

**Pleasant Grove City
City Council Meeting Minutes
Regular Session
December 4, 2018
6:00 p.m.**

Mayor: Guy L. Fugal

Council Members: Dianna Andersen
Eric Jensen
Cyd LeMone
Lynn Walker
Todd Williams

Staff Present: Scott Darrington, City Administrator
Denise Roy, Finance Director
Deon Giles, Parks and Recreation Director
Dave Thomas, Fire Chief
Mike Roberts, Police Chief
Kathy Kresser, City Recorder
Daniel Cardenas, Community Development Director
Marty Beaumont, Public Works Director
Tina Petersen, City Attorney
Sheri Britsch, Library and Arts Director
Kyler Ludwig, Assistant City Administrator

6:00 P.M. REGULAR CITY COUNCIL MEETING

1) CALL TO ORDER

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

2) PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Chief Roberts.

3) OPENING REMARKS

The opening remarks were given by Council Member Eric Jensen.

4) APPROVAL OF MEETING'S AGENDA

ACTION: Council Member LeMone moved to approve the agenda, changing the order of the meeting to discuss Items 9A and 10B simultaneously. Council Member Jensen seconded the motion. The motion carried with unanimous consent of the Council.

5) **OPEN SESSION**

Debbie Chavez expressed concern with a private drive that crosses the canal near the cul-de-sac at the end of 350 North. The dirt drive was meant to access three homes and if one of the homes changes their status, the lane would be closed off. One of the properties was currently being developed and the lane was being used by construction traffic. She asked if the neighborhood was planning on making it a permanent access. She noted that there was a paved access designated at the top of the subdivision.

Director Beaumont explained that staff worked with the developer regarding the private access. At this point, there were still two homes that need to access the drive, so it cannot be closed. The developer would not be promoting access through the private drive and there should not be any construction traffic using it. The lane will be marked as a private access for those two homes, but it could not be physically blocked off.

William Justice, a resident, asked about the purpose and function of the Historic Preservation Commission. Mayor Fugal explained that they work with the older homes in the historic part of the City and make sure that they are kept and recognized. Mr. Justice asked if the Commission was responsible for taking care of buildings that are falling apart. Mayor Fugal stated that upkeep will be the responsibility of the property owner.

Mr. Justice expressed his concern with the City's streets. He commented that the City had taken a lot of care to construct a fire station that can withstand an earthquake, however, that would be worthless if the roadways are too broken to support fire trucks. He suggested that the higher priority would be to bring the roads up to top condition. Mr. Justice then asked when the City plans to fix 300 East. Director Beaumont stated that the 300 East project is currently under design and they will begin construction in the spring.

There were no further public comments. Mayor Fugal closed the open session.

6) **CONSENT ITEMS**

- a. **City Council Minutes:
City Council Minutes for the November 13, 2018 Meeting.**
- b. **To Consider Approval of Payment Approval Reports for (November 14, 20, and 29, 2018).**

ACTION: Council Member LeMone moved to APPROVE the Consent Items. Council Member Andersen seconded the motion. The motion carried with unanimous consent of the Council.

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

- A) **APPOINT ERIC JENSEN AS CITY REPRESENTATIVE TO PLEASANT GROVE/LINDON CHAMBER OF COMMERCE BOARD.**

Mayor Fugal briefly described the appointment.

ACTION: Council Member Andersen moved that the City Council APPOINT Eric Jensen as the City representative to the Pleasant Grove/Lindon Chamber of Commerce Board. Council Member LeMone seconded the motion. The motion carried with unanimous consent of the Council.

8) PRESENTATIONS

There were no presentations.

The Council next discussed Item 10B.

9) PUBLIC HEARING ITEMS

- A) PUBLIC HEARING TO CONSIDER FOR ADOPTION AN ORDINANCE (2018-31) TO AMEND THE RECENTLY CREATED CITY CODE SECTION 10-14-26: THE GROVE MIXED-USE OVERLAY (GMU) BY ALTERING SECTION “10-14-26-3: DENSITY OF ALLOWED USES”. THE AMENDMENT WOULD ALTER THE MANDATORY RATIO OF RESIDENTIAL AND COMMERCIAL USES THAT IS CURRENTLY REQUIRED BY THE OVERLAY. (SAM WHITE’S LANE NEIGHBORHOOD) (LARRY MYLER, APPLICANT) *Presenter: Director Cardenas.***

NOTE: The public hearing was held in conjunction with the discussion of 10B.

ACTION: Council Member Jensen moved that the City Council ADOPT Ordinance 2018-31 to amend the recently created City Code Section 10-14-26: The Grove Mixed-Use Overlay (GMU) to altering Section “10-14-26-3: Density of Allowed Uses”. The amendment would alter the mandatory ratio of residential and commercial uses that is currently required by the overlay. Council Member Andersen seconded the motion. A public hearing was held. A voice vote was taken with Council Members Andersen, Jensen, LeMone, Walker, and Williams voting “Aye”. The motion carried unanimously.

10) ACTION ITEMS READY FOR VOTE

- A) TO CONSIDER FOR ADOPTION A RESOLUTION (2018-056) FINALIZING THE TERMS AND CONDITIONS OF THE ISSUANCE AND SALE BY THE ISSUER OF ITS WATER REVENUE BONDS, SERIES 2019 IN THE AGGREGATE PRINCIPAL AMOUNT OF \$2,300,000; AND RELATED MATTERS; AND PROVIDING FOR AN EFFECTIVE DATE. *Presenter: Administrator Darrington.***

Jonathan Ward, from Zions Bank Public Finance, reported that this is the last step in the process that involves the City Council. Approval of the proposed resolution would authorize Zions Bank to sell \$2.3 million in bonds to the State of Utah as the bond investor.

ACTION: Council Member Williams moved that the City Council ADOPT Resolution 2018-056 finalizing the terms and conditions of the Issuance and Sale by the issuer of its Water Revenue Bonds, Series 2019 in the aggregate principal amount of \$2,300,000; and related matters; and providing for an effective date. Council Member LeMone seconded the motion. A voice vote was taken with Council Members Andersen, Jensen, LeMone, Walker, and Williams voting “Aye”. The motion carried unanimously.

This item was discussed before 9A.

B) TO CONSIDER FOR ADOPTION A RESOLUTION (2018-057) AUTHORIZING THE MAYOR TO SIGN AN AMENDED DEVELOPMENT AGREEMENT WITH PLEASANT GROVE MIXED USE, LLC, (LARRY MYLER) REGARDING THE MIXED-USE DEVELOPMENT PROJECT LOCATED AT APPROXIMATELY 1437 WEST STATE STREET; AND PROVIDING FOR AN EFFECTIVE DATE.

Presenter: Administrator Darrington.

Administrator Darrington explained that a potential project was proposed by Larry Myler and Dave Runnells. A project called Copper Leaf was approved several years ago, but it was abandoned with the economic downturn. Initially, the property was in the Mixed Housing Subdistrict and the Commercial Sales Subdistrict. Years later, Mr. Runnells came before the City Council to propose a particular project that would have housing in the rear and retail and flex/office space in the front, and an overlay was approved for the property. The project would have 170 townhomes and 26,000 square feet of retail. A development agreement was entered into to ensure that the developer would deliver the retail on the frontage before completing the residential component.

Since the previous approval, the developer had contracted with Richmond American Homes to do the residential component of the development. They wished to develop 117 single family homes rather than 170 townhome units. In order for the single-family product to fit, they would need to change the percentages that are currently outlined in the development agreement. The current percentage for the development was 55% residential and 45% commercial, and they would like to change the percentages to 65% residential and 35% commercial. Within the 35% commercial, at least 60% has to be sales tax generating uses. The developer indicated that they would still be able to deliver 26,000 square feet of retail with the new percentages, even with the removal of the flex/office space. Administrator Darrington noted that there was potential for a hotel to come into the development, and the new development agreement addressed that. The developer would also be required to post a bond of \$192,000, which would be forfeited if they do not deliver 20,000 square feet of retail in two years.

There was a discussion regarding the two-year timeframe to deliver the retail component. Attorney Petersen confirmed that the clock would start when they pull permits for the residential component.

Council Member Williams remarked that it seemed like the developer wanted to make changes so that they could sell to Richmond. He was concerned that the City was losing their leverage to get retail into the development with the proposed changes.

Council Member Andersen asked if the property could yield 26,000 square feet of retail with a smaller percentage. Administrator Darrington stated that it would depend on the uses, parking requirements, and so forth. For that reason the developer wanted flexibility with the hotel. The details would be fleshed out during the site plan.

Council Member Williams asked the developer about their motivation for agreeing to the two-year bond.

The applicant, Larry Myler, stated that their interests are similar to the City's in developing tax revenue. He would not make a profit on this development until they develop the retail portion. He understood that the bond was a way for the City to ensure that the retail is done, and he was willing to do it.

Council Member Williams asked if they had any letters of intent for potential commercial uses. Mr. Myler stated that they have one restaurant lined up, and there was also some interest from an ice cream parlor and five other retail establishments. With regard to the hotel, if they do not find a developer, he intended to develop it himself. Mr. Myler presented a concept site plan to the City Council and noted that this was the plan they had been showing potential commercial businesses.

Council Member Williams worried that Mr. Myler would make enough money from the sale of the property that the \$192,000 won't matter, and he will wait out the timeline for the commercial. He did not want the City to lose the leverage that they have with the existing development agreement. Mr. Myler stated that they are heavily into this deal with the proposed development agreement. He assured the Council that they will not make any money until the retail is built. He felt that the new development agreement was more binding than the existing agreement.

Mayor Fugal opened the public hearing.

Debbie Chavez had concerns with density and traffic. She asked if there would be a traffic signal installed at the intersection. She also questioned whether there was a need for a hotel at this location.

Mayor Fugal confirmed the need for a hotel and stated that State Street will be redone in 2020 at which time there will be a traffic signal at the intersection. Council Member Andersen pointed out that this is one of the densest areas of the City with a lot of young, married families. When their parents come to visit, they need a hotel to stay at because the housing units are small.

William Justice expressed concern with overburdening the schools and parks with more development. He asked where the children will play, since the homes are on small lots.

Council Member Williams stated that there are three parks planned for the area.

Council Member Andersen reported that the City has a projected population map that shows the densest areas, and the School District is aware of them. The School District will address the impact on schools.

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

Community Development Director, Daniel Cardenas, presented a map that showed the square footage for the residential and commercial components of the proposed project.

Mayor Fugal commented that he did not mind losing the flex/office space, because he thought that would have been a dead area. He also was more in favor of having single family homes than townhomes. Overall, he considered this to be a better plan. Council Member Andersen agreed and was comfortable with the proposed bond and the two-year timeframe.

Council Member Williams wanted to put more teeth into the development agreement. He did not feel that \$192,000 was much for the \$7 million project. Administrator Darrington explained that the bond amount was calculated based on what the proposed retail could generate in tax revenue for the City over two years. The Council could choose to renegotiate the amount or timeframe, if desired.

ACTION: Council Member Andersen moved that the City Council ADOPT Resolution 2018-057 authorizing the Mayor to sign an Amended Development Agreement with Pleasant Grove Mixed-Use, LLC, (Larry Myler) regarding the mixed-use development project located at approximately 1437 West State Street; and providing for an effective date. Council Member Walker seconded the motion. A voice vote was taken with Council Members Andersen, Jensen, LeMone, Walker, and Williams voting “Aye”. The motion carried unanimously.

C) TO CONSIDER FOR ADOPTION AN ORDINANCE (2018-032) ENACTING TITLE 3 CHAPTER 3E “COMMUNITY, ARTS & RECREATION ENHANCEMENT TAX” ESTABLISHING A CULTURAL ARTS AND RECREATION ENHANCEMENT (CARE) TAX, SETTING AN EFFECTIVE DATE FOR THE TAX, AND AUTHORIZING THE MAYOR TO PROVIDE ANY NOTICES AND TO SIGN ANY DOCUMENTS REQUIRED TO IMPOSE THE TAX. *Presenter: Attorney Petersen.*

Attorney Petersen explained that the proposed ordinance was the next step in implementing the CARE Tax that was voted on as an opinion question during the November general election. It was necessary for the City to enact an entirely new section into the Code. She noted that the opinion question passed with 63.39% of the vote of the citizens. The tax would be in place for 10 years, and at the end of that timeframe the City Council would evaluate whether they want to go through the steps to readopt the tax. The ordinance would not spell out specific projects that the money would be used for, but it would restrict the funds to cultural arts and recreation activities, facilities, and organizations.

ACTION: Council Member LeMone moved that the City Council ADOPT Ordinance 2018-032 Enacting Title 3 Chapter 3E “Community, Arts & Recreation Enhancement Tax” establishing a Cultural Arts and Recreation Enhancement (CARE) Tax, setting an effective date for the tax, and authorizing the Mayor to provide any notices and to sign any documents required to impose the tax. Council Member Williams seconded the motion. A voice vote was taken with Council

Members Andersen, Jensen, LeMone, Walker, and Williams voting “Aye”. The motion carried unanimously.

Attorney Petersen noted that the tax would not take effect until April 1st.

- D) TO CONSIDER FOR ADOPTION A RESOLUTION (2018-058) AUTHORIZING THE MAYOR TO SIGN A NON-EXCLUSIVE DRAINAGE LICENSE AGREEMENT WITH PROVO RIVER WATER USERS ASSOCIATION (PRWUA) TO ALLOW PRWUA TO DRAIN/BLOW OFF WATER INTO THE PLEASANT GROVE CITY STORM DRAIN SYSTEM. *Presenter: Director Beaumont.***

Director Beaumont explained that the Pleasant Grove Irrigation Company had been working with Provo River Water Users Association (PRWUA) for the past several years on an agreement that would allow them to discharge water from the Pleasant Grove siphon into the City’s storm water system, which could handle the capacity better than the Mill Ditch that the water was currently going into.

ACTION: Council Member Jensen moved that the City Council ADOPT Resolution 2018-058 authorizing the Mayor to sign a Non-Exclusive Drainage License Agreement with Provo River Water Users Association (PRWUA) to allow PRWUA to drain/blow off water into the Pleasant Grove City storm drain system. Council Member Walker seconded the motion. A voice vote was taken with Council Members Andersen, Jensen, LeMone, Walker, and Williams voting “Aye”. The motion carried unanimously.

- E) TO CONSIDER TERMINATING TRENT BOWEN’S CONTRACT FOR WEBSITE DESIGN AND MAINTENANCE. *Presenter: Administrator Darrington.***

Administrator Darrington explained that the City Council has a contract with an individual who provides website services and maintenance for the City, but they were working with a new individual to provide those services beginning January 1. The individual had been notified that his services would be terminated.

ACTION: Council Member Andersen moved that the City Council consider TERMINATING Trent Bowen’s contract for website design and maintenance. Council Member LeMone seconded the motion. The motion carried with the unanimous consent of the Council.

- F) TO CONSIDER FOR ADOPTION AN ORDINANCE (2018-33) SETTING THE TIME AND PLACE OF THE REGULAR MEETINGS OF THE CITY COUNCIL, BOARDS, COMMISSIONS AND COMMITTEE MEETINGS OF PLEASANT GROVE CITY FOR THE YEAR 2019 AND PROVIDING FOR AN EFFECTIVE DATE. *Presenter: Attorney Petersen.***

Attorney Petersen explained that the proposed resolution is required by State Law, to provide notices and consistency to the public regarding the various meetings that the City organizations hold throughout the year.

ACTION: Council Member Williams moved to ADOPT Ordinance 2018-33 setting the time and place of the regular meetings of the City Council, Boards, Commissions, and Committee meetings of Pleasant Grove City for the year 2019 and providing for an effective date. Council Member Andersen seconded the motion. A voice vote was taken with Council Members Andersen, Jensen, LeMone, Walker, and Williams voting “Aye”. The motion carried unanimously.

11) ITEMS FOR DISCUSSION

A) Continued Items from the Work Session if needed.

12) REVIEW AND DISCUSSION ON THE DECEMBER 11, 2018 CITY COUNCIL MEETING AGENDA

The aforementioned meeting agenda was briefly discussed.

Council Member LeMone requested that staff follow up with the individual who made a presentation regarding affordable housing about one month ago. He suggested that he could provide assistance in certain areas of affordable housing in the community. Administrator Darrington agreed to contact the individual.

13) MAYOR AND COUNCIL BUSINESS

Library Director, Sheri Britsch, reported that Mrs. Claus would be coming to the Library the following day. The Library Foundation had begun doing a Library Sponsor of the Month program that highlights companies that donate a certain amount of money to the Library.

Fire Chief Thomas reported that a crew was sent to California at the beginning of November and they were there for about one week before being released. With regard to fire station, Chief Thomas stated that some of the larger equipment was being moved to the building so that the tradesman could begin wiring and plumbing the equipment.

Parks and Recreation Director, Deon Giles, reported that they had their 14th Annual Turkey Shoot, with 247 participants and 291 food items donated.

Mayor Fugal addressed Director Beaumont and stated that he was unhappy with the state of the new pavement on 100 East. Director Beaumont agreed and stated that staff was not impressed either. They would speak with the contractor and have the matter addressed. There was discussion regarding plowing and maintenance of 100 East and whether there are maintenance funds available from the County.

Council Member Williams commended staff for plowing the City’s roads so quickly and efficiently.

Director Beaumont briefly reported on the Volkswagen settlement.

Council Member Andersen asked that the event with Charles Schultz's granddaughter be published.

Council Member LeMone asked about the security cameras for the Library. Kyler Ludwig reported that he would be giving bids to Administrator Darrington because they would be doing the cameras in-house. They would have IT review the camera setup and get input from the Police Department. Administrator Darrington stated that the Library will monitor the cameras and they will only be installed downstairs at this time.

Council Member LeMone reported that Howard Carpenter approached her after the Veteran's Day ceremony and asked how he could get his name on the wall. She informed him that it requires a donation of \$100, but he did not have the money to do that. She told Mr. Carpenter that the City would cover the cost for him, and she felt this was something the City should do for all of their veterans. Administrator Darrington stated that the issue could be discussed during the budget meeting in February. Council Member Jensen agreed with Council Member LeMone's suggestion.

14) SIGNING OF PLATS

The Wood Gate Plat A was signed.

15) REVIEW CALENDAR

16) ADJOURN

Council Member Jensen moved to adjourn the meeting at 8:20 p.m. Council Member LeMone seconded the motion. The motion carried with unanimous consent of the Council.

The City Council Minutes of December 4, 2018 were approved by the City Council on January 8, 2019.

Kathy T. Kresser, City Recorder, MMC

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