

Minutes of the Payson City Council Meeting held Wednesday, June 6, 2012 at 6:00 p.m.

Mayor Rick Moore presiding.

ROLL CALL: Mayor Rick Moore; Councilmembers: JoLynn Ford, Kim Hancock, Mike Hardy, and Larry Skinner; City Manager Dave Tuckett, City Attorney Mark Sorenson, and City Recorder Jeanette C. Wineteer. Councilmember Scott Phillips excused.

#### PRAYER & PLEDGE OF ALLEGIANCE

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

#### CONSENT AGENDA

Manager Tuckett explained the Ordinance amending the Personnel Policy regarding the car allowance that is included in the Consent Agenda. He said that the changes made were based on the comments held at the last work session.

MOTION by Councilmember Hardy to approve the Consent Agenda, consisting of approval of May 14, 2012 Work Session Minutes, approval of the May 16, 2012 City Council Minutes and adopting Ordinance #06-06-12, An Ordinance amending Sections 5.7 and 5.9 of the Payson Personnel Policy with the requirement of a vehicle having to be 5 years or newer taken out. Motion seconded by Councilmember Ford. Motion carries.

#### PUBLIC FORUM

Rhett Huff lives 646 S 500 E and owns Mountain Air Assisted Living at 153 S 900 E. He said that he wasn't aware of city regulations on keeping up of lots or abandoned houses, but there is one at 175 S 900 E right next to his business. He stated that the tenants in past have been undesirable with shady activity going on, but it is no better now that no one is living there and no one has lived there for about three years. He said he has approached the owners about buying the land, but found it is tied up in probate. So he talked to them to try to get them to clean it up, but he doesn't get much reaction. They did cut down some branches of the trees after one fell on his facility. The weeds have overgrown and there are piles of branches on the property. He also said the house is not hooked up to the sewer and it drains into a cesspool in the back. Basically it is an eyesore to the neighborhood and his business, and something needs to be done.

Manager Tuckett said he will send our code enforcement officer out there and we should be able to get it cleaned up based on our ordinances.

Norene Jensen asked for an update on the city ordinance regarding sidewalk sales over the celebrations. Manager Tuckett didn't believe there was an ordinance prohibiting them, but he would look into it.

#### COUNCIL & STAFF REPORTS

Superintendent Ron Crump presented a National Safety Award they received from APPA. They placed 1<sup>st</sup> nationally. City Council commended the Electric Department for this honor.

Recreation Director Teemant updated the Council and reported on:

- Pool is open and doing well
- The trial run of the zip line will probably be June 22<sup>nd</sup> or 25<sup>th</sup>
- We are hosting Regional Hershey Track Meeting on June 19th. The winners of this event will advance to State.

- There will also be two State Tournaments in July

Attorney Sorenson reported that we entered into an Interlocal agreement with Mapleton for a city prosecutor, and it is included in the proposed budget. We have opened it up to take applications and have received some interest. We will then hold interviews and hopefully have someone onboard July 1<sup>st</sup>; in the interim he and Manager Tuckett are covering the court hearings.

Manager Tuckett reported that there is no more high water coming out of the canyon, but we haven't released any water from reservoirs. We have asked the city large users to try to conserve. Engineer Robbins said the average precipitation is 69% of normal and the residents are using a lot of water, similar to what is normally used in August and September. Manager Tuckett said the water conservation schedule goes out every month in the City newsletter, but we haven't issued any warnings yet. Consensus of the Council was that we should advertise that people should cut back, and start that process.

Councilmember Hancock explained to the audience that SUVMWA is a group of cities in Utah valley that joined together to study and try to find solutions for water, sewer, etc. He said this group qualified for a loan to purchase property for a future regional sewer plant in Palmyra. He then reported on their last meeting:

- A study is being done regarding recharging the aquifer, and we have excellent opportunities to bank this water in the aquifer.
- SUVMWA budget, there was good news because Payson City's assessment for the sewer property loan went down this year by about \$200.

Councilmember Ford noted that there have been concerns and requests for 4-way stop signs in the older part of town at dangerous intersections. Manager Tuckett explained that there are some standards and the city engineer and the public safety department have to look into these and will report on them later on the agenda.

Mayor Moore reported:

- A bike rodeo will be held at Wal-Mart this Saturday from 9-12. Funds will go to help the FFA.
- A Check from Wal-Mart has been sent to the city for \$5000 for the volunteers that worked at Hollow Park. This should help us with the park.
- The Veterans bike ride will be June 23<sup>rd</sup> and begin at Payson Market and go around the Nebo Loop. There will also be vendors in Memorial Park and all proceeds will go to the new Veterans home.
- Disabled Veterans will also be holding a bike ride through Payson on June 11<sup>th</sup> and he wondered about placing the flags out to support them. Superintendent Crump felt that wouldn't be a problem because June 14th is Flag Day so we will put them up and leave them up.
- Push America is riding into town on June 15<sup>th</sup> as well.

Norene Jensen asked what it would take to get a bike lane on our highways. Mayor Moore felt that studies and money would be what it takes, but some of the roads are State roads.

## CHAMBER OF COMMERCE BUSINESS OF THE MONTH

Lou Ballamis reported on Chamber of Commerce activities:

- Life Enhancement Center
- Kiwanis Chamber Golf Tournament
- Taco Bell ribbon cutting

- Nebo Economic Summit at CS Lewis Academy
- Ribbon cutting for Avenue Salon
- Leeds Meeting at Nebo Kitchen

He then presented Chamber Business of Month to South Utah Valley Electric Service District.

Blair Hamilton accepted the award and said they enjoy working with Payson City and the Chamber.

#### REQUEST FOR 4-WAY STOP SIGN AT 1400 SOUTH 930 WEST

Brandon Tueller has been a resident for 8 years and lives on 930 West. He said that three weeks ago two of his children were involved in tragic accident and because of the quick response of our public safety, the outlook and recovery for his boys looks good. He did have some items of concern for the future: amount of visibility, speed of vehicles, and the increase in the number of vehicles on 930 West that will occur because of the temple. He is proposing that the City Council consider a 4-way stop sign at 1400 South 930 West.

Jadon Tueller said he just completed 6<sup>th</sup> grade and was involved in the accident and what he went through was awful. He feels that if there would have been a 4-way stop sign the accident wouldn't have happened. Kids ride their longboards down the road and don't stop; he knows there have been a lot of close calls there and it will be even busier when the temple is finished. He sees people speeding on that road every day and a 4-way stop would help.

Hope Tueller, mother of Jaden and Rhett feels that a 4-way stop would be beneficial for three reasons: speed, blind spot and increase in traffic. She received statistics from Lt. Bill Wright, and she presented those. Statistics show traffic has quadrupled since 2009, and she believes it will continue to increase with the temple. She knows that stop signs are not a cure-all but they might help. Because of trees and a fence there is also a blind spot at this corner. There are a large number of kids playing in the neighborhood, and that probably won't change but stop signs might change the speed of the traffic.

Katie Fowkes lives in the home on the corner and it is her fence that might hinder the line of sight and she is willing to do what she needs to resolve that, but she installed it as per City Code. She can witness that children are often playing there and often unsupervised. The traffic does go fast in that area and she agrees that a 4-way stop would significantly slow down traffic.

Councilmember Skinner asked about speed bumps and Chief Runyan said that it causes problems with snow removal, but we could put them in.

Grant Leavitt lives on 1100 South 930 West and in the past spoke with Manager Nelson he made the same request on another intersection. The City put the stop signs up but put them all on the side streets, so it made 930 West a thoroughfare. He has seen the larger speed bumps in Saratoga Springs and Eagle Mountain that work and felt they wouldn't hinder snow removal. He knows there will be some improvements on 930 West and that should help with traffic calming, but didn't know if it would go all the way down to 1400 South.

Mayor Moore said it is being proposed to have those improvements go all the way to 1550 South.

Councilmember Hancock said he lives in that area and drives that road often. He has observed that it is very easy to speed; one of the things that has helped him not to speed is the officer that has been there often. There are a lot of kids riding longboards and most of the kids there don't stop (as Jayden said). Law enforcement is aware and their presence has had an effect. He hopes that we will take the time to look and listen to this information and all information as we make plans for the travel in that area and on 930 West.

Engineer Robbins sympathized with the family for having to live through that accident. He presented the Federal Highway Administration, which documents the requirements for using the different traffic control devices. He read what it states for use of stop signs. He said that in Payson 930 West is designated as an arterial road which is designated to move traffic. So according to the information in the manual, this does not justify a stop sign. He told the Council that it does not prohibit it either, if that is what they want to do.

Councilmember Skinner suggested putting a stop sign there and another one at 1500 South.

Councilmember Hancock said we know we have plans for rebuilding that street; he would like to see those plans before us as we make this decision.

Engineer Robbins felt that a roundabout might be a better solution.

Councilmember Hardy wondered if we could have a temporary solution until we have plans and know what is going to be done on that street. Engineer Robbins felt that if a 4-way goes in it would be permanent unless we put in a roundabout later and Councilmember Hardy wondered why. Engineer Robbins felt that if we put it in people would get used to stopping at the 4-ways, and if taken down later there would be an expectation created.

Councilmember Hancock said that is one of the reasons we chose the option we did for 930 West because it had a traffic calming effect.

Councilmember Hardy still wondered why we couldn't do short term solution.

A man from the audience said that he talked with Lt. Wright but wondered if the development of 1400 South would tie it into Turf Farm Road. Mayor Moore said we didn't have all the information yet, because right now that is not city property, so we need to get those studies.

Councilmember Ford said we need some type of traffic control once the temple is there. We will have people coming from the Freeway on 930 West and also from Highway 198 on 1400 South. She felt it was a natural place to have some type of traffic control.

Chief Runyan said he has been doing this 30 years and you can try any traffic control device you want, but there will still be accidents. The worst accidents that he goes on are at controlled intersections because people try to speed and beat the oncoming traffic. He explained that for this accident when the children got injured, the driver of the car was not at fault and had there been a stop sign the accident would have still occurred. He felt that people will speed unless they see cops.

Mayor Moore asked about the cost of a roundabout or stop signs. Engineer Robbins stated that stop signs are \$250 each, and he didn't know what a roundabout would be.

Manager Tuckett clarified that we are looking at extending the center median all the way down 930 West to the temple, however the Federal Government has an easement all along there and we would need their permission before we could do this. If we can put the median all the way down it will have a traffic calming effect. It is a collector road and we need to take all those factors into consideration.

Garrett Wilson lives on 1550 South and drives on 930 West all the time. He said that from 1400 South to the church past 1500 South, it is not a full width road so that further reduces visibility and so there are other things on people's minds (to adjust their position on the road). He feels if there was a stop sign, it would reduce accidents. There is a park along that corner, so there is quite a bit of pedestrian traffic along there.

Chief Runyan said he is not against the council wanting to try anything, but remember we have a whole town full of potential intersections. There have been 7 accidents in one location and we haven't put anything there yet.

Councilmember Ford agreed and that is why she brought it up during her council comment. Areas she had in mind are not at this location. She wondered if there was a way we could look at some of these intersections all through town to see what and where something is warranted.

Mayor Moore felt that at this location the fence should be opened up, and Engineer Robbins said he would look into that.

Katie Fowkes spoke earlier, but wanted to clarify that there are two different areas where kids get going faster on their bikes and longboards.

Councilmember Hancock said that finding we have evidence there is a danger because of the accident, finding that in the immediate future (within 18 months) that the road will be redesigned and rebuilt, so he wanted to direct staff to make the entirety of this discussion available to those involved in making those plans, so every bit of that redesign will have this information.

Councilmember Skinner doesn't disagree with Councilmember Hancock, but said there is some merit to making an immediate fix. He still goes back to speed bumps.

Councilmember Ford agreed and said this area is going to be the hot spot because of traffic coming from the freeway and highway 198. Nothing is going to solve everything.

Councilmember Hancock explained that less than ½ block from this City building he got hit by a car when he was small and he has never made that turn again without watching for traffic. The lesson that needed to be learned has been learned for these two boys but hasn't been learned for all the other children that go down there, but driver of the car was not at fault. He just feels the right way to do it is the best way to do it, not just jump at it.

Councilmember Skinner stated that we are not avoiding the good answer by having a temporary answer.

Mayor Moore said he has seen stop signs with flashing lights and wondered about those. Chief Runyan said they would attract more attention. He said he is not against stop signs, but he would just like to see a measure taken everywhere if it is taken here.

Councilmember Hardy agreed to make sure this information gets to those designing the new road but also additional information is needed because we need to make sure we can do some of these things.

Councilmember Ford felt this item should be on the agenda again by the end of August or as soon as possible and direct staff to look at all the issues including the information from the church, bureau, our own ordinances, and what has been received tonight and come back to the Council with what we can do at this intersection and other critical intersections.

**BREAK**

**MOTION** by Councilmember Hardy to take a break. Motion seconded by Councilmember Ford. Motion carries

Council took a break and reconvened at 7:55 p.m.

**REQUEST REGARDING GATES AT SPRING LAKE**

Greg Callaway said that Bill Benson had to leave, but he has the information to present. He explained that years ago the Spring Lake residents had a meeting with the City and they agreed to shut and lock the gates at Spring Lake at night. This happened regularly for a couple of years, but recently they haven't been doing it. When he called their suggested solution was that the City would open the gates in the morning and he and Bill could shut and lock them at night.

He presented some information that was in the Payson Chronicle in 2001 which states that the City was going to landscape around the lake. He also wondered why that wasn't happening. He said he observed tonight during Public Forum that the Council was against weeds and has an ordinance to enforce them, but he has pictures of what the City's pump house in Spring Lake normally looks like.

He wondered if there was anything the Council could do to help, because staff doesn't want to. The no vehicle sign was on the gates and they were taken down, then he asked to be on the agenda, and they were put back up.

Councilmember Ford wondered if locking and unlocking the gates was doable and Manager Tuckett said that it just takes manpower and overtime.

Mr. Callaway felt it was an ongoing battle, and felt that the City shuts down the restrooms at the park and up at the canyon park and wondered why they couldn't send the workers to Spring Lake.

Councilmember Skinner wondered if a City person could make people leave before they locked the gates.

Mayor Moore suggested scheduling someone to come in later and do this into the evening.

Manager Tuckett stated that staff could take some direction from the Council; however he doesn't remember the meeting Greg is talking about. He explained that we had a grant to dredge the lake, and the second half of that grant wasn't funded, so we didn't have the money to make all the improvements he mentions. The City owns the water and it is listed as a City park, but it is not within our jurisdiction; the county would have to enforce it.

Councilmember Hardy wondered why the gates were open at all and Mayor Moore wondered if we could just close the road around it. Councilmember Hancock asked about ownership of the road and Manager Tuckett believes the City owns all the property around the lake.

MOTION by Councilmember Hardy to direct staff to study some solutions and bring a recommendation back for the next Council Meeting regarding the gates, maintenance of our city property, and liability if people are partying in the area. Motion seconded by Councilmember Hancock. Motion carries.

Councilmember Ford said there might be part of the story we are missing because Gordon is not in attendance and Manager Tuckett said that he is ill.

Ron Eggett stated that if the road was always locked, the kids could still go but the handicapped could not. He said that recently there were kids that took pallets to float on, and when they were finished they just left them. City crews picked up the garbage around there later, but still left the pallets.

Someone in the audience wondered about a possibility to have an automated locking system.

**PUBLIC HEARING – FISCAL BUDGET 2012-2013 AND AMENDMENTS TO FISCAL BUDGET 2011-2012**

MOTION by Councilmember Ford to open the Public Hearing to receive input regarding the FY 2012-2013 RDA Budget and amendments to the FY 2011-2012 RDA Budget. Motion seconded by Councilmember Hardy. Motion carries.

MOTION by Councilmember Hancock to open the Public Hearing to receive input regarding the FY 2012-2013 City Budget and amendments to the FY 2011-2012 City Budget. Motion seconded by Councilmember Hardy. Motion carries.

Public hearings opened at 7:47 p.m.

Manager Tuckett presented the budget summary that was presented to the Council when they accepted the Tentative Budget in May. He then presented a Summary for the Revised Budget FY 2011-2012 and from the Tentative Budget FY 2012-2013:

Revised Budget 2011-2012 Summary:

- General Fund Revenues overall came in higher, those that came in higher than budgeted and lower include (detail is on the budget spreadsheet):
  - Higher
    - Property Tax, Prop Tax Penalty and Interest, Sales Tax, Cable TV Franchise, Utility Tax, Building Permits, Animal Licenses, Fire Allotment, Admin Late Fee, Fire Inspections, Fines, Sale of Surplus Property and Interest.
  - Lower
    - Motor Vehicle Property Tax, Telephone Tax, Business Licenses, Liquor Allotment, Interlocal Chip & Seal Revenue, Development Fees, Police Services, County Fire Reimbursements, Public Works Inspections, Petetneet Revenue, and miscellaneous revenue.
- Reduced Transfers from Enterprise Funds to General Fund to utilize increased revenues received:
  - Solid Waste      -33,320
  - Electric          -72,192
  - Water            -43,877
  - Sewer            -31,470
  - Ambulance      - 1,850
- Back Retirement – We put a placeholder of \$81K in Admin Retirement for other department's employees "back retirement". Payment of this came from additional revenue we received.
- Sr. Citizens Eldridge Grant Revenue & Expenditures increased by \$1250 (actual amount received)
- Library Grant \$6240 received – budgeted revenue and expenditure (wireless access in Library)
- Salmon Supper – Sound system was approved last fiscal year (2010-2011), however we didn't receive the invoice and pay it until July, so we had to budget the amount that fell to fund balance in the current year to cover that paid invoice. The Salmon Supper Revenue actually came in a lot higher also.
- Council budget had to be adjusted to cover the medi-stipends that were taken and not budgeted for (along with how it affected the retirement and FICA). We didn't have a Primary Election, so those costs were covered by that unexpended amount.
- Cemetery – sold some recycled items for \$679 and Gordon wanted to spend that to purchase a gas transfer tank.
- Electric Department – Public Reimbursement revenue came in higher, therefore the public reimbursement improvement expenses were also higher and had to be budgeted. Water

Department – Water Share budgeted amount was not all spent for water dedication agreements – we are appropriating that next year for the same thing (\$100,000)

- Solid Waste – Landfill Fees came in a lot higher (\$125K), so Kent included the following additional expenditures:
  - \$5,000 Temporary Employees
  - \$385 FICA
  - \$7,500 in Supplies for Clean-up Projects
  - \$19,992 in Professional Services for Scale and Computer repair/upgrade
  - \$7,000 in fuel
- Will not use ALL the insurance money we received on the tanks \$14,131, so it will fall to Water Fund Balance
- \$2400 in Water 430 Repairs for replacement of water meter at Spring Lake (use money we didn't transfer to General Fund)
- We received FEMA reimbursement for flood prevention last spring (2011) \$17,151.31. This will fall to General Fund balance.

Changes in FY 2012-2013 from the Tentative Budget:

- Council – FICA and Retirement to cover Medi-stipends was not in the tentative budget and needed to be added (\$2134)
- Water – Appropriated the \$100,000 from the current year and plan that expenditure for Water Dedication Agreements
- App Water FB \$14,131 for SCADA system for new tanks (from insurance money we didn't use last year)
- Fire Grant is increased by approximately \$3,000
- We also added in the budget the Revenue from UAMPS and increased the expenditure line item to pay off the SUVPS bond. (\$780,000)
- Added \$2400 for Mayor Car Allowance
- Added \$6600 for Community Services Director car allowance
- Increased Revenue (Court Fines) additional \$2000 (project we will receive \$227,000 in current year AND 2012-2013)
- Propose to receive \$742 more in Sales Tax Revenue than is projected for current year.

Manager Tuckett reiterated that these are changes from what the tentative budget had the first meeting in May, not all the changes from last fiscal year's budget.

Councilmember Hardy wondered about the back retirement because he previously heard a higher number, and Manager Tuckett explained that Dora received the final numbers today and it will be \$81,000.

Manager Tuckett explained the UAMPS money mentioned and we will pay off the SUVPS bond, then we will continue to budget the amount for that bond payment and will actually put it into a repair/replacement fund in the Electric Department.

Discussion was held regarding the car allowance and being fair across the board. Manager Tuckett explained that there are two Department Heads that are not budgeted to receive the car allowance, the Golf Pro and the Finance Director.



Manager Tuckett said he believes we are doing what we can for the goal to reduce debt.

Councilmember Ford wondered about the increase in insurance costs and Manager Tuckett said the increase was covered with the additional revenue that we are projecting.

Receiving no further input MOTION by Councilmember Hardy to close the public hearing. Motion seconded by Councilmember Hancock. Motion carries.

Receiving no further input MOTION by Councilmember Hardy to close the public hearing for the RDA budget. Motion seconded by Councilmember Ford. Motion carries.

Public hearing closed at 8:45 p.m.

MOTION by Councilmember Hancock to table adoption of the budgets until the next meeting. Motion seconded by Councilmember Ford. Motion carries.

Councilmember Hardy commended staff for meeting the goals of the Council to make the City fiscally sound and he is looking forward to the time we have money to do some things.

#### DECISION REGARDING REQUEST FOR ACCESSORY LIVING UNIT

Planner Spencer presented the following staff report:

##### **Background**

The applicant, Bob Provstgaard is requesting approval for use of the RMO-A, Accessory Living Unit Overlay Zone for the existing residential structure located at 185 West Utah Avenue in the R-2-75, Residential Zone. The original application included a request to convert the existing single family dwelling into a duplex; however, the parcel did not satisfy the minimum lot area requirements of the RMO-1 Overlay Zone and on April 4, 2012 the City Council denied the request for use of the overlay zone. At that time the City Council directed staff to prepare an ordinance to address the conversion of existing single family dwellings.

On April 18, 2012, the City Council rescinded the decision to deny the overlay zone request and tabled the application until the new ordinance was adopted by the City Council. This action was taken to avoid having the applicant file a new application, pay additional review fees, and begin the process again once the ordinance was amended.

The new RMO-A, Accessory Living Unit Overlay Zone was adopted by the City Council on May 16, 2012 in accordance with Section 19.2.8 of Title 19, Zoning Ordinance. 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.

##### **Analysis**

In accordance with Section 19.6.15.1 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.

The application was reviewed for compliance with Title 19, Zoning Ordinance (May 16, 2012) 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. A public utility easement will need to be provided around the perimeter the parcel. The dimensions of the easement are five (5) feet around the perimeter of the parcel and ten (10) feet along any public right-of-way. Furthermore, the applicant is required to maintain any existing easements or right-of-ways that have been recorded on the property.
2. Adequate off-street parking will need to be provided on the project site. The on-site parking must be consistent with the applicable requirements of Section 19.6.15 and Chapter 19.4 of the Zoning Ordinance.
3. There is existing curb, gutter, and sidewalk along Utah Avenue and sidewalk along 200 West. However, the sidewalk is in poor condition and the applicant has indicated a willingness to upgrade the existing sidewalk. The applicant will be responsible to install curb and gutter along the frontage of 200 West.
4. The connections to the public utility services (i.e. power, wastewater, drinking water, pressurized irrigation) must satisfy the current standards of Payson City. The applicant is responsible for payment of connection fees and/or impacts fees, if applicable.
5. All areas not used for building or parking will need to be landscaped prior to occupancy of the accessory living unit. The landscaping shall be maintained using an automatic sprinkling system.
6. The building permit issued for the site is limited to improvements for a single family dwelling. If the RMO-A Overlay Zone is approved, the building permit will need to be modified to include any additional improvements necessary for the accessory living unit.

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.

MOTION by Councilmember Skinner to approve the Overlay request subject to staff conditions. Motion seconded by Councilmember Hancock. Motion carries.

#### SUSPEND AGENDA

MOTION by Councilmember Ford to allow the mayor to suspend the agenda and move as he feels necessary. Motion seconded by Councilmember Hardy. Motion carries.

#### DISCUSSION REGARDING INTERLOCAL AGREEMENT BETWEEN PAYSON CITY AND SESD

Electrical Superintendent Crump explained that he has looked at the preliminary numbers and there are a lot of things we still need to consider, but so far financially this interlocal would be a good thing. He would like direction from the Council to keep moving forward with preparing the documents for an interlocal so we can utilize the savings that would be available to help keep both of our entities whole.

SESD Manager Dan Ellsworth commended the City on the budget process they go through and the striving to reduce debt.

He said his story hasn't changed and won't; the interlocal is to try to create a win/win situation for both Payson City Electric and SESD. He explained how to play the red/black game which is a win/win game.

He said there have been rumors that this will take money away from the departments of the City and it will not; it will actually do the opposite. He wants to build this community and do what is best for both entities.

Councilmember Hardy said he has worked with these two individuals over the last two years and believes Payson has high rates right now, there is an infrastructure in place that has to be bought out if we annex, and basically the way it is doesn't help economic development. He thinks we will see a tidal wave of development coming at us in the near future. If we combine we will lower costs, we won't have duplicate infrastructure, and we will save on capital costs, control our future, and help reduce risks. If we don't do something like this, he sees Rocky Mountain Power taking control of the power in our communities.

He also stated that he has heard people worried about this on the agenda without Councilmember Phillips in attendance, but he spoke to Scott tonight and he doesn't have a problem with what we are doing tonight. We have had a cost of service study, the next thing would be to see what rates would be, and move forward to putting together an interlocal agreement. He feels we need staff involved in these meetings, so we can get ready to go within the next two or three months.

Councilmember Hancock noticed that a couple of items on the agenda tonight were to come back with more information so we can make a better decision. This is not the final step, just the obvious next step.

Councilmember Skinner didn't have a problem with taking a next step, but wondered about the legal help for drawing up the agreement. Superintendent Crump said legal help is voluntary by the UAMPS attorney and what we will be getting is something plagiarized, something similar to what Heber has and they are just in the process of redoing their by-laws. Once we get those documents from UAMPS and Heber, we will have Attorney Sorenson and the SEDS attorney look at them.

Councilmember Ford wondered what UAMPS motivation would be to help us and Superintendent Crump said that UAMPS has other members looking at something similar. There is no financial benefit to UAMPS at all and no financial disadvantage to us.

MOTION by Councilmember Hardy to instruct staff to move forward on finishing the rate study, working with SEDS and the consultants; to move forward on preparing the legal work for the interlocal agreement and instruct staff to attend the meetings and become more involved with the committee to ask questions . Motion seconded by Councilmember Ford. Motion carries.

## REVIEW OF WEST MEADOWS ANNEXATION

Planner Spencer explained that the West Meadows Annexation was accepted for further review by the City Council on July 7, 2010. As a matter of review, the annexation was initiated by Payson City in an effort to establish the boundaries between Payson and Santaquin. Since that time, an Interlocal Cooperation Agreement has been ratified between the two cities establishing additional procedures that must be satisfied for any request for annexation within the overlapped areas of the annexation policy plans of the two cities. The West Meadows Annexation encompasses property included in the overlapped area.

On October 5, 2011, the City Council reviewed the status of several pending annexations. At that time, the City Council determined the annexations should remain pending unless imminent development of property in the proposed annexation was anticipated. Although there is interest to advance the West Meadows Annexation, staff is unaware of any development proposals within the annexation area.

Over the past several months, staff has been contacted by several property owners in the West Meadows Annexation requesting the City Council approve the proposed annexation. Many of these property owners

have provided written statements and requests for consideration by the City Council. Therefore, staff is requesting direction from the City Council in relation to the proposed West Meadows Annexation.

Rhett Huff said that his parents and aunt and uncle are the true owners of the property, and said they would like to see this annexed. The county requirements won't allow him and his wife to build a home there. There are some of the other landowners around there that also want the annexation to happen.

Council asked if we had the percentages needed and Planner Spencer said she would have to look into that.

Councilmember Hancock said we are not seeking to annex, but the property owners keep calling to see what is happening with the petition they filed.

Councilmember Ford wanted to direct staff to look at the percentages and find out what the landowners want.

Councilmember Hancock said we owe it to the petitioners to also let them know the agreement we have with Santaquin and let them know of our restrictions.

Consensus of the Council was that a neighborhood meeting might be the first step.

#### UPDATE REGARDING THE WEST MOUNTAIN TRACK & TRAIL PROJECT

Planner Spencer updated the Council on the West Mountain Track and Trails. She said that the applicant is Utah County, but the sponsors include BLM, State Parks, Payson City, Rocky Mountain ATV and others (Highline Canal, SESD, DWR). A Memorandum of Understanding was entered into with all these groups about three years ago. We have recently applied for a grant which is 50/50 match but can be in-kind match.

#### ADJOURN TO CLOSED

MOTION by Councilmember Ford to adjourn to closed session to discuss professional conduct of an individual. Motion seconded by Councilmember Hardy. Motion carries.

Council adjourned to Closed Session and reconvened into regular session at 9:54 p.m.

#### ADJOURN

MOTION by Councilmember Hardy to adjourn. Motion seconded by Councilmember Ford. Motion carries.

Council adjourned at 10:05 p.m.