

PAYSON CITY  
CITY COUNCIL MEETING AND WORK SESSION  
Payson City Center, 439 W Utah Avenue, Payson UT 84651  
Wednesday, June 19, 2019

CONDUCTING Mayor William Wright

ELECTED OFFICIALS Linda Carter, 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  
Brad Bishop, Police Chief  
Jill Spencer, City Planner  
Scott Spencer, Fire Chief  
Karl Teemant, Recreation Director

OTHERS Brian Baker – Zions Public Finance, Jonathan Ward – Zions Public Finance, Janean Thomas, Brent Oakeson – Utah Local Governments Trust, Brad Rassmussen – Aqua Engineering

Mayor Wright called this meeting of the City Council of Payson City, Utah, to order at 5:05 p.m. The meeting was properly noticed.

A. WORK SESSION

1. Discussion regarding assessment areas

Brian Baker and Jonathan Ward reviewed Special Assessment Areas (SAA) and Public Infrastructure Districts (PID), which are tools for the city install infrastructure. Methods to financing public projects include save up and set aside, pay as you go, grant financing, and debt financing. Positives may include interest is earned, no interest paid, those who use the project pay for it, and the project is completed immediately. Negatives include requires interest payment, long wait time to complete project, risk of inflation costs, possible conditions for use, and arduous qualification process. SAA's are a subset of bond issuance, and the source of credit and source of repayment don't have to be the same source. SAA's encompass a specific geographic area to ensure that those benefited from the improvements pay for the improvements. An SAA may include improvements such as curb, gutter, sidewalk, drainage, street lighting, etc. SAA's started as a retrofit financing tool, and evolved into a financing tool for the installation of public infrastructure in an undeveloped area.

PID's became effective May 14, 2019 to enable property owners in 100% agreement to create a taxing sub-district in the city. They agree to be assessed a property tax, which is limited to .015 of every dollar of taxable value within the PID. The funds must be used for public infrastructure. PID's are created to keep the city out of the liability by establishing a board that controls meetings, publishes notices, levies and collects the tax, sets the budget, etc.

Creating an SAA involves an intent resolution to define the SAA including property and project, a public protest hearing, and defines the assessment method and amount. During the public hearing if more than 40% protest, the SAA can't be established. If less than 40% protest, the council may decide whether to force the assessment. Then if moving forward, the city conducts a 60-day protest period, designation resolution, and construction bid opening. A Board of Equalization would be established post construction for three consecutive days for a one-hour minimum and could change the result in city expense. The city then passes an assessment ordinance and bond resolution that triggers a pre-payment timeline. Assessments are levied on an equal and uniform basis according to the benefits received. The area includes all property that directly benefits from the improvements and no other. Some properties may carry a larger proportionate burden than others. The public hearing includes a publication of the Notice of Intent for four consecutive weeks as well as a double mailing delivered within 10 days of the first publication.

(15-minute break)

B. PRAYER & PLEDGE OF ALLEGIANCE (6:15 p.m.)

Prayer offered by Talon Harmon.

Pledge of Allegiance led by Cade Oakeson.

C. CONSENT AGENDA

1. Approval of the June 5, 2019 City Council and Redevelopment Agency Meeting
2. Resolution – Deferral Agreement for the Saints Peter and Paul Orthodox Church
3. Ordinance – Adoption of the Holdaway-Pleasant Flats Annexation located adjacent to and south of SR-198 extending to 100 South and between 1300 East and 1500 East
4. Ordinance – Adoption of the Payson Heights Annexation located east of the High Line Canal, west of Nebo Loop Road, and south of the Payson View Estates development (1600 South)
5. Ordinance – Adoption of the Condie Annexation located at 2252 W Salem Canal Rd

**MOTION: Councilmember Hulet – To approve the consent agenda.** Motion seconded by Councilmember Hiatt. Those voting yes: Linda Carter, Brett Christensen, Taresa Hiatt, Brian Hulet, Doug Welton. The motion carried.

(Note: The resolution and agreement for Item 2 were not available so the item will be addressed at a future meeting.)

D. PETITIONS, REMONSTRANCES & COMMUNICATIONS

1. Public Forum (6:18 p.m.)

No public comments.

2. Staff and Council Reports

Staff Reports

PUBLIC WORKS – Director Travis Jockumsen stated there are many projects being addressed that are moving forward quickly. Staff has received good compliments from developers. The water lines

are being installed at the RV Park and then the power lines will be installed. Water laterals are being installed along 500 West and then the road will be finished and paved.

**FIRE AND AMBULANCE** – Chief Spencer stated the Fire Department is gearing up for the fireworks season. Sells can begin next Monday. Fireworks can be discharged three days before and one day after the holiday. Information on fireworks restrictions will be distributed to sellers and posted on social media. There are concerns with the tall grass in the canyon and other areas.

**POLICE** – Chief Brad Bishop reported there were two large methamphetamine seizures last week, which they are seeing a lot of this lately at gas stations and Walmart. May statistics include 110 arrests, 196 offenses, 228 citations, 320 violations, 1,247 calls for service, 5 DUI's, 420 traffic stops, and 30 traffic accidents. Officers will be helping with the Veterans Home annual 5K race on Saturday. There is a bike race through town on June 28 and 29.

**RECREATION** – Director Karl Teemant reported baseball season is wrapping up in the next week with tournaments the first and second weeks of July. The pool is open with open swim from 1 p.m. to 7 p.m. The pickleball courts are almost complete with the surface scheduled the week of July 14.

### Council Reports

Councilmember Christensen stated he is excited for the upcoming city events.

Councilmember Hulet asked if any knows who is mowing the lawn at the Huish building and old One Man Band Building. He would like to know to thank them. The mural is being painted at the library. He and Mayor Wright met with a developer from California that picked Payson to do some investing.

Councilmember Carter reported she knows several who are opposed to the golf course that don't golf or enjoy it. She was humiliated when the Ladies Association hosted a team play with 75 women at the golf course because of the clubhouse restrooms. The women were lined up to use the restroom and only two out of the four stalls were working. The golf course is beautiful with beautiful views. When push comes to shove, people are brought to the golf course to show off Payson; yet the toilets couldn't get fixed. She feels bad because the only project left out of the PARC tax funding was these toilets. She wishes she had voted against the PARC tax projects.

Mayor Wright stated he received compliments for the Development Services Department from a company building in Payson who deals with 16 different cities in Utah. Of those cities, they said Payson is shining.

Councilmember Welton thanked staff because a lot is happening in Payson. He questioned the branding study to roll out by Onion Days because the budget needs to be discussed. He wants to make sure it goes well. A search for Payson Recreation doesn't show up on line; he wants to find ways for it to show up. Representative Mike McKell seems to think there is funding for the I-15 project in Payson. He is excited the pressurized irrigation is being done. Main Street near 800 South and the High School is cut up and needs to be repaved and not just patched. This needs to be a priority. He would like a work session regarding the new ballparks, and there needs to be a traffic study on the road. He feels the new ballfields should be distributed in other areas of the city. There are safety concern with kids walking to the pool so there needs to be barriers just during the summer because of vehicles cutting through the parking lot.

Councilmember Hiatt thanked Jill Spencer and Daniel Jensen for meeting with her to update development projects; she really appreciates the Development Services Department. All the city staff is awesome.

3. Scout Attendance Certificates

Councilmember Carter presented scout attendance certificates to Cade Oakeson, Chase Christensen, Joshua Cox, and Talon Harmon. She asked them to state their favorite thing in scouting.

4. CTC: Mayor's Team/Individual Recognition (6:53 p.m.)

Mayor Wright recognized Janean Thomas from Payson High School for receiving the Teacher of the Year Award. Janean Thomas stated she has been at Payson High School eight years and teaches sewing, child development, fashion, and preschool classes. She loves being at the school and loves the great kids.

5. Presentation of Trust Accountability Program Award (6:55 p.m.)

Brent Oakeson presented the city with the Trust Accountability Program Award for the fifth year in a row. The purpose of the program is to reduce losses and accidents. The city receives a return check of 5% of its liability premium and now after the five years, the city qualifies for a discount of 4.5%.

6. Presentation and approval of the Payson City Wastewater Treatment Plant Upgrade

Brad Rassmussen updated the city on the ClearAs (algae) process. The pilot project at the South Davis Plant is not working because of something toxic in the water. The pilot project at the North Davis Plant is working and moving forward. The revenue stream has not been verified and will not be available for Payson financing. The Payson Wastewater Treatment Plant needs repair of the existing equipment, redundancy for existing processes, nutrient removal, and expansion for growth. The current capacity is three million gallons per day (3MGD), which could be reached by about 2030 with a projected population of 31,600. The projected future capacity by 2058 is five million gallons per day (5MGD). The plant expansion includes four different scenarios, i.e. expansion, expansion with ClearAs, expansion ClearAs aerobic stabilization, and expansion aerobic stabilization. He recommends constructing the 3MGC expansion aerobic stabilization, which expands the plant when necessary for growth and new permit requirements as well as providing a lower monthly rate for current customers. Then in about seven years, the plant would be upgraded to the 5MGD.

Councilmember Hulet stated wastewater impact fees need to pay for the growth expansion. He questioned raising the wastewater impact fee.

Councilmember Welton stated the wastewater cycle runs every 20 years and impact fees need to be spent every six years.

Councilmember Christensen questioned if the facility could be constructed in phases.

Brad Rassmussen clarified the Legislature makes it difficult to plan ahead and save impact fees to build a large project. Essentially, he is proposing construction in phases, which will assist in the financing.

#### E. ACTION ITEMS

1. PUBLIC HEARING/Resolution – Amendments to the current Fiscal Year 2018-2019 Budget  
(7:20 p.m.)

#### Staff Presentation:

Sara Hubbs reviewed the amendments to the Fiscal Year 2018-2019 Budget.

- Library donation received - \$300 - Books
- Library donation received - \$10,000 – Library improvements
- Streets Land - \$30,000 – Cul-de-sac property condemnation
- Pay It Forward - \$2,182 – Pay It Forward Race
- Public Safety Impact Fee - \$7,500 – Fire District feasibility study with Santaquin City
- Solid Waste Equipment - \$490,000 - Pay off compactor
- Vehicles and Equipment Sales - \$36,549.59 – Allocated back to proper departments
- Pickleball Courts - \$70,000 - Upgrade electrical system and curb and gutter.
- Police Grants - \$6,863.01 – Reimburse overtime
- West Outfall Sewer Line - \$60,000 Design and engineering for project.
- Miss Payson - \$3,928 - Operations
- Miss Payson - \$6,085 - Scholarships
- Library - \$6,600 - Grant
- Economic Development - \$1,600 - Donations – Tour of Utah
- Pool - \$6,000 - Repairs
- Sewer Line Project - \$50,000 – 700 South repair

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

#### Public Hearing:

No public comments.

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

#### Council Discussion:

Discussion regarding including 20% to 25% contingency in large projects, funding for Main Street repairs.

**MOTION: Councilmember Hulet – To pass the resolution to adopt the amended Fiscal Year 2018-2019 Budget.** Motion seconded by Councilmember Christensen. A roll call vote was taken as follows and the motion carried.

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

2. PUBLIC HEARING – The issuance and sale of not more than \$2,800,000 aggregate principal amount of Sewer Revenue Bonds, Series 2019 and any potential economic impact that the project to be financed with the proceeds of that portion of the bonds issued under the Act may have on the private sector and related matters. (7:34 p.m.)

Staff Presentation:

Dave Tuckett stated that previously the council passed the parameters resolution for the Sewer Revenue Bonds and now the public hearing needs to be held. The bonds are for the collapsed sewer line replacement. Staff looked at several options, and the best rate is for a five-year, interest-only bond. This bond will then be wrapped into the wastewater facility bond in two years. Impact fees cannot be used for this project. Funds could be appropriated in the budget for this project to pay it down to pay less interest. Following the public hearing, the city can move forward. Staff will look at paying it down.

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

3. Amendments to the Payson Gateway Subdivision located on the northwest corner of the intersection of 800 South and 800 West (7:40 p.m.)

Staff Presentation:

Jill Spencer reviewed the Payson Gateway Subdivision amendments that extend lots 2, 3, and 4 an additional 58 feet to the north as well as reconfiguring the interior lot lines. Notice was sent to the property owners along 800 South and 800 West. Staff has not received any comments.

Council Discussion:

Councilmember Welton stated the city is addressing sewer bonding, pressurized irrigation bonding, and needs four million for the new ballfields. He knows the city wants growth, but questioned whether right now is the right time. He feels growth is coming regardless and people are going to build.

Mayor Wright stated he doesn't feel the city will need to pay four million. Staff is working on other options. This is a discussion for another time.

**MOTION: Councilmember Hulet – To approve the amended Payson Gateway Subdivision for lots 2, 3, 4, and 5 to change the boundaries.** Motion seconded by Councilmember Carter. A roll call vote was taken as follows and the motion carried.

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

4. Resolution – Amendments to the Payson City Fee Schedule (7:46 p.m.)

Staff Presentation:

Travis Jockumsen stated the public works fees that haven't been used in the last six years have been removed, and the fee for bonding and inspections for a consultant is covered.

**MOTION: Councilmember Welton – To approve (resolution) the amendments to the Payson City fee schedule.** Motion seconded by Councilmember Hiatt. A roll call vote was taken as follows and the motion carried.

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

5. Resolution – Authorizing the City Treasurer to Write-Off Certain Uncollectible Debt (7:48 p.m.)

Staff Presentation:

Cheryl Hobbs reviewed the uncollectible debt write-offs including bankruptcy, deceased residents, and collections accounts that total \$34,373.12, which is lower than last year of \$44,676.57. During the last year, staff has worked out payment arrangements and collected \$15,577.80 instead of sending them to collections. The collections agency collected \$14,724.86 over the past year. She clarified that the city bills a month behind, a resident can then get a month behind, and then there is a final billing, which puts the resident three months behind. It can total quite a lot depending on usage; some residential bills are over \$300 or \$400 per month. If the account goes to collections, it goes on their credit.

**MOTION: Councilmember Hulet – To authorize (resolution) the city treasurer to write-off certain uncollectible debts.** Motion seconded by Councilmember Christensen. A roll call vote was taken as follows and the motion carried.

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

6. Resolution – Annexation Agreement for the Holdaway-Pleasant Flats Annexation (7:50 p.m.)

Staff Presentation:

Daniel Jensen stated staff worked with the applicant on grammatical or clarifying (redlined) items to finalize the annexation agreement.

**MOTION: Councilmember Hulet – To approve (resolution) the annexation agreement for the Holdaway-Pleasant Flats Annexation.** Motion seconded by Councilmember Carter. A roll call vote was taken as follows and the motion carried.

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

7. Resolution – Annexation Agreement for the Condie Annexation (7:53 p.m.)

Staff Presentation:

Jill Spencer stated the annexation agreement is consistent with the approval given by the city council a month ago, which the applicant has reviewed.

**MOTION: Councilmember Welton – To approve (resolution) the annexation agreement for the Condie Annexation.** Motion seconded by Councilmember Hiatt. A roll call vote was taken as follows and the motion carried.

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

8. Resolution – Law Enforcement Services Agreement with Mountain View Hospital (7:55 p.m.)

Staff Presentation:

Dave Tuckett stated staff has been working with Mountain View Hospital on costs, and the start date was changed to August 1 because the city needs to hire additional officers. The agreement is for 1.5 years and the intent is to continue to renew it. They have approved and signed the agreement. The officers are housed at the hospital; but if there is an event or emergency that occurs, these officers will respond. The coverage is Monday through Friday from 6 p.m. to 6 a.m. and Saturday and Sunday is 24-hour coverage.

Chief Brad Bishop stated the hospital also has their own security to cover.

**MOTION: Councilmember Welton – To approve (resolution) the law enforcement services agreement with Mountain View Hospital.** Motion seconded by Councilmember Hiatt. A roll call vote was taken as follows and the motion carried.

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

9. Resolution – Interlocal Agreement with Utah County regarding Communities That Care (8:00 p.m.)

Staff Presentation:

Mark Sorenson stated this is a contract renewal with Utah County. A grant, which is no longer available, changes the amount of staff time with Communities That Care.

**MOTION: Councilmember Welton – To approve (resolution) the interlocal agreement with Utah County regarding Communities That Care in Payson City.** Motion seconded by Councilmember Hiatt. A roll call vote was taken as follows and the motion carried.

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

10. Resolution – Amendments to the Personnel Policy (8:02 p.m.)

Staff Presentation:

Mark Sorenson stated the Legislature passed House Bill 163 that criminalizes the use of government property by public servants. It criminalizes the personal use of public property but doesn't allow for the government entity to correct a use retroactively. The effective date is July 1, 2019. Adding it to the city's personnel policy protects the city staff, mayor, and council for any incidental, lawful use.

**MOTION: Councilmember Carter – To accept (resolution) the amendments to the personnel policy.** Motion seconded by Councilmember Christensen. A roll call vote was taken as follows and the motion carried.

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

11. Resolution of Intent – Municipal Boundary Adjustment between Payson City and Salem City (8:07 p.m.)

Staff Presentation:

Mark Sorenson stated 2200 West (Arrowhead Trail Road) will be entirely in Salem with the corner of the intersection in Payson. The road goes out to the new Salem sewer facility. A notice will be

published for three consecutive weeks and then the item comes before the council to finalize the adoption.

**MOTION: Councilmember Hulet – To adopt the resolution of intent to adjust the common Boundary with Salem City and Payson City.** Motion seconded by Councilmember Hiatt. A roll call vote was taken as follows and the motion carried.

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

#### C. ADJOURNMENT

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

The meeting adjourned at 8:10 p.m.

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