

PAYSON CITY
CITY COUNCIL MEETING
Payson City Center, 439 W Utah Avenue, Payson UT 84651
Wednesday, June 21, 2023

CONDUCTING William R. Wright, Mayor

ELECTED OFFICIALS Kirk Beecher, Brett Christensen, Linda Carter, Taresa Hiatt, William R. Wright

EXCUSED: Bob Provstgaard

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
Michael Bryant, Planner II
Janeen Dean, Community Events Coordinator
Blaine Haacke, Power Director
Audrey Camp, Treasurer
Cheryl Hobbs, Utility Billing
April Jones, Recreation

OTHERS Joe Johnston, Paul Johnson, Rowland Evans, Mark Beauchamp – Utah Financial Solutions, Rex Grant, Robin Olson, Cassidy Krogue, Dylan Tucker, Hellen Haney, Don Olson, Teresa Pugmire, Ann Moss, Chris Kilmer, Tyler Horan – Hawkmoon Holdings LLC,

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 Kirk Beecher.

Pledge of Allegiance led by Bill Wright.

B. CONSENT AGENDA

1. Approval of the June 7, 2023, Regular City Council Meeting Minutes
2. Resolution – Appointment of board members to the Utah Associated Municipal Power Systems (UAMPS) Board

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

49 Yes - Kirk Beecher
50 Yes - Linda Carter
51 Yes - Brett Christensen
52 Yes - Taresa Hiatt
53

54 C. PETITIONS, REMONSTRANCES & COMMUNICATIONS

55 1. Public Forum
56

57 Joe Johnston stated they are grateful for the city's response to recent flooding around Dry Creek. His
58 concern is with speeding traffic on 1700 West, which has created dangerous situations for children. It
59 is posted at 25 mph but only a small fraction obeys the speed limit. If going the speed limit, the large
60 semi's will be on your tail. Chief Bishop has also been very responsive. Payson Point Apartments has
61 significantly worse speeding. Children congregate on the corners waiting for the school bus during the
62 nine months of school. Despite the flashing speed sign, vehicles fly past these kids. There is no curb or
63 gutter in one area. There have been near misses. If conditions on 1700 West are slick, it's very easy to
64 lose control of a vehicle or when hitting the hump over Dry Creek. He asked that some physical
65 measures be taken to regulate the traffic such as a four-way stop at 1700 West and 1130 South,
66 prohibiting trucks to other roadways, or speed bumps at the townhomes and apartment buildings. It's
67 really the speeding that is the problem.
68

69 Mayor Wright stated staff have looked at this issue before and are happy to look at it again. The trucks
70 can't be rerouted because it's a public street and it would add time to their commute. Staff could also
71 talk to the school district about the bus route.
72

73 Councilmember Christensen noted there is also a new road planned to divert the traffic in the Red
74 Bridge Development.
75

76 Paul Johnson stated he agrees with Joe Johnston. He has kids that get off the elementary school bus,
77 and there is nothing preventing 20 kids from running out into the road. He witnessed cars driving past
78 the bus with the stop sign out. He asked the school district if the bus could go through the condos; but
79 because of liability, the school district hasn't been willing yet. He applauds the city's willingness to get
80 in touch with the school district.
81

82 2. Staff and Council Reports (6:15 p.m.)
83

84 Staff Reports
85

86 ADMINISTRATION – Dave Tuckett stated Kim Lefler is retiring. There will be an open house on
87 June 29 from 1 to 2:30 p.m. He appreciates her service and getting the Communities That Care
88 program up and running.
89

90 COMMUNITY EVENTS – Janeen Dean reminded everyone of the Rock and Roll Festival this
91 weekend at Memorial Park on Friday from 2 to 10 p.m. and Saturday from 10 a.m. to 10 p.m. There
92 will be food trucks and merchandise vendors. Linda Carter noted it's lots of fun and very enjoyable.
93

94 RECREATION - April Jones thanked the mayor and council for putting the Scottish Festival under the
95 city umbrella of city events. The Scottish Festival will be held on July 7 and 8 at Memorial Park. She
96 invited them to attend and participate in the parade. The parade will begin at 9:30 a.m., beginning at

97 the old Wells Fargo building, south down Main Street to 300 South, left and end in the Parkview
 98 Elementary School parking lot. Opening ceremonies will be held on the west lawn at Parkview
 99 Elementary School at 10 a.m. This year the Scottish Dancing competition will be held inside the
 100 elementary school, which is very exciting. Mayor Wright will be the new Chieftain this year.

101
 102 Council Reports

103
 104 Councilmember Carter reported she was approached today by a gentleman on 400 North and 600 East
 105 asking if the City could put in a four-way stop because of the kids trying to cross the road to and from
 106 school. Speeding is the issue, and there is no crosswalk. Brad Bishop noted the area was studied last
 107 fall and some things will be implemented before school starts.

108
 109 D. ACTION ITEMS

110 1. Public Hearing/Resolution – Amendments to the Fiscal Year 2022-2023 Budget (6:24 p.m.)

111
 112 Staff Presentation:

113 Cathy Jensen reviewed the proposed budget adjustments to true up the year.

114

Building Maintenance	Natural gas	\$22,000
Roof and Air Conditioning Repair	Repairs	\$25,000
Parks Additional Part-Time	Flower care, natural gas, and supplies	\$15,000
Cemetery	Natural gas, on-call time, benefits, supplies	\$25,000
Transfer to Capital Fund	Roll over to complete projects next year	\$3,000,000
Capital Fund Contribution to Fund Balance	Offset to transfer	\$3,000,000
Electricity	Power purchase	\$1,200,000
Power Department	Natural gas	\$125,900
Vehicle Maintenance	Natural gas	\$7,700
Payson Community Theater	Expenditures	\$3,000
Police Department Supplies	Reimburse overtime DUI shifts, LED Guardian lights, 9mm guns, citizen donation	\$17,569
PCT Professional Services	Expenditures	\$3,200
Golf	Camera Security System	\$11,000

115
 116 **MOTION: Councilmember Christensen – To open the public hearing.** Motion seconded by
 117 Councilmember Hiatt. Those voting yes: Kirk Beecher, Linda Carter, Brett Christensen, Taresa Hiatt.
 118 The motion carried.

119
 120 Public Comment:

121 Rowland Evans questioned the transfer to capital funds and contribution for \$3,000,000 each. Are the
 122 funds going in and out, where are the funds coming from, and how will the funds be used?

123
 124 Cathy Jensen clarified by law the General Fund balance is limited to 35% of revenue so a year-end
 125 analysis is done to ensure it doesn't go over. Because of under expending and additional revenue, the
 126 City is exceeding the projected fund balance. The funds are transferred to the Capital Fund for
 127 identified projects and can be transferred back if needed. There are two because it's two separate funds
 128 as if they are their own business. It's a total of \$3 million; one in and one out.

129
130 **MOTION: Councilmember Beecher – To close the public hearing.** Motion seconded by
131 Councilmember Christensen. Those voting yes: Kirk Beecher, Linda Carter, Brett Christensen, Taresa
132 Hiatt. The motion carried.

133
134 **MOTION: Councilmember Christensen – To approve the (resolution) amendments to the Fiscal**
135 **Year 2022-2023 Budget.** Motion seconded by Councilmember Carter. A roll call vote was taken as
136 follows and the motion carried.

137
138 Yes - Kirk Beecher
139 Yes - Linda Carter
140 Yes - Brett Christensen
141 Yes - Taresa Hiatt

142
143 2. Public Hearing/Resolution – Amendments to the Payson City Fee Schedule including utility
144 rates (6:30 p.m.)

145
146 Staff Presentation:
147 Cathy Jensen reviewed the proposed fee amendments including utility rates. The average of utilities
148 was pulled in July 2022 because July is typically a high month and worse-case scenario. A larger
149 home, hot tubs, etc. may change a resident’s utilities.

150
151 Sewer (proposed 6% increase):
152 • The State has given the City an unfunded mandate to take care of ammonia and phosphorus that
153 comes out of the sewer plant. The estimated cost of the new sewer plant is approximately \$70
154 million.
155 • Zions Public Finance was asked to do a rate study to see what it would take to fund the bonds
156 to replace the sewer plant. Their recommendation is a 6% increase, which is interesting because
157 the March 2023 CPI gives a 6% increase for the other utilities.
158 • Using the 6% increase and the average usage of 6,000 gallons, it would increase \$3.50 per
159 month.

160
161 Pressurized Irrigation (proposed 6% increase):
162 • The cost of meters and services is increasing.
163 • If usage is within 32,000 gallons, the increase would be \$2.29 per month.

164
165 Solid Waste and Recycling:
166 • Recycling has a third-party provider that adds a fuel charge, so the City is losing money on
167 each transaction. The recommendation for recycling is a flat fee of \$10.
168 • The solid waste start-up fee is for new construction/residents for the cost of a can, which has
169 gone up. Cans are replaced for free. The recommended start-up fee is \$134.

170
171 Storm Drain (proposed 6% increase):
172 • The Storm Drain Department has had a lot of recent Environmental Protection Agency (EPA)
173 audits. The Department proposed a new employee to help with EPA compliance issues.
174 • There is also an increased cost of equipment and operations.
175 • The recommended increase is \$0.85 per month.

177 Culinary Water (proposed 6% increase):

- 178 • The cost of meters and infrastructure is increasing. The increase is also applied to construction
- 179 services.
- 180 • If usage is within 6,000 gallons, the increase would be \$2.08 per month.

181

182 Electric Power (proposed 10% increase):

- 183 • As seen in the previous budget adjustments, there are issues paying for power. If usage is
- 184 within 1,125 kilowatts, the increase would be \$14.58 per month.
- 185 • A rate study was conducted by Mark Beauchamp with Utah Financial Solutions LLC. He will
- 186 present information on the study. Dave Tuckett noted that the rate study is not fully completed.
- 187 • Mark Beauchamp reviewed the electric study.
 - 188 ○ Payson City asked for an electric cost to service study along with a long-term financial
 - 189 projection. Tonight, he will discuss two things: the proposed 10% rate adjustment and
 - 190 implementing a Power Cost Adjustment (PCA). A PCA is used by 75% of utilities around
 - 191 the United States. Utah Financial Solutions has implemented 5 or 6 PCA's this year alone
 - 192 in Utah.
 - 193 ○ The electric industry is having a lot of issues with cost throughout the country especially in
 - 194 the northeast as well as California and Utah. The rising fuel costs are a portion of the rate
 - 195 that is not controllable at the local level. It is controlled by markets such as the war in
 - 196 Ukraine.
 - 197 ○ Assumptions: Some of the inputs for the long-term financial projection are not totally
 - 198 vetted yet so projections went out one year to show preliminary results. A projection must
 - 199 be based on certain assumptions. Four key assumptions were used: inflation, kWh growth,
 - 200 UAMPS cost change, and SUVPS cost change.
 - 201 ▪ 2023: Inflation 6%, kWh Growth 5%, UAMPS Cost Change 17.4%, SUVPS Cost
 - 202 Change 3.7%
 - 203 ▪ 2024: Inflation 5%, kWh Growth 2.4%, UAMPS Cost Change -4.2%, SUVPS Cost
 - 204 Change 2.5%
 - 205 ▪ The biggest item representing almost 70% of the cost is the power supply (UAMPS &
 - 206 SUVPS).
 - 207 ▪ Capital improvements (transmission and distribution) come into play. Currently, Payson
 - 208 has an infrastructure that is 57% depreciated, which is older than the average at 50%.
 - 209 Because of this and growth, it increases capital expenditures with a projection in 2024
 - 210 of \$4,338,202 with \$4 million funded through debt.
 - 211 ○ Summary Results:
 - 212 ▪ 2024 (current): Recommended Minimum Cash \$3,821,745, Restricted Cash Reserves
 - 213 \$2,900,815, Operating Cash Reserves -\$1,885,238. When combined, it is substantially
 - 214 below the recommended minimum.
 - 215 ▪ 2024 (projection): To move in the proper direction and minimize as much as possible, a
 - 216 10% increase is proposed. This will not totally reverse the situation. Operating Cash
 - 217 Reserve becomes -\$362,786. The average customer will see an increase of \$14.91 per
 - 218 month.
 - 219 ▪ Note: 2024 projection includes implementation of the PCA. Restricted Cash is for
 - 220 SESD.
 - 221 ○ Power Cost Adjustment (PCA)
 - 222 ▪ A PCA is an approved policy allowing the utility to pass on changes in power supply
 - 223 costs without a rate adjustment. Cost changes are passed on through the kWh charge,
 - 224 and the PCA is calculated/billed monthly. When the power supply costs go down, the

225 savings are passed on to the customers. When the power supply goes up, the costs are
226 passed on to the customers. The good is it keeps the utility financially stable. The
227 downside is it has to be implemented properly. Otherwise, customers will see dramatic
228 changes in their monthly bill.

- 229 ▪ A 6 or 12-month rolling average is used over time to avoid high peaks in power costs.
230 This is a recommendation to keep the utility financially stable.

231 ○ PCA Plan for Implementation:

- 232 ▪ Monitor power costs through December 2023.
- 233 ▪ Bill PCA at \$0 for September – December 2023.
- 234 ▪ Implement calculated PCA in January 2024 based on power cost from previous 6 or 12
235 months (depending on rolling average used).

236
237 Discussion:

238 Mayor Wright noted this is not just a Payson problem, but all the power companies in Utah and
239 throughout the United States are experiencing the problem.

240
241 Mark Beauchamp agreed. Utah got hit pretty hard but not as hard as the northeast. Because of the war
242 in Ukraine, the price of fuel went up so high that utility rates increased over 50%. It's difficult; no one
243 wants to see a rate increase. Utah does have more resources such as coal, natural gas, diesel, and
244 renewables, which keeps costs more stable. The northeast is entirely dependent on natural gas. The
245 process will include a five-year projection. What we are doing here is a bit of an emergency. Going
246 forward, the intent is to increase in a small systematic manner to keep the utility financially stable as
247 well as minimize rate impacts on customers.

248
249 **MOTION: Councilmember Christensen – To open the public hearing.** Motion seconded by
250 Councilmember Carter. Those voting yes: Kirk Beecher, Linda Carter, Brett Christensen, Taresa Hiatt.
251 The motion carried.

252
253 Public Comment:

254 Rex Grant asked which cities were helped in Utah by Utility Financial Solutions and how did it
255 worked for them and was Utility Financial Solutions used last year in raising the rates. His concern is
256 the rates are being raised two years in a row. He questioned if it would help or will the rates be raised
257 for a third year in a row. He asked if it would be best to get out of the power business.

258
259 Mark Beauchamp stated Heber, Santa Clara, Washington City, Ogden City, and Roosevelt. Obviously,
260 their bills went up, but the utility was kept financially stable, especially in Washington City's case.

261
262 Dave Tuckett state Utility Financial Solutions was not used last year. This is the first study and will
263 give the City some data behind the rates. The Consumer Price Index was used last year.

264
265 Mayor Wright stated raising a third year is what the City wants to avoid. Lehi City had to raise power
266 rates twice this year. It's a system wide problem. The other issue is that the coal plants are going away.
267 The City went to the open market, which is expensive, and investigated renewables such as solar farms
268 and wind. The City hasn't been able to replace the need with those renewables. Payson is a power city
269 and also belongs to UAMPS. The City also invested in UAMPS for a nuclear option, which won't be
270 online until 2028.

272 Councilmember Christensen stated in answer to giving up Payson Power, Payson Power workers are
273 here for Payson City with backup generators in the case of an emergency or natural disaster. The City
274 Council isn't happy raising rates; it's a difficult decision. The City has looked at many options. He
275 likes the Power Cost Adjustment option. It can help keep the budgets balanced.

276
277 Rowland Evens stated the City shouldn't relinquish its own power plant; it's a good asset to keep. He's
278 seen it happen in other places and then that city has to purchase power on the open market. He
279 questioned if the City does the PCA and waits six months to implement it, does it put the City behind
280 the eight ball. He questioned why his power bill goes up, but the statement says he is using less power.

281
282 Dave Tuckett noted when the power cost goes up, the City absorbs it through fund balance. The City
283 may need to look at the power meter.

284
285 Mayor Wright stated the City is trying to supplement the extra costs but can't do that any longer.

286
287 Robin Olson questioned if there is \$3,000,000 elsewhere and we trust the study that the power costs
288 will go down, why aren't using these funds.

289
290 Councilmember Christensen stated it's deceiving to say there is \$3 million extra because it was
291 budgeted for projects that roll over each year to pay bills already agreed to pay. The funds are moved
292 so the City isn't penalized by the state. The power fund balance is maintained to ensure there are funds
293 to cover increases in power.

294
295 Mayor Wright noted these city services are needed so staff are working to provide those services. He
296 understands there are citizens on a fixed income. The City is doing its very best to let everyone know
297 what is happening. We want to keep the citizens involved. Thank you for being here.

298
299 Cassidy Krogue voiced that she is concerned about the sewer rate going up. It was raised for the same
300 problem several years back. She asked if some of the budget could be used for the sewer. She noted the
301 Nebo School District is also raising rates. The City is aggressive with recreation and planning to buy a
302 school. She questioned if the City could hold off a year or two with things in the budget, so it doesn't
303 hit so hard in one year.

304
305 Mayor Wright stated the sewer problem is being driven by the State. The City was looking at
306 \$25,000,000 when he first became mayor. The State extended the deadline and asked the City to look
307 at a sewer plant to help defray costs. Then 2.5 years later the State said it didn't pan out. Then COVID
308 hit and costs skyrocketed. The City must prove to the bonding agency that funds will be available.

309
310 Councilmember Christensen noted the sewer rates were raised at that point to save the funds for the
311 planning. The cost of the sewer plant is now close to \$70 million.

312
313 Dylan Tucker thanked the Mayor for the letter. He knows it's not easy and the Council is doing what's
314 best for the City. He is doing what is best for his family as well. We are all struggling. We have to
315 determine what needs, not wants, have to be met. He looks at the increases totaling 28% in one year,
316 which were similar last year. He understands costs have gone up. He hasn't heard that Payson has cut
317 back on anything. The letter mentions the increase in property tax in addition to this 28% on rates. It's
318 tough times. He questioned who pays the bonds.

319

320 Mayor Wright noted cuts have been made that are truly needed but cut for a balanced Budget. The
321 citizens pay for the bonds. Because the City has done Truth in Taxation for about eight years,
322 Standards and Forbs gives the City the ability for a better interest rate on bonds. The City is doing all it
323 can to minimize those costs.

324
325 Hellen Haney noted she has lived in Payson since 1981 and seen a lot of changes. Her bill goes up and
326 up and up. As a citizen, she would like to see where costs have been cut. Everyone, especially those of
327 us on a fixed income, have to have a budget. Roads are not getting fixed, and PI doesn't have enough
328 pressure for those on system. When Mayor Moore was in, the City needed a new sewer plant. Rates
329 have been raised and yet we are still in the planning stage. It has been stated that the power system is
330 poor and not up to standard. We continue to grow, but infrastructure is not supporting that growth.
331 Who is benefiting and who will take the cost for services that is raised for all of us. The public is not
332 seeing what you are telling us you are doing. She retired with a 401K that is balanced by the market, so
333 she doesn't get a set amount. She receives nothing to supplement her income but hears Payson City
334 employees get that. She would like to know where the salaries are, where the benefits go, and how the
335 medical is handled. All of us are being targeted by bills besides the City. It makes it hard on every
336 individual in the City.

337
338 Mayor Wright noted the property tax is roughly 12%. The County reduces the rate from the previous
339 year because of growth. The City opted with Truth in Taxation to keep the same rate as the previous
340 year.

341
342 Jason Sant noted the Truth in Taxation public hearing is on August 2.

343
344 Don Olson stated it was projected that the inflation would go down next year. We know the current
345 administration is fighting against bringing on resources for power. How can the consultant promise
346 inflation will go down when it's going up? He asked if the City could get a bid for an inflation increase
347 and how it would affect things. If it doesn't change next year, we may be back raising taxes.

348
349 Mark Beauchamp stated it's unknown what the markets will do. Payson has a certain number of
350 resources that provide some data but also purchases from the market. The market is based on fuel
351 prices. If fuel prices go up or down, it affects the costs to Payson. This is why the Power Cost
352 Adjustment is implemented. UAMPS shows a 4.7% reduction in what market prices would be using
353 future price predictions.

354
355 Councilmember Christensen noted if the PCA is implemented, then we don't need to come back next
356 year; it's naturally taken care of through the billing process.

357
358 Teresa Pugmire stated she had solar panels on her house just to offset the power. She has been told by
359 the solar companies that Payson won't allow her to provide X amount of her own power. She
360 questioned why she can't provide her own power when the rates are going up. This would support the
361 City.

362
363 Blaine Haacke clarified the cap on solar for a residential home is 10 kilowatts. This is because the
364 average home only uses four to five kilowatts. If a citizen puts more than 10 kilowatts on their home,
365 they become a merchant seller into the system. It creates too much power coming back into the grid,
366 which affects the city system. The City also has a solar rate for those citizens putting back into the
367 system.

368
369 Mark Beauchamp explained that when there is a lot of solar energy pushed back into a system, it can
370 cause power quality problems for other customers. It is controlled to ensure reliable power. Residents
371 are paid for power put back into the system. It also protects the exiting rate payers and is fair to the
372 solar customers.

373
374 Councilmember Christensen explained it's like a bathtub with water coming in and draining out. If
375 additional hoses were put into the tub, the water doesn't have anywhere to go. Electricity works the
376 same way. If there is a lot of power that isn't being used, there is a problem. It works in the opposite
377 way as well. If the power goes up and down drastically, it creates major problems.

378
379 Brad Kearl stated solar is not as reliable as needed. He would like everyone to have 10 kilowatts on
380 their house, which is the average and what most roofs can handle according to a 2016 study. These
381 solar panels are not producing at 10 kilowatts all the time. The City can't absorb it if it all goes off at
382 once. The City is looking into battery storage but then maintenance comes into play.

383
384 Ann Moss stated the City has known about the power increases for a long time. Her neighborhood led
385 an effort to stop a plan for high voltage power lines on the west side of SR-198 with a gigantic petition.
386 The plan included 10 to 20-foot easement into properties. The City could have done something since
387 then such as underground power lines for growth. Groceries have doubled; every bill is increasing. She
388 hears there is another plan to do high voltage lines on SR-198. There will be a fight from the
389 neighbors. No one wants these in their backyards. She feels it's been put on the back burner and now
390 we are all suffering. The current administration in DC is making it difficult as well as the Utah
391 administration. In Payson, it could have been offset and done in a more responsible and proactive way
392 so bills wouldn't be increased so much. Even on equal pay, her bill has increased over \$50, which is
393 more than it has ever been. She understands the difficult decisions, but the lack of proactivity needs to
394 be fixed. Growth projections were known, and nothing was done. Growth could have been capped to
395 help the current residents not feel so much pain. Most property taxes go to Nebo School District so we
396 as residents need to go to those meetings and fight them.

397
398 Councilmember Christensen stated capping production of homes would cause the value of homes in
399 Payson to skyrocket to an astronomical rate.

400
401 Chris Kilmer stated he can't express how frustrated he is with the City Council. The City spends and
402 spends and comes back to the citizens for more money. The City Council controls the growth. Let us
403 worry about the value of our homes. The City Council controls the growth and approves development
404 and annexes properties. The justification for raising the rates is growth. It was said that if the
405 population doubles, you have to raise the budget. The City Council wants to take more money out of
406 my pocket. It's more and more money and less and less services. The PI was promised with no limit on
407 water. Now it can only be used at certain times, and it costs more. If the City doesn't have the water,
408 don't approve the growth. Everyone's property value is through the roof, which is great. The sales tax
409 revenue for Payson has to be at a record high. He puts it on the City Council as mismanagement of the
410 resources available and shouldn't be coming back to the citizens for more money.

411
412 Councilmember Christensen stated when the population doubles, twice as many people pay into the
413 pot. The City just wants to keep your lights on. So, when you go to the gas station, it should only be
414 \$1.15 for gas? The City entered into the CUP project 20 years ago that will come online and give tons
415 of water but at a huge bill. The City is trying to get ready for it.

416
417 **MOTION: Councilmember Christensen – To close the public hearing.** Motion seconded by
418 Councilmember Carter. Those voting yes: Kirk Beecher, Linda Carter, Brett Christensen, Taresa Hiatt.
419 The motion carried.

420
421 Further Council Discussion:
422 Councilmember Hiatt asked how many people go to COSTCO or leave Payson to do their shopping.
423 When the City pushes for shopping locally, there is a reason because the tax base stays in Payson.
424 When you go to Spanish fork or Provo, they get your tax base. She realizes everything can't be
425 purchased in Payson, but the majority can be purchased in Payson. Shopping in Payson helps the tax
426 base and therefore helps with the infrastructure in Payson. We are making Spanish Fork rich. I implore
427 you to tell your neighbors to shop in Payson as much as possible so the tax base stays in Payson. She
428 doesn't want to see businesses close. The City is looking and pushing for business consistently, but
429 some only come with more residents. We still need to support the ones that are here.

430
431 **MOTION: Councilmember Christensen – To approve the resolution to amend the Payson City**
432 **Fee Schedule related to utility rates, solid waste, landfill rates, recreation, golf course and**
433 **development, and business license fees, as previously stated.** Motion seconded by Councilmember
434 Beecher. A roll call vote was taken as follows and the motion carried.

435
436 Yes - Kirk Beecher
437 Yes - Linda Carter
438 Yes - Brett Christensen
439 Yes - Taresa Hiatt

440
441 3. Resolution – Authorizing the City Treasurer to write off certain uncollectible debt

442
443 Staff Presentation:
444 Audrey Camp stated at the end of each fiscal year, staff compiles a list of utility accounts that should
445 be written off as bad debt. Accounts are considered bad debt if sent to collections, bankruptcy, or
446 deceased and the estate cannot pay the bill. The proposed write off this year is \$30,305.83, which is
447 slightly higher than last year but expected with growth. The utility clerks made payment arrangements
448 for \$17,171.03 to be paid instead of being sent to collections, which is huge and \$10,000 more than last
449 year. \$14,728.78 was collected by collection agencies, which is significantly less than the cost for
450 these agencies. As a breakdown, commercial owners 1%, commercial renters 1%, homeowners 22%,
451 and renters 76%. Then bankruptcy 4%, collections 88%, and deceased 8%. She asked that the City
452 Council adopt the resolution to write off the bad debt.

453
454 Council Discussion:
455 Councilmember Hiatt questioned how the City can stop the issue with renters.

456
457 Audrey Camp noted it's discussed daily. A few years ago, the City discussed the good landlord
458 program where utilities are kept in the landlord's name. this would make a massive difference.

459
460 Jason Sant stated the general rule of renters is they are sent to collections where they can be tracked
461 down with their resources. Collections is a credit reporting issue, and a judgement could sit on a
462 renter's credit report for several years. It can only be completely erased by filing a Chapter 7
463 Bankruptcy. A Chapter 13 Bankruptcy, most creditors don't get a lot of money out of it because of the

464 hierarchy of creditors. Collections do affect the renter because most renter applications require a credit
465 report. The good landlord program in Utah is used for blighted properties based on police activity,
466 which isn't really found in Payson. Most renters simply don't care. The landlords are in the same boat
467 and lose out on months of rent.

468
469 Cheryl Hobbs explained it is about 45 days before the utilities are shut off. A notice is given on the
470 bill, then a phone call with a \$5 charge. The utility clerks call 450 to 650 people, and it drops down to
471 about 250. Then a shut off notice is mailed at a cost of \$45. This brings it down to about 35 to 45
472 people on the shut off list. Once shut off, the reconnection fee is \$50. We do everything we can to get
473 payment before shutoff. With the economy, every month includes more and more people. Another
474 solution would be to charge a larger deposit.

475
476 Councilmember Hiatt stated she is all for a higher deposit. It's a tough issue.

477
478 **MOTION: Councilmember Hiatt – To (resolution) authorize the City Treasurer to write off**
479 **certain uncollectable debt.** Motion seconded by Councilmember Carter. A roll call vote was taken as
480 follows and the motion carried.

481
482 Yes - Kirk Beecher
483 Yes - Linda Carter
484 Yes - Brett Christensen
485 Yes - Taresa Hiatt
486

487 4. Final Plat for Springs at Spring Lake located at approximately 12240 South 550 West (8:05
488 p.m.)

489
490 Staff Presentation:

491 Michael Bryant reviewed the location of the project, parcels included, etc. The property received a
492 zone change to R-1-15000 on February 15, 2023. The applicant worked with staff concerning all
493 redlines and comments made during the preliminary plan approval. The final plat shows several
494 parcels that remain untouched. The project has a total of 31 lots, which are 1/3 acre and up. The final
495 plat can only be denied if it is found incomplete, but it is complete. Staff recommends approval.

496
497 **MOTION: Councilmember Beecher – To approve the final plat for Springs at Spring Lake as**
498 **outlined and any further staff comments be addressed before recorded.** Motion seconded by
499 Councilmember Christensen. A roll call vote was taken as follows and the motion carried.

500
501 Yes - Kirk Beecher
502 Yes - Linda Carter
503 Yes - Brett Christensen
504 Yes - Taresa Hiatt
505

506 5. Preliminary Plan for Hiatt Creek, Plat B, for a 100-lot attached (townhome style) single-family
507 home subdivision located at approximately 1130 South 1950 West (8:10 p.m.)

508
509 Staff Presentation:

510 Michael Bryant reviewed the location of the project near the Red Bridge development. The request is
511 for 100 attached, single-family housing units and is contingent on infrastructure from the Red Bridge

512 development. The project received a zone change to RMF-10 on March 3, 2023. Amenities include a
513 clubhouse, two pavilions, a regional trail, two pickleball courts, and natural open space. The center of
514 the storm retention basin is also used as open space, which is estimated to be about 1 to 1.5 feet deep
515 per engineering. The City Council needs to approve the use of the storm drain facility as part of the
516 open space. He reviewed the proposed amenities, landscaping, and housing product/concept. The
517 Planning Commission held a public hearing. The Planning Commission felt the housing was too dense
518 for the property and needed more open space. The Planning Commission recommended not to use the
519 storm drain facility as open space. The Planning Commission advanced a positive recommendation for
520 approval with the stated concerns. Staff is supportive of the preliminary plan contingent upon the
521 following: The City Council needs to approve the storm drain retention area as open space. The
522 applicant needs to meet all Army Corp of Engineers requirements for discharge into wetlands. The
523 applicant being aware that preliminary approval is valid for only one year. The final plat cannot be
524 approved until after the infrastructure improvements along 1130 South are completed, inspected, and
525 approved.

526
527 Council Discussion:

528 Councilmember Beecher noted it is a typical use for open space to also be used as a storm drain basin.
529 It's only 23,000 cubic feet, which is not very much water.

530
531 Councilmember Christensen questioned if the road setback on the east side will allow five lanes. He is
532 okay approving the open space as a retention basin but has concerns with the size not being large
533 enough.

534
535 Michael Bryant clarified the road setback allows for five lanes.

536
537 Travis Jockumsen stated the storm drain is calculated for a 100-year storm event.

538
539 Jason Sant stated the storm drain is adequate, and the City can't require more.

540
541 Applicant Presentation:

542 Tyler Horan stated the retention basin is more than enough and sized to be bigger. Water will flow in
543 temporarily and then slowly discharge. The homes have a fenced, 10-foot backyard that isn't counted
544 as open space.

545
546 **MOTION: Councilmember Beecher – To approve the preliminary plan for Hiatt Creek, Plat B,**
547 **located at approximately 1130 South 1950 West including approval of the storm drain retention**
548 **area as open space, meeting all Army Corp of Engineers discharge requirements, and the other**
549 **conditions as outlined by staff.** Motion seconded by Councilmember Christensen. A roll call vote was
550 taken as follows and the motion carried.

551
552 Yes - Kirk Beecher
553 Yes - Linda Carter
554 Yes - Brett Christensen
555 Yes - Taresa Hiatt
556

557 6. Resolution - Utah Main Street Project Memorandum of Understanding (8:28 p.m.)
558

559 Staff Presentation:

560 Dave Tuckett asked that the item be tabled.

561

562 **MOTION: Councilmember Beecher – To table item 6, Utah Main Street Project.** Motion
563 seconded by Councilmember Carter. A roll call vote was taken as follows and the motion carried.

564

565 Yes - Kirk Beecher

566 Yes - Linda Carter

567 Yes - Brett Christensen

568 Yes - Taresa Hiatt

569

570 E. ADJOURNMENT

571

572 **MOTION: Councilmember Beecher – To adjourn.** Motion seconded by Councilmember Hiatt.

573 Those voting yes: Kirk Beecher, Linda Carter, Brett Christensen, Taresa Hiatt. The motion carried.

574

575 The meeting was adjourned at 8:30 p.m.

576

577

578

579 _____
Kim E. Holindrake, City Recorder