

MINUTES OF THE HURRICANE CITY COUNCIL MEETING HELD ON JULY 2, 2015 AT 5 P.M. IN THE COUNCIL CHAMBERS AT 147 N. 870 WEST, HURRICANE, UTAH

Members present: Mayor John Bramall, Council members Pam Humphries, Kevin Tervort, and Ethelyn Humphries.

Members excused: Darin Thomas and Darin Larson.

Staff members present: Power Superintendent Dave Imlay, GIS Specialist Joe Rhodes, City Attorney Fay Reber, Assistant City Manager Kaden DeMille, City Manager Clark Fawcett, City Engineer Arthur LeBaron, Planning Director Toni Foran, Fire Chief Tom Kuhlmann.

5:00 p.m. Pre-meeting - Discussion of Agenda Items, Department Reports

Dave Imlay reported on transformers overheating and the outage on 180 West area. He said they had all 9 employees working on the outage. He pointed out the crew had difficulty finishing projects in the dark when they were getting tired. Repair included trimming trees away from the line and replacing a transformer on one of the poles that didn't fall. Mr. Imlay clarified the line that was caught by the RV to cause the outage was a cable TV line that had been reported to the cable company as too low but which they had not raised.

Dave also reported Hurricane Power hit the all-time high for peak power and peak usage since 2006. He clarified "peak power" is a point in time when power is in usage. "Peak usage" is for total power used over a 24 hour period. Peak power costs the system due to transmission charges and the need to design a system to meet that peak. The peak usage creates more income.

Dave explained the grid tied solar policy. If the policy is passed then the next step will be the rate study and which should result in base rates covering the cost of the system so solar power will work better with the system. Right now the base rate is \$11 and it really should be \$35.

Mr. Imlay explained the Carbon Free Power project is actually a nuclear power project. The final draft of the agreement includes Hurricane participation at 1.75% during the acquisition period. The City then can opt to participate for 5 KW without any additional costs. The agreement is based on a straw poll of participation for each UAMPS entity. A project management committee will set the budget for the project acquisition phase. If the City is not happy with the cost, it can

opt out at that point. If enough of the entities involved chooses to opt out, the project may not fly. The initial cost is approximately \$200,000. Dave said the site currently under consideration is the Idaho National Laboratory but UAMPS is required to investigate two other possible sites. Dave explained this technology is new and not like the Fukushima power plant. If this new plant was running and there were no more people, it would take care of itself until it shut itself down.

Tom Kuhlmann told the Council fire restrictions went into place throughout the unincorporated areas yesterday. The Fire Department has been busy. They are hoping to get the fireworks ready to launch in case they get too busy on Saturday.

Arthur LeBaron reported the 60 East project is moving ahead. The bushes have been removed and the road rough graded. 600 North is open and the punch list is being completed. Police are working to enforce the speed limits on the new road and they plan on doing some monitoring once school starts. Mr. LeBaron stated he has been working with UDOT to complete a study at the intersection of 600 North and SR-9 to consider a signal light.

He is working with the Water Department on a new storage tank and supply line on either 1300 South or 1500 South. There is a \$150,000 difference between the two projects but which project goes depends on the timeline to get right of way.

Arthur said the City Engineers and Public Works Directors around the county are working on a county wide common construction standard for public works to make it easier for contractors and developers to build in any of the county entities. Ultimately each city will need to consider whether or not they want options specific to that city. There are standards in the APWA specifications that may not be right for specific situations. Dave Imlay said it could be difficult to make that work for power systems.

Mr. LeBaron reported UDOT is looking at a project from 300 West to 700 West on SR-9. It looks like they will be happier with a median design. They gave the City an option to consider landscaping the median during this project.

Arthur and Joe Rhodes provided an exhibit and map for a proposed area to annex into the City limits that encompasses the Sand Hollow OHV area and coordinates with the proposed Senator Hatch bill. Bob Breenan and Jim Raines have proposed taking 650 acres instead of 1200 acres

out of the Sand Hollow property for a trade for development. The Congressional office and the County have requested support for the City of this plan. Joe provided a map that showed the trails affected by the proposed development land take out.

Fay Reber explained the annexation process starts with notice of intent to annex. He said there are rules for when the City can initiate an annexation but this property cannot meet the requirement of those rules. A private property owner in that area can initiate the action but they must be willing to sign any documents the City prepares to start the action. Arthur offered to contact the private property owners. Fay stated when it is time to prepare the petition, it must be signed by the majority of the owners of the private property. At this point neither property owner has been contacted.

Joe Rhodes showed the Council a newly released map updating population maps and demographic facts.

Fay Reber explained the curbside residential recycling program. The Solid Waste District has entered into an agreement with Dixie Waste to provide for curbside recycling. The choice for cities is whether or not to participate and whether or not the citizens are given a choice to opt-out of the recycling. The opt out program requires a 60 day time for citizens to opt out and that time must have been completed before November 1, 2015 because Dixie Waste must have time to order equipment to implement the service on January 1, 2016. Fay pointed out the difficulties with managing billing and collection with an opt out provision. Mayor Bramall called for a three minute break at 5:57 p.m.

Mayor Bramall called the meeting back to order at 6:03 p.m. Matthew Lemmon led the Pledge of Allegiance and Toni Foran offered prayer. Mayor Bramall invited everyone to participate in the City's 4th of July, Independence Day, events.

Approval of City Council meeting minutes: 4/16/2015 Pam Humphries motioned to approve the minutes with a correction on the first page, seconded by Kevin Tervort. Motion unanimously approved with Pam Humphries, Kevin Tervort, and Ethelyn Humphries all voting aye.

Consideration and possible approval of an ordinance allowing for the Hurricane City

Council to convene electronic meetings- Toni Foran explained the ordinance. Kevin Tervort suggested changing the notice to 24 hours and Pam Humphries asked that the term “town clerk” be changed to “City Recorder”.

Kevin Tervort motioned to approve the ordinance with the notice changed to 24 hours and City Recorder replacing town clerk. Motion was seconded by Pam Humphries. Motion unanimously approved with Pam Humphries, Kevin Tervort, and Ethelyn Humphries all voting aye.

Consideration and possible approval of a resolution establishing a Behind the Meter

Distributed Generation KWH Power Purchase rate-*Dave Imlay* explained the City has had a

policy which gives solar users full credit for power they contribute to the system. This has resulted in solar generators being subsidized by other users. This proposed rate will be added to the power rates and can be adjusted just like all the power rates. He said the meter registers power in and power out. In power from the grid will be at normal rate. Power out will be credited at the new Behind the Meter Distributed Generation KWH Power Purchase rate. Mr. Imlay said the Power Department used the Nebo power rate of about 2.5 cents per KWH and considered scheduling costs to come to a rate of 4 cents per kilowatt hour. He commented it was interesting that the rate approved tonight is the same as that adopted by both Santa Clara and Washington cities, though he did not know it until tonight. This resolution is both adopting the policy and creating the rate to include in the rate schedule.

Ethelyn Humphries asked what this does to existing solar customer. Dave said there are thirteen existing customers who will continue to be grandfathered in according to their contracts. The contracts are with the residents not the address so any new owners may have to move into the new policy. Four new customers will move into the new policy and rate. Pam Humphries stated the Power Board approved this policy and rate unanimously after months of debate.

Pam Humphries motioned to approve the resolution establishing a Behind the Meter Distributed Generation KWH Power Purchase rate, second by Ethelyn Humphries. Motion unanimously approved with Pam Humphries, Kevin Tervort, and Ethelyn Humphries all voting aye.

Dave Imlay said there will be a full rate study proposal for the Council to consider in the near future.

Discussion and Possible approval to execute the participation documents for the “Carbon Free Power Project Siting Phase Agreement” with UAMPS-Dave Imlay said this is at joint project between UAMPS, Energy Northwest, and NuScale Power and the proposed site is at the Idaho National Laboratory site. This phase is to get the studies done and the site approved and developed. Once the site is approved by DOE, a power purchase agreement will really set the cost and involvement. Right now the City is committing to pay 1.75 % of the cost. It is possible some other entities may not participate and that could change the percentage. If the percentage goes too high the City could decide not to participate. He said there have been some slight revisions since the draft was provided for the Council and if the Council would like they can approve it with the revisions or wait two weeks to have time to study the revisions. The Power Board recommends approval, though they were concerned there are no numbers yet. Mr. Imlay explained once the Project Management Committee is formed and the budget is set a participating entity has the option to opt out within five days if the cost is seen as too high. Mayor Bramall said essentially the documents mean the City is agreeing to participate with UAMPS with site selection to utilize the safest nuclear power available.

Dave stated this is a unique project because the decisions of many of the City Councils in the Intermountain West will determine how and if the project moves forward. A resident asked what carbon free means. Mr. Imlay explained it does not use fossil fuels such as natural gas, coal, or diesel but nuclear power using a new small modular reactor nuclear technology. He stated what happened at Fukushima could not happen at this kind of plant and stated the Federal government is on board with the research.

Pam Humphries motioned to approve the participation documents for the “Carbon Free Power Project Siting Phase Agreement”, Kevin Tervort seconded. Motion unanimously approved with Pam Humphries, Kevin Tervort, and Ethelyn Humphries all voting aye.

Dave was excused from the meeting at 6:25 p.m.

Consideration and possible approval of: (1) Resolution approving Curbside Residential Recycling Collection Agreement between Washington County Special Service District No. 1 and Dixie Waste Services, and authorizing the execution of an Agreement between Washington County Special Service District No. 1 and the City of Hurricane,

and (2) Ordinance establishing the City of Hurricane Curbside Residential Recycling Collection Program, including rules and procedures for implementation and enforcement of said program

Mayor Bramall presented the item and said he believes the Council has discussed providing opt-out options for the residents. Ethelyn Humphries said she believes the Council has decided they want curbside recycling. She believes the Council was more interested in the opt-out provision.

The District now has a cost based on the proposed contract. She asked Neil Schwendiman, Director of the Solid Waste District, if both the County Commission and Apple Valley have decided not to participate. He said the County Commission for the unincorporated areas and Apple Valley have discussed opting out of the recycling entirely but have not voted yet.

Hurricane is the first community to consider the ordinance and resolution. Enterprise and New Harmony may decide based on whether the unincorporated areas participate or not.

Fay Reber explained if the County opts out entirely, the calculation of the overall residential participation is based on the number of residents in the participating communities.

Pam Humphries asked why this decision does not have to go out for a vote. Kevin Tervort said the decision is being made by the Councils who represent the people. Pam asked if, when she finds a new home in six weeks to a year, will she have an opportunity to opt out at that time? Fay explained the rules are drafted currently so the resident that moves into a house after the opt out period is automatically included in the recycling. Mr. Schwendiman explained more recycling means more landfill space saved. The rules are intended to give current residents an option.

Kevin Tervort said from a business standpoint, the more the cities try to change the business model the more expensive it becomes to run the system.

A resident asked about impact of the extra trucks and containers on the system. Another resident asked about the contract cost. Mr. Reber explained the District has a 10 year contract to pick up garbage with Allied Waste that will expire in 2019. The five year contract with Dixie Waste is

guaranteed at the rate proposed. In five years the District will renegotiate and one company may end up with a contract to do both garbage and recycling collection.

Mayor Bramall said people are not allowed to opt-out of power meters, the drainage cost, the garbage cost. The City did allow people to opt out of the pressurized irrigation system and the users who use the system have to cover the costs. Even if people opt out the costs are higher for everyone.

Kevin Tervort clarified he does not want to force people to do things but there would be a greater cost for the City to administer an opt-out program. He said the Council members should make a decision based on what is best in the long run, not just now. The fact that eventually everyone would end up being in the program as people move from current addresses or move into the City was discussed.

All agreed learning what can go in the recycling container will be an education process to ensure the material in the containers is recyclable. Mr. Schwendiman explained the goals of keeping the material out of the landfill to extend the life of the landfill and keeping the rates lower by not having to buy property for a landfill.

A resident asked about the payment if people don't chose to use the service. Clark Fawcett said he remembered when people were all required to participate in the trash collection and some people chose to not use the garbage cans but eventually everyone moved toward using their cans. A resident stated he lived on Whidby Island and watched people take their items to the recycling center. He stated, "I am a capitalist. I am not going to work for anybody."

Another resident asked if money will come back to the communities from recycling. It was clarified the materials in the binnies will still be sold and the money returned to the communities. Ethelyn Humphries asked if the Council should wait to make decision when the other members are present. Kevin Tervort stated it is a better deal to go mandatory.

Fay explained there are two items under consideration tonight. The Resolution approves the agreement between District and Dixie Waste to provide recycling services and agrees to City participation in the curbside recycling program.

Ethelyn Humphries motioned to approve the Resolution Approving the Curbside Residential Recycling Collection Agreement between Washington County Special Service District No. 1 and

Dixie Waste Services, and authorizing the execution of an Agreement between Washington County Special Service District No. 1 and the City of Hurricane that Hurricane will participate in the curbside recycling program. Kevin Tervort seconded the motion. Motion unanimously approved with Pam Humphries, Kevin Tervort, and Ethelyn Humphries all voting aye.

Kevin Tervort motioned to adopt the Ordinance establishing the City of Hurricane Curbside Residential Recycling Collection Program, including rules and procedures for implementation and enforcement of said program with mandatory recycling. Motion died for a lack of second.

Ethelyn Humphries motioned to adopt the Ordinance establishing the City of Hurricane Curbside Residential Recycling Collection Program, including rules and procedures for implementation and enforcement of said program with the opt-out provision, seconded by Pam Humphries. Pam Humphries and Ethelyn Humphries voted aye and Kevin Tervort voted nay. Motion died for lack of three affirmative votes.

Ethelyn Humphries motioned to move the ordinance to the next meeting, seconded by Pam Humphries. Motion unanimously approved with Pam Humphries, Kevin Tervort, and Ethelyn Humphries all voting aye.

Fay asked the Council to consider what the City will do to provide notice to all the residents if they do adopt the ordinance with an opt-out provision.

Consideration and possible approval of an ordinance amending Title 4, Chapter 11, Fireworks, of the Hurricane City Code bringing the code into compliance with current State regulations. Toni explained the addition of the Dixie Springs Park to the approved sites in 2016. Pam Humphries motioned to approve the ordinance amending Title 4, Chapter 11, Fireworks, of the Hurricane City Code bringing the code into compliance with current State regulations, seconded by Kevin Tervort. Motion unanimously approved with Pam Humphries, Kevin Tervort, and Ethelyn Humphries all voting aye.

Confirmation of appointment of Kevin Tervort to the Hurricane Valley Fire District Board

The appointment was unanimously approved with Pam Humphries, Kevin Tervort, and Ethelyn Humphries all voting aye.

Consideration and possible approval of a budget allocation of funds for landscape improvements along SR-9 from 300 West to 700 West – Mayor Bramall said the project would start in January after hearings are held to get feedback from property owners along the corridor. The cost for the medians could be \$20,000 to \$200,000. The MPO planned on this project. The Council members discussed where funding for landscape in the medians would come from, considering money from the Street Department out of the General Fund with the understanding another project may have to be delayed if the landscaping is funded. Clark Fawcett will discuss with Streets Superintendent Larry Hutchings. It was clarified the project will probably not include trees in the sidewalk. Clark commented it could include some new lighting but the City should be sure it is full down lighting style. All agreed it would be safer with medians in that area.

Mayor Bramall said there are no budget numbers to discuss right now so no decision will be made.

Mayor Bramall explained the City is encouraging annexation of the Sand Mountain Area for a permanent OHV area. Utah's Federal delegation is considering a bill to transfer the BLM lands in the Sand Mountain area to Washington County. If this property is annexed the City will have a say in what happens to that land.

The proposed bill excludes 650 acres to use as a land exchange vehicle for the land that is currently included in the Red Cliffs Reserve and needs to be traded. Mayor Bramall commended it may become 450 acres. He asked if the Council supports the land exchange or an annexation. Pam Humphries said she is not in favor of using any of that land for an exchange. Kevin Tervort said he does not support a land exchange. Ethelyn Humphries agreed. John Bramall said he will call Senator Hatch's representative tomorrow and let him know of their decision.

Mayor, Council and Staff reports –

Fay Reber said the City will have to reschedule the Vacation Rental discussion as at least three Planning Commissioners will not be able to attend on the 22nd.

- Pam Humphries Court, Water, Power, Hurricane Fire and Ambulance Department – Pam reported on the Water Board meeting held on Tuesday. Ken brought up a discussion regarding the City eventually becoming a partner with the Canal Company to expand the secondary system. The group discussed a grant to expand the canal company system. Mayor Bramall said the Canal Company wanted to know if the City would participate to help protect the roads over the canal to the tune of about \$250,000. Pam reported State Engineer Kent Jones has called the water rights on the Virgin River to stop water rights holders of rights past a certain date from using any water due to drought. She reported the Toquerville Springs are normally at 2100 gpm but now are at 300 gpm. Ash Creek Springs are also down. She asked the Council about the email Chief Kuhlmann sent regarding the situation at the U-Haul business - Council agreed to move forward with enforcement and possible license revocation.
- Kevin Tervort Golf Course, Streets & Drainage, Industrial Park, Fire District, Mosquito Abatement – Kevin said 600 North looks good where they have done the chip seal but they just didn't do enough. He said the Fire District is in the process of adding Leeds into the District. The District opted to buy an additional ambulance at \$210,000 each. Bringing in Leeds helps with some equipment and the District will forgo the brush truck this year.
- Ethelyn Humphries Sewer District, Fire District, Solid Waste, Building Inspector – Ethelyn said she will be gone next meeting. She said the Utah National High School rodeo team won the highest points award, beating Texas.
- Mayor Airport, Administration, Building, Police, Animal Control, School

Crossing Guards, Emergency Management, Victim Services, Public Works, Engineer – no report

Mathew Lemmon introduced himself and Treyson Abbott, Devin English, Jaden Griffin as members of the Hurricane Valley Wrestling Club. They are a non-profit organization and have qualified to compete in a national championship competition in Fargo, North Dakota. It will take about \$1500 for each of them to cover the cost of the trip and competition. They have been holding fund raisers but have not yet reached their goal and they asked the Council if they could contribute. Kevin Tervort clarified how much money they have raised so far and motioned to provide up to \$3,000 to the Hurricane Valley Wrestling Club for this competition from the Council's discretionary fund, seconded by Pam Humphries. He asked them to keep trying to raise money before asking for what they need of the \$3,000. Motion was unanimously approved with Pam Humphries, Kevin Tervort, and Ethelyn Humphries all voting aye.

Meeting adjourned at 7:40 p.m.