

**MINUTES**  
**ENOCH CITY COUNCIL**  
**June 4, 2014 at 6:00pm**  
**City Council Chambers**  
**City Offices, 900 E. Midvalley Road**

**Members present:**

Mayor Robert Rasmussen  
Council Member Destry Griffiths  
Council Member Steve Johnson  
Council Member Kirk Lovell-absent  
Council Member Mike Olenslager  
Council Member Gary Wilcken

**Staff present:**

Julie Watson, Recorder  
Dan Jessen, Treasurer  
Nick Turner, City Attorney  
Robert Dotson, City Manager  
Earl Gibson, Dir. Public Works  
Jackson Ames, Police Chief

**Public present:** Mike O'Rourke, Donna & Michelle Pritchard, David Owens, Chris & Nicole Johnson, Doug Jones, Dilworth Armstrong, Anne Zufelt, Jay & Trish Callaway, Tonya Browning, Marie & Lauri Fisher, Cathy Wentz, Paul Swapp, David Benkert, Sr., Jerry Womack, Debra Ley, Brenda & Jim Peck, Weslie Graham, Curtis Chamberlain, Krea & Valerie Mecham, Roberta Loveland, Donna Crase, Bruce & Jolene Lee, Kay Ayers, Worth Grimshaw, Jordan Barben, Steve Lawrence, Caryn Ann Wilhelm and Linda Cox

**1. CALL TO ORDER OF REGULAR COUNCIL MEETING-**By Mayor Rasmussen at 6:00pm. He welcomed the audience and excused Council Member Lovell who is ill tonight.

- a. **Pledge of Allegiance-**Led by Julie Watson
- b. **Invocation-**Audience invited to participate. Given by Council Member Griffiths
- c. **Approval of Agenda for June 4, 2014-**Motion to approve by Council Member Wilcken. Motion seconded by Council Member Johnson and all voted in favor.
- d. **Approval of Minutes for May 21, 2014-**Motion to approve by Council Member Olenslager. Motion seconded by Council Member Wilcken and all voted in favor.
- e. **Conflict of Interest Declaration for this agenda-**none stated

**2. DISCUSS VOTER INFORMATION PAMPHLET-**Council Member Wilcken

Council Member Wilcken recapped the discussion of last meeting where it was decided if a member of the public wants to be considered to write an argument "for or against" the tax increase they were to submit a letter to Julie by July 1<sup>st</sup>. Assistant City Attorney Nick Turner said State law sets the date for this as August 28<sup>th</sup> to prepare arguments. Then the arguments go to the local clerk by Sept. 12<sup>th</sup>. This is only regarding the request to be the author and not on the content. If more than one person applies to write the arguments then the City Council decides who writes it with priority being given to referendum sponsors and members of the legislative body. The discussion tonight is to make the public aware they are to send a letter to City Recorder, Julie Watson by August 28<sup>th</sup>. Those who apply will be informed of the deadline dates. The City will print and distribute the Voter Information Pamphlet by mail to registered voters. Assistant City Attorney Nick Turner clarified that each argument can have up to five sponsors but only one writer and again this is not regarding content but who gets to write it. He recommended a Council Member write the City's side. This information will be in the newsletter in July and August as well as on the website and other social media.

### **3. DISCUSS WATER/SEWER SITUATION IN PARKVIEW SUBDIVISION**

City Manager Dotson said he has written an eight page synopsis of what happened with this subdivision. To recap tonight he said we have had an inquiry about the one existing home in Parkview. He wants the Council to be aware of the issues which include the fissure that has developed within 30 feet of this home. Also the one home built has no water or sewer service and we as a City need to be consistent on our stand in regard to what the City can do or should do regarding this subdivision. He updated the Council with the pertinent facts. The bottom line is due to the geological hazard that has developed we could have liability as a City if we allow anyone to live there. In the future, some developer may be able to mitigate issues with the fissure and complete the outfall line and sewer lift station and get the waterlines in working condition but for now that is not possible. He gave more of the history from 2006 to the current time adding there was a very recent tax sale that Dan got wind of. He was able to attend where he offered a disclaimer regarding water/sewer service being unavailable and that the subdivision is currently unbuildable. We believe that headed off many lot sales that could have caused the City big problems with uninformed owners clamoring to build.

The one home that was built was done so with the condition of signing a waiver mandated by the City Council saying no Certificate of Occupancy would be issued until the outfall line and lift station was operational. That never took place due to the bankruptcy and foreclosure of the developer. The home has since been vandalized and fallen into serious disrepair. Also the fissure has badly cracked the paved road adjacent to the home. Other lots were sold when the subdivision was originally offered and other owners could continue to try to receive permission to build so as a City we need to reaffirm our policy considering possible liability due to the growing fissure.

Assistant City Attorney Nick Turner concurred the City needs to be consistent on their position. So far that has been denial of Certificate of Occupancy. There could be liability if we change the precedent. It was noted that after Dan gave the disclaimer at the tax sale the lots were “struck” to the County, meaning they own them, because there were no bids. Tonight we are asking for City Council agreement on the policy. It is the Council who would have to give permission for any occupancy in the subdivision. It was noted that in past discussions we talked about “de-annexing” which is called “disconnection” but the challenge in State law says the land owner has to petition to disconnect, not the City.

There was more discussion of possible solutions but those “fixes” such as septic tanks or drilling a well bring up more concerns and problems if they are even possible. The risk comes to us, City Manager Dotson said, because we said “no” to the former owner who kept up mortgage payments for years. Assistant City Attorney Nick Turner said there is too much liability for the City to allow occupancy in light of developments with the fissure. There was more discussion of the many “unknowns”.

Council Member Griffiths said with this information alone he would stick with saying no. Council Member Johnson said just looking at the road damage is scary and we need to protect the City’s water. Council Member Wilcken said there are just too many unknowns. Mayor Rasmussen asked what they need to do tonight adding the study says we should not be allowing any surface water to go into the fissure which could contaminate our ground water. Of course septic leech fields would do that. Council Member Olenslager said we need to set a standard of what needs to happen. City Manager Dotson said hindsight is 20/20. Any new owner of the subdivision would have to bring a new plan for mitigation and it would have to be at no expense to the City. We have the standards already in our ordinances and we have denied subdivisions in the past due to geological issues. Now we know of the hazard because it is plainly visible. It was noted the natural gas and electricity have been disconnected in the subdivision as well. Mayor Rasmussen recapped saying he is hearing agreement that the City should stand pat with our policy of denying occupancy. No other action was taken.

#### 4. PUBLIC HEARING ON 2014-2015 BUDGET

Mayor Rasmussen asked for motion to enter the public hearing. **Council Member Olenslager so moved. Motion was seconded by Council Member Wilcken. All in favor.**

Mayor Rasmussen invited public comments of 2-3 minutes each on the 2014-2015 budget only. Mike O'Rourke said respectfully it is not reasonable to ask for a two minute limit on a 14 page budget. He said the audit format is great for pros but for laymen it is hard to understand. Mike said the dispatch fee is in two places with two different titles. *Dan said the first one is revenue and other one is cost paid for the service to the County.* He asked about the entry for "miscellaneous" on page 2. *Dan said that was donations from the flooding that we do not have now as that incident is over. In the year of the flooding we had to funnel the donations thru our system.* On page 3 it shows a 30% increase in employee benefits with \$8000 in benefits to the City Council. *Dan said employee benefits like health insurance went up in cost and Workman's Comp changed on allocations so it affected the benefits line.* Mike asked City Manager Dotson how many employees the City has and what about the Affordable Care Act for them. *City Manager Dotson said we have 20 employees and we are not sure yet on the ACA because we are a political subdivision of the State and it is still unclear in the ACA for our classification.* On page 4 there is a 20% increase in benefits to employees. *Dan said the City Council had this when we talked originally about the budget. It is the exception rather than the rule that one employee fits under just one department's part of the budget. Their duties often extend thru several departments and he gave examples saying we reexamined that this year and adjusted it so it better reflects what each employee actually does for each department. He explained PD benefits which are different than regular employees. As we changed the allocations to match the true duties, some departments went down and some went up. It was not due to raises but benefit costs did go up due in part to the ACA.* Mike said dues and memberships went up a lot. What is the reason? *City Manager Dotson said dues and memberships include Treasurer's Association, City Manager Association, and other professional organizations. Perhaps we did not belong in the past and now we have joined.* Mike said telephones went up a lot. *City Manager Dotson said we also reallocated the distribution of costs to make it reflect the reality and that makes it look like it went up in some departments. Also the split between landlines and cell phones was not right before.* Mike asked about the legal fees. \$583 per meeting looks expensive. *Mayor Rasmussen said this is for more than just attending meetings. We have many other legal issues our attorney deals with.* Mike said the library is still in there. *Dan said we are waiting for the vote to act on that and our portion of the bill to the State is not due until next June.* Mike asked about the PD benefits. *Dan explained their costs are more for Workman's Comp and Retirement because of the type of work they do and the risk. Dan said he did not really like the format but had to put it in this way per State requirements adding if Mike would come in he could explain it better being able to cross reference other budget years for him.* Mike said it looks like we are spending more.

*Assistant City Attorney Nick Turner said this has gone way over the time limit adding public hearings are for public comment and not for Council and Staff to answer questions or give rebuttals. It would have been better if residents had come into the office for clarification in advance with this many questions.*

Kay Ayers said her concern has been the PD budget. As much as is being spent she does not see a lot of work being done adding she is concerned with the same junk cars parked along the roads. They are not registered, don't run and have been parked for years. When the PD is patrolling it should be an automatic thing to ticket those cars and residents should not have to file complaints to get action. Also regarding animal control the same people keep letting their dogs run loose and bark with no action. They chose to live in a city so they had the protection of the city and now the neighbors run a junkyard, dogs run lose and it devalues their property.

There were no other comments.

**Motion to end the public hearing by Council Member Olenlager. Motion seconded by Council Member Wilcken and all voted in favor.**

**5. DISCUSS 2014-2015 BUDGET**

Mayor Rasmussen asked for more discussion. Council Member Griffiths asked about the resolution which says we are adopting the certified tax rate. Dan said in the process the Iron County Auditor reviews what homes are worth and they come up with a value. They give us a rate that equals what we received in property taxes last year. This is to ensure stable revenue for municipality's general funds. Some homes have new assessed values if they did something like adding a garage. The State Tax Commission ascertains what the rate is. We either accept that or go thru the Truth in Taxation process if the tax rate does not cover our needs. The problem is in an ideal world we would have the rate sooner but we don't know what it will be until into July however State law requires budgets be adopted by June 22<sup>nd</sup>. In order to pass a budget we accept what the rate will be adding he thinks revenue will be a bit more this year than what we budgeted for. In the resolution tonight we are saying that we accept the certified rate we will be given later.

Council Member Wilcken said the intention of the City Council is that we establish this budget as required by law and wait to see how the election goes. Then we will open the budget and make adjustments per that vote. Mayor Rasmussen concurred whichever way it goes we open the budget to make adjustments.

**6. RESOLUTION NO. 2014-06-04 A RESOLUTION ADOPTING A CERTIFIED TAX RATE AND BUDGET FOR THE FISCAL YEAR ENDING JUNE 30<sup>th</sup>, 2015**

Mayor Rasmussen asked for a motion. **Council Member Olenlager made a motion to adopt Resolution No. 2014-06-04, a resolution adopting a certified tax rate and budget for the fiscal year ending June 30<sup>th</sup>, 2015. Motion was seconded by Council Member Griffiths and a roll call vote was held as follows:**

<b>Council Member Griffiths-yes</b>	<b>Council Member Olenlager-yes</b>
<b>Council Member Johnson-yes</b>	<b>Council Member Wilcken-yes</b>
<b>Council Member Lovell-absent</b>	<b>Motion passed unanimously</b>

Mayor Rasmussen thanked everyone involved for their hard work and diligence in getting through this process.

**7. PUBLIC COMMENTS**

Mayor Rasmussen invited the public to comment on things other than the budget. There were no public comments.

**8. CORRESPONDENCE**

Mayor Rasmussen said he received information regarding CDBG funding and would pass that on to City Manager Dotson. He also heard from the Governor's Office of Economic Development and gave that to City Manager Dotson to review.

**9. COUNCIL/STAFF REPORTS**

Council Member Olenlager reported the PD had 282 calls, 68 reports, 95 traffic stops with 23 citations in the last month. The PD is sponsoring the seat belt pledge for the Cedar City Unplugged program and participation by kids has been brisk. He reported that Officer Milt Laub took another job so we are advertising for a new officer to fill that position. He suggested during next year's budget talks that maybe we should have a few copies of the budget for the public in

the meetings. Mike O'Rourke had all these questions and perhaps we did not make it clear they need to come in and ask in advance. Dan agreed saying there are a lot of things that when presented in this format look skewed.

Council Member Griffiths agreed and had no other comments.

Council Member Wilcken said he had occasion to attend another city's Council meeting and is glad to live here and not there with their problems.

Council Member Johnson said he had a good visit with Earl today but has nothing else to report.

Julie Watson reported on the next agenda.

City Manager Dotson said regarding the letter from Governor's Office of Economic Development that we have a "rural outreach coordinator" who is talking about programs of tax incentives for businesses in rural communities. Some of the incentive programs require adopting zones for "enterprise zones" and "recycling zones". This is so businesses can apply for tax credits. The Economic Development Committee had the business fair and it was a modest success. He reported he has created a new website which is almost complete and will have the recordings of all meetings and can have YouTube too. It is more up to date and friendlier. He is looking for photos for the website. The 4<sup>th</sup> of July Freedom Run is still on. We will have a professional timer and are looking for help with water stations and getting it set up. The Race/Family Walk is at 7:00am so any volunteers would have to be there earlier.

Mayor Rasmussen said Council Member Lovell is not here tonight but if you want to volunteer call him or Rob.

Dan Jessen said his door is open and encouraged the public to come in with questions.

Earl Gibson said they have been chipping a lot of branches so buy some wood chips. We load them for you.

Chief Ames said they are staying busy and are working short-handed.

**10. ADJOURN-Motion to adjourn by Council Member Wilcken. Motion seconded by Council Member Johnson and all voted in favor.** The meeting ended at 7:22pm.

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**Julie Watson, Recorder**

**Date**