

SPRING CITY JOINT WORK MEETING MINUTES

Thursday, August 22, 2024, 6:30 p.m.

The meeting was held in the Council room at Spring City Hall, 45 South 100 East, Spring City, Utah.

In Person Attendance: Whit Allred, Mike Black, Clarke Christensen, Raelyn C. Fergurson, Colette Thompson, Bruce Caldwell, Kat Caldwell, Yvonne Wright, Clarke Christensen, Vincent A Campanile, Camille R. Campanile, Scott Allred, Rick Dyches, Craig Paulsen, Chad Huff, James Baker, Jhan Miller, David McEwan, Mrs. McEwan, Welby Scott, Sally Scott, Ruth Bergener, Berry Sessions, Kathy Sessions, Laura Allred, John K. Black, Jaxson Lamb, Devan Fowles, Daniel H. Code, Jesse Ralphs, Jack Boyde, Eve martin, Amaman Y F., Kay Van Buren, Marie Cornwell, Elho Milati, Sonja Brown, Sam Schoppe, Roger Minert, Jeanne Minert, Cynthia Van Buren, Cory Madsen, Ruth Ann McCain: Recorder.

Zoom Attendance: Marty McCain, Stuart, Mark, iPhone, bnlp, Mount Pleasant Utah Stake Stake, Kim Crowley, Osborne, Gary Larsen, Terry Bredthauer, Eileen Guernsey Brown, Alicia Kind

Roll Call: Chris Anderson – Mayor, Mike Nelson – Planning and Zoning, Cami Christensen – Planning and Zoning, Joe Bennion – Planning and Zoning, Craig Paulsen – Planning and Zoning, Randy Strate – City Council, Paul Penrod – City Council, Courtney Syme – City Council, Marty McCain – City Council,

Expression of Choice: Joe Bennion

Impact Fees

Mayor Chris Anderson asked Jesse Ralphs from Sunrise Engineering to please clarify what impact fees are and go over the analysis. Brent Bateman the City's attorney might not be able to join the meeting due to being in Chiago. He will join via Zoom if he is able to. Jesse Ralphs from Sunrise Engineering stated that there is a method that a community must allocate proportional costs from improvements to new growth if the improvements that you make can have excess capacity to support that growth. This is not an arbitrary fee it is based on capacity and the costs incurred by the city. This includes projects done in the past that still have excess capacity and the city has the financial records to account for them, current projects, and projects that the city is anticipating doing in the next six years. Impact fees are tracked and applied to projects that are identified in the impact fee analysis. The fee must be spent within six years of being collected. The process of doing the impact fee analysis is conceptual. It identifies eligible projects or improvements made in the system and does a capacity analysis to identify how many new connections or ERC's those improvements can support, what the excess capacity is, then identifies the proportionate cost based on the ERC's equivalent for those improvements. There is a component of the Impact Fee Act that requires you to account for expenses that residents pay.

If you take on a loan for a project and your user fees or rates pay for the loan you need to account for that and apply a credit of sorts to account for that fact. Mr. Ralphs handed out a draft of the impact fee analysis that he said can be revised. Council Member Randy Strate stated that he understands how they came up with the impact number, but he looks at it from a different perspective. Starting with the water impact fee, the funding is a 40-year loan and is being paid through our base rate. The current residents are paying \$21 a month for the loan. The analysis' proposed growth is 181 new connections over the next 21 years. If those 181 new connections pay an average of eight years contributing to the base rate, they would only pay \$410,000 for the first 20 years. If you add the impact fee to those same 181 ERCs without the credit that is proposed it is about \$740,000. Between those two it only comes to 1.1 million towards 5 million. That puts the majority of the burden of this project on the current residents. If a credit of \$1,744 is given off the impact fee the amount is reduced to \$800,000 that new connections would pay towards the loan which leaves 80% of the loan burden on our current residents. The current residents don't get much service enhancement other than it brings the city up to the state required fire standards. The rest of the project is for growth. Mr. Ralphs stated that in most communities the impact fees offset some of the costs, but it never pays the full cost. Improvements are made to benefit and help the community. A result of a healthy and sustainable system is that it provides additional capacity. There was more discussion on our system, current citizens, growth, and impact fees. Council Member Strate stated that he had more specific questions about the sewer impact fee for Mr. Bateman. He asked how many current residents in town would be added to the system with the new lateral expansion. The answer was 40. Council Member Strate asked if they will be required to pay the impact fee. The answer was that the impact fee would be for new connections. Mr. Ralphs stated that those with septic systems have a system that has already been approved. The city is now supplying the sewer, and they are being asked to connect into the system. In his opinion they would not pay the impact fee. Mr. Ralphs stated that the background that instigated this project is that much of the growth was happening outside of the area where there are no sewer services. There was concern with groundwater quality, and unless the building is within 300 feet of the sewer they are not required to connect to the system. Looking at the health of the system and the health of the community, the decision was made to move forward with the project. By the end of the project everybody within the city limits will be in reach of the sewer line and then as you grow out you can require development to extend it out. Council Member Courtney Syme stated that there are currently no impact fees for sewer connections. The City Council agreed that rates would be raised to pay the loan. We need to talk to our land use attorney and Sunrise because he believes that there is danger in implementing the whole impact fee. Council Member Strate stated that based off the numbers we need to go as high as it is safe for the city. Mayor Anderson stated that Brent Bateman was not able to join the meeting. He suggested setting up a time to talk with him about the impact fees. Mr. Ralphs stated that he would like to be able to be in the discussion with Mr. Bateman to hear what he has to say about the different methods. In the draft reports on the impact fees being left the water is the same as the preliminary report but there has been a change in the sewer report. There are two different

ways to determine the capacity of the sewer system. There is hydraulic capacity – how much water can be sent down the pipes – and there are geographic limitations – as you build how many homes in your serviceable area. The geographic limitations are based on 1.06 acres per lot but that may change in the future, so they felt it was best to now use the hydraulic capacity. This raised the resulting impact fee to \$3,927.63 after the credit was added.

Mr. Ralphs briefly talked about the city water source, stating that in September or October they can do a site visit to map springs and document potential flows. If additional springs can tie into the current system, the cost may be \$600,000 to \$800,000. For funding the city can look to the Department of Drinking Water, CIB, or USDA-Rural Development. The rate increase could possibly be \$3 to \$6 a month.

Mr. Ralphs stated that the lagoon improvements the city is looking at are remediation on cell three and a headworks screen. The estimate for this is \$700,000 to \$800,000. Funding to look at is CIB or USDA-Rural Development and may result in a \$4 to \$6 a month rate increase.

Subdivision Ordinance

Mayor Chris Anderson stated that the subdivision ordinance changes are required by the State Legislature. Craig Paulsen stated that there are five items of concern in HB 476 that would not let Spring City function the way it needs to. He has penciled in some minor changes that need to be made to protect the uniqueness of this town. Devan Fowles from Sunrise Engineering stated his apologies for sending a link to the entire HB 476 not just section 10-9A-600s that they are allowed to touch under the DWS funding. The rest of the changes would need to be made under the TPA grant or something like that. The city can do the other portions of the bill when they are able to. Mr. Paulsen asked if the points that he is questioning need to be addressed at this time. Mr. Fowles stated that all of Mr. Paulsen's questions are in other sections of the code that are not in this ordinance. They are good points that need to be addressed but they are not addressed in this ordinance. Mr. Paulsen stated that his comments didn't need to be addressed at this time then. Mr. Fowles stated that Mr. Paulsen had good questions on the ordinance and that he and Mr. Paulsen could get together later to talk about them.

Emergency Preparedness Management

Mayor Chris Anderson stated that our ordinance provides us to designate an Emergency Management manager. Ken Law has been the manager but is stepped down and we need to find someone to fill the position. In the past it has been someone out of the city with an independent group, but it can be someone inside the city as well. Jane Hawkes, who is on the Spring City Citizen Corp board has been asked to come up with some qualifications that the Emergency Management manager would need to have. He invited everyone to bring him any names that they may have.

Mini Excavator

Mayor Anderson stated that the cemetery has some tight spaces where it is hard to bring in a

backhoe. The question is does it make sense to buy a mini excavator and if we do purchase one where would the money come from. Cory Madsen stated that people what to be buried in the old portion of the cemetery. Right now, they have to move headstones to do this and if they break one the city must replace it. Last winter the backhoe destroyed the cemetery. A mini excavator would alleviate a lot of the issues. The power department would utilize it too. The price range of the bids are \$68,000 to \$84,000 for a 10,000-pound new machine that is 5 foot 9 inches wide. Council Member Randy Strate asked if Cory has looked at good used mini excavators? Mr. Madsen stated that he has not because used mini excavators are beat up. The mini excavator can be used in most of the departments. The bids are good for only one month.

Adjournment: 7:17



APPROVED