

PAYSON CITY
CITY COUNCIL MEETING
Payson City Center, 439 W Utah Avenue, Payson UT 84651
Wednesday, September 6, 2023

CONDUCTING William R. Wright, Mayor

ELECTED OFFICIALS Kirk Beecher, Brett Christensen, Taresa Hiatt, Bob Provstgaard, William R. Wright

ABSENT: Linda Carter

STAFF PRESENT David Tuckett, City Manager
Cathy Jensen, Finance Director
Kim E. Holindrake, City Recorder
Jason Sant, City Attorney
Brad Bishop, Police Chief
Robert Mills, Development Services Director
Travis Jockumsen, Public Works Director/City Engineer
Scott Spencer, Fire Chief
Jill Spencer, City Planner
Karl Teemant, Community Services Director
Shelby Bohling, Communities That Care Coordinator
Eric Jewell, Justice Court Judge
Brad Kearl, Electric Department

OTHERS Ann Moss, Emma Wilson, Lance Wilson, Bart Wilson, Robert Rasmussen, Noreen Lerwill, Butch Wilson, Fernando Carroll, Emma Wilson, Carl Brines, Gus Wilson, Adrial Carroll, David Wilson, Frank Nackos, Patti Hollenbeck Dial, Carey Pierce – Forebay Committee Chair, Mark Beauchamp – Utah Financial Solutions

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.

A. PRAYER & PLEDGE OF ALLEGIANCE

Prayer offered by Ann Moss.

Pledge of Allegiance led by Emma Wilson.

B. CONSENT AGENDA

1. Approval of the August 16, 2023, City Council Meeting Minutes

MOTION: Councilmember Provstgaard – To approve the consent agenda. Motion seconded by Councilmember Hiatt. A roll call vote was taken as follows and the motion carried.

Yes - Kirk Beecher

Yes - Brett Christensen
Yes - Taresa Hiatt
Yes - Bob Provstgaard

C. PETITIONS, REMONSTRANCES & COMMUNICATIONS

1. Presentation of new police officer and oath of office

Chief Bishop introduced Officer Zachary Harvey who comes to the City directly from the Police Academy and was born and raised in Pleasant Grove.

Judge Jewell administered the oath of office to Officer Harvey.

2. CTC: Mayor's Youth Recognition

Karl Teemant introduced Shelby Bohling who is the new CTC Coordinator. She has worked for just a few weeks and comes from Iowa. She comes with a background with United Way, Boys and Girls Club, and Girls Scouts of Utah.

Mayor Wright and Shelby Bohling presented Mayor's Youth Recognition Awards to Jazzie Orr, Mt. Nebo Middle School, Kaylee Pinto, Payson Junior High, and Jaedyn Holman, Payson High School.

3. Yard of the Month

This item will be scheduled for the next meeting.

4. Forebay Committee Annual Update (6:12 p.m.)

Carey Pierce reported the Forebay Committee meets monthly and implements the management plan. The Committee meets with entities such as Strawberry Water Users Association, Back Country Horseman of Utah, Elk Ridge City, National Park Service, and Boy Scouts of America. Grants have been received for bridges, parking, etc. Maintenance includes trail trimming and maintenance (about 10 miles), Nebo team trail work (5 teams), trail bike, restroom repairs, and graffiti and vandalism cleanup. The recreation area includes a trail counter at the main entrance points that captures about 80% of the users. Between July 10 and September 4, there were 6,479 trips counted. The daily average count is 114 trips with a peak day on July 26 with 366 trips. The Committee is looking into additional counters at other access points. There is a master plan that the Committee continues to work on and update. There is year-round use including winter with maintenance and grooming. The PARC Tax funding provided maintenance equipment and benches, which will be installed soon. Home to Adventure is a great place for the city brand. The status of the property is surplus. A long-term conservation easement for land protection would be the way to protect the area for future generations. He showed a trail sign for the area that has been updated, which was donated by a volunteer, Don Dafoe. The area work has been a long process for 20 years. He thanked Jill Spencer for all her work as well as Karl Teemant and Wes Barney.

Mayor Wright stated Forebay is about 500 acres and is property that the City is currently still buying. It is a jewel and well worth preserving for future generations. Carey and many individuals have been dedicating their time for years to enhance the area. He looks forward to a wonderful future for this area.

Councilmember Beecher noted Forebay is a good place and enhances the community.

Councilmember Hiatt stated the City needs to work on a conservation easement.

5. Public Forum (6:30 p.m.)

Lance Wilson stated he is a resident outside the city boundaries and loves the community. He received a letter of the proposed R&C #2 Annexation. He drafted a letter of protest that was sent to Utah County and the Payson City Recorder. He read his comments as follows:

James Madison: a founding father, our 4th president of the United States and he who is hailed as the "Father of the Constitution" authored the following words: "Government is instituted to protect property of every sort; This being the end of government, that alone is a just government, which impartially secures to every man whatever is his own". He further states, "the preservation of property then is a primary object of the social compact... a fundamental law".

As neighbors to Payson City's northwest boundary, we oppose the annexation of property along 9600 S. until more deliberation and discussion can be had regarding the industrial zoning of this proposed annexation. We object to the city's plans to further their industrialization of property so near our homes and farms. As Madison stated, "government is instituted to protect property"; not to seek out lucrative proposals from developers whose only desire is to build more and more warehouses, slaughterhouses, greenhouses, and everything else industrial!

How can the city of Payson zone property for high density housing on one side of the road and then zone property on the other side of the same road as an industrial business park with residential homeowners smashed in between? Then to the north of this same conflict in zoning we have a transit- oriented development, a university extension campus, a veteran's care center and all of that surrounded by more industrial zoning. This plan makes no sense!

With all this proposed development happening somehow the city has forgotten about the many farms and residences located all around this industrialization. Homeowners... with yards and back patios for picnics and front porch swings for sunsets yet all to be surrounded by warehouses. With the words of Madison ringing in my ear I must ask, what is Payson City doing for the "Preservation of Property" for those whose homes and residences lie in the bullseye of this proposed annexation and industrial zoning? Is the city's focus more about increasing tax revenue or is it focused on the motto that "government is instituted to protect property"?

Mayor Wright and city council, please consider a different path forward for this area of Payson. Please allow us as your neighbors a seat at the table to discuss these important issues. Recognize the good we can do together to make this area a rose among thorns and something more than just a sea of concrete and warehouses. This annexation must be stopped until the zoning of this area is re-written to be more compatible with the existing homes and farms in this area.

Bart Wilson stated he has a lot of concerns and has spoken to many of his neighbors. They are totally against this annexation. There is industrial property near Rocky Mountain ATV that hasn't been filled and should be filled first. His farm has been in his family for over 100 years, and he farms his land. The farmland keeps getting chewed up so who will provide the essential products that are put on the table such as milk and potatoes. Rich developers come in and buy up the land. Where will the water come from? Water doesn't magically appear. He is out in the field and sees what is happening in other cities. Eventually the water will cease. He spent \$15,000 a few years ago to get water from his well to his house. Industrial development will take the water. When will the City stop and say enough is enough. People live out there because it is family farms; we were out there first. It's our way of life. He doesn't want to look at an industrial building from the front yard. Things to consider include the maintenance of ditches and roads, aquifers, the price of homes will go down, roads aren't designed for heavy traffic, traffic will increase, and trash will blow into ditches and stop water to the farms. Because of the previous drought, he couldn't get the needed water, so his crops burned up. He hopes the council will take the time to understand their concerns and realize it's time to stop. His children and grandchildren want to build out there. UVU and the interchange are coming so other things will be there. Please take these things into consideration.

Robert Rasmussen stated he was raised in Payson and then lived in Provo and Orem for about 25 years. He then moved to west mountain for the lifestyle and has loved it for 27 years. His wife looks out the back window and says we live in heaven. Elected officials are to protect people's property rights and their lifestyle. Industrial development and zoning down 9600 South will change the lifestyle of every resident in the area. A comment during the Forebay item was that the area needed to be protected from developers, and we want that same protection. His family wants to move to this area as well. If the annexation is approved, all that lifestyle changes. Many families have been there for two to four generations. He asked the council to take a long-term look and allow them to come to the table to discuss it.

Noreen Lerwill stated this isn't the first time she has been impacted; she lives across from the Eversage Apartments. She remembers when the Eversage Apartments and the next 100 apartments came in. A co-worker, who worked on the planning and zoning committee up north, told her they study, walk the area, and talk to neighbors. She and others attended the planning commission meeting. She questioned the planning commission about another 100 apartments. We already have Miller Meadows (first mobile home park), which was supposed to be a 55+ retirement park but never was. Then Eversage Apartments (163 units) came in and changed the quality of the area. Roads were closed off, she couldn't get into her driveway, and UPS wouldn't deliver. She asked the planning commission how many had driven the area when Eversage Apartments were built. Only John Cowan raised his hand. She asked the council to walk the area and visit with the neighbors. She fears we've come to the point where we care less. Payson has been a good neighbor. She used to see Loafer Mountain and can't see it now. Listen with your heart and how it impacts people. We are real people.

Butch Wilson stated he could site his rifle outside his house and his boys could hunt pheasants. He can still hear crickets and bullfrogs out there. You used to be able to see a million stars at night or shoot ducks flying overhead through the moon. The city, commercial, and industrial lighting is bad so you can't see the stars. If you drive down north Main Street now, it's a huge backlog. Payson or the state can't even manage the traffic right now. There is way too much purple and blue on the map (master plan). If industrial is built there, even across the tracks, it still has an effect. We would like to maintain this way of life as long as we can. He understands Payson has to grow, but roads are way too

busy. The industrial trucks will be noisy and busy. The City needs to make use of what it has and kick this down the road 10 years. He wants to keep his way of life.

Fernando Carroll stated he is impacted by this annexation and is in the annexation boundary. There are things he opposes, the annexation, master plan, and industrial development. As Payson incorporates county land, he asked the council to consider that these are big changes that impact the residents and their property. Please consider it as if this were you and in your back yard as you move forward. When he attended the meetings for the condos and apartments, their concerns and complaints fell on deaf ears. As far as his property being annexed into the City, he has concerns about the appropriation of water rights, water well, increase in utility costs and change in utility providers, and increase in monthly expenses. He called the City and asked if his well would be taken, will he have to connect to the sewer, and does he have to install curb and gutter? He was told it would be addressed in the annexation agreement. He is being annexed, but someone else will agree to the annexation agreement. How would you vote and decide if this was happening to you? One individual has been buying up property to meet the 50% threshold and apply for annexation. There were misrepresentations in the application and the way he went about convincing the neighbors to get them to sign onto the annexation. There has been some dishonesty to get this annexation pushed. There are people being forced into it. He asked the council to consider if they lived there, what would their concerns be.

Patti Hollenbeck Dial stated she moved from Orem to West Mountain 24 years ago because the property behind her home on 800 North in Orem was changed to industrial. Soon the police were chasing people through her backyard, so it wasn't a safe place to raise her 4-year-old daughter. The people in West Mountain are fine people with families that have been there for 100 years. Noreen Lerwill and Fernando Carroll spoke about attending a previous council meeting, and it fell on deaf ears. She sees the council's faces and wonders if the council is interested or has already made a decision. She's not being mean but wonders if this is futile. She appreciates the opportunity to talk about the issue. The council is so good about preserving trails for other generations to come. There are generations out there, so please think about this. It won't be a safe place to live anymore; there will be a high rate of crime.

Emma Wilson stated she lives on a 70-acre ranch in the area, and the ranch has been in the family for 100 years. She has a strong attachment to this land and the area. She stated a piece of a poem she wrote about her land. *All the pretty horses that I've rode down that road. Hear the pines now singing and suddenly I'm home. Life goes on, it goes on, it goes on. But our piece of heaven will always be the same for eternity.* If this land is annexed, she won't be able to ride those pretty horses down that road any more or hear the pines singing and our piece of heaven won't be the same. Please help us preserve this land.

Frank Nackos stated his kids and grandkids can't wait for him to die so they can move there. Do not disappoint his kids and grandkids.

Carl Brines stated he lives in Payson in West Mountain. In 1961, there were slightly over 9 million square miles of arable land. As of 2022, there are 5.9 million square miles of arable land. Bart Wilson touched upon where our food would come from. Please don't build on our farmland; food prices are already too high.

Gus Wilson stated he grew up in West Mountain where he enjoyed hunting, fishing, and riding bikes. He recently moved back with his family and has enjoyed playing in the creek with his daughters. A

few years ago, some kind of spill came down the creek and killed the fish. He heard but never confirmed that the spill came from the industrial park south of where he lives. When you bring in industry next to housing, there will always be spills and issues; mistakes happen. He doesn't want this to happen in this area again. He is opposed to this annexation.

Adriel Carroll noted as mentioned, his family is one of the homeowners affected by this annexation. He doesn't pay bills or taxes but attends high school. He has emotions and memories of this land. His family hasn't been here for 100 years like others, but his family did come here to ride horses in the back yard and run around on their 2.5 acres freely. Previously, they lived on the west side of Provo, which was very agricultural. Eventually, Provo High School was built there, so we moved here. Today, there was an unfortunate car accident on our street. All the neighbors came out to see if all were okay. This industrialization is not only killing our land, but it's killing our communities. We have an irrigation ditch for our pasture for the horses. A while back, water wasn't coming through so his dad followed the ditch all the way to the Payson McDonalds where the ditch was plugged by trash. His dad spent hours cleaning the trash out. Who knows what will happen to our farmlands and livelihoods with all this urbanization and industrialization.

David Wilson stated he has been here and farmed for a long time in West Mountain. His grandfather and father are from Payson, and his family has owned this land for over 100 years. He understands the importance of growing, but it needs to be better thought out. The American Way area was made for development, and it still has a lot of room for development. There is also a lot of land in front of the Stadium Cinemas. He doesn't believe this annexation area is a good target area for industry. About 25 years ago, he owned property at the intersection north of the Eversage Apartments. At that time, the golf course moved up by Elk Ridge. The farmers lost their irrigation water, and Payson City left no explanation or apology. When people express their concerns about industry and the effects, it's real. There are better options, and he asked the council to look at it.

Mayor Wright thanked everyone for their comments, which he guarantees don't fall on deaf ears.

6. Staff and Council Reports (7:12 p.m.)

Staff Reports

ADMINISTRATION – Dave Tuckett thanked Mayor Wright, the council, and staff for the Onion Days; it went well. There was a little rain, but it held off for the parade and other activities. There are a lot of volunteer hours. It was a great celebration weekend.

Council Reports

Councilmember Christensen stated Onion Days was great, and it was a lot of fun to see people out in the community. It was great to walk the parade route and see people. The rain was good but put a damper on some things. He thanked the staff; he's grateful for all they do. He was saddened to hear that Kiwanas Park was vandalized; it's disheartening.

Councilmember Beecher added his best wishes that everything went well with Onion Days. He thanked the staff for all they do. He thanked the citizens for being here tonight; the council listen to you.

Mayor Wright thanked the staff and council for Onion Days. It was another exemplary celebration. The City has great support with local businesses that help with the celebration. Walmart had its re-grand opening last Friday during the celebration. Also last Friday was the groundbreaking for MTECH, which will bring education at a different level to Payson and the surrounding areas.

Councilmember Provstgaard thanked the staff especially this past week when the police officer and paramedics assisted his wife with lifesaving skills and got her to the hospital. The City is in good hands with the Fire and Police Departments. Early Monday morning, he went up Payson Canyon and found Dixon Fairbanks and another employee working on fixing the vandalized bathrooms to get them usable for the Labor Day weekend. A big shoutout to the staff.

Councilmember Hiatt gave a big shoutout to all the staff who helped with Onion Days. She questioned if the City is looking ahead to when the employees who volunteer for Onion Days retire so new employees are taught how to do Onion Days. Some of the staff and volunteers have so much knowledge. Mayor Wright noted this is being done.

D. ACTION ITEMS

1. Resolution – Amendments to the Payson City Fee Schedule (7:20 p.m.)

Staff Presentation:

Cathy Jensen stated there are two proposed adjustments to the fee schedule. The first would remove the solid waste recycling material percentage program that isn't offered any longer. The second is the Power Cost Adjustment (PCA) rider proposal to level out the highs and lows of energy costs.

Mark Beauchamp reviewed the discussion back in June regarding the implementation of a Power Cost Adjustments (PCA). In the previous year and throughout different regions in the U.S. and Utah, extreme power cost fluctuations were shown. Utilities without a PCA burned through their cash reserves. Over the past six months, power supply costs have stabilized, making it a good time to implement a PCA. A PCA passes costs or savings onto customers in order to protect the utility from power supply related costs, which are outside the control of the utility. Power supply costs are driven by the market, and about 75% of all utilities in the U.S. have a PCA formula. Previously, four different methodologies were discussed with all having certain positives and negatives. A one-month PCA can cause issues for customers because it can have a large spike up or down. A three-month PCA causes a similar spike but is trued up every three months. Most utilities prefer to balance the risk between the utility and the customer by using a rolling average to gradually increase rates, so power recovery is delayed. In looking at these four scenarios, the City Council preferred the six-month PCA formula. Tonight, the Council is looking at the actual adoption of the rate. He reviewed the proposed wholesale power supplier cost and number of kilowatt hours sold. This equates to the average cost of power per kilowatt hour sold and recovered through base retail rates, which is \$0.0689 cents. If power supply costs on average exceed \$0.0689 cents, it is passed on to customers. If it is below, customers are credited. However, Payson is currently in a difficult situation for cash so a provision is in the formula that if the PCA is negative, funds are kept until the operating cash is above \$4 million. Payson is currently below \$4 million.

Council Discussion:

Councilmember Beecher noted his question regarding the \$4 million has been answered. The \$4 million is the reserve that is to be built back up in the event of something happening.

Cathy Jensen clarified the language has been updated from what was shown in the packet.

Councilmember Haitt questioned the effect on a customer's monthly bill.

Mark Beauchamp stated it's difficult to say. The average usage is about 750 kilowatts per month. The current projection is zero; but in a few months, it's difficult to say. Projections over the last 12 months show pretty good increases because of unusual events. The PCA going back twelve months shows up to three cents per kilowatt hour and would have caused a PCA of over \$23, which is substantial. At that time, the City drew down on cash reserves. As of today, that number went negative so customers would save. He recommends keeping it at zero to build cash reserves for projects, maintenance, etc.

Councilmember Christensen questioned if the City goes so long and doesn't give back, can the base rate be changed. Is this a living document? He worries about affecting future generations.

Mark Beauchamp explained if the PCA consistently exceeds 1 or 1.5 center per kilowatt hour, it is trued up periodically. Normally, a cost-of-service study is trued up every three to five years. It could be done sooner if numbers are consistently high. A high PCA can create subsidies between different customer classes such as larger customers getting an unfair benefit if the power supply goes negative. The CPA ensures customers are protected. The most important thing is the reliability of the service to prevent outages, which is done by having the capital available. The PCA ensures the customers are protected.

Mayor Wright noted then the staff can look at this over a period of time.

Councilmember Beecher noted additional generating capacity helps as well as other avenues of power such as nuclear, solar, and small generators.

MOTION: Councilmember Beecher – To approve the resolution amending the Payson City Fee Schedule relating to power utility rates including the Power Cost Adjustment with the addition of Mark Beauchamp's recommendations from what the City already has. Motion seconded by Councilmember Provstgaard. A roll call vote was taken as follows and the motion carried.

Yes	-	Kirk Beecher
Yes	-	Brett Christensen
Yes	-	Taresa Hiatt
Yes	-	Bob Provstgaard

2. **Ordinance – Amendments to Title 4.04.060 Conveyance of Water Rights, Requirements for Development (7:45 p.m.)**

Staff Presentation:

Travis Jockumsen stated the proposed amendments add a clarification in the water rights ordinance when the Old Field area develops and how that water is handled. Payson City owns the water; but with development, some of it can be used for pressurized irrigation requirements.

MOTION: Councilmember Provstgaard – To approve (ordinance) Title 4.04.060 Conveyance of Water Rights, Requirements for Development. Motion seconded by Councilmember Beecher. A roll call vote was taken as follows and the motion carried.

Yes - Kirk Beecher
 Yes - Brett Christensen
 Yes - Taresa Hiatt
 Yes - Bob Provstgaard

3. Ordinance – Amendments to the Payson City Development Guidelines

Staff Presentation:

Travis Jockumsen stated the proposed amendments to the Development Guidelines update the power standards and drawings as well as some incorrect items. The cross section for curb, gutter, sidewalk, and planter strip for water wise was updated. Also, text sections were updated to meet state code requirements that have changes such as road widths.

MOTION: Councilmember Beecher – To approve the ordinance amending, repealing, and enacting portions of the Payson City Municipal Code, Payson City Development Guidelines as outlines. Motion seconded by Councilmember Christensen. A roll call vote was taken as follows and the motion carried.

Yes - Kirk Beecher
 Yes - Brett Christensen
 Yes - Taresa Hiatt
 Yes - Bob Provstgaard

4. Resolution – Utah Associated Municipal Power Systems (UAMPS) Agreement authorizing the Steel Solar 1A Project Second Amended and Restated Transaction Schedule (7:47 p.m.)

Staff Presentation:

Dave Tuckett stated the City signed up for a portion of this solar project that went away but has come back. It will be on the grid November 23. The agreement gives Payson 4 megawatts of power, which is part of the city portfolio and a good resource.

MOTION: Councilmember Christensen – To approve the resolution for the UAMPS Agreement authorizing the Steel Solar 1A Project Second Amended and Restated Transaction Schedule. Motion seconded by Councilmember Hiatt. A roll call vote was taken as follows and the motion carried.

Yes - Kirk Beecher
 Yes - Brett Christensen
 Yes - Taresa Hiatt
 Yes - Bob Provstgaard

5. Resolution – Utah Associated Municipal Power Systems (UAMPS) Agreement authorizing a Geothermal Study Project

Staff Presentation:

Dave Tuckett stated this is an agreement authorizing the geothermal study phase. Exhibit A in the packet showed the cities who are part of the project and study. Payson is 2.5% of the project, which is

65 megawatts total with Payson receiving about 2 megawatts. The agreement doesn't bind the city to take the 2 megawatts. The City can decide to stay in or not.

Brad Kearl noted there are five locations, but Payson's is in the best location by Fallon, Nevada.

MOTION: Councilmember Beecher – To approve the resolution authorizing the CYRO Geothermal Study Project Agreement between Payson City and UAMPS. Motion seconded by Councilmember Provstgaard. A roll call vote was taken as follows and the motion carried.

Yes	-	Kirk Beecher
Yes	-	Brett Christensen
Yes	-	Taresa Hiatt
Yes	-	Bob Provstgaard

E. ADJOURNMENT

MOTION: Councilmember Beecher – To adjourn. Motion seconded by Councilmember Christensen. Those voting yes: Kirk Beecher, Brett Christensen, Taresa Hiatt, Bob Provstgaard. The motion carried.

The meeting was adjourned at 7:54 p.m.

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