

MINUTES OF A SPECIAL CITY COUNCIL MEETING HELD MARCH 5, 2009 AT THE CIVIC CENTER, 83 WEST MAIN, HYRUM, UTAH.

CONVENED: 5:00 p.m.

CONDUCTING: Mayor W. Dean Howard

ROLL CALL: Councilmembers Martin L. Felix, Paul C. James, and Craig Rasmussen present. Councilmember Stephanie Miller arrived at 5:10 p.m. and Councilmember Thomas C. LaBau arrived at 5:20 p.m.

CALL TO ORDER: There being three members present and three members representing a quorum, Mayor Howard called the meeting to order.

OTHERS PRESENT: City Administrator D. Brent Jensen and three citizens. City Recorder Stephanie Fricke recorded the minutes.

WELCOME: Mayor Howard welcomed everyone in attendance.

AGENDA: A copy of the notice and agenda for this meeting was faxed to The Herald Journal, mailed to each member of the governing body, and posted at the Civic Center more than forty-eight hours before meeting time.

AGENDA

4. WORKSHOP:
 - A. Culinary Water Impact Fees.
 - B. Utility Rate Adjustments.
 - C. Fire Station.
5. ADJOURNMENT

WORKSHOP:

CULINARY WATER IMPACT FEES.

City Administrator D. Brent Jensen said the City held a public hearing to consider adjusting the culinary water impact fee on January 15, 2009. At the public hearing someone asked if the City had a citizen committee review the impact fees, as required by a new state law. City Engineer Craig Neeley's response was that the City was exempt from that step because it had already begun the process before the law became effective. The City Council made a motion at that meeting for City staff to research State Law to ensure that it didn't have to comply with the requirements of the new impact fee law because the City had already conducted its studies. After that meeting City Attorney Craig Carlston was asked to give the City his legal opinion on this matter. His recommendation was for the City to move forward

with the adoption of the impact fee without having a citizen committee review it. He agrees with City Engineer Craig Neeley that the City was already in the process of amending the impact fee before the new law was adopted. If the City's impact fee is challenged and the City loses the City would have to re-adopt its impact fee after a citizen committee reviewed it.

Councilmember Miller arrived at 5:10 p.m.

Mayor Howard said the maximum supportable culinary water impact fee for single family residential is \$2,859. Hyrum City's current culinary water impact fee for single family residential is \$481. If the City Council adopts the maximum fee it will raise the total impact fees on a typical single family residential unit from \$11,396 to \$13,773.

Councilmember LaBau arrived at 5:20 p.m.

Councilmember Felix said he understands the need for impact fees but wishes there was a way to charge higher impact fees for a larger house and lower impact fees for a smaller house. Larger houses use more electricity, water, etc. and place more of a demand on City utilities.

Councilmember James said a larger house with several fixtures is charged a higher impact fee than a smaller house because the larger house will need a 1" water meter rather than a 3/4" water meter.

The City Council asked for an Ordinance amending the Culinary Water Impact Fee Schedule to be placed on the next City Council agenda.

UTILITY RATE ADJUSTMENTS.

Mayor Howard said since 2001 Hyrum City has been depleting its utility reserves every year but one. Hyrum City's culinary water rates are the lowest in Cache Valley and the City can no longer keep rates that low. He proposed a 20% increase in culinary water rates from a base rate of \$10 per month to \$12 per month base rate.

Councilmember Rasmussen said before the City Council increases culinary water rates he wants to see what the financial impact will be on commercial water users.

Mayor Howard said Hyrum City's Wastewater Treatment Plant operating expenditures are higher than expected because of chemical costs. He recommended a 16% increase in sewer rates from \$32 per month to \$37.12 per month, and an annual increase of \$4.67 per year for the next three years to a total of \$51 per month.

The City Council asked to place culinary water and sewer rates on the next City Council agenda.

FIRE STATION.

City Administrator D. Brent Jensen said there may be some stimulus money available for the construction of fire stations. The application process hasn't been defined yet, but in anticipation of our submission, we asked four architectural firms to provide quotes for design of a new fire station. It appears the cost of plans will run somewhere between \$40,000 and \$60,000. There is an option of acquiring a building on a lease/purchase plan, however, that enables us to move into a new structure without money down at a cost less than conventional bonding. If the City chooses this route to a new building, then the \$40,000 to \$60,000 may be wasted because the lease/purchase program is provided by a group that includes an architect, a contractor, and a banker.

ADJOURNMENT:

**ACTION There being no further business before the City
 Council, the Council Meeting adjourned at 6:15 p.m.**

W. Dean Howard
Mayor

ATTEST:

Stephanie Fricke
City Recorder

Approved: March 5, 2009
 As Written