

**MINUTES
HIGHLAND CITY COUNCIL MEETING**

Tuesday, November 18, 2014

Highland City Council Chambers, 5400 West Civic Center Drive, Highland, Utah 84003

PRESENT: Mayor Mark Thompson, Conducting
Councilmember Brian Braithwaite
Councilmember Rod Mann
Councilmember Tim Irwin
Councilmember Dennis LeBaron
Councilmember Jessie Schoenfeld

STAFF PRESENT: Aaron Palmer, City Administrator
JoD'Ann Bates, Executive Secretary/Recorder
Nathan Crane, Community Development Director
Gary LeCheminant, Finance Director
Tim Merrill, City Attorney
Justin Parduhn, Public Works
Tavis Timothy, Engineer (Contract)
Shannon Garlick, Secretary
Ty Christensen, Public Works - Roads Department
Josh Castleberry, Public Works – Parks Department

OTHERS: Jaden Hall, Brynn Shelton, Abby Wakefield, Tanner Wakefield, Aydrie Palmer, Tara Bullington, Emily Jensen, Jacob Turpin, Dave Hall, Rich Henderson, Steve Marx, Brad Ritchie, Gavin Hatch, Stephen Laing, Austin Call, Austin Hill, Coby Child, Nathan Ritchie, Carson Call, Max Ramey, Paul Reyes, Alia Benson, Amy Cottle, Tom Martin, Mary Lynn Johnson, Ed Barfuss, Jon King, Ed Dennis, Rick Hellstrom, Kade Patten, Cassi Cook, Damon Flynn, Sabrina Davis, Alia Benson, Madeleine Arnold, Quinton Strom, Lindsay Gardanier, Paige Medersitzki, Maddie Murdock, Jordan Baker, McKenzie Platt, Mykel Godwin, Jeremy Doyle, Doug Cunningham, Parker Sandstrom, Mitch Martin, McKenna Martin, Kevin Schiess, Bill Meadows, Gaylan Sorenson.

The meeting was called to order by Mayor Mark Thompson as a regular session at 7:01 p.m. The meeting agenda was posted on the *Utah State Public Meeting Website* at least 24 hours prior to the meeting. The prayer was offered by Mayor Mark Thompson and those assembled were led in the Pledge of Allegiance by Mitchell Martin, a scout.

PRESENTATIONS:

- Highland Beautification Committee – Recognition

Jessie Schoenfeld stated the City Council and City staff wanted to recognize the members of the Beautification Committee for their time and service beautifying the City. She explained they cleaned up medians, park strips, entrances to subdivisions, and initiated the "Adopt a Patch" program and had wonderful success. She recognized Ginger Ford, Denise Stratton, Mary Ann Jenkins, Judy Clayton, Laura Dawson, Denise Nydegger and Ed Barfuss. She expressed the appreciation from the City for all of their hard work. She stated they are going to continue the Committee and hope to get more and more support from the community.

- Highland City Arts Council – New Piano Funds

Pulled from the Agenda due to Arts Council President was not able to be present.

APPEARANCES:

There were no appearances at this time.

CONSENT:

MOTION: Approval of Meeting Minutes for City Council Regular Session – September 16, 2014.

MOTION: Approval of Meeting Minutes for City Council Regular Session – October 7, 2014.

Brian Braithwaite asked to have the names of those who attended the September 16th meeting added to the minutes.

Rod Mann stated on Page 8 of the September 16th meeting, lines 28-29 should read that 45.7% of the Open Space Fund was subsidized by the General Fund. He explained there were also a few typos that should be corrected.

MOTION: **Tim Irwin moved the City Council to approve the Meeting Minutes for City Council Regular Session – September 16, 2014 as amended.**

**Rod Mann seconded the motion.
Unanimous vote, motion carried.**

MOTION: **Tim Irwin moved the City Council to approve the Meeting Minutes for City Council Regular Session – October 7, 2014 as amended.**

**Rod Mann seconded the motion.
Unanimous vote, motion carried.**

ACTION ITEMS:

MOTION: Review and Discussion of Trail Options – Dry Creek Trail.

Nathan Crane stated the engineer looked at the options based on a survey of the property. He explained the options would be relocating the trail which would be an estimated \$98,000, removing the trail which would be an estimated \$7,700, or purchasing an additional easement to accommodate the trail which would be an estimated \$19,700. He stated the Council has discussed the issue and staff is seeking direction. He mentioned if they decide to remove the trail they will need to follow the requirements outlined in the Municipal Code.

Rod Mann questioned if Ivory Homes would be responsible to pay the \$8,000 to remove the trail, because they put the trail in wrong.

Tim Merrill replied they have not included Ivory Homes in the discussions, but stated if that is the direction the Council would like to go, he is willing to approach them with these issues.

Rod Mann asked if the City has received any feedback from the property owner on purchasing the land. He questioned if the City needs to purchase property for an easement and if Ivory Homes would be willing to pay a portion of that cost.

Nathan Crane responded they have not received any feedback on cost from the homeowner.

Tim Merrill replied he would be willing to speak to Ivory Homes regarding either option.

Brian Braithwaite stated they have closed the trail and the residents are aware of the issue. He suggested the City hold a neighborhood meeting. He explained if the residents are not interested in keeping the trail, there is no need to spend the money.

Tim Irwin and Rod Mann stated they are not interested in paying \$100,000 to relocate the trail.

Brian Braithwaite explained the City cannot justify spending \$100,000, but it as a potential option if the residents or Ivory Homes are willing to contribute to the cost.

Dennis LeBaron questioned what power the City has to negotiate costs if the property owner requests an excessive amount.

Tim Merrill stated if it proceeded to a lawsuit they would discuss the terms of liabilities in an Executive Session.

Nathan Crane clarified all three options are not budgeted in the current fiscal year, so depending on the price; it would need to be a part of next fiscal year's budget.

Dennis LeBaron asked what the average price per foot is of a trail in Highland and questioned what the length is of the trail in discussion.

Nathan Crane replied he does not know the average price, but they can figure it out. He stated the length of the trail on the property owner's land is approximately 300-500 feet.

Rod Mann stated the cost to move this specific trail would be more, because it is steep and they would need to put in a wall to support the trail.

Ed Dennis, Chairman of the Open Space Committee, stated it is designated as a neighborhood option trail, so the residents should determine whether or not they want the trail. He stated if they do not want the trail, it could be disposed of and the money from the disposal could be used to offset the cost of removing the trail. He stated the trail was put in with the subdivision, so there was no initial cost to the City.

Rod Mann stated there would be nothing for them to buy during a disposal, because the trail is currently on the resident's property.

Tim Merrill stated the neighborhood has the right of protest which would require 20% of the neighborhood to file a written protest to remove the trail. He explained the way the Ordinance is written, the trail can still be disposed of by majority vote of the Council.

Mayor Thompson stated there is an easement on the property, but the trail was built outside of the easement, so the trail is actually on the resident's property. He stated the City has the obligation to do one of the three options, because they cannot allow continual trespassing.

Dennis LeBaron questioned what constitutes "the neighborhood".

Nathan Crane replied the notices of the removal of the neighborhood option trail would be sent to the full subdivision where the trail is located. He stated the total length of the trail that would be removed is approximately 1,100 feet and the length on the resident's property is approximately 400 feet.

MOTION: Brian Braithwaite moved the City Council to direct staff to set up a neighborhood meeting with the affected residents and prepare information to be given to those residents.

**Tim Irwin seconded the motion.
Unanimous vote, motion carried.**

Mayor Thompson clarified it is an R-1-40 development and the trail was an amenity.

Rod Mann questioned if the homeowners south of the trail should also be included.

Aaron Palmer stated staff can send a map to the Council and if there are other subdivisions they would like to be included; staff can send notifications to those subdivisions as well.

MOTION: Review and Discussion of Open Space Appraisals – Canterbury Circle and Beacon Hill Subdivisions.

Ed Dennis stated in March of 2014 the City Council approved the disposal of open space property in four different subdivisions. He stated the City staff obtained an appraisal for that property with the perspective of “value added” which came in relatively high. He explained the Canterbury Circle Subdivision came in at \$3 a square foot and the Beacon Hill Subdivision came in at approximately \$6 a square foot. He stated another appraisal was done and both appraisers are qualified, certified general appraisers, but they have taken different approaches. He stated the initial appraisal was based on value added or market value, but Susan Denbow, the most recent appraiser, looked at the property as excess or surplus land. He stated surplus land is usually appraised at 15-20% of the value added, so relative to the initial appraisal the Canterbury Circle Subdivision would be at \$0.45-0.60 a square foot and the Beacon Hill Subdivision would be \$0.90-1.20 a square foot. He stated Susan Denbow took the excess property approach and came back with an appraisal of \$1 per square foot on both subdivisions, recognizing that there may be negotiation between the City and residents. He stated the Open Space Committee looked at both appraisals and believe the methodology of excess or surplus land is more consistent with comparable properties sold in Highland and Cedar Hills. He stated the Open Space Committee recommends the City accept the \$1 per square foot appraisal and allow them to move forward with the other areas. He mentioned even \$1 per square foot would provide a substantial amount of funds for the City.

Dennis LeBaron questioned if they considered the differences between the highest and lowest lot costs and prorated the amount.

Ed Dennis stated it comes down to a methodology difference. He explained the initial appraiser looked at it as value added; meaning if they took the lot and expanded it by the amount of property involved in the surplus and then how much the lot would be worth as a whole. He stated the problem is the property is land locked and really is excess property. He stated none of the residents are interested in purchasing the property under that approach. He stated if they use the excess land approach, because it is land locked, the residents are willing to purchase the land.

Rod Mann stated he understands why those purchasing the land would want a lower value. He explained the first appraisal reduced the value by approximately 40% to mitigate the fact that some of the property would be subject to easements. He stated the City has an obligation to get a fair price, because just giving the lowest price would show favoritism to a specific subdivision. He stated he does not understand why adding 20 feet to the back of a property would be less valuable because it is “land locked” than 20 feet on the other side of that property which could be considered land locked with that same point of view.

Ed Dennis stated he believes the property Rod Mann is referring to is the land under the power corridor. He stated the appraisal in that area was \$2.75 a square foot at market value and they discounted it by 40% making it \$1.10 a square foot. He stated they are not asking the City to sell at a cost other than the appraised value, but no one is willing to purchase the land at the selling price of the initial appraisal.

Rod Mann stated that when the residents decide to sell their properties, they will be selling a larger lot and will get that additional benefit, so essentially the City would be subsidizing that increased value.

Brian Braithwaite stated a property has full value if it can be used for whatever the buyer wants, for example, placing a home, but because there is a limited set of buyers, it comes down to how valuable it is to those buyers. He stated the original appraisal was looking at it as the property value of a standard lot that anyone could purchase, and although it was discounted for easements, it does not have value to most individuals. He stated the second appraisal is more in line with the true property value.

Discussion ensued regarding the appraisals.

Rod Mann stated there are costs to the City when selling surplus property and questioned what the net value would be to the City.

Nathan Crane replied he would need to look at the spreadsheet for the last sale. He stated they split engineering costs, but the City would not make very much. He stated the Plat D sale was a lot smaller and if staff time is included, the City does not come close to covering the cost.

Rod Mann clarified the real benefit to the City is not having to maintain the property in the future.

Nathan Crane stated a key distinction between these two subdivisions and the Plat D purchase is the power line easement. He explained the power line easement restricts what owners can do on the property.

Ed Dennis stated the additional benefit to the City is that they would be able to collect property taxes on these parcels, which would add ongoing revenue on top of the selling price.

Mayor Thompson questioned if they bought the property as surplus and at less value, do they have a right to petition to not pay as much taxes or will it be simply added to the lot and taxed the same.

Tim Merrill stated the County Tax Commission will assess it as they always do; they could make the argument, but he stated he does not know what the Tax Commission would do. He stated he believes the assessor would tax the properties as a whole. He stated when there are experts in opposition to one another; they can get a third expert that usually splits the difference.

Mayor Thompson mentioned the Canterbury Circle property adjoins other properties that are not part of the development and questioned if they should be included in the process.

Nathan Crane replied it would be up to the Council. He stated the direction from the previous Council was that those in the subdivision would have the first right of refusal.

Dave Hall, resident of the Canterbury Park Circle Subdivision and member of the Open Space Committee, stated Susan Denbow does mitigation for the County during property value disputes and is hired by the LDS church to discover what raw land is really worth. He stated originally 24 of the 25 residents signed the petition saying they were okay with the purchase (the only one not willing to sign was the contractor who was considering litigation against the City). He explained when the appraisal came back at \$3 a square foot everyone backed out and an appraisal is only good if there is a willing buyer and seller. He stated for 14 years they have been paying \$20 a month to have the land maintained as open space and it has not once been maintained by the City. He mentioned the residents have spent their own money on weed control and when the first appraisal was not realistic, they used their own money to hire an appraiser. He stated all of the residents were willing to purchase the property at the second appraised value. He mentioned all of the residents, but three, have already grassed and beautified the property and no one else would want to purchase the property. He stated they have been working for 14 years to get a resolution and elected representatives they felt would get it done. He explained it would increase tax revenue for the City, beautify an orphaned piece of property, and resolve the issue.

Steve Marx, resident of the Beacon Hill Plat I Subdivision, stated he has been in real estate since 2002 and has gotten to know value very well. He mentioned the first appraisal had no merit and he does not agree the residents need to get the cheapest price and the City needs to get the highest price. He stated the City has an obligation to give the fairest price and the fairest approach is the fair market value approach. He mentioned the first appraisal was a leveraged approach and if that appraisal went to the State there would be serious issues with the methodology. He explained the only thing that could justify it would be if the appraiser stated at the person who ordered the appraisal directed them to use that methodology. He stated land is valued on access, use, frontage, and location and these properties have no frontage, use, or access. He stated the only way to value the properties is to compare them to other orphan properties, which have been sold all around the community, including Highland, Alpine, Pleasant Grove, and American Fork. He explained he contacted all of the cities and every property sold for between \$0.90-1.10 per foot. He stated none of the surrounding cities, including Highland, Alpine, Pleasant Grove, report the sales on the MLS, but if they did the appraiser would have been able to see how recently the Beacon Hill Plat D sale was and used that in the report. He explained he emailed Highland City's Planner and informed him they need to disclose all of the open space sales in Highland within the last five years and never received a response. He explained the report did not include those sales, so he emailed the City Planner again who responded he sent the appraiser all relevant information and the City thinks the property is worth more. He stated there needs to be full disclosure, so the appraiser can decide the value and if there had been full disclosure none of this would be happening. He stated instead of getting another appraisal or blending options, the first one should just be disregarded. He mentioned the residents would also be paying closing costs, which almost increases the price per foot by 50%.

Mary Lynn Johnson, resident of the Canterbury Park Circle Subdivision, stated she would like to second the opinions that have been stated. She explained they are the only willing buyers and if the appraisal is \$3 a square foot they are not willing to purchase the property.

Richard Henderson, resident of the Canterbury Park Circle Subdivision, stated they would be concerned if the City tried to sell the land to other buyers. He explained the residents maintain

the land and they bought their homes believing the land would be there for their use. He explained they spent a lot of time looking for an appraiser and a dollar per square foot is very reasonable.

Rod Mann clarified it is okay for the Council to discuss methodology in the meeting, but they need to discuss prices in an Executive Session.

Jacob Turpin, resident of the Canterbury Park Circle Subdivision, stated when they moved in there was just a huge pile of junk, so they spent thousands of dollars cleaning up the property. He stated they are interested in paying \$1 per square foot of the land, but no more than that.

Mayor Thompson stated they should schedule an Executive Session to discuss funds, but if the Council would like to make the sale tonight it is on the agenda.

Dennis LeBaron stated the appraisal listed different amounts for each subdivision and questioned how they decided to have a set price for all of the subdivisions.

Ed Dennis replied typically excess or surplus land is 15-20% of the market value of comparable sites, so he took the 15-20% of the original appraisals. He stated it was hypothetical, not an actual part of the appraisal. He explained the appraisal of \$1 per square foot was what came back from Susan Denbow for the Canterbury Park Circle Subdivision and the Beacon Hill Subdivision.

MOTION: Jessie Schoenfeld moved the City Council to continue the item until the City Council can hold an Executive Session to discuss real estate and funds.

Brian Braithwaite seconded the motion.

AMENDED MOTION: Tim Irwin amended the motion to move the City Council to accept the methodology of Susan Denbow.

Amended motion failed.

Those Voting Aye: Brian Braithwaite, Dennis LeBaron, Jessie Schoenfeld, Rod Mann

Those Voting Nye: Tim Irwin

Motion carried.

Steve Marx questioned if they are agreeing to use the fair market approach as the methodology for the sale.

Tim Merrill replied judging methodology requires specialized training and expertise that he does not possess, so they may need another expert to decide. He explained otherwise they would be deciding which expert's outcome they prefer.

Tim Irwin stated they can discuss the methodology in Council meeting, but not in Closed Session.

Tim Merrill responded they can discuss methodology in a Closed Session as it pertains to the price.

Discussion continued regarding the methodology.

Mayor Thompson stated they need to follow the appropriate process and some comments have been made that Nathan Crane took it upon himself to do certain things, which is not true. He explained the Council directed him to get the appraisal and they need to discuss the appraisals in an Executive Session. He stated they need to protect the rest of the citizens in the community.

Tim Irwin stated he would not like to go into a Closed Session and just combine the two approaches or just come up with a number. He explained the Council has a standard of deciding what methodology to use and then come up with a number.

Jessie Schoenfeld stated she agrees, but there are some questions that need to be answered before deciding on a methodology that cannot be discussed outside of an Executive Session.

Rod Mann clarified the Council can bring an expert into an Executive Session and suggested that's what they do.

Dennis LeBaron asked if there is any rationality in getting another appraisal with the same methodology as Susan Denbow.

Brian Braithwaite stated it is not uncommon when getting two very different appraisals, to get a third appraisal and find some middle ground. He stated he believes the Council needs to discuss where they stand first and discuss the issue with an expert. He stated they need to make sure they are fair to everyone in the City during the sale.

Richard Henderson stated the City wants as much as possible and the residents want as little as possible, but they got an expert who stated what was fair. He asked that the Closed Session be transparent to the residents. He mentioned they receive a professional unbiased opinion from the appraiser in order to be fair.

Aaron Palmer stated an Executive Session will be scheduled for the December 2, 2014 meeting.

MOTION: Award a Contract for Construction of the Dry Creek Sewer Replacement Project – Sterling Don Construction.

Nathan Crane stated in September of 2014 the Council discussed the Dry Creek Sewer Line Upgrade Project to accommodate new growth which can be paid for with impact fees. He explained they went through the appropriate bidding process and Sterling Don Construction had the lowest bid. He stated they are recommending pipe bursting to minimize road cuts and save some costs. He stated they are also including some pressurized irrigation valves to help the system, because the line has to be cut anyway. He stated the other option was a saw cut, where

the pavement is cut the width needed to reach the pipe, and then they fix the pipe, fill the hole, and patch the road.

Dennis LeBaron asked if there are any disadvantages of pipe bursting.

Tavis Timothy responded there is not really a disadvantage; it's a method they are getting really good at and many cities are using it in smaller roadways. He stated they are going from an 8 inch pipe to a 12 inch pipe and wouldn't be able to get much larger than that with pipe bursting. He mentioned both methods require bypass pumping.

Brian Braithwaite mentioned they are able to do pipe bursting because they had grated out the rocks and put in special fill so it can absorb the expansion. He stated impact fees can only be used to cover the difference in growth, not the whole project.

Nathan Crane replied as part of the impact facilities analysis they had Tavis Timothy and Zion's Bank meet to determine how much would be attributed to new growth based on the existing model and they feel the upsizing is all contributed to new growth. He stated they feel comfortable that the project meets the impact fees criteria.

Brian Braithwaite asked for a written statement that it meets the impact fees criteria to avoid any issues in the future.

Mayor Thompson replied part of it is they changed the route to accommodate new growth.

Tim Irwin clarified they would not have to upsize at all if they did not expect growth.

Discussion continued regarding the impact fees.

MOTION: Tim Irwin moved the City Council to award the contract for construction of the Dry Creek Sewer Replacement Project to Sterling Don Construction for the amount of \$217,634.02 and directed staff to provide appropriate documentation from Zion's Bank to justify the use of impact fees.

Dennis LeBaron seconded the motion.

Unanimous vote, motion carried.

MOTION: Authorization for use of City Owned Property at 4361 West 11000 North (SR-92) as a Construction Staging Yard – Questar Gas.

Nathan Crane stated the proposal is for a temporary construction yard that would last up to one year on the Victor Property. He stated it would allow for temporary storage of pipe, equipment, employee parking, and slurry mixing. He mentioned Questar will cover the cost of water for their operations.

Rick Hellstrom, Representative of Questar Gas, stated they would like to use the property as a staging yard for their Feeder Line Replacement Project.

Tim Irwin expressed his concerns with lighting and noise for the neighbors on the west.

Rick Hellstrom replied they would be using the property from 7:00 a.m. to approximately 5:00-7:00 p.m. and the noise would be from equipment coming and going and the slurry operation.

Rod Mann questioned if there are currently trucks going through the property to reach the gravel pit.

Mayor Thompson replied no, the road to the pit is on the east.

Discussion ensued regarding the noise.

Brian Braithwaite questioned how this will compare to the previous user, Staker Parson.

Mayor Thompson stated their contract called for a truck to leave every 12 minutes during working hours in order to be on schedule.

Brian Braithwaite mentioned there was a lot of debris they pulled out onto the road, but they kept it clean after the City reminded them. He questioned if they are buying the sand from the gravel pit or bringing it in.

Rick Hellstrom replied their contractor is very responsive to making sure things are cleaned up and kept tidy. He responded the decision on which sand to use has not yet been made.

Tim Irwin stated his recent experience with Questar does not give him a lot of confidence that they are concerned with neighborhood impact. He explained part of their project goes through Alpine, bordering on Highland, and there was a request from Questar to put in a regulator and make a couple of other changes without indication they cared about the concerns of the local Alpine and Highland residents.

Rick Hellstrom replied he represented that project in front of the Alpine City Council and the location of the meter station is an engineering function, but the request for the regulator station has been withdrawn. He explained they are trying to be responsive, but it is an entirely different issue than the noise and constructional operations for this project.

Tim Irwin responded it is not completely separate, but rather a matter of how they conduct business, which was surprising given Questar has always been responsible. He stated when there is a lack of concern in one of area; it questions the concern in another. He explained even though they are no longer doing the regulator station, there are still concerns with access, noise, and the possibility of a block wall.

Rick Hellstrom stated the block wall was taken out with the regulator station and there wasn't any attempt by the neighbors to negotiate it. He explained there is a large pile of gravel on the west side of the property which should help serve as a sound buffer.

Justin Parduhn mentioned a SWPP Plan would need to be presented to the City on how Questar will control everything and that would address the roadway concerns.

Rick Hellstrom replied they have a SWPP for the project and will add this site to that plan.

Tim Irwin questioned what is being done to mitigate the regulator station that was taken out.

Rick Hellstrom stated he could sit down with Tim Irwin and explain their plans.

Discussion continued regarding the project.

MOTION: Brian Braithwaite moved the City Council to direct the Mayor and staff to negotiate with Questar Gas for the authorization for Questar Gas to use the City Owned Property at 4361 West 11000 North (SR-92) as a Construction Staging Yard for up to one year.

Jessie Schoenfeld seconded the motion.

Mayor Thompson clarified any complaints will be forwarded to Questar.

Unanimous vote, motion carried.

RESOLUTION: Amending Preliminary and Final Plats Review Fees – Establishing a fee for Civil Construction Plan Review and Civic Construction Inspections.

Nathan Crane stated the current Final Plat Review Fee is \$785 plus 1.5% of the bond. He explained State law allows a City to charge fees, but not make a profit off of them. He stated the 1.5% was used to cover City civil costs because there is not currently an established fee for those costs. He stated with the use of consulting engineers they have prepared new fees for a preliminary plat, final plat, and civil plan. He explained they based the fees on experiences set up to monitor over time to make sure the fees actually cover the costs incurred and broke them out by lot size. He mentioned they also included the recordation costs and staff time in the final plat fee. He explained they created an incentive for the developer to submit a complete set of plans the first time, so there is a cost for two reviews and if they need a third review, they pay for two more reviews. He stated a developer will pay the civil inspection cost of \$6,753 prior to construction and then using the public work's tracking sheets they will charge an average hourly rate towards the fee and if they go over that amount, the developer would owe additional money. He mentioned they based the fee on an average subdivision review and staff will monitor it over the next year to make sure costs are being covered. He stated Zion's Bank helped with the study, so if an applicant asks for a fee justification, they could provide it.

Dennis LeBaron asked what the current fee structure is.

Nathan Crane replied the current fee structure for a preliminary plat is \$1,200 which does not break it out by size. He mentioned the 1.5% of the bond could fluctuate based on the size of the project and how much the developer bonds, which is the cause of most of the City's concerns. He stated the initial fee will be higher, but the final plat and civil plans fees are consistent, well documented, and also includes the inspection fee.

Brian Braithwaite stated the item was really well done and questioned if they looked at the costs of the surrounding cities. He explained his only concern would be if contractors were frustrated that they are paying a lot more in Highland.

Nathan Crane responded they did a quick glance, but did not do a complete review. He explained some cities have internal staff doing all of the work and they were focused on making sure the City's actual costs were covered. He stated they can take a closer look at the other cities' fees if that's what the Council would like.

Brian Braithwaite stated they should double check, just to see, but he is happy with the results.

Mayor Thompson stated he understands there needs to be a minimum cost, but expressed his concern with the block jumps. He explained if they jump from 50 to 51 lots it becomes \$1,300 more; the better option would be to have a set amount for less than 10 lots and then an additional price per lot.

Nathan Crane responded they tried to base it on the number of lots the City normally sees. He stated they could readdress the issue if that's what the Council would like. He stated a big portion of how the jumps were set was a result of working with JUB Engineering and Hansen, Allen, and Luce. He explained they used JUB's averages and looked at where their costs go up and coordinated it between the costs for City staff and the consulting staff.

Discussion continued regarding the fee schedule.

MOTION: Brian Braithwaite moved the City Council to amend the fee schedule for Preliminary and Final Plats Review Fees – Establishing a fee for Civil Construction Plan Review and Civic Construction Inspections as presented and directed staff to report on the status in one year.

**Rod Mann seconded the motion.
Unanimous vote, motion carried.**

MAYOR/CITY COUNCIL & STAFF COMMUNICATION ITEMS:

- Future Road Projects – Discussion and Direction

Nathan Crane stated they allocated \$188,000 to spring surface treatments and staff sat down with Mr. King to discuss the topic and would like some direction from the Council. He explained based on what was budgeted, they still have \$326,000 unallocated for the current fiscal year. He stated there are two options; one would be to continue looking at roads where a surface treatment would be worth it or use some of the funds to rebuild some roads with safety concerns. He stated Pleasant Grove City recently issued an RFP (Request for Proposal) for a 2-3 Years Surface Treatment Maintenance Contract and if Highland were to do that, they would commit to a certain number of funds per year which would drag down the overall cost of the surface treatment. He stated staff recommends they do the maintenance contract, but the Council would need to decide the appropriate level of funding. He mentioned they discussed requiring a surface treatment on all new roads prior to the warranty period ending and they could tie it into the contract. He explained if the City could get a better price with the contract than a developer, then they could allow the developer to use the contract price or if the warranty ends in the winter the developer could pay the City the contract price and the City could do it in the spring. He stated there is a Road Capital Improvement Plan on the tracking sheet and staff would like some clarification on the expectations. He explained his understanding of “capital” would be building a new road, not necessary maintenance.

Rod Mann replied the current maintenance plan does not include rebuilds, so the capital plan would be anything that requires a rebuild. He questioned what the line is between aggressive maintenance and a rebuild.

Jon King stated in JUB’s report they break them down into minor and major reconstructs which involve a minimum of reconstruction of the surface and a maximum of the entire paving section. He stated the Council can decide where to separate maintenance and capital, but should stick with a definition.

Brian Braithwaite stated anything with the surface can usually be considered maintenance, but any time they dig into the road base the cost goes up significantly. He stated rebuilding the road base is comparable to putting in a new road.

Jon King mentioned when they go into the road base they are usually also dealing with the subgrade, which has additional costs.

Dennis LeBaron questioned if they ever strip out the pavement without doing construction on the road base.

Jon King replied there are times where they need to do that and although it is not as costly as a rebuild, it still has a significant cost.

Mayor Thompson asked Gary LeCheminant how they financially assess capital.

Gary LeCheminant responded once the road is installed and after \$5,000 they capitalize it and use a depreciation schedule.

Rod Mann questioned if a surface treatment would be capitalized if it exceeded \$5,000.

Gary LeCheminant replied no, it would just be replacing an existing asset.

Mayor Thompson asked John King and Gary LeCheminant to decide the categories.

Tim Irwin questioned if the remaining \$326,000 would be used for the RFP.

Nathan Crane responded no, they would use money from next fiscal year for the RFP.

Rod Mann stated there is a Five Year Road Maintenance Plan and clarified it would be interconnected with the RFP.

Tim Irwin stated he is in favor of the Surface Treatment Maintenance Contract to save funds and is in favor of requiring a surface treatment on new roads prior to the warranty ending.

Brian Braithwaite stated even though there would be room for adjustment; he would like an outline of which roads would be covered during that time for clarity and transparency.

Nathan Crane stated a lot of work goes into getting an RFP together and that is a major component, but staff did not want to spend all the time without direction from Council. He explained the basis would be the Road Maintenance Plan and then staff and John King would provide input and bring the list back to the Council. He stated if the Council is interested in requiring a surface treatment, they will begin working with Tim Merrill to make that amendment to the Ordinance.

Brian Braithwaite clarified it is not a common practice; so many developers will feel the City is simply increasing their costs. He stated they want to push developers and get a fair deal, but the developers should also get a fair deal and should want to build in Highland.

Tim Irwin stated it would increase the value of the homes in Highland if the roads were in better condition. He explained it may drive away some developers, but homes in Highland are above average, so that kind of warranty would be appropriate.

Nathan Crane stated they would give the developer a range of specs and then they can find the best price for that service.

Mayor Thompson clarified it would be a treatment, not an overlay.

Jon King stated he is in favor of it. He explained looking at the 81 miles of roadway owned by Highland and trying to put a surface treatment on 1/5 every year (to get through the rotation in five years), it would be approximately \$500,000-600,000 a year. He stated there are two different approaches being proposed: keep everything above a PCI 55 or primarily focusing on preventative maintenance. He mentioned the State targets 3% of their constructed pavement system for yearly maintenance and if the City tried to do 3% using approximately \$3.50 per square foot and 30 feet wide roads, it would be about \$1.3 million a year. He explained putting

most of their money into preventative maintenance would make everything below PCI 55 slowly deteriorate until it is poor or failed and needs to be reconstructed. He stated ideally they would get to the point where the City can fund a variety of projects until the City reaches PCI 70 or higher and can just do regular maintenance. He stated this year he is in favor of putting as much money into surface treatments as possible and then dealing with reconstructs.

Rod Mann questioned how much it would cost to reconstruct the roads with the biggest safety concerns.

Nathan Crane recommended staff meet with Mr. King and look at the surface treatment projects and safety concern projects and prioritize them and get general costs, then bring it back to the Council and see how far the money would go.

The Council stated they are heading in the right direction.

- Country Club Road Issues – Discussion and Direction

Jody Bates stated this item is still on the “To Do List” and staff would like some direction.

Dennis LeBaron stated he went out and asked the residents within the subdivision how they felt and although there were some mixed feelings; most along the road in discussion favored a speed hump. He stated those in the col-de-sacs favored a flashing speed sign and there was one that stated they need more police surveillance, because it is the least expensive. He mentioned that resident stated they have never seen a ticket issued on that road in twenty years. He stated he will send the data to the Council. He stated he did not ask them if they would be willing to help pay for the speed humps or flashing signs.

Rod Mann mentioned one option that was discussed was painting crosswalks or stripes on the road, which could potentially reduce the speed.

Brian Braithwaite questioned regarding placing a stop sign at the intersection by the church.

Aaron Palmer replied staff is already planning on placing a stop sign there.

Brian Braithwaite stated they would like to find a way to reduce the problem without spending a lot of money. He expressed his concern that if they put humps on the road a lot of residents will come back with complaints and want to have it removed. He stated they want the residents see a difference, so they need their input.

Ed Barfuss stated the most dangerous area is by the church heading both east and west.

Rod Mann stated another option they discussed was lowering the speed limit to 20 mph.

Ed Barfuss responded it might help, but 95% of people obey the speed limit, the problem is the other 5% going 45 mph.

Tim Irwin expressed his concern with punishing the 95% with a speed hump.

Ed Barfuss replied they would be fine going over a speed hump at 20 mph, but a speed hump would cause the others to slow down.

Mayor Thompson asked where the preferred locations would be for flashing speed signs.

Discussion ensued regarding locations.

Justin Parduhn mentioned there is not money budgeted for the signs, so that would need to be determined.

Brian Braithwaite stated it should come out of the road fund.

Rod Mann clarified there are two road funds; one for streetlights, signs, and curbs, etc. and another for road maintenance.

Justin Parduhn stated this would considerably deplete the budget for streetlights, signs, etc. He stated there is only about \$5,700 currently in the budget, which would not cover the \$6,000 needed for both signs.

Aaron Palmer explained they will bring it back as part of the major budget adjustment.

Brian Braithwaite stated he would prefer to put two stop signs at the intersection making it a four way stop; one facing east and one facing west.

Mayor Thompson stated one stop sign would need to be placed further back for those leaving the Country Club.

Discussion continued regarding the speeding issue.

Brian Braithwaite and Tim Irwin stated a speed hump would be their last option and Dennis LeBaron stated it would be his first option.

Mayor Thompson explained the least intrusive option would be to place a stop sign facing the entrance from the Alpine Highway at the intersection by the church and placing another stop sign where the road forks coming from the Country Club.

Tim Irwin stated stop signs will make a lot of residents unhappy and Dennis LeBaron stated he mentioned stop signs when he went door to door and none of the residents were in favor of them.

Justin Parduhn recommended they do a four way stop if they decide to go with the stop signs.

Jessie Schoenfeld stated the Country Club claimed they would support the City in anything they decided to do, so the Council should ask them to help cover the costs of the flashing speed signs.

Tim Irwin and Jessie Schoenfeld volunteered to talk to the Country Club.

The Council was in favor of planting two flashing sign after speaking to the Country Club.

- Highland Conservation Water Shares – Discussion and Direction

Mayor Thompson explained when the Highland Conservation District was established and the dam was built, it became project water, meaning it would be used to pay off the project. He stated the water allocation was 1.7 acre feet per acre and all of the other cities formed a metropolitan district. He explained Highland applied for an area outside of the cities from North Orem to the point of the mountain, which became the Highland Conservation District (5010 acre feet). He stated the Highland Conservation District has created three different designations for their acre feet allotment. He explained originally the City accepted 1 acre foot as an allocation that would meet the requirement of stored water towards the person's participation in the secondary system. He stated when the canal was constructed, they indicated they would save 10%, and pay for the construction of the canal pipeline with the contained water. He explained people have been bringing shares where they did not pay for the contained water and since the beginning the City has really been accepting 9/10th of an acre foot where 10% is being lost to seepage and evaporation. He stated if someone brings a share that has the 10% taken out; it is identical to what the City is already accepting. He explained the proposal is that they accept any share in that category as the same allotment, and if they bought that 10% they can provide it as additional water, because technically the City is already buying that 10% for every prior contribution. He mentioned it would be a B share, meaning the 90%, which would satisfy the same allotment as everyone else has paid and if they bring in an A share, meaning they paid the assessment in full, they can then use the 1/10th as an additional water right. He stated this won't change anything; it just informs the Council of the procedure that has always been done and will help keep things in line.

Jody Bates questioned what happens to those who are still paying on the 10% percent.

Mayor Thompson stated if they are paying it, they are still on their third or fourth year of a 25 year contract, so all they would have is a small amount of equity. He stated it would make no sense to accept it, unless the City gives them the equity they have.

Brian Braithwaite stated they have discussed allowing new developers to purchase the 10% collected by the City.

Jody Bates responded the City does not own the 10% until they pay the assessment off after 21 years. She stated the City is still paying on that amount.

Brian Braithwaite replied if the City has shares, the developers can pay them for that amount which would contribute to paying off the shares. He mentioned even if the City has not paid it off, they have the allocation, so the City could use it and in this case the developer would buy it and the City would just apply the money to the payment.

Jody Bates stated right after the canal was piped, the Provo River Water Users allowed individuals to prepay the 25 year assessment, and some did which are now considered A shares and those who are paying it over time are the B shares. She stated the D shares are those who never bought the 10%.

Discussion continued regarding the shares.

- Park Use – Discussion and Direction

Jody Bates stated the Council has had multiple discussions and staff would like some direction.

Rod Mann stated his recollection is that they will leave things as they are, and sometime during the next year they will finalize a plan.

Brian Braithwaite stated it would be helpful for staff to give a recommendation on how they think the Council should apply rules and signage to the current parks.

Dennis LeBaron stated the staff and Council should decide what parks should be designated to hold practices.

Rod Mann replied they already discussed practices, but if they are going to allow them, they need to decide what days and times.

Brian Braithwaite mentioned the parks, the cost, and the scheduling should be included in the proposal from staff.

Mayor Thompson stated on the “To Do List” they should put they have been given more direction and leave it on the list until the issue has been resolved.

Brian Braithwaite asked for an update on the equipment building.

Mayor Thompson stated they are going to submit plans for the property on West Park Road to the State and that is where the building will be if they allow it.

Jessie Schoenfeld stated the Council did not make a decision to place the building there and stated she is not in favor of that location.

Mayor Thompson responded the Council gave the Mayor an assignment to move the item along, and if the Council does not want to put the shed there, they will not.

Tim Irwin mentioned the Council was discussing an area by City Hall and questioned what the update is on that.

Mayor Thompson replied it is Option 2, so if the Council does not have an interest in West Park Road, they will pursue that option. He stated the building would be 5,000 square feet, and the current building is 3,600 square feet. He explained he does not believe it will meet the entire needs of the City at build out, but it will be difficult to even get that size of a building pass the State. He stated the State claims it cannot be a regional facility; it has to be a building primarily used for that park.

Brian Braithwaite asked if there will be two sites where they will keep the equipment instead of one.

Mayor Thompson mentioned the fertilizer is currently not being stored in the HW Building. He clarified the State has to give their permission, because it is 6F property, meaning federal money was put into the property. He stated they have to say what is allowed and a building that is specific for that park is allowed.

Jessie Schoenfeld asked if the information they were giving the State regarding the use of the property and use of the proposed building is complete and correct

Mayor Thompson indicated he submitted information to the State that would allow the city to receive approval. He feels since the park is owned and maintained by the city and no longer by the state the city has the right to put a maintenance facility there as needed.

Dennis LeBaron stated he is in favor of sending the proposal to the State.

Tim Irwin questioned what was decided on the agreement to share a building with Cedar Hills.

Mayor Thompson stated it was ranked out, because of trying to road the equipment in and out of the facility. He mentioned the bridge isn't designed for anything wider than a truck and there is a weight limit.

Josh Castleberry stated this would allow them to consolidate everything in one location. He explained putting the building on West Park Road will give staff the biggest opportunity, because there is more property available. He mentioned there is the conflict with the State, but it would be the best option.

Rod Mann questioned if a wall would be placed at the property lines.

Josh Castleberry responded it would be best to build a fence, but right now they are looking at asphalt grindings and this would be a building with a paved parking lot. He stated it would be an easy location to get deliveries and is the only facility big enough, without having to obtain more property.

Tim Irwin asked Jessie Schoenfeld what her objection is to that location.

Jessie Schoenfeld responded it would take away from the beautiful park.

Discussion ensued regarding the different locations.

Dennis LeBaron stated he thinks it would be a good location for the building, because of its close proximity to the Alpine Highway.

Tim Irwin questioned what the impact will be to the surrounding residents.

Rod Mann stated they are currently looking at a dirt pile, but they will definitely feel like there is an impact.

Brian Braithwaite stated no matter what they do, there will be feedback from the residents.

Jody Bates stated this item was not on the agenda; the discussion is becoming too in depth and the public should be notified.

Tim Merrill proposed the Mayor send the plans to the State and put the item on the next agenda and hopefully they will have a response from the State by then.

Brian Braithwaite suggested they also speak to the Jordan Valley Water District about the property near the City Hall.

The Council was in favor of sending the plans to the State and speaking to Jordan Valley.

ADJOURNMENT

MOTION: Tim Irwin moved to adjourn.

**Jessie Schoenfeld seconded the motion.
Unanimous vote, motion carried.**

Meeting adjourned at 10:40 p.m.


JoD'Ann Bates, City Recorder

Date Approved: January 6, 2015



