

FARMINGTON CITY COUNCIL MEETING

June 16, 2015

WORK SESSION

Present: Mayor Jim Talbot, Council Members Doug Anderson, John Bilton, Brigham Mellor, Cory Ritz and Jim Young, City Manager Dave Millheim, Assistant City Manager Keith Johnson, Associate City Planner Eric Anderson, Parks and Recreation Director Neil Miller, Parks and Recreation Superintendent Colby Thackeray Pool Manager Sylvia Clark, Assistant Street Superintendent of Public Works Cory Brazell, Fire Chief Guido Smith, City Recorder Holly Gadd and Recording Secretary Melanie Monson.

The invocation was given by Council member **John Bilton**.

Approval to Accept Bids for 650 West (Gym and Park)

Neil Miller said that after the bond was passed, the team tackled the priority list in order to keep within the \$10 million budget. **Dave Anderson** from Hogan & Associates Construction thanked everyone from the City who assisted during the planning process for the gym and park. He said there is some disappointment that they couldn't provide more finished real estate within the budget. However he is pleased with the quality of the product they will provide with the gym and park which the City will enjoy once it is finished. He said the original estimate for the park and gym completion was \$14.5 million. He said that Keith Johnson raised some money and was able to get the budget up to \$10 million. They reduced the amount of fill needed, from 90,000 yards to 30,000 yards, by adjusting the grading for the building. They kept the 3 full basketball courts in the gym to support the programs and usage desired by the community. The gym, the parking lot, all the utilities, the infrastructure to accommodate the full build out, the road improvements on the West side of 650 West, and 2 baseball fields, will all be completed with the \$10 million budget. He stated that he is pleased with the subcontractors and their bids. City employees will take care of the labor for the landscaping and provide the tools. When it came down to lowering the cost, they had to choose between quality of materials or decreasing the scope of the project. They decided to decrease the scope in order to stay within the budget. The storm drainage system will be built to accommodate the full build out of the park.

John Bilton asked about the gap of 60,000 yards in fill, and **Dave Anderson** said they redesigned the slopes and recalculated the grading for the site, which dropped the level of the entire building. The drainage to the ditch was just low enough to be able to do that. He confirmed that every part of the property will drain. **Cory Ritz** asked if the drainage will accommodate the drains from the east side of the property, which **Dave Anderson** confirmed. He also said there is another collecting, by some of the neighbor's houses. All the drains are included in the base price. **Dave Millheim** said the city completed a lot of research during the design process to see where the City's historic drainage comes from.

Cory Ritz said when the Council first discussed the idea of a gym, they had a \$4-5 million budget in mind, and he wondered how it increased to \$7 million. **Mayor Talbot** said that the \$4-5 million was simply a guesstimate, they had no idea how outdated that figure was.

He said the City is closer to reality with Keith's fundraising help. **Neil Miller** pointed out that the original budget guesstimate was for a smaller building.

Dave Millheim asked for rundown on the architecture. **Brent Tippets** with VCBO said there have been 8% escalations since the original budget amounts were established, and that they are expecting another 5% this year. They were hoping for \$100 per finished square foot, but it ended up at \$155 per finished square foot. He referred to a design rendering and pointed out that the dark area in that picture will be fully built out, but that the other areas will be built later, by the City, at a lower rate. **Doug Anderson** asked if there will be any parking on the street, and expressed concern for the neighbors. **Brent Tippets** said there will be more than adequate parking available in the parking lot. **Dave Millheim** said there will be parking allowed on the street, unless the City enforces otherwise. **John Bilton** asked if the fill and grading will be put in for the remaining, unfinished areas of the park. **Brent Tippets** answered that neither the fill nor the grading will be put in, but the drainage will be. He described the details of what would be included in the gym: 3 full basketball courts, with volleyball and pickle ball lines, bleachers (both fixed and collapsible), score boards, office/staff space, and large bathrooms (which were reduced from the original calculated amount required by code). On the second level, there will be a suspended track going around the entire gym. The façade will be aesthetically pleasing with lots of windows and stone, as well as anti-glare translucent panels. There will also be accordion partitions to allow for three separate activity areas.

John Bilton asked how much it would cost to build out the rest of the park. **Dave Millheim** answered that it would cost an additional \$5 million if the City began now; but that it would obviously cost more in the future. **Brigham Mellor** asked if there is an estimate for ongoing maintenance costs. **Dave Millheim** said that there is not. He wanted to address the issue of how quickly the rest of the park can be completed. He said the park impact fee has to be amended, and that all future costs, to the extent the law allows for a cost of service increase, will be rolled into the future impact fee. If the Council asks the City to complete the project with City employees, it may cost less, but it may take 4-5 years. **Mayor Talbot** said he appreciates Keith's conservatism, and the great lengths he has gone to in order to stretch the budget. The full impact of Cabela's, the hotel, Vista, Mercedes-Benz, and other businesses is unknown. The City could earmark some of its new revenue to finish the park. **Keith Johnson** said that is also why they recommended leaving the General fund balance higher. **Mayor Talbot** said seeing the building going up may incentivize some donors and patrons to help fund the remainder of the park. **Keith Johnson** also said that perhaps in January or February the City can bond against the impact fees for additional money to finish the park. **Dave Millheim** said when the Council conducted the last park impact study, including the acquisition of fill dirt, etc, the impact fee to be assessed was about \$4000, which the City decided to discount by 40%. Since that time, the General fund has been "eating" the subsidy. There may be pressure from the building community to do that again. The last impact fee was only for acquisition dollars, not for development dollars. **Mayor Talbot** said the action tonight will be whether or not to accept the lowest bid proposals.

Purchase of Brush Truck for the Fire Department

Dave Millheim gave compliments to Fire Chief Smith for potentially finding a good deal on a brush truck. The Council has been presented with the amended 2015 budget, and will be adopting the new budget for the next fiscal year. In the 2016 budget, \$100k was set aside for a brush truck. The one the City retired was 20+ years old. In a misunderstanding, Chief

Smith thought the budget was only \$70k. He found a good used brush truck in Tennessee. It looks like it will do what the City needs it to do. As Keith closed out the budget, he realized the City would need to purchase it this fiscal year in order to get it. Those numbers are included in the amended budget for the current fiscal year. He wanted to make sure this budget item wasn't snuck through, and wanted to make the Council fully aware of the intended purchase. **Chief Smith** said he came across this brush truck after looking at between 60-75 pieces of used equipment. This brush truck was purchased new, has a 300 gallon tank, and hasn't been off road. It is in good shape. The price has been negotiated to allow for adding on a brush guard, etc. and still come in under \$70k. The Chief and two others would fly to Tennessee to check it out in person and then drive it back. The purpose of this vehicle is to serve within the City of Farmington. **Mayor Talbot** thanked Chief Smith for his efforts to find this truck. **Dave Millheim** said they are recommending that the Council approve the amended budget as it is written. **Keith Johnson** said they would be paying cash for the truck versus a lease.

REGULAR SESSION

Present: Mayor Jim Talbot, Council Members Doug Anderson, John Bilton, Brigham Mellor, Cory Ritz and Jim Young, City Manager Dave Millheim, Assistant City Manager Keith Johnson, City Development Director David Petersen, Associate City Planner Eric Anderson, City Recorder Holly Gadd and Recording Secretary Melanie Monson.

CALL TO ORDER:

Roll Call (Opening Comments/Invocation/Pledge of Allegiance)

The invocation was offered by Councilmember **Jim Young** and the Pledge of Allegiance was led by **Hunter Lowe**, from Boy Scout Troop 1238.

PUBLIC HEARINGS:

Consideration of the Redevelopment Agency Budget for fiscal year ending June 30, 2016, and for amending the Redevelopment Agency Budget for fiscal year ending June 30, 2015

Motion:

John Bilton made a motion to temporarily adjourn the City Council meeting, which was unanimously approved.

Cory Ritz made a motion to open the RDA meeting.

Doug Anderson seconded the motion, which was unanimously approved.

Keith Johnson said there are two active RDA's in city- one is for US 89, the old Kmart site, which is winding down; the second is a newer RDA for Station Park, which is in its 3rd year. The US 89 RDA has about \$1.2 million, which needs to go toward housing. The City needs to decide specifically what to do with it. The City anticipates having the Station Park RDA paid off in the next few years, which will be done in less than half the anticipated time. **Brigham Mellor** asked if the City will continue to collect the tax increment when it is paid off. **Keith Johnson** responded that the City will not; once it is paid off the money goes to all the agencies (the County, the City, the School Districts, etc). **Dave Millheim** said they have estimated that the RDA will last less than half of the 20 year life cycle. The City will be able to nail that figure down, and the rate will stabilize, after Station Park builds out. He recommend not allocating any funds until there is some certainty when the City will receive those funds. Once the actual amount can be determined the City can build it into future budgets.

Mayor Jim Talbot opened the public hearing at 7:17 p.m.

David Stringfellow, 2068 Sharpshooter Court, Farmington, Utah. In June 2014 the State Auditor released an audit alert on the proper accounting for RDA's. He asked if the City is booking the RDA money as sales tax, or as property tax and then transferring money from the City to the RDA? **Keith Johnson** answered that the City's auditors spoke with State auditors, and verified that the City does not have to do it that way. He said since the City's RDA is blended with the City, the RDA property tax goes directly into the RDA. **Mayor Talbot** asked if it has been verified, which **Keith Johnson** confirmed that it has.

Mayor Jim Talbot closed the public hearing at 7:19 p.m.

Motion:

John Bilton made a motion that the Governing Board of the Redevelopment Agency of Farmington City approve the resolution amending the budgets for fiscal year 2015, and adopts the RDA US89 and Station Park project area budgets for fiscal year ending June 30, 2016.

Brigham Mellor seconded the motion which was unanimously approved.

Jim Young made a motion to adjourn the RDA meeting.

Cory Ritz seconded the motion, which was unanimously approved.

Brigham Mellor made a motion to reconvene the City Council meeting.

Doug Anderson seconded the motion, which was unanimously approved.

Resolution to Increase Monthly Sewer Rates

Keith Johnson said the City handles the billing, and passes the money along to the Sewer District. The Sewer District sets the rates, and the City charges slightly above that rate to cover the costs of collection. The Sewer District plans to increase rates by \$2 per month for residential customers, and \$3 per month for commercial customers. Customers would see the change beginning on their August bills. The budget reflects this rate change. Every time utility rates are increased, City attorneys say the City needs to hold a public hearing.

Jill Houston, 4222 Brown’s Canyon Road, Oakley, Utah. She came to answer any questions about the rate increase. She said the rate increase will cover the growing costs of the Sewer District. She had provided a detailed packet of information, and there were no additional questions. She thanked the City Council for their cooperation with the Sewer District.

Mayor Jim Talbot opened the public hearing at 7:25 p.m.

Mayor Jim Talbot closed the public hearing at 7:25 p.m.

Motion:

Cory Ritz made a motion that the City Council approve the resolution to increase monthly sewer rates for all customers in the City by \$2 for residential and \$3 for commercial.

Doug Anderson seconded the motion which was unanimously approved.

Amend FY 2015 Budget and Adopt FY 2016 Budget

Mayor Talbot said the Council has been through a lengthy process of meetings to go through the proposed budget. He said that Keith Johnson provided a detailed explanation of what is in the proposed budget and appreciated Keith’s and the staff’s thoroughness.

Keith Johnson said a lot of information is included in the packets and that the budget has already been discussed at length. He said that the focus of his presentation is on the General fund, where property taxes and sales taxes are deposited, and where Public Services, Roads, and Parks & Recreation are paid from. The amended general fund balance proposal is \$1.561 million; this is about 18% of the City’s revenues, which is close to the City’s goal of 20%. This amount includes the purchase of a brush truck, and \$120k for the West Davis Corridor legal cost transfer. In the amended budget, revenues were corrected to reflect higher

than expected building permits, etc. The fund balance for fiscal year 2016 will be \$1.484 million, which is 17.5% of the general fund. Some of that money is being used for additional personnel. Sales tax continues to grow, and is about 14% higher than last year. This is the highest percentage growth in the state. Expenditures are higher this year by about \$350k. Construction on the gym and park are anticipated. The City completed the expansion of the Public Works building this year with no debt. The City also purchased a ladder truck, and only had to lease half of the amount. The amended budget for this year includes \$350k in additional sales tax, and also the higher quantity of building permits and development fees. The City ended up only taking \$26k from the general fund, instead of the \$330k budgeted.

He said that for the 2016 budget, there is no property tax increase. Due to the bond that was passed last November, there will be a property tax increase but it will be tied to the bond. The RAP tax was also passed. The City will hire 5 new employees as the City is growing, and will be increasing the hourly wages for part time firemen. Overall expenditures will be increasing by about 8%. There will be some new equipment to purchase. There is a lot of work to be done on the Water Fund. Benefits for employees will increase by 3.5%. The sewer rate increase was discussed earlier. The general fund proposal is currently \$9.1 million. **Keith** said they have been conservative on the City's revenues, and realistic on expenditures. Revenues and expenditures follow a general trend and continue to grow. The State sent information on property tax, including their calculations, and proposed tax rates for the General fund and bonds. The general tax rate is the same as last year, and he called the County and State to verify there was no change. They said it just worked out that some of the City's assessed values went down, and with the City's growth, it ended up staying the same. The rate for Farmington City is 0.002226, which is what will be voted on at this meeting. **Mayor Talbot** clarified that the motion needs to include the Auditor Certified tax rate. **Keith** said yes, it is specified in the packet. He also said that sales tax is increasing. In 2010 1% of total direct sales were just over \$1 million, in 2014 it is about \$2.6 million, which is what Station Park is doing for the City. The City hasn't had to raise prop taxes since 2003; growth in property taxes is mainly due to the growth of the City. **Dave Millheim** wanted to clarify that Station Park is not the City's only source of sales tax; other businesses such as Lagoon and Smiths are contributors as well. He thinks the growth projection is conservative, and thinks the City Council will be pleasantly surprised next year by the sales tax equation.

Keith Johnson said department heads are holding their expenses down. Sales tax is over 40% of the General fund revenue, and property tax is 20%. The total of all taxes makes up almost 80% of the City's revenue. Two large expenditure items are Police and Fire, which are over 1/3 of the budget in the General fund. After that, it is streets and parks, etc. Since 2008, Property tax per capita has stayed fairly flat. Total tax per capita has grown, which is mainly from sales tax.

Mayor Talbot thanked Keith for his detailed explanation. He pointed out that the City is fortunate for the partnerships and growth it has. The City has partnered with Lagoon for over 100 years, and now is partnering with Station Park and other developments. Other cities have to rely on property taxes if they don't have a commercial base. He thanked Keith for making sure the City is compliant with everything it does financially.

Mayor Jim Talbot opened the public hearing at 7:51 p.m.

David Stringfellow, 2068 Sharpshooter Court, Farmington, Utah. He asked for clarification if the \$120k spent for West Davis Corridor is in addition to the \$300k total. **Mayor Talbot** said

the \$300k is the total of what the City has spent on behalf of the citizens in legal fees, special studies, etc. to find and report discrepancies to UDOT. **David** asked if any of that money was used to buy land, and **Mayor Talbot** said it was not. **David** commented on the sales tax line moving up rapidly, from sales at Station Park and Lagoon, and said the way sales tax is distributed to cities in Utah is 50% point of sale, 50% population growth. There has been a lot more sales tax due to population growth. He said there is a stabilizing factor due to population growth. If there is another recession, it won't come crashing down, but will be moderated. He asked about going from \$6 million of long term bond to \$12 million. He said he worries that the bond was really tight, and thinks it was because the City didn't do enough outreach and waited until right before the vote to do so. He worries that when the City opens the doors of the gym and sees that half the amenities are not finished, residents will wonder why the City didn't increase the bond to finish it all at once.

Brigham Mellor said the City can't go out and promote and advocate on behalf of a bond. **David Stringfellow** clarified that his question related to selling the project, not so much the bond. He doesn't remember any discussion about the bond until 2 weeks before the election. **Mayor Talbot** said there were grassroots groups out promoting the bond months before the vote took place. David asked about a vote that took place last year to increase the bond by \$6 million. **Mayor Talbot** said the City was increasing an existing bond from \$3 million to \$6 million, not adding \$6 million to it. **David** said he doesn't remember anyone talking about the bond until it was over. **Mayor Talbot** said he thinks Parks & Recreation and grassroots groups did an admirable job. **Doug Anderson** added that at the football and baseball fields, the bond was discussed frequently. He said he attended grassroots meetings and thought the groups did a good job of advertising. **Brigham Mellor** said he also thinks they underestimated the opposition to the bond. **Mayor Talbot** said the City learned a lot from the process and that even he was surprised by how close the vote was.

Mayor Jim Talbot closed the public hearing at 7:58 p.m.

Motion:

Jim Young made a motion that the City Council adopt the enclosed resolution which amends the budget for fiscal year 2015, adopts the 2016 budget with the compensation schedule and the certified property tax rate of 0.002226 for fiscal year ending June 30, 2016.

John Bilton seconded the motion which was unanimously approved.

Approval to Accept Bids for 650 West (Gym and Park)

Dave Millheim suggested that he give a brief presentation on this agenda item since it was already discussed in detail during the work session. He said the action item before the City Council is to approve a group of bids for the gym and park that add up to about \$10 million. The proposed bids will not complete the full project, which is estimated to cost around \$15 million, and he is aware that the Council is dissatisfied with how far the \$10

million budget is going. The budget and bidding process has been arduous, and came down to a decision of quality over quantity. The dark area on the picture in the packets is what will be finished with \$10 million. If the Council approves the item, the City would authorize Hogan Construction to award the bids and to proceed with the plan.

Mayor Talbot said the architect for the project is VCBO, and Hogan Construction is the company that was awarded oversight of the bidding process. He said he appreciates both firms for their involvement thus far and reiterated that it has been a frustrating process. He turned it over to the Council for discussion.

John Bilton said this has been a long term project for the City, before some members of this Council were involved. The City is in an enviable, interesting position, due to the tough decisions previous Councils made regarding economic development. The City has been run prudently, department heads have been consistent, with long term employees, and government growth itself has been controlled. He said it may take the City a few years to finish the project. The 40 acre site has required sacrifice, but he thinks it is a good acquisition. It will likely be the largest amount spent by the City in its history. He said he believes the gym will be a legacy. He said he is in favor of this phase of the buildout. He said the City is doing what we can do today. He visited the gym in South Weber and they said it cost them about \$5 million several years ago, but the costs have obviously has changed. Parks of this size are important as a gathering place in the community. He said he is an advocate for this project. It is more than a very expensive gym, it is 40 acres of land that are being prepared for significant use, particularly with the significant growth on the west side of Farmington. The City has many assets, and there may be other ways to help fund the project, that won't require going to the taxpayers for it. The City is not even scratching its debt to equity capacity. He thinks the City can finish the project in 3-5 years.

Doug Anderson said he is an advocate for this project as well, and wants to move forward on it. He said the residents deserve to see evidence of the project commencing. He expressed concern that residents will wonder if they got their dollars' worth, and thinks the City should put together a plan to complete the park in a timely manner. He is pleased that City is not sacrificing on quality.

Jim Young said it looks like a significant amount of earth work that will benefit the baseball fields is included in the current budget, and suspects that may be true in other areas as well. **Cory Ritz** said he disagrees with Jim. Based on what was said during the work session, there is not any significant earth work being done with the current budget to benefit the rest of the park. **Dave Petersen** confirmed that all the City is getting for the \$10 million is the gym, the parking lot, and road improvements. The City is not getting ball fields or anything else for the rest of the park. **Cory Ritz** said he is upset that the pitch to the public for the bond included 2 ball fields instead of 4, but now there are none being included. He said the emphasis was on fields for sports use, but now those things will not be available until a much further future date. Some people think that this gym will cover the City's current needs, but he wonders about other needs that are being left unmet. He said he would prefer to do a rebid with the expectation that bids will come in lower while still expecting high quality.

Brigham Mellor said he has been in similar discussions about the construction of similar buildings in Salt Lake County, and feels like what the City asked for in the gym is what we are getting. The need for the fields doesn't exist right now because the City still has existing fields, which won't go away for another year or two. How the City pays for finishing the park remains to be seen and needs to be decided. The City promised to deliver on certain things, but the City doesn't control the cost. **Cory Ritz** said we have a functional basketball program, but not functioning soccer or baseball programs. The urgency of the soccer fields

was part of what the City was sold on. **Brigham Mellor** said there is dysfunction with the baseball program and that generally it is a declining sport. He does not share the view that baseball is the primary need, but believes that basketball is.

Mayor Talbot said that this has been a difficult project. As the Mayor, a former City Councilman, as the former Planning Commissioner, and resident, he sees the need for something to accommodate the City's growing need for programs. He is in favor of the project. The goal would be for the Council to adopt it so the project can get started. He thinks the City will be able to complete the park aspect with future available funds. He said he commends the City's Financial Officer and City Manager to not get into debt. He said he feels badly that the bids came in higher. He said he looks forward to the start and completion of the facility, and thinks it will be something the City will be proud of.

Jim Young said all Council members feel some disappointment with how the bids came back and intuitively feels like a rebid would cost more if interest rates go up, especially since the City went to considerable expense to obtain these bids. **Dave Millheim** confirmed that the City invested a considerable amount in obtaining the current bids.

Motion:

John Bilton made a motion that the City Council approve the acceptance of the lowest presented bids, procured by Hogan Construction.

Brigham Mellor seconded the motion which passed by a margin of 4-1.

Dave Millheim asked for roll call vote for the record since this is a large expenditure.

Brigham Mellor: Aye

Doug Anderson: Aye

Cory Ritz: Nay

John Bilton: Aye

Jim Young: Aye

Special Assessment Area for 650 West, 1100 West, and Glovers Lane

Mayor Talbot said this is a discussion item only, to decide whether to direct staff to further explore establishing an SAA. **Dave Millheim** said this item required a lot of thought, and there is a window of opportunity before the Council. With the coming gym, park, high school, elementary school etc, the infrastructure in that area is insufficient for the coming improvements. A Special Assessment Area (SAA) defines an area of benefit, and taxes their properties. The question becomes who pays for the improvements that will be needed for the developments. The City has extension agreements with the property owners and can require them to put in the improvements. The assessment area allows the City to put them in over time. This allows property owners to essentially finance it over time instead of having to pay for the improvements all at once. The City must hold protest hearings, and if 50% plus 1 of the property owners—with votes being based on benefitted value (or in other words, the value of

the assessment)—say they do not want it, it does not move forward. Politically he has never seen a City Council approve an SAA if there is not a large margin of support. The window of opportunity is now because the City will not protest, the School District will not protest, and he also received verbal commitment from Fieldstone that they would not protest. The property owners' votes will not add up to overthrow the votes of the other entities, and City can require them to do it anyway. He believes there would not be enough votes to prevent it. The improvements would directly benefit the property owners in the SAA, by increasing property values due to the curb and gutter. The same people who do not want to have the SAA and put in the improvements would likely protest in a couple of years after the school is put in, due to the additional traffic. He told the Council to not ask the City to create the SAA as a theoretical exercise, because they already have too much to do. This is just a rough idea of it, and he will direct staff to do further research if the City Council wants to move forward with it.

Mayor Talbot agreed that the issue is how the City can pay for these needed improvements. The Council is only voting to further explore it. **Doug Anderson** asked if there are other options to complete the road improvements if the Council does not create the SAA. **Dave Millheim** said other options include a property tax increase, borrowing from the General fund balance, or moving this project ahead of other projects in terms of budgeted priority. If the improvements are not done now, the improvements may get done in bits and pieces, but will be missing important links and will have greater traffic flow to complicate things. **Mayor Talbot** asked if it will be done in conjunction with other projects. **Dave Millheim** said the key is making sure the School District is on the same page in order to make sure that the two key players are on board. The bigger the project, the better the bid. Assessment rules allow the Council to go with the majority and implement the SAA on someone even if they do not want it. The window of opportunity will close if the City completes their portion of 650 West because then the City will have to count on the property owners to approve it. **Doug Anderson** asked if the City has spoken with the residents who would be affected. **Dave Millheim** said the City has not. He said all three areas—650 West, Glovers Lane, and 1100 West—are thrown in just for the sake of the conversation. **Brigham Mellor** asked if the Council gets to vote on the assessment. **Dave Millheim** said that the Council members determine the budget and the improvements, but cannot just guesstimate it. If the bids come back greater than 20%, you have to start over. You lock in the bids, and then lock in the assessment. **Brigham Mellor** asked if the assessment amount is estimated by linear foot. **Dave Millheim** confirmed that the assessment and voting power are by linear foot of frontage. **Brigham Mellor** asked if the Council moves forward, is the City coming up with an accurate per foot estimate, identifying parcels with frontage, and determining their contribution to the assessment? **Dave Millheim** said the Council would pass a Notice of Intent, come up with a formula and budget, send out certified mailings to the affected property owners with the date of the protest hearing. Property owners who do not attend the protest hearing count as having voted in favor of the SAA. Votes would be counted only for property owners with assessments, not neighbors. **Cory Ritz** said there are a fair number of properties in the area that already have curb and gutter, and asked if they are still part of the SAA. **Dave Millheim** said the properties will likely need new curb and gutter if it does not match up and/or due to road widening. **Cory Ritz** asked why the curb and gutter would not line up with the City's road plans if it has been installed under city supervision. **Dave Millheim** said that it is sometimes more cost efficient to rip out the existing curb and gutter than to try to add to it in order to make it match the grading of the road. The SAA is needed because there are other improvements beyond just curb and gutter. Each property must be individually evaluated for what they have already paid for in terms of improvements. **Mayor Talbot** asked if there is an

estimate on how many extension agreements the City has. **Dave Millheim** said it is a large number. He said if the City just relied on extension agreements with the property owners themselves, there would not be enough critical mass, but with the City's critical holdings, it can be done. The School District is trying to get bond passed. Rule 53 says the School District can do what they want and put things where they want. The only improvements the School District has to complete under rule 53 are their frontages; whereas if it were a business, the City could do an impact study and could exact a greater contribution from them. If they show they are doing their part, it makes their bond sale easier. **Cory Ritz** said he counted about 30-40 individual property owners on the map included in the packet. He said people are feeling put upon by what the City is doing. However he feels it is worth exploring. **Dave Millheim** said the Council needs to be prepared for their phones to ring, and to not be able to answer all their questions yet. This will likely be discussed at about 6 City Council meetings before it is formally done, and there will be several opportunities to stop if it is looking too expensive. **Mayor Talbot** asked if there were any further questions before a motion and a vote. **Brigham Mellor** said he thinks exploring it is a good idea.

Motion:

Brigham Mellor made a motion to direct staff to further explore the possibility of establishing an SAA to help fund improvements in west Farmington related to the construction of the new high school, including improvements to 650 West, Glovers Lane, and 1100 West.

John Bilton seconded the motion which was unanimously approved.

Break

Motion:

Brigham Mellor made a motion that the City Council move the agenda item May PUD Subdivision-Schematic Hearing up, and move the Status of Proposed Farmington Justice Court down.

Doug Anderson seconded the motion, which was unanimously approved.

Dave Millheim stated that first he wanted to take a minute to recognize Gary McCloy from the Fire Department. He wanted to thank him for all his work and for doing an excellent job handling two serious incidents recently. Dave said he was on site during a significant traffic accident, and then a significant house fire, where Gary was the incident commander. Dave said he wanted to thank him in front of the Council. **Mayor Talbot** said he rubs shoulders with public safety officers daily. He wanted to mention that another Mayor recently said that the Council and community in Farmington are unique, in that we like each other and respect each other. He thanked Gary for his service.

May PUD Subdivision – Schematic Plan

Eric Anderson said this property sits on .72 acres. He said it is unique because the home is currently centered on the lot, which makes it difficult to subdivide into the 3 lots

desired by the applicant. The applicant proposes a PUD instead of alternate lot size. In the LR zone, the alternate lot size minimum is 10k square feet. It requires 10% open space, which is negligible on this property. The applicant could do a historic preservation of the home or the shed; the applicant has proposed to preserve the shed on the property. The shed probably could not be put on the Historic Register. The Planning Commission recommended denial of the applicant's plan because the lot sizes do not reflect the neighborhood, and the preservation of the shed would not be adequate to meet the spirit of the PUD. The design standards are high for a PUD, and the Planning Commission didn't feel this request met those standards. Staff gave two recommendations: two options for approval and one for their recommended denial. A historic architect said the home could be preserved, but he said the house is in a state of significant disrepair. Additionally, the way the house is situated on the property makes the proposal nonviable.

Mayor Talbot invited the applicant forward.

Jared May, 984 Compton Road, Farmington, Utah. He said he has some information that was not included in packet. He said this project has been 7 years in the making. He said he did his due diligence before purchasing the property. He said his plan was conceptually approved in conjunction with street and water main improvements. Part of the street would be vacated in exchange for the Mays paying for curb and gutter. They purchased the property on good faith, but the street improvements were delayed from 2008 to 2011. In 2010, the vacation was approved, but it took until 2014 to complete it. He said they spent a lot of money to get the neighboring property lines aligned to meet at the boundaries. It has taken 7 years to get to this point, and due to different zoning, this is the last option they have left. He said he has not had opposition from any neighbors. He said that he has signatures from 20 neighbors in close proximity. He stated that there are 5 lots under 10K square feet in the neighborhood, and there are 15 lots under 20k square feet. He disagrees with the Planning Commission recommendation that the proposal does not match the neighborhood. The reason they are pursuing the preservation PUD is because it is the only avenue left. Based on the criteria for evaluation for the Historic Register, he believes there is some leeway for preserving the shed. If they preserve a portion of the home, it would be just the original home in the front corner. It is 1/3 the cost to tear down the home rather than to preserve it.

Mayor Talbot opened the public hearing at 9:34 pm.

Janie May, 960 Compton Road, Farmington, Utah. She stated that she is the applicant's mother and lives next door. She said the applicant has put so much effort into this property with the hope of building a nice home for his family. She said the property was so overgrown and covered with garbage when they moved in, and they have already improved it. She said they have 6 kids and the current home is overcrowded. She stated that there is a hole in the front room, which leaks rain, and that the home is not worth saving. She said they want to build a nice home for their family. She asked the Council to have compassion on them.

Curt Merrill, 988 North 200 West, Farmington, Utah. He said he lives at the top of the hill, and that he supports the Mays. Having built lots of homes, and put PUD's together himself, he is knowledgeable about what is being proposed. He opined that saving something that is old, just because it's old, isn't always the best idea. He thinks the shed has more value to the

property than the home. He said in this case, the home does not have any value, and is actually devaluing. However, he said that building new homes on the property will add value to the neighborhood. He would agree with the Planning Commission's recommendation if the home had any kind of architectural appeal, but he said it is just old.

Scott Prance, 218 West 1000 North, Farmington, Utah. He stated that he supports this proposal, and what has been said. He said that nothing about the house is worth saving. As a community they did a lot of repairs for the family who lived there before, and having seen the home, it is not worth saving.

Brigham Mellor asked if the Council approves the option to preserve the shed, are they requiring it to actually be placed on the Historic Register. **Eric Anderson** said that the requirement is for the structure to be realistically eligible, though it does not actually have to qualify. **Mayor Talbot** asked if the applicant could be grandfathered in since the City changed the zoning, and the application has been coming for some time. **Eric Anderson** said no, because they are going for a PUD, which is like an overlay rezone just for this space. That necessitates the requirement for either the historic preservation or the 10% open space. **Mayor Talbot** asked Dave Peterson if the shed is in good enough shape to stay how it is, or if it would require significant repairs. **Dave Peterson** said the shed is in good shape. He said he does not think the property would qualify for 10% open space. **Dave Peterson** said staff looked carefully at whether the 10% open space has to be on site or not, and it does not specify. **Brigham Mellor** said he thinks it would be a stretch to put it somewhere else. **Dave Millheim** said he is confused by staff's recommendation because it says either/or. If the shed could realistically qualify for the registry, then the 10% open space requirement should not matter. **Dave Peterson** said they know now that it cannot be on the Historic Registry. **Dave Millheim** said that the staff recommendation says "could realistically be placed" on the registry, not that it actually has to be placed on the registry. **Dave Peterson** said it appears they got the recommendation from their consultant after the staff report was written. **Dave Millheim** said that the Council can waive the conditions. **Dave Peterson** said the Council cannot waive the 10% open space requirement because it is in the ordinance. They would have to amend the ordinance. **Dave Millheim** said that the Planning Commission is essentially saying the Council has to deny it then. **Dave Peterson** said no, they can provide 10% open space there or elsewhere. **Cory Ritz** asked if a TDR is a possibility, why is a fee in lieu of not a possibility. **Dave Peterson** said there is not a fee in lieu provision written in the ordinance. He said they are amending a PUD ordinance to get rid of a strip of land to accommodate Farmington Creek Estates phase III, and it's possible the applicant could bring in a third lot after that is amended. **Dave Millheim** said that Dave Peterson is suggesting that as part of that cleanup of the PUD ordinance, it is likely this will be taken care of too. **Dave Peterson** said the Council is considering a legislative act, and that PUD's always require 10% open space. If the open space will be somewhere else, the Planning Commission will want to review it. Open space includes common areas, walks, tennis courts, rock outcroppings, etc. **Cory Ritz** said that the applicant could do a design element throughout the property and have that qualify as the 10% open space. **Dave Peterson** said yes, but the Planning Commission felt the 10% was unlikely and wanted to recommend 2 lots.

John Bilton said he thinks it is a great use of the space, and is the best alternative we have. He agrees with the sentiments of the public that the home would be difficult to preserve.

He thinks this would do a great deal of good for the neighborhood. He said he is not sure if the applicant wants to put in the 3000 square feet of open space, but he thinks it could be done. **Doug Anderson** said he thinks this makes sense, and thinks the applicant would be willing to add open space on or around the property.

Mayor Talbot closed the public hearing at 9:52 pm.

Motion:

Brigham Mellor made a motion that the City Council approve the proposed Schematic Plan for the May PUD Subdivision subject to all applicable Farmington City ordinances and development standards and subject to the following conditions:

1. The applicant will provide 10% open space as required by Section 11-27-120(g) of the Zoning Ordinances.
2. The applicant will provide the reports and plans designated by Section 11-30-105 of the Zoning Ordinance prior to or concurrent with preliminary plat.

John Bilton seconded the motion which was unanimously approved.

John Bilton said the Planning Commission's issue was that it does not match the density of the surrounding area, but he believes the applicant showed it does, and he believes it does as well. He said the purpose of a PUD is for situations like this that don't fit. **Cory Ritz** said he came thinking two lots would be more appropriate than three, and thanked the applicant for bringing his neighbors to speak and for providing additional information. **Mayor Talbot** suggested the Mays get together with staff to form a plan. **Dave Millheim** offered his thanks to Dave Peterson for all he did to try to make it work. He said the issue he is raising about the PUD ordinance is legitimate.

Findings for Approval:

1. The proposed schematic subdivision is in substantial compliance with all subdivision and zoning requirements for a schematic subdivision approval including:
 - a. A completed application;
 - b. Description and preliminary layout of utilities and other services required.
2. The proposed subdivision would rehabilitate and preserve the existing historic shed, however, the historic home would not be preserved under the current proposal.
3. The proposed Schematic Plan submittal is consistent with all necessary requirements for a Schematic Plan as found in Chapter 3 of the City's Subdivision Ordinance.

Status of Proposed Farmington Justice Court

Dave Millheim said the staff report speaks for itself. **Mayor Talbot** thanked Dave Millheim for his follow through and for all he has done to stay on top of this matter. **Dave**

Millheim said he believes the City will move forward, and that things appear to be on track. He said legal counsel for the County is not happy Farmington City is holding back until everything is done to our satisfaction. The City is in a veto position. With the approval of the budget earlier, the City is looking at a great resource. It would mean a \$2.5 revenue increase in the budget, along with corresponding increases in expenses and staff. The City will have to amend budget to reflect that, but we wanted to make sure the revenues and agreements are in place before formally amending the budget. In the end it will be around a \$500,000 benefit to the City.

SUMMARY ACTION

Minute Motion Approving Summary Action List

1. Resolution regarding Utah Retirement Systems “pick up” of Member Contributions for Eligible Employees
2. McOmer Subdivision Amended Improvements Agreement
3. Approval of Minutes from City Council from May 26, 2015
4. Resolution Amending the Consolidated Fee Schedule relating to Football Fees and Sanitary Sewer
5. Villa Susanna Final PUD Master Plan and Final Plat
6. Agreement Amendment for Station Park regarding Drive up Windows

Motion:

Brigham Mellor made a motion to approve the items on the Summary Action List 1-5, with a separate discussion on item 6.

Jim Young seconded the motion which was unanimously approved.

Dave Millheim noted that item 5 has been a long time coming and he is thankful to have it done.

Summary Action Item 6: Agreement Amendment for Station Park regarding Drive up Windows

Brigham Mellor said he was on the Planning Commission when Starbucks was coming into Station Park, and that they did a lot of due diligence and showed renderings of what it would look like. It was an ideal location for that drive through. Within a certain radius, the City is trying to preserve the asset of public transportation. He said he does not think it is a good location, and does not want to give Station Park carte blanche to put in drive throughs. He said he would have preferred the density and the center of the development to be closer to public transportation, but that does not mean there should be a drive through there. **Mayor Talbot** commented that fast food restaurants survive on drive through. **Brigham Mellor** said he is not saying no drive through period, just not on that particular pad. He said he thinks if it

were in a position more similar to Starbucks, it would be a better fit. **Doug Anderson** said he agrees with Brigham. He said that the Chick Fil A drive through is a nightmare in Centerville. **Mayor Talbot** said he thinks the City may not have a Chick Fil A altogether. He spoke with the Chick Fil A owner in Layton, who said it is not certain they will even come to Farmington due to how many times they have been moved around. **Cory Ritz** asked if this is the property that used to belong to UTA. **Dave Millheim** said everything but the site they are proposing to put Chick Fil A on, belongs to UTA. CenterCal owns the proposed Chick Fil A site. **Cory Ritz** asked if there is still an active UTA proposal for high density housing. **Dave Millheim** said no, but there is still UTA ownership, and they will still pursue other development. **Cory Ritz** asked if CenterCal still has an active application for high density housing. **Dave Millheim** confirmed that they do. **Cory Ritz** asked if the City could use that as leverage to flip flop their applications. **Dave Millheim** said the City's leverage is next to nothing; he also stated that the lot sizes are substantially different as well as the zoning. He reminded the Council that the Chick Fil A may not even happen since it has been moved around several times and was given no incentives. If the Council says no to drive throughs, they are saying no to Chick Fil A. He said the Council is free to table this item. He also said the Council can ask for the Planning Commission's input. He said he disagrees that moving it to the corner like Starbucks would solve the problem. What they are asking for is modification of the entire section A, and while it may be specific to Chick Fil A, it could open up a Pandora's Box for the rest of that section near the train station. He stated that drive throughs do not encourage a walkable area close to the train station. **Eric Anderson** said that the area cannot queue up enough cars, and the drive through lineup would spill into the parking lot. He said the UC Davis campus came up with a compromise, where the drive through traffic circles around three sides but there is no queuing next to the sidewalk. **Brigham Mellor** said he looked at that compromise already, and does not think it will work. **Mayor Talbot** suggested that due to the lateness of the evening, and because the residents of Farmington would likely be interested in having a Chick Fil A, the Council table this item. **Dave Millheim** agreed it would be appropriate to table this item due to the lateness, and in order to invite the developer to be part of the discussions.

Motion:

Jim Young made a motion to table this item and to invite the developer to participate in further discussions.

Brigham Mellor seconded the motion, which was unanimously approved.

GOVERNING BODY REPORTS:

City Manager – Dave Millheim

- Executive Summary for Planning Commission held on June 4, 2015 is in the packet.
- Monthly Activity Report for Fire is in the packet.

- Regarding Cemetery Issues: the City made a mistake in the last Cemetery Memorial Day issue. The City's parks crews go to great lengths to clean up the cemeteries after Memorial Day. They are not supposed to touch things on the monuments or in the vases, but the crews took everything down. He said he received a call from someone whose handmade items were thrown away. The City will need to replace the items. He also received a complimentary letter from a Kaysville resident for the state of the cemetery. He complimented the crews for generally doing a good job. He mentioned that the City made a wise decision with the cemetery expansion.
- George Chipman is unhappy. He put together a high end mailer regarding the updated trail map to send out with the newsletter, claiming the City Council authorized him to do so. Dave said he told George the City would put it in the newsletter if it did not compete with anything else. Dave said he wants to suggest that it get mailed separately, where it is more likely to be noticed, and to have the trails committee pay for it. **Cory Ritz** suggested telling George that if the flier is mailed with the utility bill it will be overlooked, and this way it will be noticed.
- There was a serious incident caused by a Council decision from a long time ago. It is regarding an Ivory Homes developments, and how the Council required trucks to be routed in and out of that neighborhood. Developers worked closely with the requirements, and most of the time it is working. However, one resident has self-deputized himself and lays in front of trucks, such as FedEx trucks, etc., even if they are not conducting business related to the construction of the subdivision. A dump truck was picking up dirt unrelated to the Ivory Homes project, and the resident stood in his way. The truck driver bumped him, and the resident jumped up into the truck and started to beat the driver (who was handicapped and could not defend himself). Both men were cited for assault. It's a public road, and the requirement placed by the City Council was only related to the building of the subdivision. The City will be dealing with the repercussions of this decision for a long time and there may be numerous unintended consequences.
- An item relating to Animal Control: The County is saying they are picking up 1% of the animal control calls for unincorporated areas, and 99% of the calls from incorporated areas, but that they are bearing most of the cost. They are wanting to phase in significant increases, and are wanting to shift the balance of the costs to 90% being borne by the cities and 10% borne by the County. The good thing is that the County is telling the City ahead of time and looking at notice provisions, but the bad news is that they do not want to fully subsidize it anymore. The City is paying \$44k now, and would be paying about \$120k under this scenario in 5 years. The County has a legal opinion that statutorily they do not have to provide animal control. **Cory Ritz** asked if there is a line item in the tax code requiring them to provide animal control. He said that if they do not want to provide it anymore, they should not tax the City anymore. He said it would be easy to solve on a fee based system.

Brigham Mellor

- He confirmed that the internet discussion is taking place on August 14th. He asked if there is a schedule of the Festival Days events. **Mayor Talbot** said he will go over it.

Cory Ritz

- He said that at the last mosquito meeting, he learned that the numbers are astronomical this year. He said they have already treated 25% more acres than last year at this time. A suggestion was made that they could do a better job of spraying mosquitos with a plane going overhead. He said it would be helpful to get some feedback. **Dave Millheim** said they are planning to put the protocols for requesting a mosquito treatment in the newsletter, and they could craft some survey questions for a future newsletter to see if residents would be amenable to that idea.

Doug Anderson

- He received a letter from a woman named Lisa regarding historic preservation. It was a complaint about the demolition ordinance. He said he will follow up with Dave Peterson about it and will put it on a future agenda.

John Bilton

- He received a road bike City request from Chad Stone. **Dave Millheim** said the City is dealing with it. He said about 2/3 of the roads he mentioned are state roads, and 1/3 are city roads. He said Farmington received a joint grant with Kaysville to make sure that bike lanes align. Mr. Stone wants the City to just paint lines on the roads, but the City is not going to paint them without doing research. He will offer to put Mr. Stone on that grant committee. UDOT is ok with some lanes becoming bike lanes.

Jim Young said he had nothing further to discuss.

Mayor Jim Talbot

- Planning Commission Appointments: He wants to appoint Daniel Rogers to take the assignment for the next 18 months. All Council members concurred.
- Festival Days: He said that Holly will send out the schedule of the Festival Days events and they will make assignments.
- He said we need some designated parking stalls in front of the City Offices for people doing City business. He said there are elderly residents who need to park but cannot due to pool patrons parking close to the City Offices.

CLOSED SESSION

Motion:

At 10:49 p.m., **Brigham Mellor** made a motion to go into a closed meeting for the purpose of discussing the character and competence of an individual. **Doug Anderson** seconded the motion which was unanimously approved.

Sworn Statement

I, **Jim Talbot**, Mayor of Farmington City, do hereby affirm that the items discussed in the closed meeting were as stated in the motion to go into closed session and that no other business was conducted while the Council was so convened in a closed meeting.

Jim Talbot, Mayor

ADJOURNMENT

Motion:

At 11:15 p.m., **Cory Ritz** made a motion to adjourn the meeting. **Brigham Mellor** seconded the motion which was unanimously approved.

Holly Gadd, City Recorder
Farmington City Corporation