

September 5, 2012 City Council Minutes

Minutes of the Payson City Council Meeting held at the Payson City Center, 439 West Utah Avenue, Payson, Utah on Wednesday, September 5, 2012 at 6:00 p.m.

MOTION by Councilmember Hardy to appoint Councilmember Phillips as Mayor Protem for this meeting. Motion seconded by Councilmember Hancock. Motion carries.

Mayor Pro-Tempore Scott Phillips presiding.

ROLL CALL: Councilmembers: JoLynn Ford (excused from the meeting at 7:47 p.m.), Kim Hancock, Mike Hardy, Scott Phillips, and Larry Skinner; City Manager Dave Tuckett, City Attorney Mark Sorenson, and City Recorder Jeanette C. Wineteer. Mayor Rick Moore was excused.

PRAYER & PLEDGE OF ALLEGIANCE

Prayer offered by Scout in attendance Quinton Muir and Pledge of Allegiance led by Councilmember Phillips.

CONSENT AGENDA

MOTION by Councilmember Hardy to approve the Consent Agenda consisting of approval of the August 15, 2012 City Council Minutes. Motion seconded by Councilmember Skinner. Motion carries.

PUBLIC FORUM

Bill Benson said that he and Greg Callaway came to the Council a few weeks ago regarding problems at Spring Lake. There was a motion made and passed to clean it up. He said that he doesn't feel that anything has happened, and there are still problems with garbage, debris and weeds. He complained that city employees are at the lake every day, but they don't pick up any garbage. He mentioned it to Councilmember Hardy and thought it would be on the agenda tonight.

Manager Tuckett said that the rules were adopted and three signs have been ordered and as soon as they are in, we will install them. He said we will look into the problems, but he knows it has been weeded and sprayed, and will report at the next Council Meeting.

COUNCIL AND STAFF REPORTS

Recreation Director Karl Teemant reported on the Labor Day Events and felt that they went well except for those that had to be cancelled on Saturday because of rain. Those cancelled events will still happen this weekend.

Councilmember Hancock felt there are not enough porta-potties on the north side of the park. It was suggested to use the men's restroom as a women's and have porta potties for the men. There were also no trash receptacles along the parade route. He had some people visiting from Vinyard and they were picking up all of their trash, but there were no receptacles to put it in.

Planner Spencer said that Utah League of Cities and Towns and Utah Local Governments Trust will be holding some land use training in Payson on September 26th from 6-8 p.m.

Councilmember Hardy reported on some Chamber of Commerce Events: Ribbon Cuttings, Business of the Month, and the Corn Maze.

Councilmember Hancock said that Charlie Wilson wanted him to specifically thank the City and Electric Department for helping cleanup at Peteetneet.

Councilmember Phillips said that we might need to look at using something other than golf carts for the parade, because we had to turn away 6 groups from the golf course last Monday because there were no carts. He also commended staff on a well-run celebration and events.

PRESENTATION OF SCOUT ATTENDANCE CERTIFICATES

Councilmember Ford presented attendance certificates to scouts in attendance: Quinton Muir.

CHAMBER OF COMMERCE – BUSINESS OF THE MONTH

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The Chamber of Commerce recognized Collin and Shessanne Logue, owners of Arrowhead Upholstery as Payson Business of the Month. They have held the Onion Days Car Show the past two years with all proceeds going to the Kiwanis Club for scholarships.

Mr. Logue said that his father taught him a lot about becoming involved in the community and he moved here because he loves the area and plans to be here for a long time. He said that the Car Show this year was a wonderful success and thanked all the sponsors, tonight specifically Avenue Storage and Zions Bank.

PUBLIC HEARING – AMENDMENTS TO PAYSON CITY’S FY 2012-2013 BUDGET

MOTION by Councilmember Ford to open the public hearing to receive public input regarding amendments to the Payson City FY 2012-2013 Budget. Motion seconded by Councilmember Hardy. Motion carries.

Public hearing opened at 6:32 p.m.

Manager Tuckett presented a spreadsheet of proposed budget amendments and explained them:

SID Bond: He said that one of the city council’s main goals is to pay off debt. Last year we were able to appropriate funds and paid off one of our bonds (golf course). Our hope is to pay off the SID bond this October, and the balance owing on the bond is \$1,311,890. We budgeted \$459,785.00 to pay in the current budget and we are holding \$191,587.35 in a bond reserve account that we can use to pay toward that bond. We would need to appropriate \$660,518.00 from our fund balance in order to totally pay off the bond. Currently in our cash accounts we are holding approximately \$5.84 million, which is \$1.4 million more than last June 30th.

Police Officer: He stated that at the last city council meeting, the issue of bringing on a new police officer was discussed. The police department said they can fund a little more than ½ of the officer through their current budget by using the beer tax funds from the State and using money budgeted for part time officer. We would need to appropriate \$30,318 from fund balance to cover the remaining cost of hiring another police officer. The direction we received from the city council at the last meeting, was to bring the budget amendment back.

Fireworks: He emailed the council regarding the use of some of the Salmon Supper money to help with the fireworks. A majority of the council was in favor of using \$2,000 from the Salmon Supper revenue to bolster the firework show. We don’t have the final revenue numbers for the Salmon Supper, but we do know that we will clear approximately \$14,000. For this budget amendment are asking to appropriate \$2,000 from the Salmon Supper revenues for additional fireworks.

Lighting for Welcome to Payson Sign and Billboard: Two of the lights at the Welcome to Payson Sign need to be replaced along with one of the lights on the Chamber billboard. We are asking to also appropriate \$2,000 from the Salmon Supper proceeds to replace those lights.

Employee Raise: He said that most of the City Council has talked to him over the last year about the need to give the employees a raise. As you know, Payson City has not given a raise in over 4 years. He has not wanted to approach this until the next budget year to make sure we can reduce the debt we had planned on reducing. However, as he has looked at the fund balances and the cash accounts as of June 30th, we are \$1.4 million over last year at this same time. We have had a couple of employees leave for better pay and in the last month, and he has talked with 5 individuals who are contemplating leaving for better pay. He said he can’t stop them and hasn’t tried but it had him thinking. Dora is in the process of updating the salary scale information and he will be focusing on it over the next several months. He said he knows some of the Council want to look at specific job titles and see where the employees fit on a salary scale, he still plans on doing that evaluation.

With our cash accounts looking as good as they do, and if the city council appropriates the funds for the SID bond payoff, we will free up \$459,000 (approx. \$200,000 from the Golf Bond paid off and the rest from the SID bond being paid off) in next year’s budget which will cover the amount of the increase he is proposing. So, he proposed an across the board salary increase of just under \$1 per hour for each employee. This adds up to approximately a \$2,000 raise per full time employee and a \$1,000 raise for our part time year round employees. It is not a percentage therefore the lower paid employees get a bigger percentage increase. The percentage increase would be anywhere

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from 2.1% up to approximately 10% for the lower paid employees. With taxes and retirement, the total cost would be \$286,245.50.

He believes it would be a good gesture on the part of the Mayor and City Council to increase the salaries now using fund balance. We can absorb the increase in next year's budget with the savings we have achieved by paying off the two bonds.

Total appropriation of Fund Balance would be \$977,081, if all of these amendments were approved and would still be approximately \$460,000 ahead of where we were last year. I know we talked about looking at our cash accounts each year and never going below 2.5 million. At this point we are far above that base line.

Councilmember Ford wondered how much the SID annual bond payment was, and Recorder Wineteer said the bond payment was about \$250,000 but in the current year we budgeted for that payment and the additional \$200,000 that was freed up by paying of the golf course bond. Councilmember Ford said she is impressed that we are getting this much done and debt money freed up.

Councilmember Skinner wondered about UTOPIA. Manager Tuckett said that the amount of involvement that we are in with UTOPIA is fixed. They have asked if we would want to be involved in another bonding, but the Council would have to approve that and we have declined the last two bonds with UTOPIA.

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

Public hearing closed at 7:46 p.m.

MOTION by Hardy to approve the amendments to Payson City's FY 2012-2013 Budget as presented. Motion seconded by Councilmember Hancock. Voting aye: Councilmembers: Ford, Hancock, Hardy, Phillips, and Skinner. Motion carries.

Councilmember Ford was excused from the meeting at 7:48 p.m.

PUBLIC HEARING – REQUEST BY QUESTAR GAS FOR A CONDITIONAL USE PERMIT TO INSTALL AND OPERATE A NATURAL GAS REGULATOR STATION AT 1612 SOUTH SR 198

MOTION by Councilmember Hardy to open the public hearing to receive public input regarding a request by Questar Gas for a Conditional Use Permit to install and operate a Natural Gas Regulator Station at 1612 South State Road 198. Motion seconded by Councilmember Skinner. Motion carries.

Public hearing opened at 7:48 p.m.

Planner Spencer presented the following staff report:

The applicant, Questar Gas Company, is seeking approval of a Conditional Use Permit from the City Council to allow a high capacity natural gas regulator station on Utah County parcel 46-626-0332 located at 1612 South SR 198 in the R-1-12, Residential Zone. The parcel is owned by Biblical Ministries Worldwide and the existing building on the site is occupied by the Payson Bible Church. The applicant has approached the owner to acquire the necessary easements to utilize the southwest portion of the parcel for the regulator station and provide utility and vehicular access to the site.

In accordance with Section 19.6.6.2 of the Payson City Zoning Ordinance, utility maintenance facilities are a conditional use in the R-1-12, Residential Zone. Questar Gas Company is experiencing challenges in serving existing dwellings and businesses during peak days and has determined an additional natural gas regulator station is necessary to maintain an adequate level of service for existing development as well as the new Payson, Utah Temple and the future Blackhawk Elementary School in southwest Payson. Natural gas regulator stations are used to reduce the pressure of existing natural gas facilities to a level appropriate for distribution to existing structures and to provide capacity for new growth areas. For informational purposes, Questar Gas Company owns and operates

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another natural gas regulator station within the city boundaries. The facility is located at 530 South 500 East in the R-1-10, Residential Zone.

The applicant is proposing to enclose an area measuring approximately four thousand one hundred (4,100) square feet with an eight (8) foot decorative concrete fence to screen the above ground regulator equipment, including a 13'x16' metal skin building. The colors used for the building and fence will be complementary to those on the permanent structure (church) on the site. City ordinance limits the height of fences to six (6) feet, unless otherwise approved by the City Council through a conditional use permit. Therefore, the applicant is also requesting approval to increase the height of the fence to eight (8) feet.

Although the Planning Commission is not required to hold a public hearing, a recommendation from the Planning Commission is required before the City Council makes a final decision on the request. The Planning Commission considered the request on August 8, 2012. The recommendation of the Planning Commission is included in the recommendation portion of this staff report. A public hearing must be conducted before the City Council makes a final decision on the request. The public hearing has been properly noticed and courtesy notices have been provided to surrounding property owners that indicates the time and location of the City Council meeting.

Analysis

The proposed conditional use is located in a residential zone and the primary concern for the City Council will likely be the protection of the residential units in the surrounding area. As with any conditional use, it is the applicant's responsibility to demonstrate to the City Council that any potential negative impacts of the proposed use can be mitigated. Moreover, the City Council may impose reasonable conditions to ensure these negative impacts are eliminated or mitigated to the extent possible.

In accordance with Chapter 19.13 of the Zoning Ordinance, the following factors need to be weighed and considered when determining whether a Conditional Use Permit application should be approved, approved with conditions or denied:

1. Harmony of the request with the general objectives of the General Plan, Zoning Ordinance, Subdivision Ordinance, any other City ordinance and the particular zone in which the request is located.
2. Harmony of the request with existing uses in the neighborhood.
3. Development or lack of development adjacent to the site.
4. Whether or not the request may be injurious to potential development in the vicinity.
5. Present and future requirements for transportation, traffic, water, sewer, and other utilities.
6. Suitability of the specific property for the proposed use.
7. Number of other similar conditional uses in the area and the public need for the conditional use.
8. Economic impact on the neighborhood.
9. Aesthetic impact on the neighborhood.
10. Safeguards to prevent noxious or offensive emissions such as noise, glare, dust, pollutants and odor.
11. Attempts by the applicant to minimize other adverse effects on people and property in the area.
12. Impact of the proposed use on the health, safety and welfare of the City, the area, and persons owning or leasing property in the area.

Following a review of the proposed Conditional Use Permit, staff would suggest the City Council consider the following conditions of approval based on criteria found in Chapter 19.13 of the Zoning Ordinance. Upon review of the application, staff did not find inconsistencies with all of the criteria, but would suggest conditions to address the following:

- ❖ Criterion #1 – Harmony of the request with the general objectives of the General Plan, Zoning Ordinance, Subdivision Ordinance, any other City ordinance and the particular zone in which the request is located.

Proposed Staff Conditions for Criterion #1

1. The applicant will need to obtain a building permit and coordinate with the Payson City Building Inspector and Fire Chief to complete the proper inspections for the proposed use. All construction activities must satisfy the regulations of the appropriate building and fire codes and any other applicable local, state, or federal regulation.

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2. If a Conditional Use Permit is granted, the applicant will need to prepare the necessary easements (i.e. utility, access) for recordation in the office of the Utah County Recorder.
 3. The applicant will need to provide information about the construction timeframe. The applicant will be required to mitigate the impact of construction by properly wetting the site, keeping the roadway clear of debris and containing all trash and construction materials.
 4. The applicant will be required to complete all repairs necessary to restore all roadways, landscaping and other public improvements to their previous condition if any damage occurs during construction.
 5. Modifications to existing site conditions such as sprinkling systems, fences, parking areas, landscaping, etc. will be an issue between the applicant and the property owner. Approval of a Conditional Use Permit does not obligate Payson City to be involved in the resolution of any private property issues.
 6. The applicant will need to obtain a permit from the Development Services Department for the proposed fence and any proposed signage. Signs must be consistent with Chapter 19.15 of the Payson City Zoning Ordinance.
- ❖ Criterion #2 – Harmony of the request with existing uses in the neighborhood.
Proposed Staff Condition for Criterion #2
1. The proposed utility structures are located in a residential zone. The applicant will need to demonstrate that appropriate safeguards are in place to protect the residents near the natural gas regulator station from potential harm. Furthermore, the applicant will need to demonstrate that the aesthetics, noise levels, odors, and other nuisance issues have been addressed in a way that will reduce, or preferably eliminate, any negative impact on the existing and proposed residential dwellings.
- ❖ Criterion #4 – Whether or not the request may be injurious to potential development in the vicinity.
Proposed Staff Condition for Criterion #4
1. As stated for Criterion #2 above, the applicant will need to demonstrate that appropriate safeguards are in place to protect the residents near the natural gas regulator station from potential harm. Furthermore, the applicant will need to demonstrate that the aesthetics, noise levels, odors, and other nuisance issues have been addressed in a way that will reduce, or preferably eliminate, any negative impact on the existing and proposed residential dwellings.
- ❖ Criterion #5 – Present and future requirements for transportation, traffic, water, sewer, and other utilities.
Proposed Staff Conditions for Criterion #5
1. The site plan indicates the improvement of a retention basin to capture the storm water generated on the site. The applicant will need to provide calculations that demonstrate the proposed basin will accommodate the twenty four (24) hour twenty five (25) year storm event.
 2. The applicant will need to work with the Payson City Fire Chief to determine if an additional fire hydrant is necessary to provide adequate fire fighting capacity for the proposed use. The applicant will be responsible for payment of all inspection and testing fees, if any.
 3. State Route 198 is a transportation facility owned and operated by the Utah Department of Transportation (UDOT). An encroachment permit will need to be obtained for any work proposed in the public right-of-way. Furthermore, the applicant will need to provide adequate traffic control while completing work in the road right-of-way.
 4. At this time, the applicant does not anticipate the need for public utilities for the proposed use. If public utilities are needed in the future, the applicant must satisfy the utility requirements of Payson City, including payment of connection and impact fees, public works inspection fees, performance guarantee, and the scheduling of a pre-construction meeting.
- ❖ Criterion #6 – Suitability of the specific property for the proposed use.
Proposed Staff Condition for Criterion #6
1. The proposed site is an appropriate location for the utility facility due to the proximity of an existing high pressure natural gas line. However, the site is located in a residential zone and adjacent to existing and proposed dwelling units. If the conditions of this staff report are not satisfied, there will likely be a negative impact on the neighborhood, and the application should be denied.
- ❖ Criterion #8 – Economic impact on the neighborhood.
Proposed Staff Conditions for Criterion #8

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1. Staff would suggest that if the conditions contained herein are not satisfied, the proposed conditional use could have a negative impact on the economic values in the neighborhood, and the application should be denied.

❖ Criterion #9 – Aesthetic impact on the neighborhood.

Proposed Staff Conditions for Criterion #9

1. The applicant is proposing to install an eight (8) foot decorative concrete fence around the natural gas regulator station. The color of the building and the fence will be similar to those used on the existing structure on the parcel. The City Council may request additional enhancements to improve the aesthetics and compatibility of the neighborhood.
2. The public utility easements adjacent to the proposed utility site will be landscaped with decorative rock. Because utilities exist in the easement area (i.e. private irrigation line), vegetation will not be planted. However, the remaining portions of the parcel will be landscaped by the property owner in conjunction with site plan approval of the Payson Bible Church.
3. The applicant will be required to enclose all outside storage behind a sight-obscuring fence.

❖ Criterion #10 – Safeguards to prevent noxious or offensive emissions such as noise, glare, dust, pollutants and odor.

Proposed Staff Condition for Criterion #10

1. The applicant will be required to demonstrate that during construction as well as operation, the proposed conditional use will not create a nuisance for the existing or future residents surrounding the site.

❖ Criterion #11 – Attempts by the applicant to minimize other adverse effects on people and property in the area.

Proposed Staff Conditions for Criterion #11

1. If project lighting is necessary, the lighting must be directional lighting to minimize light pollution onto the adjacent properties and surrounding residential areas.
2. Activities on the site must be conducted in a manner that does not violate the noise ordinance of Payson City.

Councilmember Hancock wondered how this compares to the facility on South Main. Planner Spencer explained that the facility on South Main is for gas metering not a regulator station which takes it from a high pressure pipe to a lower distribution size.

Councilmember Skinner wondered if they could also upgrade the existing facility on 500 East.

Mark Johnson and Dan Skinner from Questar Gas Company were introduced. Mr. Johnson explained that he was approached 1 ½ years ago to locate a site for this facility because of growth has depleted the system. There is a high pressure line going down State Highway right now so this is an excellent site and it strategically locates for future development.

He said that the regulator stations are strategically located for demand, so it would not do any good to increase capacity at the existing site on 500 East. Councilmember Skinner explained that he wasn't talking about capacity but fencing. Mr. Johnson said he would have to check into that.

Mr. Johnson said they are proposing the 8 ft. high fence for security reasons and felt it would be aesthetically nice and they are confident about safety.

Councilmember Hardy wondered what the life of the pipe would be. Mr. Skinner explained that the feeder line replacement group is replacing lines in 50 years, but they are still good. They are inspected monthly and maintained.

Councilmember Hancock said that one of the issues was odorant and the representatives from Questar said that the odorant is injected at the gate in Payson Canyon.

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

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Public hearing closed at 7:05 p.m.

MOTION by Councilmember Hancock finding the potential growth of that area is served by this regulator station, and the placement of it makes as little impact as possible, to grant approval of the Conditional Use Permit in to install and operate a Natural Gas Regular Station at 1612 S. SR 198 in the R-1-12 Residential Zone including all staff conditions and approving the increased height of the fence. Motion seconded by Councilmember Hardy. Motion carries.

SCOUT ATTENDANCE CERTIFICATES Continued

Councilmember Hancock presented additional attendance certificates to scouts in attendance: Andrew Welton, Logan Johnson, and Blake Spencer.

PUBLIC HEARING – APEX STORAGE REQUEST FOR A CONDITIONAL USE PERMIT TO ALLOW A SECOND CARETAKER DWELLING AT 992 W. 170 N.

MOTION by Councilmember Hardy to open the public hearing to receive public input regarding a request from Apex Storage for a Conditional Use Permit to allow a second caretaker dwelling at 992 W. 170 N. Motion seconded by Councilmember Skinner. Motion carries.

Public hearing opened at 7:10 p.m.

Planner Spencer presented the following staff report:

The applicant, Taylor Smith, is seeking approval from the City Council to allow an additional caretaker dwelling in conjunction with the Apex Storage business located at 992 West 170 North in the I-1, Light Industrial Zone. The storage unit project is a permitted use in the I-1, Light Industrial Zone, but a request for a caretaker dwelling requires a conditional use permit approved by the City Council.

Because storage units are a permitted use in the I-1 Zone, the site plan was approved administratively by staff. At the time of site plan approval, the applicants planned to rent/lease the office building for commercial or industrial uses. Since that time, the applicants concluded there was a need for on-site security and requested approval to convert one of the office areas (main floor) into a caretaker dwelling for an on-site manager. On September 21, 2011, the City Council granted approval of a conditional use permit allowing one (1) residential caretaker dwelling unit contingent upon satisfaction of staff conditions.

At this time, the applicant is requesting approval from the City Council to allow a second caretaker dwelling for the Apex Storage business. The applicant is proposing this unit to be located on the second story of the existing building and be occupied by the assistant on-site manager. Approval of the conditional use will eliminate the potential of providing office space on the site.

Although a request for approval of a conditional use permit did not require a public hearing before the Planning Commission, a public hearing is required before the City Council makes a final decision on the request. A public hearing has been noticed in accordance with State statute and City ordinance and scheduled to allow the City Council to obtain public input prior to the determination of appropriate conditions to mitigate potential impacts of the proposed conditional use. Furthermore, courtesy notices have been provided to surrounding property owners that indicates the time and location of the City Council meeting.

Analysis

In accordance with Section 19.6.22.13(3) of the Payson City Zoning Ordinance, a caretaker dwelling is allowed as a conditional use in the I-1, Light Industrial Zone. Moreover, if the storage unit facility contains more than two hundred fifty (250) storage units and the applicant can demonstrate an additional unit will significantly improve safety and security measures, the City Council may grant a conditional use permit to allow a second caretaker dwelling on the site. Two hundred eighty (280) of the anticipated five hundred (500) storage units have been constructed in the Apex Storage project.

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As with any conditional use, it is the applicant's responsibility to demonstrate to the City Council that all negative impacts of the proposed use can be mitigated through the imposition of appropriate conditions. Typically, uses designated as conditional uses require special consideration from the Planning Commission and City Council in order for these uses to be consistent with the intended uses of the underlying zone. These uses may or may not be appropriate in particular locations depending on whether the potential impacts of the project can be mitigated. The Planning Commission and City Council must evaluate the appropriateness of the request on a case by case basis. The conditional use permit procedure allows the City Council to approve, deny, or conditionally approve any request for a conditional use permit based on the criteria found in Chapter 19.13.6 of the Zoning Ordinance.

In particular, residential uses in storage unit developments are carefully reviewed because residential uses are not always compatible in areas designated for industrial development. In many instances, services such as school bus service, sidewalks, parks, and other amenities found in residential areas are not available in industrial zones.

Staff has reviewed the application materials and prepared this staff report for a second caretaker dwelling within the existing building on the Apex Storage project site. It is the responsibility of the applicant to demonstrate that the proposal satisfies the criteria outlined in Section 19.6.22.14 of the Zoning Ordinance and other applicable City regulations.

The validity of the permit shall be conditioned upon strict compliance with applicable City ordinances, the approved project plan, and any additional conditions or requirements imposed by the City Council. The City Council shall be the final authority for all applications for conditional use permits. The following factors shall be weighed and considered when determining whether a conditional use permit application should be approved, approved with conditions or denied:

1. Harmony of the request with the general objectives of the General Plan, Zoning Ordinance, Subdivision Ordinance, any other City ordinance and the particular zone in which the request is located.
2. Harmony of the request with existing uses in the neighborhood.
3. Development or lack of development adjacent to the site.
4. Whether or not the request may be injurious to potential development in the vicinity.
5. Present and future requirements for transportation, traffic, water, sewer, and other utilities.
6. Suitability of the specific property for the proposed use.
7. Number of other similar conditional uses in the area and the public need for the conditional use.
8. Economic impact on the neighborhood.
9. Aesthetic impact on the neighborhood.
10. Safeguards to prevent noxious or offensive omissions such as noise, glare, dust, pollutants and odor.
11. Attempts by the applicant to minimize other adverse effects on people and property in the area.
12. Impact of the proposed use on the health, safety and welfare of the City, the area, and persons owning or leasing property in the area.

Although there is certainly no need to complicate the situation, there are some issues that should be addressed in conjunction with the proposed conditional use. Staff has limited the content of this staff report to the concerns identified by staff following a review of the application materials. The Planning Commission and City Council may include additional conditions to ensure any potential negative impacts are properly mitigated.

Criterion 1 indicates that the City Council should review the proposed conditional use with regard to the request being in harmony with the general objectives of the General Plan, Zoning Ordinance and Subdivision Ordinance. Residential units are rarely allowed in industrial areas and only for very specific purposes. As indicated above, there are only limited residential services in industrial areas and encouraging residential units could result in a less than ideal living environment.

Staff would suggest the following be considered as potential conditions:

1. The residential use is an ancillary use to the project (storage units) and must be used as a caretaker dwelling in accordance with Section 19.6.22.14 and the conditions imposed by the City Council. The applicant may lose the privilege of maintaining on-site living quarters if the residential unit(s) are not occupied by the management staff of the storage unit business.

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2. By nature, there is only limited parking provided in storage unit projects. Some parking will be necessary to properly conduct business. The applicant must provide at least five (5) parking stalls: one (1) stall for the operation of the storage unit business and four (4) stalls for the residential uses (2 per unit). At least one of the parking stalls of each residential unit must be covered.
3. The applicant will need to apply for and obtain a building permit to modify the interior space of the structure to accommodate residential uses in a manner that satisfies all regulations of the adopted building and fire codes. The applicant is proposing residential uses in an industrial setting; therefore, proper access and the installation of an automatic fire sprinkling system are required. The applicant is responsible for payment of all connection fees, impact fees and other associated costs consistent with the fee schedule of Payson City.
4. Approval of a conditional use permit for the caretaker dwelling(s) does not alter or waive any conditions of Site Plan approval for the Apex Storage unit project.

Criterion 2 provides for the consideration of existing uses in the vicinity. Similar to the concerns listed for Criterion 1, the primary concern of staff is the introduction and expansion of residential uses in an industrial area. The provision of caretaker dwellings for storage unit projects was never intended to provide a mechanism for applicants to obtain rental units. Staff is supportive of the proposed use for management of a storage unit business, but not simply to accommodate rental units. The conditions listed above should be adequate to alleviate this concern.

Criterion 6 addresses the suitability of the site for the proposed conditional use. The lack of sidewalks, parks, playgrounds, schools and other residential amenities limits the services provided by the City in this area. While a caretaker dwelling may be appropriate, pedestrian uses, outdoor recreation activities, school bus routes, residential solid waste collection and similar services will not be available. Furthermore, if a conditional use permit is granted by the City Council, the applicant will need to be aware that the approval is valid for the proposed location only and does not grant any type of approval for any other location.

This represents the items identified by staff in connection with the conditional use request for a caretaker dwelling for the Apex Storage project at 992 West 170 North. Staff would suggest that the conditions listed herein, together with any conditions found to be appropriate by the Planning Commission and City Council, be imposed for the residential unit in the I-1, Light Industrial Zone.

Councilmember Hardy thought the Council already had discussion about this facility and the offices. Planner Spencer explained the City ordinance requirements for office and care-taker facility. She said that last fall the applicant convinced the Council that the care-taker residence would be best on the ground floor and Councilmember Hancock remembered that in that discussion there was some talk about a shared hallway and stairway for the residence and the upstairs area.

Owners of Apex Storage Taylor Smith and Mark Wells were introduced. Mr. Wells said that they are requesting the second residence because they have a need for an Assistant Manager to live at the location as well as the Manager in the existing residence. He explained that they have five acres and have 280 units and anticipate growing to 500 units. The Assistant Manager would be responsible for managing weekends, nights and holidays. He explained the layout of the building and felt it would be quite simple to separate the two units.

Councilmember Skinner wondered if this was putting the cart before the horse, and if they needed the additional residential unit before the additional units were built. Planner Spencer explained that they have approval of the additional units, but they would still need to apply for building permits, etc.

Mr. Wells felt that the existing size of their facility warrants the need for the Assistant right now.

Councilmember Hardy wondered if there were any other business units that have two living quarters, and Planner Spencer said that Lions Den, right down the street from this one, has two.

Councilmember Hancock wanted to be clear that the conditional use should specifically say that it was for one of the managers, and wondered if we could require it.

Attorney Mark Sorenson said it is not uncommon to put a condition on something like this. Especially because it is their request to have the managers live in the residential units. We would be limiting it as they requested, not

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putting additional requirements on it. The condition goes with the land, so the condition would still exist if the land were sold.

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

Public hearing closed at 7:23 p.m.

MOTION by Councilmember Skinner finding that it is a necessary for a storage facility to have managers live in residential units on site, and a second one for this business is needed at this time, to approve the request for a Conditional Use Permit to allow a second caretaker dwelling for the Assistant Manager at 992 W. 170 N. for Apex Storage, and to include all conditions of staff. Motion seconded by Councilmember Hardy. Motion carries.

OPTIONS FOR WEST MEADOWS ANNEXATION

Planner Spencer explained that at the direction of the City Council, staff conducted a meeting with the property owners in the West Meadows Annexation to determine the current level of interest in the proposed annexation. This meeting was held on August 8, 2012 and several property owners attended. As the meeting concluded, staff requested the property owners fill out a survey to provide additional information regarding their property. Over the past several weeks, staff has contacted property owners unable to attend the meeting to fill out the survey. The results of this survey are provided in the City Council packet.

Many of the property owners in the annexation area are eager to advance the annexation process. In an effort to finalize the annexation process, staff is requesting the City Council consider the following options.

1. Advance the annexation as proposed. Several parcels in the proposed annexation area are impacted by an overlap between the Annexation Policy Plan boundaries of Payson City and Santaquin City. Last year, the two cities entered into an agreement to address annexation within the overlap area. According to the agreement, Payson City will need to gather additional signatures from the property owners and obtain authorization from Santaquin City to annex any property included in the overlap area.
2. Modify petition to exclude overlap areas. The City Council could modify the boundaries of the proposed annexation. Although excluding the parcels impacted by the overlap area would make the process simpler, there are several owners in this area who remain interested in annexation.
3. Remain Pending. Although an option, the petition has been pending since 2010 and staff would suggest a final decision be made regarding the status of the annexation.
4. Terminate Annexation Petition. At any time in the annexation process, the City Council may terminate an annexation request. The Payson City Annexation Policy Plan suggests these parcels will be included in the municipal boundaries at some point in time. However, the City Council must determine the appropriate time for annexation.

Anticipated Action by the City Council

The City Council will need to determine if the annexation should proceed as currently proposed or if the configuration and acreage of the annexation should be modified. Staff is requesting direction on how to proceed through the process. Further analysis and public hearings will need to be conducted before any portion of the annexation can be approved by the City Council.

Councilmember Skinner wondered what our responsibility would be if we annexed, and Planner Spencer explained the City's "Holding Zone" and things would be the way they are now, so similar to what the County allows, and we wouldn't be responsible for water, sewer, etc. until further development occurs.

Councilmember Phillips felt that since we have the agreement with Santaquin, the City Manager should meet with Santaquin City Manager to see how they feel about us going forward with the annexation. Councilmember Hancock agreed because the agreement with Santaquin was made in good faith and we have a responsibility.

Councilmember Skinner agreed, but clarified to take the information to Santaquin, that we have 75% of the applicants and want to proceed assuming that the overlap area would be included.

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Staff felt like they had their direction.

Rhett Huff said he is confused about the overlap area, and it is different than what he thought it was. He said he is disappointed that Santaquin hasn't already been contacted. Another thing that concerns him is West Mountain wanting to incorporate and how it might further complicate this situation. Land owners have been in limbo for quite some time and those in the overlay area are what are holding the annexation back. If it is not looking like something would happen in the near future, he would like to see it move forward with the area not in the overlay area.

OPTIONS FOR WIGNALL ANNEXATION

Councilmember Phillips disclosed that he is a land owner in this proposed annexation area and has a conflict of interest.

Planner Spencer stated that the proposed Wignall Annexation includes approximately 104 acres located on the north side of SR 198 between approximately 1200 East and 1650 East (2400 West and 2050 West, Utah County coordinate system). The annexation was accepted for further review by the City Council on November 7, 2007 and has been inactive for quite some time. One reason for the delay is the need to determine the allowable uses following annexation. The current land uses in the annexation area include typical residential uses, a residential care facility, agricultural uses, honey production, agricultural storage, and the keeping of animals. Staff has also been informed of interest by Wasatch Mental Health to construct an office building on property included in the proposed annexation. More recently, staff was notified of an application being considered by Utah County to allow regular (weekly) livestock auctions on property included in the annexation area.

In an effort to finalize the annexation process, staff is requesting the City Council consider the following options.

1. Advance the annexation as originally submitted. The proposed annexation encompasses approximately 104 acres and includes multiple land uses. If the City Council is interested in forwarding the petition as proposed, the following issues will need to be addressed.
 - a. William Morris has requested his signature be removed from the petition. Staff has determined the petition still satisfies the requirements of the State Code without the signature. Nevertheless, the Morris property could be annexed without his written consent.
 - b. The annexation sponsor, Dean Wignall is requesting the land use and infrastructure studies be deferred until the time of development. At present, development of the property is limited because of the lack of infrastructure systems in the area. Further studies are necessary to determine how infrastructure systems will be accommodated in this area.
 - c. Dean Wignall is requesting the City Council allow the existing agricultural building be used for business storage following annexation. The owner is willing to enter into an agreement to specify the terms of such use, including the satisfaction of building and fire code requirements and the option to cease the use in the future (sunset clause).
 - d. The Utah State Livestock Marketing Board has authorized a regular livestock auction on property in the proposed annexation. The applicant is required to receive approval from Utah County which is expected in the near future. The applicant and the landowner request this use be allowed following annexation.
 - e. An annexation agreement will need to be prepared that specifies the proposed zoning and the allowable land uses following annexation. Furthermore, the annexation agreement will need to stipulate the timing and obligations for the preparation of the land use and infrastructure studies.
2. Amend the boundaries of the proposed annexation. The City Council could modify the boundaries of the proposed annexation. Several of the property owners are still interested in annexation; however, the only parcel anticipated to develop in the near future is owned by Wasatch Mental Health.
3. Remain Pending. Although an option, the petition has been pending since 2007 and staff would suggest a final decision be made regarding the status of the annexation.
4. Terminate Annexation Petition. At any time in the annexation process, the City Council may terminate an annexation request. The Payson City Annexation Policy Plan suggests these parcels will be included in the municipal boundaries at some point in time. However, the City Council must determine the appropriate time for annexation. It should be noted that Payson City and Salem City have not entered into an agreement regarding future municipal boundaries on the north side of SR 198.

Anticipated Action by the City Council

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The City Council will need to determine if the annexation should proceed as currently proposed (104 acres) or if the configuration and acreage of the annexation should be modified. Staff is requesting direction on how to proceed through the process. Further analysis and public hearings will need to be conducted before any portion of the annexation can be approved by the City Council.

Councilmember Hancock wondered what Mr. Morris concerns were. Planner Spencer felt that he has uses on his property that Payson City would not find appealing. She explained that with his name off the petition, his property is located where he would still be brought in to the annexation, but would not be a petitioner.

Consensus of the Council was to move forward with the annexation, with the zoning issues being worked out.

Mark Brian stated that he is looking at using the concrete and holding pens that are already there for the auction facility. He said they will need to put in gravel for parking.

DISCUSSION REGARDING UTILITY SHUT-OFF POLICY

Manager Tuckett explained that staff has been working on a policy to hopefully streamline the shut-off procedure. In order to adopt a formal shut-off procedure, we need to amend Chapter 3 of Title 13.

We also need to amend the fee schedule to be consistent with the policy.

The main change in how we have been doing the shut-off policy is that we will deliver a shut-off notice to the customer before shut-off. This notice will give the property owner 24 hours in which to come and pay the bill. We tried this last Thanksgiving and Christmas and it seemed to work well. Many on the shut-off list came in and paid. If they pay, they will save the \$50.00 disconnect fee. It will also cut down on the crew we will need to actually go shut-off the property. He presented an Ordinance for amendments to Title 13, a Resolution establishing the Utility Shut-off Policy, and a Resolution amending City Fee Schedule and asked for the Council to approve each.

Normal Shut-off is usually held on Tuesday, if they call in after hours, they are turned back on with the understanding that the payment is put in the drop-box and if it is not, they are turned off again and an additional shut off fee assessed. There is always an option to get the power turned on, no matter what day or time.

Electrical Superintendent Crump explained the cost to charge the \$100 to turn back on the power if it is after hours because of dispatch and over-time.

MOTION by Councilmember Skinner approving Ordinance #09-05-12, An Ordinance amending Title 13. Motion seconded by Councilmember Hardy. Motion carries.

MOTION by Councilmember Hardy approving Resolution #09-05-12-A, Establishing a Utility Shut-off Policy. Motion seconded by Councilmember Phillips. Motion carries.

MOTION by Councilmember Phillips approving Resolution #09-05-12-B, amending the City Fee Schedule to reflect fees charged for Shut-off of Utility Services, but to keep the Reconnect fee at \$75 for other than regular hours. Motion seconded by Councilmember Skinner. Motion carries.

ADJOURN

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

Adjourned at 8:35 p.m.