

JANUARY, 20 2016 PAYSON CITY COUNCIL MEETING MINUTES

ATTENDANCE: Mayor Moore; Council member Linda Carter, Mike Hardy, Brian Hulet, Scott Phillips and Doug Welton; City Manager Dave Tuckett; Finance Director Sara Hubbs; City Attorney Mark Sorenson

Meeting began at 6:02 pm.

PRAYER & PLEDGE OF ALLEGIANCE: Prayer offered by Nathan Lauber; Pledge of Allegiance led by Jacob Brown.

CONSENT AGENDA: Approval of January 6, 2016 Payson City Council Meeting Minutes.

MOTION by Councilmember Hardy to approve the Consent Agenda. Motion seconded by Councilmember Welton. Motion Carried.

PUBLIC FORUM: Public Forum opened at 6:04 p.m.

No member of the public spoke.

Public Forum closed at 6:04p.m.

STAFF REPORTS:

RECREATION – Recreation Director Karl Teemant stated that basketball is starting. H stated competition cheerleading will compete this Thursday. He stated they are taking registrations for Little Miss Payson, which 30-40 young girls participate, and they are taking registrations for the women’s volleyball Nebo invitational.

PUBLIC SAFETY - Fire Chief Scott Spencer stated they have the CERT program going that started last Wednesday and will go for about nine weeks and will usually do it when they have 12 participants. Mayor Moore asked how long the certification is good for. Chief Spencer stated the certification is good forever.

He stated ambulance ran over 1700 calls during calendar year 2015 and is up almost 170 calls from the prior year and the fire department ran over 470 calls last year which is up almost 50 calls from the prior year.

POLICE – Chief Bishop mentioned the police department had 601 calls, 53 arrests, 93 offenses, 121 citations which resulted in 168 violations, 2 DUIs, 206 traffic stops, and 26 accidents. He stated the calls are down from the last two weeks.

He stated Saturday march 5th is the first licensing and rabies clinic at the police department from 10 a.m. to noon. Mayor Moore asked if the police department was doing anything with zero fatalities programs. Chief Bishop stated an officer is assigned to the state board and does work with that program. He stated they do stings for Halloween, New Year’s Eve and other big holidays. He stated the state gives the city money to cover overtime to do DUI stings. He stated the Highway system just gave the police department a \$5,000 grant to cover a video system for one of their cars. Chief Bishop informed the Mayor and Council that the K-9 officer secured a grant to buy a bullet proof vest.

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ADMINISTRATION – Cheryl Hobbs stated that staff has noticed that the citizens have voiced concern about the increase in utility bills. She presented examples of utility bills and explained that the cause of the utility bill increase. She said the equal pay customers' bills are adjusted each June and December; thus, the sewer rate increase was adjusted for in December.

Councilmember Phillips stated that staff should have included a notice on the bill that stated why there could have been an increase. Ms. Hobbs stated that they included a notice in the newsletter and a notice on the website. Councilmember Phillips suggested that staff should include the notice in the bills twice a year, during the months when the equal pay is adjusted. Councilmember Welton suggested that the notice of equal pay adjustment be included on the bill 4 times in the year. Ms. Hobbs stated she would talk with the printer and see if the notice could be included on the bill.

Councilmember Welton stated his appreciation for the staff that monitors the social media and tries to get the information and facts out to the citizens.

COUNCIL REPORTS:

Councilmember Hardy stated that the Chamber will have its annual meeting at the Veterans home on February 11th, which is a Thursday night. He stated they had their annual planning meeting and have set the plan for the year.

Councilmember Welton asked if council and staff could do a comparative analysis on user fees and property taxes, so the citizens can see where they stand. Councilmember Hardy stated that staff presented that information last year and mentioned that staff could present that information again if they'd like. Mayor Moore asked Finance Director Sara Hubbs to prepare that information for next council meeting.

Councilmember Carter stated that she is going on a tour of the sewer plant.

Councilmember Hulet asked when the utility rate analysis is presented that it be posted on the web site for the all citizens to see.

Councilmember Phillips asked if staff could write a friendly reminder and ask businesses not to push snow on the sidewalks. He stated he would give staff a list of businesses that could use the reminders, so that those who have to use sidewalks are able to.

Councilmember Carter echoed Councilmember Phillips concern and stated that citizens have complained about businesses plowing the snow in the sidewalks and crosswalks.

Mayor Moore stated that there was an internal audit on Strawberry Water. He passed out a letter that will be sent to Strawberry Water from Salem, Spanish Fork, and Payson. He stated he wants to keep this item as transparent as possible. He stated his appreciation for Fire, Ambulance, Police, and Parks for helping with the effects of the winter season.

SCOUT ATTENDANCE CERTIFICATES – Councilmember Welton presented attendance certificates to the following scouts in attendance: Nathan Lauber, Mark Peterson, Jared Peterson, Jacob Brown, Jared Grammer, and Kayden Lloyd.

FIRE DEPARTMENT SERVICE AWARDS

Mayor Moore presented Stan Spencer and Theron Hill fire department service awards.

Theron Hill has served for more than 55 Years and Stan Spencer has served for 50 years with Payson Fire Department.

POOLING APPENDIX (UAMPS)

Mr. Ron Crump Electric Director stated this document allows the City to schedule market power through the Colorado River project because they schedule through a different market than UAMPS. He stated this agreement will only go through March 2016 and will have to be renewed and will be an annual contract after that. He said they will be able to schedule hourly or in blocks and this agreement gives the city another option to keep the costs down.

Councilmember Welton asked if the power department could get better rates if they sign longer term deals. Mr. Crump stated that this is not setting any amount; it just allows them to schedule a block.

MOTION by Councilmember Hardy to adopt the resolution authorizing entering into the pooling appendix for scheduling, accounting, and billing procedures for member scheduled Wester replacement power. Motion seconded by Councilmember Welton. Motion Carried. All present voting aye.

ABANDONED CEMETERY LOTS

Mr. Mark Sorenson city attorney stated that staff has done an inventory on the lots in the cemetery that may have been abandoned. He stated this resolution will give staff the authority to proceed with the procedure. He stated that the lots can't even be looked at unless there is no activity for over 50 years. Mr. Zobell stated that the newest lot hasn't had activity since 1953. Mr. Zobell presented information to the Council regarding the list of lots they were going to look at. Mr. Sorenson stated this will start the publication and noticing process to give citizens an opportunity to respond. Mayor Moore asked what happens if the family comes in and claims the plots. Mr. Sorenson stated that state law allows for reallocation if someone comes in later and notifies that the lot was his.

Councilmember Phillips asked if staff has tried to contact these individuals. Mr. Sorenson stated that this is the beginning of that process to contact the individuals.

MOTION by Councilmember Hardy to approve resolution authorizing staff to initiate the process provided for in the state law to evaluate and identify cemetery lots that have been historically abandoned and proceed to make those abandoned lots once again available to the public. Motion seconded by Councilmember Phillips. Motion Carried. All councilmembers present voting aye.

MOTION by Councilmember Phillips to go into public hearing. Motion seconded by Councilmember Welton. Motion Carried.

RESOLUTION APPROVING FY16 BUDGET AMENDMENTS

City Manager Dave Tuckett presented the following budget amendments that departments had submitted for the council to review:

1. \$10,000 for Tour of Utah.
2. \$33,200 to cover employee retirement and increase in wages for new hire.
3. \$12,900 carryover from prior year for the Peteetneet Restoration.
4. \$45,000 Peteetneet sprinkler system.
5. \$12,750 for Development Services software.
6. \$5,364.45 for RMT steel cab and doors, snowplow and other items for the Kawasaki mule.
7. \$500 donation from Mountain View hospital for Strengthening Families program.
8. \$5,585.46 increase in Police overtime for grants received.
9. \$7,300 increase in Police overtime for police overtime reimbursement revenue received.
10. \$2,500 increase in Police equipment from a WalMart donation.
11. \$2019.50 increase in Police K-9 supplies and drug task force from miscellaneous donations.
12. \$802.50 increase for Police equipment from sale of surplus property.
13. \$3,170 increase for skiing expenses due to increase in revenue received.
14. \$265 increase in Senior Citizen supplies from senior citizen annual membership revenue received.
15. \$3,000 increase in Senior Citizen improvement Eldridge grant due to excess \$3,000 received.
16. \$1,695 increase in Victim Advocate supplies due to state grant received.
17. \$2,000 increase in Fire equipment due to increase from State Lands grant.
18. \$50,000 increase in B&C expenses due to HB362 additional revenue projected. \$15,000 will be used for 900 south which is related to the 780 west project.
19. \$3,000 increase in Storm improvements from Fund Balance.
20. \$49,984 increase in Park impact fee improvements from Fund Balance.
21. \$34,000 increase in Golf Greens improvements due to sale of Haskell Property.
22. \$300 increase in Peteetneet donations due to a donation received.
23. \$25,000 increase in Ambulance professional fees from increase in billing for Medicaid billing and for the billing from the State.
24. \$16,179 increase in workers comp expense for all departments due to a PEHP renewal dividend received.

Councilmember Hardy asked if the Peteetneet sprinkler system was brought up as an item to complete with the increase in property taxes. Ms. Hubbs stated that it was discussed as a potential item, but a new police officer was hired with the new property tax revenue.

Ms. Hubbs stated that the General fund balance was at 24% of budget revenues as of June 30,2015, which meets the state requirement of having a general fund balance between 5% to 25% of budgeted revenues. She noted that the capital project fund balance was wiped out due to the transfer to the golf course. She also stated that the parks impact fee fund had a healthy fund balance and felt comfortable with the budget amendments as proposed. Councilmember Phillips asked Ms. Hubbs where the general fund balance is projected to be. Ms. Hubbs stated the fund balance would depend on the net gain or loss the city had this fiscal year, so it's difficult to estimate at this time.

MOTION by Councilmember Phillips to close public hearing. Motion seconded by Councilmember Welton. Motion Carried.

Councilmember Hulet asked if the donation from Mountain View hospital for the tour of Utah had been accounted for. Ms. Hubbs stated that donation had been rung into the donation account, but was not included in the budget amendments presented tonight. Mr. Tuckett stated after all of the donations were received and the accounting of the Tour of Utah was completed, staff would bring that amendment to council.

Councilmember Welton asked how the money is tracked when it is donated. Ms. Hubbs stated that the amounts are recorded to the related departments account.

MOTION by Councilmember Phillips to approve resolution approving budget amendments for the fiscal year 2016. Motion seconded by Councilmember Carter. Motion Carried. All present voting aye.

ANIMAL CONTROL LICENSING COSTS

Police Chief Brad Bishop passed out the current fee schedule relating to animal control. He stated the police joined forces with South Utah Valley Animal Control Shelter. He stated this partnership will allow the animal control officer to patrol to the full extent because before the officer was limited due to the capacity of the other facility. He stated he wants to adopt the same fee schedule as other members of the South Utah Valley Animal Control Shelter. Chief Bishop stated that they are trying to get in line with other cities so if people move it won't cost them a lot. He stated their goal is to bring the licensing up, so the animal control officer can take the animal home instead of to the shelter. Mayor Moore asked what the incentive is for citizens to participate. Chief Bishop stated the incentive is to get their pets spayed or neutered. He stated the shelter will help with retention and prevention. He stated they are going to try and license and vaccinate as many animals as they can and hold clinics at different times throughout the year.

MOTION by Councilmember Phillips to approve the resolution amending the Payson City fee schedule to reflect the changes in the animal control licensing fees and to be more in line with other cities in the county. Motion seconded by Councilmember Hardy. Motion Carried.

RESOLUTION APPROVING THE EMPLOYMENT CONTRACTS OF APPOINTED EMPLOYEES

City Manager Tuckett stated that some appointed employees have contracts and others do not, so he is presenting contracts for the appointed employees that do not have the contracts. He stated that currently the city manager Dave Tuckett and city attorney Mark Sorenson have a contract. He stated if the council approves these contracts that will give all appointed employees a contract.

Councilmember Carter asked who were the appointed employees. Mayor Moore noted it was the city manager, city attorney, public works director, police chief, fire chief, recorder and treasurer.

MOTION by Councilmember Phillips to approve resolution establishing contracts for appointed employees. Motion seconded by Councilmember Hulet. Motion Carried.

REQUEST FOR AUTHORIZATION TO APPLY FOR TRANSPORTATION FUNDS

City Planner Jill Spencer stated that the Mountainlands Association of Governments (MAG) has federal, state, and county grant funds available for transportation projects. which the cities within the MAG is a rigorous. She stated staff is looking at three different projects for 2019 and 2020 and there is about \$30 to \$40 million available. She stated most cities pursue the county grants because there aren't a lot of strings attached. She stated in the past a match was not required for the County funds, but the County Commissioners about one month ago approved the 6.7 to 7 percent match.

She said the city previously received money for the following three projects:

- Curb, gutter, and sidewalk on SR198 going out past Payson Junior High School
- Curb and gutter on the east side of 600 East from the highway to the mouth of the canyon
- Study for SR198 bottleneck and downtown.

Councilmember Hardy asked if it is just curb and gutter. Planner Spencer stated it is curb, gutter, and sidewalk. Mayor Moore stated that council needs to be more proactive with the MAG projects because Orem had 12 projects, Provo had 15, and Payson only had 3 projects. Planner Spencer agreed that Payson needs to look at potential MAG projects every year even though the application process occurs every two years.

She stated that the following three projects will be submitted:

- Transportation Study for Goosenest Drive and Salem Canal Road
- Curb, gutter, and sidewalk on the east side of SR198
- Curb, gutter, and sidewalk on Utah Avenue on the south side.

Councilmember Welton asked why the city is only submitting three projects if the city can submit as many as they want. Planner Spencer stated that only certain roads meet the criteria, so it limits what projects can be submitted. Planner Spencer noted staff needs to update the map that shows functionally classified roads. Planner Spencer stated that if the projects also requires matching funds then the city is limited because of funds as well and they don't want to have to decline the grants because that could impact the voting process.

Councilmember Hulet asked if we could ask for matching funds from the individuals or entities that may benefit from the improvements. Planner Spencer stated she didn't know if that was a possibility, but she said staff can look into that option.

MOTION by Councilmember Philipps to approve staff to apply for MAG transportation funds as proposed. Motion seconded by Councilmember Carter. Motion Carried.

WORK SESSION – CITY COUNCIL AND STAFF GOALS

City Manager Tuckett presented the goals and capital improvement projects that staff felt were a priority. Mr. Tuckett stated the five-year goals of the departments were included in the council packets.

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Mr. Tuckett asked how council would like to proceed. Councilmember Phillips said that he felt the new councilmembers needed time to become familiar with the budget.

Councilmember Phillips stated that some work needs to be done near the fire station and Coffee Joes. Councilmember Welton agreed as well. Councilmember Phillips stated that Mark Hyland purchased items to help with beautifying the sidewalks on Main Street. Councilmember Phillips said the sidewalks have buckled due to tree growth, so they were looking at alternatives to beautify instead of trees.

Mr. Tuckett stated that the beautification can get expensive because it costs so much to do everything. Mayor Moore said the improvements need to be made a block at a time. Mr. Tuckett said they may be able to do it block by block and do a special improvement district to help pay for it.

Councilmember Welton stated it would be nice to move the parking stalls to the east side. Councilmember Phillips stated he would like the Main Street to go two ways. Discussion was held regarding Main Street.

Citizen asked if there was a master plan. Mayor Moore stated that there is no plan, but once again it comes down to money. Councilmember Hardy asked if the council is jumping the gun before it is known what UDOT is going to do with the interchange. Mayor Moore stated that we may be jumping the gun if a new water line is going to be installed.

Councilmember Welton stated that the city should pursue to find out how much it would cost to build a reservoir, piping the high line canal, and the stadium cinema bowl. He stated that all of the facts of the water need to be analyzed because he feels water is the most important issue. Councilmember Hardy and Councilmember Hulet agreed that water is the most important issue.

Mayor Moore talked about the work he has been doing in regards to resolving the water issues. He stated that he told the Public Works Director Travis Jockumsen to proceed with the Nebo Water study which would cost the city about \$10,000. Mr. Tuckett stated that SUVMWA did a study on the ground recharge that Mt. Nebo Water wants to build on. Citizen asked why the new water line, that the Mayor mentioned, was not going through the high line canals. Mayor Moore stated there was a study that was done and was approved by the federal government. He stated if CUP wanted to change anything, the study would have to open again and they could lose the approval which they don't want to happen.

Mr. Tuckett introduced the five year plans that the department heads developed. Mayor Moore said he would like the Council Members to write down their top three goals and move forward from there. Councilmember Phillips asked what the slaughter house parking lot meant on the general fund capital projects budget. Mr. Tuckett stated that it was a promise that he made to the slaughter house owner to restore the parking lot after it was torn up after the city had to move the propane tank. Councilmember Phillips stated he didn't have a problem improving it to an extent, but offered different options to repair it.

Ms. Hubbs shared that her goal is to create a five-year plan which shows the numbers, so a plan can be formulated to fund the projects that are needed. Mayor Moore stated that the infrastructure in Main Street is so bad and if it blows, the city will be in a lot of trouble.

Mr. Tuckett presented each fund's capital projects listed for the next fiscal year, FY2017. He shared water's pressing projects included installation of PI meters, replace ERTS, repair of 730 West, install

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water line at 400 south, and connect PI to lateral 20. He presented Solid Waste's project of connecting the scale house.

Mr. Tuckett said the sewer's projects included improvements to 730 West, improvements to 400 North sewer line, and the sewer treatment plan upgrade required to meet federal mandates.

Councilmember Welton asked if there was further discussion with Salem City. Mr. Tuckett stated they have pared down the information and has been working with Payson City's consultant. Mayor Moore stated that Salem's consultant is working with Mr. Jockumsen and is under a tighter schedule than Payson, so they can't ignore it. Mr. Tuckett said he would guess Salem will build its own plant. Mayor Moore stated he wasn't sure what Salem would do because they are still working out the details. Councilmember Welton mentioned it would be nice for both communities to move the plant further away from both the cities.

Mr. Tuckett stated the ambulance fund is in need of a new ambulance. Mayor Moore asked if the ambulance could be leased. Mr. Tuckett stated that he and Councilmember Hulet met with a company to discuss the potential for leasing vehicles. He said they could look into that option further and compare the lease and the purchase costs.

Mr. Tuckett said the golf has included an improvement to the club house for a reception center, improvements to the RV Park, mowers, and golf carts. Mr. Tuckett state the mower and cart rotation was delayed in order to meet the need of employee raises. Mr. Zobell stated the improvement for the reception center is not a reception center; it is a pad to the west of the pro shop with a basement and engineered, so it could be built onto it if it was busy and successful. It would be for outdoor use only.

He said the storm fund has a need for improvements to Ridge Lane and Don Dixon storm drains. Mr. Tuckett showed a list of vehicles that need to be replaced. Mayor Moore asked about the water tender for the fire department. Mr. Tuckett said it is quite old and if it was pulled over by the highway patrol it would probably be impounded.

Councilmember Hulet asked staff to create a list of all the departments that need employees and the cost of each employee. Mr. Tuckett said staff had talked about additional employees needed and will get a more detailed cost for each.

Councilmember Hardy asked when the meeting will be for the meeting to discuss the budget and council's three top goals. Discussion was held regarding the scheduling of the meeting.

MOTION by Councilmember Hardy to adjourn.

Meeting adjourned at 8:22 p.m.



January 19, 2016

Strawberry Water Users Association
Attn: Calvin Crandall, President
745 N 500 E
Payson, Ut 84651

Re: SWUA Proposed Budget

Dear Mr. Crandall:

The undersigned Cities, Spanish Fork, Salem, and Payson, have received a copy of your proposed budget for the 2015-2016 year. We feel that, as proposed, the budget improperly discriminates against the Cities. The documentation provided shows that nineteen percent (19%) of the Strawberry water is "Non-AG" water held by the three Cities. Despite that, the proposed budget allocates 94% of the cost of professional fees, identified mostly as legal fees, to non-agricultural water. Fifty percent (50%) of the lobbying expense is allocated to non-agricultural water, as is conference expenses. Sixty percent (60%) of materials and office supplies are allocated to non-agricultural water, as is thirty-eight percent (38%) of salaries and wages.

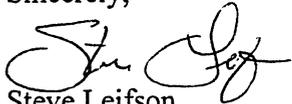
While the Cities are quite willing to pay their fair share, they aren't willing to pay sums which are not justified. City employees have been told that the professional fees are the result of fees incurred as a result of the audit request. That should be allocated to the Cities based on their 19% ownership. The result of the audit showed Strawberry has been erroneously handling a number of items. The correction of those items benefits all shareholders. Furthermore, the Strawberry Highline Canal Company also requested an audit. Have the approximately 55% of Strawberry shareholders who take delivery through the Highline Canal been allocated that expense as well? If not, why not? They are the largest beneficiary of the ruling, subject to the outcome of the appeal. The reasoning given is not only flawed, but is illegally discriminatory. The Cities will not pay a disproportionate assessment.

We don't understand why the lobbyist costs are being evenly split. Most of the lobbying efforts benefit agricultural water interests, not non-agricultural water. The 81% /19% ratio should apply to lobbying expenses, as well. Conferences, if there is a disparity, should be allocated more heavily to agriculture versus non-agriculture. We're not aware of any conference which would justify a 50/50 allocation. We have heard no justification for that disparity. It is

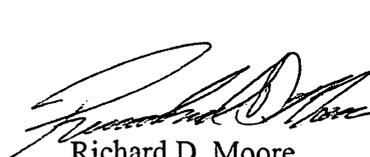
hard to imagine that materials and supplies would be anything other than the 81% /19% split. Why, too, are salaries and wages allocated more heavily to non-agricultural water? No explanation has been given for the supplies or wage discrepancy.

Unless adequate explanation is given and agreement reached for the discrepancies between non-agricultural water and agricultural water, the Cities will not pay the difference, but will pay their pro-rata share. Please note this at your annual meeting, when the budget is adopted.

Sincerely,



Steve Leifson
Spanish Fork City Mayor



Richard D. Moore
Payson City Mayor

Randy A. Brailsford
Salem City Mayor

cc: Jeremy Sorenson
SWUA Board