



**EPHRAIM CITY COUNCIL  
REGULAR MEETING AGENDA**  
Council Chambers – Ephraim City Hall  
5 South Main, Ephraim, Utah  
Wednesday, March 18, 2026  
7:00 PM

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Today's meeting will be held in person in the Council Chambers and is open to the public. Members of the press and public are also invited to view this meeting live on YouTube.

To participate in the public comment period or any scheduled public hearings, please email [cmaudsley@ephrain.gov](mailto:cmaudsley@ephrain.gov) before 3:00 PM on the day of the meeting.

Live Stream on YouTube at 7:00 P.M.  
<https://www.youtube.com/@EphraimCityUtah/streams>

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**7:00 PM**

**CALL TO ORDER**

- 1) ROLL CALL
- 2) PRAYER OR THOUGHT
- 3) PLEDGE OF ALLEGIANCE.

**PUBLIC COMMENT**

Members of the public may address the Council on items related to City business or the current agenda. A comment form must be submitted to the Mayor prior to the meeting. Comments are limited to three minutes per person. The Council cannot take action during this portion of the meeting but may respond briefly, refer the matter to staff, or place it on a future agenda. Please state your name and city of residence for the record.

**I. Presentations**

- Pages 5-27    A.    Water Rate Study (Rita Trick, RCAC)
- Pages 28-44    B.    Sewer Rate Study (Chad Busch)

## II. Consent Items

A. Ratification of Warrant Register between February 27, 2026, and March 12, 2026

Pages 45-48

B. Approval of March 4, 2026, City Council Meeting Minutes

## III. Study Agenda

A. Water and Sewer Rate Study Discussion (Bryan Kimball)

Pages 49-50

B. Amended Power Pooling Agreement (Cory Daniels)

## IV. Action Agenda

Pages 51-55

A. Ephraim City Ordinance 26-02 Utah Wildland Urban Interface (Jeff Hermansen)

Pages 56-61

B. Ephraim City Ordinance 26-04 Fire Inspection Amendment (Jeff Hermansen)

Pages 62-63

C. Ephraim City Resolution 26-05 Award Road Work Bid (Jeff Jensen)

Pages 64-66

D. Conditional Use Permit-Marz Kennel License (Megan Spurling)

1. The applicant, HAU YI MARZ, is requesting a Conditional Use Permit to obtain a kennel license, to temporarily house and care for animals. The applicant would provide the needed care and then seek to find homes for the animals. The animals would be housed indoors and would receive all vaccinations and be spayed or neutered when appropriate.

Pages 67-89

E. Rezone Request-CVG Ephraim South R2 to R1B (Megan Spurling)

1. The applicant, Mike Ballard with CVG-Ephraim South LLC is requesting the Amendment to the Ephraim City Zoning Map to rezone property located near 250 W 490 S and 275 W 500 S to the R1B Zone for the purpose ensuring consistency with the established single-family residential development to the north. It will serve as a transitional zone between higher density residential and commercial zones. The property is currently zoned R2 and is a step down in density. This rezone requests aligns with Ephraim City’s Future Land Use Map as low density residential.

Pages 90-93

F. Parry General Plan Amendment (Megan Spurling)

1. The applicant, Cody Parry, is requesting an amendment to the General Plan to rezone parcel S-625x3 from R3 to C2. The Ephraim City Future Land Use Map shows this property remaining Medium Density Residential. If approval is granted for a General Plan Amendment, the applicant will request a rezone and would like to use the property to establish a RV Park for public use.

Pages 94-103

G. Rezone Request-Parry R3 to C2 (Megan Spurling)

1. The applicant, Cody Parry, is requesting a rezone to the current Ephraim City zoning map, to rezone parcel S-625x3 from R3 to C2. The Ephraim City Future Land Use Map shows this property remaining Medium Density Residential. If approval to rezone the property is granted, the applicant would like to use the property to establish a RV Park for public use.

## V. Council Reports

### CLOSED SESSION

The City Council may vote to discuss matters in a closed session for reasons allowed by law, including, but not limited to, the provisions of Utah Code § 52-4-205 of the Open and Public Meetings Act, and for attorney-client matters that are privileged pursuant to Utah Code § 78B-1-137.

### ADJOURNMENT

In Accordance with the Americans with Disabilities Act (ADA) this facility is wheelchair accessible and handicap parking is available. Request for accommodations and interpretive services must be made three (3) working days prior to the meeting. Please contact the city office at 283-4631 for information or assistance.

## **CERTIFICATE OF POSTING**

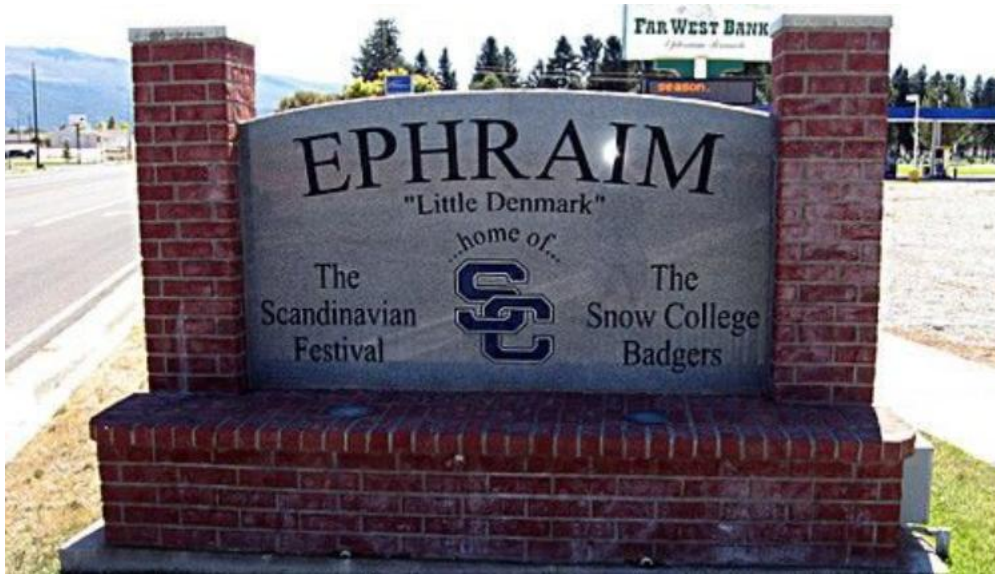
I, the undersigned duly appointed City Recorder for Ephraim City, hereby certify that the above notice and agenda were posted in accordance with the Utah Open and Public Meetings Act on the 16th day of March 2026.

Notice was posted:

- On the Utah Public Notice Website;
- On the Ephraim City website ([ephraim.gov](http://ephraim.gov)); and
- At a physical location at Ephraim City offices, a place reasonably accessible to the public.

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Candice Maudsley  
Ephraim City Recorder



# City of Ephraim, Utah Drinking Water Rate Study 2026

Rural Community Assistance Corporation

Prepared by Rita Trick

January 2026

RURAL COMMUNITY ASSISTANCE CORPORATION (RCAC)

3120 FREEBOARD DRIVE, SUITE 201  
WEST SACRAMENTO, CA 95691

THIS REPORT WAS PREPARED USING FUNDS SUPPORTED UNDER  
A GRANT BY UNITED STATES DEPARTMENT OF HEALTH AND HUMAN  
SERVICES (HHS), AND PRODUCED AS PART OF THE OFFICE OF  
COMMUNITY SERVICES (OCS) 2025-2026 CONTRACT.

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## EXECUTIVE SUMMARY

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Representatives of the City of Ephraim's drinking water utility (hereafter referred to as “Ephraim”, the “City”, or the “drinking water utility”) are seeking to understand the financial sustainability of the current drinking water rates and explore how rates should be changed to support a self-sustaining system. Ephraim recognizes that operating and maintaining the drinking water system represents a significant and ongoing expense. As stewards of this critical infrastructure, City representatives are interested in determining whether existing water rates reflect the true cost of providing safe and reliable service and how rates should be adjusted if they do not. This includes not only covering day-to-day operations and maintenance but also setting aside funds for future repairs and the eventual replacement of major assets.

### Recommendation

RCAC recommends that the City of Ephraim’s drinking water system increase rates. While it may not be feasible to immediately implement rate increases sufficient to fully fund all costs, including capital improvement and reserve needs, the governing body has a fiduciary responsibility to establish rates that address both the system’s current and long-term financial requirements while maintaining customer affordability. Any projected funding gaps should be accompanied by a clear plan to secure additional resources, such as pursuing low-interest loans or grant funding.

Additionally, the City of Ephraim should consider developing a comprehensive master plan or conducting an engineering study to better assess the system’s condition, prioritize infrastructure needs, and proactively plan for the drinking water system’s long-term financial sustainability.

### Scenarios

The current rate structure and three alternative scenarios were modeled to evaluate their impact on the City's drinking water financial position:

#### Scenario 0: No Changes to Existing Rate Structure

In this scenario, the City of Ephraim would maintain its current rates and rate structure. Financial projections indicate this would create substantial deficits, deplete reserves, and leave the system unable to fund necessary infrastructure replacement.

Name of Class	Base Rate	Additional Usage Fees
Within City Limits Residential	\$30	0 – 7,000 gallons: Included in base 7,001 – 30,000 gallons: \$1.87 per 1,000 gallons 30,001 – 60,000 gallons: \$2.14 per 1,000 gallons 60,001 – 90,000 gallons: \$2.41 per 1,000 gallons 90,001+ gallons: \$2.67 per 1,000 gallons
Outside of City Limits Residential	\$45	0 – 7,000 gallons: Included in base 7,001 – 30,000 gallons: \$2.82 per 1,000 gallons 30,001 – 60,000 gallons: \$3.21 per 1,000 gallons 60,001 – 90,000 gallons: \$3.62 per 1,000 gallons 90,001+ gallons: \$4.01 per 1,000 gallons
Not in Use	\$0	N / A

Outcome: Significant deficits – financially unsustainable.

**Scenario 1: One Time Increase**

In this scenario, a one-time rate increase would be implemented that results in positive cash flow in all five years and meets reserve targets in Year 1, Year 2 and Year 3 but not in Year 4 or Year 5. However, as costs rise reserve targets are not met in Year 4 and Year 5. Affordability is at 1.31% for Within City Limits Residential Customers.

Name of Class	Base Rate	Additional Usage Fees
Within City Limits Residential	\$47	0 – 7,000 gallons: Included in base 7,001 – 30,000 gallons: \$1.87 per 1,000 gallons 30,001 – 60,000 gallons: \$2.14 per 1,000 gallons 60,001 – 90,000 gallons: \$2.41 per 1,000 gallons 90,001+ gallons: \$2.67 per 1,000 gallons
Outside of City Limits Residential	\$70.50	0 – 7,000 gallons: Included in base 7,001 – 30,000 gallons: \$2.82 per 1,000 gallons 30,001 – 60,000 gallons: \$3.21 per 1,000 gallons 60,001 – 90,000 gallons: \$3.62 per 1,000 gallons 90,001+ gallons: \$4.01 per 1,000 gallons

Outcome: Maintains positive cash flow each year and fully funds reserves in the first three years, though modest shortfalls emerge in Year 4 and Year 5.

**Scenario 2: Gradual Increase**

This scenario phases in a 22% annual base-rate increase, with revenues surpassing expenses in Year 2. There are strong contributions to reserves after Year 2 and reserve

contribution goals are exceeded in Year 4 and Year 5. Affordability remains within an “affordable” range, increasing from 1.02% to 1.64% of the median household income (MHI) as rates rise to support long-term system stability.

Name of Class	Year 1	Year 2	Year 3	Year 4	Year 5
Within City Limits Residential	\$30	\$36.60	\$44.65	\$54.48	\$66.46
Outside of City Limits Residential	\$45	\$54.90	\$66.98	\$81.71	\$99.69

Outcome: Achieves positive cash flow in Year 2, contributes to reserves in Year 4 and Year 5, and almost fully funds reserve targets at the end of Year 5.

### Scenario 3: Initial Increase + 10% Increase Each Year

This scenario raises base rates increase in the first year and by 10% each year after. The usage rates remain the same. Early shortfalls can be covered by existing reserves; affordability remains reasonable, and annual cash flow is positive all five years.

Name of Class	Year 1	Year 2	Year 3	Year 4	Year 5
Within City Limits Residential	\$33	\$36.60	\$39.93	\$43.92	\$48.32
Outside of City Limits Residential	\$49.50	\$54.45	\$59.90	\$65.88	\$72.47

Outcome: The phased rate increase produces positive cash flow after Year 1, however reserves are not fully funded.

### Conclusion

The City of Ephraim’s current drinking water rates do not generate enough revenue to financially sustain the cost of operating, maintaining, and reinvesting in the system and would require using reserves just to cover basic operating costs. Under the existing rate structure, expenses continue to rise while revenues remain relatively flat, resulting in annual deficits and no ability to contribute to necessary reserves. To ensure long-term financial stability, implementing a one-time or phased rate increase to ensure expenses are covered, annual cash flow remains or gets positive, and reserve levels are protected over the long term is recommended. All scenarios presenting in this study keep affordability for Within City Limit Residents within commonly accepted thresholds.

## INTRODUCTION

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### Rural Community Assistance Corporation (RCAC)

Founded in 1978, RCAC provides training, technical, and financial resources and advocacy so rural communities can achieve their goals. Since 1978, RCAC’s dedicated staff and active board, guided by values of leadership, collaboration, commitment, quality, and integrity, have helped effect positive change in rural communities across the West.

RCAC’s work includes environmental infrastructure (water, wastewater, and solid waste facilities); affordable housing development; economic and leadership development; and community development finance. These services are available to communities with populations of fewer than 50,000, other nonprofit groups, Tribal organizations, farmworkers, colonias and other specific populations. Headquartered in West Sacramento, California, RCAC’s employees serve rural communities in 13 western states and the Pacific islands.

### **Purpose of This Rate Study**

Representatives from the City of Ephraim requested a rate study to explore the financial sustainability of their drinking water system and to analyze the impacts of various alternative rate structure options. The goal of this study is to identify a rate scenario, or scenarios, that ensure long-term financial stability – meaning the system can reliably cover operational costs, maintenance, and future infrastructure needs. This study includes a five-year financial projection to help the City plan effectively for the upcoming five years.

### **Board Responsibilities**

The City owns and operates the drinking water system, which collects, treats, and distributes safe drinking water to its customers. Governance and oversight of the system are the responsibility of the elected City Council, which manages budgeting, planning, and policy decisions affecting the system’s operation.

This rate study presents RCAC’s professional assessment of rate structure options to support the long-term financial health of the system. While the RCAC strongly recommends the findings outlined in this report, final decisions must be made by the City Government in accordance with local ordinances and applicable state laws.

Although the recommended rates are advisory, the City Government holds a fiduciary duty to adopt rates that ensure the ongoing sustainability of the system. This includes not only covering day-to-day operational costs but also preparing for the eventual replacement of critical infrastructure as it ages.

### **Guiding Principles in a Rate Study**

#### **Sustainability**

Drinking water rates must generate enough revenue to ensure that the drinking water system can continue to operate reliably—both now and into the future. This includes covering the full cost of day-to-day operations, routine maintenance, repairs, debt service, and capital replacement. Rates should also account for future system needs, including evolving regulations, shifts in community demand, and long-term infrastructure replacement planning. By staying proactive and maintaining an up-to-date capital improvement plan, the City can avoid deferred maintenance and emergency rate spikes.

#### **Fairness**

Rates should be equitable and based on the cost of providing drinking water service. No individual or customer class should be charged disproportionately without a justified basis.

Fairness requires that the City regularly review whether rate structures and customer classifications reflect the actual costs incurred to serve each group. A fair system ensures that each customer pays their appropriate share of the expenses necessary to operate, maintain, and replace infrastructure over time.

### **Affordability**

Affordability measures a community's ability to pay for water services without financial hardship, often using the Affordability Index:

$$\text{Affordability Index} = (\text{Monthly Base Rate} \div \text{Monthly Median Household Income [MHI]})$$

Federal guidance generally consider water and wastewater services affordable when combined costs are 2 - 5% of the MHI (roughly 1 - 2.5% per service). Rates below this may underfund the system, while rates above may strain households.

In small rural communities, low MHI and limited ratepayers can make typical thresholds challenging, even when rates are necessary to maintain basic service. Utilities can mitigate this through discounted rate programs for essential water use, helping keep services affordable while supporting system sustainability.

A balanced affordability index can also be important for external funding, demonstrating that the community contributes to its long-term function. Sustainable, fair rates ensure reliable service and minimize financial burden on customers. *Affordability calculations in this study are based on the average monthly bill for Within City Limits Residential Customers.*

### **Justifiability**

All drinking water rates must be based on the actual needs and costs of the drinking water system. State law prohibits using rate revenues for unrelated expenses. Therefore, all funds collected must go directly toward the costs of providing water service—including source development, treatment, distribution, operations, administration, and planned capital improvements. The rates proposed in this study reflect the best available information provided by the system and are designed to ensure revenues align with true system costs.

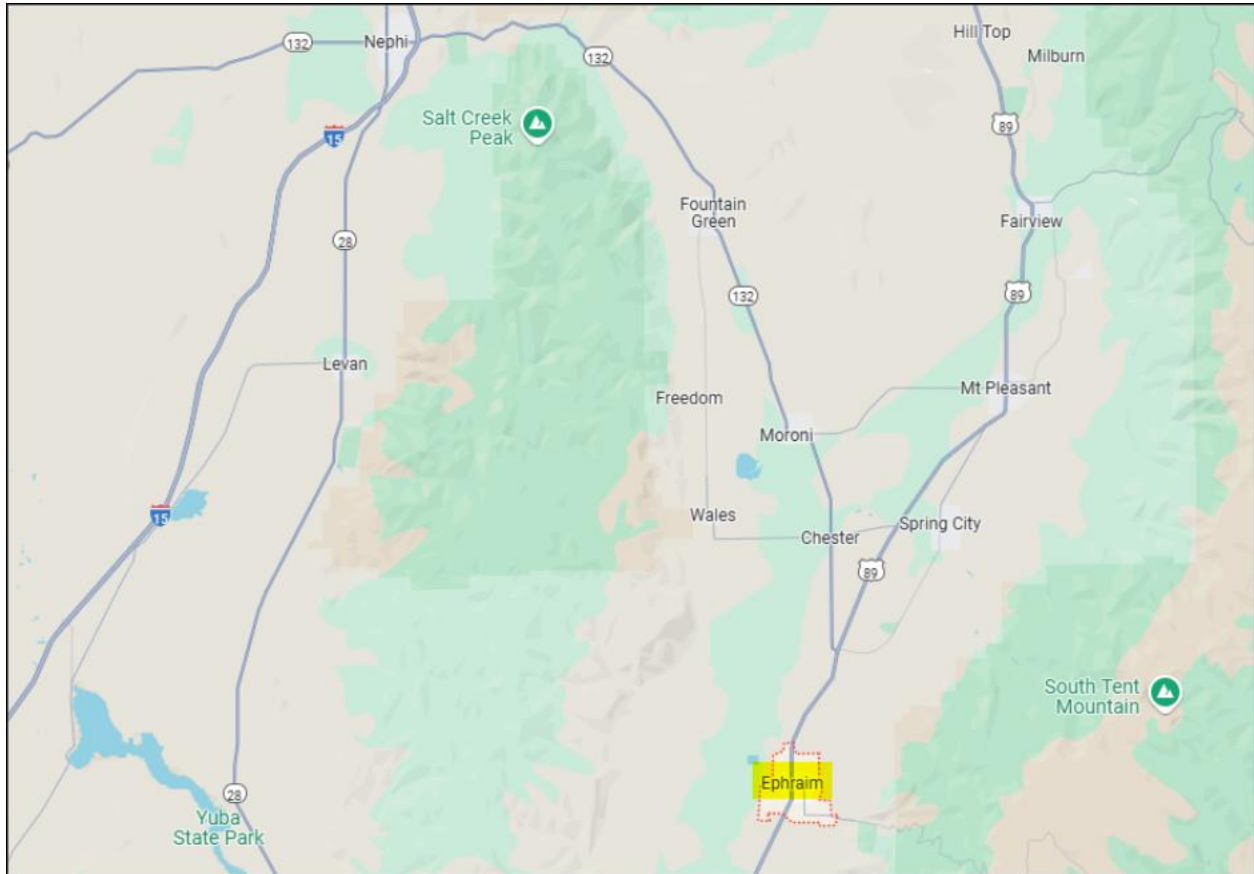
### **Disclaimer**

*The findings, recommendations, and conclusions contained in this rate analysis are based on financial information provided to RCAC by the City of Ephraim. Although reasonable care was taken to ensure the reliability of this information, no warranty is expressed or implied as to the correctness, accuracy or completeness of the information contained herein. Any action taken on the basis of such findings, recommendations or conclusions is undertaken at the discretion of the City of Ephraim. In no event will RCAC or its partners, employees, or agents be liable for any decision made or action taken in reliance on the information contained in this analysis.*

## SYSTEM BASICS

### Location

The City of Ephraim is a small city in central Utah, located in Sanpete County along the scenic San Pitch River Valley. Today, Ephraim is known for its historic downtown, vibrant local institutions, and as home to Snow College.



### Governing Body and Staff

The City of Ephraim is governed under council-manager form of government. An elected mayor and city council serve as the legislative body and are responsible for setting city goals, adopting the annual budget, and overseeing major capital projects, such as drinking water system upgrades. The mayor presides over council meetings and participates in council votes. A city manager, appointed by the council, manages daily administrative operations and implements council policies, including the oversight of municipal systems such as the drinking water infrastructure.

### Median Household Income (MHI)

The median household income (MHI) used in the rate model for Ephraim, Utah is \$71,661 ([Data USA](#)). This value is used in calculating affordability as referenced later in this report. Other agencies may use different figures when determining MHI.

## Current Rate Structure

Based on figures provided by City staff, the drinking water system serves 1,977 customers. Currently, customers are charged a base rate and additional usage fees above 7,000 gallons.

Name of Class	Base Rate	Additional Usage Fees
Within City Limits Residential	\$30	0 – 7,000 gallons: Included in base 7,001 – 30,000 gallons: \$1.87 per 1,000 gallons 30,001 – 60,000 gallons: \$2.14 per 1,000 gallons 60,001 – 90,000 gallons: \$2.41 per 1,000 gallons 90,001+ gallons: \$2.67 per 1,000 gallons
Outside of City Limits Residential	\$45	0 – 7,000 gallons: Included in base 7,001 – 30,000 gallons: \$2.82 per 1,000 gallons 30,001 – 60,000 gallons: \$3.21 per 1,000 gallons 60,001 – 90,000 gallons: \$3.62 per 1,000 gallons 90,001+ gallons: \$4.01 per 1,000 gallons
Construction	\$100	Usage same as residential
Not in Use	\$0	N / A

## Future Population and Usage Projections

Growth of Consumption over Base Year	Year 1	Year 2	Year 3	Year 4	Year 5
Conservation Factor	-3.0%	-2.0%	-1.0%	0.0%	0.0%
Community Growth Factor	1.0%	1.0%	1.0%	1.0%	1.0%
<b>Total Consumption Adjustment</b>	-4.0%	-3.0%	-2.0%	-1.0%	-1.0%

Ephraim’s population is expected to grow slightly over the next five years, at about 1% per year. As the population increases, water demand is likely to rise as well. Additionally, when rates go up, people often use a little less water at first, so a temporary conservation factor was applied, starting at 3% in the first year and gradually dropping to normal water use.

## FINANCIAL ANALYSIS

### Current Rate Description

The City of Ephraim uses a tiered block rate structure. This means that customers are billed a base rate based on their location, with additional charges applied as water usage increases.

## Current Customer Classes, Rate Structure, and Rates

Currently, Ephraim has several rate classes: In City Residential, Outside City Commercial, Construction, and Not in Use.

## Current Budget as Applied in Rate Model

<b>OPERATION AND MAINTENANCE EXPENSES</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
Salaries and Wages	\$143,286	\$164,980	\$159,995	\$166,395	\$174,715	\$183,450	\$192,623	\$202,254
Temp. Employees	\$4,462	\$0	\$5,431	\$5,648	\$5,931	\$6,227	\$6,539	\$6,865
Clothing	\$900	\$900	\$900	\$936	\$983	\$1,032	\$1,084	\$1,138
Travel	\$3,000	\$3,000	\$3,000	\$3,120	\$3,276	\$3,440	\$3,612	\$3,792
Equipment Supplies	\$15,000	\$15,000	\$7,500	\$7,800	\$8,190	\$8,600	\$9,029	\$9,481
Utilities	\$1,600	\$2,750	\$2,750	\$2,860	\$3,003	\$3,153	\$3,311	\$3,476
Water Quality Tests & Chlorine	\$15,000	\$15,000	\$15,000	\$15,600	\$16,380	\$17,199	\$18,059	\$18,962
Fuel	\$8,000	\$12,000	\$12,000	\$12,480	\$13,104	\$13,759	\$14,447	\$15,170
Operating Lease	\$0	\$4,500	\$5,000	\$5,200	\$5,460	\$5,733	\$6,020	\$6,321
Equipment Rental	\$3,000	\$3,000	\$3,000	\$3,120	\$3,276	\$3,440	\$3,612	\$3,792
Department Supplies	\$55,000	\$50,000	\$45,000	\$46,800	\$49,140	\$51,597	\$54,177	\$56,886
<b>Total O&amp;M Expenses</b>	<b>\$249,248</b>	<b>\$271,130</b>	<b>\$259,576</b>	<b>\$269,959</b>	<b>\$283,457</b>	<b>\$297,630</b>	<b>\$312,511</b>	<b>\$328,137</b>
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES</b>								
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
Operating Reserve Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Emergency Reserve Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Reserve Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replacement of Existing Capital Assets	\$440,800	\$466,667	\$467,500	\$240,578	\$240,578	\$240,578	\$240,578	\$240,578
Replacement of Funded Project Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserves for Additional Capital Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service	\$0	\$0	\$0	\$719,993	\$719,993	\$719,993	\$719,993	\$719,993
Employee Benefits	\$18,690	\$15,211	\$15,252	\$15,862	\$16,497	\$17,156	\$17,843	\$18,556
Insurance Benefits	\$42,810	\$61,552	\$52,140	\$54,226	\$56,395	\$58,650	\$60,996	\$63,436
Retirement Benefits	\$28,391	\$34,506	\$34,361	\$35,735	\$37,165	\$38,651	\$40,198	\$41,805
Pension	\$36,000	\$36,000	\$36,000	\$37,440	\$38,938	\$40,495	\$42,115	\$43,800
Benefit Expense	-\$36,000	-\$33,000	-\$33,000	-\$34,320	-\$35,693	-\$37,121	-\$38,605	-\$40,150
MRG Meeting	\$6,000	\$600	\$250	\$260	\$270	\$281	\$292	\$304

Training & Membership	\$2,500	\$2,500	\$2,900	\$3,016	\$3,137	\$3,262	\$3,393	\$3,528
Public Notices & Promotion	\$600	\$600	\$200	\$208	\$216	\$225	\$234	\$243
Office Supplies	\$500	\$500	\$250	\$260	\$270	\$281	\$292	\$304
Building Supplies	\$500	\$500	\$500	\$520	\$541	\$562	\$585	\$608
WF Expenditures for Electric – Unbill	\$3,718	\$3,718	\$3,718	\$3,867	\$4,021	\$4,182	\$4,350	\$4,524
Telephone	\$4,000	\$4,500	\$4,800	\$4,992	\$5,192	\$5,399	\$5,615	\$5,840
Professional Services	\$75,000	\$75,000	\$80,000	\$83,200	\$86,528	\$89,989	\$93,589	\$97,332
Administrative Fee	\$138,879	\$245,953	\$234,304	\$243,676	\$253,423	\$263,560	\$274,103	\$285,067
Irrigation Services	\$3,000	\$3,000	\$3,000	\$3,120	\$3,245	\$3,375	\$3,510	\$3,650
Service in Lieu Of	\$61,591	\$64,394	\$51,125	\$53,170	\$55,297	\$57,509	\$59,809	\$62,201
Insurance	\$20,000	\$20,000	\$20,000	\$20,800	\$21,632	\$22,497	\$23,397	\$24,333
Miscellaneous	\$1,000	\$1,000	\$1,000	\$1,040	\$1,082	\$1,125	\$1,170	\$1,217
Depreciation	\$405,000	\$450,000	\$450,000	\$0	\$0	\$0	\$0	\$0
Impact – Water	\$70,000	\$70,000	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total G&amp;A Expenses</b>	<b>\$1,322,979</b>	<b>\$1,523,201</b>	<b>\$1,424,300</b>	<b>\$1,487,644</b>	<b>\$1,508,726</b>	<b>\$1,530,653</b>	<b>\$1,553,456</b>	<b>\$1,577,171</b>
<b>Total Expenses</b>	<b>\$1,572,227</b>	<b>\$1,794,331</b>	<b>\$1,683,876</b>	<b>\$1,757,603</b>	<b>\$1,792,183</b>	<b>\$1,828,282</b>	<b>\$1,865,967</b>	<b>\$1,905,308</b>
<b>SOURCE OF FUNDS / REVENUES RECEIVED</b>								
	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
Sales Revenue (Base + Usage)	\$1,450,000	\$1,450,000	\$1,450,000	\$1,443,377	\$1,443,377	\$1,443,377	\$1,443,377	\$1,443,377
Connection Fees	\$6,000	\$6,000	\$6,000	\$6,240	\$6,240	\$6,240	\$6,240	\$6,240
Sale of Materials	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Uncollectable Receivables	\$2,000	\$2,000	\$2,000	-\$2,887	-\$2,887	-\$2,887	-\$2,887	-\$2,887
Impact Fee – Water	\$70,000	\$70,000	\$0	\$0	\$0	\$0	\$0	\$0
Interest	\$3,100	\$3,100	\$4,000	\$4,160	\$4,326	\$4,499	\$4,679	\$4,867
Property Sales	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous – Land Rented for Grazing	\$1,000	\$1,000	\$6,500	\$6,760	\$7,030	\$7,312	\$7,604	\$7,908
<b>Total Revenue</b>	<b>\$1,932,100</b>	<b>\$1,532,100</b>	<b>\$1,468,500</b>	<b>\$1,457,650</b>	<b>\$1,458,087</b>	<b>\$1,458,541</b>	<b>\$1,459,014</b>	<b>\$1,459,505</b>

**Reserves and Analysis**

There are four types of reserves the representatives of Ephraim should consider. Current reserves are grouped into a single line item in the budget; it may be helpful to differentiate these reserves to ensure more accurate financial planning and allocation of funds for each category.

- Debt Reserve:** Ephraim has several loans for various water projects. A debt service reserve equal to one year of maximum annual debt service was assumed. Those annual payments summed together result in the debt reserve of \$719,993.

Loan	Maturity	Annual Payment and Assumed Required Reserve
3 - Well	2040	\$63,451
5 - Water Rights + Land	2033	\$281,339
6 - Culinary Pipe in Tunnel	2044	\$18,025
9 - Tunnel Rebuild (50%)	2047	\$24,055
12 - Water	2040	\$27,708
13 - Public Works Facility	2044	\$305,415

2. **Operating Reserve:** Operating reserves are established to provide the ability to withstand short-term cash-flow fluctuations. A 45-day operating reserve is a frequently used industry norm. Based on the budgets provided, the target operating reserve is \$32,003 in 2025 or an average of \$36,781 over the next 5 years.

	Actual		Budget	Projected				
	2023	2024	2025	2026	2027	2028	2029	2030
<b>Total O&amp;M Expenses</b>	\$249,248	\$271,130	\$259,576	\$269,959	\$283,457	\$297,630	\$312,511	\$328,137
45-Day Cost	\$30,729	\$33,427	\$32,003	\$33,283	\$34,947	\$36,694	\$38,529	\$40,455

3. **Emergency Reserve:** Emergency reserves are intended to help utilities deal with short-term emergencies, such as main breaks or pump failures. An emergency is intended to fund the immediate replacement or reconstruction of the system's single most critical asset. It is estimated that \$100,000 would be minimally adequate for the drinking water system.
4. **Capital Replacement Reserve:** This reserve is strictly used to fund the replacement of drinking water capital assets. Although no major capital replacements are scheduled within the next five years, assets are approaching the end of their useful lives, and making proactive reserve funding contributions is recommended.

Reserves Required	2025	2026	2027	2028	2029	Total
Replacement of Existing Capital Assets	\$240,578	\$240,578	\$240,578	\$240,578	\$240,578	\$1,202,892

**In Summary:**

Reserve	Est. Value	Reserve Status After Allocation	Notes
April 2025 YTD Reserves		\$3,595,585	
Debt Reserves	\$719,993	\$2,875,592	Estimation of loan requirements based on annual payment.
Operating Reserve	\$36,781	\$2,838,811	Often in Checking Account.
Emergency Reserve	\$100,000	\$2,738,811	Often in Savings Account
Annual Capital Reserve	\$240,578	\$2,498,233	Mostly in CDs or other investments
Result	\$1,097,352	\$2,498,233	Reserves are fully funded with \$2,498,233 remaining.

## Late and Unpaid Accounts Impact

Late / unpaid accounts have a minimal effect on the budget. The City of Ephraim has a consistent billing and collection policy. As such, a minimal 0.2% rate was used for uncollected payments in the budget calculations.

## FINANCIAL CONDITION AND ANALYSIS EXPLAINED

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To help understand the analysis, the following key terms are defined:

- **Total Expenses:** The full cost of operating the drinking water system. This includes day-to-day operational expenses, routine maintenance, debt service, and capital expenses such as equipment or infrastructure replacement. Total expenses reflect the true cost of delivering safe, reliable water service. For a detailed breakdown, refer to the system's operating budget.
- **Total Revenue:** The income received by the drinking water system. This includes customer payments from water rates, contract income, and other external funding sources or fees. Total revenue reflects the system's financial capacity to support operations. See the budget for a detailed source breakdown.
- **Net Loss or Gain:** The difference between total revenue and total expenses. A positive value indicates a surplus (gain), while a negative value indicates a shortfall (loss), meaning the system spent more than it earned.
- **Net Cash Flow:** The actual cash remaining after all income and expenses (including contributing reserves toward capital replacement) has been accounted for each year. This figure shows whether the system is operating within its means. A positive cash flow indicates that the system is generating enough revenue to cover expenses *and save for the future*. A negative cash flow means the system is spending (or depreciating) more than it earns.
- **Positive Cash Flow?:** Indicates whether the system is generating a surplus. Positive cash flow is essential for building reserves, funding future projects, and maintaining long-term financial sustainability.
- **Enough Money in Reserves?:** Indicates whether the system has adequate funds in reserves for emergencies, unexpected repairs, or planning capital replacements. Maintaining healthy reserve levels is essential to avoid service disruptions and large, sudden rate increases when major expenses arise.

## Suggested Capital Replacement Plan

The Capital Replacement Plan (CRP) outlines the drinking water system's major infrastructure assets and general estimated costs to replace them as they reach the end of their useful lives. These future replacement costs are funded through dedicated savings, referred to as Capital Reserves. The City of Ephraim can expect substantial capital expenses in the coming decades. To estimate annual savings, the cost of each asset is divided by its expected lifespan, and the resulting annual amounts are summed up and distributed evenly across all customers. Based on the inventory provided (see CRP in the *Appendix*), the total estimated value of the system assets

needing to be replaced in the next five (5) years is approximately \$1,202,892, with a recommended annual set-aside of about \$240,578 over that period.

Note: These figures are based on a general CIP and provide a preliminary planning-level estimate. A more detailed Capital Replacement Plan should be conducted to determine actual asset end-of-life and replacement timing, which will allow the system to refine costs and ensure that savings levels accurately reflect long-term infrastructure needs.

Reserves Required	2025	2026	2027	2028	2029	Total
Replacement of Existing Capital Assets	\$240,578	\$240,578	\$240,578	\$240,578	\$240,578	\$1,202,892

If the City does not adequately fund its annual capital reserves, it may need to rely on alternative funding or face much higher rate increases in the future. To maintain long-term sustainability, the City should prioritize building reserve funds while pursuing external funding, though state and federal resources are limited and unpredictable.

Securing grants and low-interest loans require staff coordination, and the terms of such funding can affect rates. Therefore, RCAC recommends conducting an updated rate study whenever new funding is obtained to ensure that the rate structure accurately reflects the system’s financial obligations.

**Capitalization Threshold**

The capitalization threshold is the minimum asset value at which it is assumed that the City of Ephraim will need to use capital reserve funds—rather than regular operating funds—for replacement. For the purposes of this study, that threshold was set at \$5,000.

**Default Funding of Asset Replacements**

This study assumes that small items will be funded with cash and larger replacement projects will be funded with the following schedule. This funding schedule was determined based on past funded projects per information provided by the City.

Replacement Value From	To	Cash	Grant	Loan
\$0	\$20,000	100%	0%	0%
\$20,001	\$100,000	100%	0%	0%
\$100,001	\$500,000	100%	0%	0%
\$500,001	\$9,999,999	20%	0%	80%
\$10,000,000	\$99,999,999	20%	0%	80%

## SCENARIO 0: NO CHANGES TO EXISTING RATE STRUCTURE

# of Customers	Name of Class	Base Rate	Additional Usage Fees
1,943	Within City Limits Residential	\$30	0 – 7,000 gallons: Included in base 7,001 – 30,000 gallons: \$1.87 per 1,000 gallons 30,001 – 60,000 gallons: \$2.14 per 1,000 gallons 60,001 – 90,000 gallons: \$2.41 per 1,000 gallons 90,001+ gallons: \$2.67 per 1,000 gallons
33	Outside of City Limits Residential	\$45	0 – 7,000 gallons: Included in base 7,001 – 30,000 gallons: \$2.82 per 1,000 gallons 30,001 – 60,000 gallons: \$3.21 per 1,000 gallons 60,001 – 90,000 gallons: \$3.62 per 1,000 gallons 90,001+ gallons: \$4.01 per 1,000 gallons
0	Construction	\$100	Usage same as residential
1	Not in Use	\$0	None

Results of the new rates	2026	2027	2028	2029	2030	5 Years
TOTAL EXPENSES	\$1,757,603	\$1,792,183	\$1,828,282	\$1,865,967	\$1,905,308	\$9,149,344
TOTAL REVENUE	\$1,457,650	\$1,458,087	\$1,458,541	\$1,459,014	\$1,459,505	\$7,292,797
NET LOSS OR GAIN: (Short/Over to Reserves)	-\$299,952	-\$334,096	-\$369,741	-\$406,954	-\$445,803	-\$1,856,547
NET CASH FLOW (Contribution to Reserves)	-\$59,374	-\$93,518	-\$129,163	-\$166,375	-\$205,225	-\$653,654
Affordability for In City Residents:	1.02%	1.02%	1.02%	1.02%	1.02%	
Fully Funding Reserves?	No	No	No	No	No	
Positive Annual Cash Flow?	No	No	No	No	No	

The current rates are not sufficient to cover the day-to-day expenses projected in the budget, resulting in a deficit of over \$653,654 over the next five years. The revenue does not meet expenses nor contribute to reserves resulting in a negative cash flow.

Maintaining current rates would prevent the City of Ephraim from operating a financially sustainable water system. The combination of low affordability index and insufficient revenue shows that customers are not paying for the full cost of water service. While reserves are currently strong, they would be rapidly depleted to cover operating expenses instead of funding necessary infrastructure replacement. Funder agencies are likely to require evidence that rates more accurately reflect the true cost of providing safe, reliable water and that demonstrate the system’s long term financial sustainability.

## ALTERNATIVE SCENARIO 1: ONE-TIME INCREASE

This scenario divides costs into three categories: operations and maintenance (O&M), general and administrative (G&A) expenses, and reserves. First, usage rates are designed to cover variable expenses, primarily O&M costs that fluctuate with consumption. Usage rates can also be structured to encourage conservation and ensure that customers who use more of the system pay proportionally for their impact.

Next, base rates are set to cover fixed costs, such as G&A expenses, and are adjusted by revenue generated from usage fees. Reserve fees are calculated to fund ongoing capital replacement needs. The system’s reserves are fully funded and currently exceed required levels by \$2,498,233. With an annual CIP funding need of \$240,578, the current reserves could support capital project funds for roughly ten years. These allocations are estimates and should be considered approximate guidance rather than exact values.

Typically, Inside City Limit customers pay lower rates than Outside City Limit customers because “infrastructure costs per connection are higher for outside customers” ([UNC SOG EFC](#)). Utilities commonly charge 24 – 100% higher rates to outside customers. The City of Ephraim currently charges a base rate that is 50% greater for Outside City Limit customers than Inside City Limits customers; this will remain the same in all scenarios.

Class	Additional Usage Fees per 1,000 gallons	Base Rate	Reserve Fees	Rounded Total
Within City Limits Residential	0 – 7,000 gallons: \$0	\$36.50	\$10.25	\$47
	7,001 – 30,000 gallons: \$1.87			
	30,001 – 60,000 gallons: \$2.14			
	60,001 – 90,000 gallons: \$2.41			
	90,001+ gallons: \$2.67			
Outside of City Limits Residential	0 – 7,000 gallons: \$0	\$54.75	\$15.38	\$70.50
	7,001 – 30,000 gallons: \$2.82			
	30,001 – 60,000 gallons: \$3.21			
	60,001 – 90,000 gallons: \$3.62			
	90,001+ gallons: \$4.01			

*\*Construction and Not in Use customer classes were excluded from this and subsequent scenarios because they either generated minimal revenue or had no active customers during the analysis period.*

	Year 1	Year 2	Year 3	Year 4	Year 5	5 Year Total
O&M Expenses from Budget	\$269,959	\$283,457	\$297,630	\$312,511	\$328,137	\$1,491,694
G&A Expenses from Budget	\$1,247,066	\$1,268,148	\$1,290,075	\$1,312,878	\$1,336,593	\$6,454,760
Reserves for Replacing Capital Assets from Budget	\$240,578	\$240,578	\$240,578	\$240,578	\$240,578	\$1,202,890

	Year 1	Year 2	Year 3	Year 4	Year 5	5 Year Total
Current Revenue from Usage Rates	\$723,809	\$723,809	\$723,809	\$723,808	\$723,809	\$3,619,045
Revenue from Increased Base Rates	\$870,970	\$870,969	\$870,970	\$870,969	\$870,969	\$4,354,848
Revenue from Reserve Fees	\$244,589	\$244,589	\$244,589	\$244,589	\$244,589	\$1,222,947

### Impact of Suggested Rates on Five-Year Budget

Results of the new rates	2026	2027	2028	2029	2030	5 Years
TOTAL EXPENSES	\$1,757,603	\$1,792,183	\$1,828,282	\$1,865,967	\$1,905,308	\$9,149,344
TOTAL REVENUE	\$1,862,491	\$1,862,928	\$1,863,382	\$1,863,855	\$1,864,346	\$9,317,003
NET LOSS OR GAIN: (Short/Over to Reserves)	\$104,889	\$70,745	\$35,100	-\$2,112	-\$40,962	\$167,660
NET CASH FLOW (Contribution to Reserves)	\$345,467	\$311,323	\$275,678	\$238,466	\$199,617	\$1,370,552
Affordability for In City Residents:	1.31%	1.31%	1.31%	1.31%	1.31%	
Fully Funding Reserves?	Yes	Yes	Yes	No	No	
Positive Annual Cash Flow?	Yes	Yes	Yes	Yes	Yes	

Increasing base rates by approximately 17% strengthens the financial stability of the system more quickly, allowing positive cash flow each year. This results in a cumulative gain, although reserve targets are not met in Year 4 and Year 5. Affordability for Within City Residents

remains constant at 1.31% of the median household income (MHI), keeping water bills within commonly accepted thresholds.

Overall, this scenario provides an improvement in financial health, supporting ongoing operations, contributing to reserves, and keeping rates affordable.

## ALTERNATIVE SCENARIO 2: GRADUAL INCREASE

In this scenario, gradual rate increases are applied over multiple years rather than implementing the full adjustment immediately. Phasing increases over time can be more palatable for customers, allowing them to adjust their water usage habits and household budgets while ensuring the system remains financially sustainable. Only the base rates were adjusted in this scenario.

Growth Factor of Rates	Year 2	Year 3	Year 4	Year 5
Base	22.00%	22.00%	22.00%	22.00%

Name of Class	Year 1	Year 2	Year 3	Year 4	Year 5
Within City Limits Residential	\$30	\$36.60	\$44.65	\$54.48	\$66.46
Outside of City Limits Residential	\$45	\$54.90	\$66.98	\$81.71	\$99.69

### Impact of Suggested Rates on Five-Year Budget

Results of the new rates	2026	2027	2028	2029	2030	5 Years
TOTAL EXPENSES	\$1,757,603	\$1,792,183	\$1,828,282	\$1,865,967	\$1,905,308	\$9,149,344
TOTAL REVENUE	\$1,456,834	\$1,614,762	\$1,807,354	\$2,042,235	\$2,328,705	\$9,249,890
NET LOSS OR GAIN: (Short/Over to Reserves)	-\$300,768	-\$177,422	-\$20,928	\$176,268	\$423,397	\$100,547
NET CASH FLOW (Contribution to Reserves)	-\$60,190	\$63,157	\$219,650	\$416,846	\$663,975	\$1,303,439
Affordability for In City Residents:	1.02%	1.13%	1.27%	1.44%	1.64%	
Fully Funding Reserves?	No	No	No	Yes	Yes	
Positive Annual Cash Flow?	No	Yes	Yes	Yes	Yes	

Under these proposed rates, there is a positive cash flow after Year 1 and fully funding reserve goals in Year 4 and Year 5. Affordability for in-city residents remains reasonable, rising from 1.02% to 1.64% of median household income (MHI), and annual cash flow turns positive after the first year, meaning that bills will be paid by revenue. This approach balances operational and capital needs while keeping rates manageable.

### ALTERNATIVE SCENARIO 3: Initial Increase + 10% Increase Each Year

In this scenario, base rates are increased in the first year and by 10% per year over five years after. Phasing in adjustments allows customers time to plan for rising costs while helping the system move toward long-term financial stability. The rate changes shown reflect steady predictable growth.

Growth Factor of Rates	Year 2	Year 3	Year 4	Year 5
Base	10.00%	10.00%	10.00%	10.00%

Name of Class	Year 1	Year 2	Year 3	Year 4	Year 5
Within City Limits Residential	\$33	\$36.60	\$39.93	\$43.92	\$48.32
Outside of City Limits Residential	\$49.50	\$54.45	\$59.90	\$65.88	\$72.47

### Impact of Suggested Rates on Five-Year Budget

Results of the new rates	2026	2027	2028	2029	2030	5 Years
TOTAL EXPENSES	\$1,757,603	\$1,792,183	\$1,828,282	\$1,865,967	\$1,905,308	\$9,149,344
TOTAL REVENUE	\$1,528,421	\$1,607,603	\$1,694,677	\$1,790,431	\$1,895,732	\$8,516,864
NET LOSS OR GAIN: (Short/Over to Reserves)	-\$229,182	-\$184,580	-\$133,605	-\$75,536	-\$9,576	-\$632,479
NET CASH FLOW (Contribution to Reserves)	-\$4,044	\$40,558	\$91,533	\$149,602	\$215,563	\$493,213
Affordability for In City Residents:	1.07%	1.13%	1.19%	1.26%	1.33%	
Fully Funding Reserves?	No	No	No	No	No	
Positive Annual Cash Flow?	No	Yes	Yes	Yes	Yes	

Under these proposed rates, revenues increase steadily each year, cash flow is positive after Year 1. However, the reserves are not fully funded.. Affordability for in-city residents remains within accepted ranges, rising from 1.07% to 1.33% of the median household income (MHI). This phased approach provides a balanced path forward by supporting operational needs, making progress toward reserve goals, and managing affordability.

## CONCLUSION

Current drinking water rates do not fully cover the costs required to operate and maintain the City of Ephraim’s drinking water system over the long term. Under the existing rate structure (Scenario 0), revenues remain flat while expenses continue to rise, resulting in ongoing annual deficits, no contributions to reserves, and the eventual depletion of current savings to fund routine operations. The three adjusted-rate Scenarios each improve financial stability to varying degrees; Scenario 1 offers immediate stability and Scenario 2 offering the strongest long-term sustainability. In all Scenarios, affordability for Within City Residential customers remains within “affordable” thresholds. Implementing a rate increase, whether immediate or phased, is recommended so that the City of Ephraim's drinking water system can provide responsible service today while preparing for the future infrastructure and capital needs.

### Implementation of Rate Adjustments

To ensure a smooth transition to the new rate structure, the City of Ephraim should prioritize proactive community engagement. This includes clearly communicating the reasons for the rate changes, how the (additional) revenue will be used, and the long-term benefits to customers. Outreach strategies may include public meetings, mailed notices, and digital communication through the City’s website and social media platforms. Messaging should emphasize affordability, the importance of system financial sustainability, and the need to fund system replacement and improvements. RCAC recommends preparing Frequently Asked Questions, bill comparison examples, and providing clear contacts for residents with questions or concerns.

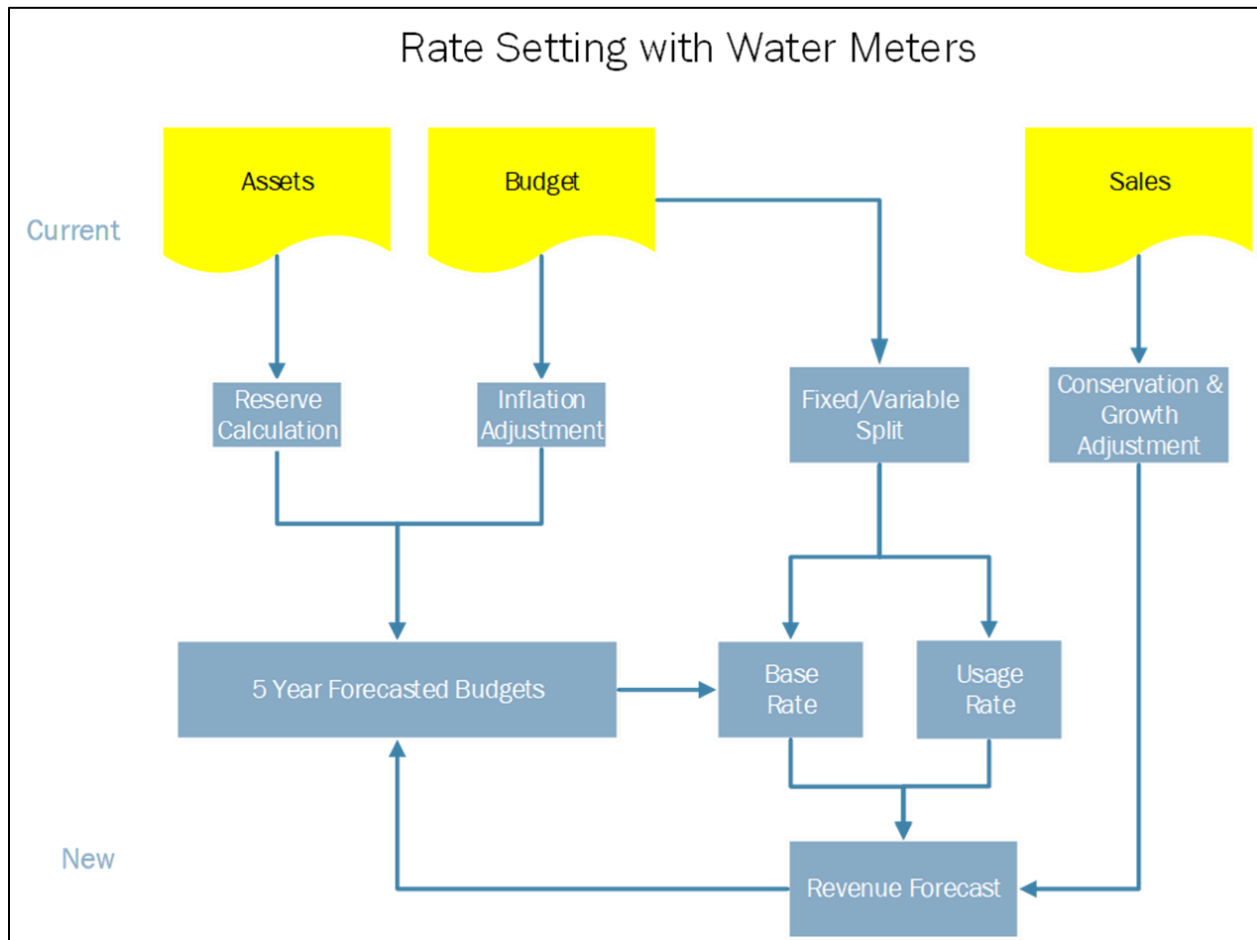
## APPENDIX

### Capital Replacement Plan (CRP)

Quantity	Asset	Year Acquired	Normal Estimated Life	Current Age	Estimated Remaining Life	Fund with Cash	Fund with Loan	Annual Reserve Required
1	Culinary Well #1	1995	75	30	45	100%	0%	\$ 8,162
1	South Well #2	2020	75	5	70	100%	0%	\$ 5,247
1	Well #3	2023	75	2	73	100%	0%	\$ 6,856
1	Mill hill steel tank 1 MG	1975	70	50	20	100%	0%	\$ 25,712
1	Mill hill concrete tank 1 MG	1975	60	50	10	20%	80%	\$ 8,815

1	Lower canyon concrete tank #1 0.75MG	1985	60	40	20	100%	0%	\$ 18,365
1	Lower canyon concrete tank #2 0.03MG	1985	60	40	20	100%	0%	\$ 3,673
1	Lake hill concrete tank 1MG	2010	60	15	45	100%	0%	\$ 9,795
1	Ropes Course concrete tank 1.5MG	1985	60	40	20	100%	0%	\$ 27,548
2,297	ft 2" pipe - pipes have average life ~60 and ~5	1965	70	60	10	100%	0%	\$ 4,219
2,297	ft 2" pipe	2020	70	5	65	100%	0%	\$ 649
3,590	ft 4" pipe	1965	90	60	30	100%	0%	\$ 2,638
3,590	ft 4" pipe	2020	90	5	85	100%	0%	\$ 931
46,068	ft 6" pipe	1965	95	60	35	20%	80%	\$ 6,768
46,068	ft 6" pipe	2020	95	5	90	100%	0%	\$ 13,161
30,941	ft 8" pipe	1965	100	60	40	100%	0%	\$ 22,730
30,941	ft 8" pipe	2020	100	5	95	100%	0%	\$ 9,570
11,431	ft 10" pipe	1965	100	60	40	100%	0%	\$ 10,497
11,431	ft 10" pipe	2020	100	5	95	100%	0%	\$ 4,420
48,878	ft 12" pipe	1965	100	60	40	100%	0%	\$ 11,546
48,878	ft 12" pipe	2020	100	5	95	100%	0%	\$ 20,788
2,719	ft 14" pipe	1965	100	60	40	100%	0%	\$ 2,996
2,719	ft 14" pipe	2020	100	5	95	100%	0%	\$ 1,262
100	Fire hydrants	2000	60	25	35	100%	0%	\$ 7,346
57	Fire hydrants	2020	60	5	55	100%	0%	\$ 2,665
5	Various Springs	2005	30	20	10	100%	0%	\$ 2,388
5	Various Springs	2015	30	10	20	100%	0%	\$ 1,194
4	Various Springs	2025	30	0	30	100%	0%	\$ 637
<b>TOTAL</b>								<b>\$ 240,578</b>

## Methodology



## Citations

1. "Ephraim, UT." *Data USA*, [datausa.io/profile/geo/ephrain-ut?redirect=true](https://datausa.io/profile/geo/ephrain-ut?redirect=true). Accessed 18 Dec. 2025.
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# City of Ephraim, Utah

## Sewer Rate Study 2026

Rural Community Assistance Corporation

**Prepared by Chad Busch**

March 2026

RURAL COMMUNITY ASSISTANCE CORPORATION (RCAC)

3120 FREEBOARD DRIVE, SUITE 201  
WEST SACRAMENTO, CA 95691

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## INTRODUCTION

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### Rural Community Assistance Corporation (RCAC)

Founded in 1978, RCAC provides training, technical, and financial resources and advocacy so rural communities can achieve their goals. Since 1978, RCAC's dedicated staff and active board, guided by values of leadership, collaboration, commitment, quality, and integrity, have helped effect positive change in rural communities across the West

RCAC's work includes environmental infrastructure (water, wastewater, and solid waste facilities); affordable housing development; economic and leadership development; and community development finance. These services are available to communities with populations of fewer than 50,000, other nonprofit groups, Tribal organizations, farmworkers, colonias and other specific populations. Headquartered in West Sacramento, California, RCAC's employees serve rural communities in 13 western states and the Pacific islands.

### Purpose of This Rate Study

Representatives from the City of Ephraim requested a rate study to explore the financial sustainability of their sewer system and to analyze the impacts of various alternative rate structure options. The goal of this study is to identify a rate scenario, or scenarios, that ensure long-term financial stability – meaning the system can reliably cover operational costs, maintenance, and future infrastructure needs. This study includes a five-year financial projection to help the City plan effectively for the upcoming five years.

### Board Responsibilities

The City owns and operates the sewer system, which collects, treats, and discharges safe water back to the environment. Governance and oversight of the system are the responsibility of the elected City Council, which manages budgeting, planning, and policy decisions affecting the system's operation.

This rate study presents RCAC's professional assessment of rate structure options to support the long-term financial health of the system. While the RCAC strongly recommends the findings outlined in this report, final decisions must be made by the City Government in accordance with local ordinances and applicable state laws.

Although the recommended rates are advisory, the City Government holds a fiduciary duty to adopt rates that ensure the ongoing sustainability of the system. This includes not only covering day-to-day operational costs but also preparing for the eventual replacement of critical infrastructure as it ages.

### Guiding Principles in a Rate Study

#### Sustainability

Sewer rates must generate enough revenue to ensure that the sewer system can continue to operate reliably—both now and into the future. This includes covering the full cost of day-to-day operations, routine maintenance, repairs, debt service, and capital replacement. Rates should

also account for future system needs, including evolving regulations, shifts in community demand, and long-term infrastructure replacement planning. By staying proactive and maintaining an up-to-date capital improvement plan, the City can avoid deferred maintenance and emergency rate spikes.

### **Fairness**

Rates should be equitable and based on the cost of providing sewer service. No individual or customer class should be charged disproportionately without a justified basis. Fairness requires that the City regularly review whether rate structures and customer classifications reflect the actual costs incurred to serve each group. A fair system ensures that each customer pays their appropriate share of the expenses necessary to operate, maintain, and replace infrastructure over time.

### **Affordability**

Affordability measures a community's ability to pay for water services without financial hardship, often using the Affordability Index:

$$\text{Affordability Index} = (\text{Monthly Base Rate} \div \text{Monthly Median Household Income [MHI]})$$

Federal guidance generally considers water and wastewater services affordable when combined costs are 2 - 5% of the MHI (roughly 1 - 2.5% per service). Rates below this may underfund the system, while rates above may strain households.

In small rural communities, low MHI and limited ratepayers can make typical thresholds challenging, even when rates are necessary to maintain basic service. Utilities can mitigate this through discounted rate programs for essential water use, helping keep services affordable while supporting system sustainability.

A balanced affordability index can also be important for external funding, demonstrating that the community contributes to its long-term function. Sustainable, fair rates ensure reliable service and minimize financial burden on customers. *Affordability calculations in this study are based on the average monthly bill for sewer customers and projected revenue found in projected city budgets.*

### **Justifiability**

All sewer rates must be based on the actual needs and costs of the sewer system. State law prohibits using rate revenues for unrelated expenses. Therefore, all funds collected must go directly toward the costs of providing sewer service—including collection system, treatment, operations, administration, and planned capital improvements. The rates proposed in this study reflect the best available information provided by the system and are designed to ensure revenues align with true system costs.

### **Disclaimer**

*The findings, recommendations, and conclusions contained in this rate analysis are based on financial information provided to RCAC by the City of Ephraim. Although reasonable care was*

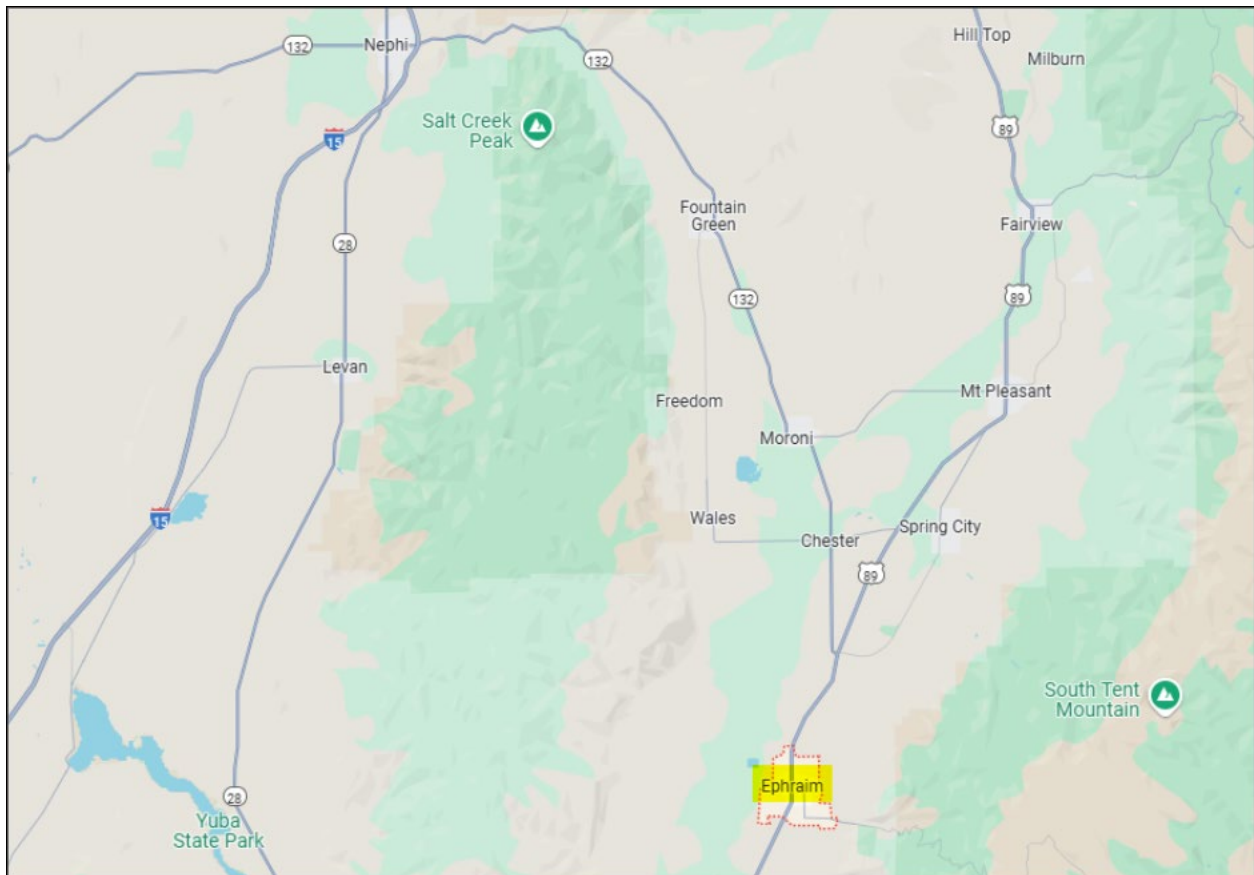
taken to ensure the reliability of this information, no warranty is expressed or implied as to the correctness, accuracy or completeness of the information contained herein. Any action taken on the basis of such findings, recommendations or conclusions is undertaken at the discretion of the City of Ephraim. In no event will RCAC or its partners, employees, or agents be liable for any decisions made or action taken in reliance on the information contained in this analysis.

## Basic City Information

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### Location

The City of Ephraim is a small city in central Utah, located in Sanpete County along the scenic San Pitch River Valley. Today, Ephraim is known for its historic downtown, vibrant local institutions, and as home to Snow College.



### Governing Body and Staff

The City of Ephraim is governed under council-manager form of government. An elected mayor and city council serve as the legislative body and are responsible for setting city goals, adopting the annual budget, and overseeing major capital projects, such as sewer system upgrades. The mayor presides over council meetings and participates in council votes. A city manager, appointed by the council, manages daily administrative operations and implements council policies, including the oversight of municipal systems such as the sewer system infrastructure.

## Median Household Income (MHI)

The median household income (MHI) used in the rate model for Ephraim, Utah is \$71,661 ([Data USA](#)). This value is used in calculating affordability as referenced in this report. Other agencies may use different figures when determining MHI.

## Current Rate Structure

Based on figures provided by City budget for 2026, the projected customer revenue is \$1,043,592.00. Currently, customers are charged a base rate and additional usage fees above 10,000 gallons. For reference, the revenue projected for 2026 is equivalent to 2,635 customers paying the base rate.

<b>SEWER RATES</b>	
Monthly Minimum Base Rate including 10,000 Gallons of Culinary Water	\$ 33.00
Each additional 1,000 Gallons	\$ 2.00
*Based on the average from October through March of the preceding year.	

Amended by Ord. [ECO 25-07](#) on 5/21/2025

Ephraim’s population is expected to grow slightly over the next five years, at about 1% per year. As the population increases, the number of sewer connections and use is likely to increase during this time.

	Year 1	Year 2	Year 3	Year 4	Year 5
Community Growth Factor	1.0%	1.0%	1.0%	1.0%	1.0%

## Rate Study Overview

---

Representatives of the City of Ephraim's Sewer utility (hereafter referred to as “Ephraim”, the “City”, or the “sewer utility”) are seeking to understand the financial sustainability of the current sewer rates and explore how rates should be changed to support a financially sustainable sewer utility. Ephraim recognizes that operating and maintaining the sewer utility represents a significant and ongoing expense. As stewards of this critical infrastructure, City representatives are interested in determining whether existing sewer rates reflect the true cost of providing safe and reliable service and determining if rates need to be adjusted. This includes not only covering day-to-day operations and maintenance but also setting aside reserve funds for emergencies and future repairs and the eventual replacement of major assets. There is an expressed interest in being able to increase these reserves over the next five years.

This rate study evaluates the sewer utility’s financial condition and future needs using a current budgeting model. It compares three rate options, including maintaining the current rates, and presents the estimated outcomes for each.

The findings found in this report are based on data and information provided by Ephraim staff, the approved budget records found on Ephraim’s website, and assumptions made by RCAC staff. This information was input into a rate model that Rural Community Assistance Corporation has developed for its use in supporting communities in developing appropriate rate structures.

## Rate Scenarios

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The current rate structure and two alternative scenarios will be used to show the potential impact on the City's sewer fund for the next five years. Each one of these scenarios will have option A and option B. Option B includes the use of a \$700,000 unassigned reserve fund over the next five years. It is RCAC’s understanding that this unassigned reserve is to help offset cost of operation until it is exhausted.

While working on the rate study there was a request to include an increase in reserves available over the next five years. Currently there is \$1.5 Million in reserves that are fully funded. The goal is to be able to increase this over the next five years to \$1.75 Million. This would be an additional \$50,000.00 contribution to reserves each year for five years.

The scenarios provided are assuming 4% inflation for operation and maintenance expenses and 1% growth in customers each year. The approved budget for 2026 was used as the baseline for revenue and expenses.

In each scenario, affordability for customers and sustainability for the utility are considered.

Ephraim’s current sewer rates are 0.56% of the Median Household Income affordability range. This affordability shows that the rates are very affordable for customers; this lower percentage rate does create the potential to cause financial deficits for the utility provider overtime.

The following scenarios will show impacts and options to consider for the future financial wellbeing of the sewer fund.

### **Scenario 1A: No Changes**

In this scenario, the City of Ephraim would maintain its current rates and rate structure. Financial projections indicate this would create substantial deficits and reserves will decrease because they are being used to pay for expenses. This would exhaust the reserves by 2031.

Total expenses increase each year; the Revenue to Expense Coverage Ratio gradually decreases each year. Over five years, the sewer fund will be getting further away from a healthy balanced budget. The budget for operating will increase due to inflation costs, this will create the need to use reserve funds to be used for routine operating costs leading to the decline of the reserve funds each year until they are no longer available.

This situation would cause a need for a drastic rate increase in the future to cover annual expenses and to begin rebuilding the reserves back to current level. This will be difficult to accomplish and harder for the customers to afford. The decrease in reserve funds and the increase in expenses will cause the system assets to lack the routine maintenance or replacement needed. It can also cause the quality of service for the customers to decline due to the lack of funding.

### **Scenario 1A-Five Year Outlook**

---

Year	Monthly Rate	% Increase	Affordability (% MHI)	Revenue (at \$33)	Expenses	Deficit	End of Year Reserves
2027	\$33.00	0.00%	0.56%	\$1,168,219	\$1,332,001	-\$163,782	\$1,336,218
2028	\$33.00	0.00%	0.56%	\$1,178,911	\$1,417,025	-\$238,114	\$1,098,104
2029	\$33.00	0.00%	0.56%	\$1,189,603	\$1,511,551	-\$321,948	\$776,156
2030	\$33.00	0.00%	0.56%	\$1,200,295	\$1,616,897	-\$416,602	\$359,553
2031	\$33.00	0.00%	0.56%	\$1,210,987	\$1,643,713	-\$432,726	-\$73,173

## **Scenario 1B: No Changes (utilize unallocated reserves to offset O&M costs)**

In this scenario, the City of Ephraim would maintain its current rates and rate structure. Financial projections indicate this would create deficits, but it would not be as drastic as scenario 1A. There would continue to be a decrease in the reserves each year, but it would not exhaust the reserves available by 2031.

The modeling shows that total expenses increase each year. Over a five-year time frame the sewer fund will be getting further away from the break-even point. The budget for operating will increase, causing the reserves to be used and the amount of reserves on hand will continue to decrease.

This situation would cause the need for a drastic rate increase in the future to cover annual expenses and to begin to rebuild the reserves needed to current level.

### **Scenario 1B-Five Year Outlook**

---

Year	Monthly Rate	% Increase	Affordability (% MHI)	Revenue (at \$33)	Expenses	Deficit	End of year Reserves
2027	\$33.00	0.00%	0.56%	\$1,168,219	\$1,192,001	-\$23,782	\$1,476,218
2028	\$33.00	0.00%	0.56%	\$1,178,911	\$1,277,025	-\$98,114	\$1,378,104
2029	\$33.00	0.00%	0.56%	\$1,189,603	\$1,371,551	-\$181,948	\$1,196,156
2030	\$33.00	0.00%	0.56%	\$1,200,295	\$1,476,897	-\$276,602	\$919,553
2031	\$33.00	0.00%	0.56%	\$1,210,987	\$1,503,713	-\$292,726	\$626,827

## Scenario 2A- Balanced budget rate increase (\$0.25 rounding)

In this scenario, the City of Ephraim would utilize a base rate increase for the next five years. The rates represented in this scenario are rounded up to the nearest \$0.25. See Table 2-A.

Financial projections indicate this would prevent any deficits. The projected revenue and expense amounts will be met, and it will meet the goal to increase the reserves amount from \$1.5 Million to \$1.75 Million by the end of 2031. Rounding the base rate to the nearest \$0.25 created a small financial buffer that can be added to reserves or used for other system needs. These buffer amounts can be seen in table 2-B.

In this scenario the rates will have to increase from the current \$33.00 monthly base rate to \$46.25 by 2031.

Affordability has been considered in this model. Even with the rate increases this rate structure continues to keep the affordability below 1%. The affordability will slightly increase over the next five years to 0.79% in 2031. Still remaining below 1.0% affordability.

Table 2-A

Year	Monthly Rate	% Increase	Affordability (% MHI)	Anticipated revenue	Total Expenses	End of Year Reserves
2027	\$38.25	15.91%	0.65%	\$1,332,001	\$1,332,001	\$1,550,000
2028	\$40.50	5.88%	0.69%	\$1,417,025	\$1,417,025	\$1,600,000
2029	\$43.00	6.17%	0.73%	\$1,511,551	\$1,511,551	\$1,650,000
2030	\$45.75	6.40%	0.78%	\$1,616,897	\$1,616,897	\$1,700,000
2031	\$46.25	1.09%	0.79%	\$1,643,713	\$1,643,713	\$1,750,000

Table 2-B

Year	Required Rate (exact)	Presented Rate (rounded)	Buffer \$/yr (system)
2027	\$38.13	\$38.25	\$3,861
2028	\$40.38	\$40.50	\$3,806
2029	\$42.88	\$43.00	\$3,852
2030	\$45.66	\$45.75	\$2,924
2031	\$46.02	\$46.25	\$7,545

**Scenario 2B- Balanced budget rate increase (utilize unallocated reserves to offset O&M costs):**

This model is almost identical to 2A. It will utilize annual rate increases over 5 years; it is rounding the annual base rates up to the nearest \$0.25. The difference with this model is that it will utilize \$140,000 per year of the unallocated reserves that have been identified to supplement O&M costs.

Financial projections indicate this would continue to prevent any deficits. The projected revenue and expense amounts will continue to be met, and it will still meet the goal to increase the reserve amount from \$1.5 Million to \$1.75 Million by the end of 2031.

Rates will still increase annually. But the rates will not have to increase as much due to the offset. Rates will rise from the current \$33.00 base rate to \$42.00 base rate in 2031.

The affordability will only increase from 0.56% to 0.71%, keeping the sewer rates in Ephraim below 1%.

The downside to this is that the reserves will run out in five years.

Table 2-C

Year	Monthly Rate	% Increase	Affordability (% MHI)	Anticipated revenue	Total Expenses	End of Year Reserves
2027	\$33.75	2.27%	0.57%	\$1,192,001	\$1,192,001	\$1,550,000
2028	\$36.25	7.41%	0.62%	\$1,277,025	\$1,277,025	\$1,600,000
2029	\$38.75	6.90%	0.66%	\$1,371,551	\$1,371,551	\$1,650,000
2030	\$41.50	7.10%	0.70%	\$1,476,897	\$1,476,897	\$1,700,000
2031	\$42.00	1.20%	0.71%	\$1,503,713	\$1,503,713	\$1,750,000

Table 2-D

Year	Required Rate (exact)	Presented Rate (rounded)	Buffer \$/yr (system)
2027	\$33.74	\$33.75	\$167
2028	\$36.04	\$36.25	\$6,718
2029	\$38.58	\$38.75	\$5,387
2030	\$41.41	\$41.50	\$3,082
2031	\$41.81	\$42.00	\$6,326

### Scenario 3A- Balanced budget rate increase (\$0.50 rounding)

Scenario 3A appears to have the same outcome as 2A. It will utilize annual rate increases over 5 years; it is rounding the annual base rates up. See Table 3-A below.

The difference with this model is that it will be using a rounding strategy to round up the base monthly rate to the nearest \$0.50. By rounding the base rate to the nearest \$0.50 it will create a buffer that will be a little larger than that in scenario 2 A, referring to Table 3-B. This potential buffer can be used to enhance the reserves. These potential buffer amounts can be seen in table 3-B.

Financial projections indicate this would continue to prevent any deficits. The projected revenue and expense amounts will continue to be met, and it will still meet the goal to increase the reserve amount from \$1.5 Million to \$1.75 Million by the end of 2031.

Rates will still increase annually. Rates will rise from the current \$33.00 base rate to \$46.50 base rate by 2031.

The affordability will only increase from 0.56% to 0.79%, keeping the sewer rates in Ephraim below 1%.

Table 3-A

Year	Monthly Rate	% Increase	Affordability (% MHI)	Anticipated revenue	Total Expenses	End of Year Reserves
2027	\$38.50	16.67%	0.65%	\$1,332,001	\$1,332,001	\$1,550,000
2028	\$40.50	5.19%	0.69%	\$1,417,025	\$1,417,025	\$1,600,000
2029	\$43.00	6.17%	0.73%	\$1,511,551	\$1,511,551	\$1,650,000
2030	\$46.00	6.98%	0.78%	\$1,616,897	\$1,616,897	\$1,700,000
2031	\$46.50	1.09%	0.79%	\$1,643,713	\$1,643,713	\$1,750,000

Table 3-B

Year	Required Rate (exact)	Presented Rate (rounded)	Buffer \$/yr (system)
2027	\$38.13	\$38.50	\$11,844
2028	\$40.38	\$40.50	\$3,806
2029	\$42.88	\$43.00	\$3,852
2030	\$45.66	\$46.00	\$11,150
2031	\$46.02	\$46.50	\$15,852

**Scenario 3B- Balanced (utilize unallocated reserves to offset O&M costs):**

This scenario is very similar to 3A. It will utilize annual rate increases over 5 years; it is rounding the annual base rates up to the nearest \$0.50. The difference with this model is that it will utilize \$140,000 of the unallocated reserves per year to supplement O&M costs. By using this to offset costs over the next 5 years the rates will not increase as much. This will have to be addressed in rate evaluations for the years not evaluated in this modeling. Refer to Table 3-C

By rounding the base rate to the nearest \$0.50 it has the potential to create a buffer that will be a little larger than that in scenario 2 A, referring to Table 3-C. This increased buffer can be used to enhance the reserves, be saved to offset future costs. These potential buffer amounts can be seen in table 3-D.

Financial projections indicate this would continue to prevent any deficits. The projected revenue and expense amounts will continue to be met, and it will still meet the goal to increase the reserve amount from \$1.5 Million to \$1.75 Million by the end of 2031.

Rates will still increase annually. But the rates will not have to increase as much due to the offset. Rates will rise from the current \$33.00 base rate to \$42.00 base rate in 2031.

The affordability will only increase from 0.56% to 0.71%, keeping the sewer rates in Ephraim well below 1%.

The downside to this is that the unallocated reserves will run out in five years and another rate increase will have to happen to cover the rise in the cost of expenses.

Table 3-C

Year	Monthly Rate	% Increase	Affordability (% MHI)	Anticipated revenue	Total Expenses	End of Year Reserves
2027	\$34.00	3.03%	0.58%	\$1,192,001	\$1,192,001	\$1,550,000
2028	\$36.50	7.35%	0.62%	\$1,277,025	\$1,277,025	\$1,600,000
2029	\$39.00	6.85%	0.66%	\$1,371,551	\$1,371,551	\$1,650,000
2030	\$41.50	6.41%	0.70%	\$1,476,897	\$1,476,897	\$1,700,000
2031	\$42.00	1.20%	0.71%	\$1,503,713	\$1,503,713	\$1,750,000

Table 3-D

Year	Required Rate (exact)	Presented Rate (rounded)	Buffer \$/yr (system)
2027	\$33.74	\$34.00	\$8,150
2028	\$36.04	\$36.50	\$14,782
2029	\$38.58	\$39.00	\$13,532
2030	\$41.41	\$41.50	\$3,082
2031	\$41.81	\$42.00	\$6,326

## Conclusion

Scenario 1A is currently the path the sewer rates are on. They have been able to generate enough revenue to financially sustain the cost of operating, maintaining, and reinvesting in the system. With the projections for inflation it does show that without making some rate changes to overcome future costs the city will need to start using reserves to offset operational costs. With no change over time this will create a deficit and there will need to be a drastic rate increase to cover future system costs and replenish reserves back to the existing level.

Implementing an adequate sewer rate increase annually for the next 5 years would ensure that Ephraim continues to have the ability to gain the proper amount of revenue to fund the needs of the sewer system.

Scenarios 2 and 3 in this study project rates that are within affordability thresholds for sewer customers. Both Scenarios will maintain long-term financial sustainability, increase reserves, and keep the budget balanced.

## Recommendation

RCAC recommends that the City of Ephraim's Sewer Utility adopt Scenario 2A. In this scenario the goal is to keep the affordability for customers in an acceptable range and to keep the budget balanced by bringing in the revenue needed to meet the expenses while maintaining and increasing the amount of reserves available.

In this recommendation it is assumed that there will be 4% annual inflation on the cost of operating and maintaining the system each year. There is also an anticipated 1% increase in the number of customers each year. The addition of 1% more connections each year will not balance out the increase in expenses. There will be a need to increase rates annually for the next 5 years. Starting in 2027 the recommended base rate will increase to \$38.25 per month and the ending rate in 2031 will be \$46.25 per month.

These rate increases will continue to stay below 1% affordability range. In 2031 Ephraim's sewer rates will be at 0.79 % affordability.

By adopting the scenario 2A rate structure, the sewer fund will avoid a gradual financial erosion that the current rates are projected to cause, the governing body will fulfill its fiduciary responsibility to establish rates that address both the system's current and long-term financial requirements while maintaining customer affordability.

## Appendix

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### Sewer Fund approved budget for 2026

The budget numbers used in this rate modeling were based on the information found in the approved budget worksheet for 2026 on the City of Ephraim's Website. The web address for this document is, <https://ephraim.gov/197/Finance>. The information was copied to this document for reference purposes.

EPHRAIM CITY CORPORATION Budget Worksheet - CITY COUNCIL ADOPTED Page: 27

Period 07/25 (07/31/2025) - 06/26 (06/30/2026) Sep 02, 2025 4:51PM

Account Number Account Title

2025-26

Adopted

Budget

### **SEWER FUND**

#### **UTILITY REVENUE**

52-37-100 SEWER SERVICES \$1,041,000

52-37-101 SEWER REV F/ GF - UNBILLED \$2,592

52-37-200 CONNECTION FEES \$0

52-37-700 IMPACT - SEWER CONSOLIDATE \$0

Total UTILITY REVENUE: \$1,043,592

#### **INTEREST, OTHER REVENUE**

52-38-100 INTEREST EARNINGS \$80,000

52-38-110 INTEREST EARNINGS-IMPACT Fees \$0

52-38-310 GRANT REVENUE \$0

52-38-801 SALE OF PROPERTY \$0

52-38-900 MISCELLANEOUS \$1,000

52-38-950 APPROPRIATIO FROM BEG FUN \$33,463

Total INTEREST, OTHER REVENUE: \$114,463

INTEREST, OTHER REVENUE

52-39-100 TRANSFER FROM ELECTRIC FUND \$0

**Total INTEREST, OTHER REVENUE: \$0**

**SEWER FUND EXPENDITURES**

52-40-110 SALARIES AND WAGES \$181,493  
52-40-120 TEMPORARY EMPLOYEES \$5,379  
52-40-130 EMPLOYEE BENEFITS \$16,502  
52-40-135 INSURANCE BENEFITS \$65,633  
52-40-140 RETIREMENT BENEFITS \$36,244  
52-40-145 PENSION EXP-ACTUARIAL CALC \$33,500  
52-40-146 BENEFIT EXP-CHANGE IN NPL/N -\$30,750  
52-40-160 CLOTHING ALLOWANCE \$900  
52-40-200 EMPLOYEE - MRG MEETING \$250  
52-40-210 TRAINING & MEMBERSHIP \$2,000  
52-40-220 PUBLIC NOTICES \$100  
52-40-230 TRAVEL \$3,500  
52-40-240 OFFICE SUPPLIES AND EXPENS \$250  
52-40-250 EQUIP SUPPLIES & MAINTENAN \$11,750  
52-40-260 BLDGS SUPPLIES & MAINTENAN \$1,000  
52-40-265 SEWER QUALITY TESTS\$ 3,000  
52-40-270 UTILITIES \$2,700  
52-40-271 SF EXPEN FOR ELECT - UNBILL \$51,822  
52-40-280 TELEPHONE \$3,500  
52-40-290 FUEL \$12,000  
52-40-300 OPERATING LEASE \$4,200  
52-40-305 EQUIPMENT RENTAL \$3,000  
52-40-310 PROFESSIONAL SERVICES \$40,000  
52-40-350 ADMINISTRATIVE FEE \$92,600  
52-40-380 BAD DEBT EXPENSE \$1,500  
52-40-480 DEPARTMENT SUPPLIES \$5,500  
52-40-500 SERVICE IN LIEU OF \$45,851  
52-40-510 INSURANCE \$8,000

52-40-610 MISCELLANEOUS \$500  
52-40-650 DEPRECIATION \$175,000  
52-40-740 CAPITAL OUTLAY - EQUIPMENT \$20,000  
52-40-790 CAPITAL OUTLAY - PROJECTS \$190,000  
52-40-810 DEBT SERVICE - PRINCIPAL \$135,145  
52-40-820 DEBT SERVICE - INTEREST \$35,986  
52-40-860 DEBT SERVICE INTEREST ACCR \$0  
52-40-920 TRANSFER TO GENERAL FUND \$0  
Total SEWER FUND EXPENDITURES: \$1,158,055  
SEWER FUND Revenue Total: \$1,158,055  
SEWER FUND Expenditure Total: \$1,158,055  
**Total SEWER FUND: \$0**

**MEETING MINUTES**  
**EPHRAIM CITY COUNCIL**  
CITY COUNCIL CHAMBERS, EPHRAIM CITY HALL  
5 SOUTH MAIN, EPHRAIM, UTAH  
MARCH 4, 2026  
7:00 PM

**CALL TO ORDER & ROLL CALL**

The Ephraim City Council Meeting, having been properly noticed, was called to order at 7:00 p.m. by Mayor Larsen.

**MEMBERS PRESENT**

Chris Larsen; Mayor, Anthony Beal, Troy Birch, Loren Steck, Jack Dalene

**MEMBERS EXCUSED**

Dennis Nordfelt; Mayor Pro Tem

**STAFF PRESENT**

Katie Witt; City Manager, Candice Maudsley; City Recorder, Bryan Kimball; Community Development, Megan Spurling; Planner, Jeff Hermansen; Fire Chief, Jordan Howe; Rec Director, Nic Mills; City Attorney

**PLEDGE AND INVOCATION**

The Pledge of Allegiance was led by Chief Hermansen.

The Invocation was offered by Jordan Howe.

**PUBLIC COMMENT**

- No public comment presented.

**CONSENT AGENDA**

**CONSENT AGENDA ITEMS**

- A) APPROVAL OF WARRANT REGISTER**
- B) APPROVAL OF FEBRUARY 18, 2026, MINUTES**

*Councilmember Beal moved to approve the Consent Agenda. The motion was seconded by Councilmember Dalene. The vote was unanimous. The motion carried.*

## STUDY AGENDA

### **EPHRAIM CITY ORDINANCE 26-02 UTAH WILDLAND URBAN INTERFACE**

Thomas Peterson from the Department of Natural Resources addressed the Council regarding the State's cooperative wildfire cost program and explained that state wildfire suppression cost assistance is tied to municipal adoption of the Wildland-Urban Interface Code.

Mr. Peterson reviewed the Ordinance and its local application, including:

- New construction in designated high-risk areas must meet Wildland-Urban Interface Code requirements, including defensible space standards.
- Existing homes are grandfathered.
- Most new homes already meet the applicable standards.
- Defensible space must be maintained by property owners.
- No changes to homeowners' insurance rates were anticipated as a direct result of adoption.

The Council also discussed pending state legislation (House Bill 41) and the possibility that the State could adopt the 2024 Wildland-Urban Interface Code, which would require the City to update its adoption accordingly.

### **FIRE INSPECTION ORDINANCE**

The Council reviewed proposed updates to the Fire Inspection Ordinance. Key components discussed included:

- Single-family rentals and duplex rentals: exempt from annual inspections; self-inspection forms required during annual business license renewal.
- Triplex and multi-family dwellings: continue with annual inspections.
- Short-term rentals (less than 30 days): initial inspection required and annual inspections thereafter.

### **ROAD WIDTH CHANGE FROM 24' TO 26'**

The Council reviewed the need to update City standards from 24 feet to 26 feet of asphalt width to align with fire access requirements and ensure proper maneuvering and turnarounds for fire trucks in new developments.

### **SIDEWALK REQUIREMENT ON PRIVATE STREETS**

The Council reviewed sidewalk requirements for private streets serving developments with multiple dwelling units. Staff emphasized the need for consistent, safe pedestrian circulation through internal private road systems and clarified that the sidewalk standard is five feet and measured from the back of the gutter. Staff will bring forward code language updates to make the requirement clear.

### **GREENSPACE/AMENITIES ORDINANCE**

The Council reviewed a proposed update to development standards for multi-family developments. Staff explained that while developments already have landscape percentage requirements, multi-family developments with 10 or more units would be required to provide an **additional 10% of land area** for resident amenities. Discussion included:

- Differing standards for developments with 10 units or fewer versus 10 units or more.
- Developing a clear list or point system to define acceptable amenities.

- Safety considerations and neighborhood impacts, including concerns raised regarding a development on 200 West.
- Staff noted that similar standards exist in other municipalities and that the City Attorney confirmed the approach is permissible.

#### **SHORT-TERM RENTALS ORDINANCE**

The Council reviewed policy direction for a new short-term rental ordinance. Staff noted there is currently no City code governing short-term rentals. Concepts discussed included:

- Local management requirements.
- Business licenses are issued in the property owner’s name.
- Unit caps (for developments of 10 units or fewer, one short-term rental; for larger developments, no more than 10%).
- Business licensing requirements and transient room tax collection.

Staff will draft an ordinance for Council consideration.

#### **ACTION AGENDA**

#### **EPHRAIM CITY RESOLUTION 26-04 RETURN TO WORK POLICY**

The Council reviewed the Return-to-Work Policy and confirmed the city attorney had reviewed it.

*Councilmember Beal moved to approve ECR 26-04 Return to Work Policy. The motion was seconded by Councilmember Birch. The vote was unanimous. The motion carried.*

#### **AWARDING OF HVAC BID**

The Council reviewed bids for replacement of HVAC units at the city building. Discussion included ensuring the selected contractor provides appropriate guarantees and that testing and balancing are completed as needed.

*Councilmember Steck moved to award the HVAC bid to Strasburg. The motion was seconded by Councilmember Beal. The vote was unanimous. The motion carried.*

#### **CAMINO VERDE GROUP REZONE**

The Council reviewed a request from Mike Ballard with CVG-Ephraim South LLC to amend the Ephraim City Zoning Map and rezone property located near Larson Lane and 800 West from Agricultural (A) Zone to Industrial (I) Zone. The purpose of the request is to expand the existing industrial area and promote business growth within the community.

Planning staff reported that both staff and the Ephraim City Planning Commission reviewed the application for compliance with the standards outlined in the Ephraim City Municipal Code and determined that it meets the minimum requirements for approval. Staff also noted that the proposed rezone is consistent with Ephraim City’s Future Land Use Map.

*Councilmember Birch moved to approve the CVG rezone. The motion was seconded by Councilmember Dalene. The vote was unanimous. The motion carried.*

#### **EPHRAIM CITY ORDINANCE 26-03 UPDATE TO THE SETBACK TABLE**

The Council reviewed proposed amendments to the setback table for the C2 zone. Staff noted the code was recently challenged due to missing or unclear language in the table relative to zoning requirements, and the update is intended to maintain proper spacing between residential and commercial development and ensure consistent application.

***Councilmember Dalene moved to adopt ECO 26-03, amending the Setback Table. The motion was seconded by Councilmember Beal. The vote was unanimous. The motion carried.***

**ADJOURNMENT**

***There being no further business to come before the Council for consideration, Councilmember Birch moved the Regular Council Meeting adjourn at 7:54 p.m. The motion was seconded by Councilmember Beal. The vote was unanimous. The motion carried.***

The next regular City Council meeting is scheduled to be held on Wednesday, March 18, 2026, starting at 7:00 p.m. in the Ephraim City Council room.

**MINUTES APPROVED:**

\_\_\_\_\_  
Chris Larsen, Mayor

\_\_\_\_\_  
Date

**ATTEST:**

\_\_\_\_\_  
Candice Maudsley, City Recorder

\_\_\_\_\_  
Date

# **Amended & Restated Pooling Agreement**

## **Governing Board Talking Points**

### **February 2026**

#### **Purpose**

- Update the 1980 Pooling Agreement to support mandatory participation in organized wholesale power markets.
- Align UAMPS operations with PacifiCorp's entry into the Extended Day-Ahead Market (EDAM) effective May 2026.
- Provide a clear, modern framework for governance, planning, cost allocation, and risk management.

#### **Why This Is Needed Now**

- PacifiCorp's participation in EDAM requires UAMPS and its members to comply with centralized market rules.
- The current Pooling Agreement was designed for a bilateral market and does not address today's market complexity.
- The amended agreement ensures continued, compliant participation while preserving UAMPS' agency role.

#### **Key Changes**

- Obligates Participants to purchase power and resource sufficiency requirements in excess of owned resources through UAMPS.
- Establishes formal market planning tools, including:
  - Annual Purchase Plan
  - Load and Resource Forecasts
  - Resource Sufficiency Obligations
- Authorizes UAMPS to make market purchases on behalf of Participants under an approved plan.

#### **Governance & Oversight**

- Creates a Project Management Committee (PMC), consistent with other UAMPS projects.
- One voting representative per Participant; PMC actions require board ratification.
- Establishes an advisory committee to support policy development and operational practices.
- Requires an annual internal audit of market operations and settlements.

**Cost Allocation & Financial Protections**

- Costs and revenues directly attributable to a Participant are allocated to that Participant.
- Shared costs are allocated based on Load Ratio Share or another PMC-approved method.
- Incorporates payment obligations, rate covenant, audit rights, and transparency provisions that support credit strength.

**Term & Effectiveness**

- Effective May 1, 2026.
- Replaces the existing Pooling Agreement in its entirety.
- Remains in effect unless terminated with five years' notice (shorter period requires PMC approval).

**Participants Governing Board Approval**

- Approve authorizing resolution approving the execution of the Amended and Restated Pooling Agreement
- Seek approval 30 days prior to the effective date of May 1, 2026



**EPHRAIM CITY COUNCIL**

**MEETING DATE: March 18, 2026**

**TO:** MAYOR AND COUNCIL  
**FROM:** JEFF HERMANSEN, FIRE CHIEF, FIRE DEPARTMENT  
**SUBJECT:** WILDLAND URBAN INTERFACE CODE  
**AGENDA TYPE:** ACTION

**EXECUTIVE SUMMARY**

Staff recommends that the Ephraim City Council adopt an ordinance adopting the Utah Wildland Urban Interface (WUI) building standards and the associated WUI boundary map. Utah House Bill 48 became law on March 3, 2025, took effect January 1, 2026, and requires municipalities to adopt and enforce the WUI building standards described in state law.

Adoption will align Ephraim City with state requirements, establish clear construction standards in wildfire-risk areas, and support long-term wildfire resilience by reducing the likelihood that wildfire spreads to or from structures. The WUI code is a construction code with building standards intended to reduce wildfire risk, including vegetation management around structures and ignition-resistant new construction in wildfire-risk areas.

**BACKGROUND**

This law was adopted to increase awareness of wildfire risk, encourage shared responsibility for risk reduction in the wildland urban interface, and address concerns about wildfire impacts to homes and insurance availability. The WUI is the zone where structures and human development meet or intermingle with undeveloped wildland.

Utah State law requires a municipality, for incorporated areas within a county, to adopt and enforce the applicable wildland urban interface building standard.

Ephraim must create a WUI boundary map to identify where the WUI code will apply. (See map)

## **ANALYSIS**

Adopting the WUI code and map provides four primary benefits.

First, it brings Ephraim City into alignment with current state requirements. Utah law states that the relevant municipality shall adopt and enforce the wildland urban interface building standard for incorporated areas within a county. The same law provides that the Division may choose not to pay certain costs under a cooperative agreement if a county or municipality fails to comply.

Second, it establishes a clear local regulatory framework for development in wildfire-prone areas. The WUI code is intended to reduce the risk of wildfire by preventing wildfire from spreading to and from structures, and that it addresses vegetation management and ignition-resistant new construction in wildfire-risk areas.

Third, it improves predictability for property owners, builders, and staff by clearly identifying the areas where the code applies through an adopted boundary map.

Fourth, it bans fireworks in the WUI boundary map area.

## **FISCAL REVIEW**

Adoption of the ordinance itself is not expected to create a major immediate budget impact beyond standard administrative, mapping, permitting, and enforcement activities.

## **LEGAL REVIEW**

The City Attorney has approved this as to form.

## **ALTERNATIVES**

### **Alternative 1: Adopt the ordinance and boundary map as presented.**

This option aligns the City with state requirements and establishes clear standards for applicable areas.

### **Alternative 2: Continue the item and direct staff to revise the ordinance, map, or implementation details.**

This option allows refinement of local boundary lines, administration, and public communication, but delays formal adoption.

### **Alternative 3: Do not adopt the ordinance.**

This option would leave the City out of alignment with the state direction requiring municipalities to adopt and enforce the WUI building standard for incorporated areas within a county.

## **CONCLUSION**

Staff recommends that the City Council adopt an ordinance adopting the Utah Wildland Urban Interface Code, together with the associated Ephraim City Wildland Urban Interface Boundary Map.

### **Suggested Motion**

“I move that the City Council adopt Ordinance No. [\_\_\_\_], adopting the Utah Wildland Urban Interface Code and the Ephraim City Wildland Urban Interface Boundary Map.”

**EPHRAIM CITY  
ORDINANCE ECO 26-02**

**AN ORDINANCE ENACTING THE UTAH WILDLAND URBAN INTERFACE**

**AN ORDINANCE ENACTING TITLE 4, CHAPTER 04, SECTION 130 TO ADOPT  
THE UTAH WILDLAND URBAN INTERFACE CODE; PROVIDING FOR  
REPEALER; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN  
EFFECTIVE DATE**

**WHEREAS**, the State of Utah has adopted the Utah Wildland Urban Interface Code (“UWUI Code”) as part of the statewide fire code requirements;

**WHEREAS**, state law requires all municipalities to adopt and enforce the UWUI Code to promote consistency in public safety regulations; reduce wildfire risk, and protect lives, property, and natural resources;

**WHEREAS**, Ephraim City has previously adopted certain uniform and standard building, fire, and safety codes;

**WHEREAS**, adoption of the UWUI Code will provide additional standards, requirements, and mitigation measures for development, construction, and maintenance within areas subject to increased wildfire risk within City limits; and

**WHEREAS**, the City Council finds that adopting the UWUI Code is necessary and appropriate to protect public health, safety, and welfare, and is consistent with the City’s responsibility to implement and enforce state mandated fire and building codes.

**NOW THEREFORE**, be it ordained by the Council of the Ephraim City, in the State of Utah, as follows:

**SECTION 1:** **ADOPTION** “4.04.130 Utah Wildland Urban Interface” of the Ephraim City Municipal Code is hereby *added* as follows:

**BEFORE ADOPTION**

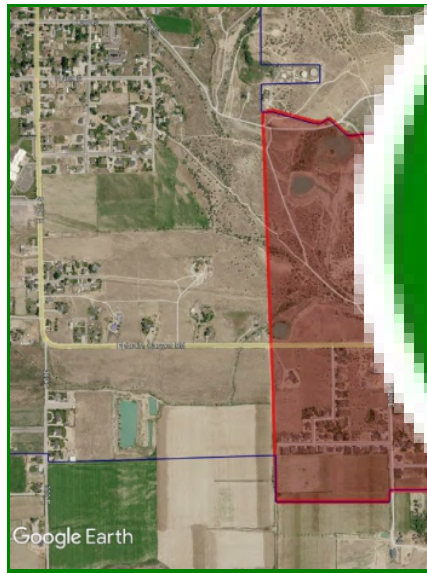
4.04.130 Utah Wildland Urban Interface (Non-existent)

**AFTER ADOPTION**

4.04.130 Utah Wildland Urban Interface(*Added*)

The provisions of the current edition of the Utah Wildland Urban Interface Code, as adopted by the State of Utah, are adopted.

The map presented in City Council council is also hereby adopted.



Discharge of fireworks of any type are hereby prohibited within the Wildland Urban Interface Area as show on the map above.

**SECTION 2: REPEALER CLAUSE** All ordinances or resolutions or parts thereof, which are in conflict herewith, are hereby repealed.

**SECTION 3: SEVERABILITY CLAUSE** Should any part or provision of this Ordinance be declared by the courts to be unconstitutional or invalid, such decision shall not affect the validity of the Ordinances a whole or any part thereof other than the part so declared to be unconstitutional or invalid.

**SECTION 4: EFFECTIVE DATE** This ordinance being necessary for the peace, health and safety of the City, shall become effective immediately upon posting.

PASSED AND ADOPTED BY THE EPHRAIM CITY COUNCIL

	<b>AYE</b>	<b>NAY</b>	<b>ABSENT</b>	<b>ABSTAIN</b>
Councilmember Nordfelt	_____	_____	_____	_____
Councilmember Birch	_____	_____	_____	_____
Councilmember Beal	_____	_____	_____	_____
Councilmember Steck	_____	_____	_____	_____
Councilmember Dalene	_____	_____	_____	_____
Presiding Officer				Attest

\_\_\_\_\_  
Chris Larsen, Mayor, Ephraim City

\_\_\_\_\_  
Candice Maudsley, Recorder, Ephraim City



**EPHRAIM CITY COUNCIL**

**MEETING DATE: MARCH 18, 2026**

**TO:** MAYOR AND COUNCIL  
**FROM:** JEFF HERMANSEN, FIRE CHIEF, FIRE DEPARTMENT  
**SUBJECT:** FIRE CODE AMENDMENT  
**AGENDA TYPE:** ACTION

**EXECUTIVE SUMMARY**

Updating this ordinance will adjust the inspection timeframe and provide clearer, more understandable guidelines.

It is recommended that the ordinance be updated to clearly define inspection requirements and establish a consistent schedule:

- **Short-term rentals** – inspected **annually** for safety and maintenance compliance, including smoke and carbon monoxide detectors, fire extinguishers, electrical and plumbing systems, and general habitability.
- **Apartments, large apartment complexes, and townhomes** – inspected **annually** with the same safety and maintenance focus.
- **Home-based businesses with public visits** – inspected **every other year** to ensure safe conditions for both customers and occupants.
- **Single-family homes and duplexes** – removed from the inspection program to allow inspection resources to focus on higher-density properties.

This structured schedule ensures clarity, prioritizes resources for properties with higher public exposure, and maintains consistent safety standards across inspected properties

**BACKGROUND**

Most fire inspection programs focus on **commercial and multi-family occupancies**, not small residential buildings.

Fire departments typically:

- **Do NOT perform routine fire inspections on R-3 (single-family or duplex) homes.**

### **Why single-family and duplexes are often excluded**

- They are considered **private residential property**.
- Safety is mostly covered during **building permits and construction inspections**.
- Fire departments prioritize **higher-risk occupancies** with more occupants.

#### **Bottom line:**

Many jurisdictions remove **single-family homes and duplexes from routine fire inspections** and only inspect **apartments, commercial, and public buildings**.

## **ANALYSIS**

### **1. Exempt Low-Risk Residential Buildings**

Remove routine inspections for:

- Single-family dwellings
- Duplexes
- Owner-occupied residential structures

These are typically classified as **R-3 occupancies** under the International Code Council's International Fire Code.

### **2. Focus on Higher-Risk Buildings**

Shift inspections to buildings where fire risk and life safety concerns are greater:

#### **Annual inspections**

- Schools
- Daycares
- Assisted living / care facilities
- Bars and nightclubs
- Large assembly occupancies
- Restaurants
- Retail stores
- Offices
- Warehouse
- Manufacturing

## **FISCAL REVIEW**

Removing duplexes from the routine inspection program is expected to reduce annual inspection activity by fewer than 20 inspections, or less than \$1,000 in annual fee revenue based on the current \$50 inspection fee. Staff anticipates this revenue reduction can be absorbed within the existing Fire Department budget and will be offset operationally by allowing inspection resources to be focused on higher-risk occupancies.

## **LEGAL REVIEW**

The City Attorney has approved this as to form.

## **ALTERNATIVES**

1. **Approve the ordinance amendment as proposed.** This option would clarify the inspection schedule, focus staff resources on higher-risk occupancies, and remove single-family homes and duplexes from the routine inspection program.
2. **Approve the ordinance amendment with changes.** Council could modify the proposed inspection schedule, including adjusting inspection frequencies or retaining some level of inspection for duplexes or other residential occupancies. This option would allow Council to provide additional policy direction while still updating the ordinance.
3. **Take no action.** This option would leave the current ordinance in place and maintain the existing inspection requirements and schedule.

## **CONCLUSION**

Staff recommends approval of the proposed fire code amendment. The amendment would clarify inspection requirements, create a more consistent inspection schedule, and focus staff resources on occupancies with greater life-safety risk and public exposure.

## **SUGGESTED MOTION:**

I move to approve the proposed fire code amendment revising the City's routine fire inspection schedule to require annual inspections for short-term rentals and multi-family residential properties, biennial inspections for home-based businesses with public visits, and to remove single-family homes and duplexes from the routine inspection program.

**EPHRAIM CITY  
ORDINANCE ECO 26-04**

**NOW THEREFORE**, be it ordained by the Council of the Ephraim City, in the State of Utah, as follows:

**SECTION 1:**        **AMENDMENT** “3.36.030 Application For License” of the Ephraim City Municipal Code is hereby *amended* as follows:

A M E N D M E N T

3.36.030 Application For License

- A. **Information Required:** No occupancy shall be allowed without first making application and obtaining a license. Applications for licenses to conduct business shall provide the following information to the City Treasurer:
1. The name of the applicant and if the applicant is an employee or agent of a corporation, the name of the corporation.
  2. The address of the applicant and if the applicant is an agent or employee of a corporation, the address of the corporation.
  3. A brief description of the nature of the business.
  4. The place or places within the City where the applicant proposes to carry on his or her business.
- B. Inspection: Prior to the issuance of any initial license, each place where the applicant proposes to carry on a business shall be inspected by a City-approved official to certify compliance with current fire and life-safety code provisions for the health, safety, and welfare of the structure and its occupants. Any dwelling unit that a person utilizes to rent, lease, or sublet on a short-term basis for the purpose of gain or economic profit shall be inspected initially and every year thereafter. Any dwelling unit utilized for a business activity in which clients, customers, students, or other invitees come into the home shall be inspected initially and every other year thereafter for certification of compliance with current fire and life-safety requirements. Inspections conducted under this section shall be limited to fire-code matters and the identification or abatement of conditions that constitute a fire hazard, and shall not require upgrades beyond those required for existing residential occupancies under the adopted fire code. The City does not impose periodic inspection requirements on single family and duplex dwelling units rented, leased, or sublet on a long-term basis. Triplexes and multifamily dwelling units will be inspected annually (Ord. 7-20-94, 7-20-1994).
- C. ~~Inspection: Prior to the issuance of any initial license, each place or places where the applicant proposes to carry on their business must be inspected by a City-approved official to certify the structure meets all current building and fire codes for the health, safety and welfare of said structure and occupants. Any dwelling unit that a person utilizes to rent, lease, or sublet on a short term basis~~

~~for the purpose of gain or economic profit shall be inspected initially and every third year thereafter. Any dwelling unit that a person utilizes to rent, lease, or sublet on a long term basis for the purpose of gain or economic profit shall be inspected initially and every five (5) years thereafter. (Ord. 7-20-94, 7-20-1994)~~

**SECTION 2:****AMENDMENT** “3.36.010 Definitions - Landlord Registry License” of the Ephraim City Municipal Code is hereby *amended* as follows:

**AMENDMENT**

3.36.010 Definitions - Landlord Registry License

**DWELLING UNIT:** One or more rooms in a structure, designed for occupation by one family, individual, or group of individuals for living or sleeping purposes and may have kitchen facilities.

**FAMILY:** An individual, or two (2) or more persons related by blood, marriage or adoption living together as a single housekeeping unit in a dwelling unit.

**LANDLORD:** The owner of a dwelling unit, units or part thereof that is leased, rented or sublet.

**LONG TERM:** A term of not less than one year.

**SHORT TERM:** ~~A term of less than one year. (Ord. 7-20-94, 7-20-1994)~~means a residential unit or any portion of a residential unit that the owner of record or the lessee of the residential unit offers for occupancy for fewer than 30 consecutive days.

PASSED AND ADOPTED BY THE EPHRAIM CITY COUNCIL

\_\_\_\_\_.

	<b>AYE</b>	<b>NAY</b>	<b>ABSENT</b>	<b>ABSTAIN</b>
Councilmember Nordfelt	_____	_____	_____	_____
Councilmember Birch	_____	_____	_____	_____
Councilmember Beal	_____	_____	_____	_____
Councilmember Steck	_____	_____	_____	_____
Councilmember Dalene	_____	_____	_____	_____

Presiding Officer

Attest

\_\_\_\_\_  
Chris Larsen, Mayor, Ephraim City

\_\_\_\_\_  
Candice Maudsley, Recorder,  
Ephraim City

**RESOLUTION 26-05**

**AUTHORIZING AN AGREEMENT WITH CHRISTENSEN READY-MIX FOR THE 2026 STREET SEAL AND OVERLAY PROJECT**

**WHEREAS**, Ephraim City (“City”) has elected to do a street seal and overlay project; and

**WHEREAS**, the City received bids for construction of the referenced project on March 3, 2026, with the results of these bids attached hereto for the Council’s review; and

**WHEREAS**, City Staff has reviewed and evaluated each response to the Request for Proposals and has found it to be in the best interest of the City and citizens of Ephraim City to conditionally select Christensen Ready-Mix as the contractor for the Street Seal and Overlay Project (the “project”).

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF EPHRAIM, UTAH:**

1. Christensen Ready-Mix is conditionally selected as the lowest responsive and responsible bidder with whom the City Manager, or her designee, should conduct negotiations for the project.

2. The City Manager is directed to conduct negotiations for an agreement (“Agreement”) with Christensen Ready-Mix for the project. The terms of the Agreement shall address the terms and conditions of the Request for Proposals (“RFP”) as well as the price and other responses to the RFP contained in the proposal submitted by [COMPANY] that are consistent with the intent of the RFP. The Agreement shall include such other provisions as are deemed necessary to accomplish the purposes of the City in entering an agreement for the Project.

3. At such time as the Agreement is in a form acceptable to the City Administration and after Christensen Ready-Mix has properly executed the Agreement, the City Manager is authorized to execute the Agreement on behalf of the City. Execution of the Agreement by Christensen Ready-Mix shall constitute acceptance of the Project, pursuant to the terms and conditions of the Agreement. Execution of the Agreement by the City Manage Christensen Ready-Mix r shall constitute the City's acceptance of the offer by Christensen Ready-Mix and the formal award of the contract to Christensen Ready-Mix for the Project, pursuant to the terms and conditions of the Agreement or any previously signed Agreement consistent with this resolution.

4. The final Agreement shall not exceed the bid price without further action of this council.

5. That any actions taken heretofore in furtherance of this Resolution are hereby ratified.

**PASSED AND ADOPTED** by the City Council of Ephraim, Utah, this **18<sup>th</sup> day of March, 2026**.

\_\_\_\_\_  
Chris Larsen, Mayor

ATTEST:

\_\_\_\_\_  
Candice Maudsley, City Recorder



**2026 Street 1.5 Inch Overlay & Chip Seal**

**Bid Tally - March 3, 2026**

<b>Company Name</b>	<b>Unit Price 1.5" Overlay</b>	<b>Overlay Amount</b>	<b>Unit Price Chip Seal</b>	<b>Chip Seal Amount</b>	<b>Total Bid Amount</b>
<b>Hales</b>	\$1.25	\$112,831.25	\$4.20	\$273,092.40	\$385,923.65
<b>Christensen Ready Mix</b>	\$1.13	\$101,999.45	\$3.44	\$223,675.68	\$325,675.13
<b>Geneva</b>	\$1.27	\$114,636.55	\$4.70	\$305,603.40 (sy)	\$420,239.95
<b>C&amp;B Asphalt</b>	\$1.15	\$103,804.75	\$4.50	\$292,599.00	\$396,403.75
<b>Holbrook Asphalt</b>	\$1.25	\$112,831.25	\$4.00	\$260,088.00	\$372,919.25
<b>BHI</b>	\$1.46	\$131,786.90	\$4.72	\$306,903.84	\$438,690.74
<b>Consolidating Paving &amp; Concrete</b>	\$1.40	\$126,371.00	\$4.25	\$276,343.50	\$402,714.50



## STAFF REPORT

**To:** Ephraim City Council  
**From:** Megan Spurling  
**Date of Meeting:** March 18, 2026  
**Type of Item:** Conditional Use Permit  
**Process:** Legislative Review

**RECOMMENDATION:** Staff has reviewed the application for compliance with all standards in the Ephraim City Municipal Code and found that it meets the minimum required for approval. The Ephraim City Planning Commission voted unanimously to approve this application, with the conditions of approval as found in the staff report. Accordingly, staff recommends that the Ephraim City Council review the proposed Conditional Use Permit and recommend approval if the conditions of approval can be met.

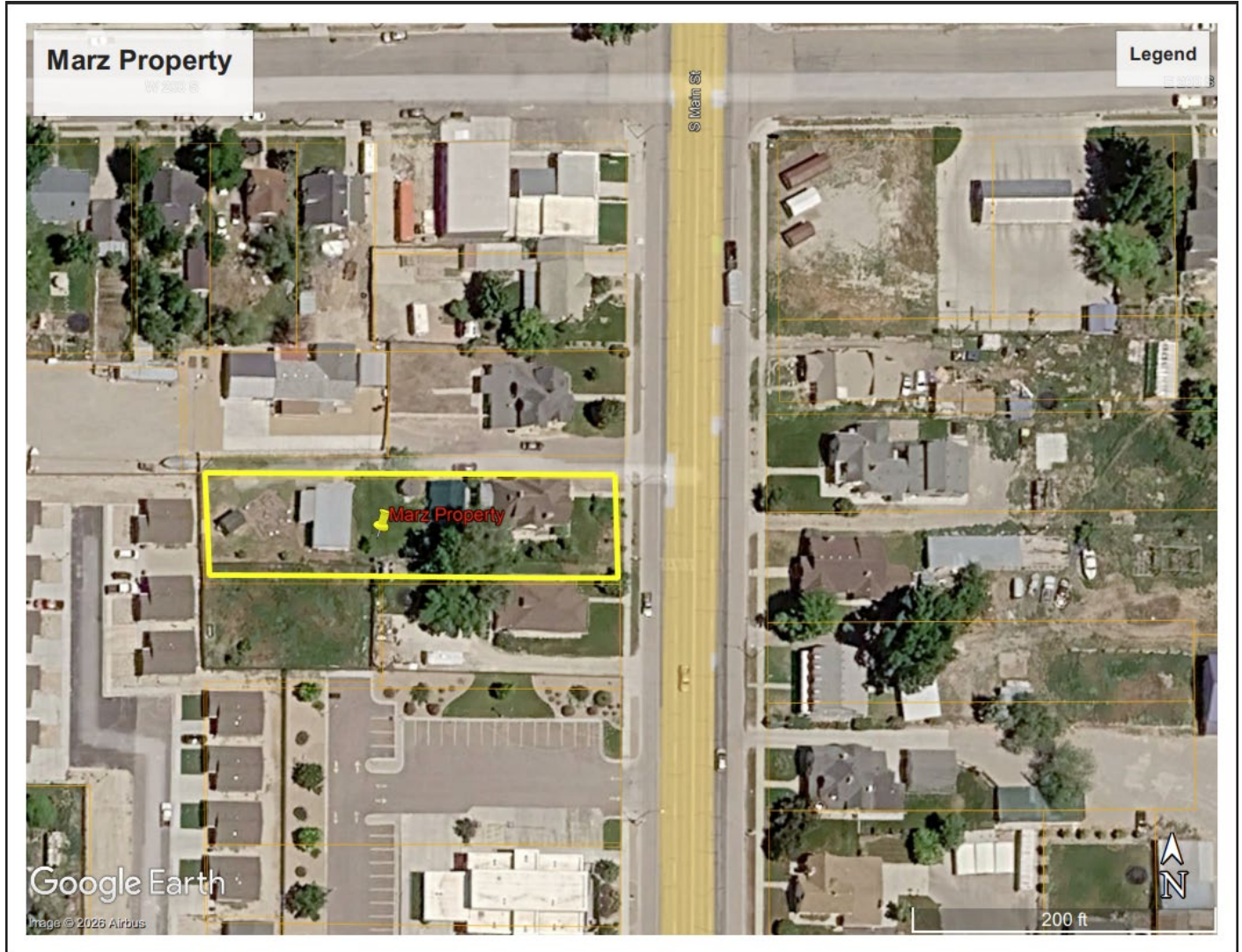
## Project Description

**Project Name:** Marz Kennel License  
**Applicant(s):** Hau Yi Marz  
**Property Owner(s):** Jackson Marz  
**Location:** 244 S Main  
**Zone District:** C1  
**Parcel Number and Size:** S-62 approx. .45 acres  
**Type of Process:** Legislative  
**Final Land Use Authority:** City Council

## Proposal

The applicant, HAU YI MARZ, is requesting a Conditional Use Permit to obtain a kennel license, to temporarily house and care for animals. The applicant would provide the needed care and then seek to find homes for the animals. The animals would be housed indoors and would receive all vaccinations and be spayed or neutered when appropriate.

# Vicinity Map



## **Analysis and Findings**

The City Council may recommend approval, approval with conditions, or denial of the proposed application.

Appropriate conditions may be placed on the application to mitigate any potential risks to surrounding neighbors. ECC 10.12.070

## **Recommendation**

Staff recommends that the Council consider the issues outlined in this report regarding the proposed Conditional Use Permit Plat and recommend that the City Council approve the Conditional Use Permit based upon the following Findings of Fact and Conclusions of Law:

### **Findings of Fact**

1. Jackson Marz is the fee title owner of record for Parcel S-62
2. Parcel S-62 is .45 acres in size
3. Parcel S-62 is located at approximately 244 S Main
4. Parcel S-62 is currently zoned C1
5. The applicant is proposing to house stray animals and care for them until new homes can be found.

### **Conditions of Approval**

1. Applicant must apply for and receive a kennel license, as per city code, to house more than 4 animals, before taking in any more animals.
2. Applicant will provide proof of vaccinations for all animals within their care with their annual license renewal.
3. Animals are limited to household animals, such as cats and dogs. Goats, horses, cows, pigs and other large animals may not be kept on the property.
4. The yard and property must remain clean and free from feces with a frequent and appropriate cleaning schedule.
5. Applicant must keep animals in the rear yard area
6. Any kennels or other areas to keep the animals outside must be no less than 10 feet back from all property lines.
7. Animals must be kept within a solid fence or building to establish visual and auditory screening. If animals will be loose in the backyard, fencing must be provided.
8. No more than 10 animals may be kept on the property at a time.



## STAFF REPORT

**To:** Ephraim City Council  
**From:** Megan Spurling, City Planner  
**Date of Meeting:** March 18, 2026  
**Type of Item:** CVG Rezone  
**Process:** Legislative Review

**RECOMMENDATION:** Staff has reviewed the application for compliance with all standards in the Ephraim City Municipal Code and found that it meets the minimum required for approval. Additionally, the Ephraim City Planning Commission voted unanimously to recommend the approval of this application with the conditions of approval as found in this staff report.

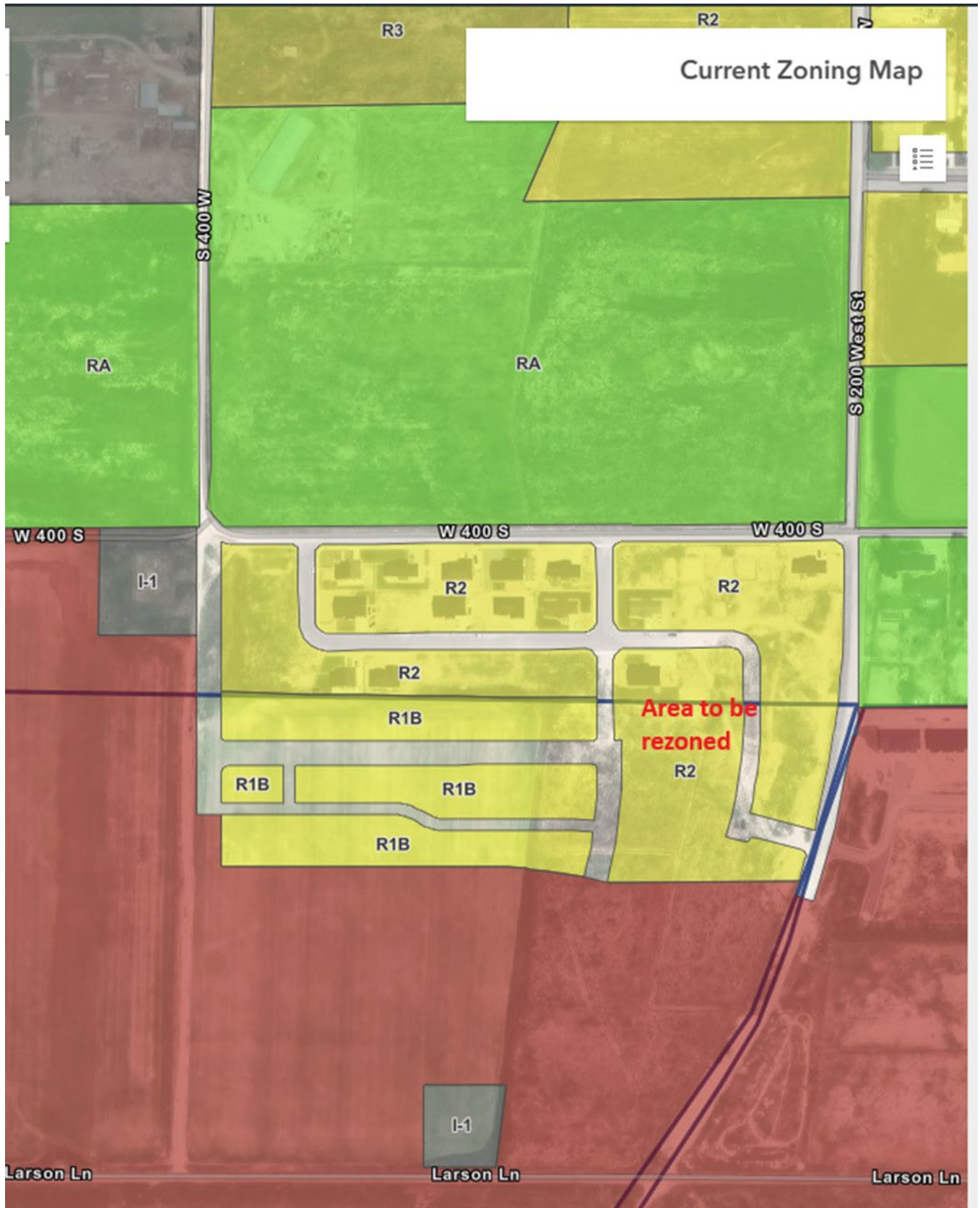
### Project Description

**Project Name:** CVG Rezone  
**Applicant(s):** Mike Ballard, CVG-Ephraim South LLC  
**Property Owner(s):** CVG Ephraim South LLC  
**Location:** Approximately: 250 W 490 S and 275 W 500 S  
**Zone District:** R2  
**Parcel Number:** 6197, 6197X and Parcels 302, 303, 304, 305, 306, 307, 308 and 309 of the Estates of Ephraim Crossing Subdivision Phase 3  
**Final Land Use Authority:** City Council

### Proposal

The applicant, Mike Ballard with CVG-Ephraim South LLC is requesting the Amendment to the Ephraim City Zoning Map to rezone property located near 250 W 490 S and 275 W 500 S to the R1B Zone for the purpose ensuring consistency with the established single-family residential development to the north. It will serve as a transitional zone between higher density residential and commercial zones. The property is currently zoned R2 and is a step down in density. This rezone requests aligns with Ephraim City's Future Land Use Map as low density residential.

### Current Zoning Map



## **Future Zoning Map**

Low Density Residential (our current zoning map is not working, so a picture is not provided)



**Standard 2:** If changing property from one zone to another, when considering any amendments to the Land Use Ordinance, the Planning Commission shall ensure compliance with the Land Use Classification Map found in the General Plan. **COMPLIES**

**Analysis:** The future land use map shows this land as “Low Density Residential”. The proposal to amend the Zoning Map to include this area within the R1B zoning district is consistent with the goals and objectives of the Ephraim General Plan.

For informational purposes, Staff has added a use chart analysis as Exhibit A to this report. While allowed and permitted uses are not a specific standard to be used in determining whether an amendment to the Zoning Map is appropriate in a location, Staff is including the information so that the Planning Commission and members of the public may fully understand the potential use changes that amending the Zoning Map would entail.

### **Recommendation**

Staff recommends that the Council consider the issues outlined in this report regarding the proposed Zoning Map Amendment and vote to recommend approval or denial of the proposed amendment based upon the following Findings of Fact and Conclusions of Law:

#### **Findings of Fact**

1. CVG-Ephraim South is listed as the fee title owner of record for Parcels 6197, 6197X and Parcels 302, 303, 304, 305, 306, 307, 308 and 309 of the Estates of Ephraim Crossing Subdivision Phase 3
2. 6197, 6197X and Parcels 302, 303, 304, 305, 306, 307, 308 and 309 of the Estates of Ephraim Crossing Subdivision Phase 3 are located approximately 250 W 490 S and 275 W 500 S
3. Parcel are currently zoned R2 (Medium Density Residential)
4. The Ephraim City Planning and Zoning Commission will hold a public hearing regarding the proposed amendment on March 11, 2026
5. This application has been noticed appropriately .
6. This will be a step down in zoning.

#### **Conclusions of Law**

1. Based upon the findings of fact listed above, the proposed Amendment to the Ephraim City Zoning Map complies with the standards as described in the Ephraim City Municipal Code.

#### **Conditions of Approval**

1. A Subdivision Amendment must be completed through Ephraim City and recorded with the Sanpete County Recorder.
2. The lots must be between 60-80 feet wide as specified in the application.
3. No lot may be under 6,000 square feet
4. These parcels will no longer be eligible for multi-family dwellings.
5. These parcels will not qualify for detached accessory dwellings.

**Attachments:**

Exhibit A – Use Chart Comparison for R1B and R2

**Exhibit A**

The following selection from the Ephraim City Land Use Matrix shows the current zone and the proposed zone for the subject property. The table only displays instances where the zoning differs for specific uses. Should the Amendment to the Ephraim City Zoning Map be approved by the Ephraim City Council, the uses listed below in the Industrial column would be available as uses on the subject property. Uses shown in the RA column would no longer be available as uses on the subject property.

For the complete Land Use Matrix including all uses for all zoning districts please visit <https://ephraim.municipalcodeonline.com/book?type=ordinances#name=10.20.030> Table B: Land Use Matrix

	R1A & R1B	R2
Accessory uses buildings customarily incidental to permitted uses	P	P
Accessory buildings and uses customarily incidental to conditional uses	C	C
Agricultural industry or related business		
Animal hospital		

Apiary - beehives (Up to 5 beehives)	P	P
Apiary-beehives (More than 5 beehives)		
Art needlework shop; art shop; art supply		
Automatic car wash		
Automobile or recreation vehicle sales, service, lease, rental and repair, new or used		
Automobile service station		
Awning sales/repair		
Bakery, retail sales		
Bank		
Barber shop		
Bath and massage (not part of medical or health spa)		
Beauty shop		
Beauty shop for pets, dog grooming		
Bed and Breakfast (2006)		C

Beer outlet, Class A, Class B		
Blacksmith shop		
Body and fender shop; tire recapping; motor vehicle, bicycle, and recreation vehicle assembling, painting, upholstering and rebuilding		
Boiler works		
Bookbinding		
Bookstore		
Bottling works		
Breweries		
Building material sales yard, outside, with sale of rock, sand, gravel and the like as an incidental part of the main business, but excluding concrete mixing		
Building material sales in an enclosed building		

Buildings and structures on slopes greater than 20%	C	C
Café, cafeteria, catering establishment, restaurant (not a drive-thru)		
Candy, confectionery, nut shop		
Carbonated and purified water sales		
Carpet and/or rug cleaning		
Cell Phone Towers – see Radio, TV and Cell Towers		
Cemetery		
Central mixing plant, related to construction industry for cement, mortar, plaster, or paving materials		
Child day care or nursery	C	C
China and/or silver shop		
Church	C	C

Clothes cleaning, dyeing, pressing, dry cleaners		
Clothing store		
Coal/fuel sales office		
Commercial Storage Units		
Construction of buildings to be sold and moved off the premise		
Convenience store with gasoline sales		
Copy store, blueprinting, Photostatting, duplicating		
Costume rental		
Dairy		
Dams and reservoirs		
Dance Clubs/Hall (2006)		
Dance Studio (2006)		
Delicatessen		
Department store		
Dramatics school	C	C
Drapery-curtain store		
Dressmaking		
Drive-ins; refreshment stand, eating place		
Drugstore		

Dry goods store		
Dude ranch, family vacation ranch		
Dwelling, Accessory Apartment (see definition)	C	P
Dwelling, Congregate Residence. Multiple tenant dwelling (more than four individuals) in an existing structure, subject to current parking requirements; ECC 10.20.050 Table D, with an occupancy of up to the lesser of two people per bedroom or 10 people per building (see definitions.) (2006)		C
Dwelling, two-family (duplex)		C
Dwelling, multiple-family (more than 4 units)		

Dwelling, four-family (fourplex)		
Dwelling, single-family	P	P
Dwelling, three-family (triplex)		
Egg candling, sales, or processing		
Elderly Facilities as defined and articulated by Utah Code §§ 10-9a-103, 10-9a-516, 10-9a-517, 10-9a-518, 10-9a-519	P	P
Electrical, appliances and fixtures, electronic instruments sales, repair and/or service		
Employment agency or employment office		
Farm or ranch housing		

Farms devoted to raising and marketing of livestock, chickens, turkeys or other fowl or poultry, fish or frogs; including wholesale and retail sales; pigs and hogs excluded		
Fix-it shop, repair shop, for household items		
Flooring, carpet repair and sales		
Florist shop		
Food processing or packaging		
Forest industry, such as a saw mill, wood products plant, etc.		
Forestry, except forest industry	P	P
Foundry		
Frozen food lockers		
Fruit or vegetable stand		
Fruit/fruit juice store		

Furniture sales, and/or repair		
Garage Repair Shops (see definition)		
Gift shop; hobby or crafts shop		
Golf Course	C	C
Greenhouse, nursery; plant materials; soil & lawn service		
Grocery; meat sales		
Group Homes, to include youth care facilities, rehabilitation and treatment centers. (as per state and federal laws)	P	P
Gunsmith		
Hardware store, not including the sale of lumber		
Hatchery		
Health Club/Spa/Gym		
Heating, ventilating, air conditioning; equipment (HVAC), sales/repair		

Home occupations (Uncontested -see definition and ECC 10.12.020 Paragraph G)	P	P
Honey extraction		
Hospital supplies		
Hospital; medical or dental clinic		
Hotel, motel, inn		
Household cleaning/repair, house equipment displays		
Ice cream shop		
Ice manufacture, storage, and sales		
Ice cream making, and/or candy making		
Incinerator, excluding hazardous materials		
Indoor auto parts sales		
Insulation sales, manufacturing, installation and service		
Interior decorating store		

Jewelry store		
Kennel		
Knitting mill		
Laboratories		
Laundry, automatic self-help		C
Laundry agency		
Leather goods		
Linen shop		
Liquor and beer sales; places for drinking liquor or beer		
Lithographing, including engraving, photo engraving		
Luggage sales		
Machine shop/Manufacturing		
Manufactured home sales and storage		
Manufacturing (Heavy)		
Manufacturing (Light)		
Medical/dental clinic, and related laboratories		

Milk distributing station; sale of dairy products, excluding processing/bottling		
Mobile lunch service		
Monument sales, retail		
Mortuary	C	C
Motion picture studio		
Motorboat sales		
Music store		
Notions, variety store		
Novelty shop, variety store		
Office, business or professional		
Office, Low Impact Business or Professional (see definition)		C
Office, supply; office machines sales, repair		
Oil burner shop		
Optometrist; oculist		
Ornamental iron manufacturing and sales		
Package agency		

Painter/paint store		
Parking lot	P	P
Personal agriculture, gardening, tilling of the soil; for personal consumption or resale	P	P
Personal agriculture, including grazing and pasturing of animals		
Pest extermination and control office		
Pet shop		
Photographer or photography shop, sales and service		
Planeing mill		
Plumbing shop		
Popcorn and/or nut shop		
Printing, including engraving, photo engraving		

Private educational institution having a curriculum similar to that ordinarily given in public schools	C	C
Privately owned utility transmission lines which serve inter-regional areas		
Public owned parks and recreational facilities	P	P
Public stable, riding academy or riding ring, horse show barns or facilities		
Public use, essential services	P	P
Radio and television station		
Radio, Television, and Cell phone towers (2006)		
Radio and television sales and repair		
Reception center and/or wedding chapel	C	

Recreation vehicles, rentals, leases, sales and service, outdoor and indoor		
Residences for persons with a disability (see Utah Code § 10-9a-5120)	P	P
Restaurant supply		
Retail buildings: less than 20,000 square feet in total floor space		
Retail Buildings: floor space greater than or equal to 20,000 square feet		
Roofing sales		
Sandblasting		
Saw mill		
Second-hand shop, antiques, conducted within a building or enclosure	C	
Seed/feed store		
Sewing machine shop		
Sexually oriented businesses		

Shoe shop; shoeshine; shoe repair		
Sign shop, sign painting shop		
Solar Panels: In accordance with Ephraim City Net Metering Ordinance	P	P
Solar Farms: (Utility Scale Power Generation)		
State store		
Stationary and greeting card sales		
Storage, placement, keeping, locating, parking, maintaining, and keeping of agricultural equipment		
Storage, placement, keeping, locating, parking, maintaining, keeping of commercial, construction, military surplus, or specialized equipment		
Tailor shop		
Taxidermist		

<p>Temporary buildings for uses incidental to construction work, including living quarters for a guard or night watchman, which buildings must be removed upon completion or abandonment of the construction work</p>	<p>C</p>	<p>C</p>
<p>Tire shop, sales and repair</p>		
<p>Tire, recycling into fuels and useable products</p>		
<p>Tire retreading, or vulcanizing</p>		
<p>Tobacco shop</p>		
<p>Towel and linen supply service</p>		
<p>Travel bureau</p>		

Treatment of materials from sand and grease interceptors, resulting in inert materials		
Truck wash		
Truck and heavy equipment service station and repair facility		
Upholstering, including mattress manufacture rebuilding or renovating		
Upholstery shop		
Veterinary		
Wallpaper store		
Weaving		
Welding shop		
Wholesale business		
Windmills (self standing towers) (not including windmills integrated into typical building equipment and/or accessories)		



## STAFF REPORT

**To:** Ephraim City Council  
**From:** Megan Spurling, City Planner  
**Date of Meeting:** March 18, 2026  
**Type of Item:** General Plan Amendment  
**Process:** Legislative Review

**RECOMMENDATION:** Staff has reviewed the application for compliance with the applicable standards of the Ephraim City Municipal Code and determined that it meets the minimum requirements for approval. The Ephraim City Planning Commission also reviewed the application and issued a split vote. Commissioners Larry Smith and Carol Jacobsen voted in favor of the application, while Planning Commission Chair Lisa Murray and Commissioner Desiree Funk voted in opposition. The opposing votes cited concerns that the parcel is located within a residential area, that the proposed rezone does not align with the General Plan, and that insufficient information was provided regarding the intended use of the property should the amendment be approved. Staff does not recommend approval, as it does not align with the General Plan and the intended use, while needed, does not fit the area.

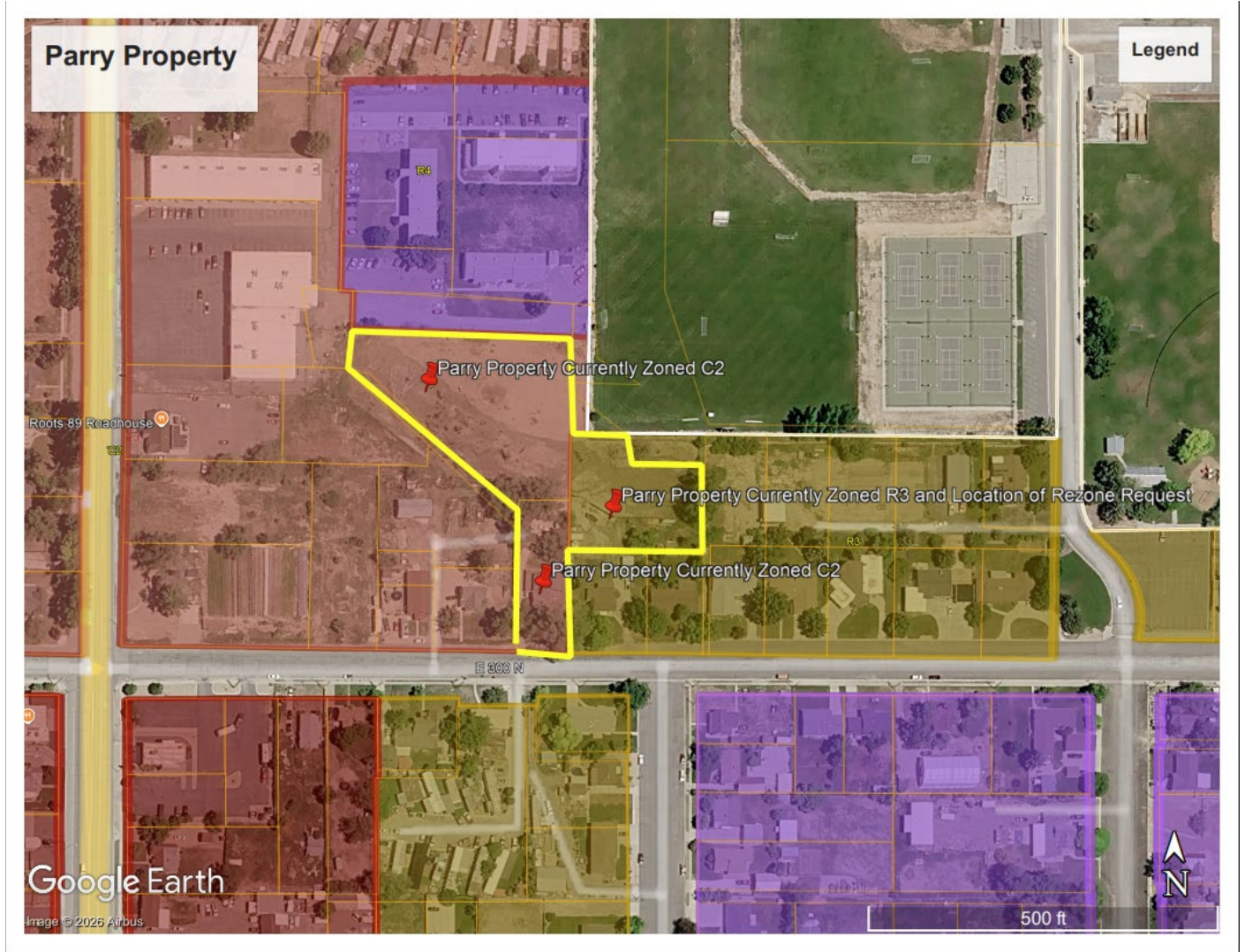
### Project Description

**Project Name:** Parry General Plan Amendment  
**Applicant(s):** Cody Parry  
**Property Owner(s):** Cody Parry  
**Location:** Located behind 75 and 95 E 300 N (Approximately)  
**Zone District:** R3  
**Parcel Number:** S-625x3  
**Type of Process:** Legislative  
**Final Land Use Authority:** City Council

### Proposal

The applicant, Cody Parry, is requesting an amendment to the General Plan to rezone parcel S-625x3 from R3 to C2. The Ephraim City Future Land Use Map shows this property remaining Medium Density Residential. If approval is granted for a General Plan Amendment, the applicant will request a rezone and would like to use the property to establish a RV Park for public use.

# Current Zoning Map



## Current Future Plan

The Ephraim City Future Plan shows this property remaining Medium Density Residential. At the time of this report, our map display is not working, so no picture is provided.

## Analysis and Findings

The City Council may recommend approval, approval with conditions, or denial of the proposed map amendment.

Section 10.04.060 of the Ephraim City Code provides the standards which should be met to amend the zoning map.

**Standard 1:** The Planning Commission shall hold a Public Hearing that has been properly noticed. **COMPLIES**

**Analysis:** This item has been properly noticed as a public hearing and notice of the hearing was mailed to all adjacent property owners.

**Standard 2:** If changing property from one zone to another, when considering any amendments to the Land Use Ordinance, the Planning Commission shall ensure compliance with the Land Use Classification Map found in the General Plan. **DOES NOT COMPLY**

**Analysis:** The future land use map shows this land as “Medium Density Residential”. The proposal to amend the Zoning Map to include this area within the Mixed Use Commercial (C2) zoning district is not consistent with the goals and objectives of the Ephraim General Plan.

## Recommendation

1. While Staff recognizes the community’s need for additional RV park facilities, this site is not recommended. The location poses operational challenges for large vehicles, which would be required to navigate through adjoining commercial and residential parking areas, potentially impacting safety, traffic circulation, and access.
2. If the City Council chooses to approve the rezone request, the applicant will be required to demonstrate legal access to the property, as the current access is limited to emergency access only. This will need to be provided before the zone is changed.
3. Staff recommends that the Council consider the issues outlined in this report regarding the proposed Zoning Map Amendment and vote to recommend approval or denial of the

proposed amendment to the Ephraim City Council based upon the following Findings of Fact and Conclusions of Law:

**Findings of Fact**

1. Cody Parry is the fee title owner of Parcel S-625x3.
2. The Parcel is located behind 75 and 95 E 300 N
3. The Parcel is currently zoned R3 (Medium Density Residential)
4. The applicant proposes an Amendment to the Ephraim City Zoning Map to change the zoning to Mixed Use Commercial (C2)
5. The Ephraim City Planning and Zoning Commission will hold a public hearing regarding the proposed amendment on March 11, 2026
6. The combined parcels are approximately .71 acres.
7. The applicant is has applied for a General Plan Amendment and it has been noticed appropriately.

**Conclusions of Law**

1. Based upon the findings of fact listed above, the proposed Amendment to the Ephraim City Zoning Map does not comply with the standards as described in the Ephraim City Municipal Code.



## STAFF REPORT

**To:** Ephraim City Council  
**From:** Megan Spurling, City Planner  
**Date of Meeting:** March 11, 2026  
**Type of Item:** Rezone Request  
**Process:** Legislative Review

**RECOMMENDATION:** Staff has reviewed the application for compliance with the applicable standards of the Ephraim City Municipal Code and determined that it meets the minimum requirements for approval. The Ephraim City Planning Commission also reviewed the application and issued a split vote. Commissioners Larry Smith and Carol Jacobsen voted in favor of the application, while Planning Commission Chair Lisa Murray and Commissioner Desiree Funk voted in opposition. The opposing votes cited concerns that the parcel is located within a residential area, that the proposed rezone does not align with the General Plan, and that insufficient information was provided regarding the intended use of the property should the amendment be approved. Staff does not recommend approval, as it does not align with the General Plan and the intended use, while needed, does not fit the area.

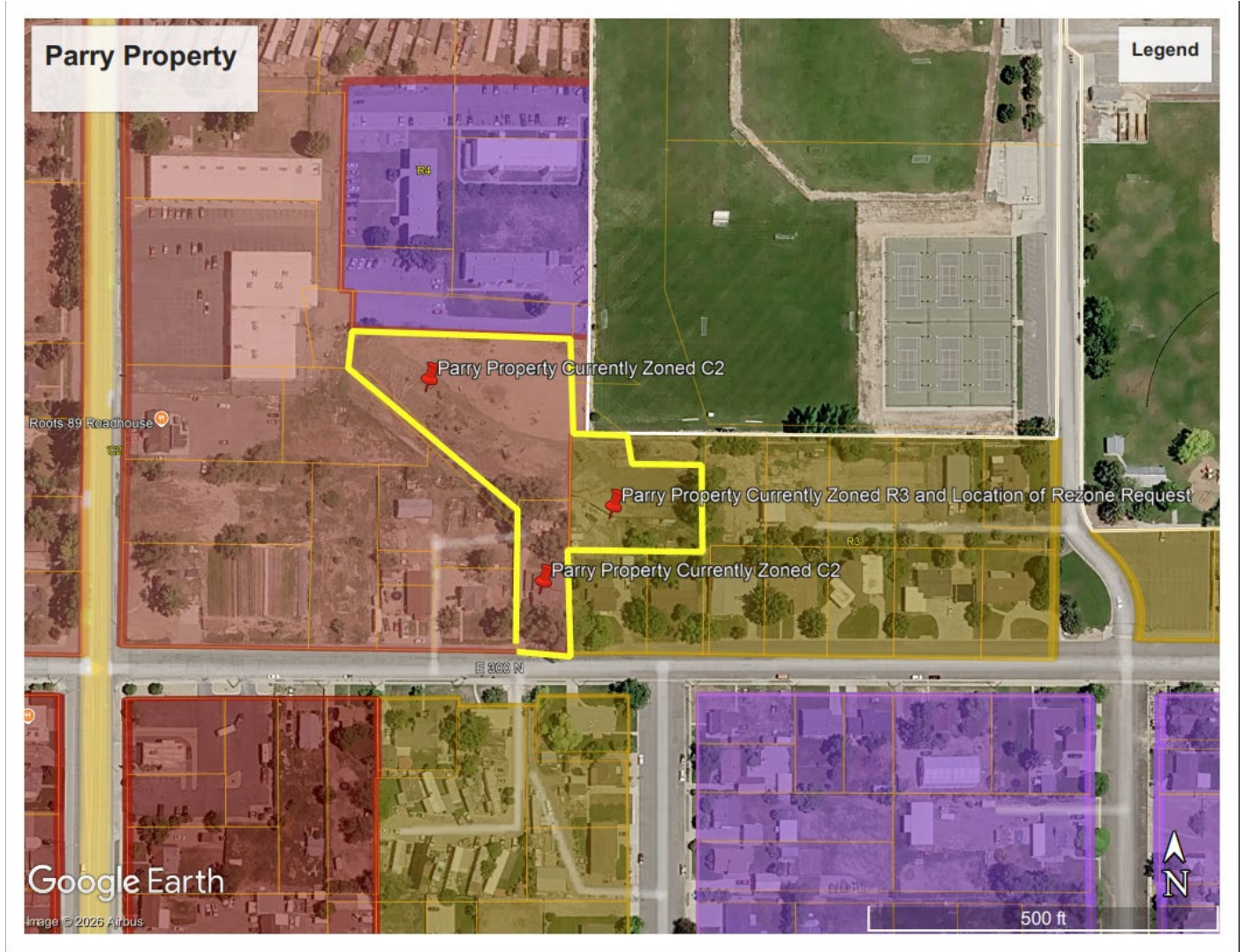
### Project Description

Project Name: Parry Rezone  
Applicant(s): Cody Parry  
Property Owner(s): Cody Parry  
Location: Located behind 75 and 95 E 300 N (Approximately)  
Zone District: R3  
Parcel Number: S-625x3  
Type of Process: Legislative  
Final Land Use Authority: City Council

### Proposal

The applicant, Cody Parry, is requesting a rezone to the current Ephraim City zoning map, to rezone parcel S-625x3 from R3 to C2. The Ephraim City Future Land Use Map shows this property remaining Medium Density Residential. If approval to rezone the property is granted, the applicant would like to use the property to establish a RV Park for public use.

# Current Zoning Map



## Current Future Plan

The Ephraim City Future Plan shows this property remaining Medium Density Residential. At the time of this report, our map display is not working, so no picture is provided.

## Analysis and Findings

The City Council may recommend approval, approval with conditions, or denial of the proposed map amendment to the City Council.

Section 10.04.060 of the Ephraim City Code provides the standards which should be met to amend the zoning map.

**Standard 1:** The Planning Commission shall hold a Public Hearing that has been properly noticed. **COMPLIES**

**Analysis:** This item has been properly noticed as a public hearing and notice of the hearing was mailed to all adjacent property owners.

**Standard 2:** If changing property from one zone to another, when considering any amendments to the Land Use Ordinance, the Planning Commission shall ensure compliance with the Land Use Classification Map found in the General Plan. **DOES NOT COMPLY**

**Analysis:** The future land use map shows this land as “Medium Density Residential”. The proposal to amend the Zoning Map to include this area within the Mixed Use Commercial (C2) zoning district is not consistent with the goals and objectives of the Ephraim General Plan.

## Recommendation

1. While Staff recognizes the community’s need for additional RV park facilities, this site is not recommended. The location poses operational challenges for large vehicles, which would be required to navigate through adjoining commercial and residential parking areas, potentially impacting safety, traffic circulation, and access.
2. If the City Council chooses to approve the rezone request, the applicant will be required to demonstrate legal access to the property, as the current access is limited to emergency access only. This will need to be provided before the zone is changed.

- Staff recommends that the Council consider the issues outlined in this report regarding the proposed Zoning Map Amendment and vote to recommend approval or denial of the proposed amendment based upon the following Findings of Fact and Conclusions of Law:

**Findings of Fact**

- Cody Parry is the fee title owner of Parcel S-625x3.
- The Parcel is located behind 75 and 95 E 300 N
- The Parcel is currently zoned R3 (Medium Density Residential)
- The applicant proposes an Amendment to the Ephraim City Zoning Map to change the zoning to Mixed Use Commercial (C2)
- The Ephraim City Planning and Zoning Commission will hold a public hearing regarding the proposed amendment on March 11, 2026
- The combined parcels are approximately .71 acres.
- The applicant has applied for a General Plan Amendment and it has been noticed appropriately.

**Conclusions of Law**

- Based upon the findings of fact listed above, the proposed Amendment to the Ephraim City Zoning Map does not comply with the standards as described in the Ephraim City Municipal Code.

**Attachments:**

Exhibit A – Use Chart Comparison for R3 and C2 Districts.

**Exhibit A**

The following selection from the Ephraim City Land Use Matrix shows the current zone and the proposed zone for the subject property. The table only displays instances where the zoning differs for specific uses. Should the Amendment to the Ephraim City Zoning Map be approved by the Ephraim City Council, the uses listed below in the Industrial column would be available as uses on the subject property. Uses shown in the RA column would no longer be available as uses on the subject property.

For the complete Land Use Matrix including all uses for all zoning districts please visit <https://ephraim.municipalcodeonline.com/book?type=ordinances#name=10.20.030> Table B: Land Use Matrix

	R3	C2
Accessory uses buildings customarily incidental to permitted uses	P	P
Accessory buildings and uses customarily incidental to conditional uses	C	C
Agricultural industry or related business		

Animal hospital		
Apiary - beehives (Up to 5 beehives)	P	P
Apiary-beehives (More than 5 beehives)		
Art needlework shop; art shop; art supply		C
Automatic car wash		
Automobile or recreation vehicle sales, service, lease, rental and repair, new or used		
Automobile service station		
Awning sales/repair		
Bakery, retail sales		P
Bank		C
Barber shop		C
Bath and massage (not part of medical or health spa)		
Beauty shop		C
Beauty shop for pets, dog grooming		
Bed and Breakfast (2006)	C	P
Beer outlet, Class A, Class B		
Blacksmith shop		
Body and fender shop; tire recapping; motor vehicle, bicycle, and recreation vehicle assembling, painting, upholstering and rebuilding		
Boiler works		
Bookbinding		
Bookstore		P
Bottling works		
Breweries		
Building material sales yard, outside, with sale of rock, sand, gravel and the like as an incidental part of the main business, but excluding concrete mixing		
Building material sales in an enclosed building		
Buildings and structures on slopes greater than 20%	C	C
Café, cafeteria, catering establishment, restaurant (not a drive-thru)		P
Candy, confectionery, nut shop		P
Carbonated and purified water sales		
Carpet and/or rug cleaning		
Cell Phone Towers – see Radio, TV and Cell Towers		C
Cemetery		
Central mixing plant, related to construction industry for cement, mortar, plaster, or paving materials		
Child day care or nursery	C	
China and/or silver shop		
Church	C	

Clothes cleaning, dyeing, pressing, dry cleaners		
Clothing store		C
Coal/fuel sales office		
Commercial Storage Units		
Construction of buildings to be sold and moved off the premise		
Convenience store with gasoline sales		
Copy store, blueprinting, Photostatting, duplicating		C
Costume rental		
Dairy		
Dams and reservoirs		
Dance Clubs/Hall (2006)		C
Dance Studio (2006)		P
Delicatessen		P
Department store		C
Dramatics school	C	
Drapery-curtain store		
Dressmaking		
Drive-ins; refreshment stand, eating place		P
Drugstore		C
Dry goods store		C
Dude ranch, family vacation ranch		
Dwelling, Accessory Apartment (see definition)	P	P
Dwelling, Congregate Residence. Multiple tenant dwelling (more than four individuals) in an existing structure, subject to current parking requirements; ECC 10.20.050 Table D, with an occupancy of up to the lesser of two people per bedroom or 10 people per building (see definitions.) (2006)	C	P
Dwelling, two-family (duplex)	C	C
Dwelling, multiple-family (more than 4 units)		C
Dwelling, four-family (fourplex)		C
Dwelling, single-family	P	P
Dwelling, three-family (triplex)		C
Egg candling, sales, or processing		
Elderly Facilities as defined and articulated by Utah Code §§ 10-9a-103, 10-9a-516, 10-9a-517, 10-9a-518, 10-9a-519	P	P
Electrical, appliances and fixtures, electronic instruments sales, repair and/or service		
Employment agency or employment office		C
Farm or ranch housing		
Farms devoted to raising and marketing of livestock, chickens, turkeys or other fowl or poultry, fish or frogs; including wholesale and retail sales; pigs and hogs excluded		

Fix-it shop, repair shop, for household items		
Flooring, carpet repair and sales		
Florist shop		P
Food processing or packaging		
Forest industry, such as a saw mill, wood products plant, etc.		
Forestry, except forest industry	P	P
Foundry		
Frozen food lockers		
Fruit or vegetable stand		P
Fruit/fruit juice store		P
Furniture sales, and/or repair		
Garage Repair Shops (see definition)		
Gift shop; hobby or crafts shop		C
Golf Course	C	
Greenhouse, nursery; plant materials; soil & lawn service		
Grocery; meat sales		
Group Homes, to include youth care facilities, rehabilitation and treatment centers. (as per state and federal laws)	P	C
Gunsmith		
Hardware store, not including the sale of lumber		
Hatchery		
Health Club/Spa/Gym		C
Heating, ventilating, air conditioning; equipment (HVAC), sales/repair		
Home occupations (Uncontested -see definition and ECC 10.12.020 Paragraph G)	P	
Honey extraction		
Hospital supplies		
Hospital; medical or dental clinic		
Hotel, motel, inn		
Household cleaning/repair, house equipment displays		
Ice cream shop		P
Ice manufacture, storage, and sales		
Ice cream making, and/or candy making		
Incinerator, excluding hazardous materials		
Indoor auto parts sales		
Insulation sales, manufacturing, installation and service		
Interior decorating store		
Jewelry store		
Kennel		
Knitting mill		
Laboratories		

Laundry, automatic self-help	C	P
Laundry agency		P
Leather goods		
Linen shop		
Liquor and beer sales; places for drinking liquor or beer		
Lithographing, including engraving, photo engraving		
Luggage sales		
Machine shop/Manufacturing		
Manufactured home sales and storage		
Manufacturing (Heavy)		
Manufacturing (Light)		
Medical/dental clinic, and related laboratories		
Milk distributing station; sale of dairy products, excluding processing/bottling		
Mobile lunch service		
Monument sales, retail		
Mortuary	C	
Motion picture studio		
Motorboat sales		
Music store		C
Notions, variety store		
Novelty shop, variety store		
Office, business or professional		
Office, Low Impact Business or Professional (see definition)	C	
Office, supply; office machines sales, repair		
Oil burner shop		
Optometrist; oculist		
Ornamental iron manufacturing and sales		
Package agency		
Painter/paint store		
Parking lot	P	P
Personal agriculture, gardening, tilling of the soil; for personal consumption or resale	P	P
Personal agriculture, including grazing and pasturing of animals		
Pest extermination and control office		
Pet shop		
Photographer or photography shop, sales and service		C
Planeing mill		
Plumbing shop		
Popcorn and/or nut shop		P
Printing, including engraving, photo engraving		

Private educational institution having a curriculum similar to that ordinarily given in public schools	C	
Privately owned utility transmission lines which serve inter-regional areas		
Public owned parks and recreational facilities	P	P
Public stable, riding academy or riding ring, horse show barns or facilities		
Public use, essential services	P	P
Radio and television station		
Radio, Television, and Cell phone towers (2006)		C
Radio and television sales and repair		
Reception center and/or wedding chapel		C
Recreation vehicles, rentals, leases, sales and service, outdoor and indoor		
Residences for persons with a disability (see Utah Code § 10-9a-5120)	P	C
Restaurant supply		
Retail buildings: less than 20,000 square feet in total floor space		
Retail Buildings: floor space greater than or equal to 20,000 square feet		
Roofing sales		
Sandblasting		
Saw mill		
Second-hand shop, antiques, conducted within a building or enclosure		C
Seed/feed store		
Sewing machine shop		
Sexually oriented businesses		
Shoe shop; shoeshine; shoe repair		
Sign shop, sign painting shop		
Solar Panels: In accordance with Ephraim City Net Metering Ordinance	P	P
Solar Farms: (Utility Scale Power Generation)		
State store		
Stationary and greeting card sales		C
Storage, placement, keeping, locating, parking, maintaining, and keeping of agricultural equipment		
Storage, placement, keeping, locating, parking, maintaining, keeping of commercial, construction, military surplus, or specialized equipment		
Tailor shop		
Taxidermist		

Temporary buildings for uses incidental to construction work, including living quarters for a guard or night watchman, which buildings must be removed upon completion or abandonment of the construction work	C	C
Tire shop, sales and repair		
Tire, recycling into fuels and useable products		
Tire retreading, or vulcanizing		
Tobacco shop		
Towel and linen supply service		
Travel bureau		
Treatment of materials from sand and grease interceptors, resulting in inert materials		
Truck wash		
Truck and heavy equipment service station and repair facility		
Upholstering, including mattress manufacture rebuilding or renovating		
Upholstery shop		
Veterinary		
Wallpaper store		
Weaving		
Welding shop		
Wholesale business		
Windmills (self standing towers) (not including windmills integrated into typical building equipment and/or accessories)		