

MINUTES of the regular **City Council** meeting of Wellsville City held **November 16, 2022**, at the Wellsville City Offices at 75 East Main. City officials present were Mayor Thomas G. Bailey; Councilwomen Kaylene Ames and Denise Lindsay; Councilmen Bob Lindley, Chad Poulsen, and Austin Wood. Also present were City Engineer Chris Breinholt, City Planner Jay Nielson, and City Manager Scott Wells. A copy of the Notice and Agenda was mailed to the Mayor and Council members and emailed and faxed to the Herald Journal on November 14, 2022. The meeting was called to order at 6:00 p.m. by Mayor Thomas G. Bailey.

Others Present:	Brayden Brown	Quentin R. Cudney	Zenfira Holm
	Megan Petersen	Jared Ragland	Megan Ragland
	Diane Roundy	Art Smith	Linda Wursten
	Hailey Zollinger		

Opening Ceremony: Councilman Austin Wood

The Council reviewed the amended agenda. Item 15, '*Discuss the Wellsville City Fraud Risk Assessment 2022*' was added. **Councilwoman Denise Lindsay made a motion, seconded by Councilman Austin Wood, to approve the amended agenda with the addition.**

<u>YEA 5</u>	<u>NAY 0</u>
Kaylene Ames	
Bob Lindley	
Denise Lindsay	
Chad Poulsen	
Austin Wood	

The Council reviewed the minutes of the September 21, 2022 regular City Council meeting. **Councilwoman Kaylene Ames made a motion, seconded by Councilman Bob Lindley, to approve the minutes of the September 21, 2022 regular City Council meeting.**

<u>YEA 3</u>	<u>NAY 0</u>	<u>ABSTAIN 2</u>
Kaylene Ames		Chad Poulsen
Bob Lindley		Austin Wood
Denise Lindsay		

Minutes for the City Council meeting held November 02, 2022 will be reviewed at the next meeting.

Payroll is approved through the budget, therefore, the checks approved in the City Council minutes are not in numerical order from City Council meeting to City Council meeting as the city uses the same checking account for payroll and accounts payable. '*IWORQ*' is an annual subscription for work orders. '*Wonderware Inc. dba Core Businesses Tech*' is the city's monthly expense for credit card transactions. '*Animal Control Vet Services*' are reimbursed by animal impound tickets. If an animal is not claimed by the owner and rehomed, Wellsville City is not reimbursed. After review and discussion, **Councilman Austin Wood made a motion, seconded by Councilwoman Kaylene Ames, to approve the City's accounts payable bills for payment, represented by check number 27659 through 27689.**

<u>YEA 5</u>	<u>NAY 0</u>
Kaylene Ames	
Bob Lindley	
Denise Lindsay	
Chad Poulsen	
Austin Wood	

At 6:08 p.m., Mayor Thomas G. Bailey opened the meeting for citizen input. Diane Roundy asked what the city's plan is regarding future garbage collection. Mayor Bailey answered that the final agreement amongst mayors is ready to be signed. After which, the garbage collection service will be rebid.

6:09 p.m., citizen input was closed.

Zenfira Holm met with the Council to request a **Business License** to operate "Chase Transportation LLC," a trucking business out of the property located at approximately 545 East 200 South (Tax Id. #10-015-0009). She informed the Commission that she and her husband Sam operate "Chase Transportation LLC," a one man, one truck, one trailer operation out of their home. They began their business in February 2020 living in Murray, Utah. Ms. Holm told the Council she hopes to acquire additional semi-trucks this year. Councilwoman Denise Lindsay asked where Ms. Holm plans to park additional semis. Ms. Holm answered that her husband's trucking schedule will leave a single semi on the property at a time. Councilman Bob Lindley asked what code allows for semis within the residential zone. City Manager Scott Wells stated that parking semi-trucks within the city's residential district is not allowed. He stated Mr. Holm has been aware that semi parking is not allowed in the residential zone since he was originally granted a conditional use permit and business license. At that time, Mr. Holm indicated his single semi-truck and trailer would rarely be parked at his home and if so, only for a night or two. Given the Holm's large 4.4-acre lot, and the semi-truck and trailer being parked off frontage, City Manager Wells stated no city enforcement has been taken against the semi-truck and trailer occasionally parked at the Holm's parcel. The city has never received neighborhood complaints concerning the semi parked at the Holm's location. City Manager Wells stressed that any parking of multiple semi-trucks or trailers at the Holm home, however infrequently, will *not* be tolerated by the city. Off premise parking will be required for any additional semis. Semi-trucks are also not allowed in the 150-foot Highway 89/91 setback. Councilman Chad Poulsen reported that the Planning Commission approved the Holm's **Conditional Use Permit** contingent upon the Holm's following Wellsville City's regulations regarding parking and signage. City Manager Wells repeated that regular parking of a single semi-truck is not allowed in city code. Multiple semis parked, however infrequently at the Holm's location, will not be permitted. **Councilman Chad Poulsen made a motion, seconded by Councilman Austin Wood, to approve a request from Zenfira Holm for a Business License to operate "Chase Transportation LLC," a trucking business out of the property located at approximately 545 East 200 South (Tax Id. #10-015-0009).**

YEA 5

NAY 0

Kaylene Ames
Bob Lindley
Denise Lindsay
Chad Poulsen
Austin Wood

Next, the Council shall continue the discussion regarding options for a sewer extension on 450 East located at approximately 450 East Main (Tax Id. #10-014-0049). Property owner Hailey Zollinger presented her proposal asking that the Council grant her property use of a septic system despite being within city limits given complications with elevation. Requiring a sewer connection would mean that a home built on Ms. Zollinger's property must be raised, without a basement, to gravity flow sewer to the mainline. Use of a grinder pump would allow a basement to pump sewage up to the sewer line. Ms. Zollinger intends to sell the property and has a potential buyer who is expecting an answer regarding sewer. City Manager Wells expounded that the Ms. Zollinger's adjoining lot (Tax Id. #10-014-0050) is a flag lot. The property has adequate frontage for a home to be developed on each lot with a lot line adjustment fixing the flag lot. Because there are *two separate lots*, a single home developed on each would *not* be considered a subdivision (subdivisions must connect to the city sewer system). Three developed homes *would be* considered a subdivision and must meet all subdivision requirements including connecting to the city sewer system.

City Engineer Chris Breinholt informed the Council that a sewer extension was previously designed for this property. He explained ground slope running counter to sewer slope means that ground floor sewerage would run to the sewer line with six feet of coverage. However, basement sewer would require a grinder pump. The existing sewer line ends at the north end of Regan and Shanna Burningham's property (Tax Id. #10-014-0079). City Manager Wells added that the end of 450 East's sewer mainline is in the middle of the roadway rather than in the borrow pit which will double the cost of extension. The mainline's position in the middle of the road means that there is no manhole at the end of the line and its location is not exactly

known. Therefore, the mainline may be as far as 260 to 290 feet from the Zollinger's property.

City Manager Wells asked City Engineer Breinholt to share his experience applying **Utah Code Annotated section 10-8-38** and Wellsville City's **8-3-2: 'Use of Public Sewers Required'** 300-foot sewer rules. Previous Council discussions posed if a property owner should be expected to hook on to the existing mainline *with a lateral line* if the sewer mainline comes within 300-feet; or if the property owner should be expected to *extend the mainline across their frontage* if the sewer mainline comes within 300-feet? City Manager Wells would like to have city sewer codes amended with additional provisions and guidelines for the 300-foot sewer rule. City Engineer Breinholt informed the Council that he has *never* seen the 300-foot rule applied requiring a property owner to *extend the mainline across their frontage*, unless a subdivision is involved. Nor have any of his fellow engineers at Jones & Associates Consulting Engineers. He and his colleagues have only seen the 300-foot rule applied requiring a property owner to hook on *with a lateral line* when the existing mainline is within 300-feet. City Engineer Breinholt also noted State code reads "*may require*" not "*shall require*" attaching to the sewer mainline if within 300-feet. He read aloud from **8-3-2: USE OF PUBLIC SEWERS REQUIRED: E. 2.**, "*...the city requires that the owner or occupant of any land upon which any structure is located and on the nearest property line of any kind within three hundred feet (300') of any lateral, interception or collection portion of the system shall connect to the system.*" City Engineer Breinholt explained his interpretation of the code is that extension of the mainline is for expansion of the system not simply connecting to the system. In this instance he would see the 300-foot requirement implementing that homes built on the Zollinger properties would run laterals up the city rights-of-way to reach the mainline. He qualified that most city's do not like private laterals running through their rights-of-way.

The Council discussed options for extension of the mainline along 450 East. City Engineer Breinholt explained that the rights-of-way in that area is so narrow that the extension would need to continue down the center of the roadway. The Council discussed the costs associated with tearing up the roadway, extending the mainline, and repairing the roadway to connect a maximum of four homes to the sewer system (the existing Crezee (Tax Id. #10-14-0102) and Hawker (Tax Id. #10-014-0082) homes, along with two potential future homes on the Zollinger properties). City Engineer Breinholt noted the extension design was created prior to talk of a second home on the Zollinger properties. He was uncertain regarding mainline extension in the State rights-of-ways along Highway 101. Future development north of Ms. Zollinger's property may allow them to drill under Highway 101 and gravity feed sewer to the north which is the most ideal option for sewer the Council agreed. Councilman Bob Lindley asked how wide the rights-of-way is along 450 East. City Manager Wells estimated 36-feet or just about the width of the road. Councilman Lindley asked if the sewer mainline would still be underground if extended to provide sewer to the eastern lot given a lot line adjustment. That particular elevation was unknown. City Planner Jay Nielson estimated that the buildable portion of the two potential lots is approximately six feet lower than the street. City Engineer Breinholt responded that both potential homes may have to pump sewer. The Council discussed options for individual homes to pump sewer.

Councilman Austin Wood read aloud **11-5-7: SEWER FACILITIES: C. 2.** which reads, "*When public sanitary sewerage systems are not reasonably accessible but will become available within a reasonable time (not to exceed 15 years), the applicant may choose one of the following alternatives, subject to acceptance by the city and subject to meeting federal and state regulations.*" He continued reading **11-5-7: SEWER FACILITIES: C. 2. C.** "*When sanitary sewer systems are not reasonably accessible and will not become available for a period in excess of fifteen (15) years, the applicant may install individual disposal systems, or central sewerage systems shall be used as approved by the planning commission, the city council and Bear River Health Department.*" He pointed out the Zollinger property is in a low-density residential district and that elevation obstacles may deem a sewer connection "not reasonably accessible." Councilman Wood asked if pumping sewer is reasonable for individual homes. City Engineer Breinholt answered individual pumps are commonly used and reasonable. Councilman Chad Poulsen asked if City Engineer Breinholt found it reasonable to ask the two potential homes to extend lateral lines if the city funded the mainline extension. City Engineer Breinholt answered yes. It is reasonable to ask subdivisions to extend the mainline he added. The Council discussed the cost to extend laterals to attach to the sewer mainline. Councilman Poulsen asked if the expense to tear up the roadway, extend the mainline to the end of 450 East, and rebuild the roadway is worthwhile to the city and citizens of the city for a maximum of

four homes. The Council threw out a rough estimate of \$60,000.00. City Manager Wells expounded that **8-3-2: USE OF PUBLIC SEWERS REQUIRED: E. 2.** disallows septic systems between 100 West and 100 East since that is the location of the city's culinary wells aquifer. He said that impact fees are used for future growth, not maintenance of city infrastructure. Councilman Wood asked City Engineer Breinholt if it would be feasible to extend laterals from the two potential homes on the Zollinger without extending the mainline. City Engineer Breinholt explained each home would have to have its own lateral as dictated by State code. He said he would prefer not to have multiple laterals running through and complicating city infrastructure in the rights-of-way. Mayor Thomas G. Bailey pointed out if two laterals were run from the Zollinger properties, another additional two laterals would be required to connect the Crezee (Tax Id. #10-14-0102) and Hawker (Tax Id. #10-014-0082) homes. Councilwoman Kaylene Ames pointed out waiting until the next fiscal year for the city to budget for an extension of the 450 East mainline is likely unreasonable for the prospective Zollinger properties home builder. She noted it is wise for the Council to be hesitant to allow septic systems within the city. However, there are many areas of the city where \$60,000.00 of city funding would be more beneficial for a greater number of residents she stated. Councilwoman Kaylene Ames made a motion, seconded by Councilwoman Denise Lindsay, to allow use of a *single* septic system at property located at approximately 450 East Main (Tax Id. #10-014-0049) with the interpretation that "... *sanitary sewer systems are not reasonably accessible and will not become available for a period in excess of fifteen (15) years, the applicant may install individual disposal systems, or central sewerage systems shall be used as approved by the planning commission, the city council and Bear River Health Department.*" (11-5-7: SEWER FACILITIES: C. 2. C.); along with the condition that a connection to the sewer system will be required when a sewer mainline is built within 300-feet to the north; and that any future lot line adjustments to create a second lot or requests for additional septic systems must appear before the Council for consideration.

YEA 5

NAY 0

Kaylene Ames
Bob Lindley
Denise Lindsay
Chad Poulsen
Austin Wood

Next, the Council shall discuss for approval **Temporary Land Use Regulation 2022-10**, which is an ordinance establishing a *moratorium* on residential and commercial building permits and subdivision applications within certain areas of Wellsville City. The **Wellsville City Corporation Resolution 2022-02** reads,

"WHEREAS Jones and Associates determined on or about November 29, 2021 that the City does not have sufficient water to meet the requirements of the City's water system in those parts of the City located above 4,650 feet in elevation (the "Upper Pressure Zone"); and

WHEREAS, based upon the findings of Jones & Associates, the City Council and the Mayor have determined that the ongoing drought poses a significant risk to the health, safety, and general welfare of the citizens of the City if some action is not taken to limit the use of water in the Upper Pressure Zone; and

WHEREAS, pursuant to Utah Code Ann. § 10-9a-504, the City Council has determined and found there is a compelling countervailing public interest that warrants an immediate cessation of subdivision and building applications requiring a water hook-up in the Upper Pressure Zone until such time as the City can adequately evaluate its water system; and

WHEREAS, pursuant to City Code § 8-1E-17 and Utah Code Ann. § 10-7-14(5), the Mayor and City Council have judged it necessary to limit the use of water from the City's water system in the Upper Pressure Zone and integrates a proclamation to that effect within the body of this Ordinance;"

The Council discussed the temporarily prohibition of filing or approving any application for a subdivision, building permit, or water connection, requiring a water hook-up of any kind which is hereby imposed on all areas within the Upper Pressure Zone. The Ordinance does not prohibit any existing applications from

being processed, *but no existing applications for subdivisions or permits may be approved with a Final Plat or building permit issued.* The Council discussed their September 07, 2022 decision for denial of a building permit application for Jason Spahr to build a 20-foot expansion of an existing garage/shop which would span eight-feet past 4,650-feet of elevation and include a bathroom that would need to connect to the City's Lower Pressure Zone. The moratorium reads, "... *is hereby temporarily prohibited, and a temporary land use regulation (moratorium) on the filing and approving of any application for a subdivision, building permit, or water connection, requiring a water hook-up of any kind is hereby imposed on all areas within the Upper Pressure Zone.*" A building permit *and* water connection are *both* prohibited by the moratorium. At that time, Mayor Thomas G. Bailey cast a tie-breaking vote stating he was not comfortable with a building permit being issued for property above 4,650-feet or an existing water line being extended above 4,650-feet until the moratorium is lifted. His interpretation of the moratorium was that the city will not provide *any* new water above 4,650-feet of elevation regardless of the water's source. "To avoid anyone misjudging the intent of Wellsville City regarding the moratorium I vote in denial of the building permit." he had determined.

Tonight, Councilman Austin Wood stated he believes the moratorium's purpose is to limit water usage in the Upper Pressure Zone. Had Mr. Spahr been granted a building permit, his 20-foot expansion would have connected to the Lower Pressure Zone. Councilman Wood emphasized that he does not believe an additional connection to the Lower Pressure Zone, located above 4,650-feet, would have violated the intent of the moratorium and would have been defensible. Councilman Wood stressed he believes the moratorium should be revised to match the intent of the moratorium. Councilman Chad Poulsen explained a building permit *and* water connection are *both* prohibited by the moratorium. Regardless of the water's source, Mr. Spahr's 20-foot expansion still would have required a building permit which is prohibited above 4,650-feet he stated. Councilman Wood stated he believes logically Mr. Spahr's request did not violate the moratorium since his water source was the Lower Pressure Zone. City Planner Jay Nielson stated that Wellsville City's attorney Miles Jensen based his interpretation of Mr. Spahr's request on building permits above 4,650-feet. Attorney Jensen's interpretation is based on risk, not emotion, said City Planner Nielson. Councilwoman Kaylene Ames stated Attorney Jensen's interpretation based on risk is very valid. Councilman Wood stated he agrees with the moratorium however he would like the moratorium revised to match the intent to protect the Upper Pressure Zone. After discussion, **Councilman Bob Lindley made a motion, seconded by Councilwoman Kaylene Ames, to approve Temporary Land Use Regulation 2022-10, which is an ordinance establishing a moratorium on residential and commercial building permits and subdivision applications within certain areas of Wellsville City.**

YEA 4

Kaylene Ames
Bob Lindley
Denise Lindsay
Chad Poulsen

NAY 1

Austin Wood

Along with the recommendation from the Planning Commission, the Council shall continue the discussion regarding possible approval of an ordinance amending **Title 10 "Land Use Regulations," Chapter 35 "Open Space," Section 2 "Land Set Aside"** required of the Wellsville Municipal Code. City Manager Scott Wells reminded the Council that previous discussion established that Councilman Chad Poulsen feels strongly that a provision should be added to the proposed amendment which requires a one, two, or three-lot subdivision applicant to justify why the subdivision is not paying a fee in lieu of open space. City Manager Wells stated that the purchasing option for open space is already there. The proposed amendment would provide relief from 40-percent open space requirements on small subdivisions and single lots where open space requirements do not fully meet the purposes of open space set asides. Open space requirements in some future small subdivisions of one, two, and three lots may not provide meaningful open space that benefits owners or community residents. The criteria for an open space exception are as follows:

- C. *Exception: Open Space set-aside for legal lots within the Residential Open Space One Acre (ROSI) and Residential Open Space One Half Acre (ROS ½) zoning districts may not be required if the Planning Commission determines that open space in a proposed one (1), two (2), or three (3) lot subdivision meets all of the requirements*

1. *Open space cannot be located in the subdivision to have some future connectivity or functional purpose with existing or future open space within the neighborhood and/or adjacent parcels.*
2. *Open space cannot be located in the subdivision to provide any future connection to a community trail system.*
3. *Open space in the subdivision is not near or adjacent to any critical lands or existing or planned future open space as shown in the Parks, Recreation, and Trails Master Plan of the city.*
4. *A public hearing must also be conducted with proper noticing requirements to allow public comment.*

City Planner Jay Nielson reported that no changes had been made to the proposed amendment since the Council's last discussion on October 19, 2022. At that meeting, City Planner Nielson discouraged Councilman Chad Poulsen's suggestion that a provision be added to the proposed amendment which requires the subdivision applicant to justify why the subdivision is not paying in lieu of open space. That provision does not make sense because it would practically dictate that a small subdivision pays in lieu of open space which is contrary to the whole premise of the amendment and the three mandatory criteria he explained. He continued, saying requiring open space for all properties and forcing small subdivisions to pay in lieu of open space would never withstand a constitutional review. Multiple options for open space make certain constitutionality and legality. City Planner Nielson reminded the Council of recent **Code Amendment 2021-03**, in **Chapter 10-35-040** titled "**Open Space Standards**," a repeal of ownership of open space, **4. Type 4 "Individual Private Ownership within a Subdivision"**. Preceding this code amendment, developers had the option to proceed with "**Individual Private Ownership within a Subdivision**," or pursue a cash in lieu open space substitution. Since the amendment, small subdivisions which are currently required to have open space *cannot* have open space within a private lot(s). **Amendment 2021-03** inadvertently created a situation where a small subdivision cannot have open space within private lots and would need place the open space in a Homeowners Association (HOA) which is unworkable; pay cash in lieu for open space which is very costly; purchase land in lieu of open space which must match the appraised value of the open space and be approved by the Council; donate open space for a city park which must also be approved by the Council; or open space could be dedicated to a conservation district/land trust which would consider small open space a liability and would not accept. The subsequent open space conflict must be resolved for small subdivisions. Placing open space in an HOA is the property owners only option to maintain use of the open space. City Planner Nielson explained he has attempted to streamline CC&Rs to assist small lot subdivision. Unfortunately, CC&Rs are simply too complex to be reduced for single lot subdivisions.

Councilman Poulsen disagreed saying an HOA for a two-lot subdivision is just as workable as it is for a four-lot subdivision. City Planner Nielson voiced changing the ordinance to only allow one and two-lot subdivisions the opportunity to have an exception to open space to better limit the open space exception to private interests. He stated the only alternative to the proposed ordinance is to go back and once again allow individual private ownership within a subdivision. Councilman Austin Wood emphasized no one would want individual private open space ownership within a lot. City Planner Nielson strongly agreed. He explained individual property owners are different than developers who have a profit margin that allows them to do more. How can you ask an individual property owner trying to build a house to pay a second time for 40-percent of the lot (which they do not have full use of), on top of the purchase price, and other impact fees? City Manager Wells noted the 40-percent open space restrictions essentially limit it to being used as an animal pasture or garden. Councilwoman Denise Lindsay asked what percentage of a lot can have building coverage. City Manager Wells answered 35-percent building coverage is allowed within 1,200-square foot density areas; 25-percent building coverage is allowed within one-acre density areas. Councilwoman Lindsay pointed out that the buildable coverage ordinance would leave 75-percent of a one-acre lot open without requiring open space. Councilman Poulsen stated land outside of building coverage and open space are two different things. City Manager Wells stated he believes repealing ownership of open space within the lot was a good change. The Council discussed options for open space in the front yards of a two-lot subdivision. A debate took place regarding on the whether or not individual private ownership within a subdivision is fair to ask of two-lot subdivisions. City Manager Wells said there are very unique topographical circumstances in which it makes sense to waive open space in small

subdivisions. City Manager Wells explained that **Attachment A, 10-35-2 Land Set Aside Required, D. General Requirements for all Zoning Districts** is intended to protect Wellsville City from those who would attempt to split two lots off at a time to avoid dedicating open space. Mayor Bailey and City Manager Wells called on the Council to offer solutions or make a decision on the proposed ordinance rather than continuing the discussion indefinitely.

Councilman Poulsen asked how the Planning Commission could possibly determine that a two-lot subdivision's open space will never be adjacent to future open space or a future trail system, especially if the neighboring property has not yet been developed. City Planner Nielson recognized Councilman Poulsen point regarding the complexities in determining if a small subdivision will meet the proposed exception criteria in the future. He resolved that open space in *each and every* one and two-lot subdivisions should be waived, without restrictions or interpretations from the Planning Commission. Councilman Wood stated that open space in subdivisions smaller than three-lots is not meaningful. Councilman Bob Lindley expressed concern regarding an open book wiping of open space from small subdivisions which could create more variables. Councilwoman Lindsay questioned critical land protection in one or two-lot subdivisions. City Planner Nielson responded that the proposed ordinance will not change code regarding the protection of critical lands including drainages. City Planner Nielson repeated his suggestion to eliminate open space exception criteria and waive open space for *each and every* one and two-lot subdivisions. He told the Council that if the implemented ordinance is abused it can always be improved upon. City Planner Nielson stated aloud the new intent of the proposed ordinance, "Open space set aside for legal lots within the ROS1 and ROS ½ zoning districts shall not be required for one and two lot subdivisions." **Attachment A, 10-35-2 Land Set Aside Required, D. General Requirements for all Zoning Districts** intended to protect Wellsville City from those who would attempt to split two lots off at a time to avoid dedicating open space must still be included he concluded. **Councilman Austin Wood made a motion, seconded by Councilwoman Kaylene Ames, along with the recommendation from the Planning Commission, to approve an ordinance amending Title 10 "Land Use Regulations," Chapter 35 "Open Space," Section 2 "Land Set Aside" required of the Wellsville Municipal Code; establishing that open space set aside for legal lots within the ROS1 and ROS ½ zoning districts shall not be required for one and two lot subdivisions.**

YEA 4

Kaylene Ames
Bob Lindley
Denise Lindsay
Austin Wood

NAY 1

Chad Poulsen

Next, the Council shall discuss possible annexation requirements of property east of Sharps Transportation (located at approximately 390 North 900 East, Tax Id. #11-093-0009). City Manager Scott Wells opened the discussion. He shared that property owner Zan Sharp is planning to build a maintenance shop behind his existing building. The majority of his proposed building lies within Wellsville City. However, the eastern edge of the proposed building and lot lies within Cache County. City Planner Jay Nielson explained that the property must be annexed in otherwise none of the setbacks and area requirements match from city to county. Mr. Sharp would like a better understanding of what an annexation would entail. City Manager Wells informed the Commission that the road running north of the existing Sharp building has multiple complications. There is a complex of issues involving rights-of-ways and irrigation easements along 400 North. City Manager Wells proposed assisting Mr. Sharp with the relocation of the irrigation ditch. City Manager Wells said he would anticipate Mr. Sharp being financially responsible to extend the waterline to the eastern edge of the property along with a fire hydrant system. The future location of East Field's irrigation ditch is uncertain, so City Manager Wells discouraged extending water and sewer further past this lot at this time. Mayor Thomas G. Bailey stressed that the conflicts regarding the 400 North roadway and East Field irrigation are long over due to be resolved. **Councilwoman Denise Lindsay made a motion, seconded by Councilman Chad Poulsen, to continue the discussion regarding the possible annexation requirements of property east of Sharps Transportation (located at approximately 390 North 900 East, Tax Id. #11-093-0009).**

YEA 5

NAY 0

Kaylene Ames
Bob Lindley
Denise Lindsay
Chad Poulsen
Austin Wood

The Council discussed for approval the list of Wellsville City Dealings with related parties. City Manager Scott Wells stated that any relatives of the City Council, Mayor, or city employees that have financial dealings with Wellsville City must be included on the presented list for the city's audit. The Council reviewed the names on the list and added several others. **Councilman Bob Lindley made a motion, seconded by Councilman Chad Poulsen, to approve the revised list of Wellsville City Dealings with related parties.**

YEA 5

NAY 0

Kaylene Ames
Bob Lindley
Denise Lindsay
Chad Poulsen
Austin Wood

The Council discussed financial options for Wellsville City, Castle County RV Sales (Tax Id. #11-091-0011), and Sardinz (Tax Id. #11-087-0008, Tax Id. #11-087-0009) developments. City Manager Scott Wells reported that Wellsville City will receive approximately \$300,000.00 of American Rescue Plan Act (ARPA) funds to be dedicated to city infrastructure. He detailed two options to run a water line to the Sardinz development. The first option is to run the waterline from 450 East to Sardinz, which has the shortest linear footage, and would be Sardinz' financial responsibility. The second option is to run the water line from 300 East connecting to the Sardinz Center from the north. Running the water line from 300 East would allow Sardinz Center to have water from a second source. 300 East would also provide the area greater fire pressure. The fire marshal has mandated that a dual water source be available for the Pallets of Utah building (11-091-0010). The proposed Sharp Trucking Maintenance Shop (Tax Id. #11-093-0009) would also benefit from a dual water source and improved fire pressure. City Manager Wells proposed using ARPA money to cost share the additional linear footage with Sardinz to run the waterline from 300 East. City Manager Wells detailed another option for ARPA funds. Castle Country RV Sales is required to install a sewer lift station. The required lift station is 6-feet by 12-feet. He proposed using ARPA funds to upsize the lift station to 8-feet by 12-feet in order to accommodate for future growth. Financial figures for the proposals are unknown at this time. City Manager Wells will continue evaluating each option. **Councilman Bob Lindley made a motion, seconded by Councilman Austin Wood, to continue the discussion regarding financial options for Wellsville City, Castle County RV Sales (Tax Id. #11-091-0011), and Sardinz (Tax Id. #11-087-0008, Tax Id. #11-087-0009) developments.**

YEA 5

NAY 0

Kaylene Ames
Bob Lindley
Denise Lindsay
Chad Poulsen
Austin Wood

Next, the Council discussed the Wellsville City Fraud Risk Assessment 2022. City Manager Scott Wells explained the seven training modules the Council has previously viewed are part of the annual audit. An eighth training module is on the agenda for the next Council meeting. The Fraud Risk Assessment scores a municipality up to 395 points. City Manager Wells shared that Wellsville City scored 350 points which is Within the low-risk category. **Councilman Austin Wood made motion, seconded by Councilman Bob Lindley, to accept the Wellsville City Fraud Risk Assessment 2022.**

YEA 5

NAY 0

Kaylene Ames
Bob Lindley
Denise Lindsay
Chad Poulsen
Austin Wood

City Manager Scott Wells discussed the first quarter financial report for July 2022. He reported to the Mayor and Council that Wellsville City is in good financial standing. After discussion, **Councilwoman Denise Lindsay made a motion, seconded by Councilman Chad Poulsen, to approve the first quarter financial report for July 2022.**

YEA 5

NAY 0

Kaylene Ames
Bob Lindley
Denise Lindsay
Chad Poulsen
Austin Wood

Department Reports:

Denise Lindsay-

- 1) The Wellsville City Christmas party will take place December 6, 2022.
- 2) Councilwoman Lindsay shared a resident's safety concerns regarding speeding traffic and ATVs on Wellsville City roads.

Chad Poulsen-

- 1) No business or concerns at this time.

Mayor Thomas G. Bailey-

- 1) The final draft of the interlocal agreement between Cache County and the municipalities of Cache County for creation of an entity for county and municipal solid waste disposal is ready to be signed.

Kaylene Ames-

- 1) No business or concerns at this time.

Bob Lindley-

- 1) No business or concerns at this time.

Austin Wood-

- 1) No business or concerns at this time.

City Manager/Recorder's Report:

- 1) The audit review will be presented at the December 21, 2022 City Council meeting.
- 2) Heritage Preservation Inc., the new owner of the building formerly know as the Cheese Plant (Tax Id. #11-080-0015), is pursuing RDA grants.
- 3) Wellsville City protested a change of use for a spring on property owned by Bridle Path Estates. The 0.65-percent water share has previously been used to water 200-head of cattle. Bridle Path Estates requested a change of use to create a pond system to irrigate with. City Manager Wells shared that the city protests any changes in Wellsville Canyon which may affect Leatham Springs.
- 4) Wellsville City and Bridle Path Estate developers are discussing metering above and below Leatham Springs to determine the level of water loss down Wellsville Canyon. Jones & Associates Consulting Engineers have determined six to seven valves/meter lids/lines down the canyon which may be losing water. City Manager Scott Wells reported that Wellsville City's municipal system has an unexplained 30 percent loss from its water system. The State average water loss from a municipal system is 10 percent or less. The Council asserted water is too precious of a resource to lose. For the best interest of the citizens and city those leaks must be found and repaired regardless of a third party.

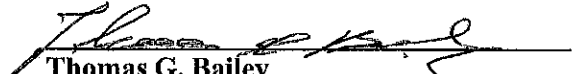
- 5) The 2022 Wellsville City Leatham Springs Rehabilitation Project has begun. Deep root vegetation within 50-feet of the collection system must be removed by State mandate. Mr. Wells stressed the importance of saving as much groundwater as possible, especially during this period of megadrought.
- 6) Multiple Cache County city office buildings have recently been vandalized.

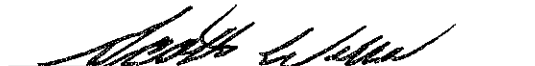
At 8:55 p.m., Councilwoman Kaylene Ames made a motion, seconded by Councilman Bob Lindley, to adjourn the meeting.

YEA 5

Kaylene Ames
Bob Lindley
Denise Lindsay
Chad Poulsen
Austin Wood

NAY 0


Thomas G. Bailey
Mayor


Scott Wells
City Manager