

**MEETING MINUTES OF THE BOARD OF DIRECTORS
OF THE TOQUERVILLE SECONDARY WATER SYSTEM
BOARD OF DIRECTORS
WASHINGTON COUNTY, UTAH**

Monday, June 11, 2018, at Toquerville Town Hall Toquerville, Utah.

Mayor Chamberlain called the meeting to order: 5:10 p.m.

Attendance:

Than Naegle

Mayor Lynn Chamberlain

Dave Jessop

Ty Bringhurst

Ron Thompson

Julie taking minutes

See attached list of water customers.

The agenda for the meeting includes the following:

- 1) Discussion on policy for unauthorized connections
 - Ron
 - i) illegal connections found in Ash Creek Point subdivision as crews were putting in meters.
 - ii) There's about a dozen of these connections
 - Anita Lowe Eaton
 - i) ACP developed by Lowes, in 1999 to 2000
 - ii) No impact fee was collected at the time it was developed
 - iii) Each person purchasing the lot was told by the Lowe's they would need to pay for the connection fee at time of building permit
 - iv) Some homes have sold multiple times
 - Ty
 - i) Asked if it will be based on today's fee
 - ii) Ron answered he felt it should be today's fee. You could go back to the time of purchase, but you would add interest and then it would be the same amount
 - Than
 - i) the decision should keep in mind those that have paid the connection fee and assessment all along.
 - Mayor Chamberlain added
 - i) We also have the same situation in other subdivision and so a policy will need to discuss and decided to deal with these situations as well
 - Keen Ellsworth, of Cholla Creek
 - i) Said home bought in 2010
 - ii) Previous owner claimed to have paid Bob Stevens
 - iii) Title insurance company said that they would cover the cost

- iv) Asked if the board wanted to get involved in legal battle with the title companies
- Ron added
 - i) In Utah statutes it makes these midnight connections criminal acts, not civil act
 - ii) Concerned not to make criminals out of customers with illegal connections, but how do you balance the interest of the customers who connected legally with those that didn't
- Keen Ellsworth
 - i) Claimed to be paying for his water through his taxes with the itemized list to the WCWCD
 - ii) Since there wasn't anything of record for TSWS on the lot, the connection fee wasn't paid when he bought the lot
 - iii) There should have been something of record on the lot
 - iv) Ron answered
 - (1) There isn't anything of record on lots for any utilities, this is the same
- Lisia Hueckstead
 - i) claims she didn't know she had a connection
- Mayor Chamberlain
 - i) Interrupted discussion between members in the audience saying that we need to move forward instructing statements need to be directed to the board
- Keen Ellsworth
 - i) Each circumstance is different and each needs to be weighed individually
- Darrin Prince
 - i) Assumed the water bill was on his taxes
 - ii) He verified with the city even that he had a connection
 - iii) The board should share fee obligation
- Gary Chaves
 - i) Agrees the situation needs to move forward to resolve
 - ii) Encouraged solution to be a happy medium
 - iii) Asked the board to be reasonable
- Lisia Hueckstead
 - i) Reiterates, this shouldn't have happened.
 - ii) No building permits or occupancy should have been issued without payment
 - iii) This shouldn't be on the homeowner's liability
 - iv) House built 15 years ago, bought it 5 years ago
 - v) Felt like a lot of people failed in their job to bring this about
- DC Young, of AHP subdivision
 - i) felt he was treated fairly and upfront with secondary water availability and the cost of it when he built
 - ii) added that someone came and took the pad lock off the meter
- Ron discussed process now
 - i) Julie confirmed that when Toquerville signed the regional water supply agreement, now the city sends the impact fee application to WCWCD to verify connection and collects fee, if applicable
- Joey Campbell

- i) Advocated for fee to be paid from time owners have owned the land pay the water fee and call it good
- Than added
 - i) There should be some due diligence on the owner's part
- Ron said
 - i) who is it that should cover the costs on that.
 - ii) Added to be a good faith agent
- Suggested to pull building permit to get when the lot was improved
 - i) Lots that were improved with current owner full fees and full assessments since the time of improvement
 - ii) Lots that were purchased by current owners with or without improvements and the water was being used at time of purchased will only have the assessment fees for the years they owned the lot.
- Motion by Ron to evaluate each connection
 - i) Lots that were improved with current owner full fees and full assessments since the time of improvement
 - ii) Lots that were purchased by current owners with or without improvements and the water was being used at time of purchased will only have the assessment fees for the years they owned the lot.
 - iii) Ty seconded the motion
 - iv) No discussion
 - v) All voted aye
- 2) Consideration of agreement regarding unauthorized connections
 - There is an agreement drafted for those that would like to pay the connection fee and/or assessments over time
 - Ron made a motion
 - i) that the impact fee for illegal connections could be paid with payments with a signed agreement
 - (1) agreement allowed payments to go over a maximum of 5-year at 5 percent interest
 - (2) agreement to be signed and recorded
 - (3) agreement states collection of payments to be annual and collected on property taxes with annual assessment
 - ii) Mayor seconded the motion
 - Discussion
 - i) Ty asked if only assessments are owed should we finance for 5 years or shortened period
 - ii) Board decided to have the customer pick, but could not finance more than 5 years
 - iii) they can pay it off at any time
 - iv) All voted aye
- 3) Approval of Board Meeting Minutes:
 - February 15, 2018
 - May 15, 2018
 - i) Dave made a motion to approve both sets of minutes.
 - ii) Ty seconded the motion
 - iii) All voted aye

- 4) Additional connection on property split (see attached)
- Glasgow
 - i) The board discussed the connection request of Glasgow
 - (1) Currently has a 2-inch connection wants to keep it
 - (2) Pay the impact fee and construction cost which goes across the highway
 - (3) Ty asked about increasing the line to accommodate the city trees
 - (4) Dave made a motion
 - (5) do more homework—get the cost to run a 2 or 4-inch line across Toquerville Boulevard
 - (a) Ron seconded the motion
 - (b) All voted aye
 - Dave Jessop
 - i) Confirmed with Rebecca Hansen with the moving the meter
 - Than again asked about other people who will be dividing up lots and new connections
 - i) Ron answered, the ag connection would be one, but all other lots would need to pay for a connection.
 - Gary Chaves asked about getting water in a lot he wants to purchase
 - i) The board asked him to present it to them when the lot has been split
 - Anita Lowe Easton
 - i) Ag users on different zones is there a variance to water all fields on same days
 - ii) Dave made a motion to try it for a week
 - iii) Mayor seconded the motion
 - iv) All voted aye
 - Rebecca Hansen
 - i) Concerned wind prevents her from watering
 - ii) sometimes has gone 3 days between watering
 - iii) Asked for a variance to water on Sunday when this happens
 - iv) After some discussion, Ty recommended no variance because of limited water resources

Ron made a motion to adjourn. Ty seconded the motion.
Mayor adjourned the meeting at 6:49 p.m.

WHEN RECORDED RETURN TO:

WCWCD

533 East Waterworks Dr.

St. George, Utah 84770

Space Above This Line for Recorder's Use

Serial No. _____

**Agreement to Collect Unpaid Impact Fees and Past Due Assessments
through Annual Contract Assessments for Toquerville Secondary Water
System**

THIS AGREEMENT is entered this ____ day of _____, 20__, between the
Toquerville Secondary Water System Board ("Board"),

("Owner"), and Washington County
Water Conservancy District ("District").

WHEREAS, Toquerville Secondary Water System ("TSWS"), is an interlocal entity
created by interlocal agreement between Toquerville City and the District; and

WHEREAS, by interlocal agreement, the District paid for the construction and operates
and maintains the infrastructure ("System") for TSWS to provide outdoor secondary water to
properties in Toquerville, Utah, that have met the requirements to be connected to the System;
and

WHEREAS, to reimburse the District for a portion of the costs of constructing the
System, an impact fee has been established for properties connecting to the System which is
required to be paid to the District prior to connection; and

WHEREAS, to reimburse the District for a portion of the costs of operating and maintaining the System, the Board levies a yearly assessment on each property that is connected to the System to pay for water service throughout the irrigation season; and

WHEREAS, a connection to the System is not permitted absent the payment of the impact fee and yearly annual assessment; and

WHEREAS, the impact fee and the yearly assessment have not been paid for Owner's property ("Property"), the legal description of which is attached hereto and incorporated herein by this reference as Exhibit A; and

WHEREAS, the Property has an unauthorized connection to the System; and

WHEREAS, unauthorized connections are a violation of Utah Code Section 76-6-409.3 and will be disconnected from the System; and

WHEREAS, Owner desires to reach an arrangement for payment of the impact fee and past due assessments to allow the Property to become authorized and remain connected to the System; and

WHEREAS, Owner has requested that the Toquerville Secondary Water System Board allow the Owner to pay the impact fee and the past due assessments in installments via the yearly contract assessment levied in the same manner as property taxes;

NOW, THEREFORE, the Board, Owner, and District agree as follows:

1. The Owner executes this agreement to be recorded and which shall be an encumbrance

upon the Property.

Agreement to Collect Unpaid Impact Fees
and Past Due Assessments

2. Owner shall pay the impact fee for connection to the System and the past due assessments owing on the Property.
 - a. The amount of the impact fee is the amount of the current impact fee as of the date of the execution of this agreement.
 - b. The amount of the past due assessment is the total amount of annual assessments that would have been collected beginning on the first date of Owner's current ownership of the Property to the date of the execution of this agreement.
3. The impact fee and the past due assessments shall be paid in five equal installments. Beginning in 2018 and ending in 2023, each installment shall be levied as part of the annual contract assessment that is collected in the same manner as property taxes.
4. Beginning on August 1, 2018, 5% interest shall accrue annually on the amount remaining to be paid and be collected annually as part of the contract assessment that is collected in the same manner as property taxes.
5. Failure of Owner to pay the impact fee, past due assessments, and interest as outlined in this agreement shall result in disconnection of the Property from the System with no entitlement for reconnection, and collection of the amounts due in the same manner as property taxes pursuant to Utah Code Section 17B-2a-1007.
6. Any unpaid amounts of the impact fee and past due assessments on the Property, plus any accrued interest, shall be immediately due and payable in full for the Property upon conveyance of the Property.

Exhibit A: Legal Description

Board Initials: _____

Owner Initials: _____

DRAFT