

Minutes of the Hurricane City Council meeting held on June 20, 2024, in the Council Chambers at 147 North 870 West, Hurricane, Utah at 5 p.m.

Members Present: Mayor Nanette Billings and **Council Members:** Kevin Thomas, Clark Fawcett, Drew Ellerman, and Joseph Prete.

Members Excused: David Hirschi

Also Present: City Manager Kaden DeMille, City Attorney Dayton Hall, Deputy Chief Kurt Yates, Power Superintendent Scott Hughes, Public Works Director Mike Vercimak, City Planner Gary Cupp, Planning Assistant Fred Resch III, City Engineer Arthur LeBaron, Building Official Larry Palmer, Parks Superintendent Darren Barney, Water Superintendent Ken Richins, City Recorder Cindy Beteag, HR Director Sel Lovell, and Finance Manager Paige Chapman.

AGENDA

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

Scott Hughes reminded the Council about the UAMPS conference coming up on August 18th-21st in Midway. He explained that they have been running generators due to a spike in power prices caused by last week's high temperatures. Recently, they stopped running the generators as market prices stabilized, but they are prepared to run them daily based on price analysis. The substation performed well with only minor issues, and it was a significant achievement to have it energized and operational. He also mentioned Rocky Mountain Power's implementation of a Public Safety Power Shutoff (PSPS) plan, which involves shutting off power if weather conditions, vegetation, and other factors indicate a fire risk. This policy could potentially impact Washington County significantly, as shutting off the lines operated by Rocky Mountain Power would affect the entire county. He highlighted the importance of being aware of these potential power shutoffs due to fire risks within two miles of the lines.

Larry Palmer reported that nine single-family homes have been submitted since the last meeting. Ace is still progressing as quickly as possible.

Deputy Chief Kurt Yates stated the new community policing officer is Doug Thorton. He expressed confidence in his capabilities. The department has been preparing for active shooter training, scheduled for next month, which will involve the fire department, school administrators, and possibly some students to create a realistic scenario. The training will take place over two weeks, with one squad each week, and neighbors will be informed to prevent panic. He noted that weekends have been very busy with traffic due to the popularity of Hurricane and St. George. He mentioned that the department did not need to assist with the tragic shooting in Washington.

Darren Barney reported continued employee losses to other cities and companies offering higher salaries. Although a few new hires are starting in the next couple of weeks, the department is still short-staffed. They have been very busy with baseball tournaments,

including multi-day events requiring extensive field preparation between games. This has been time-consuming, with staff working long hours over the weekend. Memorial Day events went smoothly, with only one complaint about flower removal, which is unusual thanks to improved communication and signage over the past few years. Next week, the department has scheduled two consecutive days to work with prisoners to clean up the medians on State Street. This task has been delayed due to difficulties in coordinating with the prisoners, but it is now set to proceed with lane closures for the cleanup.

Ken Richins mentioned that on Tuesday, there was a mandatory pre-job meeting for the irrigation expansion project. Fifteen contractors requested the plans, and seven attended the meeting, indicating interest in the bid opening scheduled for next Thursday, the 27th at 2:00 PM. After the bid opening, the bids will be analyzed, and a meeting with the council will be arranged to discuss awarding the contracts. There is a meeting scheduled in the morning with the driller and engineers to discuss the best approach to achieve the desired water quality for the Gould's Wash Well. The Sky Ranch Well is experiencing some mechanical issues, but work is ongoing. He hopes to provide a more positive update at the next council meeting or the one following that. The Water Board meeting next week has been canceled because they didn't have any items to discuss.

Mike Vercimak stated on Tuesday there was a pre-bid meeting for the AWASP project at the airport, but only one bidder responded. Bids for this project will be opened next week. A pre-construction meeting for the Veterans Park was held this morning in the council room. The project has received numerous donations of materials and labor, making it a significant task to manage all the volunteers and their schedules. The meeting was productive, and the project is off to a good start.

Arthur LeBaron distributed VIP tickets for the 4th of July event, noting that each council member had tickets in front of them. More tickets could be provided if needed. They are valid per vehicle, regardless of the number of passengers. He anticipates a good crowd at Sand Hollow and confirmed that preparations for the event are nearly complete. He then showed footage of the Frog Hollow Dam project. The dam's location was highlighted, showing areas excavated and material moved. He explained that the dam had construction efforts in the 1950s and 1970s, with the 1970s material being problematic. This material has been relocated, while the 1950s material, which is good quality, will be reused. The main task is to excavate and replace the pipe from the outlet structure. Currently, they are removing half of the dam to start work on the pipe, after which they will remove the remaining half. To mitigate vulnerability, the drainage basin now boasts higher-quality vegetation compared to the pre-1950s era. Despite this improvement, they will still construct a cofferdam to ensure stability.

Gary Cupp outlined upcoming items from the planning department include updates to the subdivision ordinance to accommodate new regulations requiring construction drawings at final plat review and an amendment to the airport influence area that is mandated by the state. The next General Plan training is Our Natural Resources – viewsheds, water supply, agricultural resources, and dark skies. SR-9 is designated as a state scenic corridor, and efforts are

underway to obtain federal designation for its scenic status as well. During the discussion, the goals, policies, and strategies aimed at safeguarding these resources were reviewed. Mayor Billings clarified that there are currently no ordinances restricting views. Kevin Thomas raised a concern about the lights on the Arby's building, specifically mentioning two large spotlights that need to be addressed.

Fred Resch III reported that last week, the Planning Commission approved a preliminary site plan for a Starbucks location on State Street, situated between Del Taco and O'Reilly's. Additionally, they approved a preliminary plat for a 53-lot subdivision in the Sand Hollow Gateway area. Mayor Billings announced a meeting scheduled for next Thursday at Dixie Tech, where mayors and legislators will discuss affordable housing initiatives and actions taken by each city. She extended an invitation to anyone interested in attending.

Dayton Hall mentioned there have been three requests go to the Ombudsman office for advisory opinion regarding exactions imposed on developers. He attributed this uptick to a tightening economy and the city's careful approach to ensure developers bear their development costs rather than taxpayers. He expressed interest in hearing an independent attorney's perspective on these matters. Another discussion right now is the countywide reuse project for the Washington County Water Conservancy District. This project aims to utilize water from Ash Creek, much of which belongs to the City. The City is negotiating to ensure fair recognition of its water rights and to integrate this water into a secondary irrigation system. Ongoing meetings are focused on aligning the City's existing irrigation plans with the District's new reuse strategy, which presents new challenges and opportunities for collaboration.

Kaden DeMille explained employees who were involved in the parade on the 4th of July are now also helping with the fireworks. Many of them are working extended hours. He suggested the idea of offering a floating holiday for those employees working on the 4th, to compensate for their time. The Council expressed support for giving this approach a try.

Cindy Beteag explained that the business license chapter mandates background checks for certain businesses, such as massage therapy, firearms-related businesses, businesses dealing with minor children, and businesses entering a private residence. Due to recent incidents, staff is proposing adding tattoo artists and residential hosting to the list and suggested making the background checks an annual requirement instead of a one-time check at the beginning. Mayor Billings and Kevin Thomas expressed reservations about including residential hosting. The Council directed staff to determine if there is a fee for the City to run a background check and to assess how many businesses would be affected by this change.

6:00 p.m. - Call to Order –

Prayer, Thought and Pledge led by Kevin Thomas

Declaration of any conflicts of interest

None declared.

Minutes of the Regular City Council Meeting for June 6, 2024

Kevin Thomas motioned to approve the June 6, 2024 minutes as written. Seconded by Drew Ellerman. Motion carried unanimously.

Mayor Billings recognized the Hurricane Bandits Baseball Team out of order and addressed them next. These minutes are in the order of the agenda instead of the order they were addressed by the Council.

Update and Presentation from Ash Creek Special Service District - Mike Chandler

Mike Chandler highlighted recent changes and accelerated developments in water and wastewater management throughout the county. He explained that Ash Creek Special Service District serves Hurricane, LaVerkin, Toquerville, Apple Valley, and soon the town of Virgin, along with eastern Washington County up to Leeds and New Harmony, but not Pine Valley. The District covers a vast area comparable to the distance from Lehi to Payson, Utah. Despite having fewer residents than Utah County, the District manages extensive infrastructure, including 18 pump stations, over 300 miles of pipelines, roughly 4000 manholes, one treatment facility, and a lagoon facility off SR 9. He reported that concrete is currently being poured at the Confluence Park treatment plant. He discussed recent infrastructure projects supporting economic development in the communities. The Bench Lake Regional Pump Station, completed in 2021 at a cost of approximately \$6.5 million, now transports sewer from Dixie Springs to the new water tank and wellsite, and down to 3000 South, covering the new Copper Rock Golf Course area and surrounding properties. Additionally, the Quail Creek Industrial Park project involved designing and installing a regional pump station that will replace individual pressure systems, addressing issues and supporting further development in the area. He discussed the Confluence Park Water Reclamation Facility, which has a compact footprint and saves power by pumping water to Toquer Reservoir. He presented future concept plans for the treatment plant, highlighting its location in ponds 4 and 5 by Sand Hollow, where it won't be visible from major roads. He also showed plans for a regional reuse system and announced a reuse workshop next Monday to discuss the plan and answer questions. Mr. Chandler explained the reuse water applications and mentioned they have over 400 acres around their facility, which they have farmed. Due to recent moisture, they have struggled to discharge their winter water and are considering different uses for the property. When Joseph Prete asked about the process of waste management from houses to ponds to reuse, Mr. Chandler detailed the entire process.

Update and Presentation from Southwest Mosquito Abatement District - Sean Amodt

Sean Amodt announced that it is the first day of summer and Mosquito Awareness Week. He handed out pamphlets explaining their work, noting that the organization started in 2002, with the nearest district being five counties away. Mr. Amodt, who has been the manager since 2014, mentioned that there are 22 different mosquito species in the county, and they use three different methods to control them. This season, they caught about 2,500 mosquitoes in one location. Primarily floodwater mosquitoes are in Hurricane. He highlighted that water areas are where West Nile virus spreads. He invited everyone to a conference in October and pointed out that flies do not carry deadly diseases like mosquitoes.

Recognition of the Hurricane Bandits Baseball Team

The Hurricane Bandits Baseball Team recently traveled to New York City to compete in a tournament, finishing 27th out of 88 teams. Mayor Billings invited each player to introduce themselves, and the Council congratulated the team on their impressive performance.

Presentation from concerned residents regarding construction near Dixie Springs

Diana Pales thanked the Council for the opportunity to come address the Council regarding the construction of Dixie Heights Subdivision. She presented a short three-minute movie showcasing the conditions in their subdivision, compiled from numerous videos and pictures. The first picture showed the initial view from their home in Dixie Springs, highlighting the sparse sagebrush and minimal sand issues. Subsequent images depicted a neighbor's lawn at the beginning of 2022 and a few months later, completely covered with sand, making the lawn and plants invisible. The developer had promised to fix it after completing their work, but the homeowners have since started redoing it themselves due to the unbearable conditions. She emphasized the difficulty of living with such extensive sand intrusion, affecting both the exterior and interior of their homes. She described the insufficient watering at the construction site, where a water truck creates a single path every four or five days. A family who saved for eight years to install a pool cannot use it due to constant sand accumulation, taking days to clean. The dust has impacted residents' health, and there seems to be no end in sight to the issue. She detailed the significant damage to walls, foundations, and driveways caused from blasting. She asked for relief through constant watering. Despite meeting with developer Brent Moser in Spring 2022, who promised completion of phases 1 and 2, only three homes have been built, and no properties have been sold. With all vegetation removed, sand constantly blows. She read emails from affected residents and requested the Council to mandate daily watering for the development.

Mayor Billings explained that this approval occurred before three of the current council members were elected. The City does have ordinances on dust control. Mike Vercimak noted that the current ordinance requires a reasonable effort to control dust, which the City interprets as necessitating a water truck on the job site. The inspector spends 30% of their time ensuring contractors comply. However, given the area's wind conditions, there isn't enough water to fully suppress the dust. He stated the inspector will monitor the situation more closely.

Bryan Wild expressed concern about the absence of a silt fence requirement. Mayor Billings clarified that the City's ordinance does not mandate silt fences. Mike Vercimak noted the prolonged duration of the development as a significant issue. Drew Ellerman inquired about a timeframe for completion and suggested preventing grading without subsequent development. Mayor Billings suggested communication with the developer, acknowledging residents' previous attempts. Clark Fawcett voiced concern with grading on a section of the development that isn't being built. He proposed inviting Mr. Moser to address the Council on the matter. Mayor Billings stated she will talk to Mr. Moser to see what the development plans are.

Brent Clark expressed frustration over the prolonged dust, noise, and ongoing construction impacting their quality of life and finances. He highlighted personal health issues linked to dust exposure, including his wife's recent diagnosis of emphysema. The disruptive environment has also affected property values, as evidenced by the difficulty in selling his father's house. He also raised concerns about the city's emergency preparedness, emphasizing the vulnerability to earthquakes and how seismic activity could exacerbate existing issues such as blasting and potentially impact infrastructure like the dam.

Ms. Pales requested notification if the Council meets with Brent Moser. Mayor Billings stated staff will reach out to the developer first to try to resolve the issues.

Public Forum – Comments From Public

NEW BUSINESS

1. Consideration and possible award of bid for the PEMB component of the four-court gym- Kaden DeMille

Kaden DeMille clarified that the acronym stood for a pre-engineered manufactured building (PEMB). He reported that there was only one bidder for the metal building component, which came in at \$792,459.72, significantly under the city's estimated cost of \$1,050,000 by approximately \$257,000. This is just the metal portion that includes the track. This step is crucial to finalize construction drawings and proceed with the gym construction project. Joseph Prete pointed out that the bid does not cover the labor costs for assembly, only materials and engineering. He then posed a question to the staff regarding their confidence in the bid's completeness compared to the initial higher projection, ensuring that all necessary components are included in the \$750,000 estimate. Mr. DeMille responded that they have learned from the two-gym project where ongoing change orders have been necessary due to having to re-engineer different things. He expects the process for this building to be more smoothly with all elements integrated into the construction drawings. They are anticipating the construction taking about four months to complete.

Kevin Thomas motioned to approve the bid for the PEMB component of the four-court gym in the amount of 792,459.72 to Falcon Builders. Seconded by Joseph Prete. Motion carried unanimously by a roll call vote.

2. CONSIDERATION OF ADOPTION OF RESOLUTION NO. 2024-29 - A RESOLUTION OF THE CITY COUNCIL OF HURRICANE CITY, UTAH (THE "CITY"), AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN \$14,000,000 AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2024 (TO BE ISSUED IN ONE OR MORE SERIES AND WITH SUCH OTHER SERIES OR TITLE AS MAY BE DETERMINED) (THE "BONDS"); FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE BONDS MAY MATURE, THE MAXIMUM INTEREST RATE WHICH THE BONDS MAY BEAR, AND THE MAXIMUM DISCOUNT FROM PAR AT

WHICH THE BONDS MAY BE SOLD; DELEGATING TO CERTAIN OFFICERS OF THE CITY TO APPROVE THE FINAL TERMS AND PROVISIONS OF THE BONDS WITHIN THE PARAMETERS SET FORTH HEREIN; PROVIDING FOR THE POSTING OF A NOTICE OF PUBLIC HEARING AND A NOTICE OF BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD AND SETTING OF A PUBLIC HEARING DATE; AUTHORIZING AND APPROVING THE EXECUTION OF A THIRD SUPPLEMENTAL INDENTURE OF TRUST, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

Mayor Billings explained this funding is for secondary irrigation, wells in the Sky Ranch and Three Falls areas, and a 2-million-gallon tank at Sky Ranch. This financing option offers 0% interest through the Reclamation of Water Resources Department, and it constitutes a bond that will be repaid over the next 25 years. Kaden DeMille explained the parameters resolution sets the interest rate and amount, with a proposed figure of \$14 million, slightly exceeding the approved \$12.6 million to accommodate potential overages and closing costs. Approving this resolution ensures that financing does not delay the project's progress, allowing flexibility for future decisions on feasibility. Joseph Prete raised questions about the bundling of projects into this funding. He also questioned if these projects are the top priorities and expressed concerns about future project limitations. Ken Richins explained that not all bonding capacity is being utilized and noted recent water rate increases to help cover costs.

Clark Fawcett sees this as constructive, but he doesn't want to see another bond for the Water Department unless there is a dire need. Mr. Richins stated these projects align with their comprehensive five-year plan. Mr. Fawcett stated he has no concern with the parameter resolution, but he has a lot of concerns with the unknowns of the irrigation expansion. There are no concrete numbers to evaluate the costs. He is worried they are building a system that is going to have to be subsidized to pay for it. Mr. Richins echoed his frustration with unknown numbers but feels they will have a better understanding once they open the bids. Mr. Fawcett proposed testing the numbers to see how many connections there would be and raised questions about mandatory tie-ins for future development. Drew Ellerman advocated for maintaining cost control and requiring new developments within a certain proximity to connect. Mr. Richins estimated that by doing this system approximately 700 connections wouldn't need to be purchased from the Water District. Mark Anderson with Zion's Bank explained this resolution sets a public hearing for July 18th and allows for reimbursement of expenses if the bonding proceeds. There is no obligation to proceed if this is approved. Kaden DeMille stated they will have a better idea after the bid opening next week.

Clark Fawcett motioned to approve Resolution 2024-29 authorizing the issuance and sale of not more than \$14,000,000 aggregate principal amount of water revenue bonds, series 2024. Seconded by Kevin Thomas. Motion carried unanimously by a roll call vote.

Joseph Prete motioned to close the City Council meeting. Seconded by Kevin Thomas. Motion carried unanimously.

Clark Fawcett motioned to open the Redevelopment Agency Meeting. Seconded by Joseph Prete. Motion carried unanimously.

MEETING OF THE HURRICANE REDEVELOPMENT AGENCY

1. Consideration and possible approval of Resolution 2024-28 confirming the closure of Project Areas 1 and 2 and ratifying the extension of Project Area 3.

Mayor Billing read the following summary written by Dayton Hall that was provided in the packet. “The Hurricane City Council is the governing board of the Hurricane Redevelopment Agency, which is a form of a limited purpose local government entity. The Agency was created in the early 1990s to provide certain tax breaks and incentives to promote economic development within the City. The proposed resolution is a housekeeping item to clarify the status of the three different project areas created by the Agency. This clarification will assist the City and County Clerk/Auditor in administering the Agency. The proposed resolution clarifies that project areas 1 and 2 are closing this year, and project area 3 has been extended until 2027.”

Clark Fawcett explained that Areas 1 and 2 include the old industrial area and the golf course. It was paid off years ago. The City used these areas to fund equipment and would then reimburse the account. This is just a housekeeping item to close them up. Area 3 includes Old Hwy 91, and it is still being used for the Lighthouse and Orgill expansion projects. Kaden DeMille explained that the funds will be transferred from the RDA fund to a capital expense fund for the golf course.

Clark Fawcett motioned to approve Resolution 2024-28 confirming the closure of Project Areas 1 and 2 and ratifying the extension of Project Area 3. Seconded Drew Ellerman. Motion carried unanimously.

Joseph Prete motion to adjourn the Redevelopment Agency Meeting. Seconded by Kevin Thomas. Motion carried unanimously.

Clark Fawcett motioned to reopen the City Council meeting. Seconded by Drew Ellerman. Motion carried unanimously.

NEW BUSINESS CONTINUED

1. Mayor, Council, and Staff reports

None

2. Closed Meeting held pursuant to Utah Code section 52-4-205, upon request

Joseph Prete motioned to go into closed to discuss pending or reasonably imminent litigation. Seconded by Kevin Thomas. Motion carried unanimously.

Joseph Prete motioned to close the closed meeting and adjourn the meeting. Seconded by Clark Fawcett. Motion carried unanimously.

Adjournment: 9:12 p.m.