

MINUTES
ENOCH CITY COUNCIL
August 3, 2022 at 6:00pm
City Council Chambers
City Offices, 900 E. Midvalley Road
Join Zoom Meeting
<https://us02web.zoom.us/j/81641916719>
Meeting ID: 816 4191 6719

Members present:

Mayor Geoffrey Chesnut
Council Member David Harris
Council Member Richard Jensen
Council Member West Harris
Council Member Katherine Ross
Council Member Shawn Stoor

Staff present:

Robert Dotson, City Manager
Ashley Horton, Treasurer
J. Wayment, City Attorney
Hayden White, Public Works Director
Lindsay Hildebrand, City Recorder
Jackson Ames, PD Chief -absent

Public Present: Steve Woolsey and Matt Kennedy

1. **CALL TO ORDER OF REGULAR COUNCIL MEETING – Mayor Chesnut**
 - a. **Pledge of Allegiance-** Led by City Manager Dotson
 - b. **Invocation (2 min.)-Audience invited to participate-** Given by Council Member Jensen
 - c. **Inspirational thought-** Given by Council Member W. Harris
 - d. **Approval of Agenda for August 3, 2022- Council Member D. Harris made a motion to approve the agenda. Council Member W. Harris seconded and all voted in favor.**
 - e. **Approval of Minutes for July 20, 2022-** Council Member Jensen said he wanted to note that he didn't object to Juneteenth. He objected to the language in the Resolution. **Council Member D. Harris made a motion to approve the minutes with the noted addition. Council Member Ross seconded and all voted in favor.**
 - f. **Ratification of Expenditures-** none
 - g. **Conflict of Interest Declaration for this agenda-** none

2. **PUBLIC COMMENTS**
There were no public comments

3. **CONSIDER GRIMSHAW-BROUGH MINOR SUBDIVISION PARCEL #A-0752-0006 – See Planning Commission Rec.**

Steve Woolsey said he was at the meeting on behalf of Grimshaw Family Trust. Mr. Woolsey displayed a map containing six parcels. The first four parcels deal with the minor subdivision. Parcels five and six are based on a boundary adjustment. He explained that parcel number three is a flag lot and has the staff. There was a small discussion about Larry Brough's property, as it is next to Carol Grimshaw's property and he previously needed some work done by Mr. Woolsey. Council Member Ross said it came forward from the planning commission with a note that some corrections needed to be made. Mr. Woolsey said it was approved upon the condition that the City engineer approved it. Council Member Ross asked if it is

written in their deeds that they are guaranteed the access. Mr. Woolsey said if you look on the map, parcels one through three show their legal descriptions and everything under the first paragraph shows the right of way. He explained how he comes up with the verbiage regarding the dedication of a public easement.

Council Member Jensen made a motion to approve the Grimshaw-Brough Minor Subdivision parcel #A-0752-0006. Council Member D. Harris seconded and all voted in favor.

4. CONSIDER NATIONAL LEAGUE OF CITIES (NLC) SERVICE LINE WARRANTY PROGRAM – Presentation

Dennis Lyon said he is with the Nation League of Cities Service Line. He presented a program to help with infrastructure challenges. Age and infrastructure are problematic to homeowners, as well as the City. Homeowners don't realize that they are responsible until there is an issue. With this company, there are no public funds used. They handle marketing, billing, claims, and customer services. They send information to the homeowners to educate them. For the people who don't participate, at least they are educated, which reduces the probability that they will call the city when there is a problem. They work with local contractors and know what bids are necessary for the City. The contractors that they work with go through a strict vetting process. They have to meet standards with State, City, and County. They perform background checks and drug screens on them as well. They offer three separate options for homeowners and went into detail of each one: Exterior water, in-home plumbing, and revenue share. The goal of the program is to reduce the number of phone calls from residents to the City. They only send info out by direct mail. They do up to three mailing campaigns a year, sometimes twice. They ask for use of the City logo, for transparency of their message to residents. He gave some background information about the company. They take about 10,000 phone calls a day at their service center. He listed 17 communities in Utah that they are working with, including Cedar City. There are 65,000 residents currently enrolled. They want to help residents understand what their responsibility is before they have an unexpected issue. Attorney Wayment asked what the cost would be to the homeowner. Mr. Lyon said there are two pricing tiers depending on whether they participate in revenue share. Council Member D. Harris wanted to clarify that Mr. Lyon is asking for approval to market the City and use our logo. Mr. Lyon said the partnership allows us to be available to residents in Enoch. Attorney Wayment said we had a flooding incident last year. Our sewer backed up. He asked if this program would cover that. Mr. Lyon said this program covers the physical attribute of the line itself. Council Member Jensen asked why they need our logo to operate. Mr. Lyon said they are trying to provide a solution to homeowners and the City that they partner with. The company had previously marketed directly to homeowners and saw a 1% result. It wasn't successful. The founders of the company saw that this method allowed them to reach more people and provide a solution to entities that partner with them. Council Member D. Harris said he has seen another company that markets the line from the street to the house. City Manager Dotson said it's Homeserve and they use Dominion Energy. Mr. Lyon said through our energy channel there is a difference in the benefit provided. The portion from the property line to the main isn't covered. This is really an upgrade. Council Member Stoor asked to clarify that there is no financial commitment from the City other than to say that they can use our logo. Mr. Lyon said that is correct. Council Member D. Harris said one of the big issues was getting information out on flooding. One benefit is to educate the residents that it is their responsibility and to educate them on what resources are available to protect themselves. He wanted to be cautious not to endorse the company. Council Member Ross asked for any examples of advertising that they have done in other cities. Mr. Lyon said he would send them over.

5. CONSIDER RESOLUTION NO. 2022-08-03-A A RESOLUTION TO AMEND THE ENOCH CITY FEE SCHEDULE BY ADDING A NON-RESIDENT DUMPSTER FEE – Hayden White, Public Works Director

Hayden White said this was for non-residents allowing a “truckload” to refer to a specific size. We didn’t really know how to measure that. Attorney Wayment recommended using 2 cubic yards volume for non-residents. Mayor Chesnut agreed that it needed to say “applicable to non-residents”.

Council Member W. Harris made a motion to approve Resolution No. 2022-08-03-A a resolution to amend the Enoch City Fee Schedule by adding a non-resident dumpster fee as discussed with the amendment. Council Member D. Harris seconded and a roll call vote was held as follows:

Council Member Ross: yea	Council Member W. Harris: yea
Council Member D. Harris: yea	Council Member Jensen: yea
Council Member Stoor: yea	Motion Passed

6. CONSIDER RESOLUTION NO. 2022-08-03-B A RESOLUTION TO AMEND THE ENOCH CITY FEE SCHEDULE BY ADDING A WATER ACQUISITION FEE

City Manager Dotson said this is taking it out of the code that was passed and put into a resolution to actually charge for it.

Council Member D. Harris made a motion to approve Resolution 2022-08-03-B a resolution to amend the Enoch City Fee Schedule by adding a water acquisition fee. Council Member W. Harris seconded and a roll call vote was held as follows:

Council Member Ross: yea	Council Member W. Harris: yea
Council Member D. Harris: yea	Council Member Jensen: yea
Council Member Stoor: yea	Motion Passed

City Manager Dotson said our code requires that we do an appraisal of water rights. We are splitting the cost with Cedar City for that appraisal.

7. CONSIDER PROPOSED WATER RATE STRUCTURES

City Manager Dotson introduced Mathew Kennedy from RCAC. Mr. Kennedy said he is with RCAC. Rate studies are needed to ensure systems are staying solvent. He presented information via PowerPoint. They want to make sure that any recommendations are sustainable, equitable, and justifiable. Over the last month, he has presented to the Water Board and went over Doug’s proposal. He showed a table of customer usage tiers. They came up with an initial tier of 10,000 gallons. He showed a table illustrating average monthly residential water use and water bills and explained the information. He then explained RCAC’s proposal and went over the information in detail. Throughout the last two months, Council member Jensen has come up with different structures as well. He has tied water rates to water rights. Mr. Kennedy used Council Member Jensen’s data and created another proposal. The calculations result in a higher conservation factor and a net cash flow into reserves between \$320k and \$400k a year. We are bringing in over a five year window about a million dollars above what our target rate is. Council Member Jensen noted that it wasn’t really a proposal that he went with. It was just one of the ideas that they came up with based on scenarios. There was a discussion on the fixed cost. Council Member D. Harris talked about the cost of covering the amount it takes to pump water to the resident and infrastructure. He said the base rate needs to stay at \$29. Mr. Kennedy said the way they calculate the base rates accounts for demand. Council Member D. Harris wanted to look at the over-under reserve chart. It looked like we are covering our reserves of \$63,297. He liked that because we can also potentially put aside some money for

the West Desert water. He was in favor of RCAC's proposal, which was Doug's from the Water Board. Mayor Chesnut asked if there was any consideration for a potential increase in the cost of acquisition of water in the context of it being a diminishing resource. There are only so many water rights available and the costs for those rights have increased. That's a variable issue. City Manager Dotson said by changing our policy then water rights would come into play because we need money to purchase them. This doesn't make any assumptions about water rights or assumptions on big projects like West Desert. There was a short discussion on planning for future water. Mr. Kennedy noted that big projects like the West Desert, or if we know in 10 years we need to put in a new well, he can add those factors in to see how much we need to be saving. City Manager Dotson asked if we are going to use our rate structure to obtain our new infrastructure or require it from the developer. There is a discussion about taking into account future costs using impact fees. Attorney Wayment said we are way undercharging for impact fees like most cities. Mr. Kennedy said some other considerations are whether existing customers pay or whether developers should. Council Member D. Harris said if we are undercharging on impacts then we do an impact fee study. Mayor Chesnut said maybe we are in that 5-7 year window and are due. Council Member Jensen said we all agree in principle to make sure our fixed costs are covered. If you take the actual cost and divide the users it'd be \$30.25. So \$29 covers our base costs. The next tier is 25k gallons. Council Member D. Harris said that was the tiers that Allan suggested. He talked about the minimum cost to get the water to the resident. Council Member Ross said she had a problem with a formula and adjusting the price. If it auto-adjusts, it helps us but not the residents. Council Member D. Harris said he liked small incremental increases. He suggested passing it every year when we do it with the budget. Council Member Jensen suggested \$29 dollars for the first 25k gallons and then 2.77 and 5.54 or rounded as the overage. Attorney Wayment asked why we are using \$29 and not \$30. Mr. Kennedy wanted to address some concerns. If that extra million in five years is not accounted for, it will raise red flags from customers. Mayor Chesnut asked what percentage of customers use over 50k. Mr. Kennedy said in the summer it's significant. Council Member D. Harris said he would like a couple of more tiers and thinks we will get some push back on a steep increase. It's a big change from what they are used to. Mr. Kennedy said there will be more than an emotional reaction from some. There are arguments that rates need to go up. Mayor – if you increase conservation, that could affect your revenues, if your base rate is covered, that's the teeter-totter. If we don't have conservation then we have to restructure the rate again. Mr. Kennedy said the increasing tiers we have are not really effective. Both of the proposals are pricing for conservation, but the concern is with the customers. He also said you have to consider the residents in the community that are on a fixed income. Council Member Stoor asked to a point -do we want to live in a place with no green grass?

Council Member Jensen said we also talked about the software, being able to adjust and he thought if at the end of the year they haven't used their acre-foot of water, what if we gave credit for what we overcharged? Council Member W. Harris said you are paying for infrastructure and not water. Mr. Kennedy said a simpler way would be having no water included in the base rate. Council Member D. Harris said politically he liked the RCAC proposal. Mr. Kennedy said they could phase the increase of that top tier over three years. Council Member D. Harris said he liked the idea of talking about this every year. There was a discussion about bringing water rights into the mix. Council Member Stoor agreed with Council Member D. Harris with RCAC's Proposal. City Manager Dotson asked the Council to decide which proposal they were in favor of. He also said this needs to be reviewed far more often. Attorney Wayment said, as an observation, what you are trying to do is find a way that your customers accept what you are doing, in a way that they recognize that they need to pay their fair share. Mayor Chesnut said in a year we will see where this lands. Council Member Jensen said if you like RCAC's proposal because you think people will come in and be mad; consider that you are cutting their water by a third. Council

Member Ross said that the residents will have the choice to use less. Mayor Chesnut said you are going from 30k to 25k so the impact is minimal on the general. This does drop it to 10k. We are preoccupied, but the RCAC proposal does impact 90% of residents immediately.

Mr. Kennedy said the justification on this is the average of what everyone uses and when you set tiers it needs to capture the appropriate amount of users. Mayor Chesnut asked why use winter months vs. the annual total and find a conservation rate. Mr. Kennedy said it's to simply look at indoor water use. Mayor Chesnut said that basically, the RCAC proposal says that the resident will be penalized for watering outside. Council Member D. Harris said it is a good point, but he liked the more gradual tier structure. His recommendation was fewer tiers are better. Council Member Jensen suggested a base rate of \$29 (0-20k included) then 20k-40k at \$1 per 1k gallons, 40k-60k at \$2, and 60k+ at \$3. Mr. Kennedy said he would plug that in and if those are coming in red, he would adjust the cost per 1k gallons to make it work.

8. COUNCIL/STAFF REPORT

Hayden White said they have slowed down. The last couple of weeks they cleared out 55 work orders, they have been doing some asphalt and repainting crosswalks. The siding for the Grimshaw well came. They are still waiting on Rocky Mountain Power. Drainage is going well. Council Member Ross asked if there was any flooding in Enoch this past week. Hayden said no. City Manager Dotson said there was a lot of chatter and word came to County Commissioners. It seems there are people that think that Enoch is the whole County.

Justin Wayment said he has sued Mr. Webster a few times and he got a response saying they are heirs. There are some initial disclosures and then go to work on motion summary judgment. He needs all of the history on the Webster property.

Ashley Horton said she is starting to work on the audit and staying busy. She had a past audit asking when we will open it up for bids. Council Member D. Harris suggested that we use a different company to audit.

City Manager Dotson showed the Pine View Estate subdivision on a map. The final plat has been recorded. Their design work is to be a storm drainage basin and retention pond. They want to do a smaller one, but he needs a vote of some kind. The engineers have gone through the process and he needs approval. City Manager Dotson asked whether they should be deeding the whole piece of property to the City now, or should they deed what they are actually going to build and the rest would be deeded on the final plat of the next phases. Attorney Wayment suggested the first way. The Council all agreed.

Also, Dairy Glen Phase II A – they want to do one street and split the phase because of affordability factors. They will come back with a preliminary plat and he showed where it will be. The slope of the sewer line is less than our standard. The developers and engineers are saying that we have to take it out, move it, and put it back in. so we had calculations approved, that everything that will hook into the sewer line future and current, will meet the State standards and be basically 2/3 full. They are asking for an exception. If it filled up 2/3rd and backed up, there is a potential liability. There is more discussion City Manager Dotson said the engineer feels that the sewer line will function properly. There is a consensus on giving the exception by all Council Members.

City Manager Dotson said at the next City Council meeting we are going to have a special presentation to all those that helped with the roundabout.

Council Member Ross said the Planning Commission is still working on the General Plan and there is a QR code for a vision statement in the newsletter. They got a new member and he was at his first meeting.

Council Member W. Harris said they are pushing off the Enoch Expo to a later date.

Council Member Jensen said school is starting and there are new bus routes. His ward did a service project cleanup and they went to the Enoch Park for a BBQ and the water was turned off. Hayden said the faucets are broken.

Council Member Stoor said Sept. 11th is National Day of Service. On Sept. 10th there will basically be cleanup for parks, painting hydrants, etc. from 9 am-11 am.

9. CLOSED SESSION TO DISCUSS ONE OR MORE OF THE FOLLOWING: THE CHARACTER, PROFESSIONAL COMPETENCE OR PHYSICAL OR MENTAL HEALTH OF AN INDIVIDUAL, COLLECTIVE BARGAINING; PENDING OR REASONABLY IMMINENT LITIGATION, THE PURCHASE, EXCHANGE, OR LEASE OF REAL PROPERTY, INCLUDING ANY FORM OF WATER RIGHTS OR WATER SHARES; DEPLOYMENT OF SECURITY PERSONNEL, DEVICES OR SYSTEMS; INVESTIGATIVE PROCEEDINGS REGARDING ALLEGATIONS OF CRIMINAL MISCONDUCT.

(Requires a roll call vote with 2/3 majority)

10. ACTION FROM CLOSED MEETING-

11. ADJOURN – Council Member D. Harris made a motion to adjourn. Council Member W. Harris seconded and all voted in favor.

 8/17/22
Lindsay Hildebrand, City Recorder Date