

PAYSON CITY
CITY COUNCIL BUDGET RETREAT
Payson City Center, 26 South Main Street, Bryce Canyon, UT 84764
Saturday, January 20, 2024

CONDUCTING William R. Wright, Mayor

ELECTED OFFICIALS Brett Christensen, Taresa Hiatt, Brian Hulet, Anne Moss, Ryan Rowley,
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
Robert Mills, Development Services Director
Travis Jockumsen, Public Works Director/City Engineer
Tracy Zobell, Parks & Golf Director
Karl Teemant, Community Services Director
Shawn Black, Power Director
Melanie Marsh, HR Director

A. CALL TO ORDER

This meeting of the City Council of Payson City, Utah, began at 8:03 a.m. The meeting was properly noticed.

B. FISCAL YEAR 2024-2025 BUDGET, ECONOMIC DEVELOPMENT, AND GOALS AND PRIORITIES

Dave Tuckett welcomed everyone. He reviewed the following items.

Utility Rates

For the last 10+ years, Payson has used the consumer price index (CPI) as a general rule to determine utility rate increases. In recent years it was necessary to increase the sewer and water rates more than the CPI due to the projects and mandates to upgrade the sewer plant. Utah County reduces the rate to keep the amount the city receives the same. The city has scheduled Truth in Taxation hearings each year to address the certified tax rate, which has been done over the last 10 to 12 years. Generally, the city holds the certified tax rate the same as the previous year, which is a tax increase.

Transportation Utility Fee

The city always receives complaints regarding roads. Between 2016 and 2018, a few cities enacted a transportation utility fee for all utility customers based upon a professional study showing the intensity of use of the city streets. Provo City was the first to do this and then Pleasant Grove City followed. Payson budgeted to do a study in 2018. Pleasant Grove was sued in 2019, but the Utah Supreme Court ruled that the fee was valid and not a tax. It is a legal fee if enacted correctly, and the maximum fee would be based on the study. The Utah Legislature, more than likely, will make a few adjustments to the Supreme Court ruling. Payson City receives Class C Road funds from the state based on

population, which comes from the gas tax and doesn't cover the city's needs. Payson receives about \$1 million. A transportation fee is an option since roads are always an issue. Some cities charge a flat fee. Businesses with a lot of traffic could be charged more because of the traffic. The fee could be used for curb and gutter as well but not for the infrastructure under the road. He proposed waiting until the Legislature is done before conducting the study.

Discussion:

This fee can be used anywhere in the city, but impact fees can only be used for a new road. When installing a storm drain system, curb, gutter, and sidewalk must be included. Currently, \$300,000 is budgeted yearly for storm drain installation. The Street Department tries to save funds to do a larger project every other year. The Street Master Plan shows the conditions of each road. When projects are completed, information needs to go out to the public, so residents see what is being done throughout the city. The city needs to be careful not to penalize businesses too much with a transportation fee, which could cause businesses to come to Payson. When determining a fee, there is a difference between retail and commercial businesses because retail businesses bring in sales taxes. A fee of \$10 per household (5,500 households) would bring in about \$660,000 yearly, which isn't much for road funds; but it does address the problem. In perspective, everyone uses roads, so the fee makes it more equitable to everyone. If pursued, public meetings can be set up and information distributed. If the council is supportive, the study is about \$20,000. The question arose to do a general bond, but it's difficult to bond because a bond runs about 30 years. A transportation fee is better than bonding. It was suggested to enact a transportation fee and not raise utility fees in the first year. Once the study is complete, the council can make a decision. The conclusion is to see what the Legislature does and then look at doing the study.

Completed Projects (FY 2023)

20" Culinary Waterline Upsize in Payson Canyon	Cell tower installed on soccer fields
100 South PI Line Upsizing (1,600 lf of 12" Line)	Repaired leak under bucket dump at pool
Spring Lake Pump House Rebuild	Sidewalk installed south of soccer fields
Fix Well #5 Pump and Motor	Upgraded outdoor lights (Peteetneet amphitheater)
Remodel Salt Storage Shed for Streets	New lights in Daniels Room (Peteetneet)
Updated the Transportation Mater Plan	Benches and picnic tables at Forebay
Completed the Storm Water Audit	Quality Library Award from State of Utah
Constructed a New Scale House at the Landfill	Goosenest area primary conductor & equipment set
Installed Curb, Gutter, Sidewalk and repaved 500 West (400 North to Eversage Apartments)	Replaced overhead lines around high school with underground primary system & rebuilt lines
800 South Sewer Line (new high school)	Primary conductor, set equipment 10+ developments
400 North Reconstruction including curb & gutter (Olsen's Greenhouse)	Built section of 46 KV transmission line with 7.2 KV underbuilt on Utah Avenue
Utah Avenue Mill and Shoulder Rehabilitation	Replaced 4 live front underground switches
930 West Mill and Rehabilitation	Replaced streetlights & conduit system (SR-198 - Peteetneet)
800 South Mill & Overlay (I-15 to 1700 West)	Transferred 14 SESD services (Goosenest Area)
900 North Reconstruction (Parris RV)	Replaced several services to existing customers
930 West Signalization	Replaced switchgear electronics (Gen 3000, Gen 4000)
Replaced 1/3 of cemetery roads	Replaced Generator 4000 engine control panel
Replaced & painted iron fence panels at cemetery	Completed first phase of SCADA system upgrade
Parks replaced 1/2 the asphalt paths with concrete (Memorial Park)	All 4 Vacuum Circuit Breakers tested, repaired, & recertified
Library repainted Storytime Room	Work began to add generators to power plant, future needs
Library created digital library cards	

Discussion regarding generating power from the CUP water by pumping water up to a new Forebay pond and then running the water back down to generate power. Hansen Allen & Luce needs to be involved in this discussion.

Development Services Projects

America First Credit Union (completed)	Spring Side Meadows (approved)
Larsen Warehouse (completed and leasing tenants)	Wasatch Behavioral Health Expansion (completed)
Black Hawk Subdivision (completed and building homes)	Magalei Subdivision (approved needs to complete infrastructure/record plat)
Mountain View Hospital Surgical Expansion (completed)	WICP Payson Tech Office Warehouse (under construction)
Arrowhead Ranch Plat A (approved and installing infrastructure)	Springs at Spring Lake Subdivision (approved need to install infrastructure and record plat)
Arrowhead Ranch Plat B (approved and installing infrastructure)	Transitions Manufacturing Addition Intermountain Nutrition (approved)
Evolve Twin Home Subdivision (completed and building homes)	Villages at Arrowhead Park Plat L (under construction)
Red Bridge Business Center (completed)	Villages at Arrowhead Park Plat H (approved)
Outlook Park Office Flex Building (approved)	Villages at Arrowhead Park Plat M (approved)
Vision LED (completed)	Red Bridge PID Improvements (preliminary review)
Quail Mountain Subdivision (completed and building homes)	Red Bridge Lot 3 Amendment (preliminary review)
Just Rite Office Flex Building (approved)	Red Bridge Lot 2 (preliminary review)
Walmart Fuel Center (under construction)	Red Bridge Lot 3 (approved)
Walmart Expansion (completed)	Red Bridge Lot 4 (approved)
Henline Subdivision (completed)	Red Bridge Lot 4 (approved)
Iron Horse Subdivision Plat C (under construction)	Red Bridge Lot 16 (preliminary review)
Mount Loafer Flats 55+ Subdivision (approved)	Ralph Willson Subdivision (approved)
Maples Subdivision (approved need to record plat)	Payson View Estates Phase 4 (preliminary review)
Pacen Hollow Subdivision (completed and building homes)	Geneva Rock Batch Plant Expansion (approved)
Whatcott Subdivision (approved & recorded)	Hiatt Creek Plat B (final plat review)
Lewis Subdivision (approved & recorded)	Hiatt Creek Plat C (preliminary review)
Ashlee Ridge E Subdivision (approved and building homes)	Payson Commercial Site (site plan under review)
Beck's Place (old Dalton Building) (under construction)	Payson Logistics Commercial Site (site plan under review)
East Bay Fertility Clinic Expansion (expired no payment of fees)	Payson Lot 2 Warehouse (approved for construction)
Elm Hollow Subdivision (approved needs to record plat)	R&C #2 Annexation (approved need to record plat)
Jones Paint and Glass Warehouse (approved)	MTEC Campus (under construction)
Jones Paint and Glass Retail (under construction)	Citadel Storage Site (approved)
Payson Tech Park CR Payson	Fisher Payson Project (approved)
The Easton (approved for construction)	

Non-Development Projects

Spring Creek Area Plan (Completed 2023)	Salem Canal Connector Trail (ongoing)
Payson Station Area Plan (Completion Spring 2024)	CDBG Façade Grant (Program funded through 2024; applications being reviewed)

Code Amendments and rewrite (Ongoing throughout 2023 and 2024)	Downtown Gateway Plan (Funded in 2023 and expected completion late Summer 2024)
Forebay Committee and Master Plan (New committee members appointed in 2024; planning underway)	Motocross Track and Trails (Ongoing coordination with BLM; need funding for consultant to complete application)
Nebo Beltway Area Specific Plan (Funded, but seeking additional funds through a grant)	

Dave Tuckett noted several projects are in process as well as many upcoming priority projects.

Power Department – Shawn Black

- Power Plant Expansion – Replace two old engines and install four new engines to the west. The infrastructure is in place. This is the priority to help with financial stability and will help keep rates stable.
- The second priority is getting electricity where it needs to go. The city needs to create power loops to help with maintenance and not have power outages within the next five years.
 - The existing 46 KV transmission line includes five substations (Industrial, Power Plant, Arrowhead, Downtown, Racetrack). Southern Utah Valley Power Systems (SUVPS) includes Springville City, Spanish Fork City, Salem City, South Utah Valley Electric Service District (SESD), and Payson City and has a joint transmission system that pulls from Rocky Mountain Power.
 - The next 46 KV transmission line would run from the Racetrack Substation to the Spring Lake Substation.
 - The third priority would run a 46 KV transmission line over I-15 and up to the Hiatt Redbridge Substation and then back to the Industrial Substation. Other loops may be needed in the next 10 years.
- Many power entities are behind and working to catch up with infrastructure.
- Lines are above ground because it costs about five times more to go underground. The city tries to go underground where possible when doing upgrades.
- Many improvements are determined by growth, but the city needs to work on easements now.
- Possible new substation location in the Bamberger area.
- Financing needs to be discussed and addressed.

Discussion regarding the difficulty of going along residential roads such as SR-198. The forest service areas are not good for power lines because of fire danger. Power lines need to be looped in order to keep power on and do maintenance. Staff can look at other routes, but the system must be looped. Working with the Bureau of Reclamation is always difficult.

Public Works Department – Travis Jockumsen

- Priority Upcoming projects:

Patterson Booster Pump	New garbage truck and driver due to growth
Replace lead laterals and fittings in culinary system	Main Street project future phases and parking lots
300 South culinary waterline from 300 West to 800 West to also fix the road	Fix two existing storm drain basins and build two new ones
Salem-Payson culinary interconnect	Continue fencing around the landfill
Fix lowest rated roads throughout the city	Install curb and gutter missing through city
Redo the pit sewer lift station	800 West utilities and roadway

Complete the sewer plant upgrade	Fix sewer collection issues, various locations
Red Bridge Well House is being built	

Discussion that the state is requiring all lead be removed from all water lines, connections, meters, and laterals (resident responsibility).

Police Department – Brad Bishop

- 2023 Statistics: Physical Arrests – 992, Offenses – 2,065, Citations – 1,905, Violations – 2,994, Cases Investigated – 11,814, DUI – 88, Traffic Stops – 3,757, Traffic Accidents – 270, Dogs Impounded – 204 (144 redeemed by owner, 49 adopted/rescued, 10 euthanized), Cats Impounded – 400 (21 redeemed by owner, 213 adopted/rescued, 170 euthanized/not adoptable)
- Victim Services: Domestic Violence – 250, Child Abuse – 15, Child Sexual Abuse – 10, Adult Sex Assault – 5, DUI Incident – 1, Adult Assault – 50, Elder Abuse – 5, Robbery – 5, Survivors of Homicide Victims – 4, Stalking/Harassment – 20, Protective Order Violation – 30, Other Referrals – 180

- 2023 Accomplishments:

Held first citizens academy.	Completed police department accreditation.
Acquired second police service K9 (indicator dogs, not bite dogs).	Successfully integrated victim services into police department.
Switched all radio communication devised to P25 digital.	Revamped mass school emergency response.
Replaced all tasers.	

- 2024/2025 Goals:

Study future police facility.	Concentrate on nuisance properties.
Add air filtration to evidence storage.	Bring more training in house to reduce costs.
Begin revamp of firearms training range.	Update succession plan.
Complete MTEC campus response plan.	Complete city facility surveillance system.

- 2024/2025 Budget Goals:

Continue evaluating competitive wages for retainment.	Plan for adding an investigation lieutenant in next budget year.
Begin work on firearms range.	Acquire trauma plates for high-risk response.

Discussion that Utah County cities and entities get along very well and don't have territorial issues.

Parks, Golf, and Cemetery – Tracy Zobel

- Main goal of all departments is to keep the level of service.
- Cemetery: Encompasses 30 acres. 116 burials in 2023. Goals include finishing roads, updating entrance, redoing building, and expanding cemetery land.
- Parks:
 - There are 146 acres of maintainable parks (not including Forebay) with seven bathrooms and 8 playgrounds. Goals include finish replacing paths in Memorial Park, replace playground at Memorial Park, parks building (no existing building), and additional pickleball courts.
 - There are 350,000 feet of trails. Some trails need resurfacing. Staff will look into a trail maintenance grant.
- The Forebay Committee received a grant to run a trail up Payson Canyon, but the funding is not available until 2026. Staff feels \$500,000 could get the ball rolling to get the study going. The

funds could come from the revolving loan fund but that affects all departments because it depletes the fund.

- Golf:
 - National Golf Trends – More play during weekdays. 92% of golfers plan to play the same amount or more in the future. Since 2019, golf participation continues to grow more diverse with percent of growth increasing with youth, people of color, female, occasional golfers. 60% of growth since the pandemic are female. Among 1000+ surveyed golf courses, 69% operated at or near capacity. The use of golf simulators and entities such as Top Golf are up. 5% of those introduced to golf maintain golfing.
 - Gladstan Golf Course Numbers – The course and restaurant use have increased continually over the last three years. Goals – Switch out irrigation system within next five years. Add nine more holes and a short course. Build a reception/event center.
 - Reception/Event Center – This has been presented to the city for 20 years and is needed. Event center averages include hours between 4 p.m. to 10 p.m. Monday through Saturday, \$3,000 per day rate, 70 to 300 people capacity, and 1,600 to 8,400 square feet in size.
 - Key Points – Golf is growing, and the Gladstan Golf Course is performing. There is a gap in the market so there is room for projects.
 - Staff asking for support for these projects. If bonded, the course would pay for the bond. Gladstan is a place for everyone to enjoy, not just golfers.

Discussion regarding the Forebay area, annexing it to Payson City, how to handle preservation and development, and working with Elk Ridge City and private property owners. A feasibility study is needed for a reception center, which can be an economic development tool for Payson.

Development Services – Robert Mills

- Staff – Current staff needs include building inspection, planning manager, and associate planner. Proposed staff needs include economic development manager, grants administrator, and community relations specialist.
- Plans – Station Area Plan, Nebo Beltway, Downtown Gateway Plan, Active Transportation Plan, Forebay/Gladstan/Elk Ridge Plan, Moderate Income Housing Plan.

Discussion regarding the Station Area Plan and FrontRunner location. The transportation study by the Utah Transit Authority determined that the end of line will be at the northern part of Payson. Proximity and access for Utah Valley University is important.

Community Services – Karl Teemant

- Needs – Purchase 40 acres northeast of city to accommodate open field play, arboretum, restrooms, and pickleball courts.
- Center Complex (old fields next to new fields) playground is out of compliance (20 years old). Bids received to replace playground came in from \$130,000 to \$170,000.
- Park space is needed in additional areas of the city.
- The recreation offices are moving to Wilson Elementary. The library could be relocated here as well as the Senior Citizens Center. It could become a community center.
- Funds were approved for the Peteetneet restrooms, but the bid came in three times high. These restrooms are out of compliance.
- Working on seniors' bus grant.
- Library working on self-check in.

Other items

The City Council will hear priorities and goals at a later time. Finance, Legal, and HR can address the Council at another time.

Work now begins on narrowing down priorities and needs with the funds available. The city may need to go into debt for some items. Department heads are doing what they can to make the city best.

The PARC tax has been awesome for the city. It goes back on the ballot in about three years.

Mayor Wright stated he is extremely excited with the new council. There are exciting things to look forward to too. He doesn't want to miss the ability to make the city an even better place to live even though the city is facing challenges.

C. ADJOURNMENT

The meeting was adjourned at 12:05 p.m.

/s/ Kim E. Holindrake

Kim E. Holindrake, City Recorder