrake, City Recorder