SANTA CLARA CITY COUNCIL WORK MEETING
WEDNESDAY, SEPTEMBER 25, 2024
MINUTES

THE CITY COUNCIL FOR THE CITY OF SANTA CLARA, WASHINGTON COUNTY, UTAH, met for a Work Meeting on Wednesday, September 25, 2024, at 4:00 p.m. in the City Council Chambers of the Town Hall located at 2603 Santa Clara Drive, Santa Clara, Utah. The meeting was broadcast via a YouTube link on the City website at https://santaclarautah.gov.

Mayor:	Rick Rosenberg *(arrived late)*
Council Members:	Christa Hinton Dave Pond Ben Shakespeare Jarett Waite
Excused:	Janene Burton
City Manager:	Brock Jacobsen *(arrived at 4:55 p.m.)*
Others Present:	Dan Cazier, Fire Chief Dustin Mouritsen, Public Works Director Cody Mitchell, Building Official Gary Hall, Power Director Ryan VonCannon, Parks Director Selena Nez, Deputy City Recorder

1. Call to Order.

In the absence of Mayor Rosenberg, Mayor Pro Tempore Ben Shakespeare called the meeting to order at 4:00 p.m. and welcomed those present.

2. Working Agenda.

A. General Business.

i. Discussion Regarding the Transportation Utility Fee Study. Presented by Dustin Mouritsen Public Works Director.

Public Works Director, Dustin Mouritsen presented the Staff Report and stated that the State Legislature recently amended House Bill 367, which allows municipalities to impose a Transportation Utility Fee. Santa Clara first initiated the fee in 2010. They now require a study to show that there is a need for the funds. In preparation for the study, conducted by Sunrise Engineering, Mr. Mouritsen created an inventory of roads and required maintenance, which is approximately 90% slurry seal and 10% chip seal, plus striping of any major arterial or collector roads. The annual maintenance cost is $656,669.

Funding is received through:

- The Utah B&C Road Fund;
- Local tax revenues; and
- The Transportation Utility Fee.

The Transportation Utility Fee Study concluded that current expenses exceed funding by approximately $51,000. To make up the shortfall over a five-year planning period, an increase of $4.17 per residence would be required, resulting in a total charge of $8.00 per month. Commercial properties incur a slightly higher fee, which would be $12. Extending the planning period to six years would result in a total cost of $5.40 per residence and $8.10 per business. For a seven-year planning period, the cost would decrease to $3.60 per residence and $5.40 per business.

Council Member Waite asked for Mr. Mouritsen's recommendation on the cycle. He stated that members of other city councils have asked him how Santa Clara keeps its roads so well-maintained and he points to the cycle as the reason. He asked if extending the cycle would negatively impact that. Mr. Mouritsen stated that the only other nearby city that charges a Transportation Utility Fee is St. George. Washington City is interested in utilizing a fee but they have not yet conducted a study. He believed six years would be acceptable but did not recommend extending the cycle further. He noted that chip seal of Pioneer Parkway is slated for 2025, which is a $300,000 project. More work could be completed if the five-year period is maintained, but it would mean a larger fee increase and he believed the six-year planning period would be adequate.

Mr. Mouritsen stated that because Santa Clara has had a Transportation Utility Fee to fund street maintenance since 2010, restoration has not been required. Roads have not needed to be removed and replaced. He believes the fee has been successful and he was comfortable with the six-year planning period if the 5% annual increase remains in effect.

Council Member Waite was in favor of the six-year planning period at a cost of $5.40 per residence.

Council Member Pond agreed that the six-year planning period is sensible and the increase would have a minimal impact. He indicated that the roads in some parts of northern Utah are in very bad shape and commended Mr. Mouritsen on the great job of maintaining Santa Clara's roads.

Council Member Hinton also was not in favor of the five-year planning period and asked if Mr. Mouritsen was comfortable with a seven-year period. Mr. Mouritsen was not comfortable extending it to seven years.

Council Member Shakespeare asked about the cost of the study and how frequently it will need to be updated. Mr. Mouritsen stated that it was approximately $6,000 or $7,000. He was unsure of the specific requirement but believed it should be updated every five years like the Master Plan. Council Member Shakespeare stated that the roads are in amazing shape, and he did not believe anyone would complain about the increase. He agreed that the six-year planning period was appropriate.

A public hearing on the Transportation Utility Fee increase to $5.40 per household, plus a yearly increase of 5%, was on the October 9, 2024, City Council Meeting Agenda.

ii. Discussion regarding a Wastewater Master Plan Amendment. Presented by Dustin Mouritsen, Public Works Director.

Mr. Mouritsen presented the Staff Report and noted that the Wastewater Master Plan was last amended in 2022. Santa Clara shares two trunk lines with Ivins City, the Lava Flow Wash and Tuacahn Wash lines. Ivins City is now in the process of upsizing its pipes. The Silverado property should be included in the Master Plan for upsizing, so the pipeline needs to be Impact Fee eligible. With the cities' new capacity to build out, all of the Lava Flow Wash and Tuacahn Wash trunk lines need to be upsized. The old plan discussed paralleling the Tuacahn Wash line, but it is nearing its age of obsolescence. Mr. Mouritsen has had many meetings on the issue with Ivins City. They agree that the current pipeline needs to be abandoned and a bigger pipe installed, which will be to capacity at buildout. Black Desert will add a lot of wastewater, and the Tuacahn Wash line is within 700 units of needing to be upsized.

Mr. Mouritsen stated that it will be a shared project depending on the number of connections. Santa Clara will not pay 100% of the cost for either line. However, in order to complete the project within a 10-year timeframe, the Impact Fee would need to increase from $679 to $3,100. Mr. Mouritsen was concerned with such a large increase and asked Sunrise Engineering to provide options. They suggested the following:

Option 1 is to implement the $3,100 Impact Fee immediately, amend the Plan, and lower the Fee after the project is completed. Mr. Mouritsen believes the fee would then be the same as or lower than the current fee.

Option 2 is to increase the Impact Fee to $1,137 with no future decrease.

Option 3 is to finance the project and make the bond payments with Impact Fees, similar to the Chapel Street bridge project. That option would have a lower Impact Fee of $1,842. For the 10-year plan, it would be $4,252.

Mr. Mouritsen indicated that the City applied for funding through the Celeste Maloy Community Project Funding, but it was not yet approved. The project is only 50% eligible and the contract between Santa Clara and Ivins indicates that if the project is funded through an outside source, Ivins City will receive 50% of the funding, so the City would still need to source funds for the $4 million project. He believed instituting the lower Impact Fee and securing a bond would be the best way to fund the project, but the new Impact Fee would need to be instituted immediately.

In response to a question from Council Member Shakespeare, Mr. Mouritsen clarified that the added cost was to install the larger line. It is a large project to install 18- and 21-inch pipes. Some sections have been upsized, but almost the entire length of the pipe needs to be replaced. Costs for the regional line are shared equally between the two cities.

In response to a question from Council Member Hinton, Mr. Mouritsen clarified that 50% of any grant funding must be shared with Ivins City, so either a bond will be required, or the Impact Fee

will need to be increased to $3,100. The lower Impact Fee of $1,842 would result in an annual bond payment of $377,000, and Impact Fees would cover the yearly bond payment.

Council Member Hinton asked if the total cost shown in the Staff Report is for the entire project or just Santa Clara's portion. Mr. Mouritsen clarified that Santa Clara's portion is $4.5 million, which includes the Valley line extension and replacement, as well as the Lava Flow Wash and Tuacahn Wash lines. Council Member Hinton stated that her understanding is that the Community Project Funding will not be available until the budget passes, but it is possible that the City could secure additional funding through that source. Mr. Mouritsen stated that Government Affairs Director, Lance Haynie, has indicated that the application has passed the most difficult stage, and he believes there is a 90% chance of receiving funding. The City originally applied for $2.5 million, but it was decreased to $1.4 million. Per the agreement with Ivins City, only 50% of any funds received can be used to fund Santa Clara's portion of the cost.

Mr. Mouritsen stated that over 1,900 units will be built in Black Desert, and the project will need to begin soon. The City is not capturing sufficient funds with the current $679 Impact Fee.

In response to a question from Council Member Shakespeare, Mr. Mouritsen stated that the 2020 update indicated that the line could only accommodate 700 additional units. Seventy units will be added in Santa Clara in 2024, in addition to the units added by Ivins City. He believes the project will need to be completed within five to six years. Mayor Rosenberg stated that it might need to begin sooner. If grant funds are received, they will have to be spent by a certain date, and the project cannot be phased out.

Mr. Mouritsen indicated that the Lava Flow Wash line in Zones 3, 4, and 7 and the Tuacahn Wash line is in Zone 5 intersect at the intersection of Red Mountain Road and Pioneer Parkway. The portion from Pioneer Parkway to Snow Canyon Middle School likely needs to be completed first, and the project can be phased out after that. Council Member Shakespeare asked if that portion could be completed in one year and then additional projects to the north completed in subsequent years. Mayor Rosenberg stated that it would depend on the capacity of the existing line. If areas of the line have more capacity than others, phasing might be possible. His understanding is that there is not a lot of grade or diameter change in the line, so there is not a lot of capacity change. Once the capacity is exceeded, the second line must go in.

Mr. Mouritsen noted that he will be bringing a potential sewer base rate increase before the Council at a future meeting. With the exception of pass-throughs from Saint George City, the base rate has not changed since 2010.

In response to a question from Mayor Rosenberg, Mr. Mouritsen reported that Ivins City is still finalizing its study, but they intend to set their final Impact Fee at approximately $900. He was unsure of their current Impact Fee but believed it was approximately $500. Mayor Rosenberg stated that he would like to see the completed study to determine why Santa Clara's Impact Fee is higher than Ivins City.

In response to a question from Council Member Shakespeare, Mr. Mouritsen verified that Black Desert does not use the St. George regional line. They were given 110 units on the Lava Cove line, which drops into the Tuacahn Wash line near Little League Field. Black Desert Resort goes

through the Point, then to the Lava Cove line. Everything in excess of the 110 units must go into the top of the line at Red Mountain Road and Pioneer Parkway, which has both 15-inch and 10-inch pipes. All of Ivins City will come into the Lava Flow and Tuacahn Wash lines. The report indicates that Santa Clara is liable for 58% of costs on the upsize due to the capacity difference.

Mr. Mouritsen asked the Council Members for opinions on the two options. Mayor Rosenberg stated that the smaller increase in the Impact Fee plus a bond would likely be the best approach. The project will need to commence prior to the collection of enough funds, so a bond will need to be secured for the difference, possibly a 20-year Capital Index Bond. His belief is that a $3,600 or $4,200 Impact Fee would be too high. Council Member Waite stated that the Legislature is angry about such high fees. Council Member Shakespeare stated that a $1,000 to $1,500 Impact Fee would be more appropriate.

Mayor Rosenberg stated that perhaps Ivins City had already collected the necessary Impact Fees with the Black Desert permits. Council Member Shakespeare indicated that they would have paid the much lower rate. Ivins City may have collected fees, but they were based on a parallel line that would be half the size of the one that is required.

Mr. Mouritsen reported that the lower yearly bond payment of $377,000 would allow for a maximum Impact Fee of $1,842. The City Council could also set a lower amount or choose the buildout with an Impact Fee of $1,137.

Council Member Waite preferred a lower Impact Fee of $1,100 to $1,500. Council Member Pond and Council Member Hinton agreed. Mr. Mouritsen agreed to obtain more details on the Ivins City study and planned Impact Fee increase and bring the matter back to the October 16, 2024, Work Meeting.

Mayor Rosenberg apologized for being late and stated that he was meeting with a citizen.

iii. Parks Impact Fee Study Update. Presented by Ryan VonCannon, Parks Director.

Parks Director, Ryan VonCannon, presented the Staff Report and stated that the matter was first brought before the Council in June. At that time, the update included the 52-acre Adventure Park but there were concerns about its Impact Fee eligibility. He was asked to have the study recalculated excluding the Adventure Park.

The following improvements are now 78.1% Impact Fee eligible rather than the 26% indicated in the previous study:

- Gubler Park Phase 4;
- Gubler Park Phase 5;
- Graf River Park;
- Linear Park;
- Skate Park; and
- Swiss Days Park.

Removal of the 52-acre Adventure Park also affected the Level of Service ("LOS"). With the Adventure Park, the LOS of 4.5 acres per 1,000 people would have been exceeded at buildout. Removing the Adventure Park means that the City will remain above target until at least 2034. Between 2034 and 2044, they will need to consider adding additional acreage for recreational parks to maintain the target LOS.

Council Member Shakespeare asked if County-owned parks and recreation trails were included in the calculations. Mr. VonCannon verified that County-owned facilities impact the target LOS. The target LOS in urban areas is usually six acres per 1,000 people because they do not otherwise have access to open land. In Washington County, the target LOS is lower due to that availability. All other calculations are for City-maintained parks and trails only.

The existing maximum Parks and Trails Impact Fee is $4,175 per Equivalent Residential Unit ("ERU"). The proposed new Impact maximum fee is $4,144.

Mr. Mouritsen noted that the Adventure Park was still included in the study's map and Appendix, but no value was applied to it and it was not included in the calculations. He reviewed the projects in Appendix B and noted that they would all now be 78.1% Impact Fee eligible. For example, Gubler Park Phase 5, Item 6 is the new Splash Pad, which is now 78.1% Impact Fee eligible. Mr. Mouritsen noted that because the Splash Pad is being renovated, not added, there were concerns that it would not be eligible. Once Sunrise Engineering understood the purpose, they determined that it was eligible. The new Skate Park is also 78.1% Impact Fee eligible. Both projects were previously only 26% Impact Fee eligible.

In response to a question from Council Member Shakespeare, it was clarified that the current Parks and Trails Impact Fee is $2,906. Council Member Shakespeare stated that thousands of acres of recreation are available in Washington County, as well as a new reservoir. Mr. VonCannon stated that the indicated LOS of 4.5 is a target, not a requirement. Mayor Rosenberg noted that BLM has not yet issued the right-of-way for the reservoir. Mr. VonCannon stated that Ivins City currently has an LOS of 3.38, and Washington City is at 4.1. The City's goal for trails is five feet per person, and it is currently at 17.9 feet including unpaved and bike trails.

The top three upcoming projects were identified as follows:

- Splash Pad;
- Tobler Park (which is 100% Impact Fee eligible); and
- Skate Park.

Council Member Waite asked about the Tobler Park and Cemetery Park projects and stated that he feels like the plans for Tobler Park are shifting. He asked if the Council wants the educational building and restroom because he feels that that building is not necessary. He believes the orchard should be an orchard. There is a pavilion for outdoor seating, so it could still accommodate groups, but he did not feel it needs to have a classroom that might sit empty. Mayor Rosenberg stated that the restroom should remain. Council Member Waite stated that removing the classroom would likely cut the building cost in half. Council Member Shakespeare agreed and noted that restrooms are often vandalized. Mr. VonCannon stated that residents keep an eye on most of the other parks.

They will have cameras at Tobler Park but that will only help determine who vandalized the building after the fact.

Council Member Waite asked about the projected land acquisition cost of $225,000 for the Cemetery Park. Mr. VonCannon stated that the cost is based on land values and indicated that he believes the estimate to be low for the area. He is unsure where they can acquire the land. It may end up being in the South Hills, which would incur additional excavation and preparation costs.

Council Member Shakespeare stated that based on the study, for every 100 homes built, $500,000 would be collected in Impact Fees, which would enable the City to build one park. The problem is that the parks must then be maintained with tax dollars. He believes that because the City has the Santa Clara River, BLM, and so many other recreational areas around it, the Impact Fee should be lower. He believes the Splash Pad and Gubler Park should be completed. His concern with the Adventure Park was that the City would need to raise taxes to maintain it. Mr. VonCannon stated that most of the new developments also have their own small parks. The Impact Fee study included three parks north of Harmons, but because developments will have their own parks, those were removed. Council Member Shakespeare stated that he was comfortable with the current Impact Fee but could support an increase if necessary.

Council Member Waite asked that the Tobler Park building be changed to a restroom only. Mayor Rosenberg stated that it would not need to be changed on the Impact Fee Study and they can just phase it to a later date. The Impact Fee does not need to be set at the maximum. If the Council believes the current fee is adequate, it can remain unchanged, and the improvements will need to be completed in phases. Mr. VonCannon indicated that there are planned trails that may never be built, but it is good to include them in the study just in case. Mayor Rosenberg stated that as funds are collected, the City may be able to obtain outdoor recreation or historic preservation grants and use Impact Fees to match grant requirements. He believes the best practice would be to leave all improvements in the study, set the Impact Fee at the level the Council is comfortable with, and then select improvements for inclusion in each year's Budget during the budgeting process.

Council Member Shakespeare believed it would be easy to obtain funding for pickleball courts. Mr. VonCannon stated that they may be able to obtain a Transient Room Tax ("TRT") grant for them.

Council Member Waite asked about raising the fences at Spence Gunn Park. Mr. VonCannon stated that it is a maintenance item that was not included in the study. He intends to approach Greater Zion about a potential grant and there may also be other grants to cover fencing and lighting. The lighting upgrades at the Little League Field were partially funded by TRT and the Recreation, Arts, and Parks ("RAP") tax. Fencing and lighting materials at Spence Gunn Park will cost approximately $300,000 plus installation costs.

Council Member Hinton was in favor of keeping the current Impact Fee. She was very excited that the Splash Pad is Impact Fee eligible.

3. <u>Staff Reports.</u>

Parks Director, Ryan VonCannon reported on the following:

- City Recorder, Chris Shelley's triple bypass surgery went well.
- Chaste trees were installed in the planter at Canyon View Drive. They are multi-trunk trees that will fill the space well.
- They installed rock in the areas that are normally washed out during storms.
- The west wall of the mural is completed, and they have started on the east wall. There was some vandalism, but it was removed and the mural repaired. They hope to complete the east wall quickly.
- Dale Smith is bringing his class to Santa Clara four times in October. They will assist with planting trees on Bonelli Trail, in the planters along Santa Clara Drive, and in other areas.
- With regard to the cemetery, his research indicates that there is a liability risk to the City if it completes the work. One recommendation was to use pressure washers, but a resident contacted the company that made her family headstone, and they indicated that a pressure washer will destroy the stone. Certain chemicals also work on some headstones but not others. City Attorney, Matt Ence suggested setting up a fund to assist people who have cleaned or plan to clean their family headstones. Mayor Rosenberg stated that the cemetery issue should be added to a regular meeting agenda, so residents know that they are trying to address the issue. It should be added to the next newsletter as well.

The Council discussed the cemetery and how to move forward. Council Member Waite stated that he did not want the bypass because it might not correct the issue. He believes the sprinklers should be put on culinary water. Council Member Shakespeare asked if an inline filter could be added. Mr. Mouritsen stated that there is one already, but it could not remove the iron. Mr. VonCannon stated that he knows of no filter that can stop iron in the water.

In response to a question from Mayor Rosenberg, Mr. Mouritsen stated that the process of moving it back to culinary water would simply require a physical disconnect. Mayor Rosenberg stated that it should be moved back to culinary water until they determine if another option will work so they can ensure that it will not happen again. All Council Members agreed.

It was reported that the issue occurs when the line is shut down and then turned back on, so they do not know when it will happen. As long as the pipe is running, the issue should not occur. There are very few valves on the line, so it is not possible to isolate small sections. The pipe is maintained by Saint George, so Santa Clara is not in control of when the line is turned off for emergency repairs. There would be no guarantee that it would not happen again even with the bypass. Mayor Rosenberg stated that if they decide to do the bypass, they will need to identify and implement safeguards to prevent it from happening again.

In response to a question from Council Member Shakespeare, Mr. Mouritsen indicated that the cemetery uses 11 million gallons of water annually. The elementary school, which was recently converted to secondary water, uses 12 million gallons. It was agreed that the matter would be addressed in the newsletter and via social media.

Council Member Waite asked if the potential fund would cover all or part of the cleaning fee. Council Member Hinton stated that if they explain the situation they could potentially ask residents to donate to the fund in addition to a donation from the City. Mr. VonCannon stated that some people already pay to have the headstones cleaned, but they are concerned that it

will happen again. If they know there is a solution and it will not happen again, he believes a lot of people will be happy.

Mayor Rosenberg stated that it should be added to an agenda so the Council can discuss the matter in detail.

Council Member Shakespeare asked if other cities have moved their cemeteries to secondary water. Mayor Rosenberg stated that the old St. George cemetery has been on Virgin River water for a long time. Mr. VonCannon reported that he spoke with the sexton at the Tonaquint Cemetery, who said that it happens there regularly and there is nothing they can do about it. As politely as possible, he tells residents that it will continue to happen unless their City Council decides to switch to culinary. Council Member Shakespeare reported that a lot of cemeteries have stained headstones. He believed Santa Clara residents were shocked because they had not experienced the issue. Mr. VonCannon has received several comments from residents who like the look and do not want the stones to be cleaned. He believes the best option is to let the families decide whether to clean them or not.

Power Director, Gary Hall reported on the following:

- Generator Unit 1 is functioning but there was a dropped valve failure on Unit 4. It is still under warranty. Other cities have also had issues with that type of generator. Caterpillar is replacing all the heads on Units 3 and 4, as well as any damage that resulted from the failure, at their expense. He is hopeful that the new head design will eliminate the problem. He is still waiting to hear from Caterpillar on whether they will contribute to the additional repairs on Unit 1. Unit 4 will be down through the rest of the year. Unit 3 is still running. Unit 2 is currently not in operation. He met with Wheeler the previous Monday and they are working hard to remedy the problem, but are waiting on Caterpillar's decision on the two older units.
- Two things being researched through Utah Associated Municipal Power Systems ("UAMPS") are Rodotherm, which is a geothermal company, and Uinta Wind. UAMPS is also considering building two natural gas plants. He met with UAMPS regarding the City's 20-year plan, load profile, and requirements. They suggested that the City get approximately 3.8 megawatts from the peaking plant and 4 megawatts from the gas turbine plant to accommodate its future load. That would replace what the City previously had in the Carbon Free Power Project. UAMPS has also signed a letter of intent with Elemental Power LLC, which is an advanced nuclear development company, to secure a Power Purchase Agreement to secure approximately 200 megawatts of carbon-free nuclear power.
- With regard to the Capital Project on Canyon View Drive, they bored in conduit last year at a cost of approximately $100,000. The project will be completed this year at a cost of approximately $45,000 for materials. Work will begin within the next two weeks.

Fire Chief, Dan Cazier, reported on the following:

- Their training focus for September has been on midrise buildings and most of the crews have now been through that training.
- There was a structure fire in Ivins City involving a shed and other items in a backyard. Fire was dispatched at 12:22 a.m. They believe the fire burned for approximately 20 minutes

prior to calling the Fire Department. The fire is still under investigation. There were no injuries.
- A driver in Ivins City had a medical incident, hit a curb, and landed inside her home. She believes she had a seizure but she was otherwise uninjured. The home was badly damaged.
- He feels very lucky to be part of the community in Santa Clara.

Mayor Rosenberg thanked Chief Cazier and his staff for their work with elementary-age children the previous week. His granddaughter had a great time.

Public Works Director, Dustin Mouritsen reported on the following:

- Vineyard Drive Phase 3 is nearly complete. Only driveway aprons and skirts remain to be completed.
- Work has begun on the traffic signal at Red Mountain Road and Pioneer Parkway. The structure is installed and is scheduled to be programmed the following Wednesday.
- The pump for the Crestview irrigation line was installed that week and would be wired the following week.

Building Official, Cody Mitchell reported on the following:

- 15 single-family home permits were issued in August as well as 20 solar, pool, and other miscellaneous permits.
- On August 27, 2024, he received notice from the International Institute of Municipal Clerks President, Lisa Garcia, awarding Selena Nez with her Certified Municipal Clerk certificate.
- They are preparing for Swiss Days. The soffit, fascia, windows, statues, and placards have been cleaned, as well as the changing tables in the lower restrooms.

4. <u>Adjournment.</u>

The City Council Work Meeting adjourned at 5:24 p.m.

Selena Nez

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Selena Nez – Deputy City Recorder

Approved: October 9, 2024