

**Pleasant Grove City
City Council Meeting Minutes
Regular Session
April 13, 2021
6:00 p.m.**

Mayor: Guy L. Fugal

Council Members: Dianna Andersen
Brent Bullock
Eric Jensen
Cyd LeMone
Todd Williams

Staff Present: Scott Darrington, City Administrator
Deon Giles, Parks Director
Marty Beaumont, Public Works Director
Kyler Ludwig, HR Director
Mike Roberts, Police Chief
Drew Engemann, Deputy Fire Chief
Sheri Britsch, Library Director
Daniel Cardenas, Community Development Director
Kathy Kresser, City Recorder
Tina Petersen, City Attorney
Denise Roy, Finance Director

Excused: Tyler Wilkins, Recreation Director

The City Council and staff met in the Community Room, 108 South 100 East, Pleasant Grove, Utah.

6:00 P.M. REGULAR CITY COUNCIL MEETING

1) CALL TO ORDER

Mayor Guy Fugal called the meeting to order and stated that all Council Members were present.

2) PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Parks Director, Deon Giles.

3) OPENING REMARKS

The opening remarks were offered by HR Director, Kyler Ludwig.

4) **APPROVAL OF MEETING AGENDA**

City Administrator, Scott Darrington, indicated that after the open session, the Council should discuss Items 10A and 10C.

ACTION: Council Member Williams moved to approve the meeting agenda, as modified. Council Member Jensen seconded the motion. The motion carried unanimously with Council Members Andersen, Bullock, Jensen, LeMone, and Williams voting "Aye".

5) **OPEN SESSION**

There were no members of the public wishing to speak. The open session was closed.

6) **CONSENT ITEMS**

- a. **City Council Minutes:
City Council Minutes for the February 19, 2021, Budget/Planning Retreat Meeting.
City Council Minutes for the March 30, 2021 meeting.**
- b. **To Consider Approval of Change Order No. 3 and Payment No. 4 to Granite Construction for the 700 South Overlay Project.**
- c. **To Consider Approval of Payment No. 5 to J. Lyne Roberts & Sons for the Veterans Memorial Park Pickleball Courts Project.**
- d. **To Consider Approval of Payment No. 1 to S&L Incorporated for the North Union Ditch Project.**
- e. **To Consider Approval of Partial Payment No. 3 to Silver Spur Construction for the Mill Ditch Project**
- f. **To Consider Approval of Payment Approval Reports for March 30 and April 8, 2021.**

ACTION: Council Member Andersen moved to APPROVE the Consent Items. Council Member Williams seconded the motion. The motion carried unanimously with Council Members Andersen, Bullock, Jensen, LeMone, and Williams voting "Aye".

7) **BOARD, COMMISSION, COMMITTEE APPOINTMENTS**

There were no appointments.

8) **PRESENTATIONS**

There were no presentations.

9) **PUBLIC HEARING ITEMS**

There were no public hearing items.

10) **ACTION ITEMS READY FOR VOTE**

- A. **Continued Item. To Consider for Adoption a Resolution (2021-09) Authorizing the Mayor to Execute an Interlocal Agreement between Utah County and Pleasant Grove City for the Administration of the 2021 Vote By Mail Municipal Elections; and Provide an Effective Date. *Presenter: Administrator Darrington.***

Administrator Darrington reported that the above request was discussed during the Work Session. Staff explored other options and contacted Salt Lake County who was more costly. The itemized costs for 2019 were discussed and provided to the Council. The Mayor indicated that a presentation on Rank Choice Voting would take place in the near future and could potentially save the City some money.

MOTION: Council Member Jensen moved to adopt Resolution 2021-09 authorizing the Mayor to execute an Interlocal Agreement between Utah County and Pleasant Grove City for the administration of the 2021 Vote by Mail Municipal Elections, and provide for an effective date. Council Member Andersen seconded the motion. The motion carried unanimously with Council Members Andersen, Bullock, Jensen, LeMone, and Williams voting "Aye".

- B. **To Consider for Adoption a Resolution (2021-013) Authorizing the Issuance and Sale of Not More than \$7,000,000 Aggregate Principal Amount of Excise Tax Revenue Bonds, Series 2021 for Road Repair and Maintenance and Related Matters; and Provide an Effective Date. *Presenter: Administrator Darrington.***

Administrator Darrington reported that during the Retreat the Council discussed taking some of the Annual Road Revenue and earmarking \$700,000 per year toward a bond payment to complete a series of projects next year. A Parameters Resolution was presented authorizing the City to borrow up to \$7,000,000 for the project. Staff will maximize the funds set aside in order to complete as many road projects as possible next year. A public hearing on the matter was to be held at the May 4 meeting. It was reported that Class C Roads will comprise about 30% of the cost of servicing the bond payment.

Matt Dugdale from George K. Baum & Company stated that this is the first statutorily required step in the process of bonding for the road projects. He clarified that it does not require the City to issue the bonds. One of the main issues in the Parameters Resolution is that the Council creates a box of acceptability for the bonds. As far as they meet the requirements, the Council gives authority for a designated individual to accept the final terms of the bonds. Administrator Darrington explained that they are borrowing the money now even though it will not be spent until next year due to the low-interest rates. The City will have a three-year window with which to spend the money.

MOTION: Council Member Williams moved to adopt Resolution 2021-013 authorizing the issuance and sale of not more than \$7,000,000 aggregate principal amount of Excise Tax Revenue Bonds, Series 2021 for road repair and maintenance and related matters and providing for an

effective date. Council Member Jensen seconded the motion. The motion carried unanimously with Council Members Andersen, Bullock, Jensen, LeMone, and Williams voting “Aye”.

C. To Consider for Adoption a Resolution (2021-014) Authorizing the Mayor to Sign a Fiber Communications Service and Acquisition Contract with the Utah Infrastructure Agency (“UIA”) to Provide Broadband Connection Services in Pleasant Grove City; and Provide an Effective Date. *Presenter: Administrator Darrington.*

Administrator Darrington introduced Roger Timmerman from the Utah Infrastructure Agency (“UIA”). It was noted that the term UIA is used interchangeably with UTOPIA. The matter had been driven by citizens who approached City staff about bringing broadband to the community. The following three options were identified, two of which had been extensively explored:

1. Partner with UIA/UTOPIA.
2. Have the City bond and build its own network.
3. Wait for the private sector to develop a network.

The option before the Council was to partner with UIA/UTOPIA. The agreement specifies that UIA/UTOPIA will own the network. The City will take out \$17,903,800 in bonds that will be owned by UIA/UTOPIA. UIA/UTOPIA will borrow the money and the City will use its Franchise Tax revenue as the financial backstop. If something were to go wrong, the City would be responsible to make up the difference in the payment. What was presented was the maximum price. If the cost exceeds \$17.9 million, UIA/UTOPIA will cover the additional cost. If enough residents participate, the City should never have to cover any of the costs of the network out-of-pocket. Administrator Darrington was confident that the take rate will be high, however, he wanted the Council to understand that the City is taking a risk. He explained that once revenue is generated based on the take rate, UIA/UTOPIA will reimburse the City the funds fronted to make the bond payment.

Administrator Darrington stated that UIA/UTOPIA will construct six huts in the City parks where the system will run through the City. The intent was for the funds to be available by the end of May with construction to begin shortly thereafter. The first users were expected to be connected by early January 2022.

UTOPIA Executive Director, Roger Timmerman, considered this to be a great opportunity for both UTOPIA and the City. He explained that they are an interlocal entity made up of cities. As a public entity, their goals are to provide a valuable service and build infrastructure that will result in economic development and quality of life improvements. They will reinvest in the system to pay off their debts and lower the cost of service. The contract takes into account the worst-case scenario, however, there has already been significant previous investment made in the City. The incremental cost of finishing the work that is already underway was determined to be much lower than if they were starting from scratch. They were also in a position to take on future capital

expenses and investment. While the risk is mutual, it will be a partnership. Mr. Timmerman stated that it is likely that the bonds will be paid off early and the obligation retired early.

Mr. Timmerman stated that the other partner cities have asked to pursue partnerships with cities only if there is a unanimous vote from those city councils. Upon approval of the contract, they can begin work. In terms of timing, it will take a few months to complete the design, engineering, and permitting. Construction will then take place and will involve trucks, trailers, and drills. He noted that it is the least intrusive of the telecoms. In terms of timing, Mr. Timmerman expected the project to be substantially complete within 18 months with the first areas having service within eight to 10 months.

Council Member Andersen inquired about the size of the huts. Mr. Timmerman stated that the structure is a 10' x 12' internal space with a rock exterior. There will need to be space on the exterior for a generator, which will be very quiet. The huts will be strategically placed in the park. Mr. Timmerman stated that the system will be installed from the southwest to the northeast across the City. In terms of impacts to the roads, Mr. Timmerman stated that the system will not be built in the road but will be placed in the public utility easement with some exceptions. If there is space in the park strip, that is their preferred location. They locate as far from homes as possible without going into the street. Door hangers with UTOPIA's contact information will be placed on each home where citizens can report damage that is not cleaned up. It was likely, however, that the City will still get phone calls.

In response to a question raised, Mr. Timmerman stated that no cities have not met the take rate after contracting with UTOPIA. He explained that before 2009, they completed \$185 million in projects. Since then they have completed \$280 million in projects and are covering all the debt service and the cost of all of those projects. The demand continues to increase with the current take rate being 62%.

With regard to the timeline, Mr. Timmerman stated that a tentative special meeting is scheduled with the UIA board the following Thursday. If approved, they will go through the financing of the project and close in four to six weeks. The City's obligation will be lower than specified in the contract and all of the project materials have been ordered. Construction was expected to begin in two months' time.

UTOPIA Marketing Director, Kimberly McKinley will serve as the City's contact and will help get the word out in the community. The timing of the project was described with construction expected to be completed within 24 months. Mr. Timmerman described PON technology, which is a shared technology that involves the worst aspects of cable networks and is applied to fiber. The result is hundreds of homes using a single connection that results in problems. With the UIA/UTOPIA infrastructure, there is a separate fiber connection to each home that allows each user to have the full capacity of their connection.

Administrator Darrington clarified that the agreement specifies that within 24 months, 90% of the cable in the City will be in. Mayor Fugal and the Council expressed their support.

MOTION: Council Member Williams moved to adopt Resolution 2021-014 authorizing the Mayor to sign a Fiber Communications Service and Acquisition Contract with the Utah Infrastructure Agency (“UIA”) and provide broadband connection services in Pleasant Grove City; and provide for an effective date. Council Member Bullock seconded the motion. The motion carried unanimously with Council Members Andersen, Bullock, Jensen, LeMone, and Williams voting “Aye”.

D. To Consider for Approval a 42-Lot Final Condominium Subdivision Plat, Called The Boulevard 120 Subdivision Plat ‘A’ on Property located at approximately 220 South and Pleasant Grove Boulevard in The Grove Zone District – The Boulevard Mixed-Use Overlay. (SAM WHITE’S LANE NEIGHBORHOOD). (McKay Christensen, Applicant). Presenter: Director Cardenas.

Agenda items 10 D, E, and F were presented together. Community Development Director, Daniel Cardenas, presented Plats A and B and the site plan for both plats. An aerial map of the area was displayed as well as the location of the subject property. A few months earlier a plat was created consisting of seven large parcels of property. There will be residential uses with 269 units proposed. Some will be townhomes and others will be condominiums or apartment units. The applicant was proposing one plat for Lot 4 and another for Lot 1. The plat will be similar to the site plan because what is proposed are townhomes that will be condominiumized. There will be an HOA and CC&Rs.

Director Cardenas presented updated plans and stated that on the western portion there will be 42 units. The portion on the east side will consist of 33 units for a total of 75 townhomes. The overall density for the project is 23 units per acre. He explained that the site plan will be similar to the plat because they share property lines. The request was reviewed by the Design Review Board (“DRB”) and the Planning Commission who unanimously recommended approval. 12 buildings were proposed and the Planning Commission requested more information on what the units will look like. They also wanted to see the colors envisioned for each building. It was recommended that the applicant show the details of the buildings before issuance of the Building Permit. What is proposed should be a mix of different materials and colors.

Council Member Bullock asked about parking and how the City can ensure that retail goes in. Director Cardenas explained that each unit will be a separate building with parking on the ground floor. Each unit is required to have at least two parking stalls. 21 visitor parking stalls were required. In terms of future retail, the applicant will need to provide at least 25,000 square feet of retail.

Council Member Williams sought further clarification on the parking. His understanding was that each building will have no driveway. In order to park two vehicles, both would have to be parked in the garage to avoid on-street parking. He considered that to be far-fetched. He stated that in the Vineyard development, parking is a serious problem because everyone has two cars and the garages are used for storage. He was concerned that 150 cars could potentially be parked on the street. Director Cardenas stated that the Code requires only two parking stalls per unit. The Code requirement was reduced for one-bedroom apartment units. The only time the Code requires

additional parking beyond two stalls is when someone proposes an accessory apartment. Council Member Bullock was concerned that residents will park in the future retail area. Director Cardenas stated that signs will be posted prohibiting residential parking. Currently, there is a 64-foot buffer that cannot be used for residential parking.

Potential visitor parking areas were identified on the map displayed. Concern was expressed about the potential for accessory apartments within the project. It was clarified that no accessory apartments would be permitted because those aren't single family homes. City Attorney, Tina Petersen, stated that the definition of "family" in the Code includes up to three unrelated individuals. As a result, a townhome or apartment could include three single individuals with three cars and only two parking spaces for a three-bedroom unit. Director Cardenas stated that that is how the Code is currently written and it would be difficult to change it to apply to this application.

Council Member Jensen stated that 12 to 18 months earlier they went above the 12 units per acre density and allowed 23. He asked if this project will impact future retail. Administrator Darrington stated that the Council set the parameters that developers are required to follow. The applicant is required to provide 25,000 square feet of retail but the uncertainty pertained to the type of retail that will go in since some uses require more parking than others. The only requirement is that the retail be sales tax-generating. He pointed out that what is proposed meets the Code.

Director Cardenas explained that the Planning Commission makes an administrative decision. They have a set of rules that have been approved and ensure that the project is in compliance. Council Member Andersen expressed concern regarding the parking and asked if the Council could request a driveway in front of each of the units.

The applicant, McKay Christensen, presented the former concept to the Council and stated that they are doing nothing different from what had always been contemplated. The current site plan differs because they acquired an additional one-acre parcel. The retail was always contemplated along Pleasant Grove Boulevard, which was the reason for the 65-foot buffer that prohibits parking that is allocated to residential. Lots 2, 6, and 7 were identified as retail pads. Mr. Christensen acknowledged that COVID-19 has impacted food uses dramatically for at least one year. The result was an increase in drive-thrus, which generate 20 to 30 percent more in overall revenue and are in high demand. A drive-thru takes up an additional lane that eliminates valuable parking. They were working on solutions and concepts. One potential tenant is requesting 8,000 to 10,000 square feet of retail on the ground floor with an office building on the second floor. They were aware of the 25,000 commercial requirement and were committed to making it work.

With regard to storage in garages, Mr. Christensen stated that in the CC&Rs with DR Horton, residents are not allowed to use their garages as storage and it is monitored by the HOA. Krisel Travis, Entitlement Manager with DR Horton stated that if a unit is built to house two cars, the CC&Rs are worded such that the garage has to at all times be able to park two cars. Garages that cannot park two cars are in violation.

Council Member Williams expressed frustration with developers who do not build what they commit to and leaving the City in a predicament. In this case, there was a lot of discussion about retail and now the plan is to develop townhome units with an inadequate amount of parking.

Council Member LeMone stated that the Council approved the overlay, which she voted against. She suggested that they stop approving things that allow for 23 units per acre. Mr. Christensen urged the City Council to allow him to complete the development. He shared his experience developing Traverse Mountain and stated that they developed 1,000 units before any retail was built. They also had to donate 45 acres to Cabela's to jump-start the process.

Council Member Bullock reported that for years he has heard developers ask for rooftops in exchange for retail. In this case, the rooftops are here, and still, they do not have retail. He was frustrated and stated that the residents are tired of townhomes and rooftops. Mr. Christensen clarified that they are not doing anything outside of the plan that was submitted. What is being discussed is only Phase 1 of the project. He noted that retail is different and is market-driven.

Council Member Andersen reminded the Council that they cannot shut the door on others coming into the City. People want to live here, which is a tribute to the City. Businesses are coming as well. It was noted that last year, sales tax revenue increased approximately \$800,000. She wanted people to come to Pleasant Grove and shop. She likes DR Horton and was pleased that they will be developing the residential. She requested that there be no parking allowed on Pleasant Grove Boulevard and suggested that the developer pursue shared parking.

Council Member Andersen asked if there is a park in the area that will facilitate families. Park Director, Deon Giles, stated that there is a park across the street from the proposed project. Council Member LeMone commented she is not opposed to people coming to Pleasant Grove but does not support a density of 23 units per acre. She stated that to prevent parking on Pleasant Grove Boulevard, the Council should not have approved an overlay allowing for such a high density. She stated that previously the density was reduced to 12 units per acre to provide quality over quantity and prevent issues with parking, overcrowding, and a lack of parks and open space. She stated that the Council cannot complain about parking and other issues when they approved the overlay. She commented that the City Council is doing the opposite of what most residents want.

Mr. Christensen stated that he would not describe the subject property as "prime commercial". They put in a \$1.5 million road for the City as part of the Transportation Plan. They have solved circulation problems and the road bifurcates the property in a way that left random leftover parcels. Ultimately, a hard corner was created that allows for two out parcels. He recalled that at the time the consensus was that this was a very difficult commercial property. It was his opinion that by putting in the road and making other improvements, they have created viable retail pads. Circulation issues were discussed.

Council Member Jensen stated that the City has put a great deal of trust in Mr. Christensen and they want him to succeed. They recognized that the back part of the property was difficult. He was pleased that Mr. Christensen has worked through the parking issues. There is a need for housing and he wished Mr. Christensen well. Mr. Christensen offered to meet with the Council Members in person to discuss the potential tenants they are actively in discussions with.

Director Cardenas mentioned that with respect to density, the City approved the project in 2018. The only areas in the City that remain where high density is allowed were identified on the map displayed. The study that showed that 35% of the homes in the City are multi-family included the

270 units proposed as part of this project. He also stated that an application has been received to amend the Code that will be presented at the next meeting. He clarified that multi-family is counted as three or more units together.

MOTION: Council Member Jensen moved to approve a 42-lot final condominium subdivision plat, called The Boulevard 120 Subdivision Plat 'A' on property located at approximately 220 South and Pleasant Grove Boulevard in The Grove Zone District – The Boulevard Mixed-Use Overlay. Council Member Andersen seconded the motion. Vote on motion: Commissioner Jensen-Aye, Commissioner Andersen-Aye, Commission Williams-Aye, Commissioner LeMone-Nay, Commissioner Bullock-Nay. The motion passed 3-to-2.

- E. To Consider for Approval a 33-Lot Final Condominium Subdivision Plat, Called The Boulevard 120 Subdivision Plat 'B' on Property located at approximately 220 South and Pleasant Grove Boulevard in The Grove Zone District – The Boulevard Mixed-Use Overlay. (SAM WHITE'S LANE NEIGHBORHOOD). (McKay Christensen, Applicant). Presenter: Director Cardenas.**

MOTION: Council Member Andersen moved to approve a 33-lot final condominium subdivision plat, called The Boulevard 120 Subdivision Plat 'B' on property located at approximately 220 South and Pleasant Grove Boulevard in The Grove Zone District. Council Member Jensen seconded the motion. Vote on motion: Commissioner Jensen-Aye, Commissioner Andersen-Aye, Commission Williams-Aye, Commissioner LeMone-Nay, Commissioner Bullock-Nay. The motion passed 3-to-2.

- F. To Consider for Approval a Site Plan for 12 Buildings, Containing 75 Townhome Units on Property located at approximately 220 South and Pleasant Grove Boulevard in The Grove Zone District – The Boulevard Mixed-Use Overlay. (SAM WHITE'S LANE NEIGHBORHOOD). (McKay Christensen, Applicant). Presenter: Director Cardenas.**

MOTION: Council Member Andersen moved to approve a site plan for 12 buildings, containing 75 townhome units on property located at approximately 220 South Pleasant Grove Boulevard in The Grove Zone District – The Boulevard Mixed-Use Overlay. Council Member Jensen seconded the motion. Vote on motion: Commissioner Jensen-Aye, Commissioner Andersen-Aye, Commission Williams-Aye, Commissioner LeMone-Nay, Commissioner Bullock-Nay. The motion passed 3-to-2.

- G. To Consider Awarding Geneva Rock Products the Cemetery Expansion Project Bid in the Amount of \$238,695.56 and Authorize the Mayor to Sign the Notice of Award, Authorize the Mayor to Sign the Notice to Proceed and the Agreement Upon Receipt and Approval of Final Contract Documents. Presenter: Director Beaumont.**

Public Works Director, Marty Beaumont reported that staff had been working on the cemetery project for nearly one year. They received five bids and wanted to determine what was needed to

complete the project. There were two additive alternates and a base bid included with the project. The base bid was to construct all of the roads and the cemetery area but did not include a parking lot. A 39-stall parking lot was proposed on the site plan that is connected to the road that is the furthest west. The alternate was added to look at pricing. The second alternate was for hydroseed or sod. The cost was determined to be \$239,000 for the base bid or \$294,000 if the entire bid is awarded. Two of the bids were very close with the others being about \$100,000 higher. Geneva Rock submitted the low bid. The cost was to be covered by the Cemetery Fund and the General Fund. The total project cost was expected to be around \$400,000. A bid of \$294,000 was awarded to Geneva Rock with \$75,000 in engineering and contingency fees.

Administrator Darrington identified on a map the space between the Cemetery and the proposed new development. New cemetery plots are needed as they are close to running out. It was noted that the cost of sod versus hydroseed was an additional \$20,000. The proposed project will result in an additional 800 plots, which will last an additional three or four years and allow time for the rest of the cemetery to be developed.

Council Member Jensen suggested increasing the fees for non-residents. Administrator Darrington stated that that was the intent for the new section and could be discussed further. It was also noted that the resident rate may also need to be increased.

MOTION: Council Member Williams moved to award Geneva Rock Products the Cemetery Expansion Project Bid in the amount of \$294,984.29 and authorize the Mayor to sign the Notice of Award, authorize the Mayor to sign the Notice to Proceed, and the Agreement upon receipt and approval of final contract documents. Council Member Bullock seconded the motion. The motion carried unanimously with Council Members Andersen, Bullock, Jensen, LeMone, and Williams voting "Aye".

H. To Consider Authorizing the Mayor to Sign Skylar McCallson's Request for Local Consent to Apply for a Full-Service Liquor License as Required for a State Liquor License for Under Wraps located at 1043 South Valley Grove Way, Suite F, Pleasant Grove, Utah. Presenter: Attorney Petersen.

Attorney Petersen reported that the application submitted is the first step in obtaining a State Liquor License for a new full-service restaurant proposed in the City. The applicant, Skylar McCallson, already operates one business in Pleasant Grove. He is proposing to open an upscale Japanese dining experience and will be requesting a full-service restaurant liquor license from the State. To do that, he needs to have local consent to allow another establishment that serves alcohol in the City.

Mr. McCallson stated that he is proposing a sushi bar with a VIP room for business meetings. A curtain will separate the bar from the dining room. There will be a full kitchen with a Japanese-style menu. Council Member LeMone was excited to have a sushi restaurant in Pleasant Grove. The anticipated opening date was May 1.

MOTION: Council Member Williams moved to authorize the Mayor to sign Skylar McCallson's request for local consent to apply for a full-service liquor license as required for a State Liquor

License for Under Wraps located at 1043 South Valley Grove Way, Suite F, Pleasant Grove, Utah. Council Member Jensen seconded the motion. The motion carried unanimously with Council Members Andersen, Bullock, Jensen, LeMone, and Williams voting "Aye".

I. To Consider for Approval a Proclamation Declaring May 1, 2021, as Arbor Day. Presenter: Director Giles.

Director Giles reported that the City holds an Arbor Day celebration once a year. This year it will be held at Discovery Park. Five trees will be planted and a presentation will be made to acknowledge the 25 years the City has been a Tree City.

MOTION: Council Member Williams moved to adjourn the meeting at 9:11 p.m. Council Member Andersen seconded the motion. The motion carried with the unanimous consent of the Council.

11) ITEMS FOR DISCUSSION

A) Continued Items from the Work Session, If Needed.

MOTION: Council Member Jensen moved to take a five-minute recess. Council Member Andersen seconded the motion. The motion carried with the unanimous consent of the Council.

Administrator Darrington reported that 40 acres of property are to be developed. The property was purchased a few years earlier. The cost of the New City buildings was estimated at nearly \$15 million for two acres of property. While few buildings will be built on the 40-acre site, there will be some expense incurred. Administrator Darrington stated that he, Director Beaumont, Director Roy, and Director Giles met on several occasions in an effort to find a way to get the project fleshed out and proposed mechanism for financing. Some uses are compatible with the General Fund such as the parks and the cemetery. The intent was to take the various uses of the property and apply them to the various funding sources. The full cost was anticipated at \$35 million. A map of the site was displayed and the various uses identified. They included the cemetery, recreation fields, a detention basin, the Public Works Building, a storage building, and parks.

Director Beaumont stated that they determined that they will need a 47,000 square-foot building. The front half will be for the Public Works Department and the rear will be for the Parks and Cemetery Departments. Currently, there is an existing building where many items are being stored. It is largely in good shape. Another building was to be rehabilitated to serve as storage for the various City departments. Another building will be used to store street salt. There were discussions about providing a fire training facility for the Fire Department on the property as well as a Police Department shooting range.

Administrator Darrington stated that there are one-time monies available and stimulus funds amounting to approximately \$4 million. The City was allocated \$2.7 million from the CARES Act and it took two to three months to receive the initial rules and six months to receive the final rules. The Utah League of Cities and Towns ("ULCT") was working with the National League of

Cities and speaking with the Department of the Treasury about the rules. Once they are available the City can free up funds for use on the property. Some blanket uses allow for water, sewer, and infrastructure projects. There are also funds from the sale of the current Public Work property estimated at \$1.3 million. \$1 million is available in the Sewer Reserve Account as well. With \$29 million still needed, staff was looking for ways to decrease the cost to \$25 million.

Administrator Darrington reported that if they bond for \$25 million, the payment will be \$1.3 million per year. The use of the building will involve 58% from Enterprise Funds and 42% from the General Fund. As a result, \$750,000 will be needed from the Enterprise Funds and \$549,000 from the General Fund over 25 years. Other revenue sources were described. Some projects can be completed with the upcoming utility rate increase, however, the majority of the revenue will go to the bond payment. The estimated cost of the shooting range and fire training area was \$1.6 million. Possible options were discussed. It was recommended that next year they pursue the bond. In the meantime, staff will work to decrease the cost to the extent possible. Ideas were presented with regard to what can be done with the \$4 million to get the project underway next year.

Director Beaumont reported that they must verify how the funds can be used. That information was expected to be available in the next few months. It was suggested that they develop the full cemetery property. The areas that are not needed now will be converted into playing fields next year. Needed improvements were described including storm drain, landscaping, and irrigation. A portion of the detention basin will need to be excavated with a restroom to be constructed to serve the cemetery and the ball fields. When the basin is ready to open, a storm drain pipe will need to be put in. The property will be cleaned out and all of the old buildings and trees removed. Certain areas will also be fenced and secured.

Cost issues were next addressed. The estimated cost of construction of the Cemetery Project was \$4,775,000. Funding options were discussed. One-time capital costs would include \$200,000 of Class C Road Funds to make the required road improvements, a \$100,000 withdrawal from the Storm Drain Budget, \$150,000 from the Sewer Budget, and \$325,000 from the Sewer Fund to complete the project. As future cemetery plots are sold, the Sewer Fund will be reimbursed. Phase 1 was expected to be completed next summer. Timing issues were discussed. Buildout of the site was to be phased over several years.

A question was raised regarding the extent of road improvements that could be completed with the \$4 million. Director Beaumont stated that it would pay for two to three miles of construction or six to seven miles of rehabilitation or mixed improvements. It was noted that utility rates will need to be increased. The intent would be to increase utility rates to pay for 58% of the bond payment. A portion would also need to come from the General Fund.

Council Member Anderson pointed out that the Public Works and Parks Departments have been occupying a building that is insufficient for them. She asked about the cost of construction of the actual building. Director Beaumont stated that the cost would be approximately \$15.5 million for the 11.20-acre site and includes the Fire and Police training facilities, the Public Works facility, rehabilitation of the existing buildings, and all site improvements.

Council Member LeMone did not object to moving forward with the \$4 million bonds. The anticipated utility rate increase would be an additional \$7 to \$10 to pay for 58% of the project. The hope was to avoid having to increase property taxes. At the current rate, the utility increase would be \$7 per month. Staff would continue to work to reduce the \$25 million cost. Council Member Williams was more apt to phase items that can be phased and complete the project over two or three years. Administrator Darrington explained that in order to construct the building, they have to bond for at least \$15 million. To finance that, a \$4 increase in utility fees will be needed. For an additional \$3 increase they can complete the entire project.

Council Member Bullock was concerned that if they cannot complete the project soon the cost will continue to increase. The pros and cons were discussed. It was suggested that the City be strategic in how they move forward and how the matter is presented to the public. Phasing issues were discussed. Administrator Darrington stated that as they continue to move forward, staff can present phasing options to the Council for consideration. The potential for interest rates to increase was acknowledged.

Council Member Jensen stated that the Council is accountable to the residents and will need to be able to answer questions that arise. Administrator Darrington acknowledged that this will be the largest project the City will do for many years. The feeling was that it should be public property. He noted that a soccer organization has expressed interest in purchasing a few acres for soccer fields. Another group would like to lease property. If either of those options are pursued, green space would be provided for the community but the City would not own it. The next step would be to get information on the rules for how the \$4 million can be used. Staff would keep the Council updated going forward.

Council Member Andersen asked about holding the rate and asked what the corresponding property tax increase would be. Administrator Darrington stated that it would be based on the assessed valuation growth. If the assessed valuation increases by 10%, the property tax rate drops by 10%. If they hold the rate, it will capture funds that would have been lost. He estimated that 10% equates to \$313,000. Holding the rate will require a Truth in Taxation hearing in August and it would need to be on the ballot. The City would need to make a declaration in June when they adopt the budget. Notices would go out in July to residents and reflect a 10% increase. A public hearing will also need to be held. Administrator Darrington reported that they would be capturing inflation.

12) **REVIEW AND DISCUSSION OF THE MAY 4, 2021, CITY COUNCIL MEETING AGENDA**

Police Chief, Mike Roberts reported that he adjusted the cameras on the northeast side of the building so that they focus on the two east parking stalls and are recording 24 hours per day. It is a safe area that can serve as a safe exchange area.

Fire Chief, Drew Engemann reported on CPR training.

Director Beaumont reported that a \$60,000 Transportation Training grant was received for the Master Transportation Plan.

Attorney Petersen stated that previously the Council discussed having HR Director, Kyler Ludwig work on a policy manual to address harassment policies. Staff reviewed the policies and compared them to others in the State. They are looking to expand the definition of "harassment" given the recent social climate. The policy was originally written to address primarily sexual harassment and not other types of bias. With regard to training on harassment, the Trust approached Administrator Darrington about a new training program and the City agreed to serve as a test site for it. Over 70 different types of training are offered. Director Ludwig stated that the training group is called Kentanna and the training has been prepared over the last few years. It was suggested that a link be sent to the Council Members to allow them to review the videos.

Administrator Darrington reported that the tentative budget will be ready for approval at the next meeting. There will also be a public hearing on the Parameters Resolution.

13) MAYOR AND COUNCIL BUSINESS.

Council Member Jensen reported that the Ribbon Cutting for Pleasant Grove Oil and Lube is scheduled for Saturday, April 24 at 4:00 p.m. On Thursday, April 29 at 11:00 a.m. there will be a Ribbon Cutting for Mountain America Credit Union.

Council Member LeMone inquired about the baseball opener. Director Giles had no information to report.

Council Member Andersen reported on a recent Restart Utah Ribbon Cutting event that took place at The Tribe House. 200 vendors were present and there were concerts, keynote speakers, food trucks, and at least 400 participants.

14) SIGNING OF PLATS.

There were no plats to be signed.

15) REVIEW CALENDAR.


16) CLOSED MEETING TO DISCUSS THE CHARACTER, PROFESSIONAL COMPETENCE, OR PHYSICAL OR MENTAL HEALTH OF AN INDIVIDUAL (UCA 52-4-205(1)(a)).

There was no closed meeting.

17) ADJOURN.

MOTION: Council Member Williams moved to adjourn the meeting at 9:11 p.m. Council Member Andersen seconded the motion. The motion carried with the unanimous consent of the Council.

The City Council minutes of April 13, 2021, were approved by the City Council on May 4, 2021.


Kathy T. Kresser, MMC
City Recorder



(Exhibits are in the City Council Minutes binders in the Recorder's office.)