



PROVO MUNICIPAL COUNCIL

Legislative Breakfast

7:00 AM, Thursday, January 10, 2019
Hyatt Place Provo, Meeting Room
180 W 100 N, Provo, UT 84601

Roll Call (0:00:00)

The following elected officials and Provo City staff members were present:

Council Chair David Harding, conducting	Wayne Parker, CAO
Council Vice-chair Kay Van Buren	Isaac Paxman, Deputy Mayor
Councilor George Stewart	Cliff Strachan, Council Executive Director
Councilor George Handley	Bryce Mumford, Policy Analyst
Councilor David Knecht	Hannah Salzl, Policy Analyst
Councilor David Sewell	Karen Tapahe, Community Relations Coordinator
Representative Norm Thurston	Elizabeth VanDerwerken, Council Executive Assistant
Representative Adam Robertson	
Representative Marsha Judkins	

Excused: Mayor Michelle Kaufusi and Councilor Gary Winterton
Representative Norm Thurston offered the prayer.

Business

City Discussion Items

Funding for wastewater treatment facilities (0:03:40)

Council Vice-chair Kay Van Buren introduced the topic and Wayne Parker, CAO, addressed more details related to the City's position. Provo City has been able to receive significant funding from the State toward the construction of a new wastewater treatment facility. However, there remains about a \$50 million gap between funding received and the funds needed. Mr. Parker explained that it becomes challenging for older wastewater facilities to keep pace with rapidly changing regulations, particularly as phosphorous and pharmaceuticals become a normal expectation for wastewater treatment. The Council wished to express to the legislators this opportunity for the Legislature to continue looking for opportunities to fund those types of low-interest loans.

Representative Norm Thurston asked whether the City felt the Division of Environmental Quality and Water Quality were being unreasonable in their requirements. Mr. Parker expressed that that was still the City's feeling, though at this point the position seems inevitable and unlikely to change. It seemed that the only solution was to replace all existing infrastructure, but the standard was so high that it was near impossible to afford any of the solutions which could meet or comply with the regulations.

The wastewater treatment policy discussion is closely related to Utah Lake issues; the Division of Water Quality has been concerned about the health of Utah Lake. Councilor George Handley asked whether the assumptions about the potential impacts to Utah Lake were founded on a scientific basis, or what presumed the expected results (or non-results) of the various water quality programs. The DWQ is requiring massive efforts from cities related to water quality, but with the exclusion of all of the other factors (such as geography and topography, as well as the ecological baseline of Utah Lake), Representative Thurston felt it may not make a significant difference. Mr. Parker noted that there was a varying level of agreement or disagreement from scientists in the industry. *Discussion only.*

MS4 Standards changes and reporting requirements (0:14:03)

Wayne Parker, CAO, introduced this topic. The State Division of Water Quality recently implemented stormwater requirements above and beyond those of the Federal Environmental Protection Agency. The EPA recommends a requirement of 85th percentile storms, but the DWQ has implemented requirements for 90th percentile storm runoff. Mr. Parker explained that 20% more rain falls in a 90th percentile storm than in an 85th percentile storm; this change will put an incredible strain on the development community and affordability of housing, due to more stringent requirement for on-site retention. DWQ has said exploring a case-by-case basis to permit 85th percentile, but it involves hiring a consultant and significant increased costs associated with the exemption reporting requirements. The City has shared a handout with legislators which outlined some of the City's more technical concerns with the MS4 standard changes. Councilor David Harding observed that the DWQ seemed willing to work with Provo, but he was primarily concerned that the regulations should make sense for everyone, if everyone is held to the standard. Councilor David Knecht observed that such changes to stormwater requirements could introduce additional costs, which in turn would impact ongoing concerns with housing affordability as Provo and the surrounding areas continue to grow. *Discussion only.*

Governor's budget items including affordable housing and regional parks (0:18:30)

Cliff Strachan, Council Executive Director, introduced this discussion. Mr. Strachan noted that the Governor's budget has included several items of interest to the City. He noted that \$50 million was designated for improvements to the water infrastructure, including \$20 million for municipal industrial improvements. Much of this funding seemed to be involved with metering programs, but Provo City officials would appreciate more money in the budget for these kinds of issues in cities. Mr. Strachan also expressed the City's interest in additional funding toward wastewater infrastructure. As regulations change and more stringent requirements are placed on cities, Provo faces challenges with addressing aging infrastructure to meet the gaps.

Mr. Strachan also noted an allocation in the Governor's budget of \$17 million for affordable housing. Mr. Strachan noted that housing advocates in the State are asking for \$20 million. Provo is working on affordable housing issues and Provo has about 60% of affordable housing in Utah County; Provo City continues to be involved, but the help of the legislators in seeking financial resources for other municipalities with regard to affordable housing is appreciated. Mr. Strachan also noted the Governor's budget for matching grants for regionally significant parks. Provo is planning a sizeable regional sports park in west Provo; any help to get funding would be very appreciated by residents and the Council.

Representative Norm Thurston asked several clarifications of the affordable housing topic—he wondered what were some examples of what Provo would use additional funding for with affordable housing. In response, Councilors and City officials shared that the Provo City Housing Authority was in the process of creating a community land trust. The City was also considering the housing resolution proposed by the Salt Lake Chamber Housing Gap Coalition. The Council was considering that resolution, but it called for cities to try and change impact fees; Provo City was wrestling with being able to fund growth infrastructure with impact fees, but hearing from the affordable housing segment that without help from cities they are unwilling to put money into those programs.

Representative Marsha Judkins asked whether Provo was looking to put more affordable housing in throughout the city. Councilors George Handley and David Knecht clarified that the community land trust would help the rest of Utah County to be more involved, so that Provo is not bearing a disproportionate amount of affordable housing responsibility for the surrounding communities. Communities that do not have any affordable housing would certainly be high on the list of those who would be eligible to receive funds to build some. Mr. Harding also noted confusion around what constitutes “affordable.” The Salt Lake Chamber referred to housing affordability at each level of AMI (area median income). Mr. Harding suggested that Provo was concerned with housing affordability across the spectrum and how to provide housing across the spectrum that is affordable to individuals. Representative Thurston addressed also noted that the costs of housing have shifted dramatically across the spectrum; housing that an individual may have been able to afford five years ago is now equivalent to something smaller or less desirable.

Councilor David Harding shared an additional comment regarding regionally significant, community parks. Mr. Harding noted that there was a plan on the drawing board for a recreational beach state park on Utah Lake; there was not currently funding for it, but if the Governor were proposing budget funds for this area, there could be an opportunity to fund that park. *Discussion only.*

Opportunities for an airport terminal in Provo City (0:28:14)

Isaac Paxman, Deputy Mayor, introduced this topic. He suggested that Provo officials have not felt that they have asked the Legislators for many specific appropriations, but they may come to the legislature in the future to ask for help securing an airport terminal in Provo. Mr. Paxman indicated that he could facilitate tours of the Provo Airport for the legislators. Provo can only process one flight at a time; that presents an undeniable bottleneck. The Provo Airport could get more flights, but truly needs a terminal to be able to handle any increased volume. They have an application for a federal grant in, and will try to work with other programs through the state administration. However, Mr. Paxman suggested that on a legislative side, they would like to seek opportunities to secure an airport terminal. He noted that St. George received a boost from the legislature toward getting a terminal. The Provo Airport has already secured federal grants to continue to bolster Provo Airport and Provo sees this as this region’s airport.

Representative Adam Robertson indicated that he works closely with the Federal Aviation Administration on a professional basis. He also serves on Legislature’s Transportation Committee. With his aviation background, he is at FAA headquarters regularly. Representative Thurston also suggested that the City recruit the support of the County Commission—bringing in the rest of the Utah County delegation to form a broad coalition really helps the Provo legislators. Representative Thurston also noted that routing more cargo traffic and passenger traffic into Provo by way of the airport further reduces the strain on the

highways and road systems. Representative Thurston suggested that in large metropolitan areas, it was crucial to have an international airport and a regional airport to reduce the burden and spread things out. Mr. Paxman invited any suggestions from legislators. Representative Robertson indicated that he could make a connection with the director of the Utah Division of Aeronautics and the City. *Discussion only.*

Utah County election issues and funding (0:33:38)

Council Chair David Harding explained that City officials recently met with Amelia Powers, the newly elected Utah County Clerk. Their sense from that meeting was that she is very capable and has great ideas to address past problems. She has some plans, but like everything else, she is looking for ways to fund new election equipment. Mr. Parker expressed the City's hope that the County would conduct the municipal election, for purposes of efficiency, but that the City wanted a certain level of confidence in the election management process before turning over that responsibility to Utah County. *Discussion only.*

State Legislators' Discussion Items (0:37:23)

Mr. Harding invited the legislators present to share highlights of the upcoming legislative session, including any legislation they were sponsoring, or other issues of interest to Provo City.

(0:37:40) Representative Norm Thurston shared his takeaways from the Republican legislature's all-day caucus; he anticipated several issues taking precedence during the legislative session:

- Medicaid expansion following the approval of Prop 3 in November
- Tax reform: broadening the tax base, lowering the tax rate, and the implications for the legislature. There was a potential for sales tax to be extended to services which have previously not been subject to sales tax.
- Budget issues as a result of the record budget surplus. Looking forward, it seemed that there may be an economic downturn sooner rather than later; the State needed to put enough money aside in preventative measures so that the impacts of an economic downturn would be flattened. Representative Thurston expressed that putting funds into rainy day funds, funding one-time budgetary needs, and paying off debt would be critical; many are inclined to apply surplus funding to ongoing expenses, however this created problems for having a sustainable, balanced budget in future years. Representative Thurston noted that during the previous year, the Legislature had used much of the budget surplus to pay for state prison relocation costs in cash. This did not get much news coverage, but Mr. Thurston felt that this was indicative of one of the general fiscal strategies of the Legislature in order to maintain principles of fiscal responsibility.

Representative Thurston also mentioned legislation regarding short-term rentals, food trucks, and trampoline park safety, which would likely be addressed at the upcoming Legislative Session.

Councilors shared comments and responses throughout the discussion with the legislators. Councilor George Stewart expressed appreciation for the Legislature's aim for fiscal responsibility; while Provo would love additional funding for city projects, he felt it should not be at the expense of fiscal responsibility. Councilor David Knecht mentioned the quarter-cent sales tax enacted by the County Commission. He noted the ongoing conversation surrounding a change in the form of government at the County. Both Representatives Thurston and Adam Robertson agreed that the County government was due

for a change, and indicated that procedures and legislation was already in place, such that it could happen and be initiated at a local level. Councilor David Harding expressed that some of the laws at the State level, including some which ULCT addressed, often represented cities broadly, but did not always factor in considerations that were in the best interest of specific cities. Mr. Harding specifically addressed legislation about affordable housing, housing affordability, and homelessness. He felt those issues were closely interrelated; Provo City officials felt that cities should have full economy to address how best that works in their municipalities. Provo was assessed during the previous year to fund homeless services, but these funds were not sent back to Provo. Representative Thurston encouraged the Council to be visible and vocal on these issues; he said Salt Lake City officials were often present at the legislature to speak up on issues of importance to them. He encouraged Provo to do the same where they had strong feelings or opinions on specific legislation or policies.

[\(0:50:34\)](#) Representative Judkins asked for additional clarification regarding Mr. Harding's reference to costs assessed to Provo City for lack of homeless services. Representative Judkins indicated that Provo did not have overnight homeless services, and suggested that for a city of Provo's size, those services were needed. If Provo had adequate services of that kind, the assessments could have stayed locally rather than being sent to Salt Lake. Representative Judkins said while Provo had excellent services, there was no homeless shelter to address immediate needs, and many facilities had months-long waiting lists.

Mr. Parker suggested that Provo did not receive acknowledgment for its quantity of community and volunteer organizations, including the many ecclesiastical and non-profit services. Many ecclesiastical groups help with rent checks that prevent homelessness; Provo does not receive adequate allowance or recognition for strides in preventing homelessness in the first place. The Food and Care Coalition was also nearly ready to break ground to add 72 transitional housing units. Part of the frustration has involved the narrow definition of homeless services. Additionally, the feeling was that Provo's money was being sent to Salt Lake County, when the Rio Grande operation had the effect of driving much of that area's homeless population to Provo. Frontrunner has been a pipeline for transient individuals to find their way to Provo. The City has been working with UTA police to ensure that passengers on the train have paid to ride it. Provo continues to work through those issues but sought to be self-sustaining in those efforts.

Representative Judkins asked whether Provo officials thought there were a need for a homeless shelter in Provo. Mr. Parker explained that homelessness was not monolithic. There was a sizeable portion of Provo's community for whom homelessness was a lifestyle choice; whether due to mental illness or substance abuse, there were many individuals who did not want to be in a facility and did not want to have the associated expectations placed on them. Provo officials would be supportive of sheltering done right; Mr. Parker felt that the Food and Care Coalition is a great model, with its requirement for job training. He clarified that what Provo wanted to avoid doing was warehousing people experiencing homelessness; rather, he felt that the process should aim to meet the specific needs of specific patrons—being as specific in care as possible to each individual was important. Mr. Parker noted the County's Continuum of Care group would be an asset to the conversation and a good place to start; Provo's Fire Chief Jim Miguel serves as a liaison or representative to that group at the County. Mr. Harding felt there were significant efforts taking place, but he would love to continue that conversation with Representative Judkins and local service providers.

(1:00:05) Representative Adam Robertson outlined details of legislation (House Bill 59) he was working on regarding government recreation and entertainment facilities. The legislation would not impact existing facilities, but for prospective or new facilities would require that the municipality undertake a market study or similar process to determine the impacts of the facility, and whether the entertainment and recreation needs would be better served by a private enterprise. The intent was to develop and promote a transparent process for residents and cities. The current draft referenced entertainment and recreation; Representative Adams did not think it included parks. Councilors and Mr. Strachan shared comments and feedback. In particular, Councilor George Handley shared his concerns about the bill. He worried whether it would put pressure on a city to not do something because of an assumption about the private enterprise (which may or may not necessarily come to fruition). He liked that the measure promoted transparency, but he felt it was unclear as to whether or not it would create a lot of hesitancy on the part of the city to do something. Mr. Handley also felt that one could argue that a municipal recreation center shares a similar clientele as a local private gym, but that a recreation center provided a community center and space that would not exist otherwise.

Mr. Parker expressed that the City always does a feasibility study before designing and constructing a major facility; he wondered whether the HB59 market study could be a component or a privatization component of a feasibility study, as structuring the requirement this way would save the city a lot of money. If the new legislation were to require the city to go out and hire a consultant, Mr. Parker read that as an unfunded mandate from the legislature. Councilors and officials shared additional comments and discussion on this proposed legislation.

(1:10:25) Mr. Handley referred to an earlier discussion in the meeting regarding naturally occurring phosphorus in Utah Lake and the impacts or implications of the various water quality regulations. He had emailed a colleague at BYU, Dr. Ben Abbott, to request more information on the subject. Dr. Laverre Merritt had been proposing a hypothesis that there is enough natural phosphorous in the lake, such that additional efforts by cities to improve water quality will not have an effect. In response, Mr. Handley shared Dr. Abbott's report based on discussions with other scientists at another agency—they felt that better wastewater treatment of phosphorous and nitrogen *would* help to mitigate some of the ecological and water quality issues at Utah Lake. Addressing wastewater treatment is one of a variety of strategies that they (scientists within the discipline of environmental science and water/hydrology) are looking at with the Utah Lake Commission. Mr. Handley wished to simply point out that Dr. Merritt's point of view was a minority point of view; most other scientists think what the City was doing is and will be helpful.

Mr. Sewell thanked the legislature and Representative Thurston for sponsoring and passing the bill which lowered the legal blood alcohol level limit.

Mr. Handley wanted to also thank Representatives Judkins and Robertson. Representative Thurston expressed that he has been grateful for great new legislators. Provo City and Utah County will really be in a position of strength at the legislature and Representative Thurston was excited about the opportunities during the upcoming legislative session.

Adjournment

Adjourned by unanimous consent.