

1 **PROVIDENCE CITY COUNCIL MEETING MINUTES**  
2 **May 28, 2019 6:00 PM**  
3 **Providence City Office Building, 164 North Gateway Drive, Providence UT**

4  
5 **Opening Ceremony:**

6 Call to Order: Mayor Drew  
7 Roll Call of City Council Members: Mayor Drew  
8 Attendance: K Eck, K Allen, B Fresz, D Giles, R Sneddon  
9 Pledge of Allegiance: Mayor Drew  
10 Opening Remarks – Prayer: Brent Speth

11  
12 **Approval of the minutes**

13 **Item No. 1.** The Providence City Council will consider approval of the minutes of May 14, 2019

14 **Motion to approve the minutes of May 14, 2019: —B Fresz, second — R Sneddon**

15 **Vote:**

16 **Yea: K Eck, K Allen, B Fresz, D Giles, R Sneddon**

17 **Nay:**

18 **Excused:**

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21 **Public Comments:** Citizens may appear before the City Council to express their views on issues within the City's jurisdiction. Comments will be addressed to the Council. Remarks are limited to 3 minutes per person. The total time allotted to public comment is 15 minutes. The City Council may act on an item, if it arose subsequent to the posting of this agenda and the City Council determines that an emergency exists.

- 25 • Benjamin Pedersen of 225 W 100 S brought his wife Camille and his son Noah with him. He spoke about opening 100 South to be a through street. He said that Mayor Drew expressed a desire to make Providence more walkable. He said that right now, 100 South is very walkable because there are not a lot of cars. Kids walk on it and mothers push strollers. Making it a through street will make it less walkable. We can make it a walkable street by adding a sidewalk, but not by making it a through street. He also addressed residents of the new townhomes reaching the elementary school. It will be safer for them to get to the elementary school by walking along 100 South if it is not a through street for cars.
- 32 • Camille Pedersen said that making it a through street will impact the property owners significantly because the road will need to be widened. It will destroy mature trees, and change the environment that property owners wanted when they bought their homes.
- 35 • Noah Pedersen said he enjoys playing football in the front yard. Making it a through street will impact the safety of kids playing in the area.

37  
38 **Public Hearing(s):**

39  
40 **Business Items(s):**

41 **Item No. 1: Proposed Vote.** Update on agreement between Spring Creek Water Company and Providence City and authorization for legal counsel to take further action.

42 **Motion to continue the item until June 11: — D Giles, second — K Eck**

43 **Vote:**

44 **Yea: K Eck, K Allen, D Giles,**

45 **Nay: R Sneddon, B Fresz**

46 **Excused:**

- 47 • Brent Speth, President of the Spring Creek Water Company, gave an update on discussions between the board and the city. He spoke with their attorney. Their attorney will work with Craig Smith, city water attorney, to try to resolve the issue. They would like the city to have their water. They represent all shareholders and try to represent them equally. They asked their attorney to make a modification proposal to the articles of incorporation to allow an individual who represents an entity that owns shares in the company to be a possible candidate for the board of directors. They wanted to make sure that a

- 54 person representing an entity represents all the shares of that entity, and those shares cannot be split as  
55 far as representation. They will then present this change at their annual meeting in December. They were  
56 also able to clearly identify their needs as a company so they could be represented in the conditions of  
57 approval of a change agreement governing the use of water from April through the end of October. It  
58 would not be renewable on a yearly basis, but would have a 3-5 year term, or possibly be indefinite but  
59 terminable with 90 day notice from either party. He said that water in the canyon is a complicated issue.  
60 There are multiple sources, and changing points of diversion can be difficult. Their attorney is also  
61 consulting with the head of the Division of Water Rights for the state of Utah.
- 62 • K Allen asked about gaining access to minutes from previous meetings of Spring Creek Water Company.  
63 He said that the city has to have transparent minutes, and so should the water company.
  - 64 • B Speth said that the minutes of the yearly meeting are approved the following year. After they are  
65 approved, they are accessible. The board meeting is held two to three times a year. The minutes are  
66 available to anyone who is interested. When they received a request for the minutes, they were  
67 concerned because of the city's threat of litigation.
  - 68 • B Speth addressed the subject of voting. He read from a letter from their attorney. They changed last  
69 December to have voting rights be by shareholder rather than by share. Utah Code provides that unless  
70 otherwise provided by the bylaws, the voting would normally be one vote per share. But in a nonprofit  
71 corporation, the company can select a different method of voting. This new voting procedure has been  
72 filed with the State of Utah and it has not been rejected.
  - 73 • B Speth said that board members must own stock in the company. Based on that, he had to reject B  
74 Fresz's nomination as a board member. However, this could change if the company votes to approve the  
75 proposed changes that would allow an entity to be represented.
  - 76 • K Allen said that the city is the largest shareholder. It is unfair that we have been blocked out. Because of  
77 that, he thought it was important that there be transparency in how these decisions are made.
  - 78 • B Speth felt that the city was not blindsided. He told the council in advance that the current bylaws  
79 required that a board member be a shareholder. The city, however, did not propose any changes to those  
80 bylaws. B Speth said in the general meeting that the rules could be changed. This is recorded in the  
81 minutes.
  - 82 • K Allen said that it is important that we continue to move forward with these changes.
  - 83 • B Speth said that they try to treat all shareholders equally. The voting change was made so that everyone  
84 could have an equal voice.
  - 85 • R Sneddon asked how much water the city uses as a percent of the shares it owns during the summer  
86 months.
  - 87 • B Speth said that all shareholders get an allotted time to use their shares. It is based on time.
  - 88 • B Speth that the city double dips in the sense that it is allowed to lease shares to others and it is allowed  
89 to take the extra water during April and October and sell it as municipal water.
  - 90 • R Sneddon said that in the future, the city could make a reservoir to collect the water represented by all  
91 our shares in Spring Creek Water Company. He doesn't see water being used for irrigation as much in the  
92 future. It will be used mostly for municipal uses.
  - 93 • B Speth said that there is no problem with the city using its shares.
  - 94 • Mayor Drew said that regarding the city's change of water application, we requested certain records. It  
95 wasn't the minutes that we requested. Shareholders all have rights to those records.
  - 96 • Mayor Drew said that he believes that the company is obligated to treat every share equally, not every  
97 shareholder. He said that our city attorneys are of the opinion that voting per shareholder is illegal.  
98 George Daines, who was a municipal attorney, also objected to the voting change in the general meeting  
99 of Spring Creek Water Company. Mayor Drew said that B Speth's comments seem to be us vs. them,  
100 which doesn't create an environment of cooperation.
  - 101 • K Eck asked about the change application. Mayor Drew said that it is about changing our shares to  
102 municipal use. The company has 120 days to approve or deny it.
  - 103 • B Fresz asked if the water is overflowing into the creek up in the canyon. He said that we are spending  
104 money to pump water from Blacksmith Fork into Spring Creek water company as part of the exchange  
105 agreement. At the same time, unused water is overflowing at Spring Creek. It seems like a waste from an  
106 engineering point of view. If the water company really wants to work with the city, why is this happening?
  - 107 • Ralph Daniels, water master for Spring Creek Water Company, said that the April and October agreement

108 that allows the city to take excess water for municipal use had to be approved by the state. The months of  
109 May through September have not been approved by the state. Their attorney is working right now to  
110 make it April through October. The water company is not trying to prevent the city from accessing excess  
111 water. They are waiting for it to be approved.

- 112 • Mayor Drew said that in the past, the water company has allowed us to take water outside of April and  
113 October without waiting for state approval.
- 114 • R Daniels said that in the past, the city was not threatening a lawsuit.
- 115 • S Bankhead said that the term culinary use is not recognized in the definitions. We are asking for  
116 municipal use. This means that we can use it for irrigation, livestock, secondary water, or culinary water.  
117 Just because it is designated as municipal use does not mean that we will use it for culinary water. Our  
118 shares are currently designated for municipal use [only during the months of April and October]. Also,  
119 even if other shareholders are not using their shares, we are not allowed to take their excess water and  
120 put it into the culinary system, because it is not designated for municipal use.
- 121 • D Giles said that he appreciates B Speth taking the time to come and update us. He feels that progress has  
122 been made.
- 123 • Mayor Drew felt that substantial progress has not been made.

124 **Item No. 2: Resolution 015-2019.** The Providence City Council will consider for adoption a resolution adjusting  
125 cemetery fees including but not limited to: grave space, burial open/close, space transfer, and headstone setting.

126 **Motion to approve resolution 015-2019 with the amendment that the rates for infant and cremations be \$300**  
127 **on weekdays and \$400 on Saturdays:** — K Allen, second —B Fresz

128 **Vote:**

129 **Yea: K Eck, K Allen, B Fresz, D Giles, R Sneddon**

130 **Nay:**

131 **Excused:**

- 132 • Mayor Drew explained that we have researched what other cities charge. We have also received  
133 information about how Logan came up with their rates. We are considering going to the same flat rate for  
134 spaces for residents and non-residents.
- 135 • K Eck explained that we are considering a flat rate because citizens sometimes buy spaces in bulk at the  
136 citizen rate and then transfer them to non-residents.
- 137 • Mayor Drew explained that the current cost per space covers the price of the land, but it doesn't cover  
138 the perpetual maintenance.
- 139 • Mayor Drew met with Todd Rasmussen, mayor of River Heights. They may be willing to sell us some  
140 additional land for the cemetery. Typically, we are selling about 100 spaces per year. With our expansion,  
141 we will have 8-10 years of spaces. We have many spaces that are sold but not used.
- 142 • Bryan Cox of Providence said that we don't have a cost for scattering ashes. S Hansen, cemetery sextant,  
143 said that that is a prohibited act. Ashes have to be in a container.
- 144 • K Eck said that she would like to see infant half-spaces for half the price. It would save space. It may  
145 create extra paperwork, but she thinks that we can handle it.
- 146 • Mark Thompson said that families may buy plots in order to be next to each other.
- 147 • K Eck said that they could still buy a whole plot if they wanted to bury an infant next to them. Logan  
148 Cemetery has a section for infant burials. Often, people use it because it is less costly.
- 149 • B Fresz said that we could simply call it a half space. It could also be used for cremation ashes.
- 150 • K Allen said he hasn't seen an infant section in the four cemeteries he has visited.
- 151 • S Hansen said that we average less than 5 infant burials per year. He doesn't want to tie up space to make  
152 an infant section. K Eck would like it to be an option, even if we don't section off an area of the cemetery.
- 153 • D Giles asked if we can put a cremation within the same space as a tradition burial.
- 154 • S Hansen said that it has to be done at the same time as the traditional burial, or after the traditional  
155 burial, but not before. Or, there could be two cremations placed in the same space. S Hansen said that  
156 digging in half lots makes it easy for accidents to happen.
- 157 • Mayor Drew felt that many people would want to bury their child next to the rest of the family.
- 158 • S Hansen said that the types of vaults that are available for half-lots are limited. We require a vault unless  
159 special approval is given.

- 160 • K Allen thanked S Hansen for maintaining the premier cemetery in the valley.
- 161 • Mayor Drew said that K Allen is drafting an article for the newsletter about the history of our cemetery. K
- 162 Allen said that there were Japanese citizens buried here a long time ago. They have an interesting back
- 163 story.
- 164 • R Sneddon would like to propose that the dollar amount for the fees be constant 2019 dollars so that it
- 165 would account for inflation.
- 166 • S Hansen suggested that the infant burials and cremation burials should be the same rate (for
- 167 opening/closing).
- 168 • K Allen said that we have a program to give a discount to people who can't afford a cemetery plot.
- 169 • M Thompson asked how the age of an infant is defined. S Bankhead said that our code defines a child
- 170 burial as under 2 years old. We have used that as the definition for infant.
- 171 • B Fresz agreed that we should make the infant and the cremation openings/closings the same price. K Eck
- 172 said that we could make it \$300 for infant and cremation openings/closings on weekdays and \$400 on
- 173 Saturdays.
- 174 • D Giles asked why the proposed open/close rate on Saturday is \$1200.
- 175 • S Hansen said that the cost for the employees' time and the cost for renting the backhoe is around
- 176 \$1,100. Employee work time for the three employees involved averages 2-3 hours on an opening, 2-3
- 177 hours on a closing, and one hour on the layout (per employee). S Hansen said that the time required
- 178 depends on the hardness of the earth that they are digging through.
- 179

180 **Item No. 3: Discussion.** The Providence City Council will discuss property owner discussions and possible eminent  
 181 domain or other property acquisition arrangements for a portion of 100 South between approximately 400 West  
 182 and 500 West

- 183 • Mayor Drew explained that the eminent domain action being considered is for property west of the road
- 184 closed sign. It is being considered because of a deed restriction that is on a piece of property that is in
- 185 Providence City's name. Mayor Drew said that the council has been working with M Thompson to remove
- 186 the deed restriction. This will be done before anything is done relating to putting the road through.
- 187 • Mayor Drew explained that putting the road through has been on the transportation plan that has been
- 188 approved by planning commissions and past city councils. Some citizens felt that the city promised to
- 189 never make the road go through. A resolution from 2006 mentions a cul-de-sac, but says that if the road
- 190 does go through, property owners will be compensated for the land that they dedicated. Cul-de-sacs
- 191 come in various forms. Some have curb and gutter, some do not. The resolution stated that the city was
- 192 not giving up any right of way that the city has by dedication or prescriptive use. As far as Mayor Drew
- 193 knows, there is no document that says that road will not go through in perpetuity. Also, we don't yet
- 194 know the specifics of what a road would look like going through there. Engineering work needs to be
- 195 done. Before we move forward on that, we will have to get property appraised. We are not at that stage
- 196 yet.
- 197 • K Eck suggested that the council offer to meet with property owners individually. Mayor Drew said that he
- 198 is here at the office five days a week. Residents are welcome to stop by.
- 199 • Kent Udy lives on 100 South. He remembers when it was agricultural fields. He feels that Providence is a
- 200 rural community. This is the last dirt road in Providence. He asked what the council's plan is for 100 South.
- 201 • Mayor Drew said that it has not been decided, but that the standard right of way is a 66 ft right of way.
- 202 • M Thompson said that his property west of the cul-de-sac is the one at issue tonight. At the time that the
- 203 residents deeded their property to the city for the road, they were comfortable doing so in exchange for a
- 204 cul-de-sac that they hoped would prevent the street becoming a through street. However, he said that
- 205 the mayor is correct that if the city does make it a through street, they agreed to reimburse the residents
- 206 that had deeded property to the city. M Thompson said that he has met with each one of the council and
- 207 proposed his ideas. He would like to go the discussion route rather than the eminent domain route. The
- 208 deed restriction that he put on his property was put there to protect the residents on 100 South. He said
- 209 that walking paths or biking paths are another option on that street.
- 210 • Heidi Fargo lives on 48 S 100 W. She asked if there is a compelling need to create this kind of impact on
- 211 the lives of the residents. There is something special about this lower area of Providence. If there is a

212 great need, she could agree with making it a through street. But she doesn't see a great need for it here. It  
213 is not that difficult for traffic to get around that area. Nobody is walking to tractor supply or Macey's.  
214 However, a walking path on 100 South could be a good idea. She suggested using the money from this  
215 project for improving the playground at Zollinger Park.

- 216 • K Eck said that we are planning on improving that playground already.
- 217 • Michelle Palmer of 300 south said that this area of Providence is unique. There are a lot of hobby farms  
218 and animals. We should try to keep it that way. She agrees that 100 North and 300 S are good feeder  
219 roads. We don't need to route traffic through 100 South. She feels that the best place for a roundabout is  
220 at 200 West 100 North and 200 West 300 South.
- 221 • K Eck said that she doesn't think that a roundabout on 200 West is a good idea.
- 222 • Mayor Drew explained that a roundabout has been considered at the intersection of 100 South and 200  
223 West, and the intersection of 300 South and 200 West, because the streets don't line up. That is one way  
224 to solve that problem, but roundabouts cost about \$500,000.
- 225 • Jon Mock of 95 South 100 west said that roundabouts don't always have to be as large as they often are.  
226 Mayor Drew said that 200 West is a county road, which may mean that we have to make it larger.
- 227 • K Allen said that 100 South has a lot of open area. What is the guarantee that the residents will not  
228 subdivide their lots? There is none. To think that this will stay rural in perpetuity is unrealistic. People will  
229 subdivide and sell. At that point, the road will be a problem. 100 South is also a good connector road  
230 down to the highway. Mayor Drew said that he knows a few property owners who have been approached  
231 by developers already. Density and development will happen.
- 232 • Kent Dunkley thanked the people who came to the meeting tonight. He asked if the city can issue a  
233 building permit to one of the land owners on 100 south before the road is improved. He said that at one  
234 time, the city said there could be no more building on 100 south. Mayor Drew said that this is not the  
235 case. K Dunkley also said that R Sneddon said in his email that a narrower road could be made for 100  
236 south.
- 237 • R Sneddon said that the city might be able to be talked into a smaller road cross-section. He said that he is  
238 inviting the residents to come up with a proposal to preserve the nature and character of the  
239 surroundings. Since the road will not be a collector road, it may not need the standard width.
- 240 • K Dunkley said that even though the agenda item today is about M Thompson's property, the issue is  
241 really 100 South. Once the city removes the deed restriction, they will proceed to put a through street on  
242 100 south.
- 243 • B Fresz agreed that removing the deed restriction would be a key step in proceeding with that project.
- 244 • Mayor Drew said that making it a through street has been the plan of the council for the last 25 years. K  
245 Dunkley said that the city agreed to a cul-de-sac. Mayor Drew said that cul-de-sacs are not necessarily  
246 permanent. They sometimes go away when adjacent properties develop. K Dunkley said that the  
247 residents who signed the plat for the cul-de-sac were not aware of that at the time. K Dunkley said that  
248 not everybody is united on the council with regards to this action. K Dunkley said that he hopes that the  
249 council will make a decision with the residents in mind.
- 250 • K Eck asked about the rezone request that K Dunkley brought to the city for townhomes. K Dunkley said  
251 that he had requested a cul-de-sac from the west that connected to the cul de sac from the east. He had  
252 requested 18 units. He didn't propose a through street.
- 253 • K Eck asked about the other roads that will be relieved of traffic if 100 south goes through. She said that  
254 some residents are looking at it from a selfish perspective. They are willing to drive by other people's  
255 homes, but they don't want anyone driving by their homes. We need to balance the needs of the citizens.
- 256 • Dirk Henningsen of 198 W 100 S said he appreciates that some council members are opposed to putting a  
257 roundabout near his lot. He appreciates the quaint road on 100 south. He supports the other residents  
258 who have spoken. He feels that there are other roads that drivers can use to get around.
- 259 • Benjamin Pedersen spoke about future developments on 100 South. He is a fan of progress, and knows  
260 that some development will happen. Why not make the developer pave the road when that time comes?  
261 We don't need it now.

- 262 • Jon Mock said that it is really up to the city to decide how to preserve the historic or rural areas. The city
- 263 council can decide how to encourage or not encourage development through zoning. The city council
- 264 should have a vision of what they want Providence to be.
- 265 • Mayor Drew said that there is always opposition to development. State code requires us to plan for
- 266 growth. The population in the valley is increasing, and Logan is almost built out. Councils have to make
- 267 difficult decisions.
- 268 • Tammi Gustaveson said that she has lived on 100 South for 42 years. She said that the residents have to
- 269 go through this process every time that there is a new council. She said that she will never develop her
- 270 land as long as she lives.
- 271 • Reese Peterson asked about the townhomes that K Dunkley mentioned, and how they changed from 18
- 272 units to 30 units. Mayor Drew said that they were approved at some point by the city. R Peterson said
- 273 that the proximity of the townhomes to 100 South will create extra problems if the road goes through.
- 274 The townhomes could have around 200 people with all the associated cars. There is little parking in the
- 275 townhome area, and there will be a lot of traffic. It will be a safety issue.
- 276 • Mayor Drew said that his experience is that townhomes don't create much traffic and are quiet. He drives
- 277 by the Creekside townhomes every day.
- 278 • Rachelle Smith lives on 260 West 100 South. She wanted to rebut the statements about the Creekside
- 279 Townhomes. She lived in that area. The area exploded into traffic and became the "freeway." She moved
- 280 because of the traffic. It wasn't safe for her children anymore. She is concerned about the potential
- 281 roundabout at 200 West 100 South.
- 282 • K Allen said that he hasn't seen the same traffic problem in the area R Smith was referring to. R Smith said
- 283 that the four-way stop has reduced the load, but the traffic is still a problem.
- 284 • JR Robinson addressed future growth. He said that the zoning determines how the growth happens.
- 285 Logan has kept the small town feel in the downtown area through zoning. We could do the same thing in
- 286 Providence rather than letting the downtown get chopped up.
- 287 • Karen Mock of 95 S 100 West asked what the vision for the downtown area of Providence is. We should
- 288 recognize it as a gift. It is not just for the people who live there. There are people who run and walk on
- 289 100 South who are not even from the street. She feels that planning is warranted so that we do not lose
- 290 the specialness of that road. She said that we should consider what we are gaining and what we are giving
- 291 up.
- 292

293 **Item No. 4: Discussion.** Budget presentation and discussion

- 294 • Mayor Drew said that Laura Fisher requested all of the 911 calls for the past four or five years broken
- 295 down by fire and emergency services, all the job descriptions and pay rates we have had since 2018, and
- 296 all the attorney fees we have paid related to Spring Creek Water Company.
- 297 • Mayor Drew said that we could have a substantial savings in well pump costs if we could use all of our
- 298 Spring Creek Water Company shares. We could take one of our wells offline. S Bankhead added that we
- 299 are not leasing 2/3 of our shares as was claimed earlier. [We lease 94 shares out 246, or about 38%].
- 300 • K Allen asked if we are entitled to water coming out of Spring Creek. S Bankhead said that we are not
- 301 entitled to any during the summer.
- 302 • Mayor Drew spoke about the exchange agreement. Spring Creek Water Company does not lose any water
- 303 from the agreement. They are not giving us anything.
- 304 • S Bankhead said that the exchange agreement has nothing to do with our Spring Creek shares. We pump
- 305 water from Blacksmith Fork Irrigation Company to Spring Creek Water Company in exchange for taking
- 306 water out of the spring.
- 307 • Mayor Drew said that R Daniels counts that water as if it were city shares. He said that this kind of
- 308 misinformation is what the city has been dealing with for years. Progress has not been made.
- 309 • K Allen said that they could change their bylaws at any time. They don't have to wait for the December
- 310 meeting.
- 311 • S Bankhead brought up page 2 of the water fund. Line item 4079 that shows \$347,000 in the 2020
- 312 Proposed budget column has to do with the Highlands water agreement.

- 313 • Line item 4091 is \$100,000 to finish engineering work and preliminary work on the reservoirs. S Bankhead  
314 said that we might want to have some people from Zion’s Bank talk to the council about their ideas for  
315 bonding and financing large water projects. There is not enough money budgeted for the actual water  
316 projects themselves, but there is enough to finish the engineering work and perhaps get a bond  
317 consultant.
- 318 • The \$350,000 on line item 4092 is for the 500 South Main project. We increased the budgeted amount  
319 due to our experience with the Baur Avenue Project.
- 320 • B Fresz asked if we do funding depreciation or depreciation write-off of capital. S Bankhead said that we  
321 do capital expenditure depreciation as an expense.
- 322 • B Fresz asked how much money is in our water fund. Mayor Drew thought it was about \$6.5 million. B  
323 Fresz asked when the last time we had a rate study was. Mayor Drew said that it was about 15 years ago.  
324 We are long overdue. B Fresz would like to add funds to the budget for conducting rate studies for all of  
325 our enterprise funds.
- 326 • K Eck said that based on her experience as a realtor, we are about \$20 lower per month on our utility bill  
327 than the rest of the cities in the area.
- 328 • B Fresz said that it is hard to make good budget decisions without more information. We don’t know  
329 enough about the infrastructure we have in the ground, how much it would cost to replace it, how much  
330 life it has left, etc.
- 331 • Mayor Drew said that we cannot do another rate study until M Pierce finishes the capital facilities plan.
- 332 • S Bankhead said that we can do estimates of repair and replacement costs even before the capital  
333 facilities plan is finished. However, we need to wait for the capital facilities plan before estimating the  
334 cost of expansions.
- 335 • Mayor Drew said that the engineers could give us an estimate on the operation and maintenance costs of  
336 what is currently in the ground, and then they could append the expansions to the report later.
- 337 • B Fresz agreed. He also said that M Pierce and his firm could estimate the future maintenance costs of any  
338 expansions that they are proposing.
- 339 • B Fresz asked about a sewer rate study.
- 340 • S Bankhead said that a true rate study probably hasn’t been done since the sewer was put in 30 years ago.  
341 We have done estimates on operation and maintenance costs since then, but not to the level of detail of a  
342 rate study. B Fresz asked how much the rate study would cost for water and sewer.
- 343 • S Bankhead said that the stormwater is the one that we have the least information about, and should  
344 probably be the most concerned about. S Bankhead wasn’t sure about the costs of a rate study.
- 345 • B Fresz said that when the sewer system gets to the last few years of its life, we won’t be able to rely on  
346 our current O&M estimates. Things will start breaking faster. That is why we need a rate study.
- 347 • S Bankhead will look into how much a rate study will cost.
- 348 • B Fresz asked about utilities costs in the water fund. S Bankhead said that it is mostly electrical costs.  
349 These costs include pumping, heating, the SCADA system, etc.
- 350 • B Fresz asked about the line item for legal costs, and why some funds have it broken out and some don’t.  
351 S Bankhead said that a few years ago we decided to break out legal costs in the water fund because we  
352 wanted to track our spending on the water-related legal issues that had been arising.
- 353 • B Fresz asked about line 4053 Water Share Fees. S Bankhead said that this is what we pay to Spring Creek  
354 Water company.
- 355 • B Fresz asked about line 3740 Water Share Fee (in lieu of). S Bankhead said that developers pay this fee  
356 instead of dedicating water shares. It can go towards purchasing water. Part of it could go towards the  
357 Highlands payoff.
- 358 • K Allen asked if the Spring Creek payment is proportional to our number of shares. S Bankhead said that it  
359 is.
- 360 • S Bankhead said that the amount of money is increasing in the water fund. It is probably increasing  
361 enough to pay for replacement costs, but it is probably not enough for new reservoirs or capacity  
362 increases. We should probably look at bonding instead of self-funding for the reservoirs. We have not  
363 collected enough for large projects.

- 364 • B Fresz proposed that we add \$50,000 to professional and technical services to cover a rate study for the
- 365 water, stormwater, and sewer funds.
- 366 • S Bankhead said that our initial budget has to be approved by June 22, but our final budget doesn't have
- 367 to be done until August because of the truth in taxation process. We can also do a budget adjustment
- 368 throughout the year.
- 369 • K Allen agrees that we need to look to the future. Eventually, these things will come up.
- 370 • Mayor Drew agreed. He said that we may have to play catch up because we have not been laying aside
- 371 enough money in the enterprise funds.
- 372 • B Fresz asked about prior year revenue on the water fund. S Bankhead said that it is money that has been
- 373 collected in prior years so that we can pay for the Highlands water agreement. It is for future water
- 374 acquisition. B Fresz asked if it is related to the water share fee in lieu. S Bankhead said that much of that
- 375 money came from previous years' fee-in-lieu collection. What is shown on line 3740 is projected fee-in-
- 376 lieu collection from development through June 30<sup>th</sup> of this year. However, we do have more than the
- 377 \$350,000 that is shown here in our fee in lieu account.
- 378 • B Fresz asked if a rate study would double as an impact fee study. S Bankhead said that it will not.
- 379 • B Fresz asked if there is any way we can be more efficient with our pumps. He asked if we are charging
- 380 enough for impact fees. He asked about items 4079, 4091, and 4092. Are these the projects for the year
- 381 2020?
- 382 • R Stapley said that we are waiting for bids to come in on the Downtown Water project.
- 383 • As to the reservoirs, S Bankhead said that we need to start looking into funding. It takes some time to get
- 384 on the schedules for low interest loans. R Stapley said that he does not foresee a lot of work getting done
- 385 this year on the reservoirs other than engineering.
- 386 • B Fresz asked whether if we bond, it will be up to a public vote. S Bankhead said that it will not, because it
- 387 is a bond against future revenue. They look at things such as our rates, and will probably require us to
- 388 increase our base rate. They also look at the median income in the city, etc. B Fresz asked if a rate study
- 389 would put us in a better position for the bonding. S Bankhead said that it probably would.
- 390 • R Sneddon wondered if we can accurately measure how much we should accumulate for the various
- 391 enterprise funds. He suggested making sinking funds so that we can start putting aside however much
- 392 money we decide. We could start now.
- 393 • Mayor Drew and R Stapley said that we have most of the data that we need. We have a record in IWORQ
- 394 of every pipe that is in the ground.
- 395 • B Fresz spoke about depreciation. It is a mechanism for writing off assets that are in use, but not for
- 396 replacing them. Funding depreciation is for replacing them.
- 397 • Mayor Drew said that we are depreciating based on the historic cost. This does not estimate the cost of
- 398 replacing it in the future. We need a rate study to tell us what we need for the future.
- 399 • B Fresz proposed that we change the label "depreciation expense" to "funding depreciation" since we are
- 400 not writing it off.
- 401 • R Sneddon brought up roads. We should begin to accumulate money for that.
- 402 • Mayor Drew said that for some reason, cities don't put aside money for streets in the same way they do
- 403 for water, sewer, etc. Unfortunately, this is simply the way it has always been done.
- 404 • S Bankhead said that we would not be able to afford to put aside the amount of money that we would
- 405 need to put aside.
- 406 • Mayor Drew estimated that we would need about \$65 million in the bank if we accounted for streets the
- 407 same way we do for water and sewer.
- 408 • R Sneddon said that perhaps we should have a goal to set aside money for replacing 1.5 miles per year.
- 409 • Mayor Drew said that the LTAP study doesn't recommend this. It says to spend money maintaining good
- 410 roads, and to allow others to fail. There is also a limitation on how much the contractors can do in a year.
- 411 • S Bankhead said that on the sewer fund we planned for about \$500,000 for the lift station. This includes
- 412 some main lines. This is assuming that the property owners are willing to deed to us the necessary
- 413 property.
- 414 • B Fresz asked about the return on that expense. S Bankhead said that it depends on how the area
- 415 develops.

- 416 • Mayor Drew said that someone from the Chamber of Commerce will come to talk to us about a CDA or an
- 417 RDA. It is a mechanism to raise money for infrastructure to attract commercial development. It is paid for
- 418 by the additional taxes paid on the improved land within the district.
- 419 • B Fresz asked about the data we have on the sewer system. R Stapley said that we have good data, but it
- 420 needs to be organized. B Fresz asked about maps for the sewer system. R Stapley said that he wishes that
- 421 we had GIS information on the sewer system, but we do not.
- 422 • B Fresz asked what it would take to put the sewer system into the GIS. R Stapley said that it would take
- 423 manpower to go around and physically enter the components into the GIS system.
- 424 • B Fresz said that this would be something that we would pay for once but benefit from for many years
- 425 afterwards.
- 426 • S Bankhead said that there are many ways we could get this done. We could hire an employee to work
- 427 with GIS full time. We could also divide it among staff. Either way, it will take a significant amount of time.
- 428 • R Sneddon suggested hiring a civil engineering intern for the summer.
- 429 • B Fresz felt that hiring someone full time and outsourcing backup to get through the initial workload
- 430 would be a good idea.
- 431 • The council discussed the storm water fund.
- 432 • S Bankhead said that the \$50,000 on line 4090 is for the 500 North storm water project. We have been
- 433 trying to get Rocky Mountain Power to work with us. If they work with us, the cost will be significantly
- 434 less. S Bankhead said that it would help us to do a storm water rate study so that we can lay aside money
- 435 for projects.
- 436 • B Fresz asked about line 4041. S Bankhead said that it is for maintenance and repairs. R Stapley said that
- 437 they relocated the storm water line along 500 south with that money. B Fresz asked if maintenance
- 438 agreements for vacuuming out certain sections would fall under this budget number. S Bankhead said that
- 439 they would.
- 440 • S Bankhead said that we could start talking about storm water impact fees. If we start collecting them, we
- 441 have to be willing to start the project within six years, whether or not we have enough money. S
- 442 Bankhead said that there are some areas where we need to do storm water projects. These will involve
- 443 some property acquisition.
- 444 • B Fresz asked if we have thought about putting curb and gutter in the storm water budget category,
- 445 because it has more to do with storm water than with roads.
- 446 • S Bankhead said that capital projects in the storm water fund is blank for now, but we may move the
- 447 cemetery project and Hillcrest park into that slot.
- 448 • K Eck asked about RAPZ awards. S Bankhead said that we have not heard back about them yet.
- 449

450 **Staff Reports:** Items presented by Providence City Staff will be presented as information only.

451 R Stapley, Public Works Director:

- 452 • Mayor Drew asked about striping with a new compound. R Stapley said that we have been experimenting
- 453 with some new compounds. There is one called hot tape that bakes into the asphalt. It can last for 5-7
- 454 years. He said that now is the best time to do it on the roundabout since we just chip and sealed. The bids
- 455 came in high. One was \$10,000 just for the roundabout area and the crosswalk by the [middle] school. We
- 456 will wait to hear some other bids.
- 457 • B Fresz asked about the return on investment for using the hot tape. R Stapley said that it currently costs
- 458 about \$13,000 a year to paint the entire city. The hot tape would last longer.
- 459 • S Bankhead said that we have received many complaints about our painting. We may have to paint twice
- 460 a year now.
- 461 • R Stapley said that part of the reason for the complaints is that we chip and sealed most of our striped
- 462 roads last year. This made the lines fade. The painting crew is scheduled to come soon.
- 463 • B Fresz asked if the hot tape will save us money in the long run. R Stapley said that it will.
- 464 • Mayor Drew said that it is a safety issue when people can't see the lines. We have to fix it somehow.
- 465 • B Fresz said that it would be good to compare the cost and life expectancy of one painted crosswalk with
- 466 the cost and life expectancy of one hot-taped crosswalk.
- 467 • R Stapley said that he has used 75+% of our concrete budget. Repairing trip hazards on sidewalks is

- 468 proving to be much more expensive than expected. He will be looking at a different strategy for next year.  
469 • S Bankhead said that the availability of the contractors is part of the problem. They don't like small jobs.  
470 • K Allen asked if we could shave off the bumps on the sidewalk and paint them red.  
471 • B Fresz said the solution is probably to hire our own person to do the job.  
472 • R Stapley said we should also consider doing longer stretches at once. However, we do need someone to  
473 help Jason in the streets department.  
474 • R Stapley spoke about the traffic speed signs. We have two signs coming. The new ones will allow us to  
475 view the data and make changes remotely from a website.  
476 • R Stapley sent water samples to the EPA. He is not sure what they are testing for. They are not the usual  
477 water testing that we do every year.  
478 • R Stapley spoke about Meadow Ridge Park. This year, the park strip bids were much less than last year.  
479  
480

481 **Council Reports:** Items presented by the City Council members will be presented as informational only; no formal  
482 action will be taken. The City Council may act on an item, if it arose subsequent to the posting of this agenda and  
483 the City Council determines that an emergency exists.

- 484 • D Giles said that the blue bins at the public works facility are causing debris to end up in [Spring Creek].  
485 • R Stapley said that public works staff have been cleaning it up.  
486 • Mayor Drew said that the city has thought about trying to acquire the Thompson property on 1000 south  
487 as park property. We will need the detention capability. We could approach Dale Thompson and enter  
488 into a right of first refusal contract. It would give us the right to match any offer that someone else made  
489 to him.  
490 • K Eck said that D Thompson is not planning on selling for five years. An agreement like that would give us  
491 five years to budget for the acquisition.  
492 • B Fresz said that EPA Water Wise irrigation controllers are \$75 at the local hardware store. They are half  
493 off right now.  
494 • B Fresz said that the preliminary data from the UTOPIA fiber survey shows that 75+% of respondents  
495 responded positively.  
496 • Mayor Drew said that he does not see the traffic on 280 North that people are talking about. B Fresz said  
497 that the only time he sees traffic is when school is starting or ending, or during ball games. D Giles said  
498 that there is also some traffic at around 5pm at the roundabout. B Fresz said that making more street  
499 connections will reduce traffic surges.  
500 • Mayor Drew said that he invited some local city managers to come speak to us about what they do. He  
501 asked the council to review the proposed city manager ordinance.  
502

503 **Executive Session Notice:**

504 The Providence City Council may enter into a closed session to discuss pending or reasonably imminent litigation as  
505 allowed by Utah Code 52-4-205(1)(c).

506 The Providence City Council may enter into a closed session to discuss professional competence or other factors  
507 allowed by Utah Code 52-4-205(1)(a).

508 The Providence City Council may enter into a closed session to discuss land acquisition or the sale of real property  
509 Utah Code 52-4-205(1) (d) and (e).  
510

511 **Motion to enter executive session: — K Eck, second — K Allen**

512 **Vote:**

513 **Yea: K Eck, K Allen, B Fresz, D Giles, R Sneddon**

514 **Nay:**

515 **Excused:**

516 Entered at approximately 10:00 PM  
517

518 **Motion to close the executive session: — K Allen, second — B Fresz**

519 **Vote:**

520 **Yea: K Eck, K Allen, B Fresz, D Giles, R Sneddon**

521 **Nay:**  
522 **Excused:**  
523 Closed at approximately 10:20 PM  
524  
525 **Motion to adjourn: — D Giles, second — K Allen**  
526 **Vote:**  
527 **Yea: K Eck, K Allen, B Fresz, D Giles, R Sneddon**  
528 **Nay:**  
529 **Excused**  
530 Meeting adjourned at approximately 10:20 PM  
531 Minutes prepared by Jesse Bardsley  
532 Minutes approved by vote of the council on June 11, 2019  
533  
534  
535 \_\_\_\_\_  
536  
537 John Drew, Mayor  
538

\_\_\_\_\_  
Skarlet Bankhead, City Recorder