

Minutes of the Payson City Council of Payson City held at the Payson City Center, 439 West Utah Avenue, Payson, Utah on Wednesday, June 3, 2015 at 6:00 p.m.

ROLL CALL: Mayor Rick Moore; Councilmembers: Larry Skinner, Mike Hardy, JoLynn Ford, Scott Phillips, and Kim Hancock. City Manager David Tuckett and City Recorder Sara Hubbs.

Mayor Rick Moore presiding. Meeting started at 6:04 p.m.

PRAYER & PLEDGE OF ALLEGIANCE

Prayer offered by Councilmember Hardy and Pledge of Allegiance led by Councilmember Skinner.

CONSENT AGENDA

MOTION by Councilmember Ford to approve the consent agenda. Motion seconded by Councilmember Hancock. Motion carried.

PUBLIC FORUM

Public Forum opened at 6:06 P.M.

Collin Logue stated the Kiwanis golf tournament is on Friday. He asked who from the city was going to golf and thanked the city for sponsoring that tournament which helps the scholarship fund. They gave out \$6500 in scholarship to Payson High School. Councilmember Hardy pointed out that these scholarships help those who may not be able to qualify for other scholarships. Mr. Logue agreed and stated they focus on students that serve in the community.

He also mentioned the Chamber of Commerce is putting on a car show/drive-in movie for Elk Ridge on the 27th of June. They will be showing American Graffiti. It is free for all the public to set up blankets and chairs to watch the movie. Councilmember Hardy asked Mr. Logue if he was going to mention the banquet dinner. Mr. Logue mentioned that he would in his next discussion.

Public Forum closed at 6:12 p.m.

STAFF REPORTS

Police Chief Brad Bishop reported the monthly numbers of 56 arrests, 80 offenses, 354 violation, 273 citations, 553 calls and 1 D.U.I.s., 300 traffic stops and 14 traffic accidents. He stated the volume was up 300 calls. Chief Bishop reported the temple will be dedicated on Sunday, so it could be very busy on Sunday. He followed up on 2 concerns that citizens brought up regarding the home that needed to be cleaned up and the stop sign near Wilson Elementary. He stated a citation had been issued to the homeowner and he had not heard back from the citizen regarding the stop signs. Councilmember Skinner asked what a typical call was like. Chief stated there is no typical day but it could consist of family fights, traffic problems, and deaths. He stated it is hard to predict because nothing is typical.

Public Works Director Travis Jockumsen reported he talked with Kent Fowden the Streets Superintendent and the asbestos should be removed soon from the house that was purchased on 9th

East. He stated Arrowhead trail will be paved this week. He reported they are working with the geologist to install a pump on the well and will have a meeting with the geologist on Monday. Councilmember Skinner asked what time the meeting was. Travis stated it was 10:00 a.m. Travis stated the plan is to get the well running in the next month.

Community Events/Recreation Director Karl Teemant stated they had started a follow up pool metering. Karl said Monday was the busiest day at the pool so far this year. He stated all water exercises and swimming lessons have started. He stated the British soccer camp and summer gymnastics will start next week and tennis started on Tuesday. He invited public to come sign up.

Fire Chief Scott Spencer reported open burning has been closed. He stated they will be assisting Liberty Safe with explosions and burns above the Land Fill as they test their safes. He reported next week the VA will be doing some flag retirement and fire fighters and police will be there. He also stated some of the cities EMTs will be working during the Temple Celebration and Temple Dedication. He mentioned Theron Hill has retired. Mayor Moore mentioned that the senior fire fighters are reliable. Chief Spencer agreed that the younger generation isn't as dependable as the older crew.

Golf Pro/Parks Director Tracy Zobell reported he hosted Nebo School District's maintenance department golf tournament. He also mentioned that if they want a well that flows at 1200 to 1500 gallons/minute, then they need to test it at this amount, so they will need to find a way to use that water instead of wasting it. He wants to let The Council and Manger Tuckett to know that they are trying to find a way to use that water in a wise way. Mayor Moore asked how long it needed to be tested. Mr. Zobell said it would be tested all season. Mr. Jockumsen stated it won't be tested that high the entire season, but throughout the season at different levels. Mayor Moore and Councilmember Ford asked if it is required to do the testing. Mr. Zobell stated that it was mandated by the state. Mr. Zobell stated his understanding was that the well had to be tested at what it would like to be run at. Councilmember Skinner asked if there was a stream bed the water could go into and get credit to put it into the canal. Mr. Zobell stated that's a good idea and would be something they could look into.

He stated he is running BYU golf camps in the next few weeks and 15 corporate events in June. He stated they have 1 or 2 events a week from here on out. He stated revenues were down \$10,000 compared to last year's month's numbers due to the rainy month they had.

COUNCIL REPORTS

Councilmember Skinner had nothing to report.

Councilmember Hardy stated the economic development committee meeting was held this morning and had a great turnout. He stated Planner Spencer had some new draft regulations for them to review and come through the process in July or August. He stated that there will be a Shop Payson event on Saturday June 20th.

Councilmember Ford stated the Library Board chairperson stated they lost 4 people. She stated 2 couples ended up quitting at the same time.

Councilmember Hancock stated he attended the Utah Water Lake Commission Meeting. Mr. Ellis ran the meeting and stated the city's assessment for budget year 2016 of \$3,000 will not change this year. He stated on Saturday June 6th from 10-2 it will be a Utah Lake Day. The event will have food trucks, music, and a scavenger hunt. He stated the Utah Lake Commission has hired a professional sand castle builder and he will build a giant June-sucker fish. Councilmember Hancock stated The Utah Lake Commission is really trying to improve the quality of use of the lake and they are expecting 3,000 people to attend this event.

Councilmember Phillips stated the old race track looks really good and thanked the crews for mowing the city's lots down by Walmart. Councilmember Phillips asked if we can contact the owners of 950 west and 8th south and ask them to clean up their lots. He stated 7th south in front of the skate park was paved. He asked what the start date would be on 730 and 780 of the CDBG project. Mr. Jockumsen stated he hadn't had a pre planning meeting yet, so he isn't sure of a start date. Mayor Moore asked if the project had to be done this summer. Mr. Jockumsen stated that it did need to be done this summer to use the funding.

Mayor Moore stated he had been working with High Line with the water and has given the city a good deal. Manager Tuckett stated the city asked for 4,000 acre inches. Councilmember Phillips asked if we could include that information in a future newsletter. Manager Tuckett replied it could be included in the newsletter. Councilmember Skinner asked if we had used any strawberry water yet. Manager Tuckett stated that they haven't used any yet, but will be soon because it is getting hot. Councilmember Phillips stated whatever isn't used, the city will get credit for half of the amount.

Council and Staff Reports close at 6:30 p.m.

SCOUT ATTENDANCE CERTIFICATES

No Scout Attendance

CHAMBER OF COMMERCE BUSINESS OF THE MONTH

Collin Logue from Chamber of Commerce stated the Installation Banquet was last Thursday and Sean Reyes was the keynote speaker. He stated everyone that came to the banquet was able to meet Mr. Reyes. He stated the meeting had a great flow and the dinner was phenomenal. He stated the Clarion deserves a lot of credit. He stated it was a wonderful evening and was glad it turned out so well.

Mr. Logue stated June 19th will be the first movie in the park over at Peteetneet which will start at dusk. He stated the first two movies have been ordered. He asked the public to bring out their families. He mentioned to get free tickets, the public will have to go to the sponsoring businesses to get a wristband. He stated any business can become a sponsor of the movie for \$75. He stated that is a way to get traffic into local businesses.

Mr. Logue also stated there will be a Shop Payson Expo on June 20th from 9-1 and any brick and mortar and home-based business is free to set up booths at the event. He stated the businesses just need to contact the commerce to get enrolled. He stated Mike Tippetts will be cooking ribs for the event and will

only be \$6. He stated the night of the movie they will be giving raffle tickets out at the movie for the drawing to take place at the Shop Payson Expo.

Mr. Logue stated there wasn't anyone from the Crenshaw Realty, so the presentation of the award will be postponed until the next meeting.

PRESENTATION OF TRUST ACCOUNTABILITY PROGRAM BY UTAH LOCAL GOVERNMENTS TRUST

City Manager introduced Brent Oakeson from the Utah Local Government Trust. Mr. Oakeson stated he is here to present the City with an award for implementing best practices to manage risk and liability for the Trust Accountability Program (TAP). He stated to receive this award the city has to have a safety committee that is active to prevent losses and claims, a driver's qualification program, a return-to-work program, and a sewer management program. Mr. Oakeson also stated a benefit of this TAP program is a 5% cashback on the liability premium, which was sent out a couple months ago which was around \$9,000.

MOTION by Councilmember Phillips to amend the agenda as the Mayor sees fit. Motion seconded by Councilmember Hardy.

Mayor Moore moved the public hearings up on the agenda in front of the legislative update.

MOTION by Councilmember Hardy to open the public hearing. Motion seconded by Councilmember Phillips. Motion carried.

Public hearing opened at 6:43 p.m.

PUBLIC HEARING – REQUEST BY MARY PENDLETON FOR APPROVAL OF AN ACCESSORY LIVING UNIT IN THE EXISTING RESIDENTIAL STRUCTURE LOCATED AT 1532 SOUTH GOOSENEST DRIVE IN THE MH-2, MOUNTAIN AND HILLSIDE ZONE

Background

The applicant, Mary Pendleton is requesting approval for use of the RMO-A, Accessory Living Unit Overlay Zone for the existing residential structure located at 1532 S. Goosenest Drive in the MH-2, Mountain and Hillside Zone. The dwelling is located on Utah County Parcel #30-073-0240 which contains 2.12 acres adjacent to additional acreage owned by the applicant (total of approximately 30 acres). Access to the site is obtained from a long gravel driveway from Goosenest Drive and there are multiple off-street parking spaces on the site. Payson City utility services are not available in the area; therefore the structure is served by on-site systems (well and septic tank) and the SESD power system.

The basement level of the dwelling is completely finished and designed as an accessory living area and over the years has been used as living quarters for members of the applicant's family. As in the past, the applicant intends to only use this apartment for family members; however, in order for the new tenant (son) to receive housing assistance through the Utah County Housing Authority, a letter from Payson City is required that acknowledges the accessory living unit and grants authorization to use the

basement level for this use. It should be noted that if the use of the overlay zone is granted, Payson City cannot limit the use of the accessory living unit to only family members of the property owner.

In order to obtain approval of the RMO-A, Accessory Living Unit Overlay Zone, the applicant must receive a recommendation from the Planning Commission and approval by the City Council. Both the Planning Commission and City Council are required to hold a public hearing and consider public input prior to reaching a recommendation or decision, respectively. The Planning Commission considered the request on May 13, 2015 and forwarded a recommendation of approval to the City Council. The findings of the motion are included in the recommendation portion of this staff report. The public hearing has been properly noticed and courtesy notices have been mailed to the appropriate property owners.

Analysis

The RMO-A, Accessory Living Unit Overlay Zone regulations were introduced and adopted by the City Council on May 16, 2012 in accordance with Section 19.2.8 of Title 19, Zoning Ordinance. The relatively new ordinance provides a process to accommodate an accessory living unit in an existing single family dwelling, if deemed appropriate by the City Council. Moreover, the ordinance provides a procedure for owners of unauthorized accessory units to correct potential zoning violations. With the new provisions in effect, the applicant is requesting approval for use of the RMO-A Overlay Zone to accommodate an accessory living unit in the existing single family dwelling.

In accordance with Section 19.6.11.1 of the Payson City Zoning Ordinance, the RMO-A Overlay Zone is established to conserve and protect the residential atmosphere and character of established neighborhoods and to maintain desirable, attractive, and safe places to live throughout the community. Approval of an overlay zone is similar to a zone change request and the City Council is under no obligation to approve the use of the overlay zone. The applicant must demonstrate the proposed use (accessory living unit) is appropriate in a particular neighborhood and will further the land use goals established by the City Council.

By definition, an accessory living unit is "...a second living unit within a single family dwelling which is accessory to the single family and is an architectural and integral part of the single family dwelling." Approval of an accessory living unit does not change the single family classification of the structure. Rather, the unit is an extension of the single family home and must remain a function of the single family dwelling. To that end, the connection between the main portion of the structure and the basement level cannot be blocked off and separate utilities to the accessory living unit are not allowed.

The application was reviewed for compliance with Title 19, Zoning Ordinance (November 5, 2014) and other applicable requirements of the Payson Municipal Code. Staff would suggest the City Council consider the following requirements as conditions of approval of the application.

1. Accessory living units are intended to provide an ancillary living quarter without full services such as cooking and laundry facilities. In this instance, there is a second kitchen area and separate laundry facilities so it needs to be clearly reiterated, and understood by the applicant, that any approval for an accessory living unit is not authorization for use of the structure as a duplex. The connection

between the main portion of the structure and the addition must remain open and no separate utilities are allowed.

2. City ordinance requires two (2) off-street parking spaces for each unit. Following an inspection of the site, staff has determined there is ample parking for the proposed use. The site includes an attached two-car garage, a carport designed for three cars, a detached accessory building with a single bay, and other hard surface and gravel areas.
3. A building permit must be obtained for any building alterations associated with zoning compliance and the accessory living unit. Any alterations and improvements must be consistent with the regulations of the adopted building and fire codes.
4. If the overlay zone is approved, a notice that outlines any special conditions of approval to guarantee compliance with the approval will be filed in the office of the Utah County Recorder.

The City Council may require additional information in order to make a well-informed decision or impose additional conditions to ensure the project is consistent with the land use ordinances and the development goals of the City.

Recommendation

On May 13, 2015, the Planning Commission, following a public hearing, recommended approval of the request contingent upon the satisfaction of staff conditions finding the request will not negatively impact the neighborhood and is consistent with the goals of the General Plan.

The City Council will need to review the RMO-A Overlay Zone request for consistency with the requirements of the land use ordinances of the City. Following a public hearing, the City Council may:

1. Remand the request of the applicant back to staff or the Planning Commission for further review. The City Council should select this option if it is determined that the applicant has not provided enough information to formulate a well-informed decision.
2. Approve the request for use of the overlay zone as proposed. Staff would suggest that if the City Council approves the use of the overlay zone as proposed, an opportunity to require the applicant to satisfy the regulations of the Payson City development ordinances will be missed.
3. Approve the request for use of the overlay zone contingent upon the satisfaction of conditions. Staff would suggest that if the City Council recommends approval of the use of the overlay zone contingent upon the satisfaction of appropriate conditions, the applicant will be required to use the property consistent with the regulations of the development ordinances of Payson City and in a manner that will benefit the community.
4. Deny the use of the overlay zone. The City Council should select this option if it is determined the proposed accessory living unit is not appropriate in this location or the applicant is unwilling or unable to satisfy the regulations of the Payson City development ordinances and the land use goals of the City Council. Denial for the use of the overlay zone shall not constitute a takings claim because the applicant will not be denied the ability to use the property in accordance with the underlying zone.

The decision of the City Council, whether in favor of the request or in opposition of the request, should include findings that indicate reasonable conclusions for the decision.

Councilmember Hardy asked what the Planning Commission concerns were. Planner Spencer stated there were no concerns or questions. Councilmember Hancock pointed out that the unit shares the

same electrical hookup. He asked if there is any conceivable circumstance that it would be separated in the future. Planner Spencer stated she doesn't believe so. Councilmember Hancock wants to make sure that this doesn't turn into a bad thing for the homeowner. Councilmember Skinner stated if in the future the owner wanted the service to be separated then they would have to come back to the city to get that approved.

Mary Pendleton stated she applied to have her disabled son be able to live with her and still be able to receive help from the Provo Housing Authority. The Provo Housing Authority needs a letter from the City that the unit is there, so they can transfer funds from the Provo Housing Authority to the Utah County Authority.

Rita Staehli stated she is Ms. Pendleton's neighbor to the East and is in support of this approval.

MOTION by Councilmember Phillips to close the public hearing. Motion seconded by Councilmember Hancock. Motion carried.

Public hearing closed at 6:52 p.m.

Planner Spencer stated the Planning Commission felt it was consistent with the general plan and wouldn't have a negative impact on the neighborhood.

MOTION by Councilmember Skinner to approve the accessory living unit in the existing residential structure located at 1532 south Goosenest Drive in the MH-2 Mountain and Hillside Zone with staff conditions and to direct the letter to be written. Motion seconded by Councilmember Hardy. Motion carried.

MOTION by Councilmember Hardy to open the public hearing. Motion seconded by Councilmember Hancock. Motion carried.

Public hearing opened at 6:54 p.m.

PUBLIC HEARING – REQUEST BY MARK DAVIS FOR APPROVAL OF CONDITIONAL USE PERMIT TO CONSTRUCT AN ACCESSORY BUILDING ON PROPERTY IDENTIFIED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) AS A SPECIAL FLOOD HAZARD AREA (ZONE A1 ON THE FLOOD INSURANCE RATE MAP)

Background

The applicant, Mark Davis is seeking approval from the City Council to construct an accessory building on Utah County parcel #08-128-0003 located at 190 East 600 South in the R-1-9, Residential Zone. The applicant is proposing to construct an accessory building measuring 30' by 75' for a total of 2,250 square feet behind the existing single family dwelling on the site. In accordance with Section 19.6.25.2 of the Zoning Ordinance, a conditional use permit is required because the structure is proposed on property identified by the Federal Emergency Management Agency (FEMA) as a Special Flood Hazard Area (Zone A1 on the Flood Insurance Rate Map).

Floodplains play an important role in natural flood and erosion control by providing areas where floodwaters are stored, and reducing flood velocities, flood peaks and sedimentation. Any development in the floodway and 100-year floodplain (floodway fringe), also known as the Special Flood Hazard Area, must meet specific construction requirements in order to provide a certain level of protection to the building, its contents, and its occupants during a flood. Local floodplain ordinances require any construction in these areas to be consistent with FEMA regulations, including the lowest floor of a structure be at least one foot above the expected depth of floodwater in a 100-year flood, also known as the base flood elevation.

In order to obtain a conditional use permit, the applicant must receive a recommendation from the Planning Commission and approval from the City Council. The Planning Commission reviewed the request on May 13, 2015 and forwarded a favorable recommendation to the City Council. Although the Planning Commission is not required to hold a public hearing, a public hearing must be conducted prior to the final decision of the City Council. The public hearing has been properly noticed and courtesy notices have been mailed to the appropriate property owners.

Analysis

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 the applicant 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 be considered by the City Council.

1. The structure must be constructed with appropriate flood-proofing methods and must be at least one foot above the base flood elevation as indicated on the Flood Insurance Rate Map produced by FEMA. A FEMA Elevation Certificate must be prepared by a registered professional surveyor or engineer that documents the building and ground elevations at three stages during the construction process: preconstruction, during construction and finished construction. The original, signed and sealed "finished construction" elevation certificate must be submitted before the final inspection is completed for the accessory structure.
2. Section 19.3.1 of the Zoning Ordinance requires the installation of curb, gutter, and sidewalk along the frontage of 600 South with the construction of the detached accessory structure. Furthermore, the ordinance would require the installation of roadway improvements along the frontage of the unimproved 300 East right-of-way. Staff is preparing amendments to various sections of the Municipal Code that would modify these regulations. However, the amendments have not been considered or approved by the Planning Commission and City Council. The applicant is responsible to complete the improvements unless the ordinance is amended and a deferral is authorized by written agreement.
3. The Peteetneet Creek channel traverses the subject parcel and creates additional challenges to improving the site.
 - a. The site plan prepared by the applicant suggests the accessory structure will be placed near the Peteetneet Creek channel. The applicant will need to work with the City Engineer to determine the appropriate setbacks from the waterway.
 - b. The applicant will need to provide information regarding proposed access to the accessory building. Approval of a conditional use permit is not authorization to use the unimproved right-of-way or to enclose, pipe, or create new crossings over the Peteetneet Creek channel.
 - c. Any proposed alteration of the Peteetneet Creek channel will require additional approvals from Payson City and FEMA.
4. A building permit must be obtained prior to any work on the site to accommodate the proposed accessory building.

These items represent the issues staff has identified following a review of the applicable ordinances and resolutions of Payson City and the Conditional Use Criteria established in Chapter 19.13 of the Zoning Ordinance. If the items above are satisfied, staff would suggest that the site will be improved in a manner consistent with the regulations of Payson City.

Recommendation

The City Council will need to determine if the proposed conditional use is an appropriate use in this location and consistent with the development goals of the City. Following a review of the site plan, application materials, and the contents of this staff report, the City Council may:

1. Remand the request back to staff or the Planning Commission for further review. This action should be taken by the City Council if it is determined that there is not enough information provided by the applicant in order for the City Council to make a well-informed decision.
2. Approve the request as proposed. If the City Council chooses to approve the conditional use as proposed, staff would suggest that an opportunity to require the applicant to satisfy the requirements of the development ordinances of Payson City and mitigate any potential adverse impacts will be missed.
3. Approve the conditional use permit with the conditions proposed by staff or more or fewer conditions. Staff would suggest that if with satisfaction of appropriate conditions, the requirements of the development ordinances of Payson City can be satisfied and proper development of the property will occur.
4. Deny the request. This action should be taken if the City Council determines that the adverse impacts of the proposed conditional use cannot be mitigated by the applicant.

Any decision of the City Council should include findings that indicate reasonable conclusions for the decision.

Councilmember Skinner asked even with the requirement of installing curb and sidewalk, wouldn't the need to install the curb and gutter be delayed until the road was installed. Planner Spencer stated the installation of curb and gutter on 6th South and 3rd East is different. She stated because it is just a tie in on 6th south and 3rd East the road doesn't exist. Planner Spencer stated staff is in full support of delaying the installation of curb and gutter on 300 East. She said the ordinance would need to be changed to allow council to delay that installation. Planner Spencer stated staff is proposing to defer the 600 south implementation and amend the ordinance that allows for deferral based on City Engineer's approval. Councilmember Hancock stated he wanted to be very careful with this change. He stated if we pass the change now it will require him to install curb and gutter. Councilmember Hancock asked if we can approve the unit with the ordinance not being amended. Planner Spencer stated that the council could either table the building permit or they can approve it with the deferral of the sidewalk based on the ordinance will be amended. Councilmember Hardy stated that he agrees with Councilmember Hancock and believes it would be best to table the issue.

Mark Davis the owner of the property and stated that time is important, but doesn't have to be done tomorrow. He stated he had to go to the engineer and make sure the flooring, footing and foundation was above the flood plain zone. He stated the first time he had heard about the curb, gutter, and sidewalk just recently at the first meeting. Mayor Moore clarified if the council approves the accessory living tonight then Mr. Davis would have to install curb, gutter and sidewalk, or the council could table it until the ordinance amendments have been decided on. Councilmember Hancock stated the issue of the deferral means that the city could require it at any time. Councilmember Hancock stated for the city to extend that road, it would take a lot of resources since it is located in the flood plain.

Councilmember Ford asked Linda Carter if she had any opposition to this building. Linda Carter stated that she doesn't mind Mark constructing this building. She agreed that was a lot of frontage for him to install, but she is for curb and gutter.

MOTION by Councilmember Phillips to close the public hearing. Motion seconded by Councilmember Hardy . Motion carried.

Public hearing closed at 7:09 p.m.

MOTION by Councilmember Phillips to table the accessory living unit in the existing residential structure located at 1532 south Gooseneast Drive in the MH-2 Mountain and Hillside Zone. Motion seconded by Councilmember Hardy. Motion carried.

HIGHLIGHTS OF THE 2015 LEGISLATIVE SESSION

City Planner Spencer led the discussion on the legislative update. She stated the changes were made to the Land Use Amendments. She stated that Payson needed to adopt a Good Landlord amendment.

- HB27 – Local Land Use Amendments
- HB42 – Annexation Amendments
- HB70 – Posting Political Signs on Public Property
- HB160 – Drive-through Service Usage
- HB276 – Agriculture Structure Amendments
- SB29 – School Planning and Zoning Process
- SB124 – Land Use Amendments
- HB362 – Transportation Infrastructure Funding

City Manager Tuckett requires stated a license is required to distribute e-cigarettes, the new seat belt went into effect, a municipality may no longer prohibit street legal off road vehicles.

City Manager Tuckett mentioned there is a new GRAMA request process and the city will need to update the GRAMA ordinance. He stated there is a water bill that a state engineer cannot make any determinations about change applications. It restores some of the powers that state engineer once had. Manager Tuckett stated there are more legislative updates, but he can discuss them in depth later with the council if they'd like.

RESOLUTION AMENDING TITLE 23, STORM DRAIN ORDINANCE.

Public Works Director Travis Jockumsen led the discussion. He stated the new ordinance needs to be adopted to get the City in compliance with MS4 state code.

MOTION by Councilmember Hardy to approve the resolution amending Title 23, Storm Drain Ordinance of Payson City. Motion seconded by Councilmember Hancock . Motion carried.

DISCUSSION REGARDING UTILITY RATE FEE SCHEDULE

City Manager Dave Tuckett stated he will turn the time over to Finance Director Sara Hubbs and Public Works Director Travis Jockumsen in a moment. He informed the council that there will be a required public hearing next council meeting and then a public hearing in August to consider a property tax increase. He stated he would like to have budget agenda items on each council meeting until the public hearing in August. He stated he is trying to get information out to the public, so everyone can be informed and understand what the city is facing.

Finance Director Sara Hubbs presented information regarding a 10-year projection of the Sewer Fund.

Ms. Hubbs and Mr. Jockumsen showed pictures and discussed of some of the sewer shortfalls that the Sewer department has faced in the past and currently. The pictures show the need for capital improvements that have been neglected for years.

Ms. Hubbs showed a financial, line graph that projected where the sewer fund balance would be in 10 years with no rate increase, \$5/month increase in the next fiscal year, \$10/month increase in the next fiscal year, \$15/month increase in the next fiscal year, and a \$5/month increase over the next three fiscal years.

The assumptions that were used in the projections were the following:

- \$140,000 to clean lines every year with a 1.5% CPI increase every year
- 1.5% CPI increase for operating expenses every year, except in 2017 which has a 5% increase due to wage market analysis study
- Capital Projects
 - 2016 - \$50,000 to finish installing second half of air rotors sprockets and chains
 - 2016 - \$200,000 to replace or reline sewer behind Ridge Lane
 - 2016 - \$20,000 to replace Main St. and 4th North
 - 2017 - \$72,000 to repair Saddlebrook
 - 2017 - \$480,000 300 South Pipe Replacement
 - 2018 - \$276,000 750 West Pipe Replacement
 - 2018 - \$684,000 Treatment Plant Connect Pipe
 - 2019 - \$140,000 Boring under I-15 to fix sewer pipe (goes from 27" to 16" back to 27")
 - 2020 - \$17,000,000 Sewer treatment plant upgrade

If the monthly base rate is not increased, the projected fund balance at the end of 2026 would be about negative \$7.5 Million.

If the monthly base rate was increased \$5 in FY16 to \$22.39, the projected fund balance at the end of 2026 would be about negative \$5.9 Million.

If the monthly base rate was increased \$10 in FY16 to \$27.39, the projected fund balance at the end of 2026 would be about negative \$2.5 Million.

If the monthly base rate was increased \$15 in FY16 to \$32.39, the projected fund balance at the end of 2026 would be about \$800,000.

Ms. Hubbs stated that if the sewer rates were not increased, it wouldn't have a difficult time covering operating expenses. She stated that sewer has no cash, in fact it is in a negative cash position. She mentioned that Zions stated without cash in the sewer reserve bank, that much money would likely be funded by the state rather than public markets. She stated that the city needs to put together a five year or ten year plan to get the sewer out of its negative cash position. Ms. Hubbs stated that the sewer has a base rate charge and a commodity charge, so the council could determine if the base rate should be increased, the commodity charge, or a combination of both. She stated she is hoping the surrounding areas will want to construct a regional sewer plant that may help pay for the required upgrades.

Councilmember Hancock stated that the Payson sewer plant is next in line to reach the point that it needs to do something. He stated Payson is facing a very serious, serious situation. Councilmember Ford asked Councilmember Hancock to clarify what he meant when he said Payson needs to do something. Councilmember Hancock stated the plant has to meet technical limits to meet federal and state standards. Mr. Jockumsen stated that unless plants are brand new, all the plants will be required to complete upgrades or construct new plants to comply with the new nutrient requirements. Councilmember Ford asked if it is a major overhaul. Mr. Jockumsen confirmed that it is major upgrades.

Councilmember Hardy asked what the cost of a new plant would cost. Mr. Jockumsen stated he wasn't sure of the cost and would have to wait to determine how many cities would like to be part of the new plant.

Ms. Hubbs showed a table of the average monthly sewer rates within Utah County to show where Payson's rates would be compared to other Utah County cities with the increases. Councilmember Phillips would like to know what the north county (Timpanogos Special Service District) sewer plant is charging. Ms. Hubbs stated she would look into those charges. Ms. Hubbs stated that majority of cities are increasing the sewer rates to complete the upgrades to comply with the new federal and state standards.

Ms. Hubbs turned the time over to Mr. Jockumsen to discuss the pressurized irrigation (PI) needs of the city. Mr. Jockumsen showed some different rates that could be charged to cover the costs the city needs to pay for the meter installations. Mr. Jockumsen showed various scenarios that showed various options to increase the PI fees. He stated they could increase the base rate, increase the commodity usage, or a combination of both.

Councilmember Hancock stated we should know how much water the city is using. Councilmember Skinner stated it would be in our best interest to buy meters and install them on properties to get an idea of the water usage. Councilmember Hancock said that he would like to know how much water the city is using. Councilmember Hancock stated if the city isn't overusing water then he doesn't feel the meters should be installed because he feels the purpose of installing meters is to encourage water conservation. Councilmember Skinner stated regardless of who the meter manufacture is, he almost certain the manufacturer will give the city a few meters to try out.

DISCUSSION REGARDING UPDATE ON THE SOUTH MEADOWS PLANNING AREA

City Planner Jill Spencer led discussion about the South Meadows Planning Area. Planner Spencer stated there are some issues that have come up. She stated South Meadows is 1,000 acres surrounding the temple. She stated an economic analysis was done by Zions Bank Public Finance. Planner Spencer showed different land use scenarios. She stated that most of the scenarios were the same except for the possibility of a university. She stated Concept A and Concept B differs because of the potential for a university on the west side of the freeway.

Current Issues

- Open Space
- Development Proposals
- Multi-Family Areas
- Removal of Property (Taylor Ranch)

Planner Spencer stated that the City provides a certain level of service. Landowners have stated that the open space hurts the potential value of the homeowners land value. Open space was a major focus, but so were other development issues like wider roads.

Planner Spencer stated that there would need to be some compromise with landowners, developers, and city parks. She stated the consultant team is trying to come up with a compromise between these three interested parties. She stated the consultant team needs to understand what is important to the city.

Councilmember Skinner stated as long as we continue to compromise with developers, the city will never get the type of development the city wants. Planner Spencer stated that's why she is here to get direction from council to understand what is important to them. She stated that the city shouldn't be ignoring the level of service. She said they need to look at the open space areas and modify as needed. She rhetorically asked if we should lower the level services for the sake of development.

Planner Spencer stated citizens asked if the value of the land is reduced because of the open spaces needed is the city willing to step up and buy the land. Councilmember Hardy asked how much open space other cities are requiring. Planner Spencer stated she wasn't sure. Councilmember Hardy would like to see how Payson compares to other cities similar to size and see how much open space those cities are requiring. Planner Spencer stated she would look at other cities comparable to Payson. Planner Spencer stated there are many unknowns that may affect the impacts of their plans.

Planner Spencer stated multi-family areas are discussed in the plan as well. Planner Spencer stated they are running into challenges because the plan is not done, so they don't know how the land uses are going to transition, they don't know the size of infrastructure, they don't know where the transportation routes are going to be. She stated that it is very important to follow through with planning, but cannot deny someone from moving forward.

She stated multi-family areas would be located on both sides of the freeway. Planner Spencer stated the group needs some direction from the council to determine if multi-family housing should be located on both sides and what type. Planner Spencer stated she doesn't want to shy away from multi-family housing, but they should be very specific what type of multi-family housing they want.

Planner Spencer stated the consultants are ready to hold the next public meeting, but there have been many questions about transportation routes and other things, so they will do some preliminary engineering for the transportation routes and infrastructure before the second meeting.

MOTION by Councilmember Hardy to adjourn.

Meeting adjourned at 8:26 p.m.