TOWN OF PAYSON
TOWN COUNCIL MEETING
MINUTES OF THE SPECIAL MEETING
August 3, 2006

CALL TO ORDER

Mayor Edwards called the meeting to order at approximately 5:30 p.m.

PLEDGE OF ALLEGIANCE

PRESENT: Bob Edwards, Mayor, Tim Fruth, Vice Mayor, Ed Blair, Council Member, Susan Connell, Council Member, Andy Romance, Council Member, Mike Vogel, Council Member, and John Wilson, Council Member.

STAFF PRESENT: Fred Carpenter, Town Manager, Samuel Streichman, Town Attorney, Glenn Smith, Chief Fiscal Officer, Marty deMasi, Fire Chief, Colin P. Walker, Public Works Director, Gordon Gartner, Police Chief, Silvia Smith, Town Clerk, Jerry Owen, Community Development Director, LaRon Garrett, Public Works Engineer, Terry Morris, Library Director, and William Schwind, Parks and Recreation Director.

OTHERS PRESENT: Tim Wright, Deputy Town Attorney; Commander Don Engler; Mike Ploughe, Hydrogeologist; Ray LaHaye, Chief Building Official; Diane Stoyer, Legal Department Office Manager; Brenda Huff, Water Resource Technician; Marci Huffman, Chief Deputy Town Clerk.

PURPOSE OF MEETING

1. Presentation by Mayor Edwards of a long term plan for water and growth in the Town of Payson.

   The Mayor explained the intent of the meeting was to direct staff regarding water/growth and staff will then bring it back to council over the next few months. This evening council would be voting on Council's intent so that the whole town can put the water issue into a framework that can be followed.

   The Mayor proceeded with a handout entitled Water-Growth Conflict Resolution Proposal to go over highlights and have council and public discussion and then vote. The updated proposal is attached as part of these minutes.

   Beth Ann Furlough, Al Poskanzer, Chuck Herron, Ray Lyons, Robert Henley, Carol Michaelis, Rick Croy, Jim Garner and Shirley Collin spoke. Concerns included the percentage of developments in the pipeline, source of water for these developments, Star Valley safe yield and possible isotope study, and the Clear Creek consultants who will be doing the Star Valley water study.

Regarding the build-out game plan, affordable housing would be an exemption. Regarding the expectations for the right to develop in Payson, Community Development will review the procedures and make them customer-friendly.

There were 17 directives and all are included as part of these minutes. There was extensive council discussion.

Clmn. Vogel **moved** to approve all directives 1-17, with a correction on directive No. 7 changing Community Development to Water Department. Ed Blair **seconded** the motion. **Motion carried, 7-0**.

Council was commended for giving staff direction.

2. Discussion, possible action regarding Mayor Edward's long term plan for water and growth in the Town of Payson.

3. Discussion, possible action regarding long term water use, needs and supply, including the Tower well.

4. Discussion, possible action regarding land use and growth.

ADJOURNMENT

The meeting adjourned at 6:48 p.m.

_____Date:_____
Bob Edwards, Mayor

ATTEST:

_____
Silvia Smith, Town Clerk

Certification

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the special meeting of the Town Council of the Town of Payson held on this day the 3 of August, 2006. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this ____day of _____, 2006.

Marcia F. Huffman, Chief Deputy Town Clerk

Water-Growth Conflict Resolution Proposal
(FOR 8/3/2006 COUNCIL MEETING)

Statement of purpose

Payson is locked in a water-growth conflict which is harming our ability to progress in a unified planned way.

Our purpose is to stop, take a breath and assess the varied desires of the stakeholders in this conflict, with the goal of working out a compromise that is best for Payson and will move our town towards its great potential.

Stakeholder assessment

People wanting no growth

Will have a clear definition of where growth will end up and be given a controlled path within water availability to reach it.

Those wanting no limits

Would know what to expect for planning purposes and would be worked with, not against. Also, the proposed limit is the high side of the demand over the last five years.

Developers, builders and associated financial agencies

Would know that Payson encourages reasonable growth and economic development

Laborers

Would not face a fast build out and loss of jobs quickly, but could count on long term employment and financial stability

Town of Payson

Could get on with the real needs of the town and stop the total focus on developments and water. The water-growth conflict would cease to exist. A new beginning and visions for the town and its people will be created and implemented. **Our towns' potential for greatness can be fulfilled.**

The Proposal

Payson's water situation

Water Department Staff will work in conjunction with the Mayor's Water Task Force to define what is needed to determine Payson's current water status and report to Council what they need to complete the task.

Within reason, the Council will approve the funding they need to make this assessment so we will have the proper data for executive decisions and policy making. The information needed to achieve this will likely be costly, estimated to be in the range of $200,000, and could take up to two years. It is important that we find a company that has top credentials and one that has a wide range of citizen confidence.

Until the above study is completed, no further developments will be approved, except those currently in the pipeline (those developments where the representative of the project has met with staff and has presented staff with a conceptual plan).

Water Department Staff will work in conjunction with the Mayor's Water Task Force to develop water restriction triggers and reversionary release points that are automatic and based on scientific data obtained. They will also review the restriction levels for current relevancy.

Payson should develop its own water sources and restrict any future trading of ERU's for wells, unless the ERU's will be used by the person we acquire the well from. The "bring your own water" policy will be eliminated.

Star Valley Water

The Town of Payson will ask the Town of Star Valley to join them in signing an agreement to do the following:

Payson will not give away rights, but will agree to work with the town of Star Valley to make a real assessment on the effect of the Tower Well. The town of Payson will state that it is their intent to do no harm to the Star Valley wells, but reserve the right to use any excess water that the Safe Yield study identifies and possibly use deep water if it does not harm "shallow" water.

The town of Payson will expect town of Star Valley to work with them on joint development of future water.

For good neighbor reasons, the town of Payson will shut off the well until the safe yield study is done.

Build out number and Zoning

The zoning of the Green Belt around town will be changed from R1-175 to Open Space (OS) zoning designation or a zoning designation that prevents development. Further, the change will be a part of the annual General Plan amendment to be done in early 2007.

Zoning changes will require a two thirds majority.

The Community Development Dept will develop a real build out number based on the following criteria:

- All single home lots that are build able will be counted
- Green Belt areas will be removed
- Forest Service lands that are currently listed as potential land exchange areas will be discussed with the Forest Service to determine their intent and town's intention of restricting any land exchanges until we have a long term water solution will be conveyed.
- Assume all R1-175 zoning will average R1-90 except where it is clear that the R1-175 is best (ranches, etc)... it may not all be reduced to R1 90 but a build out number should reflect the upper limit.

- Work with the Affordable Housing Task Force to develop an estimated number for future affordable and workforce housing required.

Once the build out number is approved by council it will be incorporated into the General Plan with the 2007 amendment.

Build out game plan

Put an annual limit on new residential unit construction permits of 250 maximum in any one year.

The Community Development Department will develop an allocation plan for building permits.

Subdivision home developments currently in the pipeline would be first in line before any further new developments are allowed.

Terra Capital ERU's

Payson will agree to buy Terra Capital's remaining ERU's as needed and take off the time limit on the ones already sold.

Expectations for the right to develop in Payson

Any zoning change must include a workforce/affordable housing component. The Community Development Department working with the Affordable housing department will determine the formula.

All developments will include the requirement to bring the total adjacent roads up to town standards and will provide some benefits to the affordable/workforce housing project according to a formula as determined by the Community Development Department.

Sewers will be the standard and the Community Development Dept will be directed to work with the sewer authority to define the town's real need.

Developers will be able to expect the rules to be clear, followed and fair to all. They will also know and be able to expect the town to move fast when the rules are followed

ATTACHMENT (A)

1. I MOVE TO DIRECT THE WATER DEPARTMENT TO COORDINATE WITH THE MAYOR'S TASK FORCE TO ASSESS METHODOLOGY FOR DETERMINING PAYSON'S CURRENT WATER STATUS AND TO RETURN TO THE COUNCIL WITH RECOMMENDATIONS ON THE FUNDING AND CONSULTANT RESOURCES NEEDED TO MAKE THIS DETERMINATION.

2. I MOVE THAT THE TOWN COUNCIL GO ON RECORD THAT IT WILL APPROVE THE FUNDING NEEDED, UP TO $200,000, TO COMPLETE THE NECESSARY STUDIES TO ASSESS PAYSON'S CURRENT WATER STATUS.

3. I MOVE TO DIRECT THE WATER DEPARTMENT TO COORDINATE WITH THE MAYOR'S WATER TASK FORCE TO DEVELOP AUTOMATIC WATER RESTRICTION TRIGGERS AND REVERSIONARY RELEASE POINTS, TO REVIEW CURRENT RESTRICTION LEVELS FOR RELEVANCY, AND TO REPORT THEIR FINDINGS TO THE COUNCIL.

4. I MOVE TO DIRECT THE COMMUNITY DEVELOPMENT DEPARTMENT TO DEVELOP A CATALOG OF ALL DEVELOPMENTS IN THE PIPELINE (WHERE THE REPRESENTATIVE OF THE PROJECT HAS MET WITH STAFF AND HAS PRESENTED STAFF WITH A CONCEPTUAL SITE PLAN).

5. I MOVE TO DIRECT THE LEGAL DEPARTMENT TO TAKE THE STEPS NECESSARY TO HALT ACCEPTANCE OF ALL APPLICATIONS NOT CONTAINED IN THE CATALOG PREPARED BY THE COMMUNITY DEVELOPMENT DEPARTMENT UNTIL THE STUDY TO DETERMINE PAYSON'S CURRENT WATER STATUS IS COMPLETED.

6. I MOVE TO DIRECT THE LEGAL DEPARTMENT TO DRAFT AN ORDINANCE TO AMEND THE TOWN CODE, INCLUDING ORDINANCE NUMBER 481, TO ELIMINATE THE REQUIREMENT FOR DEVELOPERS TO BRING THEIR OWN WATER, AND TO RESTRICT FUTURE ESTABLISHMENT OF ERU CREDITS.

7. I MOVE TO DIRECT THE WATER DEPARTMENT AND THE LEGAL DEPARTMENT TO NEGOTIATE AN AGREEMENT WITH THE TOWN OF STAR VALLEY FOR THE USE AND DEVELOPMENT OF WATER RESOURCES.

8. I MOVE TO DIRECT THE COMMUNITY DEVELOPMENT DEPARTMENT TO DETERMINE THE PROPER LAND USE DESIGNATION FOR THE AREAS WITHIN THE TOWN OF PAYSON HELD BY THE FOREST SERVICE AND TO WORK WITH THE LEGAL DEPARTMENT TO DRAFT AN ORDINANCE TO CHANGE THE LAND USE DESIGNATION OF SUCH AREAS.

9. I MOVE TO DIRECT THE COMMUNITY DEVELOPMENT DEPARTMENT AND THE LEGAL DEPARTMENT TO DRAFT AN ORDINANCE TO REQUIRE A TWO-THIRDS MAJORITY OF THE TOWN COUNCIL TO APPROVE A ZONING CHANGE.

10. I MOVE TO DIRECT THE COMMUNITY DEVELOPMENT DEPARTMENT TO DEVELOP A REAL BUILD OUT NUMBER BASED ON THE FORMULA IN THE PROPOSAL.

11. I MOVE TO DIRECT THE COMMUNITY DEVELOPMENT DEPARTMENT TO INCORPORATE THE REAL BUILD OUT NUMBER IN THE GENERAL PLAN WITH THE 2007 GENERAL PLAN AMENDMENT.

12. I MOVE TO DIRECT THE COMMUNITY DEVELOPMENT DEPARTMENT TO DEVELOP A PLAN TO ALLOCATE A MAXIMUM OF 250 NEW RESIDENTIAL BUILDING UNIT PERMITS IN ANY ONE YEAR.

13. I MOVE TO DIRECT THE WATER DEPARTMENT TO NEGOTIATE THE PURCHASE OF ANY REMAINING WATER CREDITS.

14. I MOVE TO DIRECT THE COMMUNITY DEVELOPMENT DEPARTMENT TO COORDINATE WITH THE AFFORDABLE HOUSING TASK FORCE TO DEVELOP FORMULAS TO REQUIRE A LONG TERM AFFORDABLE HOUSING COMPONENT FOR ALL NEW DEVELOPMENTS SEEKING A ZONE CHANGE AND FOR THOSE NOT SEEKING A ZONE CHANGE.

15. I MOVE TO DIRECT THE COMMUNITY DEVELOPMENT DEPARTMENT TO DEVELOP A REQUIREMENT THAT ALL NEW DEVELOPMENTS BRING ADJACENT ROADS TO TOWN STANDARDS.

16. I MOVE TO DIRECT THE COMMUNITY DEVELOPMENT DEPARTMENT TO WORK WITH THE NORTHERN GILA COUNTY SANITARY DISTRICT TO DEFINE THE TOWN'S LONG TERM SEWER NEEDS.

17. I MOVE TO DIRECT THE COMMUNITY DEVELOPMENT DEPARTMENT TO REVIEW ALL OF THE TOWN'S POLICIES AND PROCEDURES TO ENSURE THEY CONFORM TO THIS PROPOSAL.

ATTACHMENT (B)

Motion 4

Complete the "In the Pipeline" project list.

* Completed Draft version August 11, 2006.

Motion 8

Create a new zoning district for National Forest lands within the Town of Payson. Apply this zoning category to National Forest lands.

* These two actions will be scheduled for P&Z action in September and Council action in October and November of 2006.

Motion 9

Amend the Unified Development Code regarding Council adoption of zoning ordinances with a minimum of five affirmative votes.

* Scheduled for P&Z action on September 11, 2006 and Council first reading on October 19, 2006.

Motions 10 and 11

(10) Develop a real build out number.
(11) Incorporate the real build out number in the 2007 General Plan Amendment.

* Working with the Planning and Zoning Commission, staff will prepare a build out number based expected development and density for presentation to the Council at the October 19, 2006. These revisions will also be incorporated in a Town-sponsored General Plan amendment in July, 2007

Motion 12

Develop a plan to allocate a maximum of 250 new residential building unit permits in any one year.

* Staff to develop an allocation plan for a maximum of 250 residential permits per year. Draft to Council by October 5, 2006.

Motion 14

Coordinate with the Affordable Housing Task Force to develop formulas to require a long term affordable housing component for all new development.

* Staff to work with Affordable Housing Committee to develop formulas to apply to projects going through rezoning and those not seeking rezoning. Report due to Council by December 31, 2006.

Motion 15 and 16

(15) Develop a requirement that all new developments bring adjacent roads to Town standards.

(16) Work with the northern Gila County Sanitary District to define the Town's long term sewer needs.

* Staff to revise subdivision code including provisions regarding street improvement requirements adjacent to new subdivisions and requirements to hook to sanitary sewer . First draft of subdivision code is will be reviewed by the Planning & Zoning Commission in September/October. Final Council adoption expected on December 14, 2006.

Motion 17

Review all of the Town's policies and procedures to ensure they conform to this proposal.

* Staff to review all other Town code provisions and policies for compliance. May result in re-write of the Unified Development Code next year.