

MINUTES
ENOCH CITY COUNCIL
November 15, 2017 at 6:00pm
City Council Chambers
City Offices, 900 E. Midvalley Road

Members present:

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

Staff present:

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

Public present: Dilworth Armstrong and Katherine Ross

1. **CALL TO ORDER OF REGULAR COUNCIL MEETING-By Mayor Chesnut at 6:00pm.**
 - a. **Pledge of Allegiance-Led by Council Member Harris**
 - b. **Invocation-Audience invited to participate-Given by Council Member Lee**
 - c. **Inspirational thought-Given by Council Member Owens-absent**
 - d. **Approval of Agenda for November 15, 2017-Council Member Harris made a motion to approve the agenda. Motion was 2nd by Council Member Lee and all voted in favor.**
 - e. **Approval of Minutes for November 1, 2017-Council Member Johnson made a motion to approve the minutes. Motion was seconded by Council Member Harris and all voted in favor.**
 - f. **Conflict of Interest Declaration for this agenda-none stated**

2. DISCUSS 2017-2018 BUDGET ADJUSTMENTS

Mayor Chesnut asked Ashley to bring them up to speed on the adjustments. She said we will start with the General Fund and she will go through the changes. She adjusted revenues for property taxes since we got the actual rate from the County. Building has been stronger than anticipated so we adjusted “licenses and permits” by adding revenue from ten more homes. This will also raise impact fees. Ashley said we had our audit and we had one finding. It is not terrible but we can only keep revenues between 5% and 25% and we have too much money we did not spend; approximately \$250,000.00. That is extra revenue. Our options are to put the funds in this budget now or transfer them to a capital project line item which covers multiple items, the animal shelter being one. In other words, we have an excess in our General Fund. City Manager Dotson said he does not want to get into the weeds on this but there are two ways to think about it. One is “oh goody” let’s spend it. We had conversations about it with administration, Chief Ames, Earl and Ashley and concluded this is not a gift. This actually happened because we did not spend what we expected and we had more revenue. It is the public’s money and we need the excess funds to go where they benefit the public the most, like capital projects. After we made adjustments and got a few things we needed we are still about \$250,000 over. We put some purchases off. Council Member Lee asked if we have met our obligations like to the library. City Manager Dotson said that is in the budget and done. Mayor Chesnut said we have revenue projections which may not bear out. We have to put the excess funds someplace and he agrees capital improvements get the most “bang” for the tax payer’s money. Council Member Harris

said we need funds for unforeseen things and should make purchases to offset future costs. Mayor Chesnut said staff is doing a good job of living within our means. When we get more due to more taxes this helps to avert future tax increases. Council Member Lee confirmed that was the only audit problem. Ashley clarified saying it was. We have more on hand than is allowed per statute. The solution is to move funds, which is simple to do with City Council guidance. Ashley explained that we are bringing in impact fees for parks projects already discussed. In expenses, we have the election we did not have so we saved that \$3,000. We added \$1,000 to hosting because it was getting low and is needed for things like the Building Inspector's luncheon meetings with contractors. From the vehicle purchase we have \$2,549 left after we got the new car so we took that out. Office equipment we added \$11,000 for a new server. City Manager Dotson explained about our two servers. One is for the PD and both are at least ten years old. Those replacements are essential things we need to keep up on. We always have funds so if something fails and needs replacement we can cover it. We were going to save for the new servers and hope we had the money but we have the funds to do it now. Council Member Harris said he agrees it is far better to replace computers and equipment before they break.

Ashley said going to the PD their supplies and materials was adjusted up to \$28,600 for several different things they have needed but not had the money for. She gave some details of what they need like spike strips and vests. To explain the donations line item she said she made a mistake on animal shelter donations that have not yet been spent but are intended for use later so she will carry these donations over. The inter-local fire agreement went up by \$30,000 so that is the change for the new agreement. Last year it was \$115,000 so this is close to what we paid in July. In the building and zoning we added funds for Lynn Nielson to complete his certification for commercial inspections. The surcharge to the State based on houses built was increased to \$4,300 because we have had more homes built and anticipate more before the fiscal year end. We budgeted \$500 and we paid \$1,200 already because we had more homes than first thought.

Going to streets and roads there was a \$2,000 change for travel and training for one of the public works people to get additional training he needs. The change is coming out of road maintenance so it is a swap there. The road maintenance gravel was raised \$30,000 to cover the road out to the animal shelter. Council Member Lee asked about grants that will require gravel too. Should there be more than \$30,000? She added they have two years to complete the project on one grant. City Manager Dotson said we did not add the money for trail development and we need to put it in the expense line and add in the revenue from the \$24,000 grant so it is a wash. They forgot to add in for the grant on line 10-60-731 and will adjust for that. In cemetery they increased supplies by \$6,225, the price of a small trailer that is needed to haul the smaller equipment to dig the graves and for other jobs. The next item is to transfer the excess money to capital projects. The \$14,744 is to transfer to savings. With all the changes and increased revenue we will still be able to save.

Earl said we talked about money for the trails to redo them. He asked the City Council what they want to do. We have \$2,500 in there now and it is 25cents a square foot to redo the asphalt and flush coat. It would be almost \$30,000 to redo all of the trails. We could do all or part Earl said. We have let it go for a few years on flush coating and just did crack sealing which is going on now. Council Member Lee said she thinks it is important to maintain the trails. They are bumpy and she sees kids go in the road on their scooters and bikes instead of using the trails. Earl said it won't change the bumpiness to apply flush coat but will keep it from getting worse. Ashley said we could take some money out of capital improvements for the trails if they want to.

There was more discussion of other items. Council Member Johnson said he looked up the costs for a street light and it is between \$5000 and \$8,000. It was noted a resident requested a light at Hwy. 91 and Heather Hue Road where it is very dark. City Manager Dotson said Rocky Mountain Power puts in our street lights and they spread the cost out over years on our bills. He said we could do that on Heather Hue if we want to. We will not budget for it but we will have

Rocky Mountain Power do it for us if power is there. If not, we have to run the power for the light and will wrap that into our power bill also.

Mayor Chesnut said we talked about this now and rather than have to revisit it later after all other adjustments are made we should decide while the budget is opened. He asked the City Council if they want to build the animal shelter with what is there now or wait and see how we come out. We have saved \$170,000 for the shelter however it may be more. While the budget is open we could move some funds to capital projects so we don't have to open the budget later, hold another public hearing and go through that process. City Manager Dotson said as staff we don't want to spend money if it is not in the budget already. We want to have the excess funds in capital improvements so we can do the job completely and then what we don't spend we can take back out later. We don't want to get stuck and have to open budget at irregular times. He said he prefers that we put the excess there. We would not be earmarking it all for the shelter specifically. Mayor Chesnut said it is fine with him to put it in buildings. Once we hit \$170,000 if we have to exceed that we come back to the City Council to say why it was more. It is a best practice to bring that back to the Council so all know what we are doing and why. All agreed with that. This gives us a safety net and if we have to fall into it we will know why. Council Member Lee clarified that every year we budgeted \$10,000 to be saved for the shelter and she asked if that \$10,000 is there for this year. It is, Ashley confirmed and next budget we will have \$10,000 less because the shelter will be done. City Manager Dotson said he would keep them updated on the status of shelter progress.

Ashley said moving on to the water fund we changed supplies and materials to buy more water meters for the new homes to be built. The money comes from connection fees. Council Member Johnson asked if Earl got more meters for replacement and Earl said yes, adding we over spent on meters and have to cover that too. The adjustment is \$9,000. We also made a \$3,000 adjustment in engineering and surveying for the water line to the animal shelter coming out of Earl's budget. The impact fees for water was adjusted for ten more homes. The last thing in water is an adjustment to put \$24,530 into savings. City Manager Dotson said if the Trujillo's get any compensation it will be out of supplies and materials. Ashley went to the sewer fund where there is an adjustment for lowered impact fees. We put in \$10,000 for the new sewer line down Midvalley Road to Hwy. 91. That has been in the plans. The other \$71,300 is for flow meters as recommended by the Sunrise Engineering study. Earl added we are reusing pipe, valves and manholes from Park View to save money so the sewer line extension cost is our labor mostly. With the new impact fees that have taken place the sewer impact fees are lower.

In the new storm water drainage fund 53-40-315 we left off that we need to add \$10,000 for engineering design work for the storm water basin in Iron Mountain Park. We just got that estimate today. 53-40-710 is \$8,900 that we will use to buy the lots in Park View by paying the property taxes to get them. We have a new impact fee for storm drainage and this is figured in because there was none before. The last item is to increase the fund balance by \$14,560. Last in refuse 54-40-740 is \$14,000 for new trash cans. We have used our stockpile. Many cans have reached their warranty expiration date and are failing and also we have new homes to serve. We get a better deal if we buy more. We have gone through more cans than we expected. With the adjustment for cans then we also adjust the fund balance by \$14,000 so instead of \$24,000 into savings it is less.

The last thing that is not in the budget that we talked about earlier is using impact fees to pay off the sewer bond which was recommended in the Sunrise Engineering study. They confirmed those impact fees were eligible to be used for that purpose if the Council wants to pay that off. Ashley said she looked at the fund and it does earn interest. The bond is 0% interest but we have to spend the impact fees or lose them. They Council all agreed they thought that was the best use. Ashley said we are saving in most funds. She will make the adjustments and send the revised budget out to the City Council tomorrow.

3. SET A PUBLIC HEARING ON THE 2017-2018 BUDGET FOR DEC. 6, 2017
Council Member Harris made motion to set a public hearing for December 6, 2017 for the 2017-2018 revised budget. Council Member Johnson seconded the motion and all voted in favor.

4. PUBLIC COMMENTS-none

5. COUNCIL/STAFF REPORT

Earl Gibson reported they are taking pipe out of the ground in Park View Subdivision to reuse it to extend the sewer line on Midvalley Road to Hwy. 91. That will save money.

City Manager Dotson reported he went to the County Commission meeting Monday to request we purchase the lots in Park View for the amount of taxes owed. It was interesting. He was the only one wanting to give them money. State code requires that when surplus property is disposed they have to hold a public hearing and advertise for 14 days and then they will decide. He said SR130 is starting to be marked for expansion. They have moved up the timeframe for widening the road. They are surveying now. Council Member Lee asked about UDOT doing a speed study for a traffic light at Midvalley Road. City Manager Dotson said he was told verbally they did it and it does not meet the requirements. He asked for a copy of that. He reported he went to a meeting and FEMA is putting out new flood plain maps. That has not been done since 1984. It is complex but Enoch does not participate in the national flood program because we are not in a flood plain. No one needs flood insurance in Enoch. This is not for storm events. It is from living in a flood plain and we do not. If people want flood insurance they can get it if we say we are not in a flood plain but they still want it. It is inexpensive if not in flood plain. These changes are a big deal because Cedar City now has 100 plus homes that will be in the new flood plain map and will be required to get flood insurance. He gave details on better data which expands the flood plain in Cedar City. Also the Groundwater Management Plan is going on with Cedar City and other involved water users and is advancing. The plan is in an outline format and all have assignments to do portions of it based on specialties. He gave details of the assignments saying he has water rights policy changes. In the end we will have a plan and a resolution will be made by the City to approve it. There was a discussion of the Beaver water and the multiple lawsuits and what went on. An agreement has been made and that agreement will go to the State Engineer. If he says that is fine it will go to the judge for a final ruling based on the agreement. Then the Conservancy District can figure out funding and come together with others.

Mayor Chesnut reported he went with City Manager Dotson to the Chamber of Commerce meeting this morning. There are good things happening economically in our community. He told about the cinnamon roll branding program in Parowan and how much that has improved the economy bringing people off I-15 and into town. The point is as a community they came together to do something to increase traffic in town and it worked. Revenues in general are up in Iron County. Job growth is good but wages are not going anywhere. Spending is coming from tourism and it drives a lot of business. This is a good hub for so many things in this area. Our EDC says we need to promote who we are too. They were invited to the Cherry Creek radio open house and he recorded a message for the radio. Enoch has a good reputation and he sees that in other meetings he goes to.

Council Member Harris said he missed Planning Commission meeting last night. They were discussing conditional use permits and going through the Zoning Ordinance to make corrections and clarifications. We have to meet State code to define conditions. He reported he went to the CDBG grant meeting in St. George and that was interesting although the Five County building was hard to find. He suggested they do it at Golden Coral next year. The application process book is online. We were required to attend this meeting in case we decide to apply for CDBG funds next year.

Council Member Lee said she had to leave early from Water Board meeting so does not know what they worked on. City Manager Dotson said we are taking the Enoch Water Management Plan and putting in goals, measurement tools and policies. She asked about City Attorney Kuhlmann. City Manager Dotson said there is no word yet.

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

Julie Watson, Recorder

Date