

PAYSON CITY
CITY COUNCIL MEETING
Payson City Center, 439 W Utah Avenue, Payson UT 84651
Wednesday, February 6, 2019

CONDUCTING Mayor William Wright

ELECTED OFFICIALS Linda Carter (via telephone), Brett Christensen, Taresa Hiatt, Brian Hulet,
Doug Welton

STAFF PRESENT David Tuckett, City Manager
Mark Sorenson, City Attorney
Sara Hubbs, Finance Director/City Recorder
Kim E. Holindrake, Deputy City Recorder
Travis Jockumsen, Dev. Serv. Director/City Engineer, PW Director
Jill Spencer, City Planner
Brad Bishop, Police Chief
Kent Fowden, Streets/Landfill/Storm Drain Superintendent
Scott Spender, Fire Chief
Janeen Dean, Community Events Coordinator

OTHERS Chet Hovey – Advanced Engineering, Ty Jones – Chamber, Rebecca
Knapp, Dave Johnson

Mayor Wright called this meeting of the City Council of Payson City, Utah, to order at 6:00 p.m. The meeting was properly noticed.

A. PRAYER & PLEDGE OF ALLEGIANCE

Prayer offered by Councilmember Welton.

Pledge of Allegiance led by Randy Hall.

B. CONSENT AGENDA

1. Approval of the January 16, 2019 City Council Meeting
2. Resolution - Lease Agreement with the Daughters of the Utah Pioneers

MOTION: Councilmember Welton – To approve the consent agenda including the agreement with the Daughters of the Utah Pioneers. Motion seconded by Councilmember Hulet. A roll call vote was taken as follows and the motion carried.

Yes	-	Brett Christensen
Yes	-	Taresa Hiatt
Yes	-	Brian Hulet
Yes	-	Doug Welton

C. PETITIONS, REMONSTRANCES & COMMUNICATIONS

1. Public Forum

No public comments.

2. Staff and Council Reports

Staff Reports

COMMUNITY EVENTS – Janeen Dean gave a shout out for the Peteetneet Museum and the great volunteers. Between October and December 2018, the volunteers put in 1,587 volunteer hours. In December specifically with the train show, over 2,000 visitors came to the museum. It is a lot of community caring and volunteering.

PUBLIC WORKS – Director Travis Jockumsen stated precipitation is 150% of normal and snow water equivalent is 137%. We received 10 new inches as of yesterday with 56 inches total. FEMA hasn't official denied the city's appeal but didn't like the 2D model. Staff resubmitted a letter with additional data. It doesn't look like they will take the business park out of the flood plain.

FIRE AND AMBULANCE – Chief Spencer stated January was a busy month with 168 medical calls and 37 fire calls. They escorted Major Tim Clayson home from his tour of duty. He serves as Chaplain for the fire department. Next Wednesday is a first aid and CPR certification class, which draws one to two dozen people.

POLICE – Chief Brad Bishop reported the January statistics with 84 arrests, 147 offenses, 213 citations, 262 violations, 1,141 calls for service, 5 DUI's, 371 traffic stops, and 29 traffic accidents. The Utah County Major Crimes Task Force reported 2018 yearend stats including 232 felony arrests, 23 federal indictments, and 178 misdemeanor arrests. They seized 1,373 pounds of marijuana valued at over 3 million dollars , 260 pounds of methamphetamines valued over 1.1 million dollars, 75 pounds of heroin valued at 1.1 million dollars, 20.72 pounds of cocaine valued at \$217,000, 6,635 pharmaceuticals doses, \$515,000 in cash, and 79 firearms. There were 1,575 cases investigations and 131 search warrants. In comparison to 2017, the seizure of heroin was up 47 pounds; meth was up about 50 pounds, cocaine up about 11 pounds, marijuana up about 500 pounds, and pharmaceuticals up about 5,000 dosage units.

ADMINISTRATION – Dave Tuckett thanked all those who attended local official's day with good interaction with some of the legislatures. Mike Hardy asked him to ask the council to look at special improvement areas for curb, gutter, and road ties. Mr. Hardy also mentioned a water meter lid that needs to be fixed and some snow piled on some sidewalks. He will forward the council pictures from Mike Hardy.

CHAMBER – Ty Jones stated the chamber is implementing programs to strengthen businesses in the area as well as the ambassador program to increase membership. The chamber has a very diverse board, and everyone is excited for the year. The chamber has a goal to help with the economic development.

Council Reports

Councilmember Christensen stated he appreciates the clearing of the roads and keeping them safe.

Councilmember Hulet stated he attended an economic summit this morning. Utah is doing better than most states, and Utah County is shining. Growth is coming to Utah County, and the city needs to prepare for that growth.

Mayor Wright stated two-thirds of the coming growth will be our own children. Planning for growth needs to be done right.

Councilmember Welton thanked the streets department for pothole repairs. He attended local official's day along with the youth government and youth city court who help work through issues with juveniles. It's fun to go to the state capital with them and meet the officials. He attended the valley visioning last night, which looks at all of Utah County. They took age surveys, and there was no one there under 25. The growth coming is the youth; it's not from California. He encourage the young people to go on line to valley visioning and give feedback on growth so the older generation isn't making all the decisions.

Councilmember Hiatt stated at the economic summit it was mentioned that if you're going to purchase a home, do it now because costs will continue to go up. People need to start talking politics with their kids because they don't understand government. They need a preview of the reality of life, and they need the correct facts. It is being discussed in the schools.

3. Scout Attendance Certificates

No scouts present.

4. CTC – Mayor's Youth Recognition Award (6:19 p.m.)

Mayor Wright and Rebecca Knapp presented Mayor's Youth Recognition Awards to Emiliano Castillo, Mt. Nebo Junior High, Caron Stone, Payson Junior High, and Kya Hancock, Payson High School.

5. Chamber Business of the Month

Ty Jones presented the Chamber Business of the Month to two businesses. The business of the month for January is Rowley's Red Barn. Owner Todd Rowley stated they like what they do, and the community that supports their business. The business of the month for February is the Mervyn Sharp Bennion Central Utah Veterans Home. Weston Parsons stated 40% of their veteran population is over 90 years of age and over 20 are World War II veterans. One veteran recently explained that he was the crane operator on the aircraft carrier that pulled the Apollo 11 capsule from the ocean. It's a remarkable place to work.

(Councilmember Carter present via telephone)

6. Presentation regarding Landfill Waste Reduction (6:30 p.m.)

Kent Fowden stated that with the completion of the latest master plan, we begin looking at lifespan and lifecycles of the landfill. Tonight we have a presentation of the waste reduction program that staff would like to implement to preserve this asset for the city and residents.

Chet Hovey discussed the financial assurance plan and C&D resource conservation plan. The Code of Federal regulations requires Payson City to demonstrate that funds are available to meet closure, post-closure, and corrective action requirements. Financial resources include the compensation to third parties for any injury or accidents that might result from facility operations. The financial assurance estimate totals \$2,007,260 for both closure and post-closure. Financial assurance mechanisms include the following:

- Trust funds encompass annual payments made into a fund over the life of the landfill at a bank or similar institution that cannot be accessed during the active life of the facility.
- Surety bonds are a financial guarantee bond or performance bond that pays a penalty sum equal to current cost estimates. It becomes liable if the owner/operator does not perform. Collateral may be required.
- A line of credit is typically from a bank guaranteeing the funds will be available if needed.
- An insurance policy is a contract agreement with an insurance company agreeing to pay the policyholder (State of Utah) for losses.
- A self-insurance policy includes a financial test that includes financial, record keeping, and public notice. The city is stating that it has the internal financial strength and doesn't need to go to a third financial party.

The city is required to have a stainable and sustainable solid waste program. The requirements include a financial test, unqualified financial statement, annual updates/reports, and compliance with generally accepted accounting principles. The financial test includes a bond rating or financial ratio methods. The city is currently using a trust fund. His recommendation is to use the self-insured policy.

Sara Hubbs stated the trust fund currently has \$575,000, which could be released for other uses. The city's ratios are very good, and she watches them every year.

Chet Hovey stated if there were a major down turn and ratios were not in line, he would recommend beginning with a trust fund and then negotiating with DEQ stating the city will be in line within seven years. He continued with the C&D Resource Conservation Plan that includes conserving space by increasing the compaction rate to increase density. Shredded waste provides 2-4 times the revenue per yard because less daily soil cover is required. Shredded waste can be used as daily cover because it doesn't have the impact of litter, creates a smaller surface area, doesn't blow as bad, and compacts better. The Environmental Protection Agency reports that landfill costs have increased 2.5% per year for the last 10 years even when inflation was flat. Costs are expected to increase as much as 5% per year as new regulations and siting requirements take effect. The city's capital costs on the landfill are about 30%. It is a significant savings if the city can put more waste in the same 30% cost. Most cities overlook planning their solid waste needs in their growth projections. He provided a Class IV full development plan to use every square space effectively and efficiently. This plan will pay for itself and preserve this asset for generations to come. A 20-year projection compares expenses to revenues leaving the city with a net return of \$981,200. The recommendations include implementing the C&D Resource Conservation Plan (increase density) by

reallocating existing PTIF funds for equipment purchases (\$572,726), borrowing \$628,000 for monthly payments for equipment, mining existing C&D waste to extend the life of the landfill, permitting shredded C&D as alternative daily cover (\$20,000), developing all available space for both landfills, implementing quarterly density analysis, starting immediately with lateral expansion permitting, and increasing diversion rates.

Kent Fowden stated that without the lateral expansion/grinder, the landfill has about 20 to 25 years left. The plan includes one additional employee and the grinder.

Chet Hovey stated the industry life of the grinder is 15 years but he uses 10 years to be conservative. Operating costs (fuel, maintenance, service) are \$43,000 per year.

(Councilmember Carter excused)

D. ACTION ITEMS

1. PUBLIC HEARING/Resolution regarding Fiscal Year 2018-2019 Budget Amendments
(7:13 p.m.)

Staff Presentation:

Sara Hubbs reviewed the proposed budget amendments for Fiscal Year 2018-2019.

- \$300 donation for library books.
- \$2,401.73 grant, donation, and reimbursable overtime for police equipment/supplies and reimbursing the overtime account.
- \$9,500 transfer from animal control professional services to cover fees and service shortage due to animal shelter.
- \$30,000 from interest income for council, administration, and legal supplies for new office furniture including four desks, two conference tables, chairs, large monitors, and new council/mayor chairs.
- \$102,712.12 from electric fund balance and miscellaneous revenue for legal fees regarding the SESD lawsuit.
- \$1,722.58 unclaimed funds collected.
- \$10,739 PEHP experience refund received.
- \$36,370 from Maples Subdivision bond to complete project.
- \$100,000 from storm drain 200 North 200 West project excess and unneeded SWPP compliance budget for 800 West trunk line design.
- \$72,400 from B&C fund balance for American Way extension.
- \$3,400,000 to participate in replacing the old ballfields.
- \$6,350 to upsize the Spring Creek Sewer to a 10-inch line.
- \$45,000 to cover pumping costs from the west outfall line collapse and purchase easement.
- \$20,000 for consultant regarding the FEMA flood plain appeal.
- \$200,000 for payment of past operating expenses of UTOPIA.
- \$14,018 for parks vehicle and \$22,236 for electric department vehicle.
- \$8,000 for consultant to complete public safety impact fee.
- \$5,000 for final expenses regarding the salmon supper.
- \$220,000 from landfill upgrade scales for new grinder and track hoe.

She noted the city treasurer recently found over \$22,000 in unclaimed funds with the state that will be used for different items. Previously staff discussed the process of purchasing vehicles on the government rate and then selling them after a couple years while the value is up in order to save money on vehicle purchases and maintenance. A sewer department vehicle was traded in after two years, and the city actually made money on the sale. The proposal is to try this again in the next budget.

MOTION: Councilmember Hulet – To open the public hearing. Motion seconded by Councilmember Welton. Those voting yes: Brett Christensen, Taresa Hiatt, Brian Hulet, Doug Welton. The motion carried.

Public Hearing:
No public comments.

MOTION: Councilmember Hulet – To close the public hearing. Motion seconded by Councilmember Welton. Those voting yes: Brett Christensen, Taresa Hiatt, Brian Hulet, Doug Welton. The motion carried.

Councilmember Hulet proposed moving ahead with the landfill proposal as well as taking the money from the trust fund and moving it over to the enterprise fund balance.

MOTION: Councilmember Hulet – To approve the resolution accepting the budget amendments for 2018-2019 Fiscal Year with the 800 West trunk line coming from storm drain. Motion seconded by Councilmember Christensen. A roll call vote was taken as follows and the motion carried.

Yes	-	Brett Christensen
Yes	-	Taresa Hiatt
Yes	-	Brian Hulet
Yes	-	Doug Welton

2. Resolution - Development Agreement for Villages at Arrowhead Park, Phase 4, located at west of Arrowhead Trail at approximately 1500 North (7:50 p.m.)

Staff Presentation:

Jill Spencer stated there are a couple additional changes to address that came up today, which staff okay with the changes. Page 2 section 3A addresses the timing of building of permits to allow the applicant to obtain building permits prior to completion of all the requirements. There are essential improvements that have to be completed prior to issuing a building permit, and then no certificate of occupancy can be issued until all the required improvements are completed. Page 4 section G addresses the trigger point and timing of when the amenities have to be completed. She had proposed a starting point where the southern amenities would be done with the completion of three of the southern buildings, and the northern amenities would be done with the completion of three of the northern buildings. The applicant proposed constructing all seven southern buildings with the completion of all the amenities prior to a certificate of occupancy in the last building. Then on the northern side, eight buildings would be constructed prior to installation of the amenities. The

applicant has bonded for the amenities so there is ample protection and incentive to complete those amenities. Page 5 section J addresses the financial assurance requirements for improvements are consistent with the city code and state code. She noted the project includes 80 townhomes, which will be built in phases.

MOTION: Councilmember Hulet – To pass the resolution approving the development agreement for Villages at Arrowhead Park, Phase 4. Motion seconded by Councilmember Christensen. A roll call vote was taken as follows and the motion carried.

Yes	-	Brett Christensen
Yes	-	Taresa Hiatt
Yes	-	Brian Hulet
Yes	-	Doug Welton

3. Resolution – Appointment to the Payson Library Board (7:47 p.m.)

Dave Tuckett stated Rebecca Billings has been on the Library Board for three years and her term is up. She would like reappointment, and the Board is in favor.

MOTION: Councilmember Welton – To pass the resolution approving the appointment to the city library board. Motion seconded by Councilmember Christensen. A roll call vote was taken as follows and the motion carried.

Yes	-	Brett Christensen
Yes	-	Taresa Hiatt
Yes	-	Brian Hulet
Yes	-	Doug Welton

4. Discussion regarding chartering an all-girls Boy Scouts of America troop

Mayor Wright stated he and Dave Johnson have discussed this proposal to a great extent. Mr. Johnson is asking the city to be a sponsoring entity for a Boy Scouts of America (BSA) troop of all girls. There is some history with the city being a sponsoring entity for a boy-scout explorer troop some time ago through the police department.

Dave Johnson stated he is starting an all-girls troop and would like the city to charge the troop. There's not much required by the city other than using the city's name and providing a place to meet. Two other requirements include approving the members of the troop and a \$40 annual fee for chartering the unit.

Councilmember Hulet stated it's a great idea, but questioned the city's liability with leaders and any injuries.

Mark Sorenson stated as the troop goes forward, any activities would be covered by BSA paperwork. If the troop meets in a city building, the city's insurance covers. Anyone the city appoints are considered volunteers but not the troop itself. The city's insurance would look at other insurances such as BSA to cover first. The city requires all necessary paperwork for any activity.

Dave Johnson stated BSA provides primary liability insurance. Injuries are covered by supplemental BSA insurance that the unit purchases. He and others will be the leaders; no city employees are needed.

Mark Sorenson stated his understanding is three leaders are needed for each troop with two at every activity. He recommended approving those and then the BSA will do background checks sufficient to their purposes, which should be sufficient for city purposes. The approval is just like the library board appointments.

Councilmember Welton questioned protection of city billboards because if one is allowed then everyone is allowed. He questioned if it opens the city up to anyone by accepting a scout troop. He questioned if the city is obligated to accept other entities, such as an underwater basket weaving class, or can the city say no. He questioned if the city goes down this road, can the city pull out later or is it just best not to enter into it.

Mark Sorenson explained that within the organization, the city might be obligated to ask them to establish a male troop if a male asks to participate because the city is a government entity. The city may be faced with that type of scenario. Available building space may not be the issue. He explained one example where Logan City owned the Eccles Theater. At one point, a production wanted to come to the theater, but city staff successfully discouraged them. Because of the conflict, the issue was brought before the city council who through a period of time created a foundation and divested the city of the theater. The city could step away from all of it, but the city is entering in to an agreement. The difference is a city is a government entity and has certain constraints.

Dave Tuckett stated it is a concern not allowing other entities. The city needs to tread lightly because of similar issues brought up. The Nebo School District decided to not allow other entities. The city runs into equal protection and can't legislate around equal protection because it's a constitutional right. If you allow one group, you have to allow all groups.

Councilmember Christensen voiced concerns with just sponsoring an all-girls troop and what happens if boys are interested. This needs to be addressed in more depth. He doesn't want to open a can of worms that can't be contained.

Dave Johnson clarified the agreement is for a year. BSA requires a separate troop for boys and girls. BSA identifies as boys and girls. There are no coed troops.

Dave Tuckett stated the city managers association have been addressing the issue and some cities may not allow chartering. We need to have a good answer. He will check with Dave Church, attorney for the Utah League of Cities and Towns, to weigh in on the topic. If a way to accommodate legally.

Councilmember Welton stated he is willing to do this but wants the right to step back and not sponsor more if necessary. If the city can't step away, it's probably best not to enter into it.

Councilmember Hulet stated that personally he would like to see both a girls and boys troop.

MOTION: Councilmember Welton – To table the chartering of a girls BSA troop.

Motion seconded by Councilmember Hulet. Those voting yes: Brett Christensen, Taresa Hiatt, Brian Hulet, Doug Welton. The motion carried.

5. Resolution – Interlocal Cooperation Agreement between Utah County and Payson City related to the Emergency Watershed Program (8:14 p.m.)

Staff Presentation and Discussion:

Travis Jockumsen stated this item is related to the fires and potential flooding. The Natural Resource Conservation Service (NRCS) is the organization to get the funding through, and Utah County is the sponsor. The projects include a concrete lining of part of the Dry Creek Channel from 930 West to Ridgestone, clearing trees and debris from the channel partway up the canyon, repairing the diversion structure by the scout camp, installing an overflow structure at the High Line Canal. The request is for about 5 million dollars, and the city pays 25%. This agreement allows the city to move forward with hiring engineers, etc. The project timelines has not been established. The city is not obligated or locked into a certain amount of money.

Mayor Wright stated the city can back out at any point. The work on the Dry Creek Channel could assist with the FEMA issues. If flooding is related to the fire event, then there may be federal funds available.

Dave Tuckett clarified that some big projects are with the High Line Canal and Strawberry so they will pay a portion.

MOTION: Councilmember Hulet – To pass the resolution accepting the interlocal cooperative agreement between Utah County and Payson City relating to the emergency watershed program. Motion seconded by Councilmember Welton. A roll call vote was taken as follows and the motion carried.

Yes	-	Brett Christensen
Yes	-	Taresa Hiatt
Yes	-	Brian Hulet
Yes	-	Doug Welton

6. Resolution – Amendment to the Payson City Personnel Policy regarding travel (8:20 p.m.)

Staff Presentation and Discussion:

Dave Tuckett stated this was brought to the council previously where there were questions on traveling 50 miles and the federal rules. Approval is through an employee's department supervisor. This policy is for training and seminar travel approval weeks prior.

Councilmember Welton stated the staff should to look for good and reasonable training and encourage employees to be trained where reasonable.

Mayor Wright stated it's well to do training in the state but sometimes training needs to go outside the state.

MOTION: Councilmember Welton – To approve the resolution amending Section 5.9 of the Payson City Personnel Policy entitled training and travel. Motion seconded by Councilmember Hulet. A roll call vote was taken as follows and the motion carried.

Yes - Brett Christensen
Yes - Taresa Hiatt
Yes - Brian Hulet
Yes - Doug Welton

7. Parameters Resolution - Consideration for Adoption of a Resolution of the City Council of Payson City, Utah, Authorizing the Issuance and Sale of not more than \$8,985,000 Aggregate Principal Amount of Water Revenue Bonds, Series 2019 and Related Matters
(8:25 p.m.)

Staff Presentation and Discussion:

Dave Tuckett stated this resolution is required to move forward with the bonding for the secondary water meters and well. The Department of Water Resources approved the funding, but the city needs to go through the bonding process. If parameters resolution is passed, then it's published and public hearing will be held on March 6. People can send in comments or attend and address the council. The funding is a 1% loan through the state. It's not final until the bond closing. There is a current bill to appropriate 12 million dollars a year to help cities install pressurized irrigation meters.

Councilmember Hulet stated the state will mandate meters at some point. The city can't beat a 1% loan.

Travis Jockumsen stated the meters will be read remotely and the users can access their account on line to see how much water they are using.

Sara Hubbs stated the city already raised rates this year in anticipation of the 4 million dollars. Impact fees can be used to cover part of it. A utility rate increase may or may not be needed. The meters will bring in usage revenue.

Dave Tuckett stated staff will bring proposals on structuring for charges.

MOTION: Councilmember Hulet – To pass the parameters resolution considering the authorization for the issuance and sale of not more than \$8,985,000 aggregate principal amount of water revenue bonds series 2019 and related matters. Motion seconded by Councilmember Christensen. A roll call vote was taken as follows and the motion carried.

Yes - Brett Christensen
Yes - Taresa Hiatt
Yes - Brian Hulet
Yes - Doug Welton

E. ADJOURN TO CLOSED SESSION (8:33 p.m.)

MOTION: Councilmember Hulet – To go into closed session. Motion seconded by Councilmember Christensen. A roll call vote was taken as follows and the motion carried.

Yes	-	Brett Christensen
Yes	-	Taresa Hiatt
Yes	-	Brian Hulet
Yes	-	Doug Welton

1. Discussion regarding potential litigation
2. Discussion regarding property sale and/or purchase

F. ADJOURNMENT OF CLOSED SESSION

MOTION: Councilmember Hulet – To go out of closed session. Motion seconded by Councilmember Welton. Those voting yes: Brett Christensen, Taresa Hiatt, Brian Hulet, Doug Welton. The motion carried.

G. ADJOURNMENT

MOTION: Councilmember Hulet – To adjourn. Motion seconded by Councilmember Welton. Those voting yes: Brett Christensen, Taresa Hiatt, Brian Hulet, Doug Welton. The motion carried.

The meeting adjourned at 9:37 p.m.

/s/ Kim E. Holindrake
Kim E. Holindrake, Deputy City Recorder