



PROVO MUNICIPAL COUNCIL

Work Meeting Minutes

1:00 PM, Tuesday, February 20, 2018
Room 310, City Conference Room
351 West Center Street, Provo, UT 84601

Agenda (0:00:00)

Roll Call

The following elected officials were present:

Council Chair Gary Winterton, conducting
Council Vice-Chair David Harding
Council member David Knecht
Council member David Sewell
Council member George Handley
Council member George Stewart, arrived 1:20 PM
Council member Kay Van Buren
Mayor Michelle Kaufusi, arrived 1:09 PM

Prayer

The prayer was given by Bryce Mumford, Policy Analyst.

Approval of Minutes

January 11, 2018 Legislative Breakfast
Approved by unanimous consent.

Business

1. A motion to reschedule the March 20th meetings. (0:02:08)

Motion: David Harding moved to reschedule the March 20, 2018 Work & Council Meetings to March 27, 2018. Seconded by David Knecht.

Roll call vote: Approved 6:0, with George Stewart excused.

2. A presentation and discussion on wastewater planning. (17-131) (0:03:23)

Dave Decker, Public Works Director, presented and introduced several staff and guests in attendance. Mr. Decker addressed two topics in the presentation: pipe capacity throughout the City and the finance options for building a new treatment plant or refurbishing the existing plant. He explained this step in the sequence of presentations and preparations which will lead to the need to make a decision in April. Mr. Decker gave an update on the flow monitoring meters throughout the City and the data they have gathered over the three weeks that these meters have been in place. Mr. Decker explained the selection for the meter locations, which have been strategically placed to identify key sections and connections of the system.

With this placement and breakdown of data, they have information for the whole city and critical facilities which are upstream of the treatment center.

Mr. Decker highlighted data from several meters around the city, which illustrated the capacity levels versus the recommendation for those areas. Mr. Decker clarified that this data is part of the process of initial reporting to the Council, not data for the coming decision points. Mr. Decker also highlighted the factors of inflow and infiltration (I&I)—groundwater, snow runoff, rain, etc. which can infiltrate the wastewater system. He indicated that late spring and early summer is when I&I might influence the flow rates measured during those months. The current data set presents minimum monthly flow rates, but staff will return with other metrics showing the average and maximum monthly flow.

Mr. Decker shared a diagram of a phased treatment plant, designed with a focus on nutrient issues as well as industry forecasts for contaminants. Mr. Decker reiterated that the location for a new treatment plant has not been determined. This rendering shows the new plant located on the west side, but Mr. Decker stressed that a new plant could be built next to the existing treatment plant. Mr. Decker discussed the west side main sewer trunk line project, noting the main lines which support the west side. Mr. Decker outlined the financial assumptions which have shaped the proposed options. A new treatment plant is not required, but meeting State requirements with the old plant would require significant investments and modifications to rehabilitate the existing facility for ongoing operation at the level required.

Mr. Decker outlined several options and the implications for each. He noted that these projections for the monthly bill estimates have been prepared using 2018 dollars and not factoring inflation. Each option carries significant risk (construction cost changes, interest rates, financial climate over next 40 years, future regulations which may require updates to the facility, etc.)—there are a great many variables in each scenario. Mr. Decker outlined the proposed options:

- “Pay as you go” option
 - Finance has recommended a safety net of about 25% of their revenue costs, which would equate about \$3 million. This option would still result in steep fee increases for residents.
- One five-year short-term loan
- Two short-term loans
- \$240 million bond
 - 30-year bond in 2020 for west side sewer main trunk lines and construction of a new full capacity facility. The City would pay \$118 million in interest under this option.
- Refurbishment of existing treatment plant
 - This option becomes more expensive because of future updates which will be needed to the adjoining infrastructure and pipes. Mr. Decker explained that it would be difficult to replace pipes in place for a refurbished plant which was originally built in 1956.

Council member George Handley asked whether one of these options, more than another, would result in a better end product. Mr. Decker explained that in a new plant, the implementation of new technology will be more sustainable and more aggressive in meeting and complying with future regulations. Council member David Harding observed that these options do not present an equal investment regarding what is put into the facility and infrastructure. Mr. Decker also showed a comparison of Provo and other cities’ utility rates for sewer in order to provide context for the projected rate increases. ***Presentation only.***

3. A presentation regarding a proposed appropriation to fund the demolition and construction of Block 90 (R.C. Willey Block). (17-106) ([1:03:08](#))

David Walter, Redevelopment Director, presented and explained the confluence of events which caused the need for this appropriation. During demolition of the old R.C. Willey building, there were several

unanticipated complications which resulted in additional costs on the project (basement boiler & asbestos removal, ceiling collapse resulting in more costly asbestos abatement and containment, and parking lot). This \$284,000 appropriation would come from RDA fund balance and not the general fund. **Presentation only. This item was already scheduled for the February 20, 2018 Council Meeting.**

4. A presentation regarding a proposed appropriation to the Housing Consortium Fund to pay for approved self-help projects. (18-025) ([1:08:04](#))

David Walter, Redevelopment Director, presented. The appropriation request was for \$228,000 from the HOME Consortium fund. In 2016, a portion of funding was received from Rural Housing but was processed as a loan repayment rather than as a refund. Dan Gonzalez, RDA Management Analyst, explained the nature of this request, which was to correct a mistake with how funding was routed for these projects. Mr. Gonzalez explained the distinctions between a repayment and a refund; a refund would replenish the budget, whereas a repayment from a loan would come into the system as revenue rather than replenishing the relevant account. This appropriation would direct the funding back to the appropriate project account to correct the previous mistake. **Presentation only. This item was already scheduled for the February 20, 2018 Council Meeting.**

5. A discussion on revisions to the rental law ordinance. (17-104) ([1:12:55](#))

Brian Jones, Council Attorney, presented on revisions to the rental law ordinance which resulted from previous work meeting discussions. Mr. Jones highlighted the changes to the ordinance text and the implications for those changes. This draft was circulated to the Committee and they reviewed it last week.

Carrie Walls, Zoning Administrator, was present and answered questions regarding the Rental Dwelling License program and approvals. The March 6, 2018 Council Meeting was the earliest date the Council could act on this, but the Zoning Committee, working with Ms. Walls and her staff, determined that August 1 was the effective date they wished to recommend. It would allow for a more well-rounded education effort which will also be aimed at new tenants arriving for fall semester.

Zoning Committee members made note of several elements in the revised ordinance which were a direct reflection of constituent feedback. The Committee expressed their appreciation of the Administration's efforts and support. Mr. Jones clarified that citizens who were opposed to previous measures because of their general opposition to occupancy limits may not be appeased with the changes, but Mr. Jones noted that the revision addresses several specific issues which had been raised regarding previous versions.

Council member David Harding shared suggestions about the implementation and effectiveness of disclosures—if the proposed methods are not working, the Council could consider further changes later on.

Council members shared comments and feedback on creating a committee or other way in which interested groups, such as young single professionals in Provo, could be involved in a more formal setting to contribute and give feedback. Council member David Sewell shared several specific ideas or suggestions. Council member George Handley added insight about the perception of exclusion and how unfamiliarity with City processes can be an impediment to citizens who wish to be involved. Mr. Sewell and Mr. Handley spoke about direct invitations and specific outreach to involve citizens where their input is valued. **Presentation only. This item will be scheduled for the March 6, 2018 Council Meeting.**

6. A discussion on the Storm Water Master Plan and Design. (18-026) ([1:48:30](#))

Dave Decker, Public Works Director, presented on previous storm water master plans and introduced several staff members in attendance. Mr. Decker noted the importance of understanding Provo's storm

water history in order to determine the future direction of the plans. Mr. Decker reviewed data from the National Oceanic and Atmospheric Association which mapped storms and trends.

Mr. Decker and staff members Rob Hunter and Danielle Nixon assisted in a demonstration of how stormwater distributions work. Mr. Decker invited several Council members to participate. The exercise illustrated the rainfall distribution of a typical summer storm and how is not consistent, yet remains an important calculation in stormwater. Mr. Decker shared images from several typical storms in Provo, noting where the storm drain capacity was exceeded and resulted in flooding for a rainstorm which should have been handled just fine by the City's stormwater system.

Mr. Decker explained that in the 1990s, there was not much information in the Wasatch Front about stormwater. Provo was an early city to establish a stormwater district and lacked having the example of other cities to learn best practices and compare operations. Mr. Decker explained common rainfall distributions and explained the methodology by which Provo's stormwater master plans and systems had been evaluated. Locally conducted research by Utah stormwater professionals resulted in the Farmer-Fletcher method, which is used throughout the Wasatch Front and illustrates a typical rainfall pattern distribution in Utah. This method illustrated the same *quantity* of water as previous methodologies, but the data from Utah resulted in a very different distribution across the timeframe measured. Provo has run into issues with its stormwater system because the pipe system has not been designed for the sharp peak illustrated in the Farmer-Fletcher distribution, which is what most commonly occurs during local storms.

Mr. Decker explained the misnomer of a 10-year, 25-year, etc. storm and explained how these categories are rated. Many cities in the Wasatch Front prepare their systems for a 10-year storm. The master plan consultants prepared two different maps illustrating Provo's current stormwater system capacity and the areas of the system which are inadequate in a 10-year and in a 25-year storm, respectively. Mr. Decker explained the costs and differences in designing a system able to handle 10-year versus 25-year storms.

After discussions with the master plan consultant, it is critical that the City correct the distribution curve used in preparing the master plans and building subsequent stormwater infrastructure. The forthcoming master plan will include recommendations to correct deficiencies of the current system, detention ponds, and revised standards. Public Works hopes to rely more heavily on detention basins than on new pipes, as new piping is more costly, but as new pipes are placed into the stormwater system, they will be sized properly in order to start implementing these corrections immediately where possible. ***Presentation only.***

Policy Items Referred from the Planning Commission

7. A discussion on an ordinance amending Provo City Code to increase the number of residential units needed for recreational amenities in the General Downtown (DT1) zone. Downtown Neighborhood. (16-00023OA) ([2:12:26](#))

Dustin Wright, Planner, presented. This ordinance amendment would change the requirements for amenity space on multiunit project. Rather than requiring amenities for 5-unit residential projects, this would change the limit to 20, allowing for more affordable infill development. The applicant has requested this change and the Planning Commission recommended approval. Council member David Sewell asked whether it would make sense to make this change for DT2 also. Making a change to DT2 would entail an analysis of what public facilities and parks are available at the time; the focus of requiring amenities is a way of influencing the quality of life and to ensure that an area is livable.

Council Attorney Brian Jones noted that under Council Handbook rules, because the Planning Commission Report of Action for this item was not published by 6 PM on the previous Thursday, the Council would need to continue the item at the evening meeting.

Several Council members asked questions about the requirements for amenity space (indoor, outdoor, rooftops, etc.). Mr. Wright explained that the 20-unit minimum was equivalent to what is required in the LDR and MDR zones. Council members asked staff for more details concerning the original benchmark of 5 units. Prior to approving this change, Council wished to understand the logic behind the original limits. ***Presentation only. This item was already scheduled at the February 20, 2018 Council Meeting.***

8. A discussion on an ordinance amending Provo City Code to allow Dental Laboratories as a Permitted Use in the Community Shopping Center (SC2) Zone. Citywide impact. (18-0001OA) ([2:22:00](#))

Dustin Wright, Planner, presented. The Planning Commission recommended approval of this amendment to add a use to the permitted use table for the SC2 zone. Dental offices are already permitted in the SC2 zone and this amendment would add specifically “dental lab only” as a standard land use (SLU) code. Council members asked questions about the implications for shopping centers in the City and how this supports or hinders the General Plan goals. Mr. Wright explained that this would permit a wider variety of use in the SC2 zone, which has been requested by this applicant. Several Council members shared comments.

Dixon Holmes, Economic Development Director, expressed that Community Development would want to entirely restructure the SLU codes. Mr. Holmes explained that any time the City has an applicant who requests to locate a use in a commercial zone, it is generally favorable. Mr. Holmes explained the benefits in broadening the uses in commercial zones, which can help to revitalize centers which have vacancies.

Council member David Harding asked for staff to provide more detailed information in staff reports in response to the standard questions. Council members asked about SLU codes and Bill Peperone, Community Development Assistant Director, explained that this is a national standard. The system is somewhat outdated and Provo has adopted specific uses of these which are permitted in particular zones. ***Presentation only. This item was already scheduled at the February 20, 2018 Council Meeting.***

Business

9. A presentation on the Redevelopment and Economic Development Departments and potential budget requests. (18-005) ([2:31:39](#))

Dixon Holmes, Economic Development Director, presented. Mr. Holmes expressed their appreciation of the Council’s support of Economic Development initiatives. Mr. Holmes explained that of their \$750,000 budget, approximately half covers personnel. Other portions of their budget fund City initiatives such as the Freedom Festival, Downtown Provo Inc., and wayfinding signage. They are short one staff member of their usual staffing levels at this time and they would like to keep this funding in their budget and return with a more specific plan as to whether they will replace this vacancy or wish to utilize this funding for other programs in the department. Mr. Holmes noted several ideas they would love to pursue:

- intersection study
- post-performance retail incentives (not wholesale, but perhaps a few key other applications)
- hire consultants on retainer
- staff participation in International Conference of Shopping Centers
- Mountain Vista funding (how and where this is spent)

Mr. Holmes would like to have ongoing conversations with Council regarding the emphasis on retail. Council members shared comments on the Downtown Provo, Inc. organization and subsidy. DPI plays a

key role in the downtown area and Council members have been pleased with the major improvements to the organization over the last year. In response to a question from Council member George Handley, Mr. Holmes explained how sales tax revenue is structured and explained that the City does not operate on a model where the Economic Development Department staffing or programs are contingent on the sales tax revenue generated; sales tax is only one of many funding sources for the City and Economic Development brings many benefits to the City independent of their impact on sales tax.

Council members expressed interest in examining in more detail how DPI is structured. Mr. Winterton said that it is a different organization now than it was a year ago. He is grateful for the changes that have happened; DPI is much more responsive now as an organization. Because the Council is accountable for those funds, they would like to invite DPI to future work meeting to provide a report on their operations.

David Walter, Redevelopment Director, thanked the Council for their support of Redevelopment Agency initiatives. Mr. Walter explained tax increment which funds the RDA and explained their federally funded grants. The RDA does not anticipate any staffing changes and they do anticipate creation of several Community Development Areas (CDA) (the Mix, Provo Towne Centre Mall, etc.), which would utilize tax increment. Council members asked whether the RDA was exploring any further tax increment usage in collaboration with the School District beyond the District's limit of 5%. Council members shared comments on previous conversations with School Board members and staff—the Board has stated in policy #1940 that economic development is not a priority of the School Board. Mr. Walter explained that the 5% limit was a decision made by the School Board years ago. He believed that the City could work with the School Board to illustrate the full potential of the tax increment financing. This is an important tool to promote growth to ultimately capture more property tax locally in Provo, where approximately 60% of the property is property tax-exempt. As the City grows, the City can continue to make strategic investments in collaboration with the School Board.

Mr. Winterton invited a comment from a citizen and Melanie McCoard shared feedback on areas of the City which could use redevelopment attention as well as proactive planning for future redevelopment. Council members also shared comments on redevelopment, noting that there are other influences such as the market and determining which developers are willing to focus on redevelopment. *Presentation only.*

Council member George Stewart commented that some community groups may feel like they have not been heard when a Council decision is not what the group asked for or wanted. Mr. Stewart expressed that it is important to not overreact in these situations.

Closed Meeting

10. The Municipal Council or the Governing Board of the Redevelopment Agency will consider a motion to close the meeting for the purposes of holding a strategy session to discuss pending or reasonably imminent litigation, and/or to discuss the purchase, sale, exchange, or lease of real property, and/or the character, professional competence, or physical or mental health of an individual in conformance with § 52-4-204 and 52-4-205 et. seq., Utah Code.

Motion: George Stewart moved to close. Seconded by Kay Van Buren.

Roll call vote: Approved 6:0, with Gary Winterton excused.

Adjournment

Motion: Kay Van Buren moved to adjourn. Seconded by George Handley.

Roll call vote: Approved 6:0, with Gary Winterton excused.