



## PROVO MUNICIPAL COUNCIL Work Meeting Minutes

1:00 PM, Tuesday, August 27, 2019  
Room 310, Provo City Conference Room  
351 W. Center Street, Provo, UT 84601

### Agenda ([0:00:00](#))

#### Roll Call

The following elected officials were present:

Council Chair David Harding, conducting  
Council Vice-chair Kay Van Buren  
Councilor Gary Winterton  
Councilor David Knecht  
Councilor George Stewart  
Councilor George Handley  
Mayor Michelle Kaufusi

*Excused:* Councilor David Sewell

#### Prayer

The prayer was offered by Isaac Paxman, Deputy Mayor.

#### Approval of Minutes

May 7, 2019 Joint Meeting with the Parks and Recreation Board  
May 7, 2019 Work Meeting  
May 28, 2019 Joint Meeting with the Metropolitan Water Board  
July 23, 2019 Work Meeting  
*Approved by unanimous consent.*

#### Business

The group sang 'happy birthday' to Council Chair David Harding. After the song, Cliff Strachan, Council Executive Director, recognized Karen Tapahe, Community Relations Coordinator, for her five years of service with the City of Provo.

#### 1. **A presentation on policy updates from the Utah League of Cities and Towns. (19-089)** **([0:24:34](#))**

Cameron Diehl, ULCT Executive Director, presented. Mr. Diehl mentioned several topics which ULCT has been focused on which were of interest and relevant to Utah cities, notably tax reform. Councilor Gary Winterton expressed that the water rights adjudication process was of concern to Provo, as Provo has positioned itself for the future in acquiring water rights that would be critical to future growth. Mr. Winterton hoped ULCT would help cities to maintain the status they have worked to build. Mr. Diehl acknowledged that Provo is a leader within the League and across the

state for water rights and water issues. He said that the water rights adjudication is a critical issue for many cities and that ULCT was aware of the proceedings and challenges associated with it.

Mr. Diehl continued, sharing details on other important policy issues under examination at ULCT:

- Tax reform
  - Potential changes to local sales tax on food
  - Local governments do not receive revenue from state income tax; it is earmarked for education and changing this would only happen by a constitutional amendment.
  - Adjustments/bifurcation of gas tax between state and local municipalities
- Utility transportation fee
  - Relates to the broader conversation about tax reform
  - Pleasant Grove currently in litigation regarding UTF; Mr. Diehl agreed that Provo had a legitimate and unique position and was the first city to try to capture the user fee component of users of roads. Provo has led out on this concept, but Mr. Diehl explained that the legislature recently authorized a pilot program by UDOT (Utah being the second state in the country to try this) for a road user fee. The intent was to explore and better correlate or connect the user of the transportation system and the impact their vehicle has on the roads. The road user change/fee model was targeted at alternative fuel vehicles, which do not pay gas taxes but do use roads.
- Police and Fire retirement
  - Mr. Diehl explained that there were concerns about mandated changes from the state to public safety retirement benefits was an unfunded mandate. The legislature has not identified a funding stream; ULCT is putting together a working group to try to identify a revenue source, either at the state level or otherwise.
- Towing issues
  - The bill sponsor from the last three legislative sessions has brought back another version of the bill, which would dramatically change how signage was legislated. Mr. Diehl explained that they have been able to convince the sponsor and committee to hold the bill while they convened stakeholders to discuss the signage concerns. ULCT and many cities have been concerned about the State's pre-emptive efforts.

Councilor David Harding shared insight and challenges of the redistricting process which took place about a decade earlier. Mr. Harding felt that Provo had some unique challenges in creating districts to represent different areas and demographics of the city. Mr. Diehl shared information about HB119, a local referendum bill which was attempting to simplify the ability for cities to have precincts and districts better aligned. They hoped to work with county clerks and the Lieutenant Governor's office to address these issues prior to the 2020 census. Mr. Harding thanked Mr. Diehl for his work and their organization's representation of Provo City. Mr. Diehl thanked the Councilors for their work and service to the State. *Presentation only.*

## 2. A discussion regarding sewer capacity west of I-15 and a consideration of options. (19-085) [\(0:46:44\)](#)

Wayne Parker, CAO, introduced this discussion topic. Mr. Parker has participated in the Coordinators Review Committee for the last several months, during which he has witnessed firsthand the challenges with balancing the pressures of growth in west Provo with limitations of

the wastewater system. Mr. Parker outlined several key policy considerations for the Council:

- The Southwest Area Plan designates areas of low or medium density that do not align well with the current wastewater capacity. Mr. Parker suggested that sewer capacity should not be a driving force in development, but that there were timing issues.
- The five- to seven-year plan to address sewer capacity is very granular and does not provide immediate relief of the pressures felt by the development community.
- There are significant policy considerations how to allocate the limited amounts of existing sewer capacity. Mr. Parker outlined several scenarios or approaches the Council might consider, but he noted that the prioritization of remaining sewer capacity has been a difficult issue. During this presentation, they hoped to highlight capacity issues and specific challenges, as well as what might be available based on strategic CIP planning.

At the Work Meeting on September 10, 2019, the Administration has invited several developers to present to the Council. The intent is to allow several individuals from the development community, with interests in west Provo and projects in various stages of development, to share their perspective, including how they have worked with other cities on similar issues.

Mr. Parker indicated that following both presentations, they would like to have an in-depth discussion with the Council regarding the policy direction. Mr. Parker invited Councilors to share any requests for various scenarios, which would aid the Administration in preparing financial models to discuss as specific examples. The Administration hopes to receive from the Council a very clear policy statement and direction, which can guide the approach of staff.

Mr. Parker turned the time to Dave Decker, Public Works Director. Mr. Decker shared a brief history of the City's wastewater systems over the last 6-7 years, including:

- Collection System (not treatment) Master Plan begun in 2008 and adopted in 2013
- Treatment Plant Master Plan draft begun in 2014
- A series of presentations from the Utah Division of Environmental Quality:
  - September 2016 from Walt Baker on future regulations
  - October 2017 from Erica Gaddis on variance letter
  - March 2018 from Erica Gaddis on water regulations
- 2016 in-house hydraulic modeling of wastewater collection system
- 2018 wastewater metering study
- 2019 ongoing metering and analysis in-house (using 5 sewer meters)
- Various studies on I&I (inflow and infiltration) issues

Mr. Decker clarified that I&I issues were expensive to repair, but the results were effective and they were able to do these repairs without digging up the road. Wastewater lines are not pressurized (unlike culinary water lines), so it was not typically an issue for sewage to leak out from the system; more issues occur with groundwater entering the system. Mr. Decker also shared results of the wastewater collection system modeling, noting capacity issues throughout the city and on the west side of Provo. Public Works staff use extensive modeling to examine the specific impacts of each development to sewer capacity and other infrastructure.

Mr. Decker outlined the history of the City's water reclamation treatment plant and shared an update on the status of the replacement project. They anticipated ground and electrical work to

begin in early 2020, with more visible on-site work coming later in 2020. The replacement plant had an anticipated completion date of December 2022. Mr. Decker shared some renderings and drawings of the treatment plant from the design team.

While wastewater capacity was a primary concern, Mr. Decker noted that there were other concerns and considerations with infrastructure, such as stormwater, culinary water, power, and roads. Mr. Decker shared details from CIP projects for water and stormwater, including the size of lines and projected costs, noting that some of the necessary pipes to enable development have not yet been included in the City's financial plan.

Mr. Decker also shared details of wastewater rates and revenues alongside actual CIP expenditures dating back to 2004. As a Public Works professional, he can look at those figures for a city the size of Provo and determine very quickly whether enough was being put toward infrastructure in years prior. Mr. Decker outlined typical maintenance spending to upkeep facilities such as a treatment plant. The financial history of the wastewater collections system is not unique; other Provo utilities have had historically low rates of renewal and investments made; significant financial changes were necessary. Mr. Decker shared photos and videos which illustrated the current conditions of older wastewater collection system pipelines in the city; there were deficiencies throughout the current system, not just on the west side. Making repairs and upgrades to pipes is an extensive process.

Mr. Decker shared figures of the average monthly utility costs for a residence dating back to 1998. 2015 was the first really significant rate increase which they had recommended to the Council, which was followed by several years of rate increases. Going forward, Public Works recommended yearly 1-2% increases to keep pace with inflation and to prevent such deficiencies in the future. Mr. Decker noted that the funding recommendation chart looked only at the wastewater pipe system, not at a treatment plant replacement. With the treatment plant replacement, rate increases were beyond what was recommended, because the rate increases factor in that large capital project. He noted that Salt Lake City was using a similar strategy.

Council Chair David Harding commended the City staff and Mayor for recommending hard changes that were absolutely necessary and which had been kicked down the road for so long; these were essential adjustments in order to keep the City on track for its infrastructure needs, both in terms of new infrastructure, as well as planning for replacement needs in the future.

Mr. Decker outlined several approaches the Council could consider to addressing wastewater capacity in west Provo. One approach would be to build backbone infrastructure, or another, to complete strategic, smaller projects as a short-term solution to capacity issues. Councilor David Knecht asked whether the new Provo High School had impacted plans for infrastructure in west Provo. Mr. Decker explained that certainly there had been impacts, as the City adjusted CIP plans to accelerate certain projects in order to meet the needs of the growth occurring with the new school. Mr. Decker indicated that going forward, they hoped to receive more specific policy direction from the Council as to how to address zone changes and site plan approvals.

Mr. Parker suggested that the Council defer any decision points until after the presentation by the development community at the Work Meeting on September 10. Mr. Parker anticipated that

the developers would share their perspective on the current housing market and how unique factors were shaping development throughout Utah County. In particular, many areas in central Utah County, with shorter commutes, put a lot of pressure on the market at this time. Mr. Parker noted that there may be unintended consequences for west side landowners, who may rely on land prices to provide for their retirement. Mr. Parker hoped the Council could see the complexity of the many issues involved and that the decision points were not simple or monolithic. Mr. Parker stressed that with the competing pressures, the Council may want to explore more surgical, strategic solutions, as well as additional funding sources and creativity. The Administration would like the Council to think through the policy implications and propose some hypotheticals for Public Works and the Administration to model.

Mr. Harding indicated that once the Council has heard from the developers, they would be in a better position to have the related policy discussions. Councilor George Handley requested information for the future discussions regarding the revenue impacts of new development, if the west side wastewater infrastructure projects were to be accelerated. Mr. Parker suggested that if the Council reached broad policy parameters, they would be able to prepare financial models to illustrate various scenarios. *Presentation only.*

3. **A discussion regarding a resolution authorizing City Administration to accept a State of Utah Infrastructure Bank Fund Loan for improvements related to the Provo Airport Terminal Project. (19-087) ([1:55:47](#))**
4. **A discussion regarding an Interfund Loan from the Energy Fund to the Wastewater Fund for sewer improvements related to the new Airport terminal. (19-088) ([1:55:47](#))**

Dave Decker, Public Works Director, presented items 3 and 4 together. Mr. Decker highlighted the sewer line plans for the Airport and explained the proposed loans. Item 3 pertained to a transportation infrastructure loan through the Utah Department of Transportation (UDOT). Air transportation is under the purview of UDOT and UDOT officials have encouraged Provo to apply for the funding. Public Works would be submitting an application to the UDOT Transportation Commission for review at their September 20 meeting. Public Works also hoped to explore additional funding sources through Mountainland Association of Governments and federal agencies to address other projects including the loop road, terminal, and apron.

Item 4 pertained to a proposed inter-fund loan from the Energy Fund to the Wastewater Fund. Jimmy McKnight, Public Works Financial Analyst, highlighted parameters of State code regarding inter-fund loans. Public Works has asked the Council to authorize a \$4 million loan, which Public Works would utilize to pay the contractor on the project. The wastewater utility fees would be used to repay the Energy Fund in about 6 months. The State requires that interest is charged on the loan, which would amount to approximately \$78,000.

John Borget, Administrative Services Director, explained that Travis Ball, Energy Director, was supportive of the loan proposal. It was a short-term loan and Mr. Borget was confident that it aligned with the State guidelines. They have explored paying the interest from the General Fund, so as not to detract from any wastewater projects, however that has not been determined. Mr. Borget felt this was a conservative estimate, and as there were no issuance fees involved, that

would result in additional fund-savings.

**Motion:** George Stewart moved to support both funding sources for the projects enumerated.  
Seconded by David Knecht.

**Vote:** Approved 6:0, with David Sewell excused.

## Policy Items Referred from the Planning Commission

### 5. A discussion regarding the annexation of a property generally located at 1860 South and Colorado Avenue, partially in the East Bay Neighborhood. (PLANEX20190140) ([2:23:06](#))

Brian Maxfield, Planning Administrator, presented. Mr. Maxfield indicated that a larger annexation in the future may be submitted to incorporate other properties in this area into the city. Councilors asked questions regarding Mr. Maxfield's comments, including:

- Councilor David Harding asked which properties Mr. Maxfield thought may be annexed in the future. Mr. Maxfield gestured to the properties in question, noting that an annexation required 1/3 of the property value or 50% of the owners to support the proposal. Mr. Harding wondered whether allowing this property to be annexed compromised reaching the necessary threshold for annexation of the remaining areas.
- Councilor Gary Winterton asked about the zone of the property to be annexed. Mr. Maxfield indicated that the applicant has proposed storage units.
- Councilor George Handley asked whether staff recommended requesting an annexation agreement. Mr. Maxfield felt that a larger annexation plan would unnecessarily delay the property owner's plans; as this was a small property and not a major utility user, planning staff did not feel an annexation agreement was necessary.

*Presentation only. This item was already scheduled for the Council Meeting on August 27, 2019.*

### 6. A discussion regarding an ordinance amending the zone map classification of the property located at 800 North University Ave (known as the Amanda Knight Hall) from Public Facilities (PF) to Campus Mixed Use (CMU). Joaquin Neighborhood. (PLRZ20190244) ([2:29:07](#))

Dustin Wright, Planner, presented and shared several images of the property and outlined elements of the zone change request. This was an excellent opportunity to meet the General Plan goals to preserve historic structures within neighborhoods where they have significance. Mr. Wright explained that there was limited parking on-site, but that the applicant has proposed a few ways to address that. Staff recommends that the Council approve the proposal, which would bring the structure back to its historical use of women's housing. Staff recognized that parking may be a non-conforming situation, but felt that it would be sufficient with the building's proximity to UVX and BYU, along with the applicant's willingness to work with tenants who reside there.

Councilor George Handley asked about Mr. Wright's last comment regarding parking. Mr. Wright explained that it would be up to the applicant/building owner to draft leases that outlined the parking restrictions. Councilor David Knecht suggested that a parking permit program would be the best way to balance the needs of Joaquin residents. Mr. Handley also asked about the

dormitory usage; Mr. Wright explained that it would be apartments rather than a traditional dormitory. Councilor Gary Winterton asked whether there were standard parking exceptions because the building was historic. Mr. Wright explained that converting the property back to a historic use maintained the non-conforming parking situation. Even with BYU having used the property for the past several decades, the use exceeded what current parking was available and what would have been required if they had applied for a new project today.

Mr. Wright explained that it was an amazing opportunity to preserve a historic structure and return it to its historic use. The neighborhood fought hard for this and staff felt the proposal made sense, even though parking was not ideal. The owner is cognizant of the issues of parking and has been working on other solutions and options to address parking needs. Mr. Handley noted that BYU had been trying to encourage students to bring fewer cars to campus, so creating an identity of that kind for these new housing units would likely continue those efforts. *Presentation only. This item was already scheduled for the Council Meeting on August 27, 2019.*

## Business

### 7. A discussion regarding an update on Council priority issues. (19-091) ([3:30:33](#))

Cliff Strachan, Council Executive Director, presented. Mr. Strachan gave a brief update on the status and work associated with each of the Council's committees and projects, including the permit parking amendments, Joaquin Parking Committee, and Downtown Parking Committee. The Council was also making headway on a number of issues related to zoning compliance, including signage, short-term rentals policy, and over-occupancy policy. *Presentation only.*

### 8. A discussion regarding a request for an ordinance text amendment to consolidate Chapter 14.30 S-Supplementary Residential Overlay Zone with Chapter 14.46 A-Accessory Apartment Overlay Zone. City-wide application. (PLOT20190120) ([2:37:14](#))

Councilor David Knecht; Brian Maxfield, Planning Administrator; and Brian Jones, Council Attorney, introduced this item. Mr. Knecht highlighted in brief the proposed changes. He also shared comments received from neighborhood chairs. Some of the changes and impacts included:

- Code cleanup (combine two sections)
- Criteria for the unattached accessory
- Minimum main unit size
- Specifies number of accessory occupants (limited to 2; in the S overlay, the owner may apply for a Conditional Use Permit to increase occupancy to 4 if parking criteria is met).
- Rental dwelling license requirement

Councilor George Stewart asked whether the Councilors who brought forward the proposal were happy with this draft or did they feel it needed more study. Both Mr. Knecht and Councilor David Harding thought that the proposal needed to be reviewed further by the committee. Mr. Stewart expressed that it was great to hear feedback, but he cautioned against making extensive changes based on the comments of one or two individuals. He liked the proposal and hoped it would stay close to the current iteration.

Mr. Harding explained in more detail the concerns of the Wasatch neighborhood chairs and expressed that they would continue that dialogue, as the issues raised would apply anywhere an accessory unit exists. Mr. Harding outlined several additional considerations they discussed as a committee, including permanent, separate utilities versus separate meters. He also raised a question regarding the minimum 1200 square feet requirement; if an owner lived in a unit smaller than this but desired to add a detached accessory unit, they would be precluded from doing so under the current draft. Councilor George Handley echoed that with a citywide impact, it was helpful to hear the anticipated impacts on different neighborhoods. He felt that the committee was close to a final draft and that the outstanding changes would not be extensive.

Mr. Maxfield noted that another benefit of the ordinance was the implementation of the rental licensing requirement, which would introduce better checks and balances on the program. Staff did a trial run of the accessory unit inspection for several homes in the Pleasant View neighborhood; residents and staff agreed that the inspection was not an onerous requirement for the home owners. Mr. Handley commented on rental licensing, which has shown increased voluntary compliance.

Councilor Kay Van Buren asked about the 10-foot setback requirement. For a home that was built in the 1960s with different setbacks, he wondered whether a detached unit would need to comply with current setbacks or if there would be a non-conforming standard. The committee intended to clarify this question during their further review.

**Motion:** George Handley moved to send the item back to the Housing Committee for further review. Seconded by George Stewart.

**Vote:** Approved 6:0, with David Sewell excused.

**9. A discussion regarding a proposed parking permit program on Slate Canyon Drive, Southeast Area. (18-084) (3:01:04)**

Richard Holmes and Hannah Petersen, Provost Neighborhood Chair and Vice-chair, presented. Slate Canyon Drive is the longest north-south corridor in this area of the City and this proposal for a parking permit program has been initiated at the request of residents in the area. Ms. Petersen outlined concerns with parking in the area, as well as goals of a permit program:

- Gather as much resident opinion as possible and craft parking program accordingly
- Reduce parking congestion
- Reduce need for zoning enforcement
- Promote peace in neighborhood
- Preserve Slate Canyon Drive and the canyon area for the entire community

Ms. Petersen highlighted the proposed Slate Canyon park plans and noted the buildout of nearby townhome units. The proposed parking permit area was for Slate Canyon Drive, starting at roundabout on 1350 East and heading south to the intersection of Slate Canyon Drive and State Street. The area would include 900 South from Slate Canyon Drive to 1540 East, 1080 South to the private HOA road, 1280 South to private HOA road, and 100 yards of Nevada Avenue connecting to Slate Canyon Drive. The trail access roads would also have a no-parking designation. In the parking permit area, the program would allow permit parking only from 1-6



AM. Ms. Petersen also shared details about the cost of permits and criteria for a parking permit, including compliance of rental properties with RDL requirements before being granted a parking permit. Ms. Petersen explained that with high turnover, education on RDLs was a difficult task.

In recent months, approximately 200 residents have attended one a series of neighborhood meetings. Of those in attendance, 50% supported parking regulations, 16% would consider parking regulations in the future, and 34% were opposed. Of residents on Slate Canyon Drive, over 70% supported new parking regulation. Ms. Petersen felt that the permit parking program would provide a long-term solution for the neighborhood, which would ensure that residents living on those streets can find parking and that townhome or condominium areas could park responsibly. The intent was not to discriminate or hurt the neighborhood, but to find a compromise that had broad appeal and would help to reduce tension within the two neighborhoods regarding zoning enforcement.

Vickie Knecht, Provost South Neighborhood Chair, shared photos from the areas of the permit parking area which were in the Provost South Neighborhood. There were many safety concerns with the current parking strain, and she felt the program would be an effective tool.

Councilors shared comments and feedback on the proposal, including:

- Several Councilors expressed that requiring a Rental Dwelling License (RDL) prior to granting parking permits to residences which are rented on Slate Canyon Drive would be a secondary and perhaps more effective way to encourage zoning compliance; in many cases, the parking problems are symptomatic of over-occupancy.
- Councilor Kay Van Buren asked what happens if there were not enough parking spaces; where would other parking move to instead of Slate Canyon Drive? Councilors discussed the parking within the neighboring HOAs and the impacts within those communities. Councilor David Knecht suggested that because these housing units were built to a certain standard, the parking problems only arose when the units were over-occupied.
- The cost for the parking permit would be \$15 per year.

***Presentation only. This item was already scheduled for the Council Meeting on August 27, 2019.***

## **Closed Meeting**

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. ***None requested.***

## **Adjournment**

***Adjourned by unanimous consent.***