

MINUTES
ENOCH CITY COUNCIL
November 19, 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-phone
Council Member Mike Olenslager
Council Member Gary Wilcken

Staff present:

Julie Watson, Recorder
Dan Jessen, Treasurer
Gary Kuhlmann, CityAtty.
Robert Dotson, City Mgr.
Earl Gibson, PublicWorks
Jackson Ames, PD Chief

Public present: Doug Jones, Kay Ayers, David Owens, Nichole Johnson, Greg Peterson, Isaac Bezzant, William Edwards, Scott Zingleman & Troop 391, David Benkert, Sr., Dilworth Armstrong, Dennis Ayers, Ken Bauer, Officer Dustin Roy, Linda Cox, Caryn Ann Wilhelm, Lyle Goulding, Carolyn Olenslager, Officer Mike Berg, Cameron Greehhalgh, Steve Carpenter & Troop 1869, Lisa and Jared Baker, Karsten Jensen, Natalie & Shawn Higgins, Kaleb Nicholes, Adam Kurtz, Austin & Carol Rohrer, Trish & Jay Callaway, Tonya Browning, Trent Dankleff, Clara Pickett, Rick Bonzo, Colton Monroe, Ian Meyer, Weston Bezzant, Joy Meyer, Wade Adams, Walker Adams, Cordelle Morris, Mathias Greene, Mason Bailey, Richard Warner, Dave Jacobson, Daniel Ekker, Todd Hutcheson, Jason Christian, Scott Leavitt, Jessee Robinson, Chip Sanders, Cathy Wentz, Donna Crase, Jody Findlay, Danielle Price, Jeanne Parry, Ken Ekins, Alan Blake, Jerry Johnson, Bob Graul, Tim Watson, Pat Tompkins, Cassie Easley and Delaine Findlay

1. CALL TO ORDER OF REGULAR COUNCIL MEETING-By Mayor Rasmussen at 6:03 He welcomed the audience including the Scouts adding they would lead the pledge and give the invocation. He said Council Member Lovell would participate by phone.

- a. **Pledge of Allegiance-**Led by Troop 391
- b. **Invocation-**Audience invited to participate-Given by Scott Zingleman
- c. **Approval of Agenda for November 19, 2014-** Council Member Johnson wanted to add some items to the agenda however City Attorney Kuhlmann said that can't be done because 24 hour notice was not given. They can move Council /Staff Reports to be the 1st item to accommodate residents. **Council Member Johnson made the motion to approve the agenda with that change. Motion was seconded by Council Member Wilcken and all voted in favor.**
- d. **Approval of Minutes for November 5, 2014-**Motion to approve minutes by Council Member Olenslager. **Motion seconded by Council Member Lovell and all voted in favor.**
- e. **Conflict of Interest Declaration for this agenda-**none stated

1. COUNCIL/STAFF REPORTS

City Manager Dotson introduced Trent Dunkleff, the project manager. City Manager Dotson recapped saying the drainage project started at Midvalley and Half Mile Road and is now past Homestead and almost to Stagecoach. Trent said we are doing about 300 feet per day and are past the stage of moving utilities now. Some water had to be shut off for short periods of time while lines were moved. Residents were notified in person. They will work on clean-up starting Friday and get it fixed up before Thanksgiving. Bad weather has been a factor with increased mud. City Manager Dotson said he knows there are residents here with issues who may want to speak. This first section was the worst and now the pipes get smaller as we go to the east on Stagecoach so it will move quicker. Council Member Wilcken asked about the status of the roads thru the winter. City Manager Dotson said they will lay down pit run and after it gets wet and dries it will harden a bit. That will be all that is possible until we can get asphalt next spring. They will cold patch on Midvalley Road because it is a smaller area. City Manager Dotson said we will keep holes filled through the winter. Mayor Rasmussen invited residents to comment on this.

Danielle Price asked how the roads will that hold up through the winter. *City Engineer Tim Watson said pit run is only as good as the moisture and it can be filled in.* She stated concerns about mud issues and suggested they add fly ash or

lime for harder material. *City Manager Dotson added we plan to make it as good as we possibly can for the residents. Engineers have “spec’d” this to UDOT standards with compaction testing every 200 feet. Tim added we were ready to start on the project months ago but due to prairie dog issues we could not so now we are working in the winter. It was noted as we go up Stagecoach we won’t be in the middle of the road as the pipe will be smaller. City Manager Dotson said every week we write a letter to residents to update them. He said he realizes we are working in the middle of where people live however one big issue is with kids playing in the trenches. That is very dangerous and it is not acceptable for anyone to get hurt. Our crew is very safety conscious but unfortunately there are children who don’t understand the dangers. We need kids and parents to cooperate and stay away from the work area. Council Member Wilcken encouraged residents to call the office with concerns.*

Jared Baker said he appreciates City Manager Dotson being available for his questions. He asked about various testing and other details of the project which were explained.

Danielle Price asked if the sewer line was air tested when connected. Trent explained there is no way to do an air test however we could mandrill it. She expressed other concerns about the pipe, the testing methods and inspections which were clarified by Tim Watson.

Lisa Baker asked about fixing the road before Friday as we have a storm coming in. She cited issues with wet dirt clods being pushed into driveways saying it freezes and is a big problem. She asked that they clean up as they go and not wait until the project is done. *Trent said will clean driveways every day and that should be done.* Lisa passed out a list of issues they have had. *Mayor Rasmussen asked them to call the office or talk to the crew on site for technical questions.*

Kay Ayers commented on the temporary road and was curious as to how it will accommodate the semi trucks we let park in Enoch now adding she sees them on Stagecoach all the time.

Mayor Rasmussen thanked the residents for the comment and said we will do the best we can however winter makes it much harder. If not for the federal prairie dog restrictions we would have been done by now. Terms of the funding did not allow us to wait for spring to start the project.

2. BLM REQUEST REGARDING OLD SPANISH TRAIL-Dave Jacobson

Dave Jacobson said he is the Outdoor Recreation Planner for BLM and they have been working on plans to bring to life to the Old Spanish Trail. They have worked with a team of people from all entities the trail goes through and have a strategy to allow people to follow the trail and stop to learn about it. He said the trail goes right through Enoch by the library. They would like install signage in four locations in Enoch. He explained the trail was a trade route to Los Angeles. It was used from the 1700’s to late 1800’s and has been nationally designated by Congress. Iron County has approved the signage and he is here tonight to get approval to place the signs in Enoch. He told about the locations chosen adding the signs come in different sizes depending on the speed limit on the road but are 2’x2’ mostly and are similar to historical marker. Council Member Johnson expressed some concerns about the purpose of the federal government doing things like this. The BLM is short on money for wild horses and he thinks that’s more important. The funding is not yet identified for this Dave said, adding some areas of the trail are on federal land and some on state land. This is not funded by the BLM per se. Congress designated this as an historic trail and it is a great opportunity to highlight the USA in Enoch. There was a brief discussion of the scouts being able to help with the project which might work out. City Manager Dotson added a scout is currently redoing the sign by the library for an Eagle project. City Manager Dotson said he was asked to be on this committee and one other purpose is for economic development to get people to stop here. The Old Spanish Trail Association, an international association, has plans for a museum to be located in Enoch. There was more discussion of funding sources and Council Member Wilcken said if we say yes what does that mean? Dave said they are not asking for money and if the City is not able to designate any funding that is fine as they will look for other sources. Mayor Rasmussen asked to what level is the City involved and Dave said only to give permission for the signs to be placed. Mayor Rasmussen asked for a motion. **Council Member Wilcken made a motion to approve the request provided there is no financial obligation implied by that. Council Member Olenslager seconded the motion and all voted in favor except Council Member Johnson who voted no.**

3. DISCUSS AND TAKE ACTION ON COMMUNITY ORCHARD

Mayor Rasmussen asked Council Member Wilcken to give some background on this. He said a few years ago a resident came forward asking to establish the community orchard and made promises that if the apple trees could be planted on City property they would maintain the area. They did not keep it up as promised and it has become a weedy mess. Shelly has suggested she could keep it mowed and maintained more easily if the trees, drip irrigation system and bark are removed and the Tree Committee concurred adding the trees are not in good shape. He brings this to the City

Council tonight to ask their permission to eliminate this orchard and turn it back to the City. If the person who planted them wants the trees they would have to remove them before Arbor Day next April. If not they could be donated to others and dug up by those who want them. It was a nice idea but it did not pan out and with all due respect it is time to move on. Council Member Lovell agreed adding he is frustrated with this. Everyone was so sure volunteers would keep it up but we have found that volunteers can't be counted on long term. **Council Member Wilcken made a motion to eliminate the community orchard and that the trees be given to the people who started it and if not reclaimed by them by Arbor Day, the trees will be salvaged by others. Council Member Johnson seconded motion and all voted in favor.**

4. OPEN 2014-2015 BUDGET

Mayor Rasmussen said in order to work on the budget we have to open it and he asked for a motion. **Council Member Lovell made a motion to open the 2014-2015 budget. The motion was seconded by Council Member Wilcken and all voted in favor.**

5. DISCUSS 2014-2015 BUDGET

Mayor Rasmussen said in order to be updated on the current standing he has asked Dan to go through the numbers. City Attorney Kuhlmann reminded the audience this is not a public hearing and one will be held at a later date for their comments. This is meant to be a City Council discussion only. Dan said the budget is a living, moving thing and there has been some confusion and misinformation about where we are now as compared to when the tax increase was proposed. Many numbers have changed since then and we need to understand how we got here. He recapped the deficits the former City Council dealt with saying for years they choose not to do a tax increase and instead pulled money out of savings to cover the shortfalls. He cited the requirements of Utah law regarding savings levels required for municipalities. We can't drop below 5% in savings. Funds in savings can be allocated to various projects and that number has to be above 5% of total expenses for the budget year. Dan showed graphs, charts and scenarios to explain how the deficit developed when the economy tanked in 2008. By the time we got to the 2013-2014 budget the Council decided a tax increase was the only way to balance the budget. At the end of last year he came to the conclusion we would drop below 5% if we did not do anything so he transferred some funds into the General Fund from unassigned funds to keep us from dropping below the 5%. That was one-time money and is not a permanent fix. The penalty for going below 5% is the auditors flag that as a "finding" and report it to the State. City Attorney Kuhlmann added that severely hinders the City's credit rating.

There was more discussion of how the numbers noted at the time of the tax increase have changed and that we have never actually used as much as was projected to be needed from savings. Dan described the different ways he has analyzed various aspects of the budget and reallocated some expenses to more accurately show reality. He told about issues that make it very hard to make budget predictions. One major thing is the fact that we do not know the certified tax rate from the County before we have to have our budget done.

Council Member Wilcken said our budget year is July 1st to June 30th and decisions are made without the best information being available. Dan said there are different ways of looking at it and he does not believe in using a lot of buffers but in being more real in our forecast. Department heads are responsible to monitor their expenses so as not to overspend. He cited the sales tax we receive from the State even though we do not have many businesses generating sales tax. City Manager Dotson added in 2010 the census showed our population had increased which is a factor in the division of sales tax. There was more discussion of how that affects our budget. We rely more on property tax revenue and that is the only thing we have any control over. We could increase some fees such as for building permits or business licenses but that is minimal.

The proposed tax increase was to raise approximately \$300,000 which was the deficit then. Last year we only spent \$55,000 in savings to balance so the \$300,000 was not an accurate number. The referendum stopped the tax increase from going through so the Council opened the budget and removed the tax increase funds leaving a deficit of \$196,000 to take out of savings. In his analysis he looked at many funds and identified anything larger than \$2000 not spent and said there was some additional revenue that came in also and he gave details. One item allocated but not spent was drainage at \$60,000. Road maintenance left \$11,500 not spent due to mild weather, less breakdowns, equipment not purchased and many other things so we ended the year with a \$55,000 shortfall. These are line items that are tough to cut because if we have a breakdown or a tough winter we could go over and we cannot go over in a line item by law. We have to at or below the budgeted amount so there will often be funds leftover. It is not possible to be perfectly accurate. Budgets are a forecast and we do the best we can.

That was last year and now we go into this year and the budget created last March and finalized in May. Dan said he did more analysis on our line items to see if we could forecast with better information. He is now forecasting that we

will receive more revenue than we budgeted which cuts the deficit down by \$40,000 and is just as good as cutting on the expense side so that is a significant item. Council Member Wilcken added we have a half year track record to base this on. His goal is to forecast and tighten up the budget by being more accurate. Dan said some of our other figures were wrong too when we forecast the shortage last March. He said he has gone through this with each Council Member and if the City Council decides to make these changes these are ways to be more accurate. He added details about the effect of the NRCS project on the books which skews the numbers due to the City meeting the match with labor and equipment use "in kind" rather than actual dollars expended. If the Council accepts the changes he found, he projects we actually have to come up with \$97,800 to balance.

Council Member Olenslager asked about the County library money that comes to Enoch. Dan explained the County collects taxes for the library but it does not show up in our budget. They send it to the State. The only two things for the library that flow through our budget as far as revenue or expenses are under admin. In the past the County and State approached Enoch saying they were short of funds and asked if Enoch would contribute because we get the benefit of having the library in Enoch. Now the City's general fund adds in \$41,200 which we pay into the total cost of the library. Also we own the building and we pay the utilities and then bill the State for 2/3 of that amount. There was more discussion of the recently discovered difference the County made in distributing the library tax collected and that there are differences between a City library like Cedar City has and our State funded library and Bookmobile.

There was more discussion of other items that are still being fine-tuned. Dan said he is trying to provide good numbers and not make policy as the Council decides that. He said we have \$60,000 in drainage that could now be used to balance the budget as we have created a new enterprise to raise funds for drainage. Subtract that out and now we are out of balance by \$37,800 and that realistically brings us to the present day. Because employee benefits like health care went up we reallocated labor in all departments to shift some of the burden onto the enterprise funds where employee duties rightfully fall. The general fund alone is three million in expenditures for everything. The various departments have expenses but Dan said he is mainly focusing tonight on getting direction from the City Council to solve the problem of balancing the general fund. He noted a few other items like franchise tax revenue and PILT funds citing other revenue sources that produced more than forecast.

Mayor Rasmussen said this explanation is for the benefit of the public. A lot of valuation of property went down and that affects us in that we will collect less tax money for our share. The County reassesses property values and the State runs the calculations and then they take out an amount they expect not to collect and forecast what we will get and it is never right on. What changes that figure is adding new homes or additions to homes but that is hard to predict. Dan said one line item we are adjusting down is revenue for PD fees which is everything besides tickets. They did not hold training we usually sponsor so there was no revenue. Another change that makes things look different is that we had to match the State format so that changed some line items. Dan said his goal was for accuracy and this is up to the City Council now.

Mayor Rasmussen thanked Dan saying he has gotten up to speed very quickly and there was applause from the public. Mayor Rasmussen said the task tonight is to figure out where we go to give direction to Dan to formulate a tentative budget for the public to review. Council Member Griffiths proposed to take the \$60,000 out of drainage and put it back into the general fund. That leaves approximately \$38,000 to cut.

Council Member Johnson broached a few ideas he had regarding empowering the government to "legally plunder" residents. People think they can get whatever they want if they get the government to force it on the people. He added some things are wonderful like the Old Spanish Trail signs but should be funded privately. He added he would like to cut or reduce by 1/2 animal control, by 1/2 the building department, Council pay, and eliminate several fees like business license fees and dog license fees. The library is costing us over \$41,000. He said the majority of residents do not use it and many are fine with eliminating something that is not the proper role of government. He cited several other items he would like to eliminate.

Dan said some of the things suggested impact many other areas of the budget and could not be eliminated mid-year. You can't cut what has been budgeted and spent already in line items. Any of those proposed items would not show savings this year although they could be considered in the next budget year if the Council desires to make policy changes. The library has not been paid for yet so if it was cut we would recoup 100% of that. He cited other examples of the impact of the suggestions made by Council Member Johnson.

There was considerable discussion among the Council Members about the issues involved with items proposed for cutting. Mayor Rasmussen suggested much of this could be dealt with in the next budget year but for this budget we need to balance it and move on. In polling the Council four members were in favor of moving the \$60,000 in drainage and with cutting the library payment of \$41,200 which would balance the 2014-2015 budget. Mayor Rasmussen said that is the direction for Dan to use to prepare a tentative budget for next meeting when it will be reviewed again and a public

hearing will be set. City Attorney Kuhlmann reminded the Council that when the tentative budget has to be available for 14 days before a public hearing can be held so that will push it into January to meet the requirements of law. Mayor Rasmussen asked again if four Council Members were still in favor of supporting the least impact to balance this budget as discussed and they affirmed they were. Mayor Rasmussen said that is the direction for Dan to put that together as the tentative budget so they can set the public hearing.

6. PUBLIC COMMENTS-Mayor Rasmussen asked the public not to comment on the budget but wait until the actual public hearing for that.

David Benkert said he thinks part of the problem is that they can't talk about the PD without being said to be anti PD. If we had not hired two new officers we would have budget money left over. He cited figures about future expansions of PD facilities which were taken from the CFP. *Mayor Rasmussen said those things are projections based on future growth and are not budgeted.*

7. CORRESPONDENCE-none

8. COUNCIL/STAFF REPORTS

Council Member Johnson said the Water Board asked him to thank the City Council for their support and cooperation on drilling the test well.

Council Member Wilcken said Tree Committee will be short three members after the first of the year. If anyone is interested they should get their names to City Manager Dotson. The Tree Committee will have no budget probably. Dan added one member did request the City Council appropriate \$500 to the budget but there will not be any money available.

Council Member Lovell said the bulk of what he heard on the drainage project issues is that the residents did not get much notice. Some wanted to save landscape materials and could not do that because the project moved so fast. Half Mile looks like a war zone and he feels bad for residents although this project is for a good end purpose. He asked if there is any protocol for a big project like this. City Manager Dotson said for the last year and half we have been planning this and writing about it in the newsletter though not in great detail. We did not give exact notice of what was happening but we notified them the day we started and we are in touch weekly now. This was not as good as we should have done. The best source is to go to the door to talk to residents and we could have been better. We will keep that in mind as we move forward with project.

Mayor Rasmussen asked the Council if they want to hold a Christmas party. We usually have pot luck dinner in the library for the committees, staff and City Council. Mayor Rasmussen said city provides the meat usually however City Attorney Kuhlmann is going to do that this year. Since we won't be ready to hold the public hearing on Dec. 17th it was agreed to have the party after Council meeting.

Council Member Wilcken added he appreciates Dan's efforts and as we have gone through this process and studied it. Our people have not been spending during this process and have been very frugal because of the undecided nature of it. People have been acting responsibly and should be praised for that.

City Manager Dotson said one extremely negative thing is there has been a decrease in the perceived value of Enoch City. Less people want to volunteer to do anything. Committees are not excited about helping. There are lots of reasons why and it is negative. We are trying to keep employee morale high but that is hard with job insecurity. Why would people want to volunteer when they are not supported by the City? He sees an overall lack of excitement to do extra things for the City. We need to pull out of it and show some leadership. We say Enoch is a great place to live so we need to show it. Our identity is scattered and not focused, adding that is his opinion.

Mayor Rasmussen said many worked very hard to provide this information and we owe them a debt of gratitude. He feels respect for all of our staff. It is time to stop the negative behavior and look for solutions. Maybe that is what governing in a small town is about.

9. ADJOURN-Motion to adjourn by Council Member Olenlager. Motion seconded by Council Member Wilcken and all voted in favor. The meeting ended at 8:45pm.

Julie Watson, Recorder **Date**