MINUTES OF A VINEYARD
CITY COUNCIL MEETING
City Council Chambers,
125 South Main Street, Vineyard, Utah
June 26, 2019 at 6:00 PM

Present	**Absent**
Mayor Julie Fullmer	Councilmember John Earnest
Councilmember Tyce Flake	
Councilmember Chris Judd	
Councilmember Nate Riley	

Staff Present: City Manager/Finance Director Jacob McHargue, Assistant Finance Director/Treasurer Mariah Hill, Public Works Director/City Engineer Don Overson, Assistant City Engineer Chris Wilson, Sergeant Holden Rockwell with the Utah County Sheriff's Office, Community Development Director Morgan Brim, Planning Commission Chair Cristy Welsh, City Recorder Pamela Spencer, Building Official George Reid, Water/Parks Manager Sullivan Love

Others Speaking: Residents Aubrey Bills, Josh Gilman, Jessica Colyar, and David Lauret

6:00 PM REGULAR SESSION

CALL TO ORDER/PLEDGE OF ALLEGIANCE/INVOCATION/INSPIRATIONAL THOUGHT

Mayor Fullmer opened the meeting at 6:00 PM. Councilmember Riley led the Pledge of Allegiance and gave the invocation.

OPEN SESSION – Citizens' Comments

Mayor Fullmer opened the public session.

Aubrey Bills living in The Elms subdivisions asked what work had been done on researching the effect on the community form people renting out basement apartments, homes, and short-term rentals. Mr. Brim replied that the code allowed for accessory dwelling units (ADU) and that the owner must live on site. He mentioned that he was looking at changing the code for smaller lots. Mayor Fullmer asked Mr. Brim to address some of the issues associated with short-term rentals. Mr. Brim explained that short-term rentals (less than 30 days) were currently not allowed unless they were in use prior to the code change in 2016. He said that they were looking at the possibility of allowing them as owner-occupied short-term rentals. Ms. Bills asked if this would be preferable to having a second dwelling unit. Mr. Brim replied that they wanted to maintain single-family-owned homes to keep the character of the neighborhood. He explained that if the city were to allow short-term rentals on a large scale then that would turn the city/neighborhood into an investment product. He gave an example of The Lakes at Sleepy Ridge subdivision that could have more short-term rentals due to the close proximity of the golf course. He said that the city wanted people to have flexibility with their property to help offset their mortgages but also wanted to preserve the integrity of their neighborhoods. Ms. Bills asked what the time frame was to make the proposed changes because she saw that a lot of the homes currently being built had accessory apartments. Mayor Fullmer explained that accessory dwelling units were different than short-term rentals. There was a discussion about housing and parking requirements.

MAYOR AND COUNCILMEMBERS' REPORTS/DISCLOSURES/RECUSALS

Councilmember Judd reported that mortgage interest rates had dropped.

Councilmember Flake reported on the Utah Lake Commission meeting. He said the lake was 95 percent full, which was 6" from compromise, and that the depth was at 14 feet. He stated that this was the highest the lake had been since 2011. He reported that Vineyard had received a shoreline improvement grant. He reported on the phragmites treatment along the shoreline. He said that the Walkara Way Project needed funds to start fencing the area. He reported that the lake had had its first algal bloom in June. He said that the Utah Lake Commission had awarded funds and contracts to Brigham Young University and Utah State University for lake studies and also for three proposals for inhibiting and removing algae. Mayor Fullmer asked if the commission had talked about updating the reclamation plants. Councilmember Flake replied that they had referred it for review. He mentioned that the commission had received a report on the Provo River Delta project. He also reported that there were new signs posted at the local marinas depicting what the algae looked like. He added that these signs included a sign that was removable when the area was closed.

Mayor Fullmer reported that she and Mr. McHargue had gone to the Utah Legislature's Interim Committee to discuss the UTA double track. She said that UTA would be doing a build grant and attempting to get matches for Vineyard's double track as well as three other double tracks. She said that Vineyard would be willing to provide matching funds as a local necessity. She reported that she met with Senator Romney's staff about the build grant. She said that the TTIF grant needed a local 50/50 grant match. She explained that Vineyard was able to find the matching funds through some of the cleanup.

Mayor Fullmer mentioned that Lieutenant Governor Cox would be touring the city. She added that he would also be participating in a service project in Vineyard. She said that these were two separate meetings. She reported that the city would be holding a town hall meeting for The Meadows and The Elms subdivisions. She added that tomorrow and Friday she and Mr. McHargue would be meeting with UDOT to discuss the funds that were allocated for the connector.

STAFF, COMMISSION, AND COMMITTEE REPORTS

<u>City Manager/Finance Director – Jacob McHargue</u> – Mr. McHargue recognized Assistant Finance Director/Treasurer Mariah Hill for her hard work on applying for and receiving the Government Finance Officers Association Budget Presentation Award. Mr. McHargue said that Ms. Hill had worked with finance intern Karuva Kaseke to put together the budget document and application for the award. He explained that the budget document was a guide for residents to see how the city spends their funds now and in the future. He played a video from Chris Morrel,

GFOA Executive Director who congratulated Vineyard on their award. Mr. Morrel mentioned that this was the first time that Vineyard had won this award.

Public Works Director/City Engineer – Don Overson – Assistant City Engineer Chris Wilson reported on the road striping and surface treatments happening in the city.

City Attorney – David Church – Mr. Church was excused.

Utah County Sheriff's Office – Sergeant Holden Rockwell – Sergeant Rockwell had no new items to report.

City Recorder – Pamela Spencer – Ms. Spencer reported that residents had received a mailer from Orem City regarding their elections. She asked residents to disregard that notice as it had nothing to do with Vineyard's elections.

Building Official – George Reid – Mr. Reid had no new items to report.

Water/Parks Manager Sullivan Love – Mr. Love had no new items to report.

Clean Air Task Force – Resident Josh Gilman – Mr. Gilman reported on the success of the booth he staffed at the Summer Celebration. He explained that the main goal was to discuss Vineyard's clean air goals with the residents. He said that he had adopted them from the Utah Clean Air website. The goals were: 1. carpool and use UVX and FrontRunner when possible, 2. reduce idling time, and 3. walk and bike locally. He said that the difficulty with achieving clean air was getting the word out to the citizens.

Community Development Director – Morgan Brim & Planning Commission Chair – Cristy Welsh – Mr. Brim reported that the General Plan joint meeting was scheduled for July 10. He said that staff had sent out a mailer in regards to the proposed updated General Plan. He mentioned that he had used the mailer as an opportunity to address the maximum occupancy of units.

DISCUSSION ITEMS
No items were submitted.

CONSENT ITEMS

6.1 Approval of the June 12, 2019 City Council Meeting Minutes
6.2 Approval of the Interlocal Agreement with Utah County for the Bookmobile
6.3 Approval of the purchase of snow plows and spreaders for the Public Works trucks

Mayor Fullmer called for a motion.

Motion: COUNCILMEMBER JUDD MOVED TO APPROVE CONSENT ITEMS 6.1 THROUGH 6.3. COUNCILMEMBER FLAKE SECONDED THE MOTION. MAYOR FULLMER, COUNCILMEMBERS FLAKE, JUDD, AND RILEY VOTED AYE. COUNCILMEMBER EARNEST WAS ABSENT. MOTION CARRIED WITH ONE ABSENT.

MAYOR'S APPOINTMENTS

No names were submitted.

BUSINESS ITEMS

8.1 DISCUSSION AND ACTION – <u>Adopt Final Fiscal Year 2019-2020 Budget (Resolution 2019-07)</u>

City Manager/Finance Director Jacob McHargue will present the final Fiscal Year 2019-2020 Budget and the certified tax rate. The mayor and City Council will act to adopt (or deny) this request by resolution. (A public hearing was held on the tentative budget during the May 22, 2019 City Council meeting.)

Mayor Fullmer turned the time over to City Manager/Finance Director Jacob McHargue.

Mr. McHargue stated that the city had received the certified tax rate from the county. He explained how the county determined their rates. He said that sales tax revenue was dependent on sales in the city and also on a population estimate. He said the population estimate for the city was just over 10,000 residents. He reviewed the final budget. Highlights were:

General Fund Budget

Revenues

- Fiscal Year 2019-2020 $5,977,000
  Overall decrease from last year $132,000
  - Property Tax $2,325,000
  - Sales Tax $125,000
  - Miscellaneous Revenue $946,100
  - Licenses and Permits $770,000
  - Franchise Tax $403,500
  - Intergovernmental Revenue $245,000

Expenditures

- Public Safety $2,416,300
- Administration $793,200
- Transfers $730,200 Mr. McHargue explained that the transfers were for one-time large projects, B&C Road Funds for maintenance costs, and a transfer to the Internal Services fund for vehicle and building maintenance costs.
- Building Inspections $728,800
- Parks $494,100
- Public Works $395,800
- Sanitation $322,100
- Contracted Services $96,500

Mr. McHargue explained the breakdown of the funds. He mentioned that they city would need to bond for the difference in the water tank. He explained that staff was proposing a $1 rate increase in the sewer fund.

Mr. McHargue reviewed the Capital Projects:

- Trail Projects $30,000
- Gammon Park Tail $35,000
- Wetland Delineation $50,000 Mr. McHargue explained that the city was waiting to do the delineation because it had been such a high-water year.
- 2000 North Improvements $80,000
- Public Works Building $500,000
- Center Street Overpass $8,000,000
- Water Tank $14,000,000
- Water Purchase $150,000

Mayor Fullmer asked if the city would be able to roll over the money for the Gammon Park Trail project. She also asked if they were looking for matching grants. Mr. McHargue replied that the money was good until June 30, 2020. Mayor Fullmer asked about the UTA Van Pool. Mr. McHargue explained that the council had liked the concept but did not want to fund it at 100 percent.

Mayor Fullmer called for further comments from the public or council. Councilmember Judd asked about the funds for the fire station. Mr. McHargue replied that they did not earmark funds for specific projects. There was a discussion about the funds for the fire station.

Councilmember Riley asked if there was modeling that the city was doing to anticipate sales tax growth. Mr. McHargue replied that the difficult part of the equation was the redevelopment area. He said that a lot of the tax that would be coming to the city would be taken up by the redevelopment area. He explained that part of the budget was to have a long-term sustainability plan. Councilmember Judd asked if there was a certain percent of the property tax versus sales tax that they wanted to see. Mr. McHargue explained that it varied in different communities due to the amount of housing and retail ratios. He said that in Vineyard they had a mix of housing types and the per foot cost for property tax would help the property tax revenue. There was a discussion about property and sales taxes. Councilmember Riley commented that the benefits of the price per foot could not be understated in Vineyard. He said that there had been a delineated line drawn by previous city councils because the League of Cities and Towns had brought in an expert to explain that they could not replace infrastructure on half and one acre lots. He stated that the larger lots could not generate enough revenue. He said that past city councils had made the decisions on the density that Vineyard saw today in order to help fund repair and maintenance of infrastructure. Mr. McHargue said that Vineyard was not having any of the issues that were happening in cities with only larger lots.

Motion: COUNCILMEMBER JUDD MOVED TO ADOPT THE FINAL FISCAL YEAR 2019-2020 BUDGET, RESOLUTION 2019-07 AS PRESENTED, AND TO ADOPT THE CERTIFIED TAX RATE GIVEN BY UTAH COUNTY AS PRESENTED. COUNCILMEMBER RILEY SECONDED THE MOTION. ROLL CALL WENT AS FOLLOWS: MAYOR FULLMER, COUNCILMEMBERS FLAKE, JUDD, AND RILEY VOTED AYE. COUNCILMEMBER EARNEST WAS ABSENT. MOTION CARRIED WITH ONE ABSENT.

8.2 ▶ PUBLIC HEARING – <u>Amend the Consolidated Fee Schedule (Resolution 2019-08)</u>

City Manager/Finance Director Jacob McHargue will present recommended amendments to the Consolidated Fee Schedule. The mayor and City Council will act to approve (or deny) this request by resolution.

Mayor Fullmer called for a motion to open the public hearing.

Motion: COUNCILMEMBER FLAKE MOVED TO OPEN THE PUBLIC HEARING AT 6:54 PM. COUNCILMEMBER JUDD SECONDED THE MOTION. MAYOR FULLMER, COUNCILMEMBERS FLAKE, JUDD, AND RILEY VOTED AYE. COUNCILMEMBER EARNEST WAS ABSENT.

Mayor Fullmer turned the time over to City Manager/Finance Director Jacob McHargue.

Mr. McHargue reviewed the recommended changes to the Consolidated Fee Schedule.

Recommended changes were:

- Credit Card Fee 3% of Transaction Total
- Recreation Fees:
  - Youth T-Ball Registration $45
  - Youth Coach Pitch $45
  - Youth Flag Football Registration $45
  - Adult Flag Football Team Registration $350
  - Adult Soccer Team Registration $350
  - Pickleball Tournament Team $30
  - 3 on 3 Basketball Tournament $30
  - Late Registration $10
  - Late Team Registration $50
- Sewer Usage Rate $3.50 per 1,000 gallons – There was a discussion about the changes, usage, and depreciation.
- Storm Water Utility $5 per ERU (single family home)

Mayor Fullmer called for questions from the public.

Resident Jessica Colyar living in The Maples subdivision asked about the one-inch meter listed on the fee schedule. Mr. McHargue replied that there were only a few one-inch meters on Holdaway Road. He said that most residential units had three-quarter inch meters. He added that the three-inch meters were for condominiums and businesses.

- Inflatables Fee with Pavilion Rental $25
- Inflatables Deposit with Pavilion Rental $175
- Pavilion Rental Cancelation Fee $5
- Summer Celebration Food Vendor $300
- Summer Celebration Vendor Booth $100
- Boo-A-Palooza Vendor Fee $50
- Special Planning Commission Meeting Fee $390 per meeting – this is a request to hold a special Planning Commission meeting. There was a discussion about these meetings.
- Fire Inspection & Plan Review 10% of Building Permit Fee (commercial properties)

Mayor Fullmer called for further questions.

Councilmember Riley stated for the record that he felt it was important for everyone to recognize that the city cannot be making money off of the fee schedule. He said that the city was allowed to cover their costs and if they found that something was out of line, they would adjust those fees.

Mayor Fullmer stated that she agreed with Councilmember Riley. She asked if they had reviewed all of the costs and evaluated the time spent and the costs to hold a Planning Commission meeting. Mr. McHargue replied that the changes to the Planning Commission had not affected staff time. Mr. Brim stated that the Planning Commission was being reimbursed for all Planning Commission meetings. He explained that that was why they included the fee for special meeting requests in the Consolidated Fee Schedule.

Planning Commission Chair Cristy Welsh mentioned that the Lindon Planning Commission received a $400 stipend towards any digital requirements such as the use of tablets or laptops. Council and staff agreed to look into it.

Mayor Fullmer called for a motion to close the public hearing.

Motion: COUNCILMEMBER JUDD MOVED TO CLOSE THE PUBLIC HEARING AT 7:07 PM. COUNCILMEMBER RILEY SECONDED THE MOTION. MAYOR FULLMER, COUNCILMEMBERS FLAKE, JUDD, AND RILEY VOTED AYE. COUNCILMEMBER EARNEST WAS ABSENT. MOTION CARRIED WITH ONE ABSENT.

Mayor Fullmer called for further questions. Hearing none, she called for a motion.

Motion: COUNCILMEMBER FLAKE MOVED TO ADOPT THE AMENDED CONSOLIDATED FEE SCHEDULE, RESOLUTION 2019-08. COUNCILMEMBER JUDD SECONDED THE MOTION. ROLL CALL WENT AS FOLLOWS: MAYOR FULLMER, COUNCILMEMBERS FLAKE, JUDD, AND RILEY VOTED AYE. COUNCILMEMBER EARNEST WAS ABSENT. MOTION CARRIED WITH ONE ABSENT.

8.3 DISCUSSION AND ACTION – Cortona Lane Road Dedication Final Plat

The applicant, Mike Olsen with Vineyard Homesteads, is proposing to dedicate approximately one (1) acre of public right-of-way within Pod 1 of the Homesteads development. The road is existing and meets the design standards for city roads.

Mayor Fullmer turned the time over to Community Development Director Morgan Brim.

Mr. Brim explained that this was the final plat for the road section that was part of Pod 1 just south of the roundabout on the New Vineyard Road going towards Pod 2.

Councilmember Judd asked why the developers wanted to dedicate the road to the city now. Mr. Overson replied that road would go under warranty and once it was out of warranty it would be turned over to the city. The developer wanted to give the land under the road to the city. Mr. Overson added that it would be the same time frame whether it was dedicated now or two years from now. Councilmember Riley expressed concern about construction on the road once the warranty had ended. Mr. Overson explained that the developer's plan for Pod 2 Phase 1 was to build it at the same time the Center Street Overpass was being built. There was a discussion about the development. Councilmember Judd felt that it was interesting to accept a road that potentially would have impact on when it was not under warranty. Mayor Fullmer asked if they could tie stipulations to the road dedication. Mr. Overson replied no, according to state law they had to accept it. The discussion continued.

Councilmember Judd asked if they could stipulate where the construction vehicles could access the development when they begin to develop the property. Mr. Overson felt that they could do that. There was a discussion about construction access. Councilmember Riley mentioned that roads deteriorated faster when they were not used. Mr. Overson said that if they were not going to develop for four to five years, then he would be concerned. The discussion continued.

Resident David Lauret living on Holdaway Road asked about using the exit that would connect to the road into the Orem City development south of this development and not having access to Holdaway Road. Councilmember Judd replied that it would be a crash gate onto Holdaway Road. There was a discussion about the impact of using Holdaway Road.

Mayor Fullmer asked that further comments to be sent to Mr. Overson.

Mr. Overson mentioned that Pod 2 Phase 2 would be south of Phase 1 and it should not be a long period of time before construction begins. He felt that the construction use in Phase 1 would not last too long. He felt that they had built a good road and was not worried about it. He also felt that they could limit the impact on the road in Pod 2. Mr. Lauret expressed concern with the amount of traffic currently on Holdaway Road and then they would be adding more with the construction of Pod 2. Councilmember Judd felt that no matter where they put the access it would impact someone.

Mayor Fullmer closed the commentary. She said that if anyone had more comments or concerns to contact Mr. Overson.

Mayor Fullmer commented that Vineyard was tied in by several State and Federal entities and getting exits out of the city was the City's number one goal. She mentioned that they had the funds, planning, and approval to build the Center Street Overpass.

Mayor Fullmer called for a motion.

Motion: COUNCILMEMBER JUDD MOVED TO APPROVE THE CORTONA LANE ROAD DEDICATION FINAL PLAT AS PRESENTED. COUNCILMEMBER FLAKE SECONDED THE MOTION. MAYOR FULLMER, COUNCILMEMBERS FLAKE, JUDD, AND RILEY VOTED AYE. COUNCILMEMBER EARNEST WAS ABSENT. MOTION CARRIED WITH ONE ABSENT.

8.4 DISCUSSION AND ACTION – <u>First Amendment to the Property Exchange Agreement between Vineyard and Union Pacific</u>

The council will discuss and possibly vote to allow the mayor to sign the first amendment to the property exchange agreement between Vineyard and Union Pacific.

Mayor Fullmer turned the time over to City Manager/Finance Director Jacob McHargue.

Mr. McHargue explained that the city had negotiated a deal with Union Pacific Railroad (UP) that was contingent on funding sources that the city had acquired. He said that there were specifications and timelines that needed to be changed so there was an amended agreement. UP signed the agreement last August but the city was waiting to sign until they had the funding in place because of the strict timelines in the agreement. He explained that the city had just received a grant for this project. He explained that they did not know how the funding and timeline would work. He mentioned that the city would be meeting with UDOT and the grant representative from the Federal Government next week. He said that once they were able to get the answers that they needed they would be ready to move forward.

Councilmember Judd mentioned that the agreement stated that, "within an effective date, Vineyard would have the sole cost…" He asked if that meant they did not have to come up with all of the costs and would be able to use other grants. Mayor Fullmer stated that Mr. Church had said that he was comfortable with moving forward. Mr. McHargue explained that the biggest issue with the agreement had been the funding timeline. He said they had to have the money allocated and not all of the funding had been available.

Councilmember Flake asked what the timeline would be once they signed the agreement. Mr. Overson replied that the city had five days once they signed the agreement to submit the site plan to UP. He mentioned that there were also 30- and 60-day stipulations. Mr. McHargue said that they had been waiting to do some of the work because they did not know if any of the money was reimbursable.

Councilmember Flake asked about the status of the spur line that Vineyard had to build and if UP had agreed to it. Mr. McHargue replied that it was all outlined in the agreement. Mr. Overson explained that they were trying to meet with UP to talk about parts of the original design that had been required, such as the Geneva Nitrogen track and additional side track by the Provo lead. He added that they needed to finalize what UP wanted on the design. He felt that the issues were where the side track had to be located and if they had to make the north spur connection. He said that the contract that they looked at did not have all of the exhibits with the plans. Councilmember Flake expressed concern with the plans because UP was happy to pass the cost along to the city.

Mayor Fullmer felt that if they had the meeting and things were adjustable and the contract remained the same then they could move forward. It there were too many changes then it would be a new contract and it would have to come back to the city.

Councilmember Judd stated that he was excited because it has been so long and they were potentially at the point where they could move forward. He said that he did not feel comfortable waiting for another meeting. Mayor Fullmer felt comfortable that staff would be taking care of things. She said that if the dollar amount remained at $16,000,000, then she wanted to sign the contract now. She suggested that if the council wanted staff to come back to them with an update before she signed the agreement, then she was comfortable with that. She expressed concern with UP not being willing to do the deal if they waited too long. Councilmember Judd felt that Vineyard was not UP's focal point and this was a huge financial decision.

Councilmember Riley stated that he was not comfortable with having to pay the full $16,000,000 if some of the pieces were no longer required. Mr. Overson explained that UP had said that they did not like losing track and wanted to keep storage they already had on Geneva Road or someplace else. Mayor Fullmer said that she met with UP where they discussed the nitrogen track. She explained the process the city went through to get UP to honor the agreement. She felt that if, after all the city had gone through, they did not sign the contract they would not get a better deal.

Mr. McHargue said that the $16,000,000 was a budget number with set costs that they had negotiated for the right-of-way exchange, etc. He said that it was dependent on construction costs and that the Geneva Nitrogen expansion was in addition to these costs. He added that they did not know the current construction costs.

Councilmember Flake said that having been at this for four years, if this contract changed, then it had to come back to council. He stated that he was fine with it today. Mr. Overson felt that it was important to move forward with it. He said that he wanted to sit down with the project manager for UP and move forward with the project. Mr. McHargue felt that the first step would be to compile the questions, send them to UP, and then sit down with them.

Mayor Fullmer called for a motion.

Motion: COUNCILMEMBER FLAKE MOVED TO APPROVE THE SIGNING OF THE CONTRACT WITH ITS STATED DOLLAR AMOUNT. COUNCILMEMBER RILEY SECONDED THE MOTION. MAYOR FULLMER, COUNCILMEMBERS FLAKE, JUDD, AND RILEY VOTED AYE. COUNCILMEMBER EARNEST WAS ABSENT. MOTION CARRIED WITH ONE ABSENT.

CLOSED SESSION

No closed session was held.

ADJOURNMENT

Mayor Fullmer called for a motion to adjourn the meeting.

Motion: COUNCILMEMBER FLAKE MOVED TO ADJOURN THE MEETING AT 7:38 PM. COUNCILMEMBER JUDD SECONDED THE MOTION. MAYOR FULLMER, COUNCILMEMBERS FLAKE, JUDD, AND RILEY VOTED AYE. COUNCILMEMBER EARNEST WAS ABSENT. MOTION CARRIED WITH ONE ABSENT.

The next regularly scheduled meeting is July 10, 2019.

MINUTES APPROVED ON: July 10, 2019

CERTIFIED CORRECT BY: /s/ Pamela Spencer
PAMELA SPENCER, CITY RECORDER