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Nephi, UT 84648
(435)623-0822

Nephi City Planning Commission Meeting Minutes November 12, 2025

Attendance:

Staff: Shauna Talbot, City Planner

Commissioners: Chairman Cory Thomson, Commissioners: Heather Robertson, Fran Petersen, Meadow Perides, Jim Nelson.

City Council Representative: Shari Cowan

Excused: Commissioner John Ford

Scribe: Alexandrea Painter

Public: Donald W. Ball, Joran Carter, Amber Painter, Michael Ahlin, Stephen Welling, Zach Buck.

1. **Welcome to the Planning Commission Meeting - Introduction of Commissioners**
 - a. **Prayer: Commissioner Jim Nelson**
 - b. **Pledge: Commissioner Heather Robertson**
2. **Public Hearing - Accept public comment on changes to Titles 10 & 11 to:**
 - a. **Create a new Industrial Zone in Title 10: "Industrial 4 (ID4) Zone with uses primarily pertaining to large Data Centers, and their support structures.**
 - b. **Modify Title 11 to only require prescribed landscaping buffering of an industrial use from other adjoining uses in certain circumstances.**
 - c. **Modify Titles 10 & 11 to allow for xeriscape landscaping, and a certain percentage of native landscaping if well maintained.**
 - d. **Modify Title 11 to require certain "dark sky" lighting requirements in the ID4 zone.**
 - e. **Modify other areas to Titles 10 & 11 as they concern data center uses, including the definition section of Title 10.**

1. Staff Presentation

Seth Atkinson, City Administrator, presented the City Council's position to the Planning Commission. There was interest several years ago from some companies due to the substation that was in the process, open ground, and availability to the area with PacificCor power capability. Currently, there is a data center boom, AI is driving it, and there is a general uptick in internet use across all users. Nephi City was notified that, ready or not, they would come, and if we wanted a seat at the table, Nephi City itself needed to show up and make decisions.

Nephi City has narrowed the fields of interest, and financially, Nephi City has taken the approach that the city wants to bear no financial

risk. Nephi City will not seek out these businesses; they had to come to the table with substantial financial backing. The Nephi City Council has taken the approach to be prepared for the developments that will come. The staff comes forward with a lot of feedback and planning. ID-3 was placed where we want it to appear; Nephi City is trying to be very strategic in planning for the future, and the ID-4 zone is intended for businesses that support data centers or data centers themselves. Staff would like feedback from the commission on the ordinances that address this and dark-sky zones.

Staff had the opportunity to visit Eagle Mountain Data Center Campuses, which were very quiet, well-maintained, and very secure. Economic Development has the benefit of not taking a huge impact or toll on School Districts; there will be some impact during construction, but once that is complete, it goes away. Level 2 analysis has recently been finished for these areas, and they showed pros and cons for the specified area. Pros: it expands the tax base, and we can sell a ton of utility funds, helping other city services. Cons: it is an expansion of utility, and the annexation would be an island annexation, which is not ideal for the General Plan.

Chairman Cory Thomson turned the time over to Zach Buck, the sitting Juab County Assessor, to discuss the tax base adjustments that would occur if something like the Data Center were to come in.

Mr. Zach Buck presented to the commission that, after a few meetings with the Data Centers, they are talking in the billions to build the infrastructure. To put that into perspective, the county's real estate is valued at 2.3 billion. If the county were to get a billion dollars more in a year or two, citizens of the county would see an adjustment to their property taxes. For instance, if someone is paying \$3,000 in taxes, their tax bill would drop to \$2,000. Juab County lacks taxable businesses and commercial properties. One of the most significant questions he responds to is "Why are taxes in Juab County so much higher than in my home in St George?" The answer to that is that there is a lack of commercial. Juab County currently has 4,000 homes, but only 300 parcels have businesses; the remainder is in greenbelt or government-owned land. His opinion is that if even one data center came in, that would be a boon to Juab County.

The remainder of the presentation was turned over to Mrs. Shauna Talbot, who presented the ordinances that have been addressed:

1. Fencing: There will not be a minimum fence requirement. Typically, those are 12', but they may need to be taller depending on the situation.
2. Backup utility generation: Allows for them to have a battery energy storage system.
3. Data Center Complex: Describes all of the structures, buildings, and utilities that create the entire complex. This can include a natural gas and electrical area, parking areas,

loading areas, and some solar energy. One item not included is wind power, which will need to be purchased outside of Nephi City limits.

4. Definitions of utilities: All taken from the State Code, word for word. They include: power facilities, power lines, power plants, power substations, and fiber-based broadband. They also include the same for Natural Gas.
5. Lot Sizes: Have been reduced to a minimum of 10 acres; typically, they are 20 or more. But it was determined that the power for these sites is the minimum a site would need.
6. Multiple Structures and Recording: You may have multiple buildings and multiple structures. However, Nephi City reserves the right to record that, unless it comes back through for subdividing, it may not be done if these sites are sold.
7. Frontage: 140' is what we will require. Fire requires a large setback, and this is the state minimum. You will set it back one and a half foot for every foot of height.
8. Separation: 50' separation will be required; this is the minimum for the fire truck to get around.
9. Height: 100' is the maximum; anything over that will need to be approved by the city council and the planning commission. 35' for all accessory buildings. There is an exception for pertinent structures that will need to be approved at the DRC level.
10. Environmental: They must comply with state air quality laws, and e-waste must be disposed of outside Nephi City.
11. Dark Sky Ordinance: Points back to Title 11.
12. Landscaping: Points also back to Title 11. 3' Landscaping buffer was required around the entire structure; however, that will be changed to the frontage, the sides, and any side that the public can see. Native landscaping can be in place, but it must be maintained as not to be a fire hazard. A 10' landscape buffer will be required if it abuts residential.
13. Nuisance: If you are causing noise or smells that will also be covered by the nuisance ordinance.
14. Parking and Loading is also covered by Title 11.
15. Development Code: Applies to subdivisions, site plans, and development; all are required to follow it.
16. BUG Rating: Back Light Rating, the Dark Skies Ordinance will cover that, and will have samples of correlated color temperature. Fully shielded fixtures will be required, Lumens, Net acres, Outdoor light fixtures, everything must be downward facing. Temporary lighting will be allowed during construction. Photometric plans and checks will be required.

17. Parking Code: Appropriate expectations, the requirement will be the most on shift, a spot for each employee, and then four parking spots for visitors.
18. Noise Ordinance: Eagle Mountain has one; however, where there is no building, we will defer it until there is more development. We have the nuisance ordinance in place, and for now, that will do.

2. Public Hearing

TIME: 7:01 PM

Mr. Zach Buck, after presenting to the commission, answered its questions.

Mrs. Shauna Talbot asked, prospectively, whether it could cut residents' taxes in half? Mr. Zach Buck responded that yes, that could be a possibility.

Mr. Buck also stated that the personal property in those buildings, the servers, has a short life. They are replacing them constantly. It isn't a steady tax base in that aspect, but it is actually a better tax base. With smart planning, he is all for a Data Center coming in.

Mr. Seth Atkinson stated that the important thing here is that the assessment would be measured in the billions.

Zach Buck also added that, instead of property taxes funding infrastructure improvements, they would be getting a reduction. So it would be sixes. He hated to say it, but it really is like saying "6 -7" for the investments and improvements.

NO PUBLIC COMMENT was given on the information at 7:32 p.m. when opened by Chairman Cory Thomson.

Donald W. Ball asked about the drainage system, since it will abut the hills, and about the plan for it. Mrs. Shauna Talbot responded that an improvement code is already in place. Drainage is required at a 25-year one-hour flood event.

Public Hearing CLOSED at 8:04 p.m.

3. Commission Discussion

Commissioner Heather Robertson asked what security risks they encounter. Seth Atkinson: Most of the issues they have are due to hackers. As far as campus concerns, they conduct background checks and have secure areas. It is not a huge job supporter, but they are highly paid ex-military personnel with IT, Tech, and Security backgrounds.

Commissioner Heather Robertson asked about the financial windfall. Seth Atkinson addressed that if technology changes and they don't end up generating the real property, they can come and go just as quickly. The city and county do not want to be left holding thousands of dollars in costs they can no longer afford. So, the recommendation to the Nephi City Council is that they allocate the majority of the windfall to items of value. Pay off debt service, invest in land, build buildings, and create value. I will also strongly recommend that some of that be put into a trust fund that will accumulate, and that only the interest be used once it gets big enough. That will generate operational revenue from previously made investments.

Commissioner Jim Nelson, we have seen developers come in. So the Data centers are coming in and getting zoning fixed. Are they also developing sites, or are they just laying the groundwork? If they are going to be part of the city, you have to have water. What is the process here? Do we run utilities, and then they come, or they come, and then those things come in? Mrs. Shauna Talbot and Mr. Seth Atkinson, much of it will depend on the development agreements. Investments have been made, and so money is on the table.

Commissioner Heather Robertson, what did the staff learn in Eagle Mountain that changes what we have in place? Mrs. Shauna Talbot received a lot of feedback on what they had done and what happened throughout the process from start to finish. It was very beneficial; we got some ideas, took pictures, and asked a lot of questions. Eagle Mountain is in a different situation than we are regarding the tax benefit. The difference is that we will also be selling utilities. To put into perspective, the city currently uses 29 megawatts; the low end use will be 200 megawatts for these centers. Another is that we also own the gas that comes in, and makes us a triple threat. From a financial standpoint, this is something that we have to look at.

Mrs. Shauna Talbot also highlighted that if utility rates come in, they will keep them at a reasonable rate. Mr. Seth Atkinson responded that, for example, Owens Corning uses a consistent load. Nephi City buys base-load power, and a data center will help keep rates low for everyone.

Mr. Zach Buck also states that the Data Centers don't use water as much as they used to because of the coating on the equipment. They rely on Natural Gas; they want to build their own line. They also want to develop their own on-site power plant. Water is generally only used for days that are over 100 degrees, and currently, the average for our area it is only above that 10 to 15 days a year. They want to build their

own power station; they don't use a ton of water, only on days that are over 100 degrees, which is only about 10-15 days a year here. Water is not a concern here.

Mr. Seth Atkinson, responding to comments from Mr. Zach Buck, said that the city will require them to bring their own water. Currently, they will be required to cool without water on those days; they can use other methods. One of the benefits is that they will purchase gas from Nephi City, which is a huge boon to the utilities.

Commissioner Heather Robertson mentioned that she had read an article on heat harvesting and that it may play a role. Mrs. Shauna Talbot stated that while fascinating, the summers here are too hot to do anything like that. Mr. Seth Atkinson also added that, using natural gas, Nephi City currently consumes 5,000 decatherms to heat. Most plants will need roughly 38,000 to 56,000 decatherms per day. That is bringing in a lot of the gas and electric systems, as well as the tax base. There will still be a lot of infrastructure investment that needs to be made, but that will be on their shoulders.

Commissioner Jim Nelson asked about how the solar power works in this instance in the zone. Mr. Seth Atkinson, addressed the question. Typically, they can put solar on the roof, or they may have a solar farm on site, but that's not really enough energy to generate the power they need.

Commissioner Heather Robertson inquired on the parking lot requirements and handicap accessibility. Mrs. Shauna Talbot responded that per state law it is required and will be included in the parking ordinance.

Commissioner Heather Roberston asked whether there is already a fencing requirement for commercial. Mrs. Shauna Talbot responded that there is currently an ordinance for fencing, which will be an adjustment for the areas that will be ID-4.

Commissioner Jim Nelson inquired about the requirement to trim landscaping trees to 6 feet and what would happen if you were not in a car but in a delivery truck? Mrs. Shauna Talbot states that the DRC discussed it, and currently the grade to 6' needs to be cleared so that if you are in a car, you can see. For trucks from 30' to an access area, the trees need to be set back beyond that.

Commissioner Heather Robertson asked whether adopting a noise ordinance would pose issues later. Mrs. Shauna Talbot responded that

for now, it makes sense to let it be covered with the nuisance ordinance currently, and that it should not be an issue later on.

Chairman Cory Thomson asked about the cooling system section, which was addressed in the annexation agreement but not in the ordinance. He would like to see it state that it is non-water-intensive. Mrs. Shauna Talbot said we were looking into it, and she needed to find it for the Chairman.

Commissioner Heather Robertson stated that there were three of commissioners who were worried about the cooling. She would also like to see it put in and read it.

Chairman Cory Thomson stated he is still struggling with the general plan and how having a Data Center would conflict with it, even though the utility would be a benefit.

Commissioner Meadow Perides stated she is still concerned about the utilities, especially the water, which is a limited resource.

4. Motion

a. Motion: Commissioner Heather Robertson moved to approve ID-4, with changes to the cooling system measures to be added in Titles 10 and 11.

b. Second: Commissioner Jim Nelson seconds the motion.

c. Outcome:

A split decision occurred. Roll call was issued for voting.

1. Commissioner Meadow Perides -Aye

2. Commissioner Heather Robertson- Aye

3. Chairman Cory Thomson – Nay

4. Commissioner Jim Nelson- Aye

Motion passes.

d. TIME: 8:05 p.m.

3. Public Hearing - accept public comment on changes to Section 10.9A Industrial 1 (ID1) Zone to add an additional permitted use by right of “Modular Data Centers, and Accessory Uses and Structures” with definitions.

a. Staff Presentation

Mr. Seth Atkinson presented that there has been interest in Modular Data Centers, computing facilities about the size of a truck. They still use a significant amount of power. This would be added to the ID-1 zoning use permit. They will still have security requirements, but they will take up significantly less space. Remotely run, they rarely have staff there.

Mrs. Shauna Talbot presented that the definition added to the zoning ID-1 would be a modular data center, the accessory use of

structures. Information about modular data centers, which are the size of a Conex box, includes that they use a closed-loop cooling system. Remotely run, they don't have employees there around the clock. They require Battery backup, Power Generation, and Cooling Systems, and they would be for accessory use. There is no minimum acreage, because the energy needed is based on the acreage they will need. It is no different than the ID-1; there is no noise mitigation because generators would only be on when power was off, or during testing.

An interest has been brought forward from an interested party, for the area near the Messersmith area (2nd West and 7th North by National Vinyl on the East side of the road). Typically, around 15,000 sq ft, with 4 megawatt use. Modular Units will be two, side-by-side. They do have to meet the minimum recommended setbacks, and fencing and parking will be very minimal.

b. Public Hearing

TIME 8:08 p.m.

Mr. Joran Carter, after research, one of the primary concerns is the data network backlog that this could create. Nephi has a 1-gigabyte residential system; AI requires up to a 100-gigabyte backbone. The infrastructure is not up to the standard of the fiber currently in place. Chairman Cory Thomson stated that it would not be the city's concern.

Commissioner Heather Robertson asked Mr. Joran Carter for a better understanding of the question. Mr. Carter responded that people have to connect to the internet, which usually uses a lot of fiber-optic cable. It can cause delays because they would be pulling a lot of gigabytes. Chairman Cory Thomson reiterated that it would be the interested parties' concern.

Ms. Amber Painter stated to the commission that it would be the city's concern because it affects its citizens. Commissioner Jim Nelson noted that it will not necessarily impact the entire community; they may not even use Centracom's network. Mr. Seth Atkinson said that we are in an area with transport links to other players.

Mrs. Shuana Talbot also voiced that they would need to coordinate with suppliers; currently, that happens with irrigation concerns. This could also be a requirement of these modular centers. Mr. Seth Atkinson also added that they would be building their own connections, and if residents are concerned, they should contact their supplier.

Mr. Michael Ahlin told the commission that they focus on finding areas with Dark Fiber that is already installed. This business will not compete on residential lines, as they are different cable carriers.

Commissioner Heather Robertson, so does there need to be something added to the ordinance to make sure everyone does the right thing? Mrs. Shauna Talbot responded that it just isn't the city's jurisdiction.

Mr. Michael Ahlin, AI is driving everything now. Our job is to find areas within 100 miles of metropolitan areas with dedicated power. The impact fees will be substantial, and the power fees and tax base will really be good for the community.

Seth Atkinson responded to Commissioner Robertson's question that if there is a concern, we could approach franchises and create agreements.

Chairman Cory Thomson asked the public for any additional questions. The community raised no questions.

CLOSED at 8:34 p.m.

c. Commission Discussion

Commissioner Heather Robertson asked whether, if there isn't a minimum-acre site, is there a maximum acreage? Mrs. Shauna Talbot responded that no there won't be. They are scalable to power needs and will have the same setbacks as industrial areas.

Chairman Cory Thomson asked about the acreage maximum. Mrs. Shauna Talbot responded that no, and the 4-acre maximum requirement will be removed from the final time.

Chairman Cory Thomson asked about the intent of projects like these: would they be on existing properties or new ones? Or both? Mrs. Shauna Talbot specified that it could be both. She gave an example of phasing and utilities' capacity.

Commissioner Heather Robertson asked about companies buying up and then waiting for utility availability before proceeding.

Commissioner Jim Nelson asked about ADA parking. Mrs. Shauna Talbot responded that it will be required most likely.

d. Motion

- 1. Motion: Commissioner Jim Nelson moved to accept the changes to Section 10.9 ID-1 to include modular data centers.**
- 2. Second: Commissioner Heather Robertson seconded the motion.**
- 3. Outcome: Motion passes unanimously**
- 4. Time: 8:36 p.m.**

4. Approval of Minutes for October 8, 2025.

The minutes will need to be reviewed and reassessed by the staff. They will be tabled.

- a. **Motion:** Chairman Cory Thomson moves that the notes be pushed to the next meeting for approval.
- a. **Second:** Commissioner Meadow Perides seconds the motion.
- b. **Outcome:** Unanimously passed.
- c. **TIME:** 8:38

5. Adjourn

- a. **Motion:** Commissioner Heather Robertson motions to adjourn.
- b. **Second:** Commissioner Jim Nelson seconds the motion.
- c. **Outcome:** Unanimously passed.
- d. **TIME:** 8:38 p.m.