

PAYSON CITY
CITY COUNCIL MEETING
Payson City Center, 439 W Utah Avenue, Payson UT 84651
Wednesday, August 4, 2021

CONDUCTING William R. Wright, Mayor

ELECTED OFFICIALS Brett Christensen, Linda Carter, Taresa Hiatt (via Zoom), Brian Hulet,
Bob Provstgaard, William R. Wright

STAFF PRESENT David Tuckett, City Manager
Cathy Jensen, Finance Director
Kim E. Holindrake, City Recorder
Jason Sant, City Attorney
Brad Bishop, Police Chief
Travis Jockumsen, Public Works Director/City Engineer
Scott Spencer, Fire Chief
Jill Spencer, City Planner
Chris Van Aken, Planner II

A. CALL TO ORDER

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

B. ACTION ITEMS

1. Public Hearing/Resolution – Truth in Taxation and Certified Tax Rate

Staff Presentation:

Dave Tuckett stated the Council previously discussed the need for another engineer, planner, and repairing the pool stairs, which gave the need to raise the certified tax rate. The notice to residents identified a cap at 20%. Further discussion concluded not raising the certified tax rate, holding the same rate as last year, and using some of the fund balance. The proposed rate from the County was 0.001128. If the City hold the same rate as last year, it would be 0.001193, which would increase the tax \$10.80 per year for a residence valued at \$302,000. A 20% increase would equate to \$37.54 per year. This is only the city portion of the tax rate. Holding the same rate as last year creates \$85,000 to \$90,000 in additional revenues. The Council has discussed new-growth infrastructure needs, aging infrastructure, bond debt, increased regulatory compliance, increased operational costs, and incremental increases in revenue.

Councilmember Christensen noted the state is requiring the City to update the sewer plant. Today, staff met with three contractors who stated there is no way to do the upgrade without a budget overrun. The cost is \$23 million. If the City tries to skimp on the upgrade, it will come back to bite us. The City is looking at many options and trying to get the best company for the job.

Dave Tuckett continued the tentative budget included utility rate increases per the consumer price index (CPI). This City has incorporated this increase every year except last year because of COVID.

The CPI increase is 1.7% with a water increase of 15%. This equates to an average, overall increase of \$9.16 on a residential bill per month.

Updates since the Tentative Budget adoption:

- Moved operational expenses to the engineering budget for ease of budget and accounting.
- Changed the Electric Power Budget for UAMPS related expenses of \$26,400 and improvements to be reimbursed by developers of \$435,600.
- Adjusted ballfield budget down due to faster completion.
- Added four scoreboards to be reimbursed by Pepsi for \$15,560.
- Carried over Economic Development Committee funds of \$1,200.
- Carried over funds for court carpeting of \$10,000.
- Petetneet donation of \$7,500 to be used for railing improvements.
- Additional revenue for Miss Payson from \$4,500 to \$7,200.
- Payson library award of \$500 put towards employee acknowledgment.
- Added air conditioner for City Center.
- Added funds of \$15,000 for branding.
- Grant received from state for Onion Days of \$7,500
- Utah League membership fee increase of \$400
- Square reader for concessions to aid balancing receipts and serving customers of \$3,200.
- Sale and replace three trucks with revenue expected to meet or exceed expense of \$135,000.
- Updated cemetery revenues with closing out the interfaith fund.

Added items to the Tentative Budget.

- Lobbyist \$25,000.
- Engineer to Development Services.
- Swimming pool stair repair.
- General Fund transfer of \$418,500 to Water Fund to cover the Forebay bond; allows rebuild of well pump 5.
- Revised water bond balances, additional drawdown to rebuild the Spring Lake pump
- Salem/Payson drinking water cross connectivity project \$50,000.
- Employee recognition funds in each department.

Budget Highlights:

- Added market adjustments to individual wages to keep wages competitive and increased part-time starting wages.
- Gave department head requests in operational budgets.
- Distributed capital projects and equipment amongst departments.
- Developed new philosophy for new vehicle turnover.

Funded Personnel:

- Planning and Zoning full-time administrative assistant additional 9 hours.
- Planning and Zoning full-time planner.
- Planning and Zoning part-time planning intern.
- Water full-time meter employee/daily maintenance.
- Senior Citizens part-time shop instructor.
- Engineering full-time development engineer.

- Library part-time to full-time children's librarian.
- Water – Revenues/Expenses \$,226,241
- New meter/daily maintenance employee.
 - Priority projects for fire hydrant repair; broken/additional valves.
 - Proposed project to upsize 4,300 feet of pipe on 100 South to 12 inch to provide transmission capacity of the Upper Pressure Zone. A portion from impact fees.
 - Rebuild well 5 pump motor with General Fund transfer to cover Forebay bond.
 - Forebay bond amount transferred from the General Fund to allow additional projects.
 - Water bonds pressurized irrigation filter project; additional draw down of bond funds for Spring Lake pump house.
 - Payment for CUP infrastructure improvements.
 - Salem/Payson culinary water cross-connection.
- Solid Waste – Revenues/Expenses \$2,991,790
- Fencing for landfill.
 - No gravel royalties recognized; these were prepaid for \$2 million ballfield offset.
 - Upgrade scales.
 - Two refuse collection trucks leased mid-year FYE 2021.
 - Possible budget revenue adjustment after gauging the full effects of the Santaquin contract.
- Electric Power – Revenues/Expenses \$15,754,108
- Assistant power manager already allocated through previous manager's budget position.
 - Bucket truck carryover from 2021 budget.
 - \$600,000 requested for reserve funding for Strawberry line SESD buyout.
 - Property for substation.
 - UAMPS expenses line item added.
- Sewer – Revenues/Expenses \$7,057,676
- Reserve funding \$300,000 for bond retirement (Sewer Plant upgrade).
 - CUP Spanish Fork to Santaquin line \$15,000.
 - Main Street Project \$547,000.
 - Engineering for new sewer plant carryover \$2,000,000.
- Ambulance – Revenues/Expenses \$927,972
- New billing processor; predicted to collect more revenue.
 - Major source of expenditures is operational expenses.
- Golf Course – Revenues/Expenses \$1,375,136
- RV park second year.
 - Redo driving range \$8,000.
 - Golf cart concrete wash area \$8,000.
 - Golf cart program through Revolving Loan Fund.
 - Paths, pavilion and fencing \$20,000.
 - Utility sprayer to spray entire city properties, safety issue \$45,493.

140 Storm Drain – Revenues/Expenses \$1,524,392

141 • Rates study \$15,000.

142 • Beer Creek study with other cities \$48,000.

143 • Engineering design projects \$21,000.

144 • CDBG project \$200,000.

145 • Main Street project \$271,000.

146 • CUP project Spanish Fork to Payson \$41,800.

147 • First payment for vector truck \$100,000.

148

149 Impact Fees

150 • Parks \$703,300. Currently updating parks and recreation impact fees.

151 • Power \$777,300. Power impact fee study needs to be updated.

152 • Public Safety \$211,200

153 • Water \$614,000

154 • Sewer \$704,000

155

156 Internal Service Funds - Vehicle Maintenance \$400,609 and IT \$568,452.

157

158 Revolving Loan Fund - Revenues/Expenses \$1,356,528.

159

160 PARC Tax Fund – Revenues/Expenses \$493,590.

161

162 General Fund – Revenues/Expenses \$22,538,165

163 • New legislation allows 35% of revenue fund balance.

164 • City-wide issue getting part-time employees for cemetery, parks, golf, and library. Budget

165 wages up to \$12.

166 • Truth in Taxation Certified Tax Rate adjustment, keep same rate as last year at 0.001193.

167

168 Transfers and Indirect Funds

169 • Water Fund to General Fund \$395,235

170 • Solid Waste Fund to General Fund \$233,825

171 • Electric Fund to General Fund \$1,196,640

172 • Ambulance Fund to General Fund \$83,048

173 • Storm Drain Fund to General Fund \$74,700

174 • Sewer Fund to General Fund \$376,020

175 • General Fund to Water Fund \$418,500

176 • General Fund to PCT Fund \$7,000

177 • General Fund to Golf Fund \$163,733

178

179 Indirect Costs are charged to funds for services that would otherwise have to outsourced such as

180 payroll, accounting, legal services, etc.

181

182 Special Revenue, Capital and Revolving Loan Funds

183 • RDA Town \$1,400

184 • RDA Business Park \$26,600

185 • PARC Tax \$493,590

- Capital \$3,426,900
- Revolving Loan \$1,356,528

CDBG Project

- Revenue - \$153,600 (grant)
- Expenses – CDBG \$153,600 (funded), Water \$275,000 (not funded), B&C \$383,000 (not funded), Storm Drain \$200,000 (funded).

Council Discussion:

Councilmember Hulet noted just because property values have gone up a lot this year, what the County does is reduces the mill levy to keep the property tax the same. If the property value goes up \$100,000, it doesn't mean the property tax went up. It can be confusing.

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

Public Comment:

No public comments.

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

MOTION: Councilmember Hulet – To (resolution) keep the Certified Tax Rate the same as last year, which would be 0.001193. 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	-	Bob Provstgaard

2. Public Hearing – Enterprise Fund Transfers (6:55 p.m.)

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

Public Comment:

No public comments.

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

MOTION: Councilmember Hulet – To approve the Enterprise Fund transfers as presented tonight. Motion seconded by Councilmember Carter. Those voting yes: Linda Carter, Brett Christensen, Taresa Hiatt, Brian Hulet, Bob Provstgaard. The motion carried.

3. Public Hearing/Ordinance – Fiscal Year 2021-2022 Budget

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

Public Comment:
No public comments.

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

Council Discussion:

Councilmember Provstgaard questioned if the funds to remodel the council chambers could be put towards air conditioning for the building since the council chambers won't be remodeled.

Dave Tuckett stated those were COVID funds that go back into that fund and can be redistributed.

Cathy Jensen stated the COVID funds are in the General Fund until allocated. The Council discussed a billboard as well.

Dave Tuckett stated staff will present uses for the COVID funds at a future meeting. A federal audit has to be done on those funds. He is working with the State Sign Division on the billboard as well as resolving the SESD issue.

MOTION: Councilmember Provstgaard – To approve the Fiscal Year 2021-2022 budget ordinance as presented this evening. Motion seconded by Councilmember Hulet. 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	-	Bob Provstgaard

4. Resolution – Amendments to the Payson City Fee Schedule (7:03 p.m.)

Staff Presentation:

Dave Tuckett this resolution adopts the fees increased by the consumer price index in the budget.

MOTION: Councilmember Hulet – To approve the (resolution) utility rate increases as presented. Motion seconded by Councilmember Carter. A roll call vote was taken as follows and the motion carried.

281
282 Yes - Linda Carter
283 Yes - Brett Christensen
284 Yes - Taresa Hiatt
285 Yes - Brian Hulet
286 Yes - Bob Provstgaard
287

288 C. ADJOURN TO REDEVELOPMENT AGENCY
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290 **MOTION: Councilmember Carter – To adjourn to Redevelopment Agency.** Motion seconded
291 by Councilmember Christensen. Those voting yes: Linda Carter, Brett Christensen, Taresa Hiatt,
292 Brian Hulet, Bob Provstgaard. The motion carried.
293

294 1. Public Hearing/Ordinance – Fiscal Year 2021-2022 Budget
295

296 **MOTION: Director Christensen – To open the public hearing.** Motion seconded by Director
297 Hulet. Those voting yes: Linda Carter, Brett Christensen, Taresa Hiatt, Brian Hulet, Bob
298 Provstgaard. The motion carried.
299

300 Public Comment:
301 No public comments.
302

303 **MOTION: Director Christensen – To close the public hearing.** Motion seconded by Director
304 Hulet. Those voting yes: Linda Carter, Brett Christensen, Taresa Hiatt, Brian Hulet, Bob
305 Provstgaard. The motion carried.
306

307 **MOTION: Director Hulet – To approve (ordinance) the Fiscal Year 2021-2022 budget for the**
308 **RDA.** Motion seconded by Director Carter. A roll call vote was taken as follows and the motion
309 carried.
310

311 Yes - Linda Carter
312 Yes - Brett Christensen
313 Yes - Taresa Hiatt
314 Yes - Brian Hulet
315 Yes - Bob Provstgaard
316

317 D. ADJOURN FROM REDEVELOPMENT AGENCY
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319 **MOTION: Director Provstgaard – To adjourn from Redevelopment Agency.** Motion seconded
320 by Director Christensen. Those voting yes: Linda Carter, Brett Christensen, Taresa Hiatt, Brian
321 Hulet, Bob Provstgaard. The motion carried.
322

323 Mayor Wright and the Council noted the upcoming day of Service on September 11. The City is
324 working on projects for the event that will include approximately 10,000 volunteers. The City wants
325 to make sure there are enough projects for all the volunteers.
326

327 E. ADJOURNMENT
328

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

The meeting adjourned at 7:10 p.m.

Kim E. Holindrake, City Recorder