

Minutes of the Payson City Council Meeting held Wednesday, April 22, 2009 at 6:00 p.m.

Mayor Burtis Bills presiding.

ROLL CALL: Mayor Burtis Bills; Councilmembers: Brad Daley, JoLynn Ford, Brent Grotegut, Kim Hancock, and Scott Phillips; City Manager Rich Nelson, City Attorney Dave Tuckett, and City Recorder Jeanette Curtis.

#### PRAYER & PLEDGE OF ALLEGIANCE

Prayer and Pledge of allegiance led by members of Scout Troop 1551.

#### CONSENT AGENDA

MOTION by Councilmember Grotegut to approve the Consent Agenda consisting of: Approval of Minutes of Council Meeting held March 25, 2009; Approval of Minutes of Council Meeting held April 1, 2009; Approval of March 2009 Disbursements; and a Proclamation – Proclaiming May 2, 2009 as Arbor Day in Payson, UT. Motion seconded by Councilmember Ford. Motion carries.

#### PUBLIC FORUM

Brian Bartholomew said he is a resident that was recently affected by the irrigation flooding through the sewer lines. His wife talked to the City Manager and found that there are plans to fix this problem. He wanted to make sure the City would take care of this problem from ever happening again and wanted some documentation stating so.

Water Superintendent White said the line has been disconnected so no irrigation will ever get into that line again. The water is now being piped into the storm drain.

Wayne Pullan lives at 628 East 650 South and is also one of the victims affected by the flooding. He knows water and he is also an economist. Since 2004 when their basement was flooded the first time he wanted to send the City a letter and didn't do it and also gradually over time began to store things back in their basement. They have lost pictures and mementos. Instead of just the disconnect, he would like drawings (certified by a professional engineer), photos, and the letter saying what was done and that it won't be a problem again. He would also like the City to pay for a backflow valve put on his home.

Councilmember Hancock understands that pictures were already taken.

#### COUNCIL & STAFF REPORTS

Superintendent White presented invitations to the Arbor Day Program on May 2, 2009 at 9:00 a.m. at the new pavilion by the pool. He reported that they have been working at Memorial Park and planting grass where the old pool was so it will be usable. He said they are trying to get the road open to the lakes, and that will probably be completed tomorrow. He said the runoff water has started and he encouraged parents to keep their children away from the streams. He and Engineer Robbins attended a UDOT pre-construction meeting for the trail in Hollow Park.

Councilmember Phillips said he finds it interesting that Spanish Fork is doing a recycling program in conjunction with Allied Waste.

Councilmember Ford reported that the Easter Egg Hunt went very well and she was very impressed with Trista and Amy for all the work they did. She also reported that we have hired a Community Events Coordinator—Coralee Wilson.

Councilmember Daley said the golf course is open and doing well and we are hoping for nice weekends. The Recreation Department is taking on-line sign ups for all recreation programs and swimming lessons.

Mayor Bills reported on the Utah League of Cities and Towns Conference he attended this past week.

Councilmember Hancock presented attendance certificates to scouts in attendance: Jeremy McCauley, Andrew Rodregez, Gerritt Rawlings, Tyler Abplanalp, and Tyler Clayson.

**SUSPEND AGENDA**

MOTION by Councilmember Grotegut to strike the Swearing in of the Board of Adjustment Member and to suspend the agenda at the Mayor's discretion. Motion seconded by Councilmember Daley. Motion carries.

**PUBLIC HEARING – AMENDMENT TO THE SIGN ORDINANCE TO ALLOW ADDITIONAL SIGNAGE ON BUILDINGS IN THE GC-1 ZONE AND MINOR AMENDMENTS TO TITLE 19**

Planner Spencer presented the following staff report:

**Background**

In accordance with Section 19.2.8 of the Zoning Ordinance, the applicant, Brett Penrod is requesting approval from the City Council to amend Chapter 19.15, Signs and Outdoor Advertising of the Payson City Zoning Ordinance to allow additional wall signs on multi-tenant structures in the GC-1, General Commercial Zone. The applicant is currently renovating the building located at 742 S. Highway 198 (former location of Family Dollar) and would like additional signage on the multi-tenant structure. As with all ordinance amendments, although the applicant is seeking the amendment for a specific parcel and building, an amendment to the Zoning Ordinance would have the effect of allowing additional signage on all commercial structures in the GC-1 Zone.

Approval of a text amendment requires a recommendation from the Planning Commission, following a public hearing, and approval by the City Council, again following a public hearing. Prior to forwarding a recommendation to the City Council, the Planning Commission held a public hearing in order to receive input from the public in relation to the proposal of the applicant. Their recommendation is included in the recommendation portion of this staff report.

Because an amendment to the Zoning Ordinance affects many parcels rather than just the property owned by the applicant, mailing notice to all property owners within one thousand (1,000) feet of any GC-1 zone was impractical. However, in accordance with State statute, notice of the public hearing has been posted in appropriate locations and the public hearing was advertised in the newspaper for a minimum of fourteen (14) days.

As a final note, staff would like to convey that the discussion about signage is not a reflection on the work completed by the applicant to improve the appearance of the existing structure. The improvements are significant and have resulted in a much more attractive building. The contents of this staff report are of a more broad nature potentially affecting all structures in the GC-1, General Commercial Zone.

**Analysis**

Although it is typical for Planning Commissioners and City Councilmembers to inquire about the anticipated uses of an applicant's property, staff would suggest that an amendment to the Zoning Ordinance is more significant than a review of the proposed project. Once an amendment has been approved by the City Council, all owners of commercial structures in the GC-1 Zone would be eligible to apply for signage consistent with the new regulations.

Signage is a complex and sensitive issue. Staff recognizes and supports the need for business owners to advertise and identify location. However, by their very nature, signs are intended to draw attention and sometimes inappropriate signs can distract drivers, divert attention away from the aesthetics and architecture of the building, and result in other impacts not in the best interest of the community. Because of this complexity, the sign ordinance is quite long and very detailed. In the sections below, staff has attempted to analyze the affected portions of Chapter 19.15, Signs and Outdoor Advertising with the intention that the remainder of the Chapter would remain in full force and effect.

***Current Regulations***

Section 19.15.6.3 of the Zoning Ordinance defines the regulations for wall signs in the GC-1 Zone. Buildings in the GC-1 Zone may have wall signs, provided the sign area does not exceed fifteen (15) percent of the building face or five hundred (500) square feet whichever is less. The ordinance requires a wall sign to be placed near the primary entrance, but additional wall signs for single tenant buildings may be placed in other locations as long as the sign area does not exceed fifteen (15) percent or five hundred (500) square feet. Section 19.15.3.3.6, *Signage in Multi-Tenant Projects (non-residential)*, allows

additional wall signs for multi-tenant projects in the S-1 Zone that have frontage on more than one roadway. However, the allowable sign face area is limited to the square footage outlined in the underlying zone. Furthermore, if additional wall signs are requested for multi-tenant buildings, no other signs will be allowed on the parcel including monument signs and freestanding signs.

#### *Applicant's Request*

In order to accommodate the applicant's request, the following changes will need to be made to the Sign Ordinance.

1. *Increase Allowable Percentage.* Section 19.15.6.3 of the Zoning Ordinance will need to be amended to increase the percentage of building face used to calculate the wall sign area. The ordinance currently allows fifteen (15) percent of the building face or five hundred (500) square feet, whichever is less. To accommodate the signs anticipated by the applicant, the percentage will need to be increased to twenty (20) percent. Due to the size of the signs the applicant is proposing, the square footage amount will not need to be modified.
2. *Increase Number of Wall Signs.* The applicant's property is bound on three (3) sides by a public right-of-way. Therefore, the applicant is requesting that additional signs be allowed for multi-tenant structures that have frontage along public streets. Similar regulations are in place for multi-tenant structures in the S-1, Special Highway Service Zone; however, Section 19.15.6.3 and Section 19.15.3.3.6 of the Zoning Ordinance will need to be amended to allow additional wall signs in the GC-1 Zone.
3. *Modify Signage Requirements for Multi-Tenant Projects.* The applicant is requesting that Section 19.15.3.3.6 be amended to allow the regulations of this Section to apply to multi-tenant structures in the GC-1, General Commercial Zone. Because the applicant is proposing a freestanding sign on the property as well, the applicant is requesting that the text limiting accommodation of other signage on the site be removed.

#### *Staff Suggestions*

1. *Increase Allowable Percentage.* Modification of the sign ordinance as proposed would have the effect of increasing the percentage of building face used to calculate the wall sign area on all buildings in the GC-1 Zone, not just multi-tenant buildings. The City Council will need to determine if increasing the percentage is appropriate and whether the size of the second sign should be proportionate to or smaller than the sign located near the main entrance of the business. Staff would suggest that perhaps the increase could be "earned" by upgrading the appearance of the structure, ensuring that the signage is of the same design motif as the structure or by some other appropriate means.
2. *Increase Number of Wall Signs.* Various sections of the current sign ordinance allow more than one (1) wall sign on multi-tenant buildings; however the regulations are limited to the S-1 Zone and PO-1 Zone. Staff is supportive of allowing additional wall signs on multi-tenant buildings; however, staff is concerned with the request to eliminate the restrictions on additional site signage and would suggest that the location be regulated (i.e. signage should not be directed toward residential areas).
3. *Modify Signage Requirements for Multi-Tenant Projects.* The simplest way to accommodate the applicant's request for additional wall signs is to modify Section 19.3.3.6 to indicate that these regulations apply to multi-tenant structures in the GC-1 Zone. However, the applicant would like to have a freestanding sign on the premises and the current regulations of 19.15.3.3.6 restrict the placement of other signage on the site.

On March 11, 2009, the Planning Commission forwarded a recommendation of approval to the City Council of the proposed text amendments to the sign ordinance except that regulation #3 of Section 19.15.3.3.6 be altered to specify that these regulations are specific to properties in the S-1 Zone, and to include language that if two (2) signs are requested for a business within a multi-tenant structure that no one sign can exceed 15% of 20% requirement.

Mr. Penrod said they have had several tenants that have interest but would like advertising.

Mayor Bills complimented Mr. Penrod on what he has accomplished there and opened the public hearing at 6:45 p.m.

Receiving no public comment MOTION by Councilmember Ford to close the public hearing. Motion seconded by Councilmember Hancock. Motion carries.

Public Hearing closed at 6:46 p.m.

Councilmember Hancock noted what was said during the Planning Commission meeting, and he feels there is a reason for this and it is because Mr. Penrod has done such a fine job we owe it to him to do it.

MOTION by Councilmember Hancock to approve Ordinance #04-22-08-A, approving the proposed text amendments to the sign ordinance including the recommendation from the Planning Commission for regulation #3 of Section 19.15.3.3.6 be altered to specify that these regulations are specific to properties in the S-1 Zone, and to include language that if two (2) signs are requested for a business within a multi-tenant structure that no one sign can exceed 15% of 20% requirement and direct staff to prepare the ordinance for the Mayor to sign finding that this fits the lot and prove to be a benefit of the City. Motion seconded by Councilmember Ford. Voting aye: Councilmembers: Daley, Ford, Grotegut, Hancock, and Phillips. Motion carries.

**PUBLIC HEARING – REQUEST BY THE LDS CHURCH TO CONSTRUCT A RELIGIOUS MEETING HOUSE ON PROPERTY LOCATED WEST OF ARROWHEAD TRAIL AT APPROXIMATELY 800 NORTH IN THE R-1-75 ZONE**

Planner Spencer presented the following staff report:

**Background**

The Church of Jesus Christ of Latter Day Saints (LDS) is seeking approval from the City Council to construct a church west of the Arrowhead Trail roadway at approximately 800 North in the R-1-75, Residential Zone. The property has traditionally been used to support the agricultural pursuits of the Bamberger Farm located north and west of the parcel. Religious structures are allowed as a conditional use in all residential zones and certain commercial zones provided the applicant can mitigate the potential negative impacts and satisfy the conditions imposed by the City Council.

The parcel proposed for development is 6.25 acres in size. The church and associated improvements will encompass 4.16 acres on the southern portion of the parcel and the excess acreage will remain undeveloped. In an effort to complete the review process and begin the construction phase of the project in a timely manner, the applicant is not requesting subdivision approval at this time. Although the applicant is proposing to only develop a portion of the site, the entire frontage of the parcel along Arrowhead Trail will be fully improved.

Although a request for approval of a conditional use permit did not require a public hearing before the Planning Commission, the request for approval of a conditional use permit does require a public hearing before the City Council following a recommendation from the Planning Commission. A public hearing has been noticed in accordance with State statute and City ordinance and scheduled to allow the City Council to obtain public input prior to the determination of appropriate conditions to mitigate potential impacts of the proposed conditional use. Furthermore, courtesy notices have been provided to surrounding property owners that indicates the time and location of the City Council meeting.

**Analysis**

Churches are allowed as conditional uses in the R-1-75 Zone. The proposed church was reviewed under the guidelines of Chapter 19.13, Conditional Use Permits, of the Zoning Ordinance. Uses designated as conditional uses require special consideration from the Planning Commission and City Council. These uses may or may not be appropriate in particular locations or without mitigating potential negative impacts. The Planning Commission and the City Council must evaluate the appropriateness of designated conditional uses on a case by case basis. The Conditional Use Permit procedure allows the City Council to approve, deny, or conditionally approve any request for a Conditional Use Permit based on the criteria found in Chapter 19.13 of the Zoning Ordinance.

The City Council will need to review the proposed conditional use considering the criteria and factors set forth in Chapter 19.13.6. The validity of the permit will be conditioned upon strict compliance with

applicable City ordinances, the approved project plan, and any additional conditions or requirements imposed by the City Council. The City Council shall be the final authority for all applications for Conditional Use Permits. The following factors shall be weighed and considered when determining whether a Conditional Use Permit application should be approved, approved with conditions or denied:

1. Harmony of the request with the general objectives of the General Plan, Zoning Ordinance, Subdivision Ordinance, any other City ordinance and the particular zone in which the request is located.
2. Harmony of the request with existing uses in the neighborhood.
3. Development or lack of development adjacent to the site.
4. Whether or not the request may be injurious to potential development in the vicinity.
5. Present and future requirements for transportation, traffic, water, sewer, and other utilities.
6. Suitability of the specific property for the proposed use.
7. Number of other similar conditional uses in the area and the public need for the conditional use.
8. Economic impact on the neighborhood.
9. Aesthetic impact on the neighborhood.
10. Safeguards to prevent noxious or offensive omissions such as noise, glare, dust, pollutants and odor.
11. Attempts by the applicant to minimize other adverse effects on people and property in the area.
12. Impact of the proposed use on the health, safety and welfare of the City, the area, and persons owning or leasing property in the area.

Following review of the application for consistency with the development ordinances of Payson City and in consideration of the criteria and factors set forth in Chapter 19.13.6, staff would suggest that the following conditions of approval.

1. The applicant will be required to satisfy all requirements of Title 19, Zoning Ordinance and all other applicable development ordinances and standards of Payson City. Furthermore, the applicant will be required to improve the site in accordance with the approved site plan including all project landscaping. All improvements, including project landscaping will need to be installed by the applicant, and inspected and approved by Payson City prior to the issuance of a Certificate of Occupancy.
2. The following issues related to the pressurized irrigation system will need to be appropriately addressed:
  - a. The project drawings suggest the sump located at the terminus of the curb and gutter will also accommodate the annual draining and occasional flushing of the irrigation system. Staff is concerned that the silt and sediment from the irrigation system will spoil and damage the sump. Therefore, staff would suggest that the irrigation water be diverted into an open ditch or irrigation facility near the Bamberger Farm.
  - b. All applicable impact fees and connection fees for each connection to the pressurized irrigation system will need to be submitted to Payson City prior to issuance of a building permit.
  - c. Information regarding use of the pressurized irrigation lateral for the undeveloped portion of the parcel will need to be provided. If the applicant is proposing to utilize the pressurized irrigation system to maintain the undeveloped portion of the property, the applicant will need to complete the transfer of water and coordinate with the Payson City Water Department on irrigation schedules.
3. The elevation of the project site will result in the need to lift wastewater into the sanitary sewer system of Payson City. Details regarding the lift station will need to be submitted to the City Engineer for review. Furthermore, the applicant is requesting approval to terminate the wastewater main line at the church site. Development of property in the vicinity is limited due to the lack of wastewater facilities in the area and staff has determined that a larger lift station is necessary to serve the Arrowhead Trail area as well as the East Side planning area. The location of the regional facility has not been identified; therefore, staff would suggest the City Council delay the extension of wastewater mainline until the location and improvement details of regional facility have been identified.
4. An electrical plan has been prepared for the development site. The applicant will need to coordinate with the Payson Power Department to ensure that the specifications of the Department have been satisfied. Following acceptance of the plan, an electronic version of the approved layout will need to be provided to Payson City. All costs of materials and labor provided by Payson City will be the responsibility of the applicant.

5. A public safety plan has been submitted for review by the Payson Fire Department. The applicant will need to coordinate with the Fire Chief to ensure that fire fighting needs for the site are addressed. The applicant will be responsible for the payment of all inspection and testing fees, if any.
6. The applicant is responsible to extend the drinking water and pressurized irrigation main lines to the north property line. Staff requested the size of these main lines be increased to provide excess capacity to accommodate future growth in the area. Payson City will reimburse the applicant the difference in material costs to upsize the water main lines. An acceptable reimbursement schedule will need to be determined between both parties.
7. The Payson City Street Master Plan designates Arrowhead Trail as an arterial status street. The existing right-of-way width of Arrowhead Trail will need to be identified so staff can determine if additional property is needed adjacent to the church site to accommodate the widening of the roadway. If additional right-of-way is required, a dedicatory plat will need to be prepared for review by staff and subsequent recordation in the office of the Utah County Recorder.
8. The required public utility easements and trail easement have been indicated on the project drawings. Because the site plan will not be recorded, the easement documentation will need to be prepared and submitted to Payson City for review and subsequent recordation in the office of the Utah County Recorder.
9. There are upstream drainage issues that will need to be resolved during the review process to ensure that the development site will not be impacted by existing system deficiencies. Staff would request that the LDS Church allow a small amount of storm water generated from the Blackhawk Subdivision to be retained in the storm water basin on the development site.
10. A geotechnical report has been submitted that addresses all soil conditions, pavement design, and any specific recommendations for construction for the property included in the proposed subdivision. The applicant will need to follow all requirements and recommendations of the report in the design of the improvements and structures.
11. The applicant will need to complete the transfer of adequate water for the project in accordance with Title 10, Water Ordinance. The applicant will need to work with the Payson City water specialist on the appropriate transfer and diversion of water to the City.
12. A performance guarantee will need to be submitted to ensure that public improvements and project landscaping are completed in accordance with the regulations of Payson City and the approved site plan. The performance guarantee shall be equal to one hundred twenty (120) percent of the approved engineer's estimate and in the form of a cash bond or irrevocable letter of credit. The applicant will also be responsible for payment of public works inspections fees in accordance with the provisions of the Payson City Fee Schedule.
13. Following approval of a Conditional Use Permit and prior to the commencement of construction, a pre-construction meeting will need to be conducted with the City Engineer. At this meeting construction details, inspection requirements, construction time frames, and contact information will be discussed.
14. Dumpsters and temporary restroom facilities will need to be provided on the site during the construction phase. No loose debris or waste shall remain on the site at any time during the construction process. If a construction trailer is proposed to be located on the development site, the appropriate permits will need to be obtained and proper connections will need to be completed.
15. The applicant will need to apply for and obtain a building permit for the construction of the church building and the accessory building proposed on the southwest portion of the site. The building plans will need to be reviewed by the Building Inspector and the Fire Chief to ensure that the requirements of the adopted building and fire codes are satisfied. The applicant will need to coordinate with the appropriate officials to complete the proper inspections and submit payment for any required review fees.
16. Review and approval of the conditional use permit should not be construed as approval of project signage. A separate application (sign permit) must be submitted and all project signage will need to satisfy the regulations of Chapter 19.15 of the Payson City Zoning Ordinance.

#### *Additional Staff Suggestion*

The remaining portion of the parcel is of an irregular shape (triangle) and would be an ideal location for a park and/or recreation area. Staff has suggested that the LDS Church consider utilizing this area for recreation purposes similar to other such facilities at other church locations. Staff would further suggest that because there is a lack of recreational facilities in this location, that the applicant and staff could discuss the potential of a joint use facility. Staff is seeking direction from the City Council to further discuss this issue and explore potential solutions.

**Recommendation**

On March 25, 2009, the Planning Commission recommended approval of the Conditional Use Permit contingent upon the satisfaction of the conditions proposed by staff. The City Council will need to determine if the proposed conditional use is an appropriate use and consistent with the development goals of the City.

Lyman Willardson is the Stake President of this area and said they are excited to see the project complete. They would like to put a ball field and pavilion in the open area but don't have the funds to do that right now.

Mayor Bills opened the public hearing at 7:13 p.m.

Kimberly Bunker lives at 906 North Blackhawk and presented pictures of the damage to her property because of the storm drainage problem. She understands that the drainage problem will be taken care of with this project, but asked if the City could fix the cement.

Erick Snediker lives at 902 North Blackhawk and has the same problem because of the drainage. The water is pooling in the back yard and causing other problems. He wondered about an easement between the properties that he heard about.

Mr. Willardson said there is an easement and they have agreed to accommodate that drainage and will be able to fix the fence and driveways.

Receiving no further public input MOTION by Councilmember Phillips to close the public hearing. Motion seconded by Councilmember Daley. Motion carries.

Public hearing closed at 7:20 p.m.

MOTION by Councilmember Daley to approve the request by the LDS Church for a Conditional Use Permit to construct a religious meeting house, contingent upon the satisfaction of the conditions proposed by staff and all ordinances, to alleviate the drainage problem by working with the neighbors and the city and allow the flexibility of delaying the extension of the waste water line until additional development occurs and the size of the line is determined. Motion seconded by Councilmember Phillips. Motion carries.

**REQUEST FOR APPROVAL OF THE EASTSIDE COMPREHENSIVE PLAN**

Planner Spencer presented the following staff report:

**Background**

The future development pattern between Payson, Salem and Elk Ridge is critical to the future of Payson City. In recognition, the City Council directed staff to study this area and suggest the best approach to ensure proper development in the area often referred to as Haskellville. Upon review of the development ordinances of Payson City, it was determined that a new approach would be necessary if the results anticipated by the City Council were to be realized because the General Plan was too vague and the development ordinances were too specific. In an effort to bridge the gap between the general development guidance provided by the General Plan and the development specific regulations found in the Subdivision and Zoning Ordinances, the East Side Comprehensive Plan (ESCP) was commissioned by the City Council. In reality, the plan is a subset of the General Plan with a higher level of detail and regulations developed to address the unique geographic and lifestyle opportunities found in this location.

In order to create a land use pattern consistent with the development goals of the City Council that is also acceptable to the landowners and residents in the planning area, numerous meetings were conducted where residents, landowners and major stakeholders provided meaningful input and suggestions which in the end resulted in the preparation of a plan that is acceptable to all involved parties.

While many of the meetings were informal, the Planning Commission held a series of more formal public meetings and on May 14, 2008 the Planning Commission forwarded a recommendation of approval of the

ESCP finding that the proposed plan is consistent with the development goals of the City Council, that residents and landowners have had ample opportunities to provide input on the content of the plan and the plan is consistent with the General Plan and land use ordinances of Payson City. The motion also stipulated that the City Council consider revising the plan to require annexations in the ESCP area to be at least 100 acres north of Salem Canal Road and 300 acres south of Salem Canal Road. Lastly, the Planning Commission recommended that the greenway along S.R. 198 have a minimum width of sixty (60) feet.

In addition to the meetings held by the Planning Commission, the City Council has conducted several formal public meetings and encouraged the residents and landowners in the planning area to participate. A compilation of the public input and direction provided by the Planning Commission and City Council resulted in the preparation of several versions of a land use plan. On December 17, 2008, following a public hearing, the City Council directed staff to modify the ESCP to be consistent with the Hybrid (a mixture of previous editions) version of the land use plan and to include various amendments as suggested throughout the meeting.

Since that time, an additional public meeting was held on March 18, 2009, to discuss the potential location and design of a major transportation facility to serve future development in the southern portion of Utah County. While staff recognizes the need for adequate transportation facilities, staff would suggest that additional study and other alternatives need to be explored before the transportation facility is indicated on the ESCP. Staff will continue to work with the Mountainland Association of Governments to design and locate the facility. When these studies are complete, staff will prepare an amendment consistent with the amendment process included in the ESCP document.

With staff review complete, and a document and land use map prepared that reflects the direction of the City Council the plan has been placed on the agenda of the City Council for consideration. The residents and landowners in the planning area have been actively involved throughout the planning process and several public hearings have been held. All statutory requirements for public input have been satisfied and additional comment will be allowed only at the discretion of the City Council.

#### **Analysis**

While staff would suggest that a majority of the ESCP is ready for adoption, there are a few items that need to be addressed by the City Council including, but not limited to:

1. The ESCP text indicates that various maps are “under preparation”. Staff anticipates that these maps will be prepared in conjunction with the infrastructure analysis that will be prepared for the planning area. Typically, infrastructure analyses are prepared as individual annexations and development proposals are submitted for review. However, due to the complexity involved in proper development in this area, staff would suggest that a comprehensive infrastructure analysis be prepared for the entire planning area. This would require the City Council to identify funding to engage a qualified engineering firm to complete the infrastructure analysis and utility plan. Although the City is experiencing challenging economic conditions, the planning area could nearly double the geographic size of the City and it would be in the best interest of the City to be directly involved in the preparation of the plan. Allowing this area to develop in a piecemeal manner with inconsistent infrastructure analyses will not yield the anticipated results.
2. Because many of the infrastructure systems that will serve the planning area will be independent from the existing Payson City systems, staff would suggest that the City Council direct staff to prepare a separate Capital Facilities Plan for the planning area.
3. The City Council indicated that the Hybrid plan was the preferred plan. Therefore, staff modified the text to be consistent with this direction. Approval of the Hybrid plan will eliminate the “Links” area adjacent to the existing Elk Ridge boundaries. The development pattern anticipated in the Links area is consistent with the existing development pattern in Elk Ridge and would provide a transition between new growth and the existing development pattern. Furthermore, the intention of the Countryside area was to protect the existing orchard and allow limited development within the orchard boundaries. With the absence of an orchard in the area previously listed as Links, staff would suggest that the City Council reconsider allowing the Links classification to remain to serve as a transition area.
4. Although the area north of S.R. 198 was not included in the planning process for the ESCP, staff would suggest that the City Council consider designating the area north of S.R. 198 and west of 2100 West as Research and Development. This area may not be conducive to residential uses because of



water table and soil type concerns. Therefore, staff would suggest that a Research and Development area is appropriate near Mountain View Hospital and surrounding professional office development. If a major transportation facility is located in the planning area, it will provide a link between State Route 198 and Interstate 15.

5. Because an overlap exists between the Annexation Policy Plan boundaries of Payson and Salem, an Interlocal Agreement with Salem City will need to be ratified. The Annexation Policy Plan of Payson City suggests that property between the current eastern municipal boundary of Payson and 1600 West (Utah County coordinate system) will be incorporated into Payson at some point in the future. However, Salem City anticipates that their community will expand west to 1900 West (Utah County coordinate system). The two cities have informally agreed to establish the annexation boundaries at 1800 West; however, the Interlocal Agreement has not been ratified. Although the current Annexation Policy boundaries extend to 1600 West, the land use map of the ESCP has been modified to exclude the properties south of S.R. 198 between 1600 West and 1800 West and north of Salem Canal Road in anticipation that an Interlocal Agreement with Salem City will be executed.

Mayor Bills feels it is better to be pro-active like this than reactive like what has happened in Lehi and Eagle Mountain.

Shawn Buffton said it has been a long process and agrees that this is a pro-active approach. He asked if they are sticking with the 300 acre annexation requirement on the south side of Salem Canal. The residents want that and feel the plan won't be affective if it is not included.

Planner Spencer said she failed to include that and said it would be a suggestion not an ordinance requirement; the only concern we would have right now is there is a pending annexation.

Mayor Bills said he would like to feel that we made the perfect plan. However he doesn't think we can say that anything is cut and dried; we would have to make those decisions as they come in.

Attorney Tuckett said the General Plan, now as written states 100 acres. He said the General Plan definition by State Code is that the General Plan is a guideline. The City can adopt an ordinance mandating something but we aren't proposing to do that.

Councilmember Grotegut asked if there would be potential problems with landowners that want to annex if they don't have the 300 acres. Attorney Tuckett explained that we are under no obligation to annex anything.

Councilmember Phillips asked about septic tanks and lift stations. He doesn't want to see what happened on the north side where we had to de-annex because the people had their hands tied and couldn't develop. Planner Spencer said that the intent of the plan is to look towards a larger regional lift station. It is a fine line, but we want long term solutions where growth would be participating in extending a sewer line or lift station.

Ryan Haskell said he is one of the property owners south of the canal road. He felt that as long as an annexation is meeting the 100 acre guideline and fits the mold of what the plan is calling for, it should be okay.

Walter Johnson is a member of the Salem Canal Board. He said anyone next to the canal has to provide the piping along those developments. The roads along this entire area drain into the canal and he said it needs to be looked at how the drainage would be addressed in an infrastructure analysis.

Ray Allred thanked the Council and staff for allowing the time and effort to be put into this project. Land has different value to different people. He urged the Council to adopt the plan and do everything they can to make and keep it the unique and beautiful area it is.

Councilmember Phillips asked if the landowners have been contacted regarding the research and development area. Planner Spencer said they have not been contacted.

Councilmember Daley said it is mentioned clustering and transferable rights and we currently don't have any means of doing that in our ordinance. He asked if the Council would see these transferable rights in the ordinance in the near future.

Planner Spencer said staff knows the concept of TDR's but it is quite sophisticated to implement a program. We aren't suggesting implementation, just using it as a tool in the GP.

Councilmember Hancock said the Council met with Elk Ridge City Council and senses the potential of a very hard line in moving into the area. He has read the descriptions of Countryside and Links, and he believes there is reason to have "Links", because it provides a transition into another community in that southeast area.

Mayor Bills said we could approve the document as presented, however look into the two areas—Links, and the Research and Development areas.

Councilmember Grotegut is not opposed to the idea of the Research and Development area, but feels it is just being added onto something that it shouldn't be attached to; maybe it should be studied more and added to the northeast plan.

MOTION by Councilmember Ford to adopt Ordinance #04-22-09-B, An Ordinance approving the East Side Comprehensive Plan as proposed with the exception of the Research and Development Park, to include the 300 acre annexation recommendation for the area south of the Salem Canal and direct staff to further look into the Links for the area on the northeast. Motion seconded by Councilmember Grotegut. Voting aye: Councilmembers: Daley, Ford, Grotegut, Hancock, and Phillips. Motion carries.

#### **BREAK**

MOTION by Councilmember Grotegut to take a break. Motion seconded by Councilmember Ford. Motion carries.

Council took a break and reconvened at 8:47 p.m.

#### **CANYONWAY ISSUES DISCUSSION**

Manager Nelson explained that residents in the Canyonway subdivision have expressed concerns in two areas: 1) the siding to be used on the houses and, 2) the "entry level" and "essential" language in the development agreement.

##### **Siding Material**

The issue of the siding material to be used in the Canyonway subdivision as described in the Development Agreement is thoroughly discussed in the attached memos and other information. The developer, Salisbury Development, LC, has agreed to use stucco on the rest of the homes to be constructed in the subdivision. This material is included specifically in the development agreement. This removes siding issues from any future discussion.

The next siding question then centers on the house already constructed by Salisbury Development, LC. The City Council, acting as the Land Use Authority, has the sole discretion to interpret what the development agreement means. The Council has four options in this matter (see City Attorney Dave Tuckett's memo). He recommended that the City Council accept the siding material that was used on the house in question as meeting the intent of the development agreement.

Jeremy Smith said Salisbury has crossed off the smart-board from their handouts and thanked them for doing that. He presented wording from the CanyonWay Subdivision Development Agreement:

- Section 9 – Project Amenities Item 4  
"The exterior materials used to construct the dwellings will be hard surface materials defined as brick, stucco, stone, stacked stone, or simulated wood concrete siding."
- Section 10 – Design Considerations  
"The exterior materials of each dwelling unit will be limited to the use of brick, stone, stacked stone, hardi-board, and stucco."

He presented definitions of the smart-side and showed examples of it; and also Hardie-plank. Therefore, they feel that the hardi-board is a far superior product and the one that should be used. They ask the Council to please enforce the agreement:

- If non-compliant decisions have been made, perhaps based on incomplete or inaccurate information, they must be corrected.
- We don't expect more from Salisbury Homes than compliance with the terms of the Development Agreement.
- We expect the City to enforce the agreement.

He also asked about the shingles that are not hard surface material.

Ben Child said he has received mixed feelings, but he understands there are two things that have to happen to allow the residents to be involved. First it has to be recorded with the county and it has; and the second item is that the agreement must state that it runs with the land and section #14 states that.

Lane Hammonds said they moved in last year in a great location, recently Richmond has had some problems and the project reverted back to Salisbury. They are not meeting the expectations as were set in the beginning. He feels that if a developer is willing to raise the bar in a development, the Council should look into securing that.

Ed Miner said there are two issues: concrete siding, no wood; and the other item is the essential, progressive, and limited—which is very clear in the agreement that all homes in the development will be progressive and limited. Four of their proposed are essential and two are progressive and by Salisbury definition essential means starter homes.

Manager Nelson said there are three basic issues:

**Entry Level and Essential Language:** He recommended to the Council that this is a non issue. He concurred with the City Attorney that as long as the developer builds according to the styles and floor plans attached to the Development Agreement or approved by the City Council, there is no violation of the Development Agreement.

**Siding Material:** He said the developer agrees that in all of the remaining homes he will use stucco or the surfaces stated in section 9 and section 10.

**Existing house:** He said this has been discussed with staff and other building officials and attorneys and the consensus is that the intent of the agreement has been met and we should go on.

Councilmember Daley said our interpretation is that we felt the materials they were using were in compliance.

Councilmember Phillips said after looking at the materials—the smart board and hardi board is not the same product. He didn't think it would hold up in a bucket of water. He read aloud the definitions and explanations that he got from Home Depot Web page.

Councilmember Ford said she likes wood but reading the intent of Section 10 and wood is not one of those.

Payson City Building Inspector Jon Snelgrove presented two products to the Council and said both of these products have listings in the Code. When we allow a product in our jurisdiction we have to make sure that it is installed correctly. These are both good products as long as they are installed correctly. The problem we are having is that the wording is flawed - a specific product by name should not be listed. He believes we are trying to get a "look" and he feels the looks are the same. There are pros and cons to both of the products.

Mayor Bills agreed that he can't tell the difference between the two products Mr. Snelgrove presented once they are primed.

Planner Spencer said if you allow hardie board it looks like siding.

Councilmember Hancock said the issue came up about intent and intent of the agreement. The intent was the look, when this agreement was put together. We cannot put a name on this.

Mayor Bills explained that a developer brings in a development and it goes to staff for development review and legal review. It then goes to the Planning Commission and next it goes to the City Council. Once that is approved it is between the City and the Developer. He said is a totally different process than a Homeowners Association, which allows residents to have a say.

Mr. Child said he didn't refer to this as an HOA, but he a current judge in Provo, who read the agreement and Council minutes, felt the residents would have a say because it needed to be recorded and run with the land, which it does.

Councilmember Grotegut said the development agreement was written in 2005-2006 and his understanding was that there were two or three homes that were listed in the lower end but fit into the other area. Now looking at the flyers for Salisbury there are four that are listed as essential.

Planner Spencer said there were two listed as essential, but at the time the staff and Council felt there were others that were comparable to the limited and progressive. The essential, limited, and progressive are basically the amenity packages inside the home and they appear to be the same outside. She felt there were floor plans and elevations that staff wanted in the agreement, and didn't care what went inside. It is almost impossible to enforce if you get down to every detail; there has to be some interpretation.

Councilmember Grotegut said he didn't know where to go with this because there are other homes that don't comply completely with the development agreement and we might have to go back and make them comply also.

Councilmember Daley said we have been told that Salisbury will install stucco and also by their own admission in their flyer they have crossed out smart board. So he believes we could say to staff that any building permit that comes to the City to only allow stucco and the other surfaces mentioned in the agreement and Mr. Salisbury already agrees to that. We also need to hold them to the nine styles listed, and staff will be checking that. The real issue tonight is the existing home and Councilmember Grotegut hit the nail on the head that he doesn't want to go there. We don't want to make every home in there retrofit and the residents living there now haven't lived up to the development agreement either. We made a mistake and we should take it and learn from it, and just progress forward from today. We just need to instruct staff to make sure any building permit that comes in the future is not using wood fibered siding.

#### IT INFRASTRUCTURE EXPLANATION

James Edvalson, IT Consultant made a presentation regarding the Payson City Network Renovation.

#### BREAK

MOTION by Councilmember Ford to take a break. Motion seconded by Councilmember Phillips. Motion carries.

Council took a break and reconvened at 10:40 p.m.

#### COUNCIL ASSIGNMENT DISCUSSION

Councilmember Phillips will be taking the assignment of UTOPIA instead of Councilmember Grotegut. Dr. Taylor has asked that Councilmember Ford cover the Historical Preservation group.

MOTION by Councilmember Daley to accept the recommendation for change in Council assignments. Motion seconded by Councilmember Grotegut. Motion carries.

#### PROPOSED AGREEMENT BETWEEN KRISER DEVELOPMENT & PAYSON CITY

Attorney Tuckett presented a proposed agreement between Payson City and Kriser Development regarding the sale of three lots to Kriser for \$40K each once they are sold and for the amendment of the plat. This has been discussed in prior City Council meetings. Payson City participated in mediation with Mr. Kriser in front of the Private Property Ombudsman and came to a proposed resolution.

MOTION by Councilmember Phillips to approve the Proposed Agreement between Kriser Development and Payson City and authorize Mayor Bills to sign. Motion seconded by Councilmember Daley. Motion carries.

#### AGREEMENT TO PURCHASE BURIAL PLOT

Attorney Tuckett presented a proposed agreement for the purchase of burial plots. In discussing the matter with Todd, the City Sexton, he indicated that there are people who cannot afford to purchase a grave site in one lump sum. This agreement will allow an individual to purchase a grave site over a 24 month period. There is a \$25 administrative fee. If the payments are not paid within 24 months, a termination fee of \$30 will be assessed and the remainder refunded to the individual. If the grave site is purchased, a burial certificate will be issued.

MOTION by Councilmember Phillips to approve the Cemetery Purchase Agreement for Burial Plot. Motion seconded by Councilmember Daley. Motion carries.

#### RESOLUTION – LINE TRUCK LEASE AGREEMENT

Superintendent Ron Crump explained that these line truck lease payments were approved in the 2008-2009 FY Budget and he presented the proposed lease agreement with Zions Bank.

MOTION by Councilmember Ford to approve Resolution #04-22-09, A Resolution approving a Lease Agreement for a Line Truck, and authorize Mayor Bills to sign. Motion seconded by Councilmember Daley. Voting aye: Councilmembers: Daley, Ford, and Phillips. Voting nay: Councilmembers: Grotegut and Hancock. Motion carries.

MOTION by Councilmember Grotegut to have staff look at what is in the budget to pre-pay and bring that back to Council. Motion seconded by Councilmember Hancock. Motion carries.

#### 2009 MUNICIPAL RECREATION GRANT

Planner Spencer explained that Utah County has imposed a tax on restaurants throughout the County to create a funding source for recreation and tourism in Utah County. Although much of the money has been appropriated for existing projects, there are some funds available for communities to use for qualified projects.

The information provided by Utah County indicates that Payson City is eligible for approximately \$10,000 in funding this year. To ensure eligibility, the project must involve the development or construction of tourism, recreation, cultural, or convention facilities. Staff would suggest that we apply for funding to complete the landscaping on City property located north of 800 South at approximately 250 East. The residents of the Peteetneet Estates development have requested that the City acknowledge this property for use as a “park” and that improvements be installed. Furthermore, money provided by the developer of the Peteetneet Estates development has been set aside to complete various improvements in the subdivision. By combining the funds provided by the developer and the funds anticipated by the Municipal Recreation Grant Program, staff is confident that the City owned property can be appropriately landscaped.

As a requirement of the grant, the City must upfront the costs associated with the project and subsequently submit proof of payment to Utah County for reimbursement. Staff is proposing to utilize impact fees to cover the initial cost of the signs and upon reimbursement by Utah County the impact fee account will be replenished. All reimbursement claims must be submitted before October 1, 2009.

MOTION by Councilmember Grotegut to authorize staff to submit an application for the Restaurant Tax Funds to assist the city for park improvements that have been outlined in the report and to clearly let the residents know that it is a public park. Motion seconded by Councilmember Phillips. Motion carries.

#### PUBLIC HEARING (CONTINUED) – AMENDMENTS TO THE FY 2008-2009 BUDGET

Mayor Bills explained that this public hearing was opened on April 1<sup>st</sup> and continued to tonight.

Recorder Curtis presented and explained the following proposed amendments:

**PAYSON CITY  
CORPORATION  
Budget  
Amendment  
04-22-09**

	08-09 BUDGET	Proposed Amendment	Difference	Explanation
<b>GF Revenue</b>				
Appropriation of FB	\$80,056.00	\$129,696.00	\$49,640.00	App Fund Balance \$24,640 was received from Zions in June, and fell to FB - 2 grasshoppers received and ck cut August \$25,000 from FB for pool operations \$17,193 from FB for Workers Comp
Sales Tax	\$2,537,000.00	\$2,537,000.00	\$0.00	
Taxes	\$2,107,774.00	\$2,107,774.00	\$0.00	
Building Permits	\$113,000.00	\$113,000.00	\$0.00	
Business Licenses	\$40,000.00	\$40,000.00	\$0.00	
Animal Licenses	\$2,500.00	\$2,500.00	\$0.00	
Intergovernmental Revenue	\$237,258.00	\$250,104.25	\$12,846.25	103384000 Rest Tax 10,068 103322000 ULGT Safety Grant 2778.25
Charges for Services	\$931,928.00	\$1,009,363.00	\$77,435.00	103485100 Additional Pool Revenue \$25,000 103424000 Addl Fire Inspections 6420.00 103422000 County fire Reimb (Spring Lake) 46,015
Fines & Forfeitures	\$171,000.00	\$171,000.00	\$0.00	
Miscellaneous Revenue	\$365,222.00	\$973,695.00	\$608,473.00	\$608,473 from Pool Bond Revenue
Transfers	<u>\$2,508,685.00</u>	<u>\$2,637,557.00</u>	\$128,872.00	Transfer from Ambulance Fund Balance 18,865 \$110,007 from Project Fund Balance for Pool punch li
<b>GF Revenue TOTAL</b>	\$9,094,423.00	\$9,971,689.25	\$877,266.25	
	<u>08-09 BUDGET</u>	Proposed Amendment	Difference	
<b>GF Expenditures</b>				
City Council	\$154,486.00	\$154,486.00	\$0.00	
Building Maintenance	\$432,322.00	\$432,322.00	\$0.00	
Administration	\$1,318,717.00	\$1,335,910.00	\$0.00	260 Workers Comp Audit
Planning & Zoning	\$832,413.00	\$832,413.00	\$0.00	
Justice Court	\$196,992.00	\$196,992.00	\$0.00	
Police	\$1,957,882.00	\$1,957,882.00	\$0.00	
Victim's Advocate	\$63,273.00	\$63,273.00	\$0.00	
Fire	\$355,832.00	\$429,910.00	\$74,078.00	110 Employees 7,000 220 Insurance 4,500 626 Gasoline 2,500 740 Rescue jack, Roll N Rack, ID Printer 5,278 742 Brush Truck 54,800
Animal Control	\$72,417.00	\$72,417.00	\$0.00	
Streets	\$529,049.00	\$529,049.00	\$0.00	
Parks	\$163,416.00	\$173,484.00	\$10,068.00	104511730 Nebo Trail System (Rest Tx)
Swimming Pool	\$878,130.00	\$1,646,610.00	\$768,480.00	104521731 \$718,480 punch list for pool

			\$0.00	104521610 \$50,000 Addl Pool costs & natural gas
City Grounds	\$277,362.00	\$302,002.00	\$24,640.00	104551740 2 Grasshoppers (Lease Purchase)
Recreation	\$473,118.00	\$473,118.00	\$0.00	
Youth Sports	\$169,959.00	\$169,959.00	\$0.00	
Adult Sports	\$77,727.00	\$77,727.00	\$0.00	
Snack Shack	\$83,549.00	\$83,549.00	\$0.00	
Library	\$301,880.00	\$301,880.00	\$0.00	
Cemetery	\$117,369.00	\$117,369.00	\$0.00	
Community Services (events)	\$56,868.00	\$56,868.00	\$0.00	
			\$0.00	
Senior Citizens	\$126,820.00	\$126,820.00	\$0.00	
Peteetneet	\$45,787.00	\$45,787.00	\$0.00	
Onion Days	\$17,245.00	\$17,245.00	\$0.00	
Salmon Supper	\$42,220.00	\$42,220.00	\$0.00	
PCT	\$25,900.00	\$25,900.00	\$0.00	
Transfer to PIT SID 08/Golf 09	<u>\$193,000.00</u>	<u>\$193,000.00</u>	\$0.00	
<b>GF Expenditure TOTAL</b>	\$8,963,733.00	\$9,840,999.00	\$877,266.00	

**RDA**

	<u>08-09 BUDGET</u>	<u>Proposed Amendment</u>	<u>Difference</u>	
Revenue incl App of Fund Bal	\$140,000.00	\$210,487.00	\$70,487.00	received more increment
		\$		
Expenditures	\$140,000.00	\$140,000.00	\$0.00	
Rev over Exp	\$-	\$70,487.00		

**EDA**

	<u>08-09 BUDGET</u>	<u>Proposed Amendment</u>	<u>Difference</u>	
Revenue	\$250,000.00	\$342,117.00	\$92,117.00	received more increment
Expenditures	\$136,430.00	\$136,430.00	\$0.00	
Rev over Exp	\$113,570.00			

<b>CLASS C ROADS</b>	<u>08-09 BUDGET</u>	<u>Proposed Amendment</u>	<u>Difference</u>	
----------------------	-------------------------	-------------------------------	-------------------	--

Revenue	\$500,000.00	\$628,000.00	\$128,000.00	Appropriate Fund Balance
Expenditures	\$500,000.00	\$628,000.00	\$128,000.00	430 930 West
Rev over Exp	\$-			

**CAPITAL  
ACCOUNT**

	<u>08-09 BUDGET</u>	<u>Proposed Amendment</u>	<u>Difference</u>
Int Rev & Appropriation of FB	\$50,000.00	\$189,007.00	\$139,007.00
Expenditures	\$50,000.00	\$194,607.00	\$144,607.00
Rev over Exp	\$-	\$-	\$ -

Transfer to IT Budget for Upgrade \$29,000

Transfer to GF Budget for Pool \$110,007

**SOLID WASTE**

	<u>08-09 BUDGET</u>	<u>Proposed Amendment</u>	<u>Difference</u>
Revenue	\$1,864,110.00	\$1,907,110.00	\$43,000.00
Expenditures (incl transfers)	\$991,136.00	\$1,034,136.00	\$43,000.00
Transfers	\$870,891.70	\$870,891.70	
Rev over Exp	\$2,082.30	\$2,082.30	

Appropriate Fund Balance

660 Scraper Repair

**AMBULANCE**

	<u>08-09 BUDGET</u>	<u>Proposed Amendment</u>	<u>Difference</u>
Revenue	\$310,054.00	\$350,054.00	\$40,000.00
Expenditures	\$328,407.00	\$350,407.00	\$22,000.00
Transfers	\$6,300.00	\$25,165.00	\$18,865.00
Rev over Exp	\$(24,653.00)	\$(25,518.00)	

330 Prof Serv (billing) 17,000  
 621 Nat Gas 1,200  
 626 Gasoline 1,000  
 660 Vehicle Repair 800  
 740 ID Card Machine 2,000

Transfer to GF for fire

**ELECTRIC**

	<u>08-09 BUDGET</u>	<u>Proposed Amendment</u>	<u>Difference</u>
Revenue	\$10,492,048.00	\$10,584,048.00	\$92,000.00
TOTAL			
Expenditures:	\$10,399,354.75	\$10,491,354.75	
Electric Distribution			\$92,000.00

622 Power Purchase



	\$8,507,302.00	\$8,599,302.00	
Power Plant	\$1,076,554.75	\$1,076,554.75	\$0.00
Transfers	<u>\$815,498.00</u>	<u>\$815,498.00</u>	\$0.00
Rev over Exp	\$92,693.25	\$92,693.25	
<b>IT</b>	<u>08-09</u>	<u>Proposed</u>	
Revenues (Trans	<u>BUDGET</u>	<u>Amendment</u>	<u>Difference</u>
from Cap Proj)	\$-	\$29,000.00	
Expenditures		\$9,600.00	\$9,600.00
		\$8,100.00	\$8,100.00
			\$0.00
	\$-	\$16,900.00	\$16,900.00
Total Exp	\$-	\$29,000.00	

330 Thretwall 3 yr subscript w/support & hardware  
 730 Network Backup Server terabyte drives \$1,200  
 730 Replacement Library Switch \$1,300  
 730 \$5,600 Pool Computers & Connectivity  
 740 New Core Switch \$2,400  
 740 General Switches \$1,400  
 740 Disk to disk (NAS) \$3,100  
 740 10 KVA UPS for server room \$10,000

These are the bare minimum requirements for keeping the network up and working with minimum business continuity. This does NOT increase security, allow better access to the website, provide faster internet service, or repair the wireless needs and/or offer a solution to the vulnerability of attack through WEP address access to our network

Human Resources-Dora Edvalson explained that an additional amount is needed for Workers Compensation (audit) in the amount of \$17,193.

Recreation Director Karl Teemant explained that additional IT improvements are needed for the pool in the amount of \$5,600.

Recorder Curtis explained that part of the reason the budget amendment at the last meeting was so confusing was that we did not have all of the bond information. Originally in 2006 the first sewer reimbursement request was sent in on the wrong request form. The trustee took it out of the water escrow and then when the trustee tried to put it back, the money was put into the sales tax escrow. She presented a spreadsheet to explain the problems. The new budget amendment now calls for \$110K from fund balance and the remainder from the sales tax bond escrow to pay for the pool punch list. Therefore the pool was over budget by \$110K.

Councilmember Grotegut asked if any of the additional funds could have been spent on the golf course from the general fund. The explanation was the golf course was overspent by approximately \$700K.

Recorder Curtis said she understood that the other question the Council had was regarding the grasshoppers. She explained that the Council approved a resolution for funding the grasshoppers through Zions Bank in June 2008 and we received the money from Zions in that fiscal year. The grasshoppers were ordered in June but we didn't receive the invoice until July, and it was paid in August. We didn't realize that both transactions didn't occur in the same year until we noticed the line-item overage, and we just waited to bring it to the Council until we had enough other proposed amendments to talk about.

Recreation Director Teemant discussed the reason for the cost increase for the pool.

Recorder Curtis noted that another amendment that was included is highlighted in orange and is the fire department amendment that was discussed at the Council Retreat. She said that \$18K is being transferred from the ambulance fund and the rest coming from the Spring Lake fire revenue, inspections, grants, etc. This would be for a brush truck. Chief Spencer explained the truck and its outfit; that the \$7K is for the employees and extra costs of the employees for the fire. The ID card machine was discussed and he noted that the present machine is broken. He looked into a shared one with other cities, but they have their own machine.

Recorder Curtis asked if the Council wanted to add in the amendment to cover the extra workers compensation costs (approximately \$17K) and the pool computers (\$5,600) discussed during the IT discussion. Dora Edvalson from Human Resources noted that next year's workers compensation costs were going down.

Recorder Curtis reviewed the amounts in the unappropriated fund balance and the funds in the capital account. A lot of discussion followed.

Councilmember Grotegut said we have got to stop spending money before it is budgeted. A lot of our accounting standards are lackluster and we have got to start checking things more carefully. What money we have left is precious, and maybe the City Council needs to start making hard decisions. As far as the amendment goes, most of this is already spent. Councilmember Phillips agreed.

Receiving no further input the Public Hearing was closed at 11:37 p.m.

MOTION by Councilmember Grotegut to approve the budget amendments as have been presented. Motion seconded by Councilmember Daley.

Councilmember Grotegut said he would like a reporting of what money has not been spent in this fiscal year and what will be carried over to the next. He noted that he understands that some of this happened before Manager Nelson's time, but we need to get tighter on our accounting measures.

Voting aye: Councilmembers: Daley, Ford, Grotegut, Hancock, and Phillips. Motion carries.

Manager Nelson presented some outlines for Council policies that he would like to impose regarding City Project Financing, Bond Management, and On-Going Funding and One-Time Funding.

#### ADJOURNMENT

MOTION by Councilmember Daley to adjourn. Motion seconded by Councilmember Hancock. Motion carries.

Council adjourned at 11:50 p.m.