

City of La Verkin

435 North Main St., La Verkin, Utah, 84745

(435) 635-2581 Fax (435) 635-2104

www.laverkin.org

La Verkin City Council Work Meeting Minutes

Wednesday, November 06, 2024, 5:00 pm.

Council Chambers, 111 S. Main, La Verkin, Utah

Present: Mayor Kelly Wilson; Council Members: Blair Gubler, Patricia Wise, Richard Hirschi, Micah Gubler, and Darren Prince; Staff: Kyle Gubler, Fay Reber, and Nancy Cline; Public: Senator Evan Vickers, Representative Joseph Elison, Ron Newman.

A. Called to Order-Mayor Wilson called the work meeting to order at 5:00 pm.

1. State Representatives

Mayor Wilson introduced Ron Newman, who took Christians' place at the Hot Springs. He then turned the time over to Joe and Evan to report on what's happened with the legislature.

Representative Elison reported on bills that passed this year, which were not necessarily specific to cities but just, in general, some of the highlight goals. The Equal Opportunities Initiative Bill says no government entity or university, college, etc. can discriminate based on gender, ethnicity, and skin color. Because there are a lot of universities, including some instances in Utah, where students were getting in because of their skin color or gender, they said people should be allowed to apply for jobs and go to school based on merit. It doesn't matter what your gender is, it doesn't matter what your skin color is, or religion, or anything of that nature. It can't be discriminated against at all.

The next bill everybody called the bathroom bill because it does affect all public facilities going forward. They defined what a male was and what a female was in this bill, and then we also said that women should have a safe place to be able to go to the bathroom, shower without a guy coming in, and be in that bathroom with her. Going forward, with all new construction and renovation, there must be a male bathroom, a female bathroom, and a one-stall, one-door separate entrance for a unisex bathroom. That was a compromise that we felt would meet everybody's needs and ensure everybody had a safe place to go to the bathroom.

They also passed House Bill 29, which standardized the removal of pornography in our schools and set the standards, which are statewide standards. They have always had a sensitive materials law in Utah, but unfortunately, some books were making their way into public and school libraries. Ironically, some people still fought, wanting to leave those books in the schools. Our committee made the point that if you were to hand that book to a minor on the street as an adult, you would go to jail, but they were still fighting to keep those books in the library.

He is working on some homelessness issues. Also, the state energy policy passed. It states that if the federal government comes at Utah or any state and says they have to shut down their coal-generated power plants, for example, they can refuse until they have an alternative source that can replace that energy source that's going to be cost-effective, that's got to be easily accessible and transferable, meaning being able to supply that energy to communities. And that was huge because they were told we had to shut down certain carbon-based plants. The question is, what do they do to replace that energy? There is a demand in this country that's going through the roof, and our sources of supply are starting to diminish. They try to shut down coal, and what's replaced is gas. Enbridge took over Dominion; they showed us that coal had dropped off, and gas was the replacement. Now nuclear is back on the table. They want to be energy dependent as a state, so they are revamping our energy policy to ensure we can keep the lights on. The Utah Constitutional Sovereignty Act was passed. It was a sovereignty act, and it says that we are a sovereign state, that if the federal government tries to pass something by way of rule or by the law that conflicts with our ability to remain free and independent as a state, we do not have to comply. We have already used it. They tried to do a couple of things with this, and we met at a special session and utilized it.

Senator Evans reported on several priorities; energy was on the list, and for good reasons. Utah had the second-lowest utility rates in the state; now we're number one. Washington was always number one because of their hydroelectric power, but for one reason or another, they're shutting down their hydro plants; it's primarily a movement to save certain energy species. That has allowed us to move into that spot. To keep that, they have good partners like individual co-ops like Dixie River Electric and Garcone Power, and the big dog is Rocky Mountain. They have kept our electricity rates reasonably low. The challenge with Rocky Mountain is that it serves other states. In Oregon, they had this big fire. Even though the state law doesn't allow large settlements to go against the power company, they waived that. There was a considerable settlement, like a billion dollars. As ratepayers in Utah, they wanted to make us pay for that. They did legislation and ran that bill to set up a process whereby Rocky Mountain allowed them to put in a self-funded insurance fund. They are working with them in the interim; you'll see legislation this year. They are trying to bifurcate Utah out of the other states, Utah out of Wyoming, Washington, and Oregon, within Rocky Mountain.

We have a large energy group, both House and Senate members, and the Governor's office, and he sits on that, and they have been exploring nuclear. They are trying to supply all of the replacement energy for coal and gas with solar and wind, and now people recognize that that just isn't happening. Because billions of dollars go into subsidies, it's only moved the needle about seven or eight percent. The amount of wind and solar they supply can't be a base load until we get storage. Utah's fortunate; we have wind, solar, and geothermal. When it's built, that big geothermal plant over by Milford would be almost 400 megawatts. There's potential for more. We do have ample natural resources with gas and coal, so that's something that we'll talk about. Nuclear is now becoming an option. We have visited the National Lab in Idaho and the San Rafael Energy Research Center in Emery County. They are listening now because these companies that are out there playing in this sector are meeting with them and telling us what they've got. The bottom line is when you think of nuclear, you think of these big plants and some that blew up in the past. Now, it's moving towards a different element. It's a small modular nuclear. They're like a 50 to 100-megawatt unit. They're mobile. You can stack them. You can get three or four of them together and get 200 to 400 megawatts. The challenge is still the permitting process on the federal government side. But the pendulum's swinging enough. They are hoping to get to a spot where we can do that. Electric demands have gone up. Traditionally, the state would say why they've gone up to 3% a year, and that's manageable; you can stay ahead of that curve. Still, there's all sorts of demand because of these large data centers. With AI and everything associated with it, they must have storage, and these data centers use vast amounts of electricity. For example, the whole state of Utah uses about 3 meg, 3.5 megawatts of power, and these things will use 0.5 to 1 megawatts just in one plant. So how do you do that? Number one, do you want those plants in the state? We probably want some, at least not all of them, but we want some, and if so, how will you supply that electricity? These small nuclear modules are a viable plan. Energy will continue to be a discussion.

The economy is still growing, it's still going, but it's more modest. They don't have the large surpluses of money they had in previous years. And sometimes we're a victim of our efficiency because our staff projects those budgets. When you put a budget together, you're spending projected money; you're not spending real money until it comes in. Our projections have been so close; it's almost like we should hold back a bit and project a bit more conservatively to have some additional money. They have done a great job putting aside money in pots. They call them working rainy day funds. They help us get through these difficult times like we're facing now. This year, they will see another 500 bills passed. Many of those bills are fixing things that got messed up before. Because any time you do something in statute in Utah, even if you're going to make a small correction, you have to run another bill to do it. They will continue to work on social media and prevention, trying to allow kids to be safe. We've had a difficult time working with state and federal agencies. Joe mentioned some situations, whether with clean air or other things coming down the pipe. If you look at the air, especially on the Wasatch Front, it's so much cleaner. This last year is better than it was. If you looked at 20 years ago when it was here, they went to tier two and tier three fuels, and it keeps dropping those emissions, which were more efficient. Think about diesel with DEF. The air coming out of those engines is cleaner than going in, but they're still a problem. As our emissions go down, the federal guidelines are going down faster than we can catch up.

Soon, we're going to get to a point of non-containment. The challenge is that we have these with federal agencies, and your only choice is in Congress or the courts. Right now, we have 63 lawsuits against the federal government and the state of Utah. And because that's the only recourse they have, they must go to court. Overall, Utah is still the best-managed state; we're number one in so many different categories, upwards of 23 different categories.

Representative Ellison added they're trying to shut down many of our backcountry roads. They had already come in and shut down around 500 miles of road. They want to shut down an additional 1500 miles of backcountry road. They have filed a lawsuit saying we want to be able to have Utah control Utah lands. He was surprised at how many emails he got that people oppose that because, in their minds, they're thinking that we're trying to get control of it so we can sell it off to private people. That land has a lot of cattle and grazing rights and different things of that nature. He believes not allowing us to go to those backcountry areas is wrong.

Councilman Prince asked if there would be any opportunity to convert some of that BLM land that's usable for housing.

Senator Evans replied that Senator Lee had some legislation that he had looked at. He didn't know if he ever found an answer. If that lawsuit works out, accessing it will take a while. He thought there were lands at the border or within city boundaries where he thought there would be an opportunity.

Representative Ellison added they have been discussing using SITLA land for affordable housing with Washington City.

Councilman Prince replied that SITLA released those four parcels, but the dollars to get services there are enormous.

Senator Evans explained that SITLA has one stated purpose: to maximize dollars for kids; it would depend on whether it makes sense financially for SITLA to do it.

Mayor Wilson added he met with a group last week that bought that property, and the state has approached them about using that or possibly using it as low-income housing. However, he said the cost of getting infrastructure for the property makes it unattainable. He thought if the state legislature wanted to push that attainable housing on the cities to do that, the state legislature would have to pay some money. And if they don't do that, it won't happen.

Senator Evans replied that Governor Cox had said 35,000 homes needed to be built. Members of other city councils have said they are doing their part. They could make small lot subdivisions, but developers don't want to do them. He thought that those were viable. He has seen some of those that can be nice if they're designed properly. The other question that's come up, and he thought would continue to come up with attainable housing, is what's the cost? Some of the requirements for cities to meet specific guidelines are to get certain pots of money, where there must be a little bit of flexibility. It depends on the city and whether you can get credit for certain things. That's a discussion we've got going on with sales tax incentives. When they did that sales tax incentive, they put in place some requirements for attainable housing within those uses of that money. He thought they were at a point where they needed to sit down at the table and start talking about what was realistic and what flexibility they could offer. He felt everybody had a desire to meet the goal.

Mayor Wilson commented that even with the city giving up the property at no charge, it still wouldn't be attainable. Even if the city were willing to put in something, the cost of getting the infrastructure there would be horrendous.

Kyle Gubler added that he saw a representative from D.R. Horton come and talk to the staff, specifically him. The representative said that the state wanted them to build affordable housing. Their idea was an 800-square-foot home.

Mayor Wilson responded they couldn't raise a family in that small of a home.

Kyle added that the cities and states must work together to make it affordable. The developers won't do it.

Councilwoman Wise mentioned that La Verkin is a lower economic city for Washington County. We already have the median scale of homes, which is 350 to 400,000. She thought much more so than St. George or Washington City. We're already at that dynamic of what is considered attainable housing right now with existing homes. The infrastructure for the Mesa is so expensive, but that SITLA property could potentially have hundreds of homes up there, so we need help with the infrastructure. One size does not fit all, and so it needs to be geared towards cities like La Verkin and keep La Verkin in mind.

Kyle added that we'll want a percentage of commercial property because commercial drives the boat, and then you'll want some nice homes up there as well. There is a potential of 800 to 900 acres up there, including SITLA.

Representative Ellison asked about the group putting sewer up there and if it is possible to piggyback off theirs.

Mayor Wilson responded he thought they would be able to. However, they need to upsize the line for the sewer to accommodate that.

Representative Ellison asked if they had already discussed this with them.

Mayor Wilson responded that it was already in the discussion. It would need to remain a pressure line to accommodate more people, but it still has to be big enough to cover the area, they're considering that, which would help. But somebody still must get the money for that. He also wanted to know about the tax to help with the fire protection and first responders here; it was turned down last time. He asked if it was going to be a close vote again.

Representative Ellison explained that they already have it drafted. He has got it through the house twice now. Senator Owens is going to start the document. That bill allows for political subdivision by way of the board of trustees. They can go up to a third of 1% on their own. Anything above that, up to 1%, would have to go on the ballot. They could go as high as 1%. The idea that we've talked about with the Hurricane Fire District is that if there is a property tax increase, then that would be mitigated as the revenue comes in from the lower ASL stats, with the real benefit of the tax because it's a service. It's got to be provided, and it costs so much money to provide that level of service. There must be a level of service, or your property insurance will increase if you don't have the proper fire protection in your area.

Councilman Micah Gubler added it's been a massive issue over the last 12 months. This area has always stayed at what they call a protection class five. No matter what's been invested, we haven't moved. If you're in St. George or Washington, it's a three, a huge difference in your rates. It is a lot cheaper over there. But being in a five now has lumped us into wildfire zoning, a huge concern for insurance companies. Homes are getting canceled, and companies can't write them for homes that have always been insurable.

Kyle agreed it's becoming more expensive. However, he has concerns about the district's need for checks and balances so that we don't spend and populate their staff inappropriately.

Councilman Micah Gubler asked, "That's what the board's for, right? " Chief Decker told him they've already carved one position out of their budget since he took over. They've tried to hone down expenses, which he appreciates. When talking to citizens, we must let them know they will continue cutting their budget.

Representative Elison commented that he had a conversation with a couple of residents up in Springdale. They only have two companies that we even consider for fire insurance now, and they're concerned that if we don't play these cards right, they might not even be able to get coverage.

Ron Newman added that he could only find one company and couldn't figure out why. He was coming from tornado country, and he was paying more here.

Senator Evans explained a couple of other factors. This map in Oregon identifies fire danger risks and doesn't consider infrastructure within those areas. It didn't take into consideration defensible space or anything like that. If you're in that red spot, even insurance companies are free not to offer insurance or have high premiums. He talked to the insurance commissioner, John Pike, and they're working to get a different map, one that's more reasonable in place. But right now, we're kind of stuck with that.

Mayor Wilson agreed that some citizens realize that it's important that we have that service. It does cost money, but if you could lower those property taxes a little bit by using that tool, that's going to help. In the long run, it wouldn't lower the overall cost because you get others to help contribute.

Representative Elison added that one thing that people don't know about is if they're on a fixed budget and low income. They can use a couple of programs to help offset some of their costs, and it's not just retirees. There's a deferral program if they choose to use that, and they can defer and not pay their property tax and then just let the kids pay for it when they sell the home and use some of the proceeds of the home so that they can free up their cash flow to their day-to-day.

Councilman Micah Gubler commented that we're on the cusp of the fire district's needing more because Copper Rock is over five miles from the closest responding fire station, and the west side of Virgin is also.

Senator Evans agreed that the city gets caught in this bind: You just must start building fire stations, and we will need the fire district.

Representative Elison commented that they're very clear about the budget and show the citizens the numbers. That's what it costs to run a department, and this is what our tax revenue is. There's a shortfall with that sum of dollars, and this is what we propose. If people were given the right information, they would make the right choice.

Mayor Wilson commented that we didn't get the right information. They just weren't open with the books when they first approached it. But they are now. He thought they'd learned that. It's a public entity, and it needs to be public knowledge.

Councilman Hirschi stated that we'd lost many volunteers and full-time firemen. They left thinking the Department wouldn't be here anymore.

Mayor Wilson commented that we're doing a study on secondary irrigation in conjunction with Washington County. We're in desperate need of fixing our irrigation system, which was installed 40 years ago. When they just put the pipes in the existing ditches, some of those pipes are now behind people's homes and not accessible. We need to get them out on the roads where they belong.

Senator Evan asked if that was with the conservancy district or the county.

Kyle replied with the conservancy district. Is there money available to help us with that? We don't have much money to put towards it ourselves. The Conservancy District is saying they will help us find some funding. It's astronomical how much it would cost to replace it. They lose a lot of water because it's an old, antiquated system.

Mayor Wilson added that they would estimate they would lose 450 gallons a minute.

Representative Ellison commented that he and the Senator were both with the water board just a month or two ago, and this is an issue statewide. The leakage and updating infrastructure. It was over the next 20 years and cost 30 billion dollars.

Mayor Wilson reported that the water district has an 18-inch line that goes right down the main street of La Verkin, which they're not using. He thought they were willing now to give us that 18-inch line. With this reused water that we'll have from here, they want to be able to tie that to our system so we can use it for irrigation. It's not enough for both systems by any means right now; eventually, it will increase as the area grows, and we want to reclaim as much water as possible and use it for irrigation. And they're willing to trade water with us, with this new Chief Torq reservoir that's going in, and we let Virgin River water go down to the lake, and they treat it to drink, and we'll trade that water for irrigation.

Senator Evan asked if a secondary is required when doing new subdivisions.

Mayor Wilson responded they do. Especially down here on the bench. Everything must be put in the streets, so we have it in the new subdivisions. In the older part of town, there are quite a few places where it's not in the streets, which becomes a real problem. They can't even get back to work on the broken lines. It's handwork to get back in and work on some of those lines. The damage it causes to homes and things like that is quite costly. If money is available for that, we are willing to take it. Is the state asking the legislation to meter that secondary irrigation? We have an exemption for that because of the quality of the water. But if we get better quality water out of the reservoir, we want to be able to take advantage of what they've offered to people now. Because we're exempt, 10 years from now, there's no money available for that. It was understood that meters must be warranted. He thought all the meters put in for the secondary system had a void warranty. He has read all the major warranties; it says there's no warranty if it's not culinary-grade water.

Representative Ellison asked if it would still be void even if you went on a new treatment line.

Mayor Wilson responded that he had read the warranty and that there was no warranty if it was not culinary-grade water. He tried to convince the Water Task Force before that was passed, that it wouldn't have a warranty, and they went ahead and did it. They need to be aware.

Kyle asked if they were willing to keep meeting with the city. The next time will be in April or May. He told them he appreciated giving them the time.

Mayor Wilson added he appreciated them making time available to meet with them because they represent us, and we appreciate the representation we have.

Fay reported to the city council members that he had emailed a revised Development Agreement with America First Credit Union. The mayor wanted it to be shorter and more understandable. He met with city staff and council members and made all the requested revisions. Since he emailed that version, the bank also wanted some new revisions, so he will discuss them tonight at the city council meeting.

Adjourn:
The meeting adjourned at 5:50 pm.



12-04-2024
Date Approved

ATTEST: Nancy Cline
Nancy Cline
City Recorder

Kelly B. Wilson
Mayor Kelly B. Wilson

