

MINUTES
ENOCH CITY COUNCIL
July 19, 2017 at 6:00pm
City Council Chambers
City Offices, 900 E. Midvalley Road

Members present:

Mayor Chesnut Geoffrey Chesnut
Council Member David Harris
Council Member Steve Johnson
Council Member Jolene Lee
Council Member Dave Owens
Council Member Shawn Stoor

Staff present:

Julie Watson, Recorder
Ashley Horton, Treas.-absent
Gary Kuhlmann, City Atty.
Robert Dotson, City Mgr.
Jackson Ames, PD Chief
Earl Gibson, Public Works

Public present: Dilworth Armstrong, John Horstdaniel, Worth Grimshaw, Mike & Nina O'Rourke, Debra Ley and David Benkert

1. CALL TO ORDER OF REGULAR COUNCIL MEETING-By Mayor Chesnut at 6:00pm. He welcomed the audience.

- a. **Pledge of Allegiance-**Led by Julie Watson
- b. **Invocation-**Audience invited to participate-Given by Council Member Johnson
- c. **Inspirational thought-**Given by Council Member Stoor
- d. **Approval of Agenda for July 19, 2017, 2017-Council Member Harris made motion to approve the agenda. Motion was seconded by Council Member Owens and all voted in favor.**
- e. **Approval of Emergency Meeting Minutes June 30, 2017-Council Member Owens made motion to approve the minutes. Motion was seconded by Council Member Harris and all voted in favor.**
- f. **Approval of Special Meeting Minutes of July 7, 2017-Council Member Stoor made a motion to approve the minutes. Motion was seconded by Council Member Harris and all voted in favor**
- g. **Approval of Minutes for July 5, 2017-Council Member Harris made a motion to approve the minutes. Motion was seconded by Council Member Owens and all voted in favor.**
- h. **Conflict of Interest Declaration for this agenda-**none stated

2. RECOGNITION OF PLANNING COMMISSIONER JOHN HORSTDANIEL

Mayor Chesnut invited John to come up to receive a plaque. Mayor Chesnut said John has served on the Planning Commission for eleven years where Enoch has seen much happen including growing pains. We want to give him a real heartfelt thank you. There was applause. Mayor Chesnut stressed the Planning Commission is very important but it is often a thankless job.

3. APPOINT TWO NEW MEMBERS TO THE ECONOMIC DEVELOPMENT COMMITTEE

Mayor Chesnut referred to the two applications in the packet from Travis Young and Aaron Meyers. He asked Council Member Owens to tell about them about these folks and submit the names for approval. Council Member Owens said the EDC searched out these members for the team. Travis is an aerospace engineer and Aaron is a graphic designer. The last meeting was very productive. Mayor Chesnut said the EDC evolution is happening and it will be a "think

tank” more than anything to give ideas to the City Council rather than hunting down businesses to move in. The question is can we make it easier to come to Enoch but not at our expense. We are essentially getting government out of the way. **Council Member Owens made motion to approve Travis Young and Aaron Meyers for the EDC. Motion was seconded by Council Member Harris and all voted in favor except Council Member Johnson who voted no.**

4. CERTIFICATION OF THE PETITION FOR ANNEXATION FOR GARY & CAROLINE HOWE, BEN & MARILYN ROSS AND DAVID & SUSAN CHRISTOPHER

The City Recorder explained the Howes talked to more neighbors and got two others to annex in with them. The island that the County had issues with was Ben Ross’s property and he is annexing in now. This is the first step in starting the noticing process. As soon as the revised plat map is received the letters and notices will be sent out. At the meeting on August 2, 2017 the Council can set the public hearing for August 16th and then pass the ordinance to approve the annexation.

5. DISCUSS IMPACT FEES AND USER RATES IN THE IMPACT FEES FACILITY PLAN AND SET A PUBLIC HEARING FOR AUGUST 2, 2017.

Mayor Chesnut asked City Manager Dotson to lead off on this. City Manager Dotson said they have had extensive discussions previously and Council Member Harris and Council Member Stoor met with the engineers and had a discussion. Council Member Harris said when he got a chance to read all of the presentation materials he answered some of his own questions. He said, regarding waste water the project is very scalable and as you read through the financials the idea is as we collect impact fees and user fees we will undertake projects as they come or are needed. One project is sewer flow meters in the various basins in town and that will come first. Also paying off the sewer bond with impact fees is something we could do right away. The engineers figured a percentage of the impact fees we have saved that could be put to that use. Impact fees have to be used within six years or given back so that is a good use of them even though the bond has a zero percent interest rate. One issue he had was the projections on growth. No projects other than those stated already would need to be done until growth is there. Then we will have the funds. We raised user fees already and that is reflected here. If we don’t get the projected growth his predictions would be that the average user rate in next 10 to 15 years would go up \$2.50 to \$3.00 per user. If we decide to do projects but did not have funds to cover it then the user fees would be there for that. Council Member Harris said his question was what if we don’t get the growth or the impact fees. That debt burden would be shifted to the user in the fees going up. Council Member Stoor said we can adjust this every five years or so. The law calls for regular updates to reflect what is actually happening with growth and adjust accordingly. Wastewater is flexible and is scalable and as of yet does not require a change in the user fee. The engineers suggested we lower the wastewater impact fee from \$1900 to \$738. The study justifies the impact fees and they need to be lowered. That will cover needs for 20 years based on projections. We would be lowering the impact fee by \$1,138 dollars from \$1900. The other side is the storm water impact fee which can establish as a new impact fee.

Council Member Harris went on to storm water saying looking at the data this establishes an impact fee of \$1,593 so that is up about \$450 for the whole impact fee package. When talking about doing this it is for those building new homes that will pay those fees. As we looked at this it is trickier on deciding how to handle needed projects. We could bond for the entire project up front at about five million. One assumption is we bond for 100% or get grants to cover half of it. The idea is that we build out this project which is a multi-faceted plan with retention basins, some curb and gutter and some streets that would collect a lot of runoff. The tricky part is do we do it all upfront. If we don’t get the growth then we have to come up with money in some other way.

The engineers created the additional spreadsheets that projected lower growth rates and he referred to the new data. That data reflected an increase in user fees due to lower growth rates. The user fee would go from \$2 to \$7.83 per month or a \$5.83 increase. If we don't get growth it could go up to \$14 per month. The benefit is we do this then we don't flood anymore. We need to note what we are gaining by receiving little or no flooding. Council Member Lee said she thinks it is all or nothing. We can't just build a pond in one place and ignore the other parts of town. Council Member Harris said the ponds are strategically located to help the whole town. This is different in that way. We have to spend it all upfront regardless of growth. Council Member Johnson said not all areas flood. Council Member Harris concurred saying some are not at risk. Council Member Lee said everyone is at risk really. The more we grow some areas will come to be in more jeopardy with growth coming in. Council Member Owens said going the other way we would have to stagger the retention basins. One thing to look out for is projected growth and what ends up happening is the burden moves onto the users already here if the growth does not come. There was more discussion about paying for it as we go along. Increasing impact fees can slow growth and that could put the financial burden onto the current users. We can lower the fee in the future too if it works out that way. The decision is to stagger it out or go all in. The improvement schedule in the financials illustrates how we collect fees and pay on the bond. We are committing to something the town needs but it is significant for where the financial burden will be in the future. That can be adjusted Council Member Stoor said. They did look at worst case scenarios in the new documents. Council Member Harris said they said 5% growth but that still seems high to him. As that growth comes the availability of water will be a factor in issuing new building permits as one AF of water is required for each door. There was more discussion of the possibilities for growth and where it would go. Council Member Lee asked which of those worst case scenarios would Council Member Harris feel most comfortable with. He said the anticipated user rate would be more like in the \$10-\$12 range or even worse the \$13-\$14 range. That is up from the current rate of \$2 which is not adequate. It has to go to at least \$7. We are starting from scratch with this storm water enterprise fund. We established the new enterprise fund recently which has been slow to grow with only a \$2 fee per user. We start with five million in debt if we do it all. Council Member Harris said the scenario that shows the \$9 fee is the one he likes the best. The new impact fee would go to \$1,593 as recommended. We have a zero impact fee now. Council Member Harris recommends the \$1,593 impact fee.

City Manager Dotson said we could phase this too. They list when the detention basin could be built. City Manager Dotson said they talked about the ones that had the most impact to get flooding. We do have the option to phase this as growth happens. Council Member Harris asked about the likelihood of financing it in stages. Grants and loans are options City Manager Dotson said. Our engineers pointed out greater risk areas. Council Member Johnson said he thinks we should do it in stages. The engineers said we could minimize the risk by phasing it. There was more discussion of the costs of bonding and that there are fees involved, which are a percentage of the amount borrowed. Council Member Harris said it would be a shame to have to pay those fees for each phase of the bonding. These are estimates City Manager Dotson said based on recent projects. City Manager Dotson said NRCS, CIB and other sources are all in this for funding possibilities and we are on their lists. We would have to come up with 25 % of the total for NRCS loans but that can be "in kind" labor. Council Member Harris said we could approve this based on the way it is written to establish the impact fee and the user rates and we could shop for grants. Impact fee law says have to do the projects or give the money back. Council Member Stoor said he is in favor of the way it is laid out but if there are pay options that is good. Council Member Harris said he was concerned about what the burden on existing residents would be. Some would be hurt by a user rate increase that is high. Council Member Owens said if we stage it we could charge \$5.58 in user fees. If we get the growth he likes the idea of the staged process. Council Member Harris said if we finance it right we can do that

however we leave some areas more vulnerable if we stage it. Council Member Stoor said we should prepare now for that. Council Member Lee asked Council Member Johnson if he has a conflict and he did not. Council Member Harris said this will be a burden for some and he wants to be careful about that. If we can move ahead to spend the money we need to look at every avenue for funding. Council Member Owens asked if we want to go with the \$1,593 impact fee. We are lowering one fee and creating a new fee. The total impact fee package is \$7403 currently.

City Manager Dotson said comparing to other cities is not accurate because they don't have same system or demands as we do. Impact fees do have some bearing on where people build. If growth does not come we have to pay it, Council Member Harris said. The free market will decide. We are on track with last year growth wise, Council Member Harris said. Council Member Harris said he would like to set the public hearing but will miss the next meeting and would like to be here.

Council Member Harris made a motion to set a public hearing for 8-16-17 and the fees established would be an impact fee for storm water of \$1,593.14 and reduce the wastewater impact fee to \$738.38 from \$1900. The motion was seconded by Council Member Stoor and all voted in favor. It was noted rates would be established at a later date.

6. DISCUSS/TAKE ACTION ON WATERING TIMES ORDINANCE

City Manager Dotson said right now we have an ordinance that we acted on for watering times to be restricted between the hours of 8am to 8pm and discussed changing it back to 10am to 6pm. If the Council so chooses, that ordinance would need to be rescinded. Mayor Chesnut said the goal was to restrict watering for two weekends to refill the tanks and it worked. The extra two hours on each end of the day did not work well so we went more extreme with the watering ban on Sunday until Monday at midnight and that worked. The tanks are fine now. The community rallied and made it work. There is no need to keep the 8am to 8pm restriction now and we can go back to 10am to 6pm which is the restricted time in our regular ordinance.

Council Member Harris made motion to rescind Ordinance No. 2017-07-07 to go back to restricted watering hours between 10:00am and 6:00pm. Motion was seconded by Council Member Johnson and all voted in favor.

7. PUBLIC COMMENTS

Worth Grimshaw said he appreciates them rescinding the ordinance on the watering restrictions however that is not acceptable and he does not believe they understand. Enoch is not Cedar City. We don't buy water rights and then dole them out like they do. We require one AF of water for each new house. The reason is when Enoch was set up the requirement was a ½ AF and the people wanted to be able to water gardens and lawns on these larger lots so we set it at one AF of water and the City agreed to pump one AF for each home. The City has gone back on that and restricted it to 30,000 gallons per month. At that point they stole ½ AF of water from every lot in town. That is why we have lots of rights we never pump because we restricted the water use. Most people don't get that. Second we don't have enough water storage in town. He believes the numbers were 2152 water hookups in the City. There were less than 150 when the first tank went in. The second tank was built as back up. The 2 million gallon tank would service 700 hook ups. We are one tank behind at this time. The City has not done anything about requiring more storage ability. We can pump so much per day but again the pumping capacity has always been much greater than usage per day. The Ravine well pumps about 1000 gallons per minute. There should be more storage in the tanks for several days. Now it is a day and a half or less. That needs to be resolved. Impact fees are for the purpose of those moving in to pay for their impact and fees should be calibrated that way. The old residents should not pay user fees to make up the difference. We already paid for three water tanks. When Homestead Subdivision went in our engineer out bought the big steel water tank for \$20,000 and had it trucked to Utah and put

online. There were less than 200 homes here then. It is important that we look ahead and do things ahead. The wells put in then are still pumping 24% of the amount the City uses. The City needs to take care of residents we have. He does not want growth if he has to pay for it. It is fine to have those who want to pay their share. He hopes the City Council will think about the old residents of town. When the subdivisions in the valley had problems we absorbed them due to nitrates in their water. We shared but they had to pay their way and we ran the waterlines to them. He gave more details about that. He does not blame this City Council as they did not do it. He told about how the water flows and that there used to be springs all over in the old days. People used what they needed from the springs in those days. The springs dried up and that is why Enoch was incorporated so people would have more water. We allowed Cedar City to drill a big well which steals our water before we get it. We sought a new source for our new well. A sure thing is where there is water and we spent over a million dollars on that well which is not online yet and will not produce what the City needs. We should have drilled where there is certain water and go past Cedar City. There are ways to solve problems without spending all the money. He does not want to pay for expansion and until the City can produce enough water to take care of current needs. Without more water they have no business selling another building permit. That is why he is here tonight and hopes they will take this into account. You have obligations to those who live here now. People here paid for it. New people have to pay for their impact.

David Benkert said he asks the City Council and staff and listen to Worth because he knows about things more than anyone else.

Debra Ley said she bought in 1988 and built in 2002 and during that time they paid fees when the new sewer system went in and they did that because they knew they were moving here. They bought water rights of 1AF per house they built. She knows when to water most effectively and then they get restrictions like was recently done. She pays for any amount of water she uses over and now she is being restricted for when she waters and does not see the end if we don't have more wells and water storage. That is not why she bought here. She bought for a lovely agrarian society. Now she is surrounded by homes that used to be 5 acre lots. There is more and more water usage. We have problems now where subdivisions came in and caused water runoff when it rains. Why was that not addressed? Now we are trying to back track and fix that. There should be ways to do this without bonding.

8. COUNCIL/STAFF REPORT

Earl Gibson reported they are just waiting for the well parts to finish the new well.

Chief Ames reported he sent Anders to defensive tactics training to be certified as an instructor.

Mayor Chesnut called DeMille Turf in the course of trying to investigate the heavy water usage. Between June 16th and June 21st they only delivered 3600 SF of sod so new lawns do not appear to be a huge factor. We were looking for data as to why we were short of water.

Council Member Harris said the Planning Commission meeting was cancelled last time due to no agenda items. The City Recorder added she has no agenda items for the 7-25-17 meeting either.

Council Member Lee studied the pros and cons of animal shelter and would like to bring that back on the next agenda. She said she thinks we should build our own shelter. She said recently we approved a minor lot subdivision for Russell and Jessika Grimshaw and confirmed it was zoned R-1-18. She thought she anticipated they would be facing the house towards California Trail but they will be facing it north, south or west because Joe Burgess owns a one foot parcel of land along California Trail that would prevent homes from being developed and faced onto California Trail. When we approved this minor lot subdivision we were not aware of that. She did not know you could buy a one foot strip of land and what does that mean to future development. They can't ever face to the east unless they get an easement. She asked do people on California Trail know that they will see six foot backyard fences instead of the fronts of their neighbor's homes. Mayor Chesnut said that is the Grimshaw's right to use their property as they want to.

