

Utility Departments of Hildale/Colorado City

Utility Board Meeting Minutes
320 East Newel Ave, Hildale Utah
Wednesday, August 28, 2018 6:00 P.M.

Present: Utility Board

| Board Members: | Present | Absent | Excused |
|----------------------|---------|--------|---------|
| Haven Barlow | X | | |
| Sterling Jessop, Jr. | X | | |
| Ralph Johnson | X | | |
| Arvin Black | X | | |
| Jason Black | X | | |
| Nathan Burnham | | | X |
| JVar Dutson | X | | |
| Stacy Seay | X | | |
| Michael Cawley | X | | |

Staff Present: Mayor Joseph Allred, Vance Barlow, Mayor Donia Jessop, John Barlow, Vincen Barlow, Harrison Johnson, Mary Ellen Johnson, Susie Barlow, Mariah La Corti

Public Present: Kyle Layton, Maha Layton, Eric Velander, Brooke Barlow, Lawrence Barlow, Jennifer Darger, Janet Jeffs,

#1 Call to Order

Arvin called the meeting to order at 6:01 pm. Vincen called roll. Quorum present.

#2. Prayer and Pledge of Allegiance

Prayer was offered by Sterling Jessop and the crowd joined in the pledge of allegiance.

#3. Approval of Minutes from July 31, 2018

A few amendments were noted.

JVar Dutson moved to approve the minutes of the July 31, 2018 as amended.

Jason Black seconded. Roll call vote:

| Board Members: | Yes | No | Abstain |
|----------------------|-----|----|---------|
| Haven Barlow | X | | |
| Sterling Jessop, Jr. | X | | |
| Ralph Johnson | X | | |
| Arvin Black | X | | |
| Jason Black | X | | |
| JVar Dutson | X | | |
| Stacy Seay | X | | |
| Michael Cawley | X | | |

Motion carried.

#4. Public Comment

Elisa Wall, a resident of Hildale, addressed the Board. She thanked the Board for their dedication and hard work. She asked the Board to vote against a rate increase from TCWW and asked them to keep the growth of the community in mind when considering possible suspension of the impact fee.

#5. Consideration of Utility Waiver Requests

320 North Oak Street and 45 South Richard Street submitted wastewater waiver requests for consideration. The requests presented are fairly standard. Staff recommends approval of the requests reducing the monthly sewer rate retroactive 90 days.

Jason Black moved to approve the staff recommendation for each Utility Waiver Request provided.

Haven Barlow seconded. Roll call vote:

| Board Members: | Yes | No | Abstain |
|----------------------|-----|----|---------|
| Haven Barlow | X | | |
| Sterling Jessop, Jr. | X | | |
| Ralph Johnson | X | | |
| Arvin Black | X | | |
| Jason Black | X | | |
| JVar Dutson | X | | |
| Stacy Seay | X | | |
| Michael Cawley | X | | |

Motion carried.

#6. Manager Report

Harrison read a letter he wrote to the Board aloud. Running the Utility Department has proven to be a monumental task. He requested more time to address the crossing of lot lines.

The Utility Department has approximately \$130,000 of debt over 90 days delinquent. Harrison does not agree with the current collections procedure as it hurts the customers and there is not a lot of money regained. He would like to modify the fee structure and incentivize good payment behavior to be more customer service oriented, while being cost effective, uniform with policies, and recovering debt. This is still in the development stage. He welcomes guidance from the Board on this matter.

Sewer pond dredging: It would be a very time consuming and expensive venture to dredge the pond. Weston and Harrison are developing a plan to reduce the raw sewage waste blanket in the pond by half by using probiotics. An action plan will be presented in a future board meeting.

Violations: The Utility Department received a chlorine testing violation for failing to submit water quality tests timely. This may require the Department to disclose this failure to the public. Corrective action has taken place to avoid this issue in the future.

Gas Taxes: There was a discrepancy with the Department of Revenue for the State of Utah regarding the exempt status of the Department. Vincen is working on this.

Professional Development: Harrison has started this program that will allow the Department to take an active role in developing their immediate and ultimate professional goals. This program should allow standardize employee personnel reviews to assist managers in determining job proficiency and progress.

JVar asked about overtime. Overtime is an issue right now and was addressed later on in the meeting under the hiring of a utility technician.

Arvin expressed his thanks to Harrison and all those assisting him in this.

#7. Financial Report

Vincen presented. He walked the Board through the financials for the period since the last meeting.

#8. Consideration of Approval to Pay Bills

JVar Dutson moved to pay the bills as they become due and the funds become available.

Jason Black seconded. Roll call vote:

| Board Members: | Yes | No | Abstain |
|----------------------|-----|----|---------|
| Haven Barlow | X | | |
| Sterling Jessop, Jr. | X | | |
| Ralph Johnson | X | | |
| Arvin Black | X | | |
| Jason Black | X | | |
| JVar Dutson | X | | |
| Stacy Seay | X | | |
| Michael Cawley | X | | |

Motion carried.

#9. Consideration and Possible Action on Safety and Security Policy

Harrison presented a proposed policy for the Board to review. He stated that the safety and security of the field crew and community are the first priorities of the Department. The policy covers employee conduct, authorities, and management responsibility.

There was discussion on how the Board becomes informed of any issues. Jason requested the policy include details of what the possible disciplinary actions could be. Harrison pointed out that this is outlined in the Colorado City Personnel Manual.

JVar expressed his concern about not having a general liability policy in place. Harrison will be getting quotes on systems to secure the Departments assets. The field staff has implemented weekly safety meetings.

JVar Dutson moved to put the Safety and Security Enforcement Policy as written into place.

Michael Cawley seconded. Roll call vote:

| Board Members: | Yes | No | Abstain |
|----------------------|-----|----|---------|
| Haven Barlow | X | | |
| Sterling Jessop, Jr. | X | | |
| Ralph Johnson | X | | |
| Arvin Black | X | | |
| Jason Black | X | | |
| JVar Dutson | X | | |
| Stacy Seay | X | | |
| Michael Cawley | X | | |

Motion carried.

#10. Consideration and Possible Action on Exploratory Funds for Water Survey

Sunrise Engineering approached the Department to discuss a grant application that would update the mapping and survey information on the water and wastewater systems. The Department has a Geospatial Information System that is only desktop accessible and can only be edited by a single user. Harrison explained what a GIS is.

Mayor Allred explained that this would make data accessible for all departments and computers within the city. Having that accessibility would be very valuable. John Barlow explained that this would be an asset to the public as well because of their ability to access the information. He feels that it is worth paying Sunrise to write the grant application for us because of their experience.

Jason Black moved to spend up to \$3,000 of application development from the cities list of preferred vendors for the potential to receive up to \$40,000 of grant money.

JVar Dutson seconded. Roll call vote:

| Board Members: | Yes | No | Abstain |
|----------------------|-----|----|---------|
| Haven Barlow | X | | |
| Sterling Jessop, Jr. | X | | |
| Ralph Johnson | X | | |
| Arvin Black | X | | |
| Jason Black | X | | |
| JVar Dutson | X | | |
| Stacy Seay | X | | |
| Michael Cawley | X | | |

Motion carried.

#11.Consideration and Possible Action on Billing Cycle Revision

The Department is trying to become more customer service friendly. As part of this goal the Department would like to move the billing cycle from the last day of the billing month to the first business day of the following month. Harrison believes this will reduce administrative costs and help the customers that have financial difficulties. Further, disconnected customers will have all week to get their services reconnected rather than paying for after hours services.

John Barlow outlined the problem that brought this up. It is currently impossible for a customer that pays their bill on the 1st of the month to avoid a late fee. With this change payments received prior to the first business day of the month will not get a late fee.

Stacy Seay moved to approve the billing cycle change as recommended.

JVar Dutson seconded. Roll call vote:

| Board Members: | Yes | No | Abstain |
|----------------------|-----|----|---------|
| Haven Barlow | X | | |
| Sterling Jessop, Jr. | X | | |
| Ralph Johnson | X | | |
| Arvin Black | X | | |
| Jason Black | X | | |
| JVar Dutson | X | | |
| Stacy Seay | X | | |
| Michael Cawley | X | | |

Motion carried.

#12. Consideration and Possible Action on Fiber Optic Network Research Proposal

The Department would like devote time researching whether or not it will be beneficial to the Department to provide internet services. He would like to present a cost-benefit analysis to the Board. He is seeking the Board approval for the staff to spend their time on this.

JVar Dutson moved to approve staff to research whether or not providing internet services would be in the interest of the department and community.

Jason Black seconded. Roll call vote:

| Board Members: | Yes | No | Abstain |
|----------------------|-----|----|---------|
| Haven Barlow | X | | |
| Sterling Jessop, Jr. | X | | |
| Ralph Johnson | X | | |
| Arvin Black | X | | |
| Jason Black | X | | |
| JVar Dutson | X | | |
| Stacy Seay | X | | |
| Michael Cawley | X | | |

Motion carried.

#13. Consideration and Possible Action on Organizational Structure

This has been requested by city councils and staff alike. Harrison presented a proposed organizational structure in hopes of better facilitating efficiency of operations. The document identifies the organization of supervision, tasking and evaluation of department employees.

Haven Barlow moved to approve the organizational structure of the Utility Department as presented.

JVar Dutson seconded. Roll call vote:

| Board Members: | Yes | No | Abstain |
|----------------------|-----|----|---------|
| Haven Barlow | X | | |
| Sterling Jessop, Jr. | X | | |
| Ralph Johnson | X | | |
| Arvin Black | X | | |

| | | | |
|----------------|---|--|--|
| Jason Black | X | | |
| JVar Dutson | X | | |
| Stacy Seay | X | | |
| Michael Cawley | X | | |

Motion carried.

#14. Consideration and Possible Action on Technician Hiring Policy

Weston’s pay rate was briefly discussed because of the recommendation.

JVar Dutson moved to appoint Weston Barlow as the Operations Manager for the Utility Department.

Haven Barlow seconded. Roll call vote:

| Board Members: | Yes | No | Abstain |
|----------------------|-----|----|---------|
| Haven Barlow | X | | |
| Sterling Jessop, Jr. | X | | |
| Ralph Johnson | X | | |
| Arvin Black | X | | |
| Jason Black | X | | |
| JVar Dutson | X | | |
| Stacy Seay | X | | |
| Michael Cawley | X | | |

Motion carried.

Harrison presented a policy to the Board for hiring of non-management/supervisory positions. Joseph Allred helped in clarifying that the Board will give Harrison permission to open the needed position and Harrison will be allowed to hire individuals based on what is outlined in the policy without coming back before the Board.

Jason Black moved to approve the field staff hiring policy as presented, authorizing the Department to hire two new technicians.

Haven Barlow seconded. Roll call vote:

| Board Members: | Yes | No | Abstain |
|----------------------|-----|----|---------|
| Haven Barlow | X | | |
| Sterling Jessop, Jr. | X | | |
| Ralph Johnson | X | | |
| Arvin Black | X | | |
| Jason Black | X | | |
| JVar Dutson | X | | |
| Stacy Seay | X | | |
| Michael Cawley | X | | |

Motion carried.

#15. Consideration and Possible Action on Backflow Protection Enforcement Sweep

Harrison explained the issue of cross connection and backflow control that must be enforced in order to maintain the safety and integrity of the culinary water system.

He is asking permission to put an enforcement sweep notice in the utility bill this month and enforce the Ordinances. Harrison gave a few examples of why this is important and why it should be done this way.

JVar, Arvin and Jason all brought up their concern about making sure that the public is educated. Harrison reiterated that there is an immediate issue that must be fixed.

Joseph Allred gave his opinion that the notice seems harsh. He feels that it can be worded more softly.

Christian Kesslering explained that there is a requirement from the State that this be enforced. Harrison explained that this policy is in place, it is not new, it just needs to be enforced.

Jason Black moved to approve the enforcement sweep for compliance with Hildale-Colorado City ordinances pertaining to cross connection and backflow control.

Haven Barlow seconded. Roll call vote:

| Board Members: | Yes | No | Abstain |
|----------------------|-----|----|---------|
| Haven Barlow | X | | |
| Sterling Jessop, Jr. | X | | |
| Ralph Johnson | X | | |
| Arvin Black | X | | |
| Jason Black | X | | |
| JVar Dutson | X | | |
| Stacy Seay | X | | |
| Michael Cawley | X | | |

Motion carried.

#16. Consideration and Possible Action on Twin City Water Works Rate Increase and Water Supply

Harrison presented. He understands that this is a sensitive issue. His recommendation is contingent purely on having the lowest rate possible for the highest quality of water for the customers. The 54% increase that was requested would dramatically increase the cost to the customer. There is no requirement that a negotiation be done at this time, per the contract. The Board is not required to take any action until 2020. The money being paid to Twin City Water Works is far more than the power and maintenance fees for their wells. According to the numbers, neither the current price nor price increase are justified.

There was brief discussion on why Twin City Water Works is requesting the increase, and nobody has an answer. That would have to be disclosed by Twin City Water Works.

Janet Jeffs addressed the Board. To her understanding, part of the payment goes to the infrastructure. Deep wells, which the city is asking to be used, cost more to run. She stated that the figure might be high, but is negotiable. They requested the increase because of the projected increase in expense. Documentation on the infrastructure of the deep wells has been formally requested.

Weston feels that the Department will not need any extra water that the cities wells cannot provide through the winter. It is only through the higher usage summer months that there is not enough.

Harrison explained that it costs us approximately .25 per thousand gallons plus maintenance costs for the water from our own wells. He strongly recommends rejection of the rate increase to keep water rates lower for the customers. Harrison reiterated that this decision should be purely based purely on the financial situation not emotions.

Michael pointed out Twin City Water Works history with the community and that they may go out of business without our business.

Arvin commented on the UEP's proposal that was accepted last month. In the end, what is best for the Utility Department has to be done.

JVar expressed his appreciation to Twin City Water Works for the ability to have water in the community.

Mayor Allred suggested that the Board could consider tabling the item for receipt of the information requested. John Barlow agreed that having some financial statements may help the city understand what is going on and waiting to give a response would not hurt anything.

JVar Dutson moved to table this item pending further information.

Michael Cawley seconded. Roll call vote:

| Board Members: | Yes | No | Abstain |
|----------------------|-----|----|---------|
| Haven Barlow | X | | |
| Sterling Jessop, Jr. | X | | |
| Ralph Johnson | X | | |
| Arvin Black | X | | |
| Jason Black | X | | |
| JVar Dutson | X | | |
| Stacy Seay | X | | |
| Michael Cawley | X | | |

Motion carried.

#17. Consideration and Possible Action on Suspension of Water Service Impact Fees

There has only been one water service impact fee paid since the increase. What the Department needs is for people to use and pay for water and wastewater services. The infrastructure is highly underutilized, so infrastructure improvements, paid for by the impact fees, are not needed at this time. Harrison recommends that the impact be repealed to promote growth and it can be reassessed if the growth rate will require infrastructure improvements.

John Barlow gave information on what impact fees are for vs. why our town is different than other towns.

Mayor Allred stated that the Utility Boards recommendation on this matter would be highly considered. He recommends a financial study be done to justify the recommendation. Harrison feels that it is very clear that the impact fee is not needed, and he will provide any documentation requested to show that.

Vance Barlow added that in Arizona it is extremely difficult to get the fee back in place if decided that it is needed, so he strongly suggested staff thoroughly review the study that was done and come back with a plan for the projects that the impact fees were supposed to pay for.

Harrison stated that he and Weston reviewed the list and the current projects do not need an impact fee to fund them.

Mayor Donia Jessop addressed the Board. She stated that we need more people here and the only way to entice people to come is to lower or eliminate the impact fee.

Ralph Johnson asked if this was discussed with the Engineers who did the study. John has had extensive conversations with them. The demographic has changed. We need more people. In closing, Arvin pointed out that by voting on this it will allow the City Councils to move forward.

Michael expressed concern regarding paperwork associated with the impact fee. Harrison informed him that removing the impact fee will not decrease the paper trail; there are still construction costs, connection fees and utility applications that will be.

Jason Black moved to have staff take an analysis and recommendation of a new impact fee before the cities for consideration.

JVar Dutson seconded. Roll call vote:

| Board Members: | Yes | No | Abstain |
|----------------------|-----|----|---------|
| Haven Barlow | X | | |
| Sterling Jessop, Jr. | X | | |
| Ralph Johnson | X | | |
| Arvin Black | X | | |
| Jason Black | X | | |
| JVar Dutson | X | | |
| Stacy Seay | X | | |
| Michael Cawley | X | | |

Motion carried.

#18. Consideration and Possible Action on Setting the Next Utility Board Meeting Date

Vincen presented. He and Mariah will be attending a clerical conference in Vernal the day following the regularly scheduled meeting, and it would be difficult to make it after attending the meeting. After discussion a date was decided on.

Michael Cawley moved to change the next Utility Board Meeting to October 2, 2018 at 6:00 p.m.

Jason Black seconded. Roll call vote:

| Board Members: | Yes | No | Abstain |
|----------------------|-----|----|---------|
| Haven Barlow | X | | |
| Sterling Jessop, Jr. | X | | |
| Ralph Johnson | X | | |
| Arvin Black | X | | |
| Jason Black | X | | |
| JVar Dutson | X | | |
| Stacy Seay | X | | |
| Michael Cawley | X | | |

Motion carried.

#19. Adjournment

Meeting was adjourned at 9:02 p.m.

Summary of Board Actions:

Approval of Minutes

Approval of Utility Waiver Requests

Approval to Pay Bills

Safety and Security Enforcement Policy put in place

Approval of GIS Grant Application

Billing Cycle Revision