

KAYSVILLE CITY COUNCIL
AUGUST 4, 2015

Minutes of a regular meeting of the Kaysville City Council held August 4, 2015 at 7:00 p.m. in the City Council Chambers of the Kaysville City Municipal Center.

Council Members present: Mayor Steve Hiatt, Mark Johnson, Ron Stephens, Jared Taylor, Brett Garlick and Susan Lee.

Others present: City Manager John Thacker, Recorder Linda Ross, Engineer Andy Thompson, Police Chief Sol Oberg, Parks Director Cole Stephens, Power Superintendent Gary Hatch, Resource Manager Bruce Rigby, Dan Udy, Cam McKinnon, Darrell McKinnon, Ramona Porter, Margaret Brough, Richard Swensen, Curt Stromberg, Steven Snow, John Sheffield, Stan Gallagher, Janet Gallagher, Katie Witt, Chuck Eagleston, Brigg Lewis, Lynn Galbraith, Camille Galbraith, Lorene Kamalu, Jacob Fenn, Ryan Murphy, Jacob Murphy, Brenda Harris, Susan Harris, Ryan Harris, Sam Hood, Gary Hood, Jordan London, Mark London, Craig Caldwell, Mitchell Rohwer, Nicholas Wheeler, Alan Naumann, John Loveless, Diane Morrell, Marily Gren, Rebecca Nelson, Sarah Wright, Virginia Read, and Lew Read.

VOLUNTEER OF THE MONTH RECOGNITION

This item was postponed.

YARD AND GARDEN AWARDS

Council Member Taylor explained that four yards were nominated to receive Yard and Garden Awards, Gallaghers, Fulmers, Reads, and Eaglestons. He congratulated them and presented them with gift certificates from Tri-City Nursery, Joe's Greenhouse and Taco Time.

EXPLANATION OF DAVIS SCHOOL DISTRICT BOND FOR NOVEMBER BALLOT

John Sheffield, representing the Davis School District, explained that on the November ballot will be a \$298 million school bond. The bond will be used to pay for a new high school in Farmington, a new junior high school in Layton, an elementary school in the northwest portion of the School District, to maintain and enhance existing infrastructure, and depending on growth, possibly another new elementary school in the northern portion of the District. He explained that on an average home of \$240,000, residents would pay \$13.32 over a five year period.

Council Member Lee wanted to know if taxes will remain about the same as they are now when existing school bonds are paid off.

John Sheffield stated that this bond will increase taxes by about \$2.00 to \$3.00 per year, per home and at the end of five years it should not have increased taxes more than \$13.32 for the average home. The School District has tried to be consistent and this bond is reflective of that.

Council Member Stephens expressed appreciation to the School District for allowing the City to use their facilities, which improves activities for the community.

Council Member Taylor asked Mr. Sheffield for a copy of the project list for the proposed bond.

John Sheffield stated that he would provide that.

CALL TO THE PUBLIC

Sarah Wright stated that she is from Utah Clean Energy who work to enhance energy efficiency. She explained that they also work on rooftop solar issues. They are seeing a lot of change and they have a lot of resources for study. She suggested a framework to look at cost and benefit of solar and private investments and at ratepayer impact. They are currently involved with Rocky Mountain Power in looking at cost benefits and money the utility doesn't have to invest. They also look at rate impact and consider the best rate designs. She explained that Utah Clean Energy can be a resource for the City.

Harrison Cooper asked the Council to consider installing a four-way stop sign at Angel Street and 200 North. He explained that there was an accident there last night. He believes people think this intersection is a four-way stop and because it is not, it is confusing.

Andy Thompson explained that the City has applied for, and will receive, funding to install a traffic signal at that location, however, installation could be four years away. If that intersection meets the warrants, the City could install a four-way stop sign until the light is installed. He will study that intersection to see if it should be signed.

Spencer Luke stated that he believes that if citizens involved in net metering are attached to the energy grid, they need to pay their fair share. He has no problem with that. He wanted to know if there are residents that have an electric bill less than \$37. If there is, he doesn't believe it is fair for people on solar to have a base pay yet people using energy with bills less than \$37 to not have the same base pay. He hopes that will be part of the cost analysis.

Susan Harris recommended that "exit only" signs be placed at the entrance to the new Maverik store on 200 North. The first week the store was open she came face to face with three cars in her turn lane. She believes that people don't realize the drive into the store on 200 North is an enter only lane.

Mayor Hiatt stated that he believes that "no exit" signs in the drive-in only lane are being installed by Maverik but City staff will check on that.

UPDATE ON TIMELINE AND PROPOSED PUBLIC PROCESS FOR CONSIDERING AMENDMENTS TO KAYSVILLE CITY DISTRIBUTED GENERATION PROGRAMS AND POLICIES, ALSO KNOWN AS SOLAR POWER NET METERING

Mayor Hiatt explained that the City Council authorized a temporary moratorium on net metering so they could assess the cost impact and fairness to all ratepayers. Council Members have received feedback since then advocating both sides of the issue. He recommended the following timeline for amendments to distributed generation programs and policies:

- August 7: Post documents online for public review
- August 12: Explain program and policies and answer questions at a special City Council meeting beginning at 6:00 p.m.
- August 18: Schedule a Public Hearing at 6:00 p.m. on Distributed Generation Program and Policies and then adopt the Program if it is ready at the City Council meeting that will begin at 7:00 p.m.
- September 1: If needed, adopt the Program at the City Council meeting that will begin at 7:00 p.m.

John Thacker explained that as staff began to work on the documents, they realized that more information is needed from a rate study. He recommends proceeding with the documents with numbers to be provided from results of a rate study. He explained that the procedure could be modified to accelerate the accommodation of solar integration into the resource mix by changing the process proposed. Utah Associated Municipal Power Systems (UAMPS) advised the City on distributed generation becoming a large part of Kaysville's resource future. Solar is emerging as the technology which is the biggest part of Kaysville's distributed generation. Net metering is not the efficient or fair way to integrate that generation technology into the resource mix. The City sought a moratorium on new net metering to craft a better plan. It appears the better way is through a feed-in tariff, wherein customers who generate power have their production metered separately from their consumption. If net metering customers have two meters on their premises, the City can better manage not only the energy they take from the system, but their contribution to the system. That way the City can better plan and develop the system resources and can better incentivize the development of solar through pricing, while promoting equity. UAMPS encouraged the City to incentivize solar because it is a valuable resource as distributed generation. The City agrees with that, therefore, the City would like to have the ability through a feed-in tariff to incentivize that development, which requires a cost of service and rate design study. That study is estimated to take three months. He proposed an intermediate step in the process, which would be to modify the net metering to limit new system sizes to 10 kW and require installation of production meters, leaving the rest of the provisions the same and lifting the moratorium. That could be done on August 12 and the City could then proceed to develop the feed-in tariff approach based on the rate study.

Council Member Stephens expressed concern about giving false expectations. If the Council lifts the moratorium and then learns about things that would conflict, he is concerned with problems that could occur if changes are required.

John Thacker explained that that is the reason for limiting the size to 10 kW so participants don't over invest if there is something that has to be changed.

Mayor Hiatt explained that what caused the concern about net metering is that customers are not being treated equitably. There has been some debate about a meter that rolls forward and then rolls backward if there is demand on that meter. The City needs to determine what the fair and equitable amount is and how many of the 52 users are putting more resource back onto the system than they are taking.

Bruce Rigby explained that a production meter would account for all they are producing.

Council Member Lee wanted to know who would pay to install the production meter.

Bruce Rigby stated that the homeowner would. Some providers are doing that now. He believes that 10 kW is pretty generous. 95% of the installations in the City are less than that.

John Loveless stated that he has 11.4 kW which powers both his heating and his car. He believes 10 kW is a good number.

Council Member Garlick stated that when the Council recently talked about water rate changes they implemented a tier structure so people conserving would be charged less. He hopes the same principal can be applied here. He wanted to know if the new program would apply to all solar users.

John Thacker explained that it will be applied to new participants. Those on the program now will be grandfathered in but if they increase their kW they will be required to go with the new policy.

Council Member Taylor stated that the moratorium is only on the net meter agreement. Citizens can still install solar panels. He wanted to know if this is only beneficial if a citizen can put the power back in the grid.

Bruce Rigby explained that this is a large investment for people and they want to know before they sign a 20 year contract what the return on the investment is and how long it will take to break even.

John Thacker stated that any load that Kaysville can avoid is a benefit to the system.

Mayor Hiatt recommended that the Council meet on August 12 to lift the moratorium and consider modifications to the net metering policy as proposed by the City Manager. Approval of a Cost of Service and Rate Design Study will have to be presented to the Council for approval because it will cost money. UAMPS will give the City an idea of what that will entail. As soon as the Study is complete, the matter will come back to the City Council.

Council Member Garlick made a motion instructing City staff to finish the draft documents and make them available on the City website by 5:00 p.m. Friday, August 7, 2015, schedule a special City Council meeting for 7:00 p.m. on August 12, 2015 to have UAMPS give a presentation and allow public comment and to lift the moratorium on net metering, and to approve the cost for a Cost of Service and Rate Design Study, second by Council Member Johnson.

The vote on the motion was as follows:

Council Member Johnson, yea
Council Member Stephens, yea
Council Member Taylor, yea
Council Member Garlick, yea
Council Member Lee, yea

The motion passed unanimously.

ACCEPTANCE OF IMPROVEMENTS IN KAYSVILLE SUNSET EQUESTRIAN ESTATES PLAT 13B SUBDIVISION

Andy Thompson explained that this subdivision is located at Mare Drive and Seabiscuit Drive. This phase consists of three lots and a portion of the trail. The improvements have been completed and inspected and are ready to be accepted.

Council Member Taylor made a motion accepting the improvements for Kaysville Sunset Equestrian Estates Plat 13B Subdivision with a 10% surety and one year warranty, second by Council Member Garlick.

The vote on the motion was as follows:

Council Member Johnson, yea
Council Member Stephens, yea
Council Member Taylor, yea
Council Member Garlick, yea
Council Member Lee, yea

The motion passed unanimously.

APPROVAL OF LOAN AGREEMENT FOR LOAN OF THE "CELEBRATING KAYSVILLE" MURAL TO DAVIS COUNTY FOR TEMPORARY PLACEMENT IN THE NEW KAYSVILLE BRANCH OF THE DAVIS COUNTY LIBRARY

Mayor Hiatt explained that the Davis County Library has requested that the "Celebrating Kaysville" mural, which is located in the current library, be moved to the new building of the Kaysville Branch of the Davis County Library. The Council was sent a copy of the proposed agreement to temporarily loan the mural to Davis County. He explained that the mural will remain the property of Kaysville City.

Council Member Stephens made a motion approving the loan agreement for loan of the "Celebrating Kaysville" mural to Davis County for temporary placement in the new Kaysville Branch of the Davis County Library, second by Council Member Johnson.

The vote on the motion was as follows:

Council Member Johnson, yea
Council Member Stephens, yea
Council Member Taylor, yea
Council Member Garlick, yea
Council Member Lee, yea

The motion passed unanimously.

COUNCIL MEMBER REPORTS

Council Member Stephens expressed appreciation to Mayor Hiatt and Public Works Superintendent Larry Mills for their assistance during the heavy rainstorm yesterday. The ditch in his backyard is typically 18-24" wide and about the same depth. Following the rain yesterday it rose to at least 3' deep and 20' wide and came to within 6' of going into his barn. He explained that Mayor Hiatt and Larry Mills were going around the City checking on water issues. The proactive attitude was impressive.

Council Member Lee complimented the great citizens of the City who pulled debris from drainage ditches. Also, a citizen west of Angel Street complained to her about the road being torn up for too long. She wanted to know what the policy is on street construction.

Andy Thompson stated that as long as work is continuing, there is no timeframe.

Council Member Garlick stated that there will be a Traffic Calming Guideline Committee meeting tomorrow. At the past meeting, it was decided to consolidate plans from the Police Department and City Engineer. A draft of that consolidated plan will be available soon.

MINUTES

Council Member Johnson made a motion approving the July 21, 2015 minutes, second by Council Member Stephens.

The vote on the motion was as follows:

Council Member Johnson, yea
Council Member Stephens, yea
Council Member Taylor, yea
Council Member Garlick, yea
Council Member Lee, yea

The motion passed unanimously.

CLAIMS

Council Member Taylor made a motion approving claims in the amount of \$763,408.72, second by Council Member Garlick.

The vote on the motion was as follows:

Council Member Johnson, yea
Council Member Stephens, yea
Council Member Taylor, yea
Council Member Garlick, yea
Council Member Lee, yea

The motion passed unanimously.

CALENDAR

The Council Members reviewed a three month calendar.

Council Member Taylor made a motion to change the time of the August 18, 2015 City Council meeting to 8:00 p.m., second by Council Member Stephens.

The vote on the motion was as follows:

Council Member Johnson, yea
Council Member Stephens, yea
Council Member Taylor, yea
Council Member Garlick, yea
Council Member Lee, yea

The motion passed unanimously.

Council Member Garlick made a motion for adjournment at 8:35 p.m., second by Council Member Stephens and passed unanimously.