

Council Meeting
09-08-15

MINUTES OF MEETING HELD BY MORGAN CITY COUNCIL IN REGULAR SCHEDULED OPEN PUBLIC SESSION ON TUESDAY, SEPTEMBER 8, 2015 AT 7:00 P.M., IN THE COUNCIL ROOM OF THE CITY OFFICE LOCATED AT 90 WEST YOUNG STREET

Present: Mayor, Ray W. Little.

Council Members: Tony London, Mike Kendell and Fran Hopkin.
(Vacancy on Council due to resignation of Shelly Betz)

Excused: Council Member, Jeff Wardell.

City Staff: Gary Crane, Attorney.

Others present: Danny McBride; Bill Cobabe; Gordon Tolley; Chet Adams; Joan Adams; Sadie McBride; Susie Becker, Zion's Bank; Jennifer Vesper, Morgan County News.

This meeting was called to order by Mayor, Ray W. Little.

The opening ceremony was presented by Tony London.

The pledge of allegiance was led by Fran Hopkin.

Minutes and Warrants

MOTION: Tony London moved to approve the minutes of the August 11, 2015 meetings and two sets of warrants.

SECOND: Fran Hopkin. Vote: 3 ayes, Jeff not present.

Discussion and possible motion on City Council appointment

Mayor Little gave a brief discussion of what occurred at the last meeting regarding the appointment of a council member. Due to several factors, the decision was made to put this item back on the agenda. Attorney Crane reviewed the process that must be followed as outlined in Utah Code. He stated if none of the applicants gets a majority of the votes, then the decision will be made by "lot". Jeff Wardell had recused himself from this process at the last meeting – the other option would be to wait until he is present to see if he wants to vote.

The members voted and neither of the candidates received the 3 votes needed to be appointed. Attorney Crane wrote the candidate names on pieces of paper. Mayor Little drew a name from the "hat". Bill Cobabe was chosen as the new member of the City Council. Bill was given the oath of office by Julie Bloxham, City Recorder.

Public Hearings

Susie Becker from Zion's Bank is here to present information on the impact fee agenda items. She stated to start the procedure of compiling the impact fee facilities plan they first look at existing and proposed service levels. Then, you must identify excess capacity in the system. The

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next step is to identify the demand and the cost for the needed facilities in a 6 – 10 year period. The fee analysis basically comes from this study. Susie reviewed the list of fee components that ultimately determine the fee that can be charged.

Susie reviewed charts that show growth projections along with one that outlines Riverside Park and the amount of space that is available. She reviewed the information on trails and stated it was decided to use the existing level for the study. The next slide showed the service levels and the year the item will meet capacity. Most of the items or services on the list are at capacity this year (2015).

The analysis comes down to the total maximum allowable impact fee per household amount of \$1,548.92. The members can enact any amount up to that. Tony asked where the 3.35 average household size came from - Susie stated the source which is tied to the census.

Susie stated the average impact fees for parks, trails and recreation that she has seen are \$1,500 to \$3,000. She feels the amount allowable is as low as it can get. Attorney Crane stated you need to collect enough to do a project. The fees must be spent within a 6 year period.

Susie stated she did not count Fox Pointe Park due to the fact it was a gift from the developer. To be safe the decision was made to not include it.

Public Hearing – regarding the adoption of impact fee facilities plan and impact fee enactment for parks, trails and recreation.

MOTION: Tony London moved to open the public hearing.

SECOND: Bill Cobabe. Vote: 4 ayes, Jeff not present.

No comments were made from the public present.

MOTION: Tony London moved to close the public hearing.

SECOND: Bill Cobabe. Vote: 4 ayes, Jeff not present.

Mayor Little gave the members information on what the fee currently is, and what was the maximum allowable amount for past studies. The balance in the park impact fee account is approximately \$43,000. He stated this hearing has been advertised and posted and the documents have been available for public inspection at the office.

Resolution #15-29

Adopting the Impact Fee Facilities Plan (IFFP) for Parks, Trails and Recreation.

MOTION: Tony London moved to adopt Resolution #15-29, a resolution adopting the impact fee facilities plan for parks, trails and recreation.

SECOND: Bill Cobabe.

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Discussion on motion: Tony asked if this plan is pretty standard compared to others. Susie stated it follows the Utah Code outline. She can provide information on what fees are for other cities, but it really needs to be specific to your community as far as the fee. It has to be tied to the items that have been discussed and the level of service that has been determined. Mike clarified that this motion is accepting the plan not the fee.

ROLL CALL VOTE: Mike Kendell – aye
 Jeff Wardell – not present
 Tony London – aye
 Fran Hopkin – aye
 Bill Cobabe - aye

Resolution #15-30

Adopting the impact fee analysis and imposing impact fees for parks, trails and recreation; providing for the calculation and collection of such fees, providing for appeal, accounting, and severability of the same, and other related matters

Tony asked about the previous plans and the amounts that could have been charged at that time. The fee being charged is considerable lower than what was allowed. Mayor Little stated the members need to look at what they want in the future for parks, trails and recreation. Attorney Crane stated if the members impose something less than what they have outlined in the plan, they can do this. They would have to show how they will supplement these monies from another source to accomplish what is in the plan.

MOTION: Tony London moved to adopt Resolution #15-30, a resolution adopting the impact fee analysis and imposing impact fees for parks, trails and recreations; providing for the calculation and collection of such fees, providing for appeal, accounting and severability of the same and related matters, setting the fee at \$1,548.92

SECOND: Mike Kendell.

Discussion on motion: Bill asked Attorney Crane if he feels this fee would be defensible if challenged. Attorney Crane stated it would be – it has been done in accordance with State Code.

ROLL CALL VOTE: Mike Kendell – aye
 Jeff Wardell – not present
 Tony London – aye
 Fran Hopkin – aye
 Bill Cobabe - aye

5. NEW BUSINESS:

Resolution #15-31

Sewer Lateral Issue and Decision City Code 8-2-7

This resolution is regarding lots in Quail Hollow Subdivision, Phase 1. There are four lots this refers to - each set of two lots have only one sewer lateral. Attorney Crane stated the city ordinance requires each unit to have a separate lateral. There is a provision in the ordinance that allows for a waiver of this requirement if it is deemed impractical to correct the lateral problem. Attorney Crane gave a background on this development and how the original developer is no longer the owner. The current owner is exempt from having to repair or correct any deficiencies in infrastructure that was done by the original developer.

Mayor Little drew on the white board a diagram that showed the situation with these twin homes. He stated these are the only lots left in this development; all other lots have been developed. These lots are on a private road and the land is owned by the homeowners association.

Bill asked if this infrastructure will ever be dedicated to the City. Attorney Crane stated the City would require it to be brought up to standards before they would accept it. Tony asked what would be required to be done if they were made to correct the problem. Mike asked what happens if one unit plugs up the line, are we sure there is no liability to the City. Attorney Crane stated he would recommend filing a notice on the deed for these lots stating this situation exists.

Attorney Crane stated building code allows for this type of joint connection, it is City ordinance that does not allow it, unless waived. That is what this resolution would accomplish if adopted.

Fran asked if the City needs to look at all the other lots to see if this exists in other areas. Attorney Crane stated he does not feel this needs to be done. City never received as-built drawings. Mike asked what the estimate for doing the sewer lateral work would be. There is no estimate, but it would need to be paid by the City. Also, if you do it for one – it could be argued you need to look at all of the lots and correct them if a problem exists.

MOTION: Tony London moved to adopt Resolution #15-31, a resolution adopting and approving an exception for the requirement prohibiting joint connections for sewer laterals in Quail Hollow Subdivision, Phase 1 – Lots 60, 61, 62 & 63, with the requirement notice be recorded on the deed to these properties.

SECOND: Bill Cobabe.

ROLL CALL VOTE: Mike Kendell – aye
Jeff Wardell – not present
Tony London – aye
Fran Hopkin – aye
Bill Cobabe - aye

Unfinished Business

Tony London was excused from the meeting.

UAMPS

Presentation on Non-Carbon

Mayor Little asked what Attorney Crane's impression is on this matter? Attorney Crane stated UAMPS is not giving a clear indicator of what the cost projections will be for this project. They are asking at this time to commit to pay for the site work that would include the feasibility study and environmental items. They do have an estimate of what this cost would be for the City.

Mayor Little stated it makes him nervous about the disposal of the fuels that are used for the non-carbon units. What would occur if the government decides to not allow nuclear energy use? Mike stated he does not have a lot of trust in UAMPS; there is a lot of different information presented that ends up being a revolving door. He has not heard any costs on the de-commission of the coal powered plants. He has been told by another source that these coal plants have been retrofitted and can convert to a gas plant when needed.

Mike feels this was being considered as more of an "insurance plan" for power that may be needed. If a large business came to the City, we would have the power necessary to service them. Bill asked if the City wants to attract a business that would use this type of power. Attorney Crane stated it is a requirement to have so much "renewable" power in your portfolio.

Attorney Crane asked if the City still has an electrical consultant on board that could give some advice on this item. UAMPS would like an answer by this Friday. The members discussed not being happy with the lack of information presented before this deadline. Mayor Little stated they wanted a decision made without getting Council approval. He asked Paul Simmons, Lead Electric Lineman and UAMPS representative about the costs and Paul had no idea what the costs would be. He has looked at the proposal and feels this would lock the City into over \$2 million in expenses. Bill stated he feels if they want a decision they should provide the information needed to make the decision. Mason, the representative from UAMPS stated he would provide more information tomorrow on what the costs are projected to be.

Mike stated he does not like the inability to opt-out later without losing the money being put into the project before hard costs are outlined. Attorney Crane stated he does not feel the members have enough information to make a decision. Bill stated that nuclear reactor waste is just as harmful to the environment as coal emissions. He would like to look at natural gas and other renewable sources. Fran feels there should be answers to the questions that were asked, when there was no answer – it makes him nervous. It is one thing to not know what the Federal Government will approve, but to ask questions that should be able to have an answer and get none – that is disturbing.

Mayor Little stated he will not sign this without a vote from the Council. This would commit the City to over \$2 million. He asked how the members want to proceed. Attorney Crane stated the members should never make a decision when they do not have the information needed. Attorney Crane stated he can contact Roger Tew who is a lobbyist for UAMPS – he values his opinion. All members present stated if no more information is available they would vote no.

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Mayor Little stated he will work on this item and make contact with others that may be able to help with this decision.

Sewer Lagoon Update

Mike stated he feels the City should put \$2 million into the project (grant) and see what they get with that application. He feels this shows the City is interested and dedicated to the project. He feels this is a huge impact to the budgets and the citizens. Mike stated the State is still not sure what regulations from the "Clean Air Act" they are going to put into place. The members have previously stated they do not want to be the "trail blazers" for this type of plant.

Fran stated he feels JUB is putting a lot of emphasis on this grant opportunity due to the lack of other grants or monies not being available. This is the best there is out there at this time. Mike feels the \$2 million is a stretch, but not a total uncomfortable one. He feels it could be handled and is worth a try. Fran stated he agrees with what Mike has stated, but would lean toward committing more than \$2 million. There was discussion on financing options and what interest rate could be obtained.

Mayor Little asked if it would be worth it to "roll the dice", put more money toward the grant application and hope we get the funding. If the City is going to have to do the improvements in the near future, do they want to go for it and hopefully get the funding that will save money in the long run. If they are going to spend \$4 million over the next few years to do improvements, it would be worth it if the grant was received and the \$8 million was awarded for this project.

Mike stated he feels the work that is currently being done on the lagoons will lower the levels of the discharge items that are of a concern. This will help us to continue to use the lagoons for a longer period of time. Fran stated he still feels we will need to do something, and if we are going to spend \$4 million – why not spend it to get a mechanical system. Mike stated looking at the numbers – it has been suggested to do a 12% increase in sewer rates over the next four years. This would put us at the same fee as what would be needed if we borrowed the \$4 million and applied for the grant.

Fran stated he would contact JUB and some other companies to see what the bottom line costs would be and what options are out there for this type of project. Cindy Gooch with JUB Engineering stated she only has 29 days left to complete the grant application. They need to know – soon – if the City wants to apply or not, and what amount they will contribute.

This meeting was adjourned at 9:40 p.m.


Julie A. Bloxham, Recorder

These minutes were approved at the 09-22-15 meeting.