



We have reviewed and do approve the City Council Meeting Minutes of September 22nd, 2022, presented at the October 27th, 2022, City Council Meeting.

Mayor

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City Council

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A handwritten signature in black ink, appearing to be "M. D. D.", written over a horizontal line.

A handwritten signature in black ink, appearing to be "D. D. D.", written over a horizontal line.

A handwritten signature in black ink, appearing to be "R. D. D.", written over a horizontal line.

Rochelle Zephaniah

Date: October 27, 2022

Prepared by: Carrie Bassett



Parowan City Council Meeting
September 22nd, 2022 – 6:00 p.m.
Parowan City Council Chambers
35 E 100 N, Parowan, UT 84761

Elected Officials Present: Mayor Mollie Halterman
Councilmember David Burton
Councilmember Sharon Downey
Councilmember Matt Gale
Councilmember Jim Shurtleff
Councilmember Rochell Topham

City Staff Present: Justin Wayment, City Attorney; Judy Schiers, City Treasurer; Stacy Gale, Deputy Treasurer.

Public Present: See attached sign in sheet.

- 1. Welcome and Call to Order:** Mayor Halterman called the meeting to order at 6:00 p.m.
- 2. Opening Ceremonies:** Mr. Ben Johnson offered the invocation. He then led the council and the public in the pledge of allegiance
- 3. Declaration of Conflicts With or Personal Interest In any Agenda Items:** No conflicts were declared.
- 4. Approval of Meeting's Agenda:**

MOTION: Councilmember Topham moved to approve the council meeting agenda as outlined.

SECOND: Councilmember Downey seconded the motion.

VOTE: All councilmembers voted in favor of the motion. The motion carried.

5. Public Comment:

Doug Fox addressed the council and said that Parowan is a great place to live.

Heather Peet addressed the council. She asked how long the transition will be before Dan Jessen is working full time for Parowan as city manager. She said she is glad that he knows how to balance a budget and hopes he has great ideas on how to bring more money into Parowan without raising taxes. She also asked if the city would be hiring someone to take Cleve Matheson's place in the planning/zoning department. Dan Jessen responded, saying that he started full time with Parowan City on Monday, September 19, 2022. He said he has been hired to do both the zoning job as well as the city manager job.

CONSENT MEETING

- 6.** Approval of City Council Meeting Minutes for September 8th, 2022.
- 7.** Approval of Warrant Register for September 22nd, 2022
- 8.** Approval of August 2022 Financial Statement

MOTION: Councilmember Burton moved to approve the consent meeting agenda items 6-8.

SECOND: Councilmember Topham seconded the motion.

VOTE: All councilmembers voted in favor of the motion. The motion carried.

ACTION MEETING

9. Mayor’s Recommendation: Re-establishing the Board of Adjustment Members – Jim Shurtleff, Jerry Vesely, Aaron Hall, Amy Wilkey, and Joe Tripp

The Mayor has spoken to each of these individuals and they are all willing to serve in this capacity. Councilmember Shurtleff recommended that if this board is approved that they meet with Attorney Justin Wayment for training. He said the only recourse for appeal after appearing before the Board of Adjustments is the district court. There are some very legal requirements to granting variances, and a lot of legal ramifications involved, so he feels it would be beneficial to have a discussion and training from Justin Wayment. Dan Jessen said it would be important for our attorney to attend those meetings. Councilmember Gale asked if there are term limits. Councilmember Shurtleff said that they are staggered terms, with a limit of 5 years, that is why they are re-establishing the members. They will determine who will have what rotation in their first meeting. He explained that he is on the board as council representation and to provide continuity.

MOTION: Councilmember Topham moved to re-stablish the Board of Adjustment Committee Members as outlined.

SECOND: Councilmember Downey seconded the motion.

VOTE: All councilmembers voted in favor of the motion. The motion carried.

10. Mayor’s Recommendation: Alternate Planning and Zoning Committee Member – Tony Leydsman

The Mayor said that Tony Leydsman was recommended to serve as an alternate member of the Planning and Zoning committee and has agreed to serve in that capacity.

MOTION: Councilmember Burton moved to approve Tony Leydsman as an alternate on the Planning and Zoning Committee.

SECOND: Councilmember Gale seconded the motion.

VOTE: All councilmembers voted in favor of the motion. The motion carried.

11. Approval of City Manager Contract:

Mayor Halterman said all of the council members have had a copy of this contract for review.

MOTION: Councilmember Burton moved to approve City Manager Dan Jessen’s contract as presented.

SECOND: Councilmember Downey seconded the motion

VOTE: Councilmember Burton, Topham, Downey and Gale voted in favor of the motion.

Councilmember Shurtleff abstained from voting. The motion carried.

Dan Jessen said that Cleve Matheson is a friend of his and he will do his best to serve and pick up the reigns where he left off. He quoted Harry Connick Jr. in the movie “Independence Day”, saying “Let’s kick the tires and light the fires, Big Daddy!”

12. Five County AmeriCorps Seniors: Joni Lyman, AmeriCorps Seniors Program Coordinator

Joni Lyman addressed the council. She reported on the AmeriCorps Seniors Programs – Senior Companions and Foster Grandparents. There are two Senior Companion volunteers in Parowan. She doesn’t have any Foster Grandparents volunteers. She asked the council if they would continue their support by donating \$750 again this year.

MOTION: Councilmember Shurtleff moved to approve the \$750 to the AmeriCorps Seniors Program for Senior Companions and Foster Grandparents.

SECOND: Councilmember Gale seconded the motion.

VOTE: All councilmembers voted in favor of the motion. The motion carried.

13. Memorandum of Understanding with Iron County School District Regarding the Lighting of the “P” Hill: Ben Johnson, Iron County School Board Member

Ben Johnson addressed the council. He said he submitted to them a memorandum of understanding (MOU) between Parowan City and Iron County School District. The purpose of the MOU is to set up the relationship for the “P” Hill and the lighting of the “P”. He said his concern coming into this, even though he is a member of the school board, is that it is protected and held by Parowan City and not the school district. The “P” is important to Parowan and is seen differently that it is by the school district.

Dan Jessen said his only concern regarding the MOU is that it describes Parowan City and the Iron County School District setting aside \$500 each in a capital account. He said it doesn’t specify as to whether this is one time or if it is ongoing, and feels that this needs to be clarified in the document. Mr. Johnson said that this can be corrected by simply stating that both entities will set aside \$500 each **on an annual basis** in a capital account. He said the goal here it to hold the school district accountable as well so that they continue to put money forward to help with maintenance of the lights.

They’ve looked into power sources for up on the “P” hill to light the lights. They think they have come up with a good solution that is easily maintainable and portable. It is a job box type of solar unit. The job box contains the battery and everything else sits up on top. It is easily maintainable. They run approximately \$21,000 for something like this. The batteries used for this set up are readily available and fairly inexpensive, however they only last 6-7 years.

The council discussed the maintenance of the system and who the liability falls to. Mr. Johnson said that the City will be responsible for the maintenance, but the school district will contribute money each year for that. It is not clear in the MOU who is ultimately in charge. There was also concern regarding the liability if there is a fire or vandalism, etc. He said it ultimately falls back to Parowan City. He also said that if the MOU goes awry, then the “P” will only be lit for graduation, and not on a nightly basis. He said the decision really becomes how often we want the “P” lit. He said the city would be responsible for the maintenance of the lighting of the “P”, not the “P” itself.

Mr. Johnson explained that if a light goes dead on the “P”, then Parowan would be responsible to fix it, but Iron County School District is putting money into that account every year to help with that. If we had to hire someone to fix something, that would come out of the capital fund. He said that the school district can absolutely maintain and operate the system for graduation, if that is the intent and where we want to land without an MOU. However, the residents would like to see the “P” lit every night.

Councilmember Burton asked who holds the easement for this. Mr. Johnson explained that the MOU would cause both Parowan City and Iron County School District to hold the easement. They would share in any liability issues that might take place in that easement. He said the land the “P” is on is not owned by Parowan City or Iron County School District. It is owned by the BLM. The easement allows Parowan City and the Iron County School District to do things on that land. He said that they MOU has to be in place so they can finalize the easement.

Mr. Jessen said that the funds contributed by the city, the school district, and the community would be restricted on the city’s books for the purpose of maintaining the lights. Councilmember Gale was very concerned about the liability for the city and that there is no verbiage in the MOU that delegates that liability. Mr. Johnson explained that the MOU is only for the maintenance of the lights. It establishes

that the high school needs to notify Parowan City when they are maintaining (white-washing) the “P”, and that Parowan City holds the account for the money that is pulled in by the city and the school district for the maintenance of the lighting for the “P”. If the city becomes unhappy with the agreement, it is in the MOU that they can back out of it at any time.

Mr. Jessen said if we are going to have any liability, the city would be covered by our blanket policy.

MOTION: Councilmember Burton moved to approve the memorandum of understanding regarding the lighting of the “P” Hill, with the stipulation that the \$500 is contributed on an annual basis by both the school district and Parowan City.

SECOND: Councilmember Topham seconded the motion.

VOTE: Councilmember Burton and Councilmember Topham voted Aye.

Councilmember Downey and Councilmember Gale voted Nay, stating that they would like Attorney Wayment to review the MOU before it is approved, and asked Councilmember Burton to amend his motion.

MOTION: Councilmember Burton moved to amend the previous motion. He moved to approve the memorandum of understanding with the Iron County School District regarding the lighting of the “P” with the understanding that Attorney Justin Wayment will review the MOU to see if there is exposure of liability beyond anything that is acceptable.

SECOND: Councilmember Downey seconded the motion.

VOTE: All councilmembers voted in favor of the motion. The motion carried.

14. Cooperative Agreement Providing for Consolidated Dispatch Service in Iron County:

Dan Jessen said the last time this was executed was in 2017. This is done every five years. He compared the old agreement to the new agreement. There have been some adjustments. He said he couldn't see any significant changes. He immediately looked at the dollar amount. He said there is a formula for coming up with the amount of money they charge each entity. It is based on the number of different types of calls they receive in a year. We don't really have any options but to pay their fees. Mr. Jessen said the county does a good job with their dispatch service.

MOTION: Councilmember Shurtleff moved to approve the cooperative agreement providing for consolidated dispatch services in Iron County.

SECOND: Councilmember Topham seconded the motion.

VOTE: All councilmembers voted in favor of the motion. The motion carried.

15. Transient Room Tax (TRT) – Ordinance 2022-09-01: Councilmember Topham

Mr. Jessen explained that Attorney Wayment has reviewed this ordinance. This ordinance will impact the short-term rental discussion and Parowan's policy on business licenses for these businesses. These businesses would now need to get a home occupation license. Mr. Jessen said this tax is sent directly to the state, who then distributes it to the municipalities. Vrbo and AirBnb actually collect this tax online and send it to the state. Mr. Jessen stated an important point, saying the money generated from a municipal TRT tax goes into the general fund. Councilmember Gale stated that he would like to earmark the funds for specific purposes. Mr. Jessen said they could do that.

The council decided that it was necessary to hold a public hearing before passing this ordinance.

MOTION: Councilmember Shurtleff moved to table item 15, Transient Room Tax.

SECOND: Councilmember Gale seconded the motion.

VOTE: All councilmembers voted in favor of the motion. The motion carried.

16. Re-Instating Commercial Impact Fees Discussion/Action:

Councilmember Burton stated that he feels the time has come to reinstate these impact fees. He said they have been suspended to entice business to come to Parowan. He thinks the climate now is such that the city doesn't need to subsidize incoming businesses any longer.

Councilmember Gale said he brought this up at the Economic Development committee meeting. They were against reinstating the impact fees right now because there are several businesses looking at Parowan, and they don't want to discourage them from coming in. He said that was the whole point of suspending the fees, to bring in business that would generate sales tax and jobs for residents. He would like to give this a time frame of 6 months to a year before reinstating the impact fees so businesses currently looking at Parowan will have time to make a decision and get started if they choose to. Councilmember Burton said he thinks they should reinstate them now because businesses expect to pay these fees.

Mr. Jessen described, in general, the concept of impact fees. He said he thinks he understands why the former council justified suspending the fees. He said they were trying to incentivize businesses to come to Parowan, and the benefits outweighed the costs. He said there are other incentives available that communities can do that don't put a burden on the city. There are other mechanisms that give incentives, and he feels these should be looked at. He said the legislature is actively rethinking incentives. One of the things that they have is you can create a CRA, which is a Community Reinvestment Agency, where you can strategically provide incentives. A business comes in within that defined area, and if it brings in a designated number of jobs, then the city can give them a portion of their new property tax back to them for 5 – 10 years. After that amount of time, the city gets the full amount. It is a win-win situation: the city has provided an incentive, and the residents have not been impacted. However, the legislature has just clamped down on these CRA's and has said you can only do them under certain circumstances. The city could potentially do this.

Councilmember Downey agreed that this is not the time to do it. She said with the economy the way it is, we need to have these incentives still to get businesses to come in to Parowan. She thinks this should be looked at in 6 months or so.

Councilmember Shurtleff said he also feels that he thinks it is time to reinstate the commercial impact fees. He doesn't think this incentive has brought in the number of businesses that they had hoped. Councilmember Gale said that he knows of at least one business owner who would have built in Cedar in order to have more workers, but he chose Parowan because he didn't have to pay the impact fees.

Mayor Halterman said she has talked with businesses looking at Parowan who have been told that Parowan has suspended their commercial impact fees. She said she feels a sense of responsibility to at least give a time frame of notice, because if they are going to come in, especially with an impending recession, and they are still going to come forward and do their thing, the city should give them an amount of time to come in and then they know if they don't get in within that time, they are going to have to pay commercial impact fees. That makes her feel that they have given them the chance to get their business in.

After quite a bit of discussion, the council decided to wait for six months (until March 31st, 2023 at 12:00 p.m.) to reinstate the commercial impact fees. Within these six months, businesses coming in would need to present a completed application in order to have their impact fees waived.

MOTION: Councilmember Downey moved to reinstate the commercial impact fees on March 31, 2023 at 12:00 p.m. Those submitting a completed application before that date will be exempt from the commercial impact fees.

SECOND: Councilmember Topham seconded the motion.

VOTE: All councilmembers voted in favor of the motion. The motion carried.

WORK MEETING

17. Reports, Updates, Old Business Follow Up – Elected Officials and Staff:

Councilmember Shurtleff reported that he has been working with Kelly Stones, Cobe Evans, and Justin Dalley on the Veteran's monument. He was able to show them the plans and they had some good ideas and input. They are still trying to work out a deal on the fabric and the rocks. They are quite expensive. The Mayor suggested using rock from the county quarry. Councilmember Shurtleff said he would check it out.

Councilmember Gale said they held the Economic Development and Health meeting. They are looking at grants for lighting the ball fields. Most of the grants are a 50% match. They are still looking into these. Laurie Eichelberger brought the first rendering of the establishing ordinance.

Councilmember Downey didn't have anything to report except that the library roof was done and Stephen went up and looked at it and found some pooling. Tanner Edwards is going to come back out and see what he can do. The bats are still there and will be through November.

Councilmember Topham reported that she attended the Theater Board meeting. They talked about several plays that they would like to do. They are going to do a haunted theater on October 27-29. Jenifer Terry is going to take that on. They are also talking about a \$5 admission fee or bringing a can of food for the food drive. She gave a shout out to Dan Jessen for helping her with the TRT tax.

Councilmember Burton reported that Planning and Zoning met. They approved a switch of a 40 ft. Conex box for a 20 ft. Conex box. They were not aware of the ordinance. They discussed construction using Conex boxes. He said they are going to meet with the entities involved with the Meek's pond. Arbor Day is October 6th.

Dan Jessen reported on the Parowan Valley Groundwater Management Plan. He said the state engineer has turned up the boiler, and the Water Board is going to need to be involved in coming up with a plan of counter negotiation for what the state has presented. The state's timeline is very short of when curtailment starts. Water is not AN issue; it is THE issue. Their curtailments on their proposed plan are in a very short time. The pumpers and the people that this is going to impact the worst are saying give us more time. The only thing that is going to buy more time is to have a concrete plan that can prove we are serious. There are a lot of smart people involved that should be able to come up with ideas that they can put into action to try to reduce the impact on the underground aquifer. Hopefully the state will allow them to kick out the timeline because 15 years is not a lot of time to see a change in the aquifer.

Councilmember Shurtleff asked why the state is giving permits to dig new wells. He said it doesn't make sense. Mr. Jessen said the state's attitude is the state giveth, and the state taketh away and that's the law.

There was a lot of discussion about conservation, retention ponds, recharge ponds, permits, associations, and water conservancy districts. There is a lot of important work to be done. The Mayor said the groundwater management plan is due November 10th.

18. Closed Session (UCA 52-4-204 & 205) to discuss one or more of the following (if necessary).

No closed session was held.

19. Any Action Necessary as a Result of the Closed Session. No closed session was held.

20. Adjournment:

MOTION: Councilmember Downey moved to adjourn the meeting.

SECOND: Councilmember Shurtleff seconded the motion.

VOTE: The Council voted unanimously in favor of the motion. The motion carried. The meeting was adjourned at 8:45 p.m.



Mollie Halterman, Mayor



Callie Bassett, City Recorder

Date Approved: 10/27/2022