

**MINUTES**  
**ENOCH CITY COUNCIL**  
**April 3, 2019 at 6:00pm**  
**City Council Chambers**  
**City Offices, 900 E. Midvalley Road**

**Members present:**

Mayor Geoffrey Chesnut  
Council Member David Harris  
Council Member Jolene Lee  
Council Member Dave Owens-absent  
Council Member Katherine Ross  
Council Member Shawn Stoor

**Staff present:**

Julie Watson, Recorder  
Ashley Horton, Treasurer  
Justin Wayment, Atty.-absent  
Robert Dotson, City Mgr.  
Jackson Ames, PD Chief  
Earl Gibson, PW Dir.

**Public present:** Joe Phillips, Nate Wallentine, Neil Foster, Bryant Foster, Vern Grimshaw and Yvonne Simonds

1. **CALL TO ORDER OF REGULAR COUNCIL MEETING**-By Mayor Chesnut at 6:00pm.
  - a. **Pledge of Allegiance**-Led by Ashley Horton
  - b. **Invocation-Audience invited to participate**-Given by Council Member Stoor
  - c. **Inspirational thought**-Given by Council Member Ross
  - d. **Approval of Agenda for April 3, 2019**-Council Member Harris made a motion to approve the agenda. Motion was seconded by Council Member Ross and all voted in favor.
  - e. **Approval of Minutes for March 20, 2019**-Council Member Harris made a motion to approve the minutes. Motion was seconded by Council Member Stoor and all voted in favor.
  - f. **Conflict of Interest Declaration for this agenda**-none stated
2. **PUBLIC COMMENTS**-none
3. **DISCUSS AND TAKE ACTION ON WATER FOR FOSTER'S MARKET**

Mayor Chesnut asked City Manager Dotson to summarize. City Manager Dotson said Neil Foster is here and is the owner of the upcoming Foster's Market on SR-130. It has come to their attention they need to supply the City with water rights however they do not own any at this time. He referred back to Economic Development Committee meeting where they discussed having incentives for businesses to come into Enoch. We do not provide a lot of those incentives. In 2008 the City purchased a block of water rights for future growth. One of the discussions we had was the potential for economic development. He highlighted we can use water as an enticement for commercial development. This is the first time this has come up. We do not have a specific procedure to assign water rights to a project. He suggested the Foster's come to the City Council to request the 4 acre feet (AF) of water based on the 2" meter size their business requires. The request is for us to assign rights for this use. He recapped the State law about municipalities owning water. We can trade or assign water rights for use but can't sell them. We have the rights available and with the City Council's permission we can assign them to a piece of property. He gave more details of what is going on with the City owned water rights. The Foster's would not own the rights but would have the right to use the water. At the time we purchased the water rights we bought 261 AF and have available 216 AF to work with now.

Council Member Harris confirmed this would be done with no consideration or payment as we have no process for that. He told about Cedar City's water acquisition fee suggesting we may look to that as a model for developing a process for the future. There was more discussion about the fact that most water rights acquired by the City come from developers who are required to deed one AF of water per door when they develop a subdivision. City Manager Dotson said the question is, are they willing to allow the assigning of 4 AF for this property and then develop a process later. Council Member Harris said that was the intent when the water rights were acquired and he thinks it is appropriate to assign those rights in this case. As more commercial growth comes in Enoch we will develop a process for assigning water rights. Council Member Harris added information regarding the Conservancy District and their ideas.

Council Member Stoor asked how this got to this point before they realized they needed to procure water. City Manager Dotson said when they brought in building permit application is when they provide water rights. Mr. Foster was informed about the water last week while in the permitting process. He noted the Water Board can work on developing a process for the future. Right now this is only way to do it. Council Member Harris said it is hard to buy water rights now especially at 1934 priority date. There was more brief discussion of what should be done later for a policy. Council Member Harris said again we have the rights for this purpose. Council Member Lee said we should be consistent as a City. There was more discussion of using water as an enticement for business to come. Council Member Lee said she wants to be sure we are doing this legally. There was brief discussion of the ongoing Groundwater Management Plan. Council Member Harris said no one is selling older water rights now. Are we giving preferential treatment in this, Council Member Lee asked? No, Mayor Chesnut said, this has never been done before so it is not preferential. Mayor Chesnut recapped to say we bought them for this purpose to begin with although we have no set procedure at this time. Mayor Chesnut said the ultimate reason for procurement of this water was for this very purpose and it fits the parameters. He asked for a motion.

**Council Member Harris made a motion to allocate 4 AF of City owned water for Foster's Market. The motion was seconded by Council Member Lee and all voted in favor.**

City Manager Dotson asked Neil Foster to tell them about what the store would be like. He said he wants to give the people what they want in a business. They have been in business for a long time. It will be a small market, food service operation and gas pumps. He will take suggestions of what should be offered.

#### **4. PRESENTATION AND DISCUSSION OF WATER IMPACT FEE FACILITIES PLAN AND SET A PUBLIC HEARING WITH TEN (10) DAYS NOTICE-Sunrise Engineering**

Sunrise Engineering gave a presentation of the study. Joe Phillips introduced himself saying he is very familiar with this type of plan. Tonight they are going through the high points. They can email the PDF or provide a hard copy to the City Council Members. The goal is to get an analysis of where Enoch is with water and where we need to be to have our water system comply with State Code on fire flows and to look for deficiencies in the system. They will go through the five point analysis; water rights, source capacity, storage capacity, treatment capacity and fire flow capacity. He noted Enoch does not need to treat its water so that is a moot point. Nate took over saying first off is the growth rate which was set at 3%. Right now water rights are good with a surplus of 1800. Future projections say we will need to get more water and development brings a lot of that water in. We can also purchase rights when available. City Manager Dotson noted he is working on a change application to put all of the City's rights into all of our wells. This is to overcome future deficiencies. Water or lack of it may determine growth. Nate said 2032 is when we will run out unless things happen.

Existing is 819 AF extra in production of water from existing wells. New wells or additional capacity should be a high priority. For storage capacity we are doing well. We have more than needed and by 2038 we will still have adequate storage. Future trends are towards conservation. The cost to produce water is fairly low here in Enoch. City Manager Dotson added we did not go into the secondary irrigation water in this study. City Manager Dotson said the Water Board is talking about creating a separate plan to use surface water in ditches. Nate said the distribution system is how much fire flow pressure is at the hydrants and pressures throughout the system. There are a few spots that don't meet fire code in pressures. They have recommendations to get it up to par. One way to do that is by upsizing lines. Over all the system is in good shape. There are just a few little areas to correct. A fire hydrant map is included and we need more hydrants.

Impact fees and how they are figured was explained. For new growth the impact fee recommended is \$4,359 to cover costs. They presented a financing plan to do what is needed for projects. Joe suggested going through Rural Development for a 30% grant with a 3.8% interest rate on a loan. We have about \$103,000 payment on water rights that gets paid off this fiscal year and that helps. They recommend an average water rate of \$30.14. The existing rate is very close at \$29. With \$30 as the top rate we are good with \$29. If the City Council is of a mind to consider implementing recommendations they have suggested financing solutions. All in all the system is very good. They asked for questions saying they can send a copy of the report to City Manager Dotson to pass on. City Manager Dotson noted after we approve the plan as policy and decide to charge the impact fee recommended which changes the fee schedule we will have a separate process to do that.

**Council Member Harris made motion to set a public hearing on the Water Impact Fee Facilities Plan for May 1<sup>st</sup>. The motion was seconded by Council Member Stoor and all voted in favor.**

**5. RESOLUTION NO. 2019-04-03 A RESOLUTION AUTHORIZING THE APPLICATION TO THE GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT FOR THE RENEWAL OF AN ENTERPRISE ZONE IN ENOCH CITY**

Mayor Chesnut asked City Manager Dotson about this. He said five years ago we applied for this for the Enterprise Zone so businesses can apply to receive tax credits for growing their businesses. Because of our population we can create enterprise zones which allow a business to apply for up to \$75,000 in tax credits based upon hiring and investing in the business. The Governor's Office will help with the application. We have two who have done this; MCM Engineering and ES Innovations. We are required to renew this every five years and we need to get the vote here to reapply. It is for commercial and industrial zoned areas only.

**Council Member Harris made a motion to approve Resolution No. 2019-04-03, a resolution authorizing the application to the Governor's Office of Economic Development for the renewal of an Enterprise Zone in Enoch City. The motion was seconded by Council Member Ross and a roll call vote was held as follows:**

|                                  |                                    |
|----------------------------------|------------------------------------|
| <b>Council Member Harris-Yes</b> | <b>Council Member Stoor-Yes</b>    |
| <b>Council Member Ross-Yes</b>   | <b>Council Member Owens-Absent</b> |
| <b>Council Member Lee-Yes</b>    | <b>Motion passed unanimously</b>   |

**6. PRELIMINARY DISCUSSION OF 2019-2020 BUDGET**

Ashley said over the last week she has been forecasting and this is a rough draft. We are still waiting for some numbers on bids. She pointed out the highlights saying a 3% COLA was figured in and a 5% increase in employee insurance. Earl needs another employee in Public Works. Chief Ames has had Mike Bleak working PT and that is figured in. She went through the

line items. Council Member Stoor asked if we could cover the drainage ditch on Midvalley Road using Class C road funds do that? City Manager Dotson said he thinks you can use those funds for curb, gutter and sidewalk which would cover that ditch. There was brief discussion of finishing the pavilion at the Rec Complex and finishing Mountain Park and Iron Works Park. Anything not spent rolls over into the next budget. There was discussion of a special Saturday meeting to refine the budget. The July 4<sup>th</sup> celebration and purchase of fireworks was left the same as last year. It was noted we have had donations in the past.

City Manager Dotson looked online and recapped Class C road funds requirements. They can cover sidewalks, curb and gutter. Sidewalks have to border a road. It was noted we are widening the road on 600 North to 5600 North. The animal shelter and the deepening of Ravine well will be completed this year for capital projects. We will need to purchase more water meters because the old meters are failing. We need \$50,000 a year Earl said, but he needs to get ahead this year if we can, with replacing old meters. There may be other things with water from the Capital Facilities Impact Fee study. Earl added repair and maintenance for wells needs to be raised with old wells going out. He wants it all upgraded before he retires. Some are 25 years old. City Manager Dotson said Phase 2 of the NRCS project will have to be completed by us. It will be where the new subdivision is going in on the Rollo farmland. We can't require the developer to do this although they will have a drainage pond. We have to install a storm drain under that development and it may take all the money we have saved. We are waiting on quotes on pipe etc. Council Member Stoor wanted a Saturday meeting to talk about allocations of the funds left in each fund. City Manager Dotson said department heads need to give input on the "level of service" they need or want to maintain. Our job is to provide a certain "level of service". The funds are what we need to make that work. There was discussion of a time to set a special budget meeting. The date decided was Wednesday April 24<sup>th</sup> at 5:30PM. The meeting will be noticed as all public meetings are. Ashley said the tentative budget has to be done by May 1<sup>st</sup> and then we set a public hearing. It has to be on display for ten days. No action was taken.

## **7. COUNCIL/STAFF REPORT**

Chief Ames said the Easter Egg Hunt on Monday the 15<sup>th</sup> at 6:00 pm. BACA is helping to set up. Walmart is sending people to help. They have been working on a case trying to track down a person for a year and finally got a tip that she is in FL. They caught her and she is in jail there. Two officers will fly there to extradite her.

Earl Gibson reported they are putting in the septic system at the animal shelter. The doors and trim are being ordered and they are getting ready to paint. Council Member Harris asked Earl if we are ready for any flooding. Earl said we don't usually get it here. More retention basins existing now will help. With the rain it has made it a good time to grade roads and they have been doing that. They will be working on Iron Mountain Park next week to get the storm drain in. They will be flushing sewer lines next month.

Mayor Chesnut said he may have to miss the next meeting on the 17th. He added we need a closed session.

Council Member Ross said Planning Commission member Josh Killian resigned. She said at the last meeting they talked about the guest house request from Doug Nelson to use an existing building and they agreed it would be allowed under the current definitions. There are some zone changes coming.

Council Member Stoor said the Tree Committee will be talking about Arbor Day planning on the 27<sup>th</sup> at Iron Works Park. There will be a demonstration on tree pruning and some removal and clean up that day. They need to find sponsors. For the City wide clean up in early May they are trying to get whole interfaith community involved to come together as a community to clean up the City.

Council Member Harris said the Water Board meeting is on the 11<sup>th</sup>

Council Member Lee said she attended the UDOT regional meeting with Earl Gibson and City Manager Dotson. They invited Sam Grimshaw, Project Manager for the widening of SR-130 to come to give the City Council a presentation on May 1<sup>st</sup>. She said she missed a nuisance meeting and would like to reschedule it. We have what we need from our City Attorney. The meeting for the nuisance committee will be on April 29<sup>th</sup> at 5:30pm.

**8. CLOSED MEETING REQUESTED TO DISCUSS PERSONNEL MATTERS, IMMINENT LITIGATION OR REAL ESTATE TRANSACTIONS-(Requires a roll call vote w 2/3 majority)**

Mayor Chesnut said we need a closed meeting to discuss strategy regarding real estate. Council Member Harris made a motion to close the regular meeting and go into a closed meeting. The motion was seconded by Council Member Stoor and a roll call vote was held as follows:

|                           |                             |
|---------------------------|-----------------------------|
| Council Member Harris-Yes | Council Member Stoor-Yes    |
| Council Member Ross-Yes   | Council Member Owens-Absent |
| Council Member Lee-Yes    | Motion passed unanimously   |

**9. ACTION FROM CLOSED MEETING-**City Manager Dotson was assigned to negotiate up to the price that was set in the closed meeting.

**10. ADJOURN-**The regular meeting ended at 8:10 pm.

 4-17-19  
Julie Watson, Recorder Date