

SPRING CITY PUBLIC-HEARING MINUTES

Thursday, May 6, 2021, 6:30 p.m. – Electric Power Impact Fee Changes Public Hearing

Attendees: Kim Crowley, Recorder, Mike and Carla Nelson, Jan Miller, Randy Strate, Mark Allen, Sharon Ashcraft, Charles Shepherd, Gary Parnell, Lawrence Gardner, Lynn Farrar, Kimberly Stewart, Ken Law, Doug and Joan Durfee, Sam Shoppe, Alicia King, Mike Black Deputy Treasurer, Whit Allred, Craig Paulsen, Jhan Miller, Charles and Kathy Sturgell, Stanley Soper, Rhett Wilkinson, Devoe Exon, Jake and Jessica Stakes, Sherrie Rigby, Paula Carter, Christi McGriff, Mike and Selina Mackey, Jesse Ralphs, Justin Atkinson, Morgan Drew, Elizabeth Hinckley, Mallory Hinckley, JanaKaye Smith, Zack Buck, Cherri Barrow

Expression of Choice: Carla Nelson

Pledge of Allegiance: Mayor DeGrey

Roll Call: Mayor Cynthia DeGrey, Council Members Chris Anderson, George Kenzy, Craig Clark, Joe McGriff, Paul Penrod

Review/Discussion of Electric Power Impact Fees

Mayor DeGrey explained the purpose of the Public Hearing was to discuss changes with our Power impact fees which was adopted by our Power Board. **Council Member Kenzy** explained the summary of Impact Fees. a) What are impact fees? An impact fee is a one-time charge imposed by local governments to mitigate the impact on local infrastructure caused by new development. b) What Utah statute regulates what impact fees may be assessed and regulates how an impact fee is calculated and justified? He read the Utah statute Chapter 11-36A, the Impact Fees Act. c) What types of impact fees may be charged? Impact fees may be used for permanent buildings, e.g., a firehouse and other physical facilities owned by a local government which have a life expectancy of more than 10 years. Impact fees may be charged to fund water systems and water rights, roads, wastewater systems, parks, municipal power facilities, public safety facilities. d) Impact fees may not be used to maintain existing facilities only new ones. e) How are impact fees calculated? Impact fees are calculated through a complex analysis the existing level of service, future needs due to growth, and the anticipated cost to maintain the existing level of service. f) What is a Capital Facilities Plan? A Capital Facilities plan is an analysis of the existing facilities and levels of service along with anticipated growth and demands created by new development. A Capital Facilities plan is required if a city wishes to adopt or revise an existing impact fee. He went on to explain the Impact Fees Schedule for Residential Single-Phase Service which were in 2006 cost was \$1,985 for 200 Amps and \$3,475 for 400 Amps, and in 2021 cost is \$759 for 200 Amps, a difference of -\$1,226 and for 400 Amps cost is \$1,367 a difference of -\$2,108. He explained that anyone has the right to request a copy of Spring City's impact fee analysis which would be available at our office and any person has the right to challenge the validity of the 2021 Impact Fee analysis. He stated that there have been dramatic decreases to our Power Impact fees and if you paid an impact fee a week ago, no refund will be given once the new schedule is adopted.

Public Comments

Council Member Anderson asked since building is increasing why decrease the fees? **Council Member Kenzy** answered that the 2006 schedule was based on a bag of money required to expand the service. That fee was calculated based on all impact fees, all new development. The big bag of money would be created only by new customers. The new schedule reflects the burden on new customers, but the additional capacity gained by the improvements to the system are shared by the existing customer. In other words, it was \$157,000 that was budgeted in 2006. The Impact fee schedule was used incorrectly based on calculations that only the new customers would pay the impact fee. Each service like water, sewer etc. will require a separate analysis which we will be doing soon. **Council Member McGriff** stated that our sewer and water fees are going up so impact fees should be increased. **Council Member Kenzy** stated we are looking at a 2.2 million project to expand the sewer and these impact fees are only for power impact fees. **Mayor DeGrey** stated that if we did not go with this recommendation, it could be challenged since we had this analysis done. *Sam Shoppe* asked if the sewer goes within 300 feet of his property will he be responsible to hook up even though he is in the buffer zone and he can not vote on it? **Council Member Kenzy** stated yes, he would have to connect if he is within 300 feet. *Randy Strate* asked is the power service would include the buffer zone or just within the city. **Council Member Kenzy** stated the impact fee includes anyone connected to the power system. We have enough capacity to include people in the buffer zone. *Kimberly Stewart* asked why we are only using a 3% growth rate when we have so many new zoning permits? **Council**

Member Kenzy stated that Sunrise Engineering who did the Analysis and our Master Plans used the same 3% growth rate, and he has no evidence that it is any different.

Council Member Clark motioned to approve the close of Public Hearing, May 6, 2021. **Motion was seconded by Council Member Kenzy. All were in favor.**

Adjourned at 7:00 p.m.



APPROVED

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SPRING CITY COUNCIL-MEETING MINUTES

Thursday, May 6, 2021, 7:00 p.m. – City Council Meeting

Attendees: Kim Crowley, Recorder, Mike and Carla Nelson, Jan Miller, Randy Strate, Mark Allen, Sharon Ashcraft, Charles Shepherd, Gary Parnell, Lawrence Gardner, Lynn Farrar, Kimberly Stewart, Ken Law, Doug and Joan Durfee, Sam Shoppe, Alicia King, Mike Black Deputy Treasure, Whit Allred, Craig Paulsen, Jhan Miller, Charles and Kathy Sturgell, Stanley Soper, Rhett Wilkinson, Devoe Exon, Jake and Jessica Stakes, Sherrie Rigby, Paula Carter, Christi McGriff, Mike and Selina Mackey, Jesse Ralphs, Justin Atkinson, Morgan Drew, Elizabeth Hinckley, Mallory Hinckley, JanaKaye Smith, Zack Buck, Cherri Barrow

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Electric Power Impact Fee Changes

Council Member Anderson asked if we could go back to the companies to make sure they have considered everything. **Council Member Kenzy** stated that the Power Board look at this extensively. **Council Member Anderson** stated that he moved to accept the analysis. **Council Member Clark** stated how do we justify not keeping the analysis once it is already in place. We can do another analysis in the future if we see that the growth is more than 3%. *Jesse Ralphs* from Sunrise Engineering stated that the 3% growth rate is an aggressive growth rate. We looked at the Master Plans that were done a year ago for Water and Sewer, and we looked at last projects done and future project of the Historical growth within a certain window. We see communities spike and flatten at certain times. **Council Member Kenzy** stated the analysis was done by a professional engineer and according to state code.

Council Member Anderson motioned to approve Electric Power Impact Fee Analysis. **Motion was seconded by Council Member Kenzy. All in favor.**

Council Member Kenzy motioned to approve Spring City Electric Power Impact Fee Changes Resolution 2021-02, And to adopt the revised impact fee schedule. **Motion was seconded by Council Member Anderson. Council Members Clark, Anderson, Kenzy in favor. Council Member McGriff and Penrod opposed.**

Bomb Squad, Smoke Free Policy

Mallory Hinkley and *Morgan Drew* introduced themselves and explained they were from the Counseling Center and part of the Bomb Squad to speak about having a Tobacco Free Policy within our city. They stated that Spring City and Mt. Pleasant are the only parks in Central Utah that does not have a Tobacco Free Park. The number of high school students that have tried alcohol have gone down but the number of high school students that tried E-cigarettes have gone up. One risk factor is having families around someone who is using these types of products. If kids are not around vaping, then kids most likely will not try it. The Health department will help give out signs. **Mayor DeGrey** stated that she would have a discussion in their work meeting and get back in touch with them.

Introduction of Miss Spring City Royalty

Mayor DeGrey introduced *Morgan Drew* as Miss Spring City and *Chelsea Haveron* as first attendant. Morgan will receive a \$500 scholarship from a collage of her choice. *Morgan Drew* stated she was a senior this year and wants to go to Snow Collage after graduation. She explained that she wants to help raise money for Splash Pad. She also stated that they were putting on a Little Miss and Mini Miss Pageant this year.

DUP Monument Plan

Council Member Kenzy stated that we had plans to move the bulk of the water to the west of the Monument. We have now decided to stop those plans because of the pipes freezing over. So, he is proposing to do nothing. He would like to maintain the fountain and make one change is to make a graded cover that would replace the manhole cover. This would help in the winter from the ice that collects. *Carla Nelson* stated she had no objection to that she just wants to have the monument to keep its integrity. **Council Member McGriff** stated that we should put a sign up to limit the amount of

water people can get. He feels that most people will abide by having a sign. *Lynn Farrar* stated that she lives across from the water monument and has seen people filling jugs at the fountain and has seen some fill large gallons, but it is very rare. She explained that it is not a problem, and she sees only people being very respectful. *Kara Adams* explained a story that her daughter's friend's family depends on the water for drinking water from the fountain. *Mark Allen* thanked Council Member Kenzy for all the work and research he has done on the fountain.

Council Member Kenzy motioned to approve for DUP Monument Plan to stay the same but have a graded cover over the manhole. Motion was seconded by Council Member Clark. All were in favor.

Planning and Zoning Permits and Licenses

Council Member Clark motioned to approve Tony Rudman Zoning Permit for Barn on 90 East 100 South. Motion was seconded by Council Member Kenzy. All were in favor.

Council Member Clark motioned to approve Mike Mackay Zoning Permit for a Home Addition on 109 South 200 East. Motion was seconded by Council Member McGriff. All were in favor.

Council Member Kenzy motioned to approve Roxanne Woffinden Zoning Permit for New Home on 50 East 950 North. Motion was seconded by Council Member Penrod. All were in favor.

Council Member McGriff motioned to approve Jake Staker Zoning Permit for New Home on 15500 (NW Buffer Zone) Motion was seconded by Council Member Kenzy. All were in favor.

Sharon Ashcraft stated she was one of the adjoining landowners next to the Subdivision. She was told that the Rock House on that land was going to be preserved as an original homestead. Her and Spring Acres Subdivision property owners have agreed within their CC&Rs to the guidelines that building will fit with the existing historical character of Spring City. She wants to know if this subdivision is following those same guidelines. **Council Member Anderson** stated he has met with the other property owners and assured that the buildings will stay consistent to the historical standards of the city. He stated he would be happy to send a plot map to her at scrandalla@icloud.com

Council Member Kenzy motioned to approve Chris Anderson Major Creek Subdivision on 200 West 500 South Motion was seconded by Council Member McGriff. All were in favor.

Craig Paulsen asked if Lawrence Gardner would speak to the Council about his additional structure, he is putting in. *Lawrence Gardner* stated he has added a storage shed and put in a zoning application for it. He feels he does not need 10 feet setbacks on the shed. **Council Member Kenzy** read 10-6d-7 of the city code which explains Light Commercial Zone. **Mayor DeGrey** stated that he needs to stop working on the storage shed and come to Planning and Zoning for approval first. The structure is up but he does not have an application that has gone through Planning and Zoning. So, he needs to stop working on it. **Council Member Kenzy** stated he could be charged with a Class B misdemeanor.

Council Member Clark motioned to approve Lawrence Gardner Zoning Permit for a Pergola on 35 S. Main Street Motion was seconded by Council Member Kenzy. All were in favor.

Council Member Clark motioned to approve Shirley Britsch Zoning Permit for a Deck replacement on 190 N. Main Motion was seconded by Council Member Penrod. All were in favor.

Council Member Kenzy motioned to approve Rick Hathaway Zoning Permit for a Shipping Container on 189 E. 500 N. Motion was seconded by Council Member Penrod. All were in favor.

Council Member Anderson explained Zack Buck is not ready to get an approval on his subdivision yet and ask him to explain a little of what he is doing. *Zack Buck* explained having a subdivision that will be 3 lots. He will be getting a survey and work on getting the roads done. He would like Spring City to supply power to the subdivision. They will be doing wells and septic tanks. This will be a subdivision on Canal Canyon road.

Council Member Kenzy motioned to approve Charles Sturgell Zoning Permit for a New Home on 725 S. 200 E. **Motion was seconded by Council Member Penrod. All were in favor.**

Fire Mitigation Day

Council Member Anderson stated that the people behind this wants Spring City to designate a day where we can have volunteers to help Clean Up the city. They can take some locations where they can help enhance or maintain some of the Fire Break areas by getting shrubs away from properties. He did not know an exact day that they wanted.

Council Member Anderson motioned to approve a Fire Mitigation Day **Motion was seconded by Council Member McGriff. All were in favor.**

USDA Funding for Culinary Water and Sewer Expansion

Mayor DeGrey explained that during our work meeting we spoke about ways to fund our water and sewer. She had a meeting with Carl Larson from the US Department of Agriculture, and Sunrise Engineering to discuss some funding options. *Jessy Ralphs* from Sunrise Engineering stated that the US Department of Agriculture fund projects at 2.25% fund rate with a 40-year term loan. He went over timeline for Water and Sewer Expansions. **Council Member Anderson** asked how long it would take to build the system. *Jessy Ralphs* stated once you get your funding it could take about a year and can be done simultaneously. **Mayor DeGrey** stated they investigated CIB funding but the time to get application in was too soon and the USDA terms were more attractive.

Council Member Anderson motioned to approve the application for the USDA Funding for Culinary Water and Sewer Expansion **Motion was seconded by Council Member Kenzy. All were in favor.**

Harmer Subdivision Sewer Extension

Council Member Kenzy explained that there was a flyer that showed the area where the sewer would go around Oak Creek. He stated the plans for the new sewer expansion never crosses Oak Creek. In the case of Cody Harmer's subdivision, it would cost \$113,720.00 to extend the sewer from 600 east to 700 east going under Oak Creek. According to the plans Sunrise has projected there is a manhole on 700 North and to run approximately 460 feet of sewer line would cost \$41,000. He stated that it makes more sense to not extend sewer line from 600 north over to 700 east and go under Oak Creek because of such a high cost. Discussion among Cody Harmer and Council Members about sewer feet and cost was made. **Council Member Kenzy** made a motion that we do not extend sewer from 600 east to 700 east under Oak Creek but to wait until the funding comes through for the new sewer expansion. *Cody Harmer* stated that he is planning to pave the roads he is building and once they are paved, he is not tearing them up for sewer. Discussion among Council Members and Cody Harmer as to what he wanted to do about the sewer. **Council Member Penrod** stated that he did not want eight septic tanks put in because of pollution to the ground water. *Cody Harmer* stated that he has been waiting now over three months for a decision, so he wants a approval to put in septic tanks on his subdivision. **Mayor DeGrey** stated that we need to make a motion to get three bids for extension of sewer.

Council Member Kenzy motioned to approve getting three contractor bids for extension of sewer from 600 East to 700 East **Motion was seconded by Council Member Anderson. All were in favor.**

Mayor and Council Member Department Reports

Mayor DeGrey: a) Stated that the Watershed project has not had a lot of movement. We are still into the Environmental Assessment phase. We have it on our website for anyone who wants to view it. She had a visit from Greg Peterson who is the resource officer from the North Sanpete School District, he is in the process of putting together an emergency plan for all the schools in the district. They would like to include in their emergency plan that students who are evacuated to use the City Buildings. We would provide a key for them to put in their emergency kit. b) We are still looking for nominations for the Citizen of the year. We are looking for a citizen who is a long-term resident and has done outstanding service. c) She received an Executive order from the Governor declaring state of emergency for drought provisions. Their

recommendations were to ask outdoor customers to not water after five days of seventy-degree weather and be cautious. *Randy Strate* stated that haystack is bare. He would like to get with the city to get communication out on how seriousness of the drought. We are in a worse situation than we were three years ago. d) She needs to schedule a work meeting to work on the budget. Work Meeting was scheduled for June 12th at 7:00 pm.

Council Member Clark: stated that we are working hard to get the Cemetery ready for Memorial Day. Jim Bennett and Cory Madsen have been replacing sprinklers, updating a map system, putting markers in, and Painting the sign for the cemetery. For our Roads, we need to get some bids and try to do one street at a time until we get sewer system in.

Council Member Anderson: stated he did not have anything to report.

Council Member Kenzy: Stated that we are expanding the Sewer system at Krogue's subdivision on 400 South, 500 East, and 700 East. The Community Center Building roof has been evaluated and it has serious problems and other repairs are needed. We will have a quote and we will review it at our work meeting.

Council Member McGriff: Complimented the Fire Department especially Mindy Hardy, Pam Nicholson, and Bren Burningham for putting on a great function called "The Fire and Ice Safety Fare". Chief Adams and him are Interviewing for a part time police officer. He will take over while Kyle Adam our Police Officer is either out of town or off duty. He thanked our Police Office Kyle Adams for all he is doing.

Council Member Penrod: stated he did not have anything to report.

Utility Pole Purchase

Mayor DeGrey explained that Kent Kummer had received two different pole bids. One from Annixter for 25 40-foot class 4 at \$610 each which would be \$15,250, and 15 30-foot class 4 at \$370 each which would be \$5,550. The total costing \$20,000. The second bid was from Irby for 25 40-foot class 4 at \$536 each which would be \$13,412.50 and 15 30-foot class 4 at \$318 each which would be \$4781.25. The total costing \$18,193.75

Council Member Clark motioned to approve BID #2, IRBY for \$18,193.75. **Motion was seconded by Council Member Kenzy. All were in favor.**

Transportation Plan Scope of Work

Council Member Kenzy explained receiving a Grant from the Utah Division of Transportation (UDOT) for \$30,000. This will help to classify all roads and transportation corridors. We need to get right of ways adopted so we can get fences up identifying city property. Also, to correct easements for properties from 700 East to 950 North and 400 South and different strategic areas. Benefits will be to have a traffic plan project and roads project.

Council Member Kenzy motioned to approve for Transportation and Right Away Plan **Motion was seconded by Council Member Anderson. All were in favor.**

Revised Credit Card Policy

Mayor DeGrey explained that we needed to change the wording on our credit card policy. She stated that the credit limit is \$5000, and each department can have \$1000 each. She went on to explain that each department that makes purchases by credit card needs to get a receipt and turned it into the Deputy Treasurer.

Council Member Kenzy motioned to approve the revised Credit Card Policy for 2021. **Motion was seconded by Council Member Clark. All were in favor.**

Cemetery Ground Lease

Council Member Clark explained that Mr. White would like to lease land that is part of the Cemetery. He would like to lease it for \$300 for five years. He would like to grow alfalfa on it. **Council Member Kenzy** suggested advertising for other bids. **Mayor DeGrey** stated she did not like the idea of having animals in that area of the cemetery.

Council Member Kenzy motioned to approve to advertise long term bids to Lease Land for the Cemetery. Motion was seconded by Council Member Penrod. All were in favor.

Fire Department Savings Account

Mayor DeGrey explained discussion has been made that the Fire Department would like to have the money they make on Wildland fires be put into a PTIF account. We have received word from the State that they are not allowing any more PTIF accounts to be set up for things like this. She contacted our Auditor, Greg Ogden about opening a saving account for the Fire Department. She received an email from Greg Ogden which she read. **Council Member McGriff** stated the Fire Department is committed to keeping the Wildland Money for the Fire Department.

Council Member Clark motioned to approve an Equity Account for Wildland Money for the Fire Department. Motion was seconded by Council Member Penrod. All were in favor.

Install RV Dump

Council Member McGriff explained the best location to Install a RV Dump would be next to the restrooms at the Park which would allow to get to the sewer system easily. We would like something without a cap that locks because we plan on not charging for it and we would not have anyone having to supervise it. We estimated the cost would be \$1000.

Mayor DeGrey stated we might be able to use part of our CARES Act money. **Council Member McGriff** stated this would help from people dumping along the road or elsewhere. **Council Member Kenzy** asked if there were any state regulations around installing a RV Dump. **Council Member McGriff** stated he would investigate that.

Council Member Anderson motioned to Install RV Dump subject to cost and investigating state regulations Motion was seconded by Council Member Kenzy. All were in favor.

Account # 1138 Utility Bill Dispute

Mayor DeGrey stated that we need to vote on the Utility Bill for account # 1138. Property owner came in last Council meeting to dispute the penalty on his bill, but no vote was taken.

Council Member Anderson motioned to approve waving the penalty on account #1138. Motion was seconded by Council Member McGriff. All were in favor.

Public Comments

Mike Black stated the Citizen Corp trailer has water damage, there is a leak in the roof. The battery is not recharging, there is a mouse infestation, and the tires are worn from the weather. Since the trailer has been put in the city's name then it needs to be moved and taken care of. There is no maintenance that is being done. It needs to be moved to the City yard.

Kimberly Stewart stated that last year was a problem when the Irrigation Company would just turn off the water because the ponds would run out. She suggested that the Irrigation Company could adopt a schedule like having alternating days that we use the water. She also commented on what money are we using to pay for the RV dump. **Mayor DeGrey** explained that the money would come from the CARES money that we received and have left over. *Sharon Ashcraft* asked why she cannot access Council Minutes on the Public Website. **Mayor DeGrey** explained Council minutes need to be approved before they can be put on the Public Website. *Sharon Ashcraft* stated she cannot see any Planning Zoning minutes on the Public Website. **Mayor DeGrey** stated that Planning and Zoning is not required to post their minutes. She suggested that if she wants the minutes to email our Treasurer for a copy. *Sharon Ashcraft* asked if a lot next to her if it was a buildable lot. **Council Member Anderson** stated that it is a buildable lot, and the property owners do not have any plans to build on it for now.

Financial Report for April 2021

Council Member Clark motioned to approve Financial Report for April 2021. Motion was seconded by Council Member Kenzy. All were in favor.

Delinquent Account Exceptions

No Accounts came forward.

Payment of Bills

Council Member Clark motioned to approve the Payment of Bills for April 2021. **Motion was seconded by Council Member McGriff. All were in favor.**

Approval of Council Meeting Minutes

Council Member Anderson motioned to approve City Council Meeting for April 1, 2021. **Motion was seconded by Council Member Penrod. All were in favor.**

Council Member Anderson motioned to approve City Council Work Meeting for April 14, 2021. **Motion was seconded by Council Member Penrod. All were in favor.**

Council Member Anderson motioned to approve Spring City Council Budget Training Minutes for April 19, 2021. **Motion was seconded by Council Member Penrod. All were in favor.**

Council Member Kenzy motioned to approve the close of Council Meeting for May 6, 2021. **Motion was seconded by Council Member Penrod. All were in favor.**

Adjourned at: 9:51



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