

Heber City Corporation
City Council Meeting
July 2, 2015
7:00 p.m.

REGULAR MEETING

The Council of Heber City, Wasatch County, Utah, met in **Regular Meeting** on July 2, 2015, in the City Council Chambers in Heber City, Utah

I. Call to Order
City Manager Memo

Present: Mayor Alan McDonald
Council Member Robert Patterson
Council Member Jeffery Bradshaw
Council Member Erik Rowland
Council Member Heidi Franco
Council Member Kelleen Potter

Also Present: City Manager Mark Anderson
City Recorder Michelle Kellogg
City Engineer Bart Mumford
City Planner Anthony Kohler
Chief of Police David Booth

Others Present: Dennis Jensen, Diana Jacobson, Anissa Wardell, Tracy Taylor, Suzanne Hansen, Bryan Prince, Braden Wilson, and others whose names were illegible.

II. Pledge of Allegiance: Council Member Kelleen Potter

III. Prayer/Thought: Council Member Erik Rowland

IV. Minutes for Approval: June 4, 2015 Work and Regular Meetings
June 4, 2015 Draft Work Meeting Minutes
June 4, 2015 Draft Regular Meeting Minutes

Council Member Patterson moved to approve the June 4, 2015 Work and Regular Meeting minutes. Council Member Rowland made the second. Voting Aye: Council Members Robert Patterson, Jeffery Bradshaw, Erik Rowland, Heidi Franco, Kelleen Potter.

V. Open Meeting for Public Comments

Mayor McDonald asked for comments from those in the audience who wished to address the Council on topics which would not be discussed tonight.

Anissa Wardell expressed concern with Item 4 on the agenda, noting that this item was not discussed at a work meeting prior to being on this agenda. She stated it was her understanding that the City Code might need to be changed, so she hoped the Council would take time to discuss this item at length. Another concern of Wardell was putting the weight of the sewer project cost on the backs of the taxpayers. She thought that the project should be paid by impact fees only, and felt the project should occur only when the City had sufficient funds to pay for it.

Tracy Taylor stated that since this was a holiday weekend, it was not a good time to discuss the RV park issue. She hoped this discussion could be delayed to a future work meeting.

Dennis Jensen stated he would comment on Items Two and Three of the agenda at the time that the Council discussed those items.

1. [Approve Ordinance 2015-18, An Ordinance Amending Chapter 5.04, Business Licenses, Section 5.04.017, License Denial Or Revocation; Section 5.04.020, Fee-Payment in Advance; Section 5.04.030, Fee-Date Due; Section 5.04.120, Special Sales Events and Promotions; Section 5.04.140, Seasonal Businesses; Section 5.04.160, Motorized Street Vendors; and Chapter 5.05, Solicitors, Peddlers, Vendors, and Transient Salesman \(Transient Sales\), Section 5.05.030, Definitions; Section 5.05.070, Application Form; Section 5.05.080, Written Disclosures; and Section 5.05.100, Issuance of Certificates, of the Heber City Municipal Code.](#)

Business License Ordinance

Suzanne Hansen summarized the changes to the Code, which included referencing the Consolidated Fee Schedule, receiving payments, and disclosures indicating the time frame for receiving permits.

Council Member Franco asked if the wording could include language that the license would be given in the order it was received. Anderson stated a model ordinance had been distributed throughout the state due to some cities that were sued over not processing permits in a timely manner. He recommended removing the language indicating a limit of two licenses per day.

The last sentence from Sections 5.05.080 H and 5.05.100 E were recommended to be modified to read, "Certificates could usually be processed the same day." There were also some numbering errors that needed to be corrected. Other suggestions included, "Multiple certificates will be processed by the end of the next day" or "Multiple certificates may not be processed on the same day." The Council agreed to delete the last sentence of Sections 5.05.080 H and 5.05.100 E.

Council Member Rowland moved to approve Ordinance 2015-18, an ordinance amending Chapter 5.04, Business Licenses, Section 5.04.017, License Denial Or Revocation; Section 5.04.020, Fee-Payment in Advance; Section 5.04.030, Fee-Date Due; Section 5.04.120, Special Sales Events and Promotions; Section 5.04.140, Seasonal Businesses; Section 5.04.160,

Motorized Street Vendors; and Chapter 5.05, Solicitors, Peddlers, Vendors, and Transient Salesman (Transient Sales), Section 5.05.030, Definitions; Section 5.05.070, Application Form; Section 5.05.080, Written Disclosures; and Section 5.05.100, Issuance of Certificates, of the Heber City Municipal Code, with the removal of the last sentence of 5.05.080 H and 5.05.100 E, and correct the numbering errors. Council Member Patterson made the second.

Voting Aye: Council Members Robert Patterson, Jeffery Bradshaw, Erik Rowland, Heidi Franco, Kelleen Potter.

2. [Approve Ordinance 2015-19, an Ordinance Amending the Consolidated Fee Schedule Appendix "A" \(Consolidated Fee Schedule\) Associated with and Pertaining to the Sewer Rate and Utility Fee for Heber City, Title 3.15, Heber City Municipal Code, Revenue and Finance](#)
[Ordinance 2015-19](#)

Anderson related that at the time the City adopted the 2015-2016 budget, it was indicated these rates would be increased effective July, 2015. In reviewing the budget after its adoption, Anderson found the rate increase in the Consolidated Fee Schedule had not been updated. He noted that utility rates could be increased without the need for a public hearing.

Dennis Jensen stated he agreed that rate payers should pay for their own usage, but they should not pay for new development. Tracy Taylor asked how long it had been since the last sewer rate increase. Anderson indicated it had been four or five years since the last increase. Taylor asked if the rate increase would cover the bond for the Northwest Sewer Project. Anderson stated the rate increase would help cover the operating loss in the Sewer Fund, and the bond would be paid for by future impact fees. He added this sewer project was double the estimated cost, and the City would be reevaluating the impact fee rates to accommodate the increased costs. Taylor didn't think the City should go into debt.

Council Member Rowland moved to approve Ordinance 2015-19, an ordinance amending the Consolidated Fee Schedule Appendix "A" (Consolidated Fee Schedule) associated with and pertaining to the Sewer Rate and Utility Fee for Heber City, Title 3.15, Heber City Municipal Code, Revenue and Finance. Council Member Bradshaw made the second.

Voting Aye: Council Members Robert Patterson, Jeffery Bradshaw, Erik Rowland, Heidi Franco, Kelleen Potter.

3. [Ratification of Northwest Sewer Line Bid Award](#)
[Staff Report re Sewer Line Bid](#)

Anderson indicated the Council should discuss options for financing this project. Council Member Franco expressed hesitancy on moving forward with this project with the financing options presented to this point. Anderson stated that between the Industrial Park Fund, the Capital Projects Fund, and possibly the General Fund, the City could fund the balance of the project without having to bond if the Council so desired. Council Member Potter asked what

would happen if those funds were used. Anderson stated the roof on the Social Hall might not be replaced as timely or the downtown revitalization project could be placed on hold. Council Member Potter asked how long these projects would be delayed until the City saved enough money to fund them. Anderson estimated it could be 7-8 years.

Council Member Franco stated developers could prepay impact fees or other options could be considered so the City wouldn't have this liability. Mayor McDonald noted if the project was delayed, the cost would go up by \$500,000 or more. Anderson indicated the developers offered to loan the City \$1 million at 2% interest. Council Member Franco asserted the City would have a conflict of interest if that option was considered. She indicated she was not in favor of paying interest to Zions Bank either. Anderson stated if the City borrowed from itself, it could repay those funds as impact fees came in, and noted that borrowing from City funds would carry a 1% interest rate. Anderson stated there was approximately \$500,000-\$600,000 in the Capital Projects Fund that could be used, delaying the replacement of the Social Hall roof, and another \$200,000 or more could be used from the Industrial Park Fund, depending on how fast the City could sell the lots in the Airport Industrial Park. Council Member Franco noted that the City-owned property on 500 West could also be sold. Dennis Jensen asserted that whatever the Council decided with this issue would set a precedent for the future.

Council Member Bradshaw stated he was in favor of proceeding with the contract and would consider borrowing from City funds, but noted the project should proceed. Council Member Rowland agreed that the contract should move forward. He was amenable with looking at financing options, but felt if the approved projects like the Social Hall roof and the Public Works building were delayed, they would still be needed and the list of needs would continue to grow. He didn't think these projects should be delayed and asserted if a bond was issued, current taxpayers would not have the financial burden, since it would be paid by future impact fees. Council Member Potter preferred borrowing from City funds to fund this project. Council Member Patterson stated the City needed to move forward because it couldn't wait to see if the economy would decline.

Anderson stated the developer prepaying with a lock on the impact fee rate was not an option. He also noted the General Fund could loan \$300,000-\$400,000. Council Member Franco was in favor of borrowing from these City funds. Anderson noted the Industrial Park Fund had uncommitted money as well. Council Member Bradshaw indicated that people used debt to fund homes, etc. The City had done a good job restraining from borrowing money. He didn't know how wise it was to not proceed with desperately needed projects because some anticipated that the economy might decline. He noted one thing that helped the City was the commercial expansion. Council Member Rowland felt many businesses had left the City because of high impact fees; therefore, he was against increasing the fees because the commercial entities supported the tax base.

Council Member Franco moved to approve the ratification of the Northwest Sewer Line Bid Award and that the City would pursue internal financing options with interest paid back into the funds based on future impact fees, and for the City to pursue immediate studies to increase the

sewer impact fees and any other impact fees that are necessary. Council Member Potter made the second.

Voting Aye: Council Members Erik Rowland, Heidi Franco, and Kelleen Potter. Voting Nay: Council Members Robert Patterson and Jeffery Bradshaw.

4. [Approve Revised Draft of the Mountain Valley RV Resort Zone Change and Covenants Running with the Land](#)
[Staff Report re Millstream RV Park Agreement](#)
[Zone Change Agreement and Covenant Running With the Land](#)

Kohler indicated that Millstream was not present tonight and others in the audience felt this issue should be discussed at a future meeting. Council Member Franco indicated she had an issue with the proposed agreement, in that Millstream redlined their intent to construct 2400 South. Mayor McDonald felt that this item should go back to the next work meeting for further discussion.

Council Member Bradshaw moved to continue discussing the revised draft of the Mountain Valley RV Resort Zone Change and Covenants Running with the Land. Council Member Patterson made the second.

Voting Aye: Council Members Robert Patterson, Jeffery Bradshaw, Erik Rowland, Heidi Franco, Kelleen Potter.

5. [Approve Easement Abandonment for Mill Road Estates Phase 2](#)
[Mill Road Estates Phase 2 Easement Abandonment](#)

Kohler explained this easement was created to facilitate access in the Phase II development, but the intention was always to eliminate it once Phase IV was approved. There was discussion on the culvert under 400 South, and it was noted that the culvert in Phase IV would be 48 inches in diameter. Bryan Prince with Ivory Homes stated the plan was to install the culvert next year.

Council Member Bradshaw moved to approve the Notice of Easement Abandonment for Mill Road Estates Phase 2. Council Member Patterson made the second.

Voting Aye: Council Members Robert Patterson, Jeffery Bradshaw, Erik Rowland, Heidi Franco, Kelleen Potter.

6. [Ivory Homes, Final Plat Approval Mill Road Estates Phase IV, a 32 Lot Subdivision located at 400 South Mill Road, along with the Associated Subdivision Agreement](#)
[Staff Report re Mill Road Estates Phase 4 Final Approval](#)
[Mill Road Estates Phase 4 Subdivision](#)
[Mill Roads Estates Phase 4 Subdivision Agreement](#)
[Mill Road Estates Phase 4 Subdivision Agreement](#)

Council Member Potter was not in favor of the bonus lot shown on the Phase IV plat map. There was some discussion regarding the bonus lot reserved for affordable housing. Bryan Prince stated this phase had been approved without the culvert but at the City's request, Ivory Homes agreed to that condition. With regard to the bonus lot, he was not aware of the ordinance change, and stated he would be happy to absorb the lot into the other lots within the subdivision.

There was also discussion on fence colors required in the subdivision. Council Member Potter asked if the trail within the subdivision would be paved. Prince stated he didn't know, but that was a question for the HOA. Council Member Franco asked what the plans were for the dead end at 400 South. Kohler indicated the road would eventually connect with 400 South on the other side of the canal.

Council Member Rowland moved to approve Mill Road Estates Phase IV, a 32 Lot Subdivision along with the associated Subdivision Agreement with the condition that Lot 402 be absorbed into the neighboring lots. Council Member Patterson made the second.

Council Member Potter requested that the motion be amended to rephrase the Subdivision Agreement in Paragraph 1B so that the fences would need to have the same materials for homes that fronted Mill Road. Council Member Rowland amended his motion to that effect. Council Member Patterson amended his second.

Voting Aye: Council Members Robert Patterson, Jeffery Bradshaw, Erik Rowland, Heidi Franco, Kelleen Potter.

[7. Red Ledges, Approve Request to Discharge Fireworks on July 4, 2015 Red Ledges Fireworks Restrictions, Conditions and Indemnifications](#)

Council Member Patterson moved to approve Red Ledges' request to discharge fireworks on July 4, 2015. Council Member Potter made the second.

Voting Aye: Council Members Robert Patterson, Jeffery Bradshaw, Erik Rowland, Heidi Franco, Kelleen Potter.

[8. Discuss Development Fees for Proposed Best Western Hotel Best Western Impact Fees](#)

Council Member Rowland requested that this item go to a work meeting for more discussion. Council Member Bradshaw asked if Best Western had requested a discount in fees from the Heber Valley Special Service District. Council Member Patterson stated they didn't attend the district's last meeting. Council Member Franco asserted she was no longer in favor of entities making impact fee payments over time due to the need to pay for the sewer project. Mayor McDonald indicated many developers were watching to see how the Council reacted to this request. Council Member Rowland asked if all the options had been explored with regard to incentives to attract businesses. Anderson stated one option was to offer water rights at a discounted rate. Council Member Rowland suggested some other factors to consider in

determining discounts, such as how much revenue the business would bring to the City. Mayor McDonald asserted consideration should also be given to businesses who would want to revitalize the downtown. Council Member Potter suggested tourism businesses should be given consideration if that was how the City wanted to define itself. Council Member Franco stated she wanted to minimize risk and discounts given up front would increase the City's risk.

Mayor McDonald asked if the Council was in favor of offering an impact fee discount to Best Western at this time. Council Member Rowland was in favor of offering a discount. Council Member Bradshaw stated he was open to the idea, but wanted to discuss it more. He noted he was in favor of discounts for tourism related businesses. Council Member Franco felt this was a visioning discussion, and that it didn't relate to this topic specifically. Council Member Potter was in favor of Wendy Fisher with Utah Open Lands coming to share her insights and knowledge for Heber's visioning process. Council Member Franco indicated she would like to have Workforce Services compile data and demographics of the City, so the Council and staff could do better planning with the tax base, infrastructure, etc.

Council Member Bradshaw moved to continue this discussion on development fees for the proposed Best Western hotel. Council Member Patterson made the second.

Voting Aye: Council Members Robert Patterson, Jeffery Bradshaw, Erik Rowland, Heidi Franco, Kelleen Potter.

Chief Booth indicated that there was a crosswalk sting today. He gave the numbers of violations and compared it to a sting performed in April. The numbers were significantly higher; with one reason being it was summer and a holiday weekend.

Anderson noted that the pressurized irrigation project from 1000 South to 400 South on 300 West was almost finished. He asked when the City should start mandatory billing. After some discussion, Anderson stated he would draft a letter indicating that residents in the affected areas would be billed beginning the First of May, whether the residents had connected to the irrigation lines or not. Anderson also noted two new hires, Candace Bufton as Public Works Secretary and Bryan Bowers as Bailiff. Council Member Rowland asked about pressurized irrigation usage for the Cove at Valley Hills Subdivision. Anderson stated he would ask Devin McKrola.

9. [Closed Meeting](#)

Council Member Patterson moved to enter Closed Session at 9:25 p.m. to discuss real estate. Council Member Bradshaw made the second. Voting Aye: Council Members Robert Patterson, Jeffery Bradshaw, Erik Rowland, Heidi Franco, Kelleen Potter.

Upon adjournment from Closed Session at 10:05 p.m., the Regular Meeting was adjourned.

Michelle Kellogg, City Recorder