

## **PAROWAN CITY CULINARY WATER BOARD MINUTES**

**WEDNESDAY – AUGUST 9, 2023**

**6:00 P.M. – 35 EAST 100 NORTH – PAROWAN CITY OFFICES**

**MEMBERS PRESENT:** Jim Shurtleff (Council Representative), Sam Halterman, Doug Fox, Carolyn Ray

**MEMBERS ABSENT:** Tom Gurr, Coy Stowell

**CITY STAFF PRESENT:** Dan Jessen (City Manager/Zoning Officer), Kelly Stones (Public Works Superintendent), Mollie Halterman (Mayor), Heather Shurtleff (Deputy Recorder/Water Board Secretary)

**CITY STAFF ABSENT:** None

**Jim Shurtleff moved to appoint Sam Halterman as Chair Pro Temp. Carolyn Ray seconded the motion. All members present voted in favor of the motion. The motion carried.**

**CALL TO ORDER:** Sam Halterman called the meeting to order at 6:01 P.M.

Heather Shurtleff told the board that an error had been made on the agenda. The agenda items should have been put under Culinary Water and they were put under Pressurized Irrigation. Mrs. Shurtleff apologized to the board for the error.

**DO MEMBERS HAVE ANY CONFLICTS TO DECLARE?** None

**APPROVAL OF MINUTES:** Jim Shurtleff moved to approve the minutes of May 16, 2023 as written. Doug Fox seconded the motion. All members present voted in favor of the motion. The motion carried. The minutes were approved.

**DISCUSSION – UPDATE WATER CODE TO COMPLY WITH STATE LAW:** Dan Jessen talked about going over the water portion of the general plan quite a while ago. Mr. Jessen has been working with Aaron with Bowen Collins, and they are pretty much done; both plans will be presented for adoption at the same time. There is a new way to deal with water exactions – the definition of which is figuring out how much water (water rights) someone has to bring to the City. The exactions are now based on source sizing and actual data for each type of water (culinary and pressurized irrigation). Mr. Jessen had already discussed Equivalent Residential Connections (ERCs) to the board previously, and the ERCs now are 4.6 acre feet on a  $\frac{3}{4}$  or 1 inch connection. The City will be allowed to have a 20% buffer, which puts the ERC up to .5 acre foot per connection; that is the most the City can justifiably defend to ask from a developer. Mr. Jessen explained that the pressurized irrigation users data in the city was not used in the

calculations, because not everyone has access to pressurized irrigation. Mr. Jessen also said that if the pressurized irrigation system went down, everyone would have to use the culinary water, like the City did after the Brian Head Fire. The Parowan City Code will have to be updated by October, 2023. Mr. Jessen will bring actual code to the board so the board can get comfortable with the concepts before recommending to the City Council.

Dan Jessen, Kelly Stones, Cobe Evans, Jim Shurtleff, Mayor Halterman and Judy Schiers had a meeting with Bowen Collins yesterday, regarding, among other things, coming up with a formula for multi-family dwellings and commercial properties; Bowen Collins had a couple of methods that had been used with other municipalities, and a robust discussion ensued. Some of the methods were simple and effective but not 100% accurate for every little detail, while others were complex models requiring a lot of calculation and education behind it. Mr. Jessen said the consensus of the meeting was to go with something simple and effective based on meter size. Mr. Jessen passed around a draft concept from the American Water Works Association. (See attached) Mr. Jessen went through the handout regarding how much water was used through different size meters per minute. The method will be based on a  $\frac{3}{4}$  inch meter because it is a standard size for residential connections; when applied in zones in a sprinkling system, the 30 gallons per minute is adequate for most properties. Mr. Jessen went over different ways of possible calculation with the board.

Dan Jessen said the well versed and down to earth engineer, Aaron with Bowen Collins, helped come up with the following concept for Parowan City: If someone wants to divide their lot, or a developer wants to make a subdivision, single family residential, with  $\frac{3}{4}$  inch connections, Parowan City will say they need to bring in .5 acre feet of water rights per new lot. The new code needs to reflect that all grandfathered parcels be changed from 1 acre foot to .5 acre foot, so someone can't come in and argue that they already have 1 acre foot, thus providing for 2 lots right off the bat. Bigger connections (1 inch, 2 inch, etc.) and commercial properties will go up proportionately to the demand they can exact from our water system. The water impact fees will work the exact same way, and the City will update a new impact fee as a result of this study as well. Mr. Jessen mentioned that the water rights brought into the City would need to be pre-December, 1949.

Dan Jessen talked about a "dangerous idea" with the Water Board, which was the possibility of carving out a single lot split for a water development fee instead of bring in water rights; Mr. Jessen talked about a specific case. Mr. Jessen added that the last development fee allowed in Parowan City was \$15,000 per acre foot, and water rights have gone up since then. A discussion ensued, which included Kelly Stones regarding the water development fee and impact fee going up substantially if the split lot required a 1 inch meter.

The board discussed fair market price for an acre foot of water. Carolyn Ray mentioned that Cedar City Council adopted a ceiling, and will not pay over \$14,000 per acre foot for water rights, and require a water right appraisal of less than 6 months old. Mr. Jessen said we don't want to set an exact price for water development fees, because that could hurt Parowan if the market price goes up.

Dan Jessen asked the board to just think about the development fee idea. A discussion ensued regarding the work involved with water rights and water wasters.

Heather Shurtleff brought up a potential problem with developers possibly trying to get around buying water rights by splitting up a big lot into two with a development fee, and then those lots being split with a development fee, and so on. Dan Jessen said that is one reason of many that would make us want to put up guard rails on any development fee ordinance. Mr. Jessen brought up another bad scenario, which would be a developer needing a 4 inch water connection and instead getting 6 -  $\frac{3}{4}$  inch connections. Mr. Jessen brought up another dangerous pitfall, which would be developers of any size saying they will voluntarily xeriscape, so they shouldn't have to pay as much. Mr. Jessen answered that pitfall with an answer of no, all will pay on the potential water consumption per meter size; no initiatives for connection or impact fees.

Jim Shurtleff talked about having as simple and thorough a system as possible, with no back doors. Carolyn Ray talked about people trying to play the system by asking for a zone change. Dan Jessen said that residential and commercial is all the same, it is by meter size and potential consumption, not by zone or intention of use.

The board talked about who would write up the language for the code. Dan Jessen answered Bowen Collins and the city attorney would develop the language.

Kelly Stones suggested reassessing in 3 years and change if necessary. The board thought that was a good idea.

Dan Jessen thought there was a consensus with the board to continue looking into the matter.

**DISCUSSION – DIRECTION FOR CULINARY WATER RATES:** Dan Jessen said a water rate study was actually within the scope of what we're paying Bowen Collins for already. Bowen Collins will begin a water rate study after the water and sewer master plan is complete. Mr. Jessen thought that Bowen Collins approach to a rate study was logical and good: design a base rate to cover fixed costs, and a variable rate to cover the variable costs based on actual data from Parowan City. The rate study would take several months.

Dan Jessen talked about taking the culinary water base rate back down to 5,000 gallons, because there is more water being used and less revenue being collected. The City also took off

the \$5 water surcharge, so the budget was feeling that loss as well. We drastically need to adjust the rates.

Jim Shurtleff said a surcharge needs to be earmarked for a specific project. Kelly Stones said the first surcharge was for the 300 East Well, and the second was for the meter project. Mr. Shurtleff said we need to be honest with the public so they understand the truth behind the decisions.

Dan Jessen talked about language that would bring the base rate back down to 5,000 gallons and earmarking the revenue from the highest tier for purchasing water rights. Those changes could be brought back to the next Water Board meeting and then wait for the rate study for justification.

Sam Halterman talked about the water abusers not being bothered with the extra cost of the water. Mr. Halterman asked if Parowan is much different from other cities. Dan Jessen talked about two water companies and the board looked at charts. (see attached) Mr. Jessen asked the board about charging only by gallons used, and wondered about putting a different tier rate for each size connection. St. George City has a higher base rate, the same cost per tier, but the thresholds change with the connection size. Mr. Jessen also talked about St. George City forcing conservation and doing incentives on impact fees, although Mr. Jessen said Parowan City would probably not go down that road. The board discussed the tier rates and different methods for different cities, including base rates that include no usage at all and how expensive it is to fix everything these days. Mr. Jessen, again, asked the board to think about adding tier rates based on meter sizes, because Mr. Jessen believes it would be a more equitable way to charge.

Dan Jessen looked online at the current fee schedule for the City.

Sam Halterman asked if there was a way to hurry up the updating process. Dan Jessen said we could hold a special meeting if the board wished. The board talked about how to present the updates to the public. Mr. Jessen suggested saying the goal of updating the tiers was to conserve but not hurt the fund, and it didn't work; the water usage has gone up, the revenue has gone down, and the current rates need to be fixed. Kelly Stones also mentioned the cost of pumping water from the well has gone up.

**Doug Fox moved to recommend to the City Council to change the culinary water base rate from including 8,000 gallons back to including 5,000 gallons. Jim Shurtleff seconded the motion. All members present voted in favor of the motion. The motion carried.**

**DISCUSSION – STATE TURF BUY-BACK:** Dan Jessen went over the letter the State of Utah sent out regarding the turf buy-back program. (see attached) Mr. Jessen also presented a handout to the board (see attached). Mr. Jessen said this is for new construction, but anyone can qualify

for the turf buy-back. The board talked about the amount not being a lot, but the buy-back would be worth doing if a resident is considering taking out grass anyway. All new development would not be able to put in grass parking strips, or anything narrower than 8 ft wide, because those areas aren't water efficient. No more than 50% in front of side of lots can be lawn. This isn't a City incentive, the buy-back program is through the state.

Dan Jessen said he isn't trying to sway the board. Fifty cities in Utah have adopted this program so far.

The board talked about whether this program is going to promote conservation, and some of the board members had doubts that it would be effective.

Jim Shurtleff said if the City implements this, it would be restricting new development and allowing the citizens that qualify to do the buy-back. Mr. Shurtleff asked how the City would enforce the new development requirements. Dan Jessen said the requirements would be enforced on the front end, through development ordinances. Mr. Shurtleff asked how the City would ensure that someone takes out their sod, gets the money, then replants. Mr. Jessen said the City wouldn't need to worry about that, because the program is through the state; the state would be the one writing the check, not the City. Mr. Jessen did talk about new development requirements possibly being taken advantage of later down the road by planting more sod. Mr. Jessen said the City would need to be looking out for that and call the violators out. Kelly Stones mentioned that by then the City might have code enforcement.

Dan Jessen asked #1 – do we want to adopt some conservation type ordinances? Parowan City doesn't have any right now. Parowan City does have an incentivizing tier rate structure. Conservation ordinances might be a way to show the state that the City is taking steps to encourage conservation.

Dan Jessen continued, saying #2 – what happens when the electorate asks why Parowan City hasn't adopted the buy-back program, because we want to get money back from the state? Mr. Jessen said a few people have asked about the program.

Sam Halterman agreed that if the City doesn't take steps toward conservation, the state could take that as not cooperating.

Jim Shurtleff said he could see putting this before the City Council, because, as Dan Jessen said, this is not a city mandated program. The City could adopt, through ordinance, requirements on new development and others could take advantage of the buy-back program if they chose to.

Kelly Stones and Dan Jessen mentioned that this is land use, therefore it would need to go through the Planning and Zoning Commission and have a public hearing, then go on to City Council. This is just something to think about at this point.



A discussion ensued, which included Kelly Stones saying he liked the idea of less lawn in Parowan, and Jim Shurtleff mentioning that the school district was thinking about replacing some of their sod with artificial turf, and the issues with sod parking strips.

Mayor Halterman talked about this affecting the residents, because if someone wanted to put in an acre of grass, with the restrictions in place they couldn't. Dan Jessen said if the restriction was adopted, all building plans would need to include a landscaping plan. A discussion continued in this vein. (See section B of the attached Residential Landscaping Requirements)

Kelly Stones asked about the people in town with pressurized irrigation connections that haven't been used or developed yet. Dan Jessen said the same would apply to those people, only restricting the front and side yards; the back yard could be all grass if they desired.

Dan Jessen asked the Water Board to think this over, that this is only a starting point. Mr. Jessen said he would probably email the Planning and Zoning Commission and the City Council so they could think about it as well. Mr. Jessen said the matter could be brought back next meeting for a vote and recommendation.

Carolyn Ray had heard some reports from other communities that the majority of the residents don't like the idea of an all inclusive restriction. Parowan has, historically, liked being known as a green oasis in a desert landscape. Mrs. Ray also mentioned that some people might be of a mind that if they can't water it, they will let the weeds grow, which would put it back in the enforcement arena.

Dan Jessen commented that there are two instances – those who have pressurized irrigation and those who don't – a second layer of have and have not...the new residents are restricted and the long-time residents aren't. A discussion continued in the same vein.

The board talked about a state website that has the whole letter and list of restrictions, as well as the application in it's entirety.

Sam Halterman talked about when the state takes our water in 2043, and we may wish we would have implemented these restrictions to show the City was being proactive.

Dan Jessen talked about being put under an "artificial scarcity", because of the reality of losing 86% of our underground water rights to the state in the near future; conservation won't help with that issue, but it will help the mindset of the residents. Doug Fox said he wouldn't mind being proactive if the state would apply the City's efforts toward a better position for Parowan. The board discussed it briefly, saying they believe the state would begin implementing incentives for municipal conservation.

**ITEMS TO BE DISCUSSED AT THE NEXT MEETING:** None

**STAFF AND MEMBER COMMENTS:** None

**PUBLIC COMMENTS:** None

**ADJOURN:** Jim Shurtleff moved to adjourn. Doug Fox seconded the motion. All members present voted in favor of the motion. The meeting was adjourned at 7:24 P.M.

## **PAROWAN CITY PRESSURIZED IRRIGATION BOARD MINUTES**

**WEDNESDAY – AUGUST 9, 2023**

**6:00 P.M. – 35 EAST 100 NORTH – PAROWAN CITY OFFICES**

**MEMBERS PRESENT:** Jim Shurtleff (Council Representative), Sam Halterman, Doug Fox, Carolyn Ray

**MEMBERS ABSENT:** Tom Gurr, Coy Stowell

**CITY STAFF PRESENT:** Kelly Stones (Public Works Superintendent), Dan Jessen (City Manager/Zoning Officer), Mollie Halterman (Mayor), Heather Shurtleff (Deputy Recorder/Water Board Secretary)

**CALL TO ORDER:** Sam Halterman called the meeting to order at 7:24 P.M.

**DO MEMBERS HAVE ANY CONFLICTS TO DECLARE?** None

**APPROVAL OF MINUTES:** Jim Shurtleff moved to approve the minutes of May 16, 2023. Doug Fox seconded the motion. All members present voted in favor of the motion. The motion carried. The minutes were approved.

**ITEMS TO BE DISCUSSED AT THE NEXT MEETING:** None

**STAFF AND MEMBER COMMENTS:** Kelly Stones said that the Yankee Reservoir was down about ½ foot, after twenty turns. There would be plenty of water to go through the season.

**PUBLIC COMMENTS:** None

**ADJOURN:** Jim Shurtleff moved to adjourn. Doug Fox seconded the motion. All members present voted in favor of the motion. The meeting adjourned at 7:26 P.M.

10/17/2023

Date of approval

8/9/2023

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