

# Town of Leeds

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## Agenda

### Town of Leeds Town Council and Planning Commission Work Session Wednesday, February 22, 2023

**PUBLIC NOTICE** is hereby given that the Town of Leeds Town Council and Planning Commission will hold a **PUBLIC MEETING** on Wednesday, February 22, 2023, at **6:00 pm**. The Town Council and Planning Commission will meet in the Leeds Town Hall located at 218 N Main, Leeds, Utah.

#### Joint Work Session 6:00pm

#### Discussion Items:

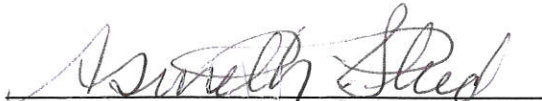
- a. Developers within Town of Leeds to discuss speculations and cost for sewer within Leeds, Ash Creek to attend.

Interested persons may attend the public work meeting to be held in the Leeds Town Hall at 218 North Main Street **Public comments will not be received or discussed during this session.**

The Town of Leeds will make reasonable accommodations for persons needing assistance to participate in this public meeting. Persons requesting assistance are asked to call the Leeds Town Hall at 879-2447 at least 24 hours prior to the meeting.

The Town of Leeds is an equal opportunity provider and employer.

Certificate of Posting; The undersigned Clerk/Recorder does hereby certify that the above notice was posted February 20, 2022 at these public places being at **Leeds Town Hall, Leeds Post Office, the Utah Public Meeting Notice website <http://pmn.utah.gov>, and the Town of Leeds website [www.leedstown.org](http://www.leedstown.org).**



Aseneth Steed, Clerk/Recorder

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## Town of Leeds

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### Town Council and Planning Commission Work Session for Wednesday, February 22, 2023

#### Joint Work Meeting 6:00 PM

In attendance was Town Planner, Scott Messel

ROLL CALL:

	<u>Present</u>	<u>Absent</u>
MAYOR: BILL HOSTER	X	_____
COUNCILMEMBER: DANIELLE STIRLING	X	_____
COUNCILMEMBER: RON CUNDICK	X	_____
COUNCILMEMBER: STEPHEN WILSON	X	_____
COUNCILMEMBER: KOHL FURLEY	X	_____

ROLL CALL:

	<u>Present</u>	<u>Absent</u>
CHAIRMAN: DANNY SWENSON	X	_____
COMMISSIONER: JENNIFFER LUFT	X	_____
COMMISSIONER: TOM DARTON	X	_____
COMMISSIONER: GARY ROSENFELD	X	_____
COMMISSIONER: JENNIFFER LUFT	X	_____
COMMISSIONER: ALAN ROBERTS	X	_____

- a. Developers within Town of Leeds to discuss speculations and cost for sewer within Leeds, Ash Creek to attend.

Mayor Hoster: Thank you everyone for showing up. The premise of this work meeting is for the purpose of discussing some of the developers who are working with Ash Creek Special Services Sewer District with regard to potential options for sewer within the boundaries of Leeds. The reason is this is something that we have to have. Mike Chandler, for we've already had a discussion with him, he would like to speak with all the developers collectively about what that would mean. For sewer to exist in any jurisdiction requires a body politic to make sure that all of that works, and there's a liability or end of the line, if you will, for any of those things, that being a very legal, deep rabbit hole that we would prefer to see Ash Creek take versus anybody else. However, that's not set in stone, there's a bunch of options that are available but that's why we've chosen this path first. Together, we've got a lot of

developers who are here who have different interests within the town. If we could have each of the developers, if you do not mind, just stand up announcing who you are, and where your developments at, I think that would be advantageous for us to get started. And again, Mike will be here, probably within about five minutes. So, Jared, you want to get started?

I am Jared Westoff. I have got the project south of town outside of Leeds boundary as well as one of the developers for Silver Pointe.

Matt Loo, American land Consulting, Consultant for the developer of the northern part of Leeds currently in the unincorporated area. It is the 200 acres that borders Leeds annexation map area and the BLM property.

I am Josh Wagstaff I am working on two projects outside of town as well. Thank you.

Steve Laski, partner to Jeff Anderson. We are working up here on a project known as Silver Eagle. It is a 14-lot subdivision.

I am Lex Howard. I am just finishing up my family's house and we own 40 acres right next to that. Eventually we want to develop it some way or another.

James Monson with Monson partners. I am partners with Victor Kimball here. We are currently working on everything back of Grapevine Wash.

Mayor: Essentially the reason why we have called this session, I am narrating off the script here, in the past there's a study that Danielle is really familiar with. She has it memorized. It really dictates what we can and cannot do as far as sewers in septic systems in the town of Leeds, and essentially this entire area. I believe that study concluded that everything outside of being grandfathered required nine acres in between each septic tank. Does that sound right, Roger? Rogers the Pro, by the way, of all of this.

Roger New: For new development, new lots being formed, they need to be nine acres in this part of the county with septic systems. They are not approving conventional systems per se. But there are alternative systems treatment modules can be approved on an individual basis.

Mayor Hoster: I understand some have gone with like four and a half acres that would be allowed by the Health Department for some of those. Those mechanisms, are there others that would pertain to lower or larger complexes?

Roger New: Mike Chandler would be the person to talk to you about that because we are with in Ash Creek's jurisdiction, they have a load of smaller lots.

Commissioner Darton: I was under the impression that with some of the more expensive septic systems that you know, do a better job, that those nine acres came down to somewhere in the three acre range, and you're saying four acre, so. But we know that as more and more septic systems get in this area, we're getting up against a hard limit on what can be done.

Mayor Hoster: That's a really good point. And I think it's well worth repeating. Some of the comments that Mr. Chandler brought to town council almost a year ago today, where he echoed that we have failing septic systems that haven't been maintained, that are causing groundwater issue. We have traces of bacteria, I guess it's a bacteria or fungus of sorts that has already been detected in Quail Creek that they're analyzing now where that has come from. It's certainly north the way the water goes. We also have concerns with regard to new development, and developers who have arrived today, that would like to exercise the ability to build more than one home per nine acres. All of those reasons have surfaced here. Now, it's worth noting, in background that Ash Creek is a private company. That company is run by a board and that board exists from all of the towns that financed it to get it to where it is at right now. All of those board members are elected representatives from other cities that are associated with it. Initially they had approached Leeds, in my research, which is not entirely inclusive, but identifying the fact that Leeds denied wanting to work with that Sewer District. The last time Mr. Chandler was here, it was that his board did not want to make the investment into, after the fact, bringing sewer into Leeds. He said, Hey, we're interested in looking at it, but his board was kind of against it for that purpose. They kind of did a 180 there on us. And so now that we have a multitude event of developers who want to move forward, wherein the board does not have to burden that cost, and the developers may be burdening that cost, Ash Creek has said they would be willing to come in and talk with all the developers again. It's essential that we have all of the elected officials as well as those appointed who are going to be participating in this because as we know, in the town of Leeds, we don't want to turn into Disneyland. We will make sure that all of this is a full disclosure of what we want to see happen, what we don't want to see happen, but what we can and cannot do. All of those components are going to be relative if sewer comes in. That absolves the septic issue with regard to that study that said the groundwater just doesn't take anymore. That was why the nine acres or four acres, but with a sewer system that absorbs all of it. The other benefit of that sewer system coming in is the fact that we are in a desert and our ability to kind of navigate how this is going to either positively or negatively impact our groundwater is a key concern to a lot of people too. These questions are going to have to be asked as well. We gave Mike about 10 minutes, but I'm willing to entertain any questions until Mike shows up and then I will have to get back to the rest of the work meeting before town council starts.

Citizen Comment: Do you know, is Ash Creek is talking about bringing it through the town without any expense to the residents. Because last time, Alan, you were there,



the town voted against it because of what was a three to \$5,000 price tag for everybody. And nobody wants that.

Mayor Hoster: I can address that. In the presentation that Mr. Chandler made in the last time, it predicated my conversation with him with regard to just that in some instances where homeowners cannot afford to make that investment. And so, again, that is a private company that does have some statute with the state with regard to make they make this investment. And that investment must be recouped. And so, they don't want homes to say, I just don't want it. And so there is a statute that allows them to say, No, you have to, you have to participate. But they also have the leeway to say, Okay, well, you don't have to participate. But the person who buys your home now has to make that investment and make the switch, or if your septic system goes out, versus you're doing it and spending the money there, you need to connect to the sewer system. In the meantime, you know, you do have to pay their fees, you do not have to pay their connection fee, but you have to pay their monthly fee. And so those are the things that were surfaced. And here comes Mike, you want to just grab a chair at the end there?

So those are great questions. You can come right up in here, Mike next to Scott, it would be great. So, we basically been talking about, you know, all we've identified all the developers what they want to do, where they want to it. I explained to them our phone call and how it's important that we talk about the body politic that needs to be associated with all of this, if it were to go in that direction, what it would look like. We're grateful for you spending your time here after work to come in and talk with us about that and these developers. Again, I introduced, this is a work meeting. Typically, we don't allow, you know, commentary from attendees who are elected or appointed officials. However, I'm sure there are going to be questions relevant to this. And so, in a disciplined manner, we'd like to, you know, allow that, as you see fit. Getting the ball rolling. Mike, do you want to talk about basically how the specs are going to have to meet with Ash Creek wanting to be willing to be the body politic if this sort of move forward? And if we want to, you know, take the conversation from there.

Mike Chandler: I apologize to everybody for being late. Coming from another meeting. As far as Ash Creeks, availability or willingness to ensure the long term liability of the improvements that are being proposed, at least as we were approached, to say, look, if these improvements are to go in to benefit the particular landowners that are interested in installing them, would Ash Creek be willing to maintain and ensure the long term viability I mean, essentially says the system will need to be sustained in perpetuity. That was the beginning of an inquiry that had kind of resulted in us establishing what would the conditions need to look like for Ash Creek to perform that function? From the from the state standpoint, there would need to be a regulatory body that oversees it. And really, maybe only three viable options one being Town themselves. One being, and I don't know to what degree they'd be able to expand their service or contract with the Grapevine Wash Special Services District or Lastly, Ash Creek Special Service District. Those are the three

entities that I'm aware of that exists. Ash Creek, being that our sole purpose as a utility is wastewater collection and treatment, it seems reasonable that that's the logical choice or at least the first to approach. So, then representing our administrative control board in these discussions and then the will of the other, now four communities that are part of Ash Creek special service district, that's the conditions. It is that the improvements meet the design and construction standards of Ash Creek special service district, that as they're installed, we would need to have an inspector here. The cost would be reimbursed by the developers during that time, upon successful completion of the installation of all the improvements, Ash Creek would take ownership of the improvements. And then operate them and work with each of the individual, whether homeowners or associations or commercial associations, in conjunction with the Town and utilities for billing of those entities...

Mayor Hoster: Can I pause for one second? So, if title the improvements essentially transfers, is that so; PIDs have been surfaced with the ability to finance some of the infrastructure investment, is there an agreement relative to that PID? Or is this just a simple transfer of the assets?

Mike Chandler: It is a simple transfer the assets in the sense of the PID is only the capital construction vehicle. There is no portion of that within the state code when they when they authorize the PIDs for long term maintenance and repair and replacement.

Mayor Hoster: So, there's no relationship between you and that anymore any longer.

Mike Chandler: Once the PID is such as a separate vehicle, that if that's the financing mechanism, wherever, whether it's private capital, a PID, or other mechanisms, that kind of rides above just getting all of those improvements installed, to a certain standard, but then there is no provision in the PID for the long-term maintenance of that capital infrastructure. And so that's where; and there's nothing in there that says the body politic that sponsors the PID necessarily needs to be the body politic that would take over operation of the improvements themselves.

Mayor Hoster: Okay, thank you for that. Yes. Yeah. Thank you for that.

Mike Chandler: Hurricane city currently has four PIDs. Toquerville has a PID. Going for which those cities are the PIDs. But a portion of those PIDs is sewer infrastructure that will be essentially received by Ash Creek once those improvements are completed and have met our standards.

Mayor Hoster: Okay, and so once that is all completed, is when the transfer occurs. And then the oversight is performed by Ash Creek, is that right?

Mike Chandler: Right. Typically, in these types of situations, you have got multiple utilities, of which sewers one. And so whoever is that body politic, let's say it's, it's the Town, they would oversee, you know, through issuing encroachment permits and other things for digging up a road installing sewer, water, fiber optic, whatever

infrastructure is needed for the proposed development, of which sewer being only one, we would communicate with that body politic. And at such time, they would hold the ultimate authority to say, well, until the roads are paved, water lines are pressure tested, bacteria tested, it's like all of those things are checked off, then that's when that is signed off in the infrastructures accepted? That body politic has final authority to say. What I would have, as an inspector out here says, yes, all sewer improvements, as we see me to be done, or we have this list of exclusions that have yet to be completed. And so, it's a cooperative arrangement, usually between the collection of utilities and whoever that body politic sponsor is.

Mayor Hoster: It was brought up prior to you just walking in the door, but I think it's relevant to maybe resurface, and you had you had mentioned this prior in our previous town hall. With this coming through an existing town, that line is going to come within the distance that's required by me think it's state statute for... Oh, it's not? Can you kind of go into that a little more about how somebody who's near the line would be affected.

Mike Chandler: The state requirement is that a residence within 300 feet of a sewer line should connect. One of those should not shalt.

Mayor Hoster: Okay.

Mike Chandler: That's commonly adopted by most sewer agencies across the state. Ash Creek has adopted a similar rule. So, we have a rule that says three hundred feet, the state has a rule that says three hundred feet. In the case of the state, that should become a shall when you go to get money from them. So, if you go up and get CIB loan or a State Revolving Loan on improvements, what they're going to say is, "Well if you're borrowing money, that should connect within 300 feet becomes a shall connect". And that's often been the breaking point for not only your community, but various others that feel Hey, that imposes a heavy hand on existing users who either have functioning septic's or who don't want to connect for whatever their reasons may be. So, that's often been a break point. Similarly, Ash Creek has a rule that way. When it comes to this specific situation, one of the discussions, awe there is Jared, there is Matt; I am looking for the different property owners. As I've discussed with a variety of different people interested in this project; this is somewhat unique in that it's a privately financed improvement, at least the way I understand it. In which case, those improvements for the specific property owners would only be available to the property owners that are participating, which would be exclusive to anyone else connecting and taking up capacity. It's a little different route than the typical route of coming in and saying, Okay, we have a community that has maybe an issue with sceptics contaminating groundwater or creating some sort of a need and a necessity to install sewer that way. And designing it for people to connect. In this case, it's an essentially a private venture, that there's a need for a long-term operator, so to speak. And so, as we've entertained, essentially playing that role, that would be in my mind, the crux of saying, Okay, in this case, that 300-

foot rule is excluded, or there's a variance from that. Because in this case, the developers wanting to put that in, in some sense, specifically want to exclude anyone else from connecting to it. They want to preserve capacity for their full build out conditions, which will take, you know, based on the scope of some of what's been proposed, you know, possibly a couple of decades or more. And so, it kind of flips that on its ear. And now we're saying, okay, unless there is capacity there, there is no access. And in order to preserve that, typically, when a contractor or a developer comes in and does what's called pioneering new infrastructure, they're bringing it out to a new area, there's a pioneering agreement that's arranged that says, look, as an operator of the system, if I allow someone else to connect, I similarly will require them to pay you back for whatever portion of the capacity in that facility that that they're occupying. So, if Scott decides to build a 20 home subdivision, and runs the sewer the whole length. I say, look, you have to run it the whole length and in acknowledgment of that, and that you needed that for your 20 equivalent connections, then the mayor says, Well, how convenient is this? He's bringing the sewer right by my house. And I have no restriction on septic densities anymore. So, I'm going to build 20 homes too. Well, the understanding and a pioneering agreement in that context would be that for each of those homes, you connect, you must pay 1/20 for each one of that equivalent cost back to Scott. But as an operator, I need to expand capacity for both. So now I have to work through my impact fee plans, my rate charges to say okay, were appropriately should these costs be borne? Because now I have a line that requires twice the capacity. So, as I've talked with the various landowners and other things that that has been batted around, is this an exclusionary thing, where it's for those who are participating and no one else period? Or is it the type of thing that the option needs to be available to the community but at a cost? And what is that cost? And then long term as an operator, how do we then recoup what would need to be essentially a line that may in the future need to be upsized. Pumps and or pipes that are now undersized because they were installed with the specific provision of those property owners that planned and initiated the PID or whatever the process was of getting that infrastructure installed. I mean, there's a couple of moving pieces and parts that I don't think we've necessarily nailed down and things that way. We've been approached as the operator to come in and try to make sure that the infrastructure remains viable. In my mind, in any endeavor, long term, it needs to serve the needs of the community. Nothing lasts forever. Pipelines, septic tanks, zero growth policy, 100% growth policy. So, like things change. And so, to provide the greatest flexibility to the community, I feel like it's not my job to pick and choose winners, but to try to provide good professional advice about what provides that for you as a, as a body politic, as well as for those property owners who are interested initially, and those who may become interested in the future. I know that that's been a sticking point for many communities, which have typically been more bedroom communities, who want to try to protect a low growth ethic and things that way that, you know, sewer is the gateway drug. You know, you start with that, and soon it's strip malls. And so, I know there's strong feelings about those things. And I mean, some of those were expressed last time I was here last May. But that's really, primarily the function



we've been asked to certainly, Ash Creek is not pushing this. We are not financing it in any way. We are not financing it. We're trying to make sure if it's done, that it's done right and in the long-term interest of the community.

Mayor Hoster: Thank you for that. Members of the board here, do you have questions for Mike that you would like to begin with? With what he shared with me; I have a bunch.

Commissioner Roberts: I think the biggest the concern is for individuals that already live here. There is a division between future developments in what's already here. And somehow those most need to mesh if we want to community. Literally, if we want a community. But the challenge is, most individuals that live here are in fear of, no, you are going to mandate me on a connection. But they need to understand. It is all in the language of how that agreement is written. Now, this town has had an agreement with Ash Creek before for developments. It is not active. But in the past, we have had one.

Mike Chandler: There was an agreement that was proposed that Leeds never executed.

Commissioner Roberts: Correct? That is correct. A lot of the fear is, let's use an example of individuals that live up on Silver Reef, let's use Ron Cundick's houses as an example. People say well, everybody's mandated to connect to this. I am confident that Ash Creek or even Ron Cundick, are not going to fund a sewer pipe to go up there. People need to use some common sense when they think about this, instead of a reactionary approach.

Mike Chandler: that was something that's unique that previous agreement followed that more typical pattern, where this is distinct and separate from that.

Commissioner Roberts: So yeah, from what from what the developers are having dialogue with ash Creek, they're going to say, well, let's get some sewer up to our development. Kind of keep it separate. before you got here, we were talking a little about the groundwater itself. And the readings that are we are seeing in quail, which keep in mind coil is a water source for quite a bit of Washington County. When we look at proper water management, not only in wastewater but in culinary water. To have fewer septic systems is definitely in your best interest. But so, when I, when I consider what the developers want to do, my viewpoint, there has to be some capacity there for individuals that make sense in a relative distance of those lines that would or could connect in the future. Now, I'm talking about the ones he said already here, I'm not talking about the scenario that you put out that, you know, Ron wants to develop, you know, another 25. Lots because the sewers in front of his place now, and he didn't get on that before, I'm talking about those existing structures that are already here. And the potential for even some commercial that aren't part of the developers that are approaching you but would be fairly close to that adjacent sewer pipe. But the other dynamic that comes in from the engineering

standpoint is I can only oversize it so much, if I don't have sufficient flow, I have to have sufficient flow for the size of the pipe otherwise, we're going to have some issues, if I size it too large, and don't give that the least amount of impact that you have on replacing pipes or upsizing. That is where really the long-term planning comes in.

Commissioner Swenson: To tag on to that. I mean, you are talking to developers, that's the reason it's coming through. But you know what, you're going to have a couple that are going to want to attach right away. Some are going to fall in the near future, they're going to want to attach, and then some will want to attach five or seven, eight years from now, you know, so I'm sure there's going to be some build out at the beginning for some of that planning. Otherwise, it'll be so restrictive to make a major change down the road. There is a lot of scenarios.

Mike Chandler: With both of those comments, I guess, just a couple of thoughts. One of the things that I see in other areas in the county that we have jurisdiction over is that for really, as long as it's been enacted with septic densities, septic densities have been used as a surrogate to land use planning authority to restrict zoning subdivision, those types of things. And what this does is it says okay, which I take a lot of shots as a Sewer District, so I guess maybe a small shot going back. That is a little bit sloppy.

Commissioner Swenson: It is a stinky business.

Mike Chandler: Well, Planning Commission is. Oh, you were talking about sewer?

No, but I mean, when you have those types of things, when you have that adjacent property owner that says oh, now it's next to me, I want it, He's got to come back and he's got to go from an A-20 and A-10 zoning to an R-1-10, R-1-2 Whatever the town allows and now that easy excuse of like, well, you don't have enough for the septic and sewers available. That's easy because political expediency in the past would say that takes the decision off my plate and puts it on the Sewer District. I have had to inform a lot of the towns who are having the same questions, Apple Valley's dealing with the same thing, Virgin is dealing with the same thing as we speak, Dameron Valley's dealing with the same thing. Now it's going to count more who we're electing for our Planning Commission; it's not going to be an easy dismissal of whether you don't have sufficient acreage. Now it's, is our general plan in alignment with what we are seeing? If we make a decision about denying an application to someone, are we on a stable footing and basis for that land use planning decision rather than the default of you don't have septic density, you don't get it anyways. Does that make sense? It opens up a variety of different challenges and that's one that I think if the town wants to propose being, I don't know if you're even considering being, body politic. I mean, in a PID situation specifically. I don't even know if there's been talk of how the developers proposed to do this. But in those scenarios, it is like, okay, well, then we have to go back and kind of question, how does our general plan look? And how comfortable are we with the long-term

implications of where we have designated commercial and those types of things? Because if we have larger tracts that are designated today, highway commercial, and all of a sudden sewer comes in, can that be a 200-room hotel? What can that be, what does our zoning restrictions require and/or permit? We may back ourselves into to saying, look, this one doesn't even need Planning Commission approval, it can just move forward now that sewer is there. Oh, man, nobody intended that. That's what I ended up seeing as I go to some of these other communities is hold over or carry over things that had restrictions, because septic densities or other things were in place, that the intent all along was oh that will never happen. But then once it comes, all of a sudden, there's a scramble of, oh, we don't want that and now there's a public outcry about lack of good planning or foresight. But it was simply the fact that the general plan reflected a sense of, well, as long as we don't have this we're safe type of approach. There are some things that as you introduce new utilities, especially one that for so many decades now, has been kind of constraining the bottleneck in the whole process. You'll want to line up some other ducks before that moves forward. That is an option. So that it is in alignment with the community desires and things that way.

Scott Messel: Try to be proactive rather than reactive.

Jared Westhoff: I have a question, Mike. I can probably be helpful to clarify what a PID is and how those functions and how that works? Who does that affect and who that does not affect?

Mayor Hoster: Is everyone on board with that? Okay, Sure.

Jared Westhoff: We have a consultant, with Piper Sandler on the Zoom, to help with the PID discussion.

Mayor Hoster: Do you want to do it, or do you want to help these guys?

Westoff: I Have a consultant.

Mayor Hoster: It might be a little bit difficult to hear this way.

Westoff: I can help with that. It might make more sense to give a project overview really quick. And then have them explain what the PID is.

Mayor Hoster: A project overview in what regard?

Westoff: The sewer line that we've been talking with Ash Creek about.

Mayor Hoster: We only have about 15 minutes for the rest of this work meeting.

Westhoff: I can talk fast.

Mayor Hoster: I do not know. I think the concept of the PID is it is basically a taxing opportunity for those who claim into the new development, to pay for all of the infrastructure that was financed by the developer. There are companies that do this with in conjunction with the developer, and then there's an agreement that those taxes will be paying back the debt. I do not think there's whole bunch more to it. The extent of the development and all those things can be the moving variables.

Councilmember Stirling: With the exclusionary agreement with the developers, will the Leeds municipality have the Ash Creek tax included on the property taxes of the parcels included in the development or in Leeds as a whole?

Mike Chandler: Ash Creek does not charge taxes.

Councilmember Stirling: They don't charge taxes at all?

Mike Chandler: No.

Commissioner Swenson: That's a very good point, because either you or somebody mentioned that. So, the line goes through, let's say you could attach or not. Those that don't, that's fine, but it was said that it was a state statute that everybody within a distance, has to end up paying a fee, just because it's running through the town, whether you're attached or not. Is that making sense? There was an assessment for everybody within the area, whether they'd attach or not. Those that are attached, pay a fee to use and the other part was an assessment fee.

Commissioner Roberts: What they're talking about on the PID is that fund takes care of all of that infrastructure. It does not affect you.

Commissioner Swenson: Until it changes over though.

Commissioner Roberts: No, it depends on how that agreement is written. A municipality could say, we want properties to connect. Existing residents, we want them to connect. If there's an issue or if they sell out to another owner, then they must connect. There're many different ways that language can be handled.

Commissioner Swenson: I understand that.

Commissioner Roberts: In a PID the developers are funding all those that are involved. They can even say, no, you can't connect. We're not going to allow you to connect.

Commissioner Swenson: I agree. But that is not what I am talking about. Afterwards, let us say 10% of the town connects, 90% does not. My understanding, wherever I heard it, was that other 90% is still going to be assessed.



Commissioner Roberts: Negative.

Commissioner Swenson: There was, there was mentioned.

Councilmember Furley: That's right. That is what I thought I heard.

Mayor: No

Mike Chandler: No. I am not the source of that information.

Commissioner Swenson: I am trying to clarify.

Mike Chandler: I am not the source of that information.

Commissioner Swenson: It was maybe before you were here.

Mayor Hoster: I don't think that's accurate.

Commissioner Roberts: No, I don't believe that is accurate either.

Mike Chandler: Ash Creek works with two revenue streams. One is charging the user fee, which is a monthly user fee, for those who are connected. And, the impact fee, which is the cost of all of the infrastructure. Like as you come down into Harrisburg, you'll go through three different pump stations and treatment capacity at our lagoons and so, you're buying a portion of that share of capacity that's there. That is what the impact fee is. Those are the two revenue sources that we have at Ash Creek.

Commissioner Roberts: Now, as Mike mentioned, if you go after some state monies on that, that dynamic will change.

Commissioner Swenson: That's what it was.

Commissioner Roberts: The state can mandate, it says, everybody is going to pay a fee.

Mike Chandler: I think part of the confusion, and this may relate back to how that state money has been administered in the past, because I can tell you, there was a couple of specific exclusions that were included in our last meeting, and I apologize if you weren't there. But there was an example given of a specific residence where they didn't connect, they were charged the fee and continue to be charged the fee. And those are specific exclusions, and I'll give you a for example, when that line came in, there was the funding and everything in place, and yet you had somebody

come in and plead a hardship case to our board, and they say, look, to tear up my septic tank, go through my driveway, and I'm on a half-acre, it's going to cost me \$45,000 to do this. Our board, in times past this all predated me, when these projects occurred, said, okay, we'll grant you the exclusion but, as the sewer line comes by, we are stubbing a lateral to your property. So, at some date, in the future, you'll be able to connect, you won't need to dig up the road, it's stubbed into your property. By rule, you should have to connect but we are giving you an exclusion at your request. But you're going to pay the monthly fee, because we have to include in our calculation and sizing of the pipeline capacity for you to connect now at your leisure, or at your convenience in the future whenever that happens. So, there are some few handfuls of connections through Toquerville Hurricane, La Verkin and other areas where people came in asked for specific exclusions for hardships that included either significantly long digs, abandonments, or topographical issues that the board then granted them that exclusion with the proviso that, hey, it's going to be stubbed to your property and we have to provide the service and build the pump station sized for capacity anyways and we have to maintain that in perpetuity. That maintenance cost is borne by the user fees; therefore, you will have to pay your monthly fee. Even though you are not connected. By rule, we have allowed you the convenience of connecting at some future date at your request. So, it make sense for a developer to put that in, this wasn't even specifically for a developer. This was specifically for sewer lines that came past existing homes.

Commissioner Swenson: Sure, I'm just looking down the road as you're putting it down Main Street. Every single house you have it would pay to stub out to make an easy connection. Okay, it would be silly not Do that. If that happens, though, and 90% of the town isn't connecting right away, it looks like to me that you validated the fact that there may be a fee service that they pay even without connecting.

Mike Chandler: So, let me ask a question. Who funds the laterals?

Commissioner Swenson: The Lateral will be the homeowner. The connection?

Mike Chandler: Sorry, by lateral, I mean the stub out. Who funds the stub out?

Commissioner Swenson: If it was the owner of the system. And it would pay for me as a contractor. I mean, this is what was done in California. I am from California. It was standard, but, but the government says, hey you're paying to this point. Okay? For you to then have to tear up a system, a main, then to put in stub out so that a guy could connect would be silly not to stub out.

Mike Chandler: You're absolutely right, except in this case, where we have a project being privately funded. Any additional connections, Ash Creeks not coming in saying, Hey, I'm going to take funding capacity from our four communities to provide these. If the city or some other group wanted to collaborate that funding to run the stub outs. Now one of the problems specifically on Main Street with the topography, as you have long front yards sit lower than Main Street, septic tanks, and backyards, most of those homes, if they're going to connect in Main Street, and not on some

other connecting point, when they leave their septic tank, they're going to put in a pump wall. It is going to have to be a small diameter pressure line. It's easier to run, it's less disruptive, but it's a pump you got to maintain. And so, it provides some benefits, but there are some drawbacks. That is one of the challenges. I think that's always been a stipulation in Leeds. It is like, oh, this is too onerous. I don't disagree with you but typically people think we're the ones that would run those stub outs.

Commissioner Swenson: Just to shut it off. It is not that I'm for against, I'm just saying that this is something that needs to be addressed in the beginning because it'd be far more expensive not to while its going in.

Mayor Hoster: Let me capture on that. I think, relevant with all the developers here and elected officials, what you brought up prior, Mike with regard to the capacity, I think segues off of this. If that capacity was only meant for these developments, why then the other point is moot. It does not affect the others. But if the capacity is intended for those other homes and stuffs to occur, is that financed by the developer? And then it's withheld until the connection occurs? Or is that an agreement that has to be done by this board with those developers to say, in this future date, and then a negotiation is done with the PID? How does that work?

Mike Chandler: Let me answer, and I think this might clarify some things. Leeds is not a large community; the state requires the minimum size for a public collection system to be an eight-inch diameter line in a gravity collection system. An eight-inch system will typically carry anywhere from 600 to 800 homes on an eight-inch line. Now you've got a nice grade coming down Main Street. I've heard various alignments through town and what alignment is finally selected, we'll finally determine what the grade is on that line. It's a good grade, it's in excess of 1%. And most there's, there's some areas that are a little flatter. As we look at capacity, we say, Okay, we've got 1,200 connections out in Grapevine Wash so we exceed that eight inch capacity. But that eight inch in and of itself has a significant amount of capacity. And that is the state mandated minimum. So, if we go to a 10, or a 12, which is we know we're going to the cost of excavating for that eight inch, typically the cost of the excavator the installs the same, whether it's an 8, 10 or 15. So we're talking a material cost, and when do we participate in that upsize? And how do we structure things that way? Those are those types of conversations that I think are pertinent. When we talk minimum costs for the developer in capacity and sizing, which is what the developers' groups have done and saying, what capacity do we need? We don't have probably more than another 200 to 300 Total connections in Leeds. One upsizes swallows in total capacity. It provides that flexibility that you're looking for. Hopefully that kind of maybe preemptively answer some of those like well, how far would we have to stretch? Where, what do we have to Do.

Mayor Hoster: It does.

Mike Chandler: Typically, what I would say is, Hey, have them bid it out. They know they need a 10 inch from here to here. What is the material cost? Go to Mountain

Land go to Scholzen Products go to Ferguson Plumbing and say, Hey, what is my cost on 10 inch today? What is my cost on 12 inches? And there's my difference and saying, hey, do we mind sharing some of those costs? We need to serve some of the general conditions and incidentals as it comes through, but primarily the cost borne for the upside is just that material size because it would have needed to be laid as an 8 inch anyways. Those types of things that we say, what is the cost to the community to provide that flexibility? Or other things that way? I think it's relatively minor. Leeds at 300 to 400 connections roughly here, if I remember from a talk to Southwestern public health, about the rough number of septic tanks and things over here, it's in that range. That is, not a big number. The challenge isn't the cost of the upside so much. I think the bigger cost is in individual property owner saying, oh, man, I'm on a half-acre and my house is at the back, I've got this beautiful front lawn leading out to Main and everybody puts the septic tank right out back. Who does not? We're Americans, like that's where that bad stuff goes, is it back, but that means a longer pipe run. It becomes a challenge. Okay, what is the best way to address that? And that's something that's best determined by the community with input. So hopefully, that preamps some of those questions about capacity, and where those up sizes would need to go.

Councilmember Furley: I have two questions. First of all, does the town get to see your recommendations for how the pipe is going to run through town? Are you going to supply two or three options? Or is it like, this is where we want it to go?

Mike Chandler: Let me go back. I am not pioneering this. I am not saying where it should go. And my understanding would be that the state roads UDOT primarily, but then anywhere outside of UDOT, the city has the right with encroachment permits to say, Hey, this is how it needs to be. This is generally where we like to see our pipes and alignments. So, things of proper separation, and with code and things that way. That is outside of my wheelhouse. That's something where I come back to say, Well, what do you want, you're issuing the encroachment permit for them getting in the road cutting up in the road. Does your waterline have 10 feet of separation from your sewer line, and that has the appropriate separation from gas. That's another one of those ducks you want to have in a row is, if infrastructure is coming into our town, do we have a standard road cross section where we like to see, you know, in all my other communities, sewers, on the north and west side of the road, five feet off centerline. Waterline is 10 feet off centerline to the east or south. Everybody who comes in knows that is how the pipelines line up. And everything else kind of trickles down sewers, the deepest first one to be set. So, everything else gets set gets set off of where sewer is aligned, and trickles down from there. But that is something that's community driven. That's and I know that developers are evaluating alignments, but I'm not giving them input on I don't have surveyors or anybody out there saying, hey, this alignment works better. This street has more grade, this one would pick up more people that it is all being driven by their engineers.

Councilmember Furley: Okay. And the next question I have is, as far as the landowners go, if the decision was made, and we have to abandon our septic



system. Obviously, there's the cost for either you doing it yourself or a contractor coming in and running the lateral to whatever you've stubbed out. But is there a requirement to basically make the septic tank null and void? Does it have to be read completely out? Like they do fuel tanks in abandon gas stations?

Mike Chandler: The health department has guidelines on that. The health department has jurisdiction over actual septic tanks. Ash Creek only has jurisdiction over density in Groundwater Protection. So, there's kind of a separation of duties. If you need to abandon your septic tank it can be crushed in place filled with sand gravel, there's a couple of approved techniques within state code that says this is how you are going to abandon it.

Councilmember Furley: we need to have our ducks in a row so that we can present all that information to everybody that is going to possibly look at that.

Mike Chandler: Absolutely. I agree and support full disclosure.

Councilmember Stirling: I recommendation for the board and Planning Commission, I really think what we need to do is have an exclusionary contract by the town of Leeds that needs to identify the landowners that may want to connect. And once we know all those landowners that want to connect sooner or later, not just developers right now but all of them. I think that gives us an opportunity to say it's an exclusionary contract, so it takes it off of Ash Creek by the citizens a Leeds saying you're going to make me pay. You are going to make me Connect? If this exclusionary contract is only going to be funded privately by those landowners that want to connect sooner or later, it would give us an idea of what infrastructure we would need.

Mike Chandler: I think an opt in. specific contract is ideal. Whenever you can spread that cost over multiple users, the net cost per user drops. So, any individual who's not one of these landowners that can benefit or has that opportunity, it lowers the developer's cost as well, right? If you have that type of a situation where the city is willing to entertain some sort of an opt in agreement, some public hearings or input and saying, okay, hey, we need you to sign in. Then say, Hey, we would like to participate. We acknowledged that anticipated costs are likely to be from this range to this range. And or if it's a PID, we're willing to encumber our property with a future higher mill levy and we're okay with that. Everything with full disclosure on all these things is best. I will give you the code section. It is Utah R 317-4. That is everything septic tanks, from install design, to abandonment, and displacement. So, R-317-4, where if you look up Utah State code that has everything in there, and it gives jurisdiction to the health department's over that. And that's where people can go and say, okay, you know, if I'm having problems, what are my remedies or, or long term, what would I need to do if I, you know, septic tanks are getting more and more expensive. Leeds is blessed, to be made out of nothing but Cobble. And so, anything you flush just kind of disappears. Like even you don't have bad clays where

things come up in the backyard, it just, but it travels fast, it's going somewhere when it leaves. And once that tank finally corrodes or crumbles, all you have is a cesspool in the backyard, that can be concerning. You get saddle points, get other things. My concern is you go in now you're looking at somewhere between 12 to 15,000, to excavate an old tank and bring in a new tank. If there needs to be Leitchfield upgrades that runs above that. In some cases, even if you're saying, hey, it might be 10 or 12 grand for me to connect to the sewer. That is a lot. But it may exceed that if you end up having septic tank problems. Again, in full disclosure, what does that cost? Call John septic service or Aardvark and call a couple of folks, hey, water tanks running? What is my cost? You get Derek Hall in Toquerville or some of these little excavators who come in and specialize in that work? What is that cost to me If I'm 40 years into my tank, tanks usually don't last much longer than 30 years. Okay, well, let me hedge my bets. What am I counting on?

Councilmember Stirling: with that exclusionary contract it would almost protect those that have a septic tank? Approach? They would be protected as far as choosing which way they go though?

Mike Chandler: Again, absolutely. I am not driving this one way or the other. I think that would be a good policy decision for the city to say, hey, if we're going to be body politic, or depending on how this moves forward, how do we provide? That's the flexibility I guess I was trying to allude to in my earlier comments.

Mayor Hoster: So, considering the time we're at 7:06. I'm going to allow five more minutes just because we got started late. Board, do you have any other questions that you want to direct toward Mr. Chandler?

Commissioner Swenson: One thing , Is this for the valley floor only? Does it include Hidden Valley, Silver Reef and to what degree?

Mayor Hoster: Just the developers who are here right now can probably answer what their intent is for that.

Councilmember Stirling: Developers this alignment?

Westoff: This is a draft. The way we see this going as we want it, the project on the south end of town has had a Will Serve letter with Ash Creek for some time, just for some history. Then the Silver Pointe came and said, Hey, could you guys slow down and do a joint system? Then individuals like Mr. Crosby this by Silver Pointe, possibly Sullivan's on the south into Leeds and maybe find Peine's ground or other pieces of ground have said, hey, we'd be interested and having some connections as well. The black line is proposed right now. The lift station being down here, where you would see the red line, the red line would be a force main to the Harrisburg lift station. So, we've studied this quite a bit, we've looked at it a lot. And the idea being that this would be upsizing capacity to be able to handle Grapevine

Wash's flows, if Sullivans ever decide they want to develop, possibly their flows. The idea is that we want to get a PID, through Leeds, which would create that exclusionary type agreement. And we do not want to force anybody on the septic system that does not want to be on. Then if we can see that we have a PID resolution passed, then we can start really refining. Like the alignment could adjust. We've talked to the Lay family, maybe they want it up the edge of their property, we could adjust those things.

Mayor Hoster: To get resolution would be something in conjunction with all the developers for this because it wouldn't just be for one.

Westoff: What we have envisioned is that those that are ready could help sponsor the resolution for the PID. There will need to be a PID in Leeds maybe leads two PID's because of different areas. And then a PID in Washington County.

Mayor Hoster: Because of the areas or because of the developer interest?

Westoff: More of the areas and the way the cost sharing works with a PID. There would need to be a PID for the county area. Let's call it the old' town side of Leeds and probably the grapevine wash area. And then we would envision an overarching agreement between all three PIDs and how those costs are shared. The idea being follows similar the impact fee rules and laws that those who are using capacity pays for that capacity. We would make sure that we waive those costs appropriately to who's ever using capacity. But that we would put everybody in the annexation area, those pits so that as we figure the details out, and as landowners are understanding of it and would want to participate, they could, but they're not required to.

Mayor: That's one proposal.

Westoff: That's a proposal and we came to that proposal based off of not everybody is ready to write a check today for their portion of the cost.

Mayor: The developers?

Westoff: Of the developers; and if we do the project just for those who are ready to write a check. There's not a lot of upsizing for those who would want to connect in the future later on. So, if we can do a PID our ask to Leeds basically is can we get into the details and figure out a public improvement district one or two of them? And can we work out the alignment for the encroachment permits?

Councilmember Cundick: What if Leeds does not want a PID?

Westoff: Then we'll do the project way downsized to just what we need. Those who are ready today, we'll end up with a smaller line. And I just, as we look at it, we think that's potentially poor planning, because later there's all these upsides and costs.

Councilmember Cundick: A PID is basically, For full disclosure I'm actually part of a PID in Hurricane, and a PID is whoever buys the land, their taxes will be higher to pay for the infrastructure that was put in. It's not like the Town of Leeds is not going to have anything to do with the PID. It's the land of the developers will have a higher levy rate for their property tax.

Cundick: But it also works another way. Because if the property is more valuable, because it has been paid for upfront, then it's taxed at that other rate, and we cannot as a town better on that. Otherwise, the taxes go strictly to pay off the PID.

Westoff: Well, this is an additional Levy, and it is not taking from anybody.

Councilmember Stirling: Right.

Westoff: It's a voluntary thing that we as landowners,

Councilmember Cundick: That wasn't the point I made. By having the PID financed, as I understand it, the extra taxes go to pay off the PID; to pay off but the extra money that is borrowed. If those improvements are put in by the developer first, so that the people who buy the houses paid that extra amount upfront, then the taxes are based on the higher rate because the house is more valuable as far as siphoning off those taxes.

Steve Laski: To the homeowner the value is the same. The improvements are there.

Councilmember Cundick: It isn't the same as far as taxes to the town.

Mayor Hoster: I think it's important to identify that what we've seen at this point is, we don't want to put the cart in front of the horse. I think we're doing that a little bit. So, I'm trying to rein in the back. I want to make sure that the process is really clear, as I understand it, and if anybody can help me, you know, correct it, please do. But right now, essentially, for Ash Creek to run a line through the Town of Leeds, there has to be an agreement between Ash Creek and the Town of Leeds. That is why we have settled this meeting. All of this kind of stuff, that'll be further meetings, between the Town of Leeds and all of the developers collectively, but all of the developers collectively would like to see the town of Leeds provide this process going forward. Again, it is the first step. We would love to start turning dirt yesterday, right. But we will have to go through the process, and I want to make sure that everyone has full disclosure, on all the PIDs. We will provide information on it, as we learn it by additional professionals, not the ones who are actually financing the PID but those who can give us professional opinion. The ones who don't have a pony in the race or dog in the fight, which will be our legal counsel, to answer your questions as you might have them. We'll also make sure that on all of these drawings that we've been provided, that all of the developers who have an interest in the properties that are annexed or about to be annexed into the town of Leeds, have had an opportunity to participate in that. My understanding is that most have but there could be others who may switch.



Scott Messel, may come in here and spend his millions and decide he is going to bring in a Target?

Scott Messel: Yeah, I'm waiting for the right moment.

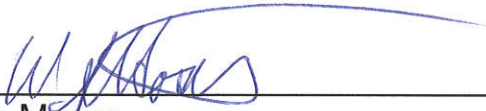
Mayor Hoster: Yup. Make it a Super Target. But I mean, the ability for all of those people, once we put out notice, hey, we're going to have this meeting that can then come in and, you know, participate in this. It's really important that, as this process goes, the Town of Leeds understands what Mike eloquently put out prior and that is, in the past; the Town of Leeds has used the fact that we cannot allow another development to come in because of the groundwater absorption study, and the septic distance issues, and all of those things, that's been the excuse for not growing in Leeds. Now it is going to politically change. If sewer does come in it changes this so that we can't be biased and capricious and saying, oh, we just don't want that. As a town and all of the planners who are here at the table, we have to politically align with what our town plan is that was just released this last year and also make sure that zoning, and all of those factors are dealt with in these things appropriately. You as citizens who have come in that are not the developers, this is where you get to come to the table and say this is where we all want to work together. I will be candid with you and saying that I work for the Town of Leeds, I get paid a lot of money for it. But it's really important to note that I've had conversations with every one of these developers who have come in and said, We want to work with Leeds, we don't want to just come in and throw our gauntlet down and say this is how we want it. Every one of them have said they want to work with us. So I'm so grateful that so many people came to this meeting, I've run this meeting over because of you know, circumstances, but we'll have many more of these meetings, we're going to make sure that everyone has the ability to participate, and how that this can best service the Town of Leeds as a whole both the property owners who exist here now you have property owners who are developing here now. I hope I've been able to answer all your questions. If there's anything really dire that somebody needs to ask before we adjourn this meeting, please let it be known now and otherwise, you're all welcome to call my cell phone or email me or what have it be. But there will be many. Yes, Roger?

Roger: Is the Leeds town plan online?

Mayor Hoster: Yes, sir. It is on our website. And yeah, it is about 10 months old. very recent. Any other questions? Ladies and gentlemen, thank you. We're going to adjourn this work.

Adjournment:7:16 pm

Approved this eighth day of March 2023.

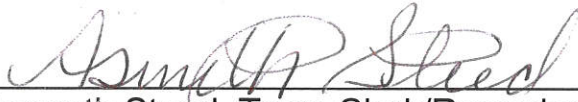


\_\_\_\_\_  
Bill Hoster, Mayor



\_\_\_\_\_  
Danny Swenson , Chairperson

ATTEST:



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Aseneth Steed, Town Clerk/Recorder