

**Pleasant Grove City  
City Council Meeting Minutes  
March 31, 2015  
6:00 p.m.**

PRESENT:

Mayor: Michael W. Daniels

Council Members: Dianna Andersen  
Cyd LeMone  
Cindy Boyd  
Jay Meacham  
Ben Stanley

Staff Present: Scott Darrington, City Administrator  
David Larson, Assistant to the City Administrator  
Deon Giles, Parks and Recreation Director  
Dean Lundell, Finance Director  
Mike Smith, Police Chief  
Dave Thomas, Fire Chief  
Kathy Kresser, City Recorder  
Ken Young, Community Development Director  
Tina Petersen, City Attorney  
Degen Lewis, City Engineer  
Greg Woodcox, Water Superintendent  
John Goodman, Streets Superintendent  
Sheri Britsch, Library and Arts Director

Other: John Schiess, Horrock's Engineers

The City Council and staff met in the City Council Chambers at 86 East 100 South, Pleasant Grove, Utah.

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**1) CALL TO ORDER**

Mayor Daniels called the meeting to order and noted that Council Members Boyd, LeMone, Stanley, Andersen, and Meacham were present.

**2) PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Blaine Thatcher.

3) **OPENING REMARKS**

The opening remarks were given by Mr. Jack Freeman.

4) **APPROVAL OF AGENDA**

City Administrator, Scott Darrington, noted that more information will be given on item 10c. City Attorney, Tina Petersen, stated that the item was going to be stricken from agenda; however, since it is a public hearing that has been noticed, the item would be briefly addressed.

**ACTION:** Council Member LeMone moved to approve the agenda. Council Member Boyd seconded the motion. The motion passed with the unanimous consent of the Council.

5) **OPEN SESSION**

Mayor Daniels opened the open session. There were no public comments. Mayor Daniels closed the open session.

6) **CONSENT ITEMS**

- a) **City Council and Work Session Minutes:  
City Council Minutes for the March 3, 2015 Meeting.  
City Council Minutes for the March 10, 2015 Meeting.**
- b) **To consider for approval Partial Payment Request No. 1 for the FY 2014/2015 Sewer Rehabilitation Project for Insituform Technologies Inc.**
- c) **To consider for approval of Payment Request No. 3 for the Shannon Fields Softball Complex Phase 2 for S & L Inc.**
- d) **To consider for approval of paid vouchers for March 23, 2015.**

The consent items were reviewed and discussed.

**ACTION:** Council Member LeMone moved to approve the consent items. Council Member Meacham seconded the motion. The motion passed with the unanimous consent of the Council.

7) **APPOINTMENT TO BOARDS, COMMISSIONS AND COMMITTEES**

**A) TO CONSIDER THE APPOINTMENT OF THE STRAWBERRY DAYS CHAIR AND VICE-CHAIR.**

Administrator Darrington explained that Bruce Chesnut is the current Chair, and Melissa Finch is Vice-Chair. The committee was reorganized structurally a couple of years ago, so that the Chair and Vice-Chair would both serve two year terms. The Vice-Chair would subsequently serve two years as the Chair. In other words, there would be a four-year commitment for someone to oversee Strawberry Days. Mr. Chesnut would be resigning due to departure for a mission in July. It was noted that he wanted to attend tonight's meeting, but had a prior engagement. The Strawberry Days Vice-Chair, Melissa Finch, would be appointed as the Chair, and will finish Mr.

Chesnut's term, and then serve an additional two years as Chair. Bob and Marilyn Gentry will then be appointed together to fill the Vice-Chair position, thus maintaining continuity. Mayor Daniels mentioned that Ms. Finch handpicked Mr. and Mrs. Gentry to fill this role in the community.

Ms. Finch introduced Mr. and Mrs. Gentry. Bob Gentry stated that he accepted the responsibility with his wife and is retired from the Provo School District as the Interim Superintendent. He worked closely with Ms. Finch while employed by the Provo School District. Now that they are retired, they have more time and want to volunteer in the community. Council Member Stanley expressed gratitude for Mr. and Mrs. Gentry's willingness to serve. He asked if one or both of them will eventually serve as Chair, given the procedure outlined. Marilyn Gentry answered in the affirmative and stated that she and her husband are a package deal. Council Member Boyd thanked Ms. Finch for standing in for Mr. Chestnut this year.

Council Member LeMone stated that Ms. Finch is her mother and commented that she is a great example. Ms. Finch was initially asked by Bruce Call to serve and accepted. Council Member LeMone also commended Mr. and Mrs. Gentry for their willingness to continue the tradition.

**ACTION:** Council Member Stanley moved that the Council appoint Melissa Finch as the Strawberry Days Chair and Bob and Marilyn Gentry as Vice Chairs. Council Member Andersen seconded the motion. The motion passed with the unanimous consent of the Council.

## **8) PRESENTATIONS**

### **A) INTRODUCTION OF THE 2015 STRAWBERRY DAYS ROYALTY.**

Ms. Finch introduced the 2015 Strawberry Days Royalty. Miss Jessie Beck, Queen, is a Lindon resident, studies biology at Brigham Young University, and recently returned from mission for the Church of Jesus Christ of Latter-day Saints. Ciera McCurdy, First Attendant, is also Lindon resident, and attends BYU. Brittany Beagley, Second Attendant, is a Lindon resident. Jessika Matheson, Third Attendant, is a Lindon resident who is studying physical education and coaching at BYU. Eliza Shumway, Fourth Attendant, is a Pleasant Grove resident who is studying biology at BYU and recently returned from an LDS mission.

### **B) CENTER STAGE PRESENTATION.**

Lori Sanders introduced herself as the Director the Pleasant Grove Youth Theater Group called Center Stage Youth Performers. Ms. Sanders announced that they will be performing Shrek at the Covey Center April 21 to 25. There are a total of 87 youth in the production and they come from Orem to Murray to perform. The Center Stage Young Performers then presented the finale musical number for those in attendance.

9) **ACTION ITEMS READY FOR VOTE**

- A) **TO CONSIDER FOR APPROVAL RONALD BRAILSFORD'S REQUESTS TO DIVIDE LOT 7 IN PLAT A OF THE TRAILS END COURT SUBDIVISION TO CREATE TWO LOTS THAT WILL FRONT ONTO TRAILS END COURT. THESE LOTS WILL FORM AN APPROXIMATE 0.41 ACRE SUBDIVISION CALLED TRAILS END COURT SUBDIVISION PLAT B LOCATED AT APPROXIMATELY 720 SOUTH LOCUST AVE IN THE R1-8 (SINGLE FAMILY RESIDENTIAL) ZONE. STRING TOWN NEIGHBORHOOD. *Presenter: Director Young.***

Community Development Director, Ken Young, explained that this particular subdivision was presented to the Planning Commission in February and is part of a previous development off of Locust Avenue. There is a longer lot near Plat B that was approved as part of the subdivision in the year 2000. At that time, there was concern about the width of the lot not meeting the standard. The Board of Adjustment determined that a variance was not required based on preexisting conditions. As this application was reviewed, staff agreed with the Board of Adjustment's assessment. Using an aerial map, Director Young identified the subject property and explained that the applicant is proposing to divide it into two lots. The Planning Commission recommended approval of the proposal. It was confirmed that the width of the road is 56 feet. They will front the back lot on Locust Avenue on Trails End Court.

**ACTION:** Council Member Boyd moved that the Council approve Ronald Brailsford's requests to divide Lot 7 in Plat A of the Trails End Court Subdivision to create two lots that will front Trails End Court. The lots will form an approximate 0.41-acre subdivision called Trails End Court Subdivision Plat B located at approximately 720 South Locust Ave in the R1-8 (Single Family Residential) zone. Council Member LeMone seconded the motion. The motion passed with the unanimous consent of the Council.

10) **ACTION ITEMS WITH PUBLIC DISCUSSION**

- A) **PUBLIC HEARING TO CONSIDER FOR ADOPTION AN ORDINANCE (2015-8) ADOPTING THE WATER MANAGEMENT AND CONSERVATION PLAN AND PROVIDING FOR AN EFFECTIVE DATE. *Presenter: Engineer Lewis.***

City Engineer, Degen Lewis, stated that staff gave a presentation on this item two weeks ago that showed water management and conservation goals that were set and progress that had been made. Ordinance 2015-8 is the adoption of the plan presented. Council Member LeMone asked how much an individual meter costs. Water Superintendent, Greg Woodcox, responded that a new meter costs about \$136 plus installation. The total cost ends up being around \$700, depending on the size. Cost for a business would be about the same. Council Member LeMone remarked that the plan would be for the future; however, immediate action to install meters will not be taken. Engineer Lewis agreed that while staff has assessed the technological feasibility of metering the secondary system, it is not the goal officially within the conservation plan to do so. There are, however, some City facilities on the culinary side that will be metered. Currently nothing had been installed for the secondary system.

Council Member LeMone suggested installing secondary water meters on the Police Station to see how the metering system works, because they have less grass and landscaping. Administrator Darrington added that there are individuals with secondary meters that are currently being tested. Council Member LeMone recalled that in a previous meeting, staff discussed having City-owned facilities lead out in testing secondary meters to start gauging size, etc. Administrator Darrington replied that staff is still determining which facilities to use for this testing process.

Council Member Stanley commented that a lot of residents have asked about the secondary start date. Staff noted that the start date is set for May 1. Council Member Stanley explained that it takes a couple of weeks to fill the tanks and a lot of residents are concerned that lawns will be dead by then. Superintendent Woodcox stated that staff will start filling tanks on April 15 so that the water is ready for use by May 1. In response to an inquiry from Council Member LeMone, Mayor Daniels explained that water coming out of hoses that are attached to homes is culinary water, whereas sprinkler systems are attached to the secondary system. There was continued discussion on where each water system is connected.

Council Member Boyd asked how the City can address people who are panicked about their lawns turning dormant. Mayor Daniels asked if the proposed ordinance is related to the 2015 irrigation plan. Engineer Lewis explained that it relates only to adoption of the conservation plan. Council Member Meacham commented that the conservation plan is a requirement from the State. It will allow the City to benefit from reduced interest rates and other benefits.

John Schiess, Horrock's Engineers explained that the conservation plan is a blueprint for the next five years. Mayor Daniels asked the Council how they want to move forward. Administrator Darrington mentioned that the plan for conservation enforcement will be similar to last year's. The Beautification Committee's involvement was discussed. Council Member LeMone asked if they should present their plan for water conservation to the Council. The Council discussed including additional education on the door hanger. Parks and Recreation Director, Deon Giles, stated that the drafted information to be included on the door hangers is ready and just needs to be included on an upcoming agenda for review. He noted that the Beautification Commission will make a presentation at the April 14 meeting, before the water gets turned on.

Mayor Daniels opened the public hearing.

Kristy Belt asked if residents will be required to spend the \$700 to install a water meter. Engineer Lewis stated that they will not be required to do so. He then read the goals outlined in the conservation plan. The following goals will be adopted for the next five years:

1. Reduce the City's per capita secondary water use by 25% in five years and 50% in 10 years. (50% is based on bringing usage down to original secondary water system design).
2. Maintain existing physical leak detection program where listening devices are used to locate leaks which are then repaired.

3. Install secondary water meters when technology is adequately tested and implement a conservation based secondary water rate structure. Budget and plan for eventual water meter installation on the secondary irrigation system.
4. Install culinary meters on all City owned facilities to better track City conservation efforts and quantify how much water is lost through leakage and loss.
5. Continue the waterline replacement program to replace leaking lines.

Mayor Daniels stated that the Council will discuss at a future meeting whether the goals are practical, and how they will affect citizens.

Andy Weight gave his address as 425 South 1100 East. He asked if the secondary water is a revenue generator that requires the City make a certain amount of money. The answer was "no". Mayor Daniels explained that secondary water is a utility with the main cost being installation. Current costs are related to maintenance and further installation of the system. Mr. Weight asked if there is a fixed cost involved. Mayor Daniels explained that the main concern with secondary currently is combined with overall water usage, both culinary and secondary. Historically, water usage has doubled since the secondary water system was installed. At this point, the rate was put in place to cover the cost of installing the system and is not related to the amount of water the City is using. The metering would introduce a method of measuring how much water each home is using, so that residents can reduce their usage.

Council Member Meacham remarked that the current system is over capacity for the usage. Therefore, the City is trying to conserve to reduce the flow so that it falls within the design parameters of the system. Mr. Weight expressed concern that a fixed cost while residents are all trying to conserve could be problematic because it could potentially cause a need for the City to make up the cost. As a result, rates could increase. Mayor Daniels stated that at this point, the City is not looking at metering as a form of revenue generation and would consider it a form of water conservation. Metering is helpful because it causes residents to self-monitor their usage.

Bill West gave his address as 48 North 1400 East. He asked what it will cost the City to install the meters. Mr. Schiess informed him that the last estimate was around \$6 million. However, if the City can conserve without metering there is no need to spend the money. Mr. West agreed. He felt there should be other ways of conserving water without spending money on metering. He believes the technology of the meters isn't that good; staff commented, however, that technology is improving. Mr. West concluded that there should be a better way of using that money other than metering, especially when it isn't a revenue driver.

Karl Kuni gave his address as 2115 North 180 West. He noted that two main water users are the church and the school district. He encouraged proactive communication with those entities and asked them to voluntarily spend money on their own properties to reduce water usage. This would perhaps not force the average resident to be metered. He also suggested the promotion of self-policing through education.

Mayor Daniels closed the public hearing.

Council Member Andersen mentioned that American Fork City has a device that finds and sends images of leaks in the system. Mr. Schiess explained that they have a sewer camera system, which helps detect leaks so that they can be sealed off and ultimately safeguard the City's water. American Fork has a leak detection program, where they listen for leaks. Council Member Andersen stated that it helped their city save money, because it aided in fixing the leaks.

Council Member Meacham was concerned because the goals state that the City's intention is to install secondary meters, but the commentary from staff and Council is that the goal is really to evaluate whether or not technology reaches a point to where it makes sense to install secondary water meters. He was comfortable having a discussion but stated that the language builds momentum for a specific solution they don't know whether or not they have justified it yet. He recommended that the language of the third goal be changed to say "*explore/consider the installation/viability of meters.*" The Council agreed to this change.

**ACTION:** Council Member Stanley moved that the Council adopt Ordinance (2015-8) adopting the Water Management Conservation Plan, with the amendment of Goal #3 on page 25 to indicate consideration of the installation of secondary water meters, and provide for an effective date. Council Member Andersen seconded the motion. A public hearing was held. A voice vote was taken, with Council Members Andersen, Boyd, LeMone, Meacham and Stanley voting "Aye". The motion carried.

**B) PUBLIC HEARING TO CONSIDER FOR ADOPTION AN ORDINANCE (2015-9) AMENDING THE PLEASANT GROVE MUNICIPAL CODE SECTION 10-11-C-2-D TO ALLOW CARETAKER QUARTERS TO OCCUPY UP TO TEN PERCENT OF A BUILDING AREA OCCUPIED BY A BUSINESS WHERE THE BUSINESS HAS OPERATIONS, EQUIPMENT, OR OTHER RESOURCES THAT REQUIRE 24 HOUR OVERSIGHT IN THE CS (COMMERCIAL SALES) ZONE. (REZA SENATI, APPLICANT). *Presenter: Director Young.***

Director Young presented the staff report and stated that the applicant requested the ability to have a caretaker facility attached to a business that is permitted in two other zones; General Commercial in the Central State Street area and Manufacturing District along 700 South. The applicant would like to have this same ability in the Commercial Sales Zone, which is on the south side of State Street. The caretaker facility must be attached to a primary structure, and can't be more than 10% of building area. It needs to be inconspicuous in design, located in the rear of the building, and may not be occupied by people who are not associated with the business. This would only be allowed if 24 hour surveillance is required by the business. When the business leaves, the residential space will be vacated and no longer used as a residence. These are the same requirements for the other two zones as well. An aerial map of the zoning area in question was presented, as well as the property. The site is not up for approval tonight and will be reviewed by the Planning Commission by way of a Conditional Use Permit. However, adding this into the Code is the first step.

Council Member Boyd asked if the ordinance is being changed to allow this. Director Young answered affirmatively. Council Member Boyd asked how the requirements will be enforced. Director Young stated that the Planning Commission and Council can attach certain conditions

of approval. If staff determines that the permit holder isn't meeting the conditions, the Planning Commission can revoke the permit. As a conditional use, everyone who wants to do this, will have to come forward to the Planning Commission for review. If there are issues after a permit is issued, staff will address them as they become aware of the situation.

Mayor Daniels asked if the Code, other than the amendment itself, specifically states that caretaker facilities are a conditional use. City Attorney, Tina Petersen, explained that City Planner, Royce Davies, listed it as an accessory use in the permitted uses but stated that it could only be used in the conditional use process. Therefore, it's not listed as a formal conditional use in the zone. He chose to list it as another accessory use in the permitted uses. Director Young clarified that all conditional uses are permitted and can have conditions attached. Council Member Boyd asked if an ordinance amendment is the protocol for dealing with these kinds of scenarios. Director Young explained that this is how it was set up in the other zones. Staff was following suit in how it has otherwise been written in the Code, as an accessory use to a permitted use which requires conditional approval. There was further clarification on the matter.

Mayor Daniels asked if there a requirement that conditional use permits be evaluated on an annual basis. Attorney Petersen answered that they are only evaluated if there is a problem. Director Young added that the Planning Commission can make this a condition on individual permit approvals, and mentioned that the Planning Commission recommended approval on this item. Fire Chief, Dave Thomas, suggested that a requirement be included so that the Fire Department can weigh in on the approval process to ensure that all of the fire codes are being met. Director Young agreed, and explained that it would be easy to add this language into the approval. Council Member Stanley also felt that it would be important for the Fire Department to be aware of where business caretaker residences are located. He expressed appreciation for the point Chief Thomas raised. Director Young concluded that the condition of a positive recommendation from the Fire Marshall should be included in the staff report moving forward.

Mayor Daniels opened the public hearing. There were no public comments. Mayor Daniels closed the public hearing.

**ACTION:** Council Member LeMone moved that the Council adopt Ordinance (2015-9) amending the Pleasant Grove Municipal Code Section 10-11-C-2-D to allow caretaker quarters to occupy up to 10% of a building area occupied by a business where the business has operations, equipment, or other resources that require 24-hour oversight in the CS (Commercial Sales) Zone, and to include item 3G upon positive recommendation of the Fire Marshall. Council Member Stanley seconded the motion. A public hearing was held. A voice vote was taken, with Council Members Andersen, Boyd, LeMone, Meacham and Stanley voting "Aye". The motion carried.

**C) PUBLIC HEARING TO CONSIDER FOR ADOPTION AN ORDINANCE (2015-10) AMENDING THE PLEASANT GROVE MUNICIPAL CODE SECTION 10-11-D-2-E TO ADD LAND USE CODES #5821, "DANCE HALLS SERVING ALCOHOLIC BEVERAGES (EXCLUDING HARD LIQUORS)" AND #6399 "OTHER PERSONAL SERVICES, NEC. (INCLUDES BABYSITTING BUREAUS, RENTAL OF BEACH CHAIRS, INVALID SUPPLIES, PILLOWS,**

**MARRIAGE BUREAUS, REDUCING SALONS, RECEPTIONS, WEDDING CHAPELS, ETC)" AS CONDITIONAL USES IN THE CS-2 (COMMERCIAL SALES-2) ZONE. (OSCAR SALDANA, APPLICANT). *Presenter: Director Young.***

Director Young presented the staff report and stated that this item was brought up in the joint work session. The Planning Commission review indicated that perhaps they weren't presented all of the information when the applicant made his proposal. The request was that a person be allowed to open up a facility in the CS-2 Zone, which would allow a dance hall to sell liquor and possibly function as a venue for wedding receptions. There were numerous concerns with the presentation that was brought forward at that time. Since then, staff met with the Business Licensing Clerk and conducted research on what provisions are required by the State for alcohol licenses. There are two separate categories, one of which includes reception centers. However, according to State law, alcohol is not allowed in dance halls, which rules out some of the applicant's proposal. Therefore, staff determined that the item cannot move forward as requested.

Attorney Petersen explained that the applicant was asking for a use and alcohol is not permitted with the particular use. Therefore, it needs to be stricken. If, however, the applicant wants to reformulate his application and come back with a different proposal, the City can consider it at another time.

Council Member Stanley stated that in speaking with the applicant, it was indicated that the Pleasant Grove proposal is identical to the business in Provo. Attorney Petersen disagreed and explained that the Business Licensing Clerk in Provo had informed her that he has a Dance Hall License in Provo and he is not authorized to serve alcohol at that location. The applicant is trying to establish a similar type of business but be allowed to serve alcohol at the location in Pleasant Grove. According to Provo's Business Licensing Clerk, they have no intention at this point of modifying the license. The applicant applied for a special events application for a Cinco de Mayo event last year where he requested the ability to serve alcohol at the location in Provo, however, he was denied. Provo City anticipates another denial for a similar request this year as well.

Council Member Stanley asked if others are allowed to bring alcohol on the premises. Attorney Petersen explained that it is not allowed on the premises at all. This is according to State law, which regulates certain classes of alcohol licenses. Dance halls are regulated by the City, but because of the way the state regulations are set up, Pleasant Grove can't allow alcohol in a dance hall. Council Member LeMone asked about clubs in Salt Lake that serve alcohol and wanted to know how they differ. Attorney Petersen explained that private clubs are in a different licensing classification. Council Member LeMone asked if this classification is not allowed in Pleasant Grove City, or Utah County in general. Attorney Petersen did know the answer.

**ACTION:** Council Member Boyd moved that the Council strike Ordinance 2015-10 from the agenda. Council Member Andersen seconded the motion. The motion passed with the unanimous consent of the Council.

A gentleman from the audience commented that he would like to do something similar that is

why he is here tonight. He questioned why the Council didn't make a decision. Attorney Petersen explained that what the applicant applied for is not allowed in the City so the applicant will have to change his application to something that is allowed and bring it back before Planning Commission and City Council.

**D) PUBLIC HEARING TO CONSIDER FOR ADOPTION AN ORDINANCE (2015-11) AMENDING THE PLEASANT GROVE MUNICIPAL CODE SECTION 10-14-24-1-C TO ADD LAND USE CODE #6377, "INDOOR CLIMATE CONTROLLED STORAGE FACILITIES" AS A CONDITIONAL USE TO THE GROVE ZONE, COMMERCIAL SALES SUBDISTRICT. (ARRON FREEMAN, APPLICANT). *Presenter: Director Young.***

Director Young presented the staff report and stated that recently the Council approved an amendment in the CS-2 Zone to allow indoor climate controlled storage facilities. Another applicant wants to do something similar in the Grove Commercial Sales Subdistrict. When the request was initially presented to the Planning Commission, it was presented as #6376. However, it was changed at the Planning Commission level to be #6377. As it was reviewed by the Planning Commission, the staff recommendation was that the same type of criteria be included for this use as was included in the CS-2 Zone. The criteria included a 200-foot setback from the street to where the storage could begin. That frontage could be used for permitted uses only. Furthermore, less than 50% of the project area should be used for storage. The Planning Commission recommended approval of the request based on this criteria.

Since then, there has been new communication from the applicant, who would like to amend the request. The current request eliminates the 200-foot setback and less than 50% storage limitation. Alternatively, the applicant has requested that any storage facility shall be setback at least 25 feet from any right-of-way, provided that the first floor use of the facility is retail/office. If the first floor is not retail/office, the facility shall be setback a minimum of 75 feet. Director Young presented a concept plan that the applicant provided. The concept plan shows a two-story facility with retail on the bottom floor, indoor acclimatized storage on the top floor, and more in the back. Staff was concerned with the amended request because it was not reviewed or recommended by the Planning Commission. The Council, however, has the purview to make a ruling on the item, or remand it back to the Planning Commission for review and a recommendation.

Council Member Stanley asked if the Planning Commission missed reviewing this item because it mirrors a previous request. Director Young clarified that it does not mirror the previous request that was originally reviewed by the Planning Commission. It is, however, mirroring the verbiage previously used in the CS-2 Zone. Mayor Daniels asked what other businesses in the area are required to do in terms of setbacks. Director Young explained that the Code does not limit uses as far as permitted or conditional uses by setbacks. This particular use has not even been listed as a permitted or a conditional use and is now being added to that list. The request involves adding a climate controlled storage facility as a conditional use in the Grove Commercial Sales Subdistrict. As part of adding this type of use, there is additional language that adjusts the setbacks. Director Young stated that for regular setbacks that aren't tied to a use, a 25-foot landscaped setback from the street is required.

Council Member Boyd asked why the City is allowing different setbacks for this business, when there is a specific setback for businesses in the Grove Commercial Sales Subdistrict. She also asked to see a general map of everything that exists and is allowed in the zone. Director Young replied that he does not have a full map of the zone. Initially, the intent was to have a setback of 200 feet from the roadway that would allow the use to be either a permitted or conditional use as currently stated in the zone. There would not be anything different in terms of building setbacks, only a use setback. Regardless of building type, it will still have a 25-foot setback from the building. Council Member Boyd stressed that she would still like to see an overall map of the zone, because by approving this request, the City would be opening up other opportunities for storage as a permitted or conditional use in the zone, which is Pleasant Grove's prime commercial location. As a City, they envision more than just storage units in these areas and she did not want to sell themselves short.

Attorney Petersen was of the opinion that the recommendation from the Planning Commission does not include consideration of a significant amendment request that the applicant has been made after Planning Commission consideration. While the Council has the ability to make amendments to ordinances while considering them, in the past if the Council interprets a proposal differently than the Planning Commission, the item is sent back to the Planning Commission for additional review. Mayor Daniels asked if staff was recommending approval of this request. Director Young replied that in the preparing the staff report, they found there wasn't enough information. From his perspective, he felt it would be best to send the item back to the Planning Commission for additional review. There was brief discussion regarding ways to proceed procedurally.

Council Member Boyd reiterated the importance of seeing a general map of the zone in order to fully analyze the big picture. She mentioned that the zone in question borders the hotel property. Mayor Daniels explained that it is difficult for the Council to provide an answer tonight, due to insufficient data. Council Member Stanley agreed and explained that the question in its entirety is premature for the Council. He stated that he would be willing to entertain a proposal, although he shared similar concerns with Council Member Boyd about examining the bigger picture. Council Member Boyd was not in favor of allowing storage facilities as a broad allowance in the zone; however, she expressed a willingness to discuss a targeted area. Council Members LeMone, Andersen and Meacham agreed with this position.

**ACTION:** Council Member LeMone moved that the Council remand Ordinance 2015-11 back to the Planning Commission for review. Council Member Andersen seconded the motion. The motion passed with the unanimous consent of the Council.

**E) PUBLIC HEARING TO CONSIDER FOR ADOPTION AN ORDINANCE (2015-12) AMENDING THE PLEASANT GROVE MUNICIPAL CODE SECTION 10-14-15-M TO REDUCE THE REQUIRED LANDSCAPE BUFFER SIZE IN FRONT OF LIVE-WORK UNITS THAT ARE PART OF A MIXED-USE DEVELOPMENT IN GROVE ZONE. (JOHN DESTER, APPLICANT).  
*Presenter: Director Young.***

Director Young presented the staff report and explained that this is an ordinance to provide street-side parking for live-work units. Photos of live-work units were then displayed. On 700 South, in the Steeple Chase subdivision, there are two buildings that are live-work units. In other words, there is work space or commercial space on the bottom floor which fronts the store, and a residential condo on the top floor. There is a new development that staff has been working with for quite some time for which the developer is making considerations for an eight-acre piece on Proctor Lane (1300 West) across the street from LDS chapel. They are proposing to do a mixed housing development that follows the zoning of the property. According to the new code, which has not yet been applied on a new development, for anything that exceeds five acres there are three types of residential units that are required.

Director Young explained that a site plan approval for this property will come later. There are three different types being proposed by the developer: single family homes, town homes and live-work units. The proposal will include eight total live-work units in two different buildings. The applicant, as well as other developers, have expressed difficulty with the type of live work units that were permitted previously in the zone, which requires a 25-foot landscaped buffer between the building and street. This does not work well for commercial units on a street, because parking is set up to be in the rear of the building, not the front. This also makes access difficult.

Therefore, the request is to be able set up the development with less landscaping, which would allow them to still have a parking area in front of the building. The original request was to have the landscape buffer reduced to ten feet. However, in reconfiguring the site, they came up with more available space than they thought. Therefore, their new request was to have it only reduced to 20 feet. Director Young was of the opinion that this is a minor, reasonable request, and felt that it is a beneficial type of development for Pleasant Grove. The item was reviewed and recommended for approval by the Planning Commission. Only the live-work units will be affected by the changes. The proposed changes will not apply to the whole zone.

Council Member Boyd was worried because the road in question is so busy. She asked if there would be any way to put the planter closer to the road. Director Young replied that configurations can be discussed during site plan approval. Street standards are minimum, and does not mean that the landscape strip can't be exceeded. There was further deliberation on the matter.

Mayor Daniels opened the public hearing.

The applicant, John Dester gave his address as 2606 North 1060 East, in Provo. He thanked the Mayor and Council for hearing his proposal, and agreed with their suggestions on how to configure the landscape strip. He then addressed the amount of space that will be available and noted that there will be closer to 21 feet of workable area. The idea of having parking in front of a commercial enterprise is much more efficient. They have spent six months going over the plan to the point that it is now. More details can be reviewed during site plan approval. The total setback will be about 77 feet from the road to the building so there will be more landscaping next to the building. It was noted that it is all part of the design.

Council Member LeMone asked Mr. Dester if he had any idea what retail will go. Mr. Dester answered that they have conducted research on the retail potential for the area, however, no specific tenants had yet come forward. He stated that he will provide a list of potential tenants during site plan approval. Council Member Boyd thanked him for designing a development with retail in mind and commented that it looks like a great project. Mr. Dester remarked that City staff crafted an ordinance that went above and beyond and he thanked them for their efforts.

There were no further public comments. Mayor Daniels closed the public hearing.

**ACTION:** Council Member LeMone moved that the Council adopt an Ordinance (2015-12) amending the Pleasant Grove Municipal Code Section 10-14-15-M to reduce the required landscape buffer size in front of live-work units that are part of a mixed-use development in Grove Zone. Council Member Meacham seconded the motion. A public hearing was held. A voice vote was taken, with Council Members Stanley, Meacham, Boyd, LeMone and Andersen voting "Aye". The motion carried.

Council Member Boyd asked if all of these units are going to be owner occupied. Mr. Dester answered in the affirmative.

**F) PUBLIC HEARING TO CONSIDER FOR ADOPTION AN ORDINANCE (2015-13) AMENDING THE PLEASANT GROVE MUNICIPAL CODE SECTION 11-3-4 TO ALLOW TEMPORARY ACCESSES FOR SUBDIVISIONS TO BE ABANDONED WHEN STANDARD STREET ACCESS BECOMES AVAILABLE. CITY WIDE. (Kevin Peterson, applicant). Presenter: Director Young.**

Director Young presented the staff report and stated that this item came forward previously and revolved around a specific development. Kevin Peterson owns the property in question, along 2600 North. An aerial photograph of the subject property was shown and the Peterson family would like to subdivide and develop the land. They have worked out several different scenarios with the property, the first of which was to do a flag lot subdivision in the area. Director Young explained that every time a flag lot subdivision proposal comes forward, staff looks at the vicinity plans for development in the area to see if there is allowance for one and if there are other ways of accessing the development. This particular property has a roadway that was planned to connect; however, difficulty arose with two adjacent properties and neither one of the other property owners were willing to sell in order to allow for a street. Therefore, accessing the property became unworkable.

Director Young noted that there is an existing home on the subject property and the flag lot stem where the property can be accessed was identified. He explained that since there are other properties to the west that are also undeveloped that could have a City street, the developer proposed to have an eventual street come through from the west side and into the cul-de-sac location. There are additional neighboring properties that are not fully developed. The City was looking at those properties as a potential alignment for a street that could be required in the future to go through them and end up in the cul-de-sac in question. However, since those aren't ready to develop, all that can be done is to develop the subject property. The proposal from the applicant was to allow a temporary access onto a City street that is essentially the same as access

to a flag lot, but it is a temporary situation. This solution would allow the access of these properties to occur until a new City street is developed from the west.

Council Member Andersen asked how wide the temporary access would be. Director Young stated that it would be the same as the requirement for any flag lot access, which is 25 feet. A full street is 56 feet. Council Member Boyd asked if there is any anticipation of a road that will come down to 2600 North once everything to the west develops. Director Young added that there are other possibilities on the west side for a road to connect into those properties. Staff will require a new vicinity map to show how good access will be provided and will amend the vicinity plan with this new development. He noted that the Council will not approve the site tonight; however, this information is helpful by providing context for a situation in which a City street access cannot at this time be provided, but is planned for the future. Until then, a temporary access will be allowed.

Council Member Meacham asked if staff anticipates the full build-out of this cul-de-sac. Engineer Lewis answered in the affirmative. He explained that the development will be different, in the sense that it will start at an end node and work in certain direction. This is a standard street stub that has curb and gutter, sidewalk, and planter strip, and it otherwise looks like a completed street. However, the only way in and out currently is via the flag stem/temporary access, which will at some point connect to a City street. When a regular street is developed, the temporary access will be abandoned, just as a temporary turnaround would be abandoned at the end of an existing street stub.

Council Member Meacham asked if there would be a 25-foot curb cut for the temporary access and if it will be replaced or modified. Engineer Lewis explained that that may not be necessary since temporary turnarounds are abandoned to the property owner. Director Young noted that the verbiage that is built into the proposal and the new ordinance state the following:

*"Maximum Lots Served by Temporary Access: Three (3) unless approved by council with positive recommendations from Engineer and Fire Marshall after review of safety and traffic issues."*

Director Young stated that it is good to have a maximum amount in place, so that there aren't too many lots served by just one temporary access.

Mayor Daniels commented that if the City allows the ordinance change, there will be part of a cul-de-sac in the middle of undeveloped area. He asked what requirements will be placed on the property owners to the north, east, northwest, and southwest to align with the road. Director Young explained that the vicinity plans, as adjusted, will show a connection to that road. Therefore, property owners who develop their property will have to connect to that location in one way or the other. Mayor Daniels pointed out that there is a shed on the adjoining property. Director Young agreed that staff will take a look and stated that it may need to be removed.

Mayor Daniels asked if there is any precedent in Pleasant Grove for this type of procedure. Attorney Petersen explained that Mr. Peterson has come in with several different proposals and this one is a result of sitting down with staff and figuring out what is in the best interest of the City in the long run. This plan best matches the original vicinity plan for connectivity

throughout the entire area. It is unusual to start at the end first, but as staff sat down and looked at the parcels and the maps, this actually has the potential to get exactly what the City originally wanted in terms of where the roads can go. If staff allowed the applicant to do what he originally wanted to, which was to create flag lot and a cul-de-sac that dead ends, the people to the west are forced into the same development style. All they would be able to develop is another cul-de-sac or flag lot. Staff was of the opinion that the proposal gives the greatest potential to maximize the development to the west in terms of street access, connectivity, and opportunity for frontage on both sides of the street.

Engineer Lewis stated that this type of proposal is the first of its kind and it has not been done anywhere else in the City. Mayor Daniels summarized that the reason this route is being pursued is because a road in this area is included in the vicinity plan; however, the adjacent property owners are not interested in selling the land necessary to create the road. Engineer Lewis added that the only opportunity left is to create a flag lot. According to the ordinance, a flag lot can't be developed if in the current or foreseeable future a standard street development process would allow the City to develop a road. Engineer Lewis explained that as the area to the west develops, there wouldn't really be any other opportunity. Ultimately as the property develops, all four of the new lots will not have the same kind of restricted access as the subject property.

Mayor Daniels stated that the property owner's creativity in working around this situation was impressive. However, because there was a vicinity plan and two property owners to the east didn't want to participate, it appears that part of a road will be constructed to a property line. At this point, there still isn't an agreement from the other two property owners to the west, and there isn't a guarantee that those individuals will want to participate. Engineer Lewis explained that the ordinance states that if a developer picks up a street stub, they are responsible for continuing it. There was further review of the vicinity plan.

Council Member Boyd asked if the maximum number of lots served by a temporary access should be increased from three to four. Director Young explained that this would eliminate the ability to have any streets through that area and force other developers to create either a cul-de-sac or a flag lot. There was further deliberation on the matter. Engineer Lewis noted that approval can be granted from Council after a positive recommendation from the Engineer and Fire Marshall has been made. The Fire Marshall and City Engineer can review safety and traffic issues to determine if additional lots can be served by a temporary access; therefore, similar procedure can be taken with a temporary road.

Council Member Andersen asked who will service the temporary road and cul-de-sac. Engineer Lewis explained that it will be a public road, therefore, the City will be responsible.

Mayor Daniels opened the public hearing.

Bill West gave his address as 48 North 1400 East and commented that the plan is very interesting and creative. One of his major concerns with Pleasant Grove was all of the dead end roads and the way the City has blocked itself in. The proposed alternative plan was an excellent solution, and he commended the City on the idea. It will help develop pockets of land around the City that needs to be developed. Mr. West asked if the City will own the road if they service it and what

will happen to the road when it is no longer needed. Engineer Lewis stated that from his perspective the temporary road will be similar to turnaround accesses, which can be utilized by any member of the public. When the roadway is abandoned, it will be dedicated to the City.

There were no further public comments. Mayor Daniels closed the public hearing.

Mayor asked Mr. West if, as a developer, he sees any issues in this area where a temporary road has already been built. He asked Mr. West if there are any issues having to align with the temporary road. Mr. West replied that this will happen anywhere property is built. It is a bit of a challenge at times; however, it is the only way to get continuity in traffic flow. Mayor Daniels asked Mr. West if he has a problem from the perspective of creating the vicinity plan and allowing this kind of creative solution where the road is built first and then backing into it for the neighbor. Mr. West encouraged the City to install as many improvements as possible so that adding roads is all that has to be done.

Council Member Andersen alluded to another situation where a developer purchased land prior to checking the Transportation Master Plan. She asked if the majority of developers check the Transportation Master Plan before purchasing land. Engineer Lewis replied that local streets are not on the Transportation Master Plan unless there is an instance where there absolutely needs to be a key connection, which also happens to be a local street. The vicinity plan shows a development and serves as the planning document for the local road network. Council Member Andersen asked if someone buys the property to the west, how they will know that they need to connect into this temporary road. Engineer Lewis explained that most developers do not close on property without coming in and asking a lot of questions. In other words, they do their due diligence first. It is difficult, however, to protect someone who fails to ask every single question beforehand that could affect them.

**ACTION:** Council Member Stanley moved that the Council adopt an Ordinance (2015-13) amending the Pleasant Grove Municipal Code Section 11-3-4 to allow temporary accesses for subdivisions to be abandoned when standard street access becomes available. Council Member Meacham seconded the motion. A public hearing was held. A voice vote was taken, with Council Members Andersen, LeMone, Boyd, Meacham and Stanley voting "Aye". The motion carried.

*Note: The Council took a break at 8:37 p.m.*

## **11) ITEMS FOR DISCUSSION – NO ACTION TAKEN:**

### **A) BUDGET DISCUSSION.**

Finance Director, Dean Lundell, explained that a similar presentation was given last year. He noted that there are four City Enterprise funds; culinary water, pressurized irrigation, sewer and storm drain, and garbage/recycling. Much of the information in each of these funds is combined because many of the costs are shared. All of the fees for each fund, however, are separate. The rates cover operations, personnel, debt service requirements, reserve targets infrastructure repair/replacement. With regard to rating agencies, it was suggested that there be six months of

finances in reserve to cover City operations. In response to Council Member Meacham, Engineer Lewis mentioned that the State does not have any recommendations for reserve targets.

Director Lundell presented a pie chart representing the Storm Drain Fund expense allocation, not including capital expenses. The chart showed that 50% of the funds go toward debt service for the pipeline in North Creek, Battle Creek Canyon and Murdock Canal purchases, purchase of the pipe plant and other properties. Over time, the debt service amount will not increase, so the percentage will also be reduced. Furthermore 20% of the storm drain funds cover personnel, 17% operating expenditures, and 13% administrative fee, which are overall expenses for legal/accounting services, and insurance.

A list of storm drain rates were presented along with how the rates are allocated. The current rate is \$13.09 Equivalent Service Unit (ESU), with a proposed increase to \$13.88/ESU. One home equals one ESU. A business with a large parking lot often has multiple ESUs. The proposed increase would be 6%. Operating funds available for capital spending are \$437,107. According to the master plan, there are several capital projects that need to be done. The reserve target for the Storm Drain Fund is \$396,520 for six months of operating expenses. The amount budgeted for capital projects is \$1,859,932. This is partly due to money from the bonds that were issued in 2013 that haven't yet been spent. The projected cash balance at the end of the year will be \$733,216, which equates to 337 days of expenditures in cash.

The debt service reserve was 1.56%. Director Lundell explained that one of the City's debt covenants shows that enough revenue is being produced out of the fund to defer operations, pay for debt, and have a buffer. Depreciation was added this year and refers to infrastructure depreciating over time. The amount is an estimate showing how much the system has deteriorated. Net operations divided by depreciation were at approximately 1.41%. Capital expenditures divided by depreciation were roughly 5.99, which is higher due to the aforementioned bond money.

Director Lundell referred to budget documents in the staff report detailing budgets for culinary water, secondary water, and storm drain. The documents provide a five-year proforma schedule, which is the detail that backs up all of the numbers. In 2016, one of the capital projects is to develop a well. Administrator Darrington explained that staff has been working with Ray Proctor on a situation with his property where there is development taking place. Decisions were made a few years ago affected his water supply. A budget of \$81,000 was set for this project; however, they determined that installation of another well on Mr. Proctor's property would save the City \$15,000 to \$16,000, and provide a better solution to the problem. In order to do this, the well has to be built immediately. Therefore, it was included in next year's capital projects, which takes effect July 1, 2015. Council approval will be needed to move the project forward. The new budget will cover the project beginning in June, but time is of the essence now.

Streets Superintendent, John Goodman, commented that when the church was built on 1300 West, just north of Mr. Proctor's house, the ditch on the east side of Proctor Lane, which veers the water to irrigate Mr. Proctor's alfalfa field, came across diagonally to the church property. According to Mr. Proctor, while he was out of town, a former City leader communicated to the construction company that they could remove that pipe and that Mr. Proctor could get water out

of a well. That point of diversion belongs to Mr. Proctor and the City can't take away his point of diversion. Mr. Proctor also has an artesian well and has been able to flow enough water for his fields. However, due to the drought, the water isn't flowing out of that well anymore, and he wants to the City to do something about it. The City can either reinstall the point of diversion and run pipe over it, which is about an \$82,000 fix, or create a new well. Creating a new well is the best option for the City because it is less costly and won't interfere with a project taking place across the street.

Engineer Lewis stated that staff believes the well will be of a better quality and a better source of water for Mr. Proctor. The well will be on his property and he will pay for the power to run it. The City could not put a pump on the existing artesian well, which is six inches in size, because they would have to put a smaller pump on it, which would flow less water. After negotiating with Mr. Proctor, it was determined that putting in a bigger well would be the best option. According to John Schiess, putting in an eight-inch well will get Mr. Proctor almost three times more water than a six-inch well would provide.

Council Member LeMone asked if an accurate investigation had been conducted on the matter. She stated that this is a lot of money to be spent and wanted make sure that Mr. Proctor's account of the situation is an accurate portrayal of what really occurred. Superintendent Goodman confirmed that the information is accurate. Council Member Meacham asked if the well will benefit the City and pointed out that Mr. Proctor may not have rights to take three times more water. Superintendent Goodman explained that he can only take a certain amount of water. The well will simply provide a faster water flow. There was further review of the history behind the project and what happened to create the problem in the first place.

Council Member Meacham asked if staff had spoken with Mr. Proctor about where the water will go when he's not using it anymore, and whether or not the City will be able to use it. Engineer Lewis explained that staff discussed the possibility of expanding the secondary water system across State Street because it was designed to end at State Street. Staff looked at a different option that would allow the City to collect water and renew the secondary system; however, there isn't a real need to do secondary in that area because there is less landscaping. However, if Mr. Proctor's property were to develop, it was likely that his groundwater rights would go with the ground. He was probably first in line for those rights and the water rights are very valuable.

Council Member LeMone asked if anyone had contacted the construction company to see what happened. Superintendent Goodman could not recall anyone having contacted the construction company. This incident occurred several years ago and it landed on Superintendent Goodman's desk to fix about four months ago. He did not know who determined that the City was at fault and who gave permission to the construction company to take the pipe out in the first place.

Council Member Stanley asked if the former leader who gave the direction was a member of staff or an elected official. The information is helpful to understand the accountability structure. Council Member LeMone remarked that this is a lot of money to spend and not understand who is at fault. If the City isn't really at fault the money should not be spent. Superintendent Goodman recalled that the City leader had a lot of authority and was perhaps even a City

Administrator. He did not have all of the information as the incident happened seven years ago. Council Member Stanley asked why this project is part of the Storm Drain Fund. Director Lundell replied that it was proposed as a storm drain project. Engineer Lewis explained that this most closely relates to the storm drain and the original idea was to replace the irrigation diversion that comes out of the property.

Mayor Daniels summarized the discussion and explained that a resident who owns land and grows crops doesn't have water and his crops are burning up. At this point in time, the City is proposing to take care of it without proof that the City is actually responsible. Secondly, another issue that the City faces is whether to wait three to five years for litigation, all the while Mr. Proctor's crop continues to die, and incur those costs as well. At this point, while he doesn't want to ignore the responsibility, the Mayor and Council are being asked to take the lowest cost of the present solutions and establish more firm responsibility after the fact. Mayor Daniels stated that he would like to see the trail of responsibility on this matter. The City didn't just go out and pull someone's point of diversion without some kind of discussion or emergency. There has to be an explanation and currently there isn't any information to make such a claim.

Administrator Darrington responded that all of Mayor Daniels comments are correct. However, staff hasn't seen anything in writing that the City authorized, or a City Council decision that was made to pull the point of diversion. It has to be assumed that someone with the City verbally communicated to the construction company to pull the point of diversion. Mayor Daniels stated that the question is whether this actually happened and what the circumstances were surrounding the incident. To solve this problem in an economical way, it did not seem practical to wait until litigation happens, and the City has incurred far more costs than just a new well.

Council Member LeMone stated that as a Council they will be held responsible for the money spent on this project. She understood the litigation concerns, but did not feel like due diligence had been done on the issue and stated that there are pieces of information still missing. She asked why, after seven years, is this suddenly an issue. Mayor Daniels asked if it is pertinent now specifically because of the drought. Administrator Darrington replied that Mr. Proctor has been asking for a while, but the City has been putting him off because he had water through the artesian well. Now that he doesn't have water, everyone is in crisis mode.

Mayor Daniels stated that he spoke with Mr. Proctor, his water attorney, and someone else from the City quite a while ago. There was a different discussion about a solution at that time. It was suggested that they trench the road and tie them in from across the street. Engineer Lewis replied that that solution was not technically feasible. Mayor Daniels added that the water would be too low, there wouldn't be any pressure, and it would involve trenching all over Proctor Lane. Engineer Lewis explained that trenching and installing the pipe is the \$82,000 solution. Staff suggested putting the well in because it is less expensive and an all around better solution for Mr. Proctor. Administrator Darrington stated that if the City reaches an agreement with Mr. Proctor, he will sign documentation stating that he agrees to the solution and that there won't be any future litigation on the matter. The issue had been looming for some time and the City just wants to be done with it. Mayor Daniels agreed that reaching an agreement will help minimize risk although it is important to know how the decision was reached to abandon someone's ditch.

Superintendent Goodman stated that staff is currently getting bids from Ray on the project, the most current of which is around \$64,000. He suggested leaving the "not to exceed" amount at \$82,000, because the project definitely won't exceed that amount and Mr. Proctor might decide to go with the pipe over the well. Right now, however, staff had communicated to him that doing the well is in his best interest. Mayor Daniels asked Attorney Petersen if she had been involved in any kind of a lease or contract on the issue. Superintendent Goodman replied she hadn't been completely involved at this point. Staff talked to her about the issue and communicated that once they get a commitment from Mr. Proctor they will have Attorney Petersen draft a letter. The letter will state that the City is no longer liable and will outline the solution. Furthermore, Mr. Proctor will hire the well drilling company so that if later down the road something goes wrong, he will go directly to the company and not the City for a resolution.

Mayor Daniels asked if this is possible, and Attorney Petersen answered in the affirmative. It is possible to offer him a cash settlement and the City can state in a letter that by accepting the money, the City is satisfying their responsibility and are no longer liable. Council Member LeMone asked if the City can set the limit in the amount that they are willing to pay, and Attorney Petersen answered affirmatively. Superintendent Goodman explained that the City can make the offer, but can't set the limit, because Mr. Proctor may change his mind and want to do the pipe instead of the well. Council Member LeMone stressed that this is what needs to be avoided. Superintendent Goodman agreed.

Council Member Stanley inquired about why the project is coming out of the Storm Drain Fund rather than water. He commented that storm drain is doing well and staff agreed that the storm water is currently very high. Council Member Stanley wanted to make sure that it is carried out correctly from a procedural standpoint. Attorney Petersen remarked that it was noticed as a budget discussion. Director Lundell explained that the project is part of next year's budget, but due to special circumstance it makes sense to do it now. Administrator Darrington suggested bringing the item back in two weeks to take formal action at which time, all of the bids will be needed.

Mayor Daniels was uncomfortable with the fact that throughout this discussion, it has been implied that there are former City employees who are culpable for something. Secondly, it has been implied that this matter could lead to litigation, which is something that should be discussed during an Executive Session. Furthermore, to place a \$60,000 to \$80,000 budgetary decision on the Council when it is noticed as a discussion on budget and there isn't any background history on the issue, is inappropriate. The Council had not been prepared with the facts and the discussion was not being handled with the appropriate level of sensitivity.

Administrator Darrington agreed to notice the item again in two weeks and perhaps discuss it during an Executive Session. More info will be provided so the Council can be more comfortable. Mayor Daniels emphasized that the numbers need to be more firm and there needs to be guarantee that the problem will be resolved. Right now, information presented feels fluid.

With regard to the budget, Director Lundell noted that there is only one other project that needs to be discussed. There is a list in the Council folder and they have six weeks to review it in a public forum, prior to holding a public hearing to pass the budget. He then presented an Excel

spreadsheet detailing capital projects by funding source. Next, a pie chart was displayed detailing the Water Fund expense allocation. It was noted that 37% of the water budget is allocated towards debt service, 13% to personnel, 16% to operating expenses, 8% to the metro water lease, 6% power expense, 4% irrigation assessments, and 16% administrative fee.

It was reported that culinary water rates are based on 8,000 gallons of usage. The current base rate is \$23.40 and the proposed rate \$24.56, for a 5% increase. Operating funds available for capital spending is \$1,771,111, budgeted capital is \$1,114,982, reserve target is \$1,482,033, and projected cash balance is \$1,753,513. The number of days of expenditures in cash is 214. The debt service percentage is 2.05, net operations divided by depreciation is 1.42, and capital expenses divided by depreciation are 1.3. There were 0 positions added.

Director Lundell explained that with culinary water, the City is actually generating cash. Council Member LeMone asked why the rates are being increased if the City is meeting all of its goals. Director Lundell explained that the rates are being increased because the City hasn't funded capital projects for years. This is an attempt to get the City in line with the five-year Master Plan. He noted that the rates, percentage increase, operating funds for capital projects, and budgeted capital numbers are specific to culinary water. The reserve target, projected cash balance, number of days of expenditures in cash, debt service reserve percentage, net operations/depreciation, and capital expenses/ depreciation all apply to secondary water as well.

The secondary water rates were presented. The current base rate is \$28.58, and the proposed rate is \$29.72, which is an increase of 4.0%. Operating funds for capital projects was \$201,499. Budgeted capital was \$683,500. Director Lundell pointed out that the debt service is significant. The Sewer Fund expense allocation was presented with 66% going toward TSSD, 14% to personnel, 2% debt service, 14% admin fee, and 4% operating expenses. Sewer rates are based on 8,000 gallons. The current base rate is \$42.46, and the proposed new rate is \$41.86, with a percentage decrease of 1.4%. Operating funds available for capital spending were \$631,284, budgeted capital was \$689,681, reserve target \$1,965,446, and projected cash balance was \$2,352,566. The number of days of expenditures in cash was 218 and no funds for the debt service reserve. Net operations divided by depreciation were 2.22, and 0 positions were added.

Director Lundell presented the overall rate comparison for 2015 and 2016. He noted that the drought surcharge will be cut in half next year. Director Lundell then spoke briefly about the Blue Energy Project and explained that staff is looking at ways to reduce those project expenses. He returned to the culinary water budget summary and noted that in the budgeted capital number, an additional \$200,000 is included for the Blue Energy Project. There is a net \$330,000 in the budget for this year, which is higher than anticipated, however, the money budgeted will generate power, put together a new building, and provide a better facility. Mayor Daniels asked if this is the rationale for paying for the Blue Energy Project through the Culinary Water Fund. Director Lundell answered in the affirmative. Also, the culinary water will be the beneficiary of the power. The original estimates of cost savings were about \$35,000 in power savings.

The budget summaries were reviewed further. Mayor Daniels asked for explanations for each of the rate increases. Director Lundell explained that many of the rate increases are attributed to recovering operations and recovering debt service. In looking at sewer, the City is fairly up-to-

date, and doing a certain amount of sewer relining every year, along with other projects. The sewer currently has a healthy fund balance. The original plan was not to raise the sewer; however, the City received word from TSSD that they were raising their rates, which is a significant portion of the sewer budget and, therefore, causes the City to raise their rates as well.

Director Lundell stated that the fund balance ended up being slightly higher at the end of the year than he had forecasted. Therefore, the rate for the upcoming year doesn't need to be increased. In fact, it can be reduced and all the goals can still be met. As far as the culinary and secondary funds, they are being increased in an effort by the City to get caught up. The five-year Master Plans have been established to replace infrastructure and the City isn't taking action on those projects. The needs should be balanced with the idea that rates aren't being increased any more than necessary.

Mayor Daniels asked if this also anticipates retirement of the outstanding bonds and whether projects moving forward will be paid for from the higher rates. In other words, whether the City will be able to pay for future projects with cash rather than through bonding. Director Lundell answered affirmatively and noting that these factors have been calculated into the higher rates.

Administrator Darrington explained that the philosophy staff was trying to accomplish was to address capital projects today as opposed to not increasing rates and letting them stack up. This is usually how projects end up leading to bonding. If the City abides by the "pay as you go" philosophy, rather than waiting until the need arises, they can avoid borrowing millions of dollars to repair the infrastructure. Mayor Daniels' impression was that this is what the public has requested. He wanted to verify that the City is achieving this objective. Administrator Darrington replied that this is occurring through slight rate increases each year. Mayor Daniels emphasized the importance of communicating this progress to the public. There was continued deliberation of previously made points.

Council Member LeMone asked if the City is over some of the thresholds for the amount of funds in reserve whether some of that money be applied toward capital projects. Staff answered in the affirmative and explained that the City does not need money to build up a reserve because the reserves are doing well. The rate increases will help Pleasant Grove stay current and on schedule. Administrator Darrington explained that it is difficult to identify which specific projects won't require bonding in the future as a result of the savings.

There was further discussion as to why the City can afford to reduce the sewer rates. Engineer Lewis commented that it might not make sense to reduce revenue when there are so many projects underway. Staff proposed a plan last year and they now have more money in the bank than they started with. Therefore, the City is overcharging and is the reason the rate is being reduced.

Director Lundell explained that the City needs to move the Blue Energy Project forward. Mayor Daniels replied that he thought the Council had approved everything requested of the Council so far. Director Lundell noted that everything is approved, and from the 2016 budget \$200,000 was allocated to this project. Further action won't be taken until June. The \$200,000 will come from capital projects, and won't affect rates. Director Lundell presented a document detailing General

Fund sources and uses. The document was presented in February and the only change made since then was an accounting of savings from a vacated administrative position that was not listed previously.

Administrator Darrington mentioned a discussion from a few weeks ago, with regard to a shuffle in employee responsibilities. One City employee will be picking up more Human Resources responsibilities for the City. Responsibilities of the person who left included utility billing and entering payments and other customer service. On the utility billing portion, some organizations hire a company called Lockbox, where someone comes in and picks up payments and processes them for the City. By contracting out this service, the City would save several thousand dollars. Initially, the proposal was to hire a part-time person to fill this full-time position with utility billing and customer service; however, the City is now considering hiring Lockbox for a lower cost.

Other personnel issues arise with regard to coverage over the holidays and lunches. If the current proposal is passed, the issues should be addressed. The City Treasurer will move offices out into the general population area where she will be able to help with customer service more readily than what she currently does now. If it becomes a serious issue, the City can consider a temp service, so that they are only paying for it when they need it.

Mayor Daniels pointed out that if the City goes through a temp agency, they will constantly be in training mode. Administrator Darrington replied that staff has talked about having a position that they would consider on-call customer service. They could hire someone from the community who would be willing to cover with a week's notice when employees go on vacation. The backup plan was to hire a temp agency to cover lunches. However, ideally lunches will be scheduled so that there is at least one full-time staff working.

The duties for the Assistant to the City Administrator will also require that they take on additional Human Resources responsibilities. The changes would require pulling the Assistant to the City Administrator out of the Chamber of Commerce. As a result, staff would need to decide how to fill that role. All of the proposed changes will equate to approximately \$30,000 in savings.

Administrator Darrington replied that the busiest time is around the 20th of each month when bills are due. On a given day, the mail will come in and there is a stack of mail to sort. Lockbox would come in that day and go through it. Staff will still assist customers who come in to pay their bills. Council Member LeMone expressed the opinion that this matter should be discussed during Executive Session, because it relates to staff. Attorney Petersen clarified that if the Council is talking about the duties of a position, it should be done in an open meeting. If the discussion is about a specific person and their capabilities to fill those positions, it should be discussed during an Executive Session.

Administrator Darrington asked the Mayor and Council if they feel there are issues with what is proposed. Council Member Stanley was supportive of the concept of saving \$30,000. The job duties for the Human Resources Analyst and Assistant to City Administrator were then reviewed. Council Member Boyd requested additional justification for using the Lockbox service.

Administrator Darrington agreed to provide an overview of what they do and felt that what they provide is what is missing in Pleasant Grove City's functions.

Director Lundell presented a General Capital Projects list for 2016 and stated that there is money in surplus from the past year that can be used for the items on the list. It was also presented earlier in the year and has not changed much since the last time it was presented. The Library budget changed due to various donations that have been received. Last, the Capital Equipment list was presented and included six police vehicles, one bobtail (used for snowplowing), one used 10-wheeler, one computer service, police motorcycles, recreation center equipment, and desk top computers. Director Lundell pointed out that if the City could generate a little more money for capital projects for smaller items such as recreation center equipment and desktop computers, money won't need to be borrowed.

Council Member Meacham asked about what was listed as the estimated payment for the police vehicles and wanted to know if it was correct. Director Lundell agreed that there was a discrepancy that needed to be corrected. He also pointed out that those vehicles will not be paid off in three years. They are just paying them down to what the guaranteed resale value is, which is approximately \$7,500 per year. He reiterated that none of the equipment will be purchased until next year.

Council Member LeMone asked if the information is available on the City's website. Director Lundell replied that it is not but he would upload it immediately. Council Member LeMone asked if residents can obtain the staff reports through City Recorder, Kathy Kresser, which is the same way the Council Members retrieve them. Director Lundell replied that the only problem is that some information gets finalized the day of a meeting. Generally speaking, however, it is possible. Any resident can receive a council packet. Recorder Kresser noted the information listed under "staff reports" on the City's website. Attorney Petersen added that she wants to review the information before it is distributed to the public. In conclusion, everyone thanked Director Lundell. The next budget discussion was to take place on April 28. The first meeting in May the Council will adopt the tentative budget and the final budget will be adopted the third Tuesday in June. The final budget has to be adopted by June 22.

## **B) PUBLIC SAFETY BUILDING CITIZEN COMMITTEE APPLICATION.**

Administrator Darrington explained that the direction given to staff was to create an application for the Public Safety Building Committee. The application includes applicant contact info, as well as a brief historical overview on the public safety building proposals. Administrator Darrington then read the history and gave a general description of the committee and its purpose. There were then two questions for the applicant to answer. 1. *"Please explain your past involvement on the public safety building issue."* 2. *"Please explain why you want to serve on this committee."*

Administrator Darrington solicited feedback from the Council on the draft application and much of that feedback was grammatical. He stated that he had since made the corrections. Furthermore, the Council indicated that they would like him to include a place for applicants to provide their phone number and email. Three policy questions were also raised. They included:

1. Should there be mandatory attendance?
2. Should non-residents be allowed to participate?
3. Can someone nominate another person to participate?

Another Council Member also suggested two other questions to be included. They were:

1. "What *qualifications/attributes* can you bring to this committee?"
2. "Have you served on any city committees and if so which ones?"

Mayor Daniels asked the Council if they feel nominations are a good idea. Council Member LeMone was not in favor of them because there is no guarantee that a nominated individual will be able to make the commitment. Council Member Meacham agreed that a commitment from the person volunteering their time is needed. Council Member Boyd suggested that rather than nominating someone, they be invited to apply.

Mayor Daniels was supportive of having mandatory attendance. In the event that a member of the committee cannot attend, alternates will be appointed. Attendance is crucial for maintaining continuity. Council Member Meacham pointed out that these conditions apply to Council Members and Planning Commissioners. Therefore, it should also apply to the committee. Mayor Daniels explained that the assumption is that there will be a lot of interested people who will be up to speed on the issues surrounding the Public Safety Building. Council Member LeMone asked if people will be able to phone in or Skype to meetings if they can't physically be present. Mayor Daniels replied that this is a possibility, but pointed out that a lot is lost when this is done consistently.

Council Member Meacham was not in favor of allowing non-residents on the committee. There had previously been discussion regarding allowing non-residents to weigh in the matter, so as to include a neutral component. The Council continued to discuss the structure of the committee. Mayor Daniels felt that it would be important to hold everyone accountable. There are things that will challenge people from both sides to consider. Council Member Andersen agreed that it would be valuable to have a neutral voice at the committee meetings, however, it will be difficult to identify those people who can provide an honest declaration of neutrality. Council Member Meacham agreed that it is difficult to define the term "neutral". Council Member Boyd was supportive of finding neutral balance to the committee. Council Member Stanley stated that he hesitated at first with the idea, but it has grown on him. He agreed with Mayor Daniels that if neutral individuals can be identified, they will play a valuable role. The general consensus of Council was to find neutrality if possible, but eliminate the allowance of non-residents on the committee.

Mayor Daniels summarized the discussion. The qualifications and format as they have been outlined were deemed sufficient. Nominations of individuals will be removed and anyone who contacts the City with nominations will be asked to invite their nominees to apply directly. Mandatory attendance will be enforced. Council Member Andersen suggested coming up with a

meeting schedule so that prospective committee members understand the commitment. Administrator Darrington suggested forming the committee first and then let them set their own schedule. The timeline was discussed and Administrator Darrington agreed to have the application ready by mid-April to be published on the City's website. It will also be included in the May newsletter and posted on Facebook. A deadline of June 1 was set to have the committee up and running.

Council Member Stanley asked if City Council Members participate. Mayor Daniels answered in the affirmative but stated that Council Member participation should be limited to no more than two individuals. Legally, however, anyone can attend the meetings because they are public. Attorney Petersen suggested that Recorder Kresser notice the meetings as Special Meetings where a quorum of the City Council will be present to be safe. That way, a couple of Council Members can participate, and others can still be present for the discussion, without necessarily participating in the committee. Mayor Daniels agreed that this would be a good way to notice the meetings. Council Member Andersen did not feel the need to participate but would like to attend the meetings. Council Member Stanley mentioned that part of the original proposal was to allow some City Council Members to participate. He was of the opinion that it would be acceptable to have a couple of City Council Members participate, but it would be problematic if only one participated. This would have a disproportionate influence. Council Members LeMone, Boyd, and Meacham expressed an interest in attending the meetings but not participating on the committee.

Council Member LeMone suggested changing the language so that it doesn't state "open forum". This language indicates that everyone attending can speak and interact when in reality it will just be a committee. Mayor Daniels stated there will be designated times throughout the meeting for public input. Council Member Andersen commented that it will be similar to the retreat. There was discussion about whether to include the Chiefs. Mayor Daniels stated that it was up to the Chiefs as to whether they want to get involved. Perhaps not as a member of the committee, but there are requirements associated with what is needed to operate the different departments that must be considered as part of the solution. Their input was invaluable.

**ACTION:** Council Member Stanley moved that the Council continue the meeting past 11:00 p.m. Council Member Andersen seconded the motion. The motion passed with the unanimous consent of the Council.

Council Member LeMone stated that an outline for the committee is needed so that they know exactly what their objective is. Mayor Daniels remarked that the majority of citizens want to see solutions. However, the past two solutions have not explored all options. The job of the committee is to assure that all practical options are explored. Some won't take as much time to explore as others. The role of exploring all practical options to present to the Council for consideration needs to be clearly outlined in the application.

Council Member Andersen commented that she received emails from residents asking about the benefits of slowing down the process. Mayor Daniels replied that in meetings the Council has indicated an intention to move forward. Council Member Andersen asked about the benefits of hurrying. Council Member Stanley replied that he doesn't want to lose potential effectiveness of

the committee and lose the momentum that's been building up over the past two years, over addressing pressing needs and real risks and challenges. He was confident in the possibility that the public could create the foundation that has been lacking for some time and thought that a consensus could be reached fairly quickly. This committee could serve a vetting and investigative function and create compromise. With all of this combined, there could be another proposal on the ballot soon. Every delay adds to the costs and Council Member Stanley did not want to delay any longer. The reality was that each elected official made a commitment to address the need. As elected officials, they have a moral obligation to address the issues and find the most efficient way to get it done. Council Member Andersen expressed concern that the public might not be interested in approaching the issue again at this time. People are frustrated that the process has been drawn out for this long.

Mayor Daniels explained that the RFP process will help identify what risks exist for Pleasant Grove's first responders and what the options are for remedying the problem. When there is such a huge risk involved, elected officials have a responsibility to act prudently and expeditiously to identify if it is a fact. Based on that information, they can then assign a certain level of urgency and prioritize it. Mayor Daniels did not want to artificially delay or rush the process. He asked the Council if they should start forming the committee after hearing back about the RFP. Council Member Meacham replied that this action needs to be taken immediately by the City Council. Once the risk identified and addressed, direction becomes the responsibility of the committee. Mayor Daniels concluded that the City needs to be prepared to respond to the RFP with the appropriate level of urgency and be prepared with a committee that has a definition of their responsibilities.

12) **DISCUSSION ITEMS FOR THE APRIL 7, 2015 MEETING.** *\*Note: The meeting was cancelled.*

13) **NEIGHBORHOOD AND STAFF BUSINESS**

The next meeting was scheduled for April 14, 2015. Council Member Boyd indicated that she would not be able to attend. Mayor Daniels reported that he will be gone the next week and Council Member LeMone will act as Mayor Pro-Tem.

Engineer Lewis reported that he spoke to Marty Beaumont with regard to Pay Estimate #2. They didn't check the box that indicated that the City remitted payment, which is what caused the discrepancy with subsequent billings. The problem had since been resolved. Attorney Petersen announced that she would be attending the Utah League of Cities and Towns Conference the following week. Library and Arts Director, Sheri Britsch, stated that starting in two weeks, she will not be in the office on Wednesdays or Thursdays because she will be teaching Library Tech classes to Library Directors around the State.

Parks and Recreation Director, Deon Giles, reported that Harley Jacobs stopped by last week and offered a \$5,000 grant for the Senior Center. The money will be put to use for new furniture. It was noted that the grant program is an annual program. Assistant to the City Administrator, David Larson, announced that this Thursday is the monthly Chamber Luncheon. There will be business training for all types of businesses and it should be a great event. He also mentioned

that he will be gone next week for a conference in St. George. Mr. Larson informed those present that he attended a meeting earlier in the day with the Mountain Land Association of Government who is putting together an Economic Development Roundtable, which will be comprised of economic development personnel from around the County to start discussing larger issues.

Director Young reminded everyone that he sent an email to City Council and Planning Commission earlier in the day soliciting concerns/issues with accessory apartments. He asked that they provide him with the requested information. Also, some time ago a vacancy in the Planning Commission was identified. Director Young had only received one application and asked know if there were any other names or suggestions. Council Member LeMone requested that City Planner, Royce Davies, attend meetings when Director Young is unable to.

**14) MAYOR AND COUNCIL BUSINESS**

There was brief mention of the City games.

**15) SIGNING OF PLATS**

There were no plats signed.

**16) REVIEW CALENDAR**

There were no further calendar items to review.

**17) ADJOURN**

ACTION: Council Member LeMone moved to adjourn. Council Member Meacham seconded the motion. The motion passed with the unanimous consent of the Council.

The City Council Meeting adjourned at 11:15 p.m.

Minutes of March 31, 2015 were approved by the City Council on May 5, 2015.

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Kathy T. Kresser, City Recorder

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