KAYSVILLE CITY COUNCIL
October 1, 2020

Minutes of a regular Kaysville City Council meeting held on October 1, 2020 at 7:00 p.m. in the Council Chambers in Kaysville City Hall at 23 East Center Street, Kaysville, UT. A Power Commission Special Presentation was made to the City Council before the meeting starting at 6:00 p.m.

Council Members present: Mayor Katie Witt, Council Member John Swan Adams, Council Member Barber, Council Member Mike Blackham, Council Member Andre Lortz, and Council Member Tamara Tran

Others Present: City Manager Shayne Scott, Finance Director Dean Storey, City Attorney Nic Mills, City Recorder Annemarie Plaizier, Information Systems Manager Ryan Judd, Community Development Director Lyle Gibson, Police Officer Lexi Benson, Power Resource and Service Manager Bruce Rigby, Power Superintendent Gary Hatch, Public Works Superintendent Josh Belnap, Parks and Recreation Director Cole Stephens, Administrative Assistant Stacie Harward, Bryant Beck, Jordan Stephenson, Brent Dewsnup, Alan Quigley, Krista Keetch, Alan Farnes, Robert Hurtig, Jacob Willoughby, Rachel Willoughby, Jason Lewis, Brigg Lewis, Jenny Romney, David Sanders, Flemming D. Hyllested, Angie Mathews, Jeremy Mathews, Joy Sundloff, Angie Arbon, Shane Arbon, Susan Lee, Josh Sundloff, Steve Hiatt, Kate Scott, Ashley Alvord, Eliza Streadbeck, Kate Bowers, Koleman Stinger, Lizzy Miller, Parker Francis, Abby Matthews, Holly Francis, Maggie Scott, Grace Mabey, Phil Holland, Justin Atwater, Craig Christiansen

POWER COMMISSION SPECIAL PRESENTATION – 6:00 P.M.

Robert Hurtig, with ECI Engineering, said that they have been working with Kaysville Power to conduct a reliability study and long-range plan. A long-range plan is needed so the city can provide the most practical and economical means of serving future loads, while maintaining high quality service to customers. This plan provides an outline for anticipated system changes in terms of major facilities, demand levels and associated costs. It also provides the most up-to-date forecast possible of financial requirements for the planning period. It evaluates existing and projected system configuration, voltage levels and load balance in a manner that endeavors to increase the quality of service. A model was created to review the existing power system, where it will be in 5 years, 10 years, and to look at a projected cost for each of these periods. The model includes 4 substations and 158 total line miles, with 52 miles being overhead lines and 106 miles of underground lines. The model was used through a statistical analysis based on historic data from the past 10 years. Most of the growth that is planned to occur are in areas that are not fully developed yet and areas that are being redeveloped with additional loads. We projected a 0.52% growth rate per year over the next 10 years. Existing voltage levels on the city's current system is very good as it is. When additional loads were added to the model for the 5 year plan, the voltage levels started to dip, with more showing on the northeast part of the system. However the system still shows to be within the criteria. At the 10 year plan, the voltage dropped under the criteria. ECI then ran the model to view contingencies. The summary showed the Burton Lane transformer overloading at the 5 year load level, and the conductor exceeding 100% at those same levels. When the Main Street transformer was transferred to other transformers, the transformer would overload at the 10 year plan, and the conductor overloaded at 100% with the 5 year load level. When Schick Lane was transferred, the West transformer was overloaded with the existing system, which means that we would have issues today if the city had to transfer Schick power to West. Conductor loading of 100% occurred here with the 5 year load. With the transfer of West to Burton, the transformer also overloaded here with the existing system, and the conductor overloaded at 100% at the 10 year mark. Some of these occurred because they had to take over two other areas to get to this one. ECI has come up with some recommended projects to help with providing power long-range and resolve these issues. Some of those recommendations included improvements at the Burton Lane substation, as well as some conductor rebuilds on some of the tie lines. At the Main Substation, rebuilds are recommended for the distribution lines to the conductor. All of these improvements usually consist of rebuilding the existing phase to a larger conductor, allowing a transfer without overloading that conductor. At Schick it is recommending to upgrade the substation and upgrading a transformer. There will also be additional feeder rebuilds of the existing system here as well. There will be similar upgrades to the West Substation. Most of the cost is based on contingency cost and expanding to get that transfer load from one to another. For the next 1 to 5 years, the total cost for all of these upgrades to the substations to be about $2.7M. At the 6 to 10 year breakdown of costs, it is estimated that it would cost just under $1.2M. The total cost of everything over the next 10 years will be just under $4M.

Council Member Blackham asked about switching power to different substations rather than just the ones that were considered in the model.

Robert Hurtig said that it would all depend on what scenario is occurring. When reviewing this plan, ECI considered the best and most likely routes to be switched. There are some areas where there is no other option. Typically you want the switching to be simple for your linemen to be able to quickly handle. There are possible scenarios where there would need to be 3 or 4 switches before you can get the power directed to the area you want.

Council Member Blackham asked if this system is possible to do under our current rate schedule.

Council Member Lortz said that within the next year it is planned to review the possibility of considering a new rate schedule in which residents would be charged less during non-peak hours in order to encourage people to try to use less power during peak hours. Council Member Lortz asked if the new substation was needed at our current capacity or if with additional rooftops.

Robert Hurtig responded that it would allow for more of an option to increase reliability within the city and would allow more flexibility for our linemen to move power around when and where it is needed. The area where the new substation is being proposed is where there is more projected growth.

Mayor Witt added that our power system is not bad in its current state, but it will take money in order to increase its reliability.

Power Department Superintendent Gary Hatch commented that the city has already begun to try to work on some of these improvements identified.

Mayor Witt thanked the Power Commission for working with ECI to get this reliability study completed.

BUDGET PUBLIC HEARING – 6:45 P.M.

Jordan Stephenson commented that he is pleased to see that sales tax revenue was higher this year and the economy is doing better in our city than was expected as a result of the pandemic. He hopes that with this revenue that our fire department will be able to hire the staff needed.

Council Member Lortz made a motion to close the budget Public Hearing at 6:45 p.m., seconded by Council Member Adams and passed unanimously.

OPENING – 7:00 P.M.

Council Member Blackham opened the meeting with a prayer.

RECOGNITIONS AND PRESENTATIONS

SWEARING-IN OF NEW YOUTH CITY COUNCIL

Mayor Witt administered the Oath of Office to the new members of the Youth City Council.

PROCLAMATION OF THANKS FOR WIND STORM 2020 ASSISTANCE FROM OUTSIDE ORGANIZATIONS/VOLUNTEERS

Mayor Witt read a proclamation of thanks expressing appreciation for assistance rendered during the 2020 wind storm, including help from the Utah National Guard who help to clean up debris, as well as Brigham City, Lehi City, Murray City and the Garkane Energy Cooperative who helped to quickly restore our power and ensure that our electrical grid was repaired. Mayor Witt also thanked the residents of the city who helped to clean up from the storm.

PRESENTATIONS OF THE ARGUMENTS FOR AND AGAINST THE PROPOSED SPECIAL BOND ELECTION REGARDING THE KAYSVILLE MUNICIPAL FIBER PROJECT

Mayor Witt explained the format of how the arguments and rebuttals would be presented tonight. Each party would have the same amount of time to present their argument and rebuttal, and the first party to present would be chosen by coin toss. There will be no questions asked by the council or audience during the meeting.

Steve Hiatt lost the coin toss and Jordan Stephenson elected their group to present their arguments first.

Jacob Willoughby presented the argument for the proposed Kaysville Municipal Fiber Bond and Project. Mr. Willoughby thanked the elected officials for the opportunity to present this argument and for listening to the residents by placing the fiber bond on the ballot. Mr. Willoughby said that he is very familiar with how the internet works through his experience in his industry. He is here as a citizen and is not affiliated with the city or any of the companies associated with the fiber project. Last year he became an officer with the Citizens for Kaysville Fiber and has met some great people over the past year. They have come from many diverse backgrounds, both technical and non-technical. We all share our support and love for the project. Their group has hundreds of advocates who have donated, displayed signs, distributed door hangers, and have been advocating to neighbors both online and offline. Because of them citizens are now able to vote, can sign up for fiber at any time, will know the exact pricing for fiber service, and that service will be available to anyone with a utility bill. Mr. Willoughby said that he wanted to address some of the most common questions they have heard. The first question is: will fiber be replaced by other technologies. The answer is not likely. Fiber is the standard to internet connectivity. You can't do better than fiber because that is what data centers all use. More than 90% of all traffic on the internet goes on fiber. Telecommunication companies have invested and continue to invest in fiber to carry the internet all over the world. 5G technology and its complements all use fiber. A significant portion of cellular traffic is offloaded to Wi-Fi networks to prevent congestion and degraded performance of cellular network due to high demand. While Starlink will be helpful to remote locations, recent research has shown that it will not have the capacity to replace all uses of home internet. Each Starlink satellite will likely have hundreds of customers sharing a link that is the same speed as only 2 fiber homes not having have to share a connection with anyone. Even when these other technologies arrive they will not beat Kaysville fiber on its price and speed. Advancements in technology are incremental and it is highly unlikely that fiber will become useless overnight. For example, the copper wires that many residents in Kaysville use to get internet today are the same ones they used for dial-up 30 years ago. Likewise the protocols and equipment for fiber will definitely change and evolve in 30 years, but the glass fiber in the ground will still be required. The Electronic Frontier Foundation states "fiber to the home is the best option to serve most Americans with high-speed, low latency broadband now and will remain so for the foreseeable future." Another question asked to us is: is Kaysville Fiber encouraging competition? Kaysville Fiber will enable private companies to be in a competitive marketplace. Multiple providers means more competition. Much like open-access roads and airports, the city will own the infrastructure and private companies will provide the services. There are 13 providers already in Utah whose business depends on open-access fiber networks. By having multiple providers, Kaysville fiber will increase competition. Even if you don't want Kaysville fiber, existing providers will still be there and you can still choose them if you wish. Another question asked: who pays for it, and what about the bond? Kaysville fiber will be paid by subscribers; funded with revenue from residents, businesses, churches and schools that sign up. These revenues cover the bond needed to install the network. Subsidies from sales and franchise tax will only be used to pay the bond if there is not enough demand. Self-sustaining levels, meaning no subsidies will be needed, is 3,500 subscribers in Kaysville. This is approximately 34% and that number will go down as more residents move in. That will be for a 30 year bond pay back. Any demand above that will pay the bond off sooner. If 50% of people sign up for fiber then the bond would be paid off in 20 years. There are some projects in Utah that have required subsidies in the past, but a lot has changed in the past 15 years in Kaysville. Internet uses increases every year. Demand is significantly higher, and many of us are now doing our jobs and school online and more than we ever planned to. Because of this, all new Utopia projects from the past decade are self-sustaining and don't require tax subsidies. Kaysville's own survey done last year showed a very high number of people that wanted to opt-in and sign up for fiber. The vote on this project will be an indicator of the demand and the self-sustaining rate. Churches and businesses that subscribe will lower that amount even more and will also shorten the bond length. The last question asked is: how much will this project cost? You might think that for something that has such great capacity and is a generation leap forward in technology would require a great amount of money for the technology and better service. When in fact that residents will save, on average, $20 a month on their internet bills. This will give them more reliable and better technology, will cover all the bond payments and future upgrades, increases their speeds available, and allows them to do their jobs and schooling more easily which we have learned this last year how this plays an important part of our lives. You can't help but think that if we truly had a free-market, internet connectivity, wouldn't it have already provided us these cost savings? Our website, yeskaysvillefiber.com/rates, will show the rates that Kaysville has provided. Residents can see for themselves the better service and prices that will be provided, with better competition. There are a lot of reasons to vote yes for this project. Construction would begin after the vote and would finish in 2 years. Corning, a world leader in fiber optics, would be designing and constructing our network. It will be operated by Connext who is an experienced Utah private ISP/Networking company. This will not interfere with other city priorities, budgets or projects. It will support local and small businesses. Internet needs have grown exponentially. Fiber is the only technology with proven capacity to make continued bandwidth growth in the future. Please support it by voting yes. Don't let anyone fool you. We have 100% of what we need to make this project successful.

Josh Sundloff presented the argument against the proposed Kaysville Municipal Fiber Bond and Project. Mr. Sundloff said he was speaking on behalf of himself and of the co-authors of the arguments against fiber. Together they represent nearly 25 years of public service on or with the Kaysville City Council or the Kaysville City Planning Commission. As we have heard tonight, reasonable minds will differ on the fiber bond and project. The authors of the arguments against have 5 main reasons why they think Kaysville citizens should join them in voting against fiber and against the bond. The first reason: it is backed by Kaysville taxpayers who might not ever use fiber internet. If you have paid attention to any of the pro-fiber marketing materials you have likely heard or read the phrase "you only pay if you want it". That phrase is only half true and fails to give Kaysville citizens the full picture. To reduce the city's risk and achieve more favorable bond terms the city has pledged sales and franchise taxes as collateral for the bond. This means if the project doesn't perform as hoped and there are budget shortfalls, then to appease the city's lender the city will have to pull funds from sales and franchise taxes to make up the difference in fiber budget. This phrase of "you only pay if you want it" is perhaps more accurately stated "you only pay if you want it, if we get enough subscribers". Otherwise all Kaysville sales and franchise taxpayers will being paying the deficits. The only way for this aforementioned phrase to be truly accurate is if fiber subscribers alone were guaranteeing the repayment of the bond. The city already had that option had they gone for a full subscriber model where subscribers would be obligated to sign long-term service contracts. The city decided instead to wield its taxing power so that the project could happen sooner with less risk to those who want faster internet. This point is perhaps the key distinction between those in favor and those against the fiber bond. If you feel it's acceptable to use tax dollars in the name of protecting the city and fiber subscribers from risk of their choice for faster internet, a service that some will never even use, then vote in favor of the bond. But if you think that subscribers of fiber and only subscribers should pay, and you are not comfortable with the city reducing its risk by pledging your tax dollars, then vote against the bond. The second reason: voting for the bond is a vote to invest in technology that has a high-risk of being superseded well before the city pays off the bond. Another important distinction between those for and against the fiber project is the differing views of fiber as the final frontier of internet technology. The city and those in favor of fiber want to invest over $22M in technology, which is perhaps the one sector of our lives and the economy that is always changing and improving. The bond rests on the assumption that fiber will be the best internet connection technology for the next 30 years. We have no idea what technological advancements will be made in the next 10 years, let alone 20 or 30 when the city will be finally paying off the bond. Some of the world's largest private telecommunication companies are investing billions in a wireless future; not a future tied to wires in the ground or in the air. 5G and satellite internet are just 2 of the wireless technologies that we know of now. Even Google, who was initially investing in fiber, has decided to pull their investment strategy in fiber because of the risks. Imagine the problems if the city's gamble on this technology proves wrong. Even if the city were to achieve its subscriber goals in the first 5 or 10 years, what would happen if a new technology comes out or is refined such that fiber becomes like a corded telephone, still used and useful but generally inferior to other options. And as a result there is a mass exodus of fiber subscribers away from the city's fiber network and into the new, better technology. This type of situation is entirely foreseeable and likely. At that point the city would likely increase the fees for the remaining subscribers, which would probably cause more subscribers to leave. The city would also start pulling from sales and franchise taxes to make up the loss of revenue, and if it got bad enough a future city council would likely move to other drastic measures, such as using property taxes from every property owner. The city will have to double down on some of its antiquated infrastructure in order to make this project feasible. The city would be installing fiber onto above-ground wire power poles where they exist. It's only a matter of time before the next wind storm, snow storm or other unforeseen event causes not only mass power outages, but mass internet outages. We recognize that municipal government spending and even municipal debt is necessary in some instances. However, it's one thing to invest in a tangible asset that brings certain long-lasting benefits, such as a police station, remodeled city hall, or road improvements. It's an entirely different matter to invest in something as uncertain and ever-changing as technology. If you think that the way we use and connect to the internet is likely to be vastly different 30 years from now, or even 20 years from now, then vote against fiber. Third reason: government program is not the solution to the alleged problem. This project began and remains a solution in search of a problem. The project did not originate with a swell of citizen clamor. It began with a select group of elected officials and city employees who found a solution to a problem they presumed existed and then have been working to confirm and convince citizens of their conclusion since. The alleged problem is not really a problem at all. Through a city-wide survey that was conducted last year, 63% of Kaysville citizen respondents said that they do not have any trouble performing common internet activity, such as loading pictures to social media, viewing videos, or using video chats. 87% of citizen respondents said they were either satisfied or neutral about the speed and reliability of their current internet. Only 13% were not at all satisfied. 86% of business respondents said they were very satisfied or somewhat satisfied with the speed and reliability of their current internet. Though this is not exactly a representative example, this data speaks very clearly that the majority of Kaysville citizens and businesses are not clamoring for the government to solve the problem that the city believes exists. Furthermore, it's uncertain that the city would be capable of managing and maintaining the network once installed. Neither the city nor its chosen network administrator, Connext, has any experience managing and maintaining a fiber network at the scale proposed. Until Connext was awarded the bid for this proposed project, it is their understanding that Connext has only been an internet service provider but are wanting to break into a new sector of the industry by managing and maintaining a fiber network. The City Council has agreed that our city gets to be Connext's experiment in their new venture. Despite all of this and even will all the changes since last year, the City has proceeded undeterred in its course for faster internet. Reason four: the city has downplayed the risks and is overly optimistic in their projections for the project. Consider just some of the variables that must be in sync and stay in sync for decades in order to make the project self-sustaining. Fiber internet must not be displaced by better, faster and less expensive technology. The city must obtain 3,500 to 4,200 subscribers, and then maintain that level of subscribers for the remaining life of the project. The prices that the service providers will charge must never deflate. The management and maintenance costs for the project must remain stable and predictable for decades. To say that this is optimistic for each of these variables to be maintained at the expected levels is an understatement. Contrary to fiber proponents claims, the city's fiber network will be in competition with private enterprise. It's true that the city's network would attract providers that will compete among themselves. It's also true that if other large private corporations choose not to join the network, then the city's network will have to continually make strides to stay apace with any progress those large companies make. City government will be competing with the private sector. The city's projected savings of $20 per household over existing internet options is a small margin for error in that competition. A $22M bond should simply not be based on optimistic projections that must maintain optimistic levels for 30 years. The last reason: the project has resulted and will continue to result in misplaced city priorities. Municipal government's role should remain focused on things like providing timely and effective policing and emergency services, safe and clean water, safe and well-maintained roads, reliable and reasonably priced electricity, low taxes, and providing venues and programs for citizens to connect and create community. Fiber will expand government's reach and will continue to divert time, energy, attention and resources away from more pressing needs, such as significantly reducing emergency response time to the west side of the city, reducing the risk of power outages, ensuring streets and sidewalks are safe and repaired, providing affordable housing, addressing significant traffic problems, and fostering more community connection. The time, energy and resources of the city staff and city officials are limited. To expect that the fiber network will not sap that time, resources, and taxpayer dollars from other more important things is naïve. Kaysville citizens, let your principles and your common sense guide you. Vote against the fiber bond.

Jordan Stephenson presented the rebuttal for the proposed Kaysville Municipal Fiber Bond and Project. Kaysville fiber opponents have claimed that this project is a solution in search of a problem, and to support that claim they have said that 99.7% of Kaysville has many broadband choices available for high-speed internet. The opponents have gotten their data from BroadbandNow.com, which uses FCC mapping data. This is bad data. We know its bad data and the FCC agrees. Congress and President Trump signed into law a bill directing the FCC to fix the data. Microsoft has conducted its own research using web browsing data across the nation and shows that the FCC data is off by 660%. Even so, using the BroadbandNow.com summary of Kaysville's broadband, Kaysville ranks 41st in connectivity, not 7th. Kaysville residents don't need to consult BroadbandNow.com to know that our choices are severely limited here. If you are sincerely in search of a problem, speak with your neighbor about their struggles finding adequate service in broadband. For example, Liz Bentley works from home and has unreliable service from only one option, not many. Her livelihood and her children's education depend on monopoly service. William Blood has spent many evenings for the past few weeks delivering door hangars throughout his neighborhood to fix the lack of competition in Kaysville. For him, Kaysville fiber would result in dramatically improved service for the same price he is paying today, because his limited options have had little incentive to improve his service in his neighborhood. Ron Partridge has been campaigning hard throughout the city because Comcast is his only option today for the level of service that he needs. He has dealt with routine price hikes and feels that he has been held over a barrel. Winnie Esomen is excited for competitive choices because she can only get the level of service she needs from Comcast. She deals with outages and degrading service as the network is congested. These stories only scratches the surface of problems. Consider the own options for internet today and ask who does the current status quo benefit? The answer is the current telecom companies who are fighting this project. Opponents have also pointed to an outdated Penn Law Study. Again, this is bad data to evaluate Kaysville fiber. It ignores the limitations of the study that the authors of the study themselves expressly point out. The study reviewed 20 projects out of 330 nationwide, a sample size of 6%, and only 5 years of cash flows for these projects. Five more years of publically released audited financials show that when you add the 5 additional years to the Penn data, just 4 of the original projects that Penn concluded were unsustainable remained so. Opponents point at low take-rates at Utopia saying 2 of the projects of Utopia have take-rates over 40% and most are under 30%. Once again the opponents have gathered bad data. We contacted Utopia and just 4 of the cities have take-rates under 30%, and all 4 of those cities are under construction today. Completed cities average a take-rate of 46%. So consider the risks that the opponents are trying to paint. All of the cities around us who have invested in fiber since 2009 have shown that the take-rates and the demand for fiber are incredibly strong. Opponents point to other technologies such as 5G, which even in the most optimistic scenario would take 3 ½ weeks to do the job that fiber has already proven it can do in one second. These are facts and data that are important for residents to consider when deciding on whether or not to support Kaysville fiber. Now is the time for competition in Kaysville and now is the time to vote yes for Kaysville fiber.

Mayor Witt thanked those who have spent the time to participate in this process and encouraged our residents to vote.

DECLARATION OF ANY CONFLICTS OF INTEREST

No conflicts were disclosed.

CONSENT ITEMS

Council Member Blackham made a motion to accept the following consent items:

a. Approval of Minutes of September 3, 2020.

The motion was seconded by Council Member Lortz.

The vote on the motion was as follows:

Council Member Adams, yea
Council Member Barber, yea
Council Member Lortz, yea
Council Member Tran, yea
Council Member Blackham, yea

The motion passed unanimously.

B. APPROVAL OF A COOPERATIVE AGREEMENT WITH UDOT TO DEFEDERALIZE "CONNECTOR ROAD" FUNDS FROM WFCR.

Josh Belnap explained that in 2017 Kaysville City and Farmington City applied for Surface Transportation Program funds to help fund the project of building connector roads in both cities. The two cities were awarded $3,870,000 from WFRC for the project. WFRC funding ultimately comes from the federal government, and as such there is significant addition of cost to meet all of the federal requirements. A very common practice in these large dollar amounts is to exchange the awarded WFRC funds with UDOT, who already has to meet all federal requirements on their projects, for less restricted UDOT funds. UDOT keeps 10% of the WFRC funds as part of the exchange, in an effort to help offset a portion of some of the additional costs they will face with federal requirements. This means that Kaysville and Farmington will then have access to $3,289,500 after the exchange, and will be alleviated of the complicated federal requirements.

Council Member Blackham said he is concerned that there won't be enough money to finish all of the connector roads in this project and the city will have to try to come up with the additional funds to complete it. This needs to stay one project and we need to make sure it isn't phased out.

Josh Belnap said that the city is still working with Farmington to finalize the interlocal agreement covering all of the funds. Kaysville was the applicant for the WFRC funds which is why we are the entity trying to defederalize the funds.

Mayor Witt added that the city is also working with Farmington on another option to obtain further funding for this project.

Shayne Scott said that this item is to just defederalize the WFRC money so it goes from federal funding to state.

Council Member Barber made a motion to approve a cooperative agreement with UDOT to defederalize connector road funds from WFCR, seconded by Council Member Tran.

The vote on the motion was as follows:

Council Member Barber, yea
Council Member Lortz, yea
Council Member Tran, yea
Council Member Blackham, yea
Council Member Adams, yea

The motion passed unanimously.

ACTION ITEMS

A RESOLUTION ADOPTING A SCHEDULE OF FY 2021 COUNCIL APPROVED POSITIONS; COMPENSATION SCHEDULES FOR CITY OFFICIALS AND EMPLOYEES AND A COMPENSATION PROGRESSION PLAN

Dean Storey explained that this item had been discussed in previous work sessions and council meetings. This amendment moves the city's compensation plan from a grade step plan to a pay range plan. At the direction of City Council, the proposed Human Resource Schedule includes an additional 3 firefighter positions, bringing the total proposed for the FY 2021 budget to 6.

Council Member Tran made a motion to approve a Resolution adopting a Schedule of FY 2021 council approved positions; Compensation Schedules for city officials and employees and a Compensation Progression Plan. The motion was seconded by Council Member Blackham.

The vote on the motion was as follows:

Council Member Lortz, yea
Council Member Tran, yea
Council Member Blackham, yea

Council Member Adams, yea
Council Member Barber, yea

The motion passed unanimously.

A RESOLUTION AMENDING THE KAYSVILLE CITY BUDGETS FOR FY 2021

Dean Storey explained that this resolution addresses the amendments to the FY 2021 budget, which mainly involves amendments to the compensation plan, new hires, and capital expenses. At the council's request, each item is shown with the affiliated general ledger code. Our sales tax numbers are showing to be positive and the budget has been amended to show the increase in that level. What is being proposed tonight is what will be submitted to the state with the amended budget. If approved, the total amendments will be 1.7 million dollars.

Council Member Barber asked about the reserve fund balance.

Dean Storey responded that staff feels that if these changes are approved, it is believed that we will end the fiscal year at about 20% of unrestricted fund balance.

Council Member Barber made a motion to approve a Resolution amending the Kaysville City Budgets for FY 2021, seconded by Council Member Adams.

The vote on the motion was as follows:

Council Member Tran, yea
Council Member Blackham, yea
Council Member Adams, yea
Council Member Barber, yea
Council Member Lortz, yea

The motion passed unanimously.

A RESOLUTION ADOPTING AMENDMENTS TO THE FY 2021 KAYSVILLE CITY CONSOLIDATED FEE SCHEDULE RELATED TO CITY WATER RATES

Dean Storey explained that based on the discussion which occurred at the Council's previous meeting, it is necessary to make an adjustment to city water rates. This proposed amendment is the first step in the process to further evaluate our structure on all enterprise funds, which we plan to review this winter. This recommendation will increase the base rate connection charge on our water utility rates based on connection size at an increase of $1.50 per month. Staff is also recommending a slight increase to the use rate for the use per thousand gallons on the first 2 tiers.

Council Member Lortz said that there is a higher percentage increase on the smaller connections and a lower percentage increase on the higher connections. Is there a reason why we wouldn't try to increase the rates more proportionately?

Dean Storey responded that about 85% of customers have 3/4” to 1” connection sizes. What is being proposed tonight is just a starting point. After further evaluation it is likely that there will need to be even more of an increase to get us where we need to be.

Council Member Barber made a motion to approve a Resolution adopting amendments to the FY 2021 Kaysville City Consolidated Fee Schedule related to city water rates, seconded by Council Member Tran.

The vote on the motion was as follows:

Council Member Blackham, yea
Council Member Adams, yea
Council Member Barber, yea
Council Member Lortz, yea
Council Member Tran, yea

The motion passed unanimously.

Dean Storey added that this resolution makes this amendment affective as of January 1, 2021.

A RESOLUTION AUTHORIZING THE ACQUISITION OF AN AMBULANCE FOR THE FIRE DEPARTMENT, AND TO PROCURE FINANCING FOR SAID AMBULANCE

Dean Storey explained that the FY 2021 budget includes the ongoing replacement of an ambulance through a capital lease purchase. The total price of the ambulance is $245,876. The city has received financial proposals and recommends procuring financing with Zions Bank Public Finance. Staff is recommending the purchase of the ambulance, along with the approval of a capital lease agreement with a 3-year term.

Council Member Tran asked if this ambulance would replace one of our ambulances, or would be in addition to what we have.

Dean Storey responded that typically the city’s vehicles are on a regular replacement schedule, however Chief Erickson has mentioned that he would like to have this ambulance in addition to what we currently have.

Council Member Blackham added that these vehicles are driven hard and it is not uncommon for them to need repairs frequently. With the increase of residents we have in the city now, there is a need to have an additional ambulance in service. This will also be good to have with the additional firefighters we will be hiring.

Council Member Lortz made a motion to approve a Resolution authorizing the acquisition of an ambulance for the Fire Department, and to procure financing for said ambulance. The motion was seconded by Council Member Barber.

The vote on the motion was as follows:

Council Member Adams, yea

Council Member Barber, yea
Council Member Lortz, yea
Council Member Tran, yea
Council Member Blackham, yea

The motion passed unanimously.

AN AGREEMENT WITH UDOT TO PURCHASE CITY PROPERTY FOR US-89 DRAINAGE BASIN

Josh Belnap explained that for several months the City and UDOT have been in discussion regarding a piece of property owned by the City which UDOT wishes to install a storm water detention basin on for the US-89 project. UDOT's original proposal was to cover all construction costs to build the basin, offer no compensation to the city for the impact to the property, and then turn over responsibility for maintenance and operation to Kaysville, with Kaysville continuing to retain ownership. After additional discussions, UDOT has appraised the property and deducted from it a portion for discharging Kaysville City storm water into the basin. The offer they have proposed now is to pay the city $565,417.60 to purchase the property needed for the basin. In addition, the property will be transferred to Fruit Heights, who will be responsible for maintenance and operation of the basin. Staff is recommending that the city accept the offer, with a stipulation that Kaysville be guaranteed in perpetuity the minimum volume needed for our tributary areas and that the operation and maintenance responsibilities not fall to the city. If approval is received by Council, Staff will then work to finalize the agreement with UDOT.

Council Member Blackham made a motion to approve an Agreement with UDOT to purchase city property for US-89 Drainage Basin, seconded by Council Member Lortz.

The vote on the motion was as follows:

Council Member Adams, yea
Council Member Barber, yea
Council Member Lortz, yea
Council Member Tran, yea
Council Member Blackham, yea

The motion passed unanimously.

REZONE OF APPROXIMATELY 0.466 ACRES OF PROPERTY AT 285 EAST 500 NORTH FROM R-1-8 (SINGLE FAMILY RESIDENTIAL) TO THE R-1-6 (SINGLE FAMILY RESIDENTIAL) ZONING DISTRICT – KEITH POTTER

Lyle Gibson explained that the property located at 285 East 500 North is zoned R-1-8 and is approximately 0.46 acres. It was platted as 2 lots years ago, and Mr. Potter is now requesting to rezone the property from R-1-8 to R-1-6 in order to reestablish the building lot that was approved about 40 years ago. His father-in-law previously owned both lots here, as well as their home at 293 East 500 North, and completed a garage addition some 30 year years ago which encroached the required side yard at 293 East. This home addition required the use of both lots in order for the home to meet yard requirements and therefore both of the properties were combined at that time. Mr. Potter now anticipates using the lot at 285 for an additional single family home. However, the existing home still requires a width that makes an additional R-1-8 lot infeasible. Staff has worked with the applicant to explore different routes for splitting the property again, including potential purchase of neighboring ground. The rezone proposed tonight seems to be the best solution because it requires less lot frontage needed to make two lots work. Both lots will maintain the 8,000 square foot size as per the R-1-8 zoning. The Planning Commission voted unanimously to recommend approval of this rezone as requested.

Council Member Blackham commented that he is not opposed to the R-1-6 zoning, as long as Mr. Potter maintains the 8 foot side yards as required in the R-1-8 zoning. This would keep the new lot's setbacks similar to the surrounding lots.

Keith Potter responded that he did not have a problem with maintaining 8 foot side yards.

Council Member Blackham made a motion to approve a rezone of approximately 0.46 acres of property at 285 East 500 North from R-1-8 (Single Family Residential) to the R-1-6 (Single Family Residential) zoning district for Keith Potter with the requirement that an 8 foot side yard be maintained. The motion was seconded by Council Member Tran.

The vote on the motion was as follows:

Council Member Barber, yea
Council Member Lortz, yea
Council Member Tran, yea
Council Member Blackham, yea
Council Member Adams, yea

The motion passed unanimously.

<u>REZONE OF APPROXIMATELY 0.65 ACRES OF PROPERTY AT 686 SOUTH WELLINGTON DRIVE FROM R-1-20 (SINGLE FAMILY RESIDENTIAL) TO THE R-1-14 (SINGLE FAMILY RESIDENTIAL) ZONING DISTRICT – SHANE ARBON</u>

Lyle Gibson explained that the property at 686 South Wellington Drive is currently zoned R-1-20 and is approximately 0.65 acres. Mr. Arbon is requesting a rezone to R-1-14 in order to utilize the western portion of the lot to create a second single family building lot. This new single family home lot would front the stub road west of Wellington Drive. The existing lot would allow for 2 lots that would meeting the frontage, square footage, and buildable setback requirement under the R-1-14 zoning district. The Planning Commission voted unanimously to recommend approval of the rezone as requested.

Shane Arbon commented that he had spoken to the neighbors who didn't have any problems with his proposal. The additional home would be located in the backyard of his existing home and wouldn't be creating a flag lot situation because this is a corner lot.

Council Member Adams asked if this property was located within a PRUD.

Lyle Gibson responded that it was not.

Council Member Adams made a motion to approve a rezone of approximately 0.65 acres of property at 686 South Wellington Drive from R-1-20 (Single Family Residential) to the R-1-14 (Single Family Residential) zoning district for Shane Arbon. The motion was seconded by Council Member Barber.

The vote on the motion was as follows:

Council Member Lortz, yea
Council Member Tran, yea
Council Member Blackham, yea
Council Member Adams, yea
Council Member Barber, yea

The motion passed unanimously.

REZONE OF 3.87 ACRES OF PROPERTY AT APPROXIMATELY 600 SOUTH DESERET DRIVE FROM THE LI (LIGHT INDUSTRIAL) ZONING DISTRICT TO THE R-2 (ONE TO TWO FAMILY RESIDENTIAL) ZONING DISTRICT TO INCLUDE THE PRUD (PLANNED RESIDENTIAL UNIT DEVELOPMENT OVERLAY ZONE – PHIL HOLLAND

PRELIMINARY PLAT OF THE DESERET LANDING SUBDIVISION LOCATED AT APPROXIMATELY 600 SOUTH DESERET DRIVE – PHIL HOLLAND

PRELIMINARY PLAT OF THE DESERET LANDING BUSINESS PARK SUBDIVISION LOCATED AT APPROXIMATELY 600 SOUTH DESERET DRIVE – PHIL HOLLAND

PRELIMINARY PLAT OF THE OLD MILL LANDING SUBDIVISION LOCATED AT APPROXIMATELY 600 SOUTH DESERET DRIVE – PHIL HOLLAND

Lyle Gibson explained that these items are being considered together as they relate to the same development agreement and property located at approximately 600 South Deseret Drive. This property is just south of Boondocks and has an applicable development agreement that was approved by the City Council nearly a year ago. In the agreement the developer was allowed to develop as many as 66 detached single family residential homes. The zoning was originally put in place to match the anticipated configuration of this development, but was modified shortly thereafter in order to reduce the amount of residential development and to accommodate two specific commercial users that where considering the property. These specific commercial uses are no longer able to develop here and the developer is interested in putting the residential units allowed by the development agreement back into consideration. Originally the residential development that was removed fronted along Deseret Drive, putting the commercial property between it and the freeway. The current request is to put the single family homes abutting the residential project currently under construction along the south side of the property, providing more Deseret Drive frontage for commercial users. The agreement requires that at least 13 acres of the subject property remain available for commercial or light industrial development. This request leaves the 13 acres as required. The existing development agreement already in place restricts the type of residential development that can be built. In addition, the developer has provided subdivision plats, including the preliminary plat for the residential component to show

how these homes would be developed. As the developer moves forward with finding users for both the commercial property and a builder for the residential component, it is necessary to divide the property through a subdivision process. The Deseret Landing Subdivision creates a lot 3.87 acres in size, the area being considered for rezone, which will later be further divided into a residential development known as the Old Mill Landing subdivision. It also creates 3 commercial lots ranging from 3 to 6 acres in size. This commercial portion will also go through a separate and more detailed subdivision process where further review of the engineering and technical details will be conducted. The Deseret Landing Business Park Subdivision is the commercial development which will be accessed via cul-de-sac off of Deseret Drive. While the development agreement applicable to the property requires that at least 13 acres be developed as commercial or light industrial use, the LI zoning district does not have minimum lot size or width requirements. The cul-de-sac as currently platted is part of Lot 102 and would function as a private street. The lots have been designed to accommodate the new anticipated uses that are permitted within the existing zone. In the proposed Old Mill Landing subdivision, it is showing the return of 22 units of single family detached residential units to this site, which is the purpose of the rezone request. These lots will sit on a cul-de-sac street with open spaces along the rail line to the east, and Deseret Drive to the west. Each lot is 4,500 square feet in size, with those near the cul-de-sac bulb and street approach increasing in size. All homes would front the new cul-de-sac street which is designed as a private road. The subdivision abuts 41 single family homes currently under development to the south and would bring the total number or residential lots to 63, under the maximum limit outlined in the approved development agreement. The cul-de-sac street is about 570 feet in length, under the city's maximum allowed dead-end street being 600 feet.

Phil Holland added that a year ago when this was originally reviewed they were excited for their plan and the commercial tenants who were interested in coming here. Those tenants tried to stay with the project for as long as they could, but as a result of the impact of the pandemic to the economy they had to remove themselves from the project. This led us back to our original plans with some slight modification where the residential area was replatted in order to give the commercial uses more frontage along Deseret Drive.

Council Member Blackham said that he was not on the Council when this development was originally reviewed and is concerned that the development agreement allows for a storage garage use on the property. He is also concerned about the proposed open space. Many previous developments requested the PRUD overlay with open space included within their project, and then didn't include any amenities on the open space so it is not used by the residents. Many of these subdivision HOAs will ask the city to take over their open space areas years later.

Phil Holland commented that the storage units were included in the development agreement conditionally. The intent was to relocate an existing storage unit business from another part of the city to this property. It was never their intent to build storage units on this property otherwise.

Council Member Blackham responded that if it is no longer a consideration, then the condition for the storage units should be removed from the development agreement.

Council Member Barber commented that she would prefer to leave the condition within the development agreement. If the storage units were able to consider relocating here it would be a great value to the city. And in exchange they would be able to free up some prime commercial property along main arterial streets.

Council Member Blackham asked about the open space areas in the development.

Phil Holland responded that market analysis has found that residents living in smaller homes and subdivisions, such as this, aren't interested in amenities such as gazeebos or pools because they require a lot more maintenance. This is because they have a much smaller HOA than the subdivisions where you find those types of amenities. Mr. Holland said that they plan to install a large berm along the eastern edge of Phases 1 and 2, along I-15. They also plan to install landscaping at the entryway. These types of amenities help to beautify the community and gives the residents some green space without overburdening the HOA.

Mayor Witt commented that there needs to be unanimous consent from the council regarding removing the condition for storage units in the development agreement.

Justin Atwater commented that it was never their intent to bring in any other storage units than the one user that was discussed. Currently there are other specific users interested in the commercial area.

Council Member Barber commented that she feels that there is a good blending between the proposed and existing residential areas along the south edge of the property. Council Member Barber added that the council received a concern from one of the neighbors to the south regarding there being a change in elevation between the two subdivisions through this development.

Justin Atwater responded that they have had some conversation with the neighbors to the south regarding this concern. Currently those homeowners to the south are in the process of purchasing the land individually between the two developments, and there is a contractor currently working in the area. Mr. Atwater said that they are working with that contractor to ensure that the land will be properly tapered and that the area have proper drainage so as to not interfere with neighboring properties.

Council Member Tran asked if the developer would consider utilizing the open space area for something the community could benefit from, such as a dog park.

Phil Holland responded that they will have to use the area adjacent to Deseret Drive for a detention area, but they would be willing to consider proposals for the open space area to the east

Mayor Witt commented that a dog park for the community would likely have to involve the city, and we cannot commit to maintain any more properties at this time. Dog parks also bring a lot of liability. Whatever amenities the developer installs would need to be maintained through the HOA, and not involve the city.

Council Member Blackham said that it is likely that young families will live here and it would be appropriate to have a playground here.

Council Member Barber made a motion to approve a rezone of 3.87 acres of property at approximately 600 South Deseret Drive from the LI (Light Industrial) zoning district to the R-2 (One to Two Family Residential) zoning district to include the PRUD (Planned Residential Unit

Development) overlay zone for Phil Holland with the recommendation to follow the General Plan guidelines for open space.

The motion died for lack of a second.

Council Member Blackham made a motion to approve a rezone of 3.87 acres of property at approximately 600 South Deseret Drive from the LI (Light Industrial) zoning district to the R-2 (One to Two Family Residential) zoning district to include the PRUD (Planned Residential Unit Development) overlay zone for Phil Holland with the stipulation that amenities for the open space be included, and to also remove the storage garages from the development agreement. The motion was seconded by Council Member Adams.

Council Member Adams asked if Council Member Blackham would be willing to amend the motion to only allow for the storage units that were originally planned to relocate here.

Council Member Blackham responded that he feels that the property that the considered storage units is currently located on would not be beneficial to the city because of large problems with access to the property, and because it's not a large piece of land.

The vote on the motion was as follows:

Council Member Tran, nay
Council Member Blackham, yea
Council Member Adams, yea
Council Member Barber, nay
Council Member Lortz, yea

The motion passed with a vote of three to two.

Council Member Lortz made a motion to approve the preliminary plat of the Deseret Landing Subdivision located at approximately 600 South Deseret Drive for Phil Holland, seconded by Council Member Adams.

The vote on the motion was as follows:

Council Member Blackham, yea
Council Member Adams, yea
Council Member Barber, yea
Council Member Lortz, yea
Council Member Tran, yea

The motion passed unanimously.

Council Member Adams made a motion to approve the preliminary plat of the Deseret Landing Business Park Subdivision located at approximately 600 South Deseret Drive for Phil Holland, seconded by Council Member Blackham.

The vote on the motion was as follows:

Council Member Adams, yea
Council Member Barber, yea
Council Member Lortz, yea
Council Member Tran, yea
Council Member Blackham, yea

The motion passed unanimously.

Council Member Tran made a motion to approve the preliminary plat of the Old Mill Landing Subdivision located at approximately 600 South Deseret Drive for Phil Holland, seconded by Council Member Lortz.

The vote on the motion was as follows:

Council Member Barber, yea
Council Member Lortz, yea
Council Member Tran, yea
Council Member Blackham, yea
Council Member Adams, yea

The motion passed unanimously.

CALL TO THE PUBLIC

Craig Christiansen commented that he is in support of the Kaysville fiber project and feels that it would be a good thing for our city. The pandemic has shown us the lack of needed broadband within the city as we have had to work from home and school. There is more traffic on the internet now, and it will continue. Mr. Christiansen added that he feels that this project will continue to be sustainable for the next 30 years and more.

COUNCIL MEMBER REPORTS

Council Member Adams commented that he had the opportunity to meet the Youth City Council and they have a passion and desire to serve our community. It is refreshing to see their enthusiasm to help our community and we are grateful for the hard work they do.

Council Member Barber said that the Parks and Recreation department has fall sports underway, and they also have been working to plan this year's "Kaysville Gives" program. The program will be a little different this year because of COVID restrictions, and we will be unable to have our typical big event. However, there are so many families in need this year in our area and in surrounding areas and we are looking for more ways for people to be able to donate.

Council Member Blackham said that the fire department was called out to a structure fire this last week and was grateful that nobody was hurt. Also, Jessica Busk was recently given an award and we will have a special recognition for her in a future council meeting.

Mayor Witt said that the city offices have moved back into the renovated city hall and there will be an Open House on October 13th from 6 to 7:30 p.m. for anyone who wants to tour the building.

CITY MANAGER REPORT

Shayne Scott thanked the council and staff for all of their efforts and the attention they gave to the budget this year.

ADJOURNMENT

Council Member Lortz made a motion to adjourn the City Council meeting at 9:18 p.m., seconded by Council Member Adams and passed unanimously.