

COUNCIL WORK MINUTES
SEPTEMBER 18, 2019

MEMBERS PRESENT: Mayor Maile Wilson-Edwards; Councilmembers: Paul Cozzens; Terri Hartley; Craig Isom; Scott Phillips.

MEMBER EXCUSED: Councilmember Ron Adams.

STAFF PRESENT: City Manager Paul Bittmenn; City Engineer Kit Wareham; City Attorney Tyler Romeril; City Recorder Renon Savage; Finance Director Jason Norris; Police Chief Darin Adams; Fire Chief Mike Phillips; Leisure Services Director Ken Nielson; Airport Manager Nick Holt; Economic Development Director Danny Stewart; Project Engineer Jonathan Stathis; Project Engineer Trevor McDonald; Water Worker IV Allen Davis; Water Superintendent Robbie Mitchell; Public Works Director Ryan Marshall.

OTHERS PRESENT: Doug Hall, Adam Hahn, Gary Player, Corrie Lynne Player, Jared Harrington, Karter Imlay, Brayden Robinson, Chris Gibbons, Jessica Christian, Robert Christian, Carter Wilkey, Don Oswald, Ken Stevens, Steve Decker, Brigham Nielsen, Jesse Harris, Michael Golden, Kayden Hicken, Sean Lambright, Anthony Colasuono, Collin Justis, Jennie Hendricks, Jace Burgess, Vance Rowley, Dallin Staheli, Sean Cotton, Brittanie Parry, Alyssa Fain, Chad Fain, Kerry Fain, Miles Fain, Katelynn Stinson, Glen Sanders, Grace Lewsader, Tate Womack, Mike McCoy, Tim Watson, Justin Davidson, Grady Holmton, Tony Barney, Eric Heaton, Kyle Kump, Teri Kenney, Hillary Ellsworth, Wallace Limb, Matt Weeg, Alexandria Arter, Trevor Bradford, Rhett Pace Sean Moon, Andrea Nelson, Dave Staheli, Tyler Melling.

CALL TO ORDER: The meeting was called to order at 6:35 p.m.

REQUEST PAYMENT PLAN FOR WATER BILL. WALLACE LIMB: Wallace Limb - I have got a bill to the point I can't take care of it, is there something we can do to get the water back on and put money down and then I will pay more than the monthly bill. I have a 3-month-old baby at home. It was partly out of my hands. I didn't take care of my responsibility when it was manageable. I would like to work out a proposal. Phillips - are you suggesting a payment plan. Limb - yes. Phillips - from information in our packet that has gone on for a long time. Limb - I have been through a bad divorce and was incarcerated so things got out of hand. I have a full-time job now. If I can't make the payment, you can shut it back off. Hartley - do you have an amount you are proposing? Wallace Limb - the monthly bill is usually around \$60 or \$70 and I will do an additional \$100 per month. Cozzens - what is the current bill? Isom - the bill is \$4,184.68. Paul - when people jump on others water, you are not recouping sewer, storm drain or trash. Mr. Limb - that is all on the bill, I am not trying to get out of it. Phillips - the penalties are there, and if making the monthly payment, the penalties will continue to accrue? Paul - yes. Phillips - will it take 35 years to pay this off? Isom - at least 40 months. Phillips - in good faith he has come forward. Does the Water Division want to

talk about this, they have been dealing with it day in day out? Paul – it is difficult when we are charged with the utility operations, we run those like a business where there are defined guidelines on what we do and do not do. It is difficult to collect 4-5 years of payments and the services are still there. Mr. Limb – my garbage has not been picked up for a year, I have hauled it myself. Paul – it is hard to change hats from City business to a business. We have never liked to do payments. Cozzens – how are you taking care of a 3-month-old baby without water? Limb – I have been hauling water and taking baths at other people's home. Cozzens – it is hard to start a precedent? Hartley – is the penalty a monthly accrued or fine from taking water from others? Paul – monthly penalty that kept accruing. Phillips – are you renting? Limb – no, it is a family home, my mother is in a facility in Riverton.

Dave Staheli – I don't think the government should be in the compassionate business, if the City will waive the penalties, I would pay the bill and work it out with him to pay me back. It is still asking you to be benevolent, but I could work out the details. Phillips – we could say let's do this, but then there is someone in 6 months or a year and it puts in a difficult spot. Cozzens – can we look at a policy change to do payments in the future without charging more penalties. Dave – I will help him if you could waive the penalties. It is still asking charity, but I don't know if it is money lost. Mr. Limb could work with me to get it paid back. Paul – a word of caution, every month we have customers in arrears on their bills and are shut off. You don't get shut off until you are 3 months overdue. That list is ½ dozen pages long. You have a big constituency base to some extent in the same boat. Cozzens – we have a week to think about it. Mayor – there is not a vote on these items this week, the vote will take place next week. This will go on Action. Phillips – I appreciate the fact that you have come forward and recognized what you have done was not correct.

PUBLIC HEARING TO CONSIDER A ROAD DEDICATION AT HOVI HILLS AND 900 NORTH. WATSON ENGINEERING:

Tim Watson, Watson Engineering – we are asking for the approval of the road dedication of Hovi Hills and 900 North. It extends from Main Street into the Thunder Garden area; the club house is in the lower portion of the plat. Our current project and under design needs to have the section of 900 North dedicated past the intersection and then we will connect through Hovi Hills. We are working with the Golf Course to get the road through the course, we have 100 feet between the greens and will require two t-boxes being moved. We are in the design to develop some property. Phillips – why would Mr. Barnes be excited? Tim - There are two cottonwood trees to buffer the section of Hovi Hills, he is ok with the location. Phillips – I don't want to tear up the Golf Course without positive benefits. Tim – this is because ordinance requires two access points with over 40 units in an area. the development has not been determined yet. Jason – it is assumed that everybody works hand in hand on issues, but Tim has been good to work with the Golf Course and staff on the impact of the Golf Course. I feel he has done this the right way. Tim - We are trying to work through the grading to have a drive over instead of drive under for the golf carts. Phillips – does the fire department have any issues? Chief Phillips – no. Tim – we have engineering design standards, if we meet those, we should be good with the Fire Department.

Mayor Wilson-Edwards opened the public hearing. There were no comments. The hearing closed. Action.

PUBLIC HEARING TO CONSIDER AMENDING A MINING RIGHTS LEASE WITH PHIL SCHMIDT. TYLER ROMERIL: Tyler – Mr. Schmidt has a lease with the City where he is allowed to mine so much material and the City is reimbursed. It has been in affect about 20 years, it has been amended once. There is nothing on the original lease or amendment that the lease can be transferred or assigned. He would like that added, so I have enclosed a second amendment, he will have to bring it to the City Council, but you cannot unreasonably deny. Cozzens – in 2017 we approached Mr. Schmidt to recharge and he did not want to mine that pit until he had finished what he had with the City. We amended that and we have been able to recharge a lot of water in that pit. We are appreciative of what he has allowed.

Mayor Wilson-Edwards opened the public hearing. There were no comments. The hearing closed.

PUBLIC HEARING TO CONSIDER REVISING THE 2019-2020 BUDGET TO PARTIALLY FUND THE GLACIER ICE RINK. DALLIN STAHELI: Cozzens – I was sent an email, I want to read it and answer the questions regarding my role. This is from Councilwoman Hartley, see Exhibit “A”. The answer to the questions are: 1) – I have never served on any of the boards for the Ice Rink; 2) – our family has done a lot of work for the Staheli’s in the cabinet business, if there is a conflict I do disclose. Other than that, it is no one’s business; 3) - I have no contracts or intentions of contracts right now. The only thing is when Staheli’s approached us I went to Mayor Burgess and my Scout Troop 1865 helped lay pipe for the rink. The dasher board we routed new caps for the board to route which is about \$2,400 that I did not charge for and I ruined a diamond bit that cost about \$350. I have not received any money. Hartley – thank you for clarifying that, I have had several citizens come and ask me about that.

Dallin Staheli – the history goes back about 10 years without a master plan or big scheme to make a multimillion-dollar Ice Rink, it started on a farm for friends. See presentation attached as Exhibit “B”. Our snow shovels, rakes, and hose were not working. People did not think this would work but were willing to take a chance. We are grateful for the Rink we have, it has been a good concept, everything we hoped for and more. Some of the challenges is the weather and facilities. The rink is not regulation size. The rink was built as a temporary facility. We feel it is successful. It is difficult to have staff for 3 months and then they are finished. We put together a plan to upgrade the rink in its current location. There were some problems, mainly the original intended use for the spot. We changed gears and started over. We looked at several different sites, we went with the southwest corner of the property, and we still share the parking lot. This is more of a facility than we originally planned, our approach was to make every inch useable, make it good and useful, lobby, 4 locker rooms and a changing room, we put showers in. the rink is covered and sheltered, the lobby is heated and air conditioned, we put seating in for 500 people. It is a prefabricated insulated building with some masonry

to tie into what is there. We hope to skate 6 months of the year. This will be partially open air for the summer activities. This facility could tie into the lake as well for the summer activities. We could also possibility work with the aquatic center. We feel this would serve the community well. The usage projection is for the third year. Estimated cost is \$5.7 million dollars. We are requesting the city pay for half, \$2.85 million dollars, we are ready, willing and hopeful. Once completed we will donate the building to the City and all legal requirements are taken care of, we would expect to lease the facility and property back for \$1 a year and possibly the property insurance costs. We will operate and maintain the facility through the user fees and maintain the property, landscaping to the curb and not ask the city for further funding. The city will maintain the parking lots and street side parking. We have never asked for public funding for the rink. There are a lot of questions if we want to walk away in 5 years. For 6 years we have not walked away through the thick and thin. We hired an industry expert to look at what we have done in the past and what we could do in the future and have met with residents. I think it is a unique thing, not common to grow from a pond on the farm, to something better to something nice. We are at a crossroads of where this needs to go, move forward, continue to improve and offer something that doesn't exist between Las Vegas and Provo, or we can have it all go away, what we are currently doing can't go on forever. A lot of the business community is behind this, potential for big contributions, some are small, but a lot of people want to see it happen. If we do it, let's do it right. Need to start off on a sound financial footing. If we are putting the City in dire straight, then it is not a good decision either. We need to be very efficient with our funds, but not pinch pennies or cut corners. We will not start construction is fully funded. The timeline is based on the funding. Contracts would have to be in place before funds are withdrawn. We would like to have a requirement that all withdrawals comply with all the laws.

Phillips – how will it be programmed? If we use tax payer dollars, I want citizens to be able to use this more than two hours per week. I want this to be part of the discussion. I recognize the realities, but I need to make sure the taxpayers can use the facility. Dallin – the sample schedule is in the exhibit showing public skating. All the classes are serving the community. We have found over time that these are the good times for public skating. Phillips – have you found that you don't need to go later than 10:00 p.m.? Dallin – we will if needed, but it normally dies after 9:00 p.m. Phillips – I want you to continue to look at that. We will have the ability to program from 5:30 a.m. to midnight. Cozzens – any conceptual summer schedule? It is also shown on the exhibit.

Mayor Wilson-Edwards opened the public hearing. Tom Jett, Cedar City – kudos to the Staheli family, if I had \$100,000 laying around, I would build a statute. I grew up ice skating and love ice skating. I am a firm believer in public/private partnership and think we have a potential to create a model for others in the State and Country. Our pool is funded by the City but used by people all over the County. The County has kicked in some money in the beginning, but the funding for the aquatic center is being funded by the city and everyone in the County is using the facility. I think the funding should come from Iron County, they are the primary beneficiaries and Cedar City can kick in if they want. I don't think the County will jump on board. Cedar City has done it with the swimming pool. I don't want to slow the project or speak negative, but if the residents of

Iron County are getting the benefit then the residents of Cedar City should not be taxed with all the operation and building, etc. the County is looking at kicking in some money. Enoch is a large city and should be kicking in some money also, but they want Cedar City to do it. That is why I think the County should fund it and everyone in the County can enjoy it.

Carter Wilkey, Cedar City – one thought I have had on this and a major sticking point and I do echo Tom's comments on the Staheli family. I personally am a supporter of taxpayer funds for public amenities and they don't make money, parks, sidewalks, swimming pools, but there is not a private organization on the side making money. There is potential for the Golf Course and Aquatic Center to make money, for this I don't think it will make money. I applaud Dallin for addressing the open skating. I echo Mr. Jett on other municipalities contributing. The City does pay for the Aquatic Center and they receive the money, they will not on the ice rink.

Dallin Staheli, Cedar City – the Glacier is a 501c3 with the mission to operate an ice rink as a public service for the community. They cannot take money for other operations. Another ice rink is not happy they are making a profit and it is taken for other deficiencies in the municipality. All funds of the facility will go back to the purpose of the facility.

Kerry Fain, Cedar City – I am the head of the Southern Utah YETI and Southern Utah Independent, I help operate the rink, our organizations, youth group, parents will put in volunteer hours from landscaping, plumbing, electrical to bring down the pricing. Councilman Cozzens did purchase and donate the fencing above the rink so people could go up and turn around. After operating and maintaining for 4 years, you gain most revenue from public skate and the programming is built around public skate.

Mike McCoy, Enoch, moving to Cedar – my sons will be involved in hockey and we have seen what Dallin has done to make it happen. I was astonished at the equipment is available for a minimal cost, I think it is \$25 to rent new gear to play a sport. It is an amazing program that opens the doors to kids. I don't have the knowledge with tax dollars and financing. I support it and give my tax dollars for an excellent program to be brought on board. If the answer is no, I hope it is no, not yet so it can be rehashed and restructured. I believe if you believe it, they will come. People would go skate if they could skate in a facility different than you have now. I moved back here a few years ago, what they have is great, and will be later for the community.

Jennie Hendricks, Cedar City – one of my biggest concerns is taxpayers are being asked to pay \$3 million from a fund that has \$4 million and it funds police, fire and roads. If you have to build a police or fire station that will have to happen, and we would have to bond for that, and it would cost an additional \$1.2 million dollars. Everyone would love to have an ice rink, gym and soccer fields. Is this the best use of funds at this time? I listened to the golf course spend \$2 million and took 5-year plan to do this and it is the best way. Taxpayer funds need to be held in the same regards. To put taxpayers on the hook for an additional \$1.2 million needs to be thought through.

Jessie Harris, Cedar resident – the costs that are high, I don't feel this count has a revenue base to support something like this. We need out of town and out of state revenue, roller derby in the USG. We need a business plan in front of us and have tourism pay for this, and they pay for half the taxes now.

Melissa Fain, Cedar City – I want to add on to Dallin's sponsorship, I have raised \$2,000 for the high school team from Cedar City and St. George and they are asking about the rink when I go ask for money. They have faith in us and the rink.

Tony Barney, Cedar City for 53 years, but live in Enoch – I have known the Staheli's my entire life, Hunter Farm is my back yard. We had to take youth groups to Provo and wait in line to get on the ice. These are very popular other places. Cedar City is a winter sport town, we live in the mountains. If we don't offer that for our children, they will leave. I hope we don't need any more roads, fire trucks or police if we don't keep our people here. Barney Brothers Electric has donated a lot for this, and we will continue to do that. It is a wholesome recreational activity. There are very few projects you have done that someone is willing to put in half the money and you won't get these deals every day. As a taxpayer and someone that works hard in the community. It has held its own for 6 years. We are hoping you consider this, and that the community will help raise funds. It will employ people.

Mike Golden, Cedar City – I want to echo that while other residents of Iron County are not paying, we do have someone offering ½ the money. I have watched the youth programs grow and the public skate. We have people from St. George and outlying communities come to play hockey and for public skate. We have a team from Las Vegas come up, they will stay in hotels, eat in restaurants and spend money.

Lauren Henderson, Cedar City – I appreciate both sides, I grew up ice skating and enjoy it. I remember when the structure was built for ice skating and it had to be used for other events, roller skating, etc. it was built on fair grounds property. It could not sustain itself. I think it needs more consideration with that kind of money coming from the taxpayer base. I appreciate the fact that it will help the children. When you have other cities involved throughout Iron County and to put the burden on the Cedar residents is a lot. It should be very well thought out. The complex I grew up ice skating is no longer because they could not sustain.

Adam Hahn, Cedar City – I don't know the Staheli's, I don't skate, but I am a tax payer, we have very little facilities, we have ice skating, Aquatic Center, Golf Course, we have limited facilities. So, why not invest into facilities that benefits the tax payers, our families and children. Invest in things that will bring revenue to the community through traveling and events. It is a win/win. Nothing is free, I think we will benefit from this. I would think that tourism drops in the winter. We are looking at a facility that will bring people here in the winter and people will come from the south also. I hope the council passes to fund this.

Tom Jett- I am not opposed to the rink, I don't think it should be the city roll, it should be the County roll, I think the generosity of \$2.85 million dollars is fantastic and the in-kind donations are wonderful. I am more in favor as a county wide project and that would be fair. I am not saying the people of Enoch are cheap, and I'm not saying the people of Parowan or Kanaraville are cheap. I'm just saying let's share from the tax base of a much larger area and make it a much more feasible project for the long term. I would pledge tonight that my family will donate \$500 to the ice rink upon successful completion. That is not a lot of money, but it is a lot of money to my family. That is how much I believe in and support the project. I just want to make it clear that I am not a naysayer on the project, I am a ayesayer.

Dallin Staheli – because people say it is generous the Staheli's are bringing \$2.85 million, I want to make it clear that we are not bringing \$2.85 million, the Staheli's aren't, we are going to head the effort to raise \$2.85 million from a wide variety of sources, and the County will probably come into that. For us that is a tall order, we are not professional fund raisers, we are going to give it our best. We are asking the City to be a springboard to get us the rest of the funding but the Staheli's are not bringing \$2.85 million.

Cozzens – a couple of questions, let's say you guys have to rat hole money for O&M, you can't profit because you are a 501c3, I assume you are going to put money back into O&M, and maybe like this gentleman said about the uniforms, I know you are subsidizing those, and you are helping kids that maybe can't afford to participate. Let's say you are wildly successful, and you have a rainy day fund, let's just say you're doing well, would you consider maybe making a comment to make a point on some other comments, would you consider maybe helping a little bit more on the other side. I don't know if that would happen or not, maybe it's based on some of the discussion, I don't know, I'm just saying that it might put some people's minds at ease that you are going to cut a fat hog on this project.

Dallin – that would not be my decision to make, that would be the board's decision. Like I stated before, our mission is to serve the community by building and operating the ice rink. I think what we would want to do if we are wildly successful, we would use the funds to benefit the community in the best way possible, that may be in lowering user fees to make it more accessible to people in the community, that might be setting up a scholarship fund to specifically help more disadvantaged people and let the people that are more advantaged keep paying the user fees and that might be to donate back to the City so our full intention is to serve the community, and we are open to what serves the community best.

Mayor – we keep hearing about approaching the County, have you actually approached the County? Cozzens – can I answer that. I have approached Maria Twitchell, and I'm hesitant to really give numbers, but I will, there is the TRCC, restaurant tax, they bring in about \$800,000 a year in income into their coffers, and she felt, and I hate to jinx this, but she felt that her board would be supportive of this venture. I have run the numbers, and the unincorporated part of Iron County is 18%, that doesn't count Enoch, Kanarra or Parowan or these other communities, but it's about 18%, and if you take 18% time 5.7

million dollars, it's about a million dollars, and this could be a little tricky, and I don't know how it would work, but she felt like that the TRCC could commit a pretty substantial amount for three years, so it wouldn't be all at once, but they could commit kind of like we do our RAP tax where we changed our ordinance to save up and rat hole the money so we could make a better contribution, so they would probably be willing to support this three years in a row with a pretty substantial sum, that may be \$400,000, maybe \$500,000 so that to me would be about half of what the unincorporated area would be liable for, what Mr. Jett is talking about.

The other thing, and I respect what you said Tom, I think it would be nice if the other communities would pony up some money, but you have to consider they don't have a tax base that we do. Cedar City is the city that is going to benefit from those people coming in. Being involved in my church, I've worked with the youth for many years, and every year we sit down with the youth in our church, and we write on the chalkboard activities and plan activities for the year, and every year one of the activities is to go to the ice rink, and I will bet you money that every single youth group in St. George does the same thing. Every one of those youth groups in St. George is going to drive to Cedar City and that is going to be one of their activities for the year. They are going to buy hamburgers, or they are going to go to Golden Corral or whatever. Then you have people that are going to come and will stay in a hotel, and they will pay the TRT tax that we get 1% on TRT and about 1% on TRCC which, is the restaurant tax, and then we get 1% of sales tax. I think that because of Cedar City is the one with the tax base, I think Enoch is finally getting a grocery store soon and they have the dollar store, so they will have more of it because they are getting some base going, but when you look at Parowan and the other communities, Parowan has some, but you look at Newcastle, Beryl and Kanarraville, they don't have a tax base, so they can't put as much towards it. I do believe over time we will see a return on their investment.

Laura Henderson – with all respect, what if your donations have a shortfall, who will pick up the slack. Phillips – if the funds are not raised the project will not go forward. Laura – I just wanted that clarified. I am not a naysayer, but I believe it should not just be just the citizens of Cedar City.

Chris Hazard, Cedar City – I am involved with the hockey program. I am on the committee to raise funds for youth hockey. I also represent WL Plastics and we will help with some of the costs. It is little to say, but about a \$10,000 cost savings for pipe under the rink. I am a liaison for the sales team, I am on production side. I don't have a problem with ponying the money up. All the kids involved is a benefit to all of them. We are investing in the future, it is something to do in the winter. Brian Head is about the only thing we have for winter activities. You can't go back and say we should have done that. The youth of Iron county, we have participants from all over Iron County and Washington County. I think it is an investment in the future.

Andrea Nelson, Cedar City – I have bene here long enough to remember the t-rope at Wood Ranch and skated at the settling ponds. I don't have kids or grandkids here, but I am interested in getting them out of their cell phones. The grass roots things that have a

critical mass and interest become successful. Because of the 501c3 they don't have to make a profit. If not this, what, if not now, when. I envision the Utah Winter Games. Is money the only measurement to make it worth it. We will have more tax revenue, talk about a fixed pie of a capital account. The city is growing across of the rink site is a huge complex and tax revenue will go up. That is my opinion, I know grass root things like Shakespeare, those things become successful. I think it is good for the community and will pull things in.

Doug Hall, Cedar City – Paul Cozzens mentioned this in a roundabout way. We have not pointed out return on investment. The intent is for them to deed this to the City. In essence the city is getting 100% return on their investment. When we look at that point of view, the City gets the 100% when complete.

Tim Watson, Cedar City – my family and I have enjoyed the rink, I got interested at a young age thanks to Kerry Fain, of about 40. I play every year with my younger boys in the adult hockey league and the time and enjoyment has been a wonderful asset. I support it. I talked to people last night about getting into adult hockey. I hope you take all information you get tonight into consideration.

Eric Heaton, Cedar City – I was going to play hockey and the adult leagues are later at night, I had a colleague of mine walking out, he is from St. George, I told him I thought hell would freeze over before I saw you in Cedar in the winter, he said I know and this is my 3rd time. There are not a lot of activities to bring people to Cedar City and Steve had brought 3 groups from St. George. It was brought up about the Golf Course, it is a summer sport. I think this will be highly motivated to make this work. When there is effort it builds pride and motivated people with skin in the game will make it successful. I support the ice rink.

Trevor Bradford, Enoch Resident, Cedar City business owner – I support the ice rink.

Dave Staheli – Dallin has been the catalyst to make things happen. We have been through a lot of scrutiny when a permanent rink was proposed. We have been around the tree a whole bunch of times. The City staff has been great and the council. I think it will be better by not doing it when first suggested. I believe it has been a good and lengthy process. The City will not be asked to cover any O&M ever. We have made that commitment and will continue to do so. It will only be the initial building cost and the parking lot. The O&M will be the entity and if there is shortfalls, they will be made up privately. The impact fees, fire, police all go toward the infrastructures and I don't see it is milking the bucket dry as presented earlier. We spend money on a lot of things, recreation is usually a losing cost. Without the long-term investment, taking out the utility commitment is a good move for the city and for us. With the city's contribution gives us a lot of legs for other foundations because the city says yes. The commitment is already in the process for seeking these things. We will have the loan as an option. It is not a long-term liability to the City. The other issue, the rink will die sometime, they do die, this is a private entity and has responsibility and a strong amount of trust and motivation to make that not happen. It is another business, but no one is profiting.

Creativity like Shakespeare you must look forward and never set still. The board will take that seriously. The hearing closed.

Phillips – I acknowledge Mr. Wilson who has visited with us and come all the way down to sit through all of this, so thank you for your commitment and your efforts on behalf of this project. I also want to remind everyone that regardless of what happens with this project, just over a week and a half ago we had a speaker at the Utah Rural Summit spoke on the importance of uniqueness and making your communities unique, and this project does provide the opportunity to create something that's unique for us that makes us stand out from the rest of the communities stand out in our region and state. I would hope we will take those words, because if we want to attract people here we have to be different, we have to be unusual, you have to have a reason for them to come here, whether is it St. George, Las Vegas, Enoch or Fillmore, what makes them want to come here as opposed to all those other places. This project has the possibility to do that, so I just want to keep that in mind.

Isom – Mark, can I get some personal time with you, I can come up and see you or you can see me, but I would love to vet your very conservative estimates and for my understanding, that is something I would like to do between now and next week. Hartley – I would like to be involved as well, I think I have similar questions. I think Dallin had passed that on to you, the kind of things that I was looking at and had questions. If we can coordinate that you will only have to do it once.

Cozzens – when we were talking, and I have worked hard for 3 or 4 years to get the location where the ice rink is to be deemed a permanent home, it didn't work, and I respect that process. When we talked about using the location, the Council seemed to me, and they can speak up if they differ from this opinion, but it seemed like the Staheli's and their board would pay for the whole facility and they would ask the City to pay for utilities which was estimated at top to be \$85,000 a year. So, in 20 years that would be \$1.7 million dollars, and I think if we had two spots like that, I believe this council from what I heard in that meeting would support that, I don't know, but I think if we had two spots I think it would be a no brainer. I want to run some numbers and I want to do some comparisons, and I haven't had time to do the other with baseball, golf, diamond Z, the Heritage Center and Jason maybe you can help me with that this week, but have run the numbers on the Aquatic Center, because as it's been brought out tonight, recreation is expensive and we feel it is important for the youth as has been brought out, but it is expensive and we subsidize it, we are subsidizing every person that goes to the Aquatic Center to swim right now between \$3.50 to \$4 a person at the Aquatic Center to swim, and that is about \$350,000 to \$400,000 we are losing every year on the Aquatic Center. Let's just play with these numbers for a minute. So, let's just say we would have voted for this if the City would have only had to come up with \$1.7 million dollars which was the \$85,000 a year. Let's take that away, the \$2.85 million and subtract that \$1.7 million. If we would have supported that other spot, that would leave us with \$1.15 million-dollar investment in this facility. Hartley – can I just interject before you keep them going down the path, we had not approved the \$1.7 million. Cozzens – I know that, I just said I felt like if we had two spots it may have been approved. The Aquatic Center was built in

2011, 25-year bond, I asked Jason to run the numbers, we have spent to date on the Aquatic Center with O&M, building the facility, employment, paying payroll, we've invested about \$14.7 million in the facility. You add another 16 years which we have left on the bond and multiply about \$390,000 a year that is another \$6.2 million dollars. By the time we pay off the Aquatic Center bond we will be into that facility over \$21 million dollars. What Mr. Staheli has said, that will be a onetime investment, we won't have any more O&M. so a few weeks ago we were discussing, after thinking the pool liners and all those things on the swimming pool were going to last a long time, we are eight years in we are replacing the liner, even with them subsidizing quite a bit of it, we are spending \$132,000 on liners for the pools. We are not going to be having those discussions with this project. We are going to have a one-time investment, and maybe you considered a \$1.5, or maybe like Terri said, if we wouldn't have voted for that it would be a \$2.8 million-dollar investment. When you compare that to \$21 million dollars plus all the major repairs, whether it be boilers or replacing liners every 10 years, it has been 8 so far, hopefully they last longer than that, but when you compare the cost of recreation to that, compare the \$2.8 million to the \$21 million, or the \$1.15 to the \$21 million. I don't know if you get where I'm going, but we can do that on ball fields, the Heritage Center, the Diamond Z, the Golf Course. We just put \$2 million in the Golf Course for plumbing, for new pipes, and it was needed, it was terrible, but that is one point I want to make. The other point is passion is what makes it work. If Cedar City said tomorrow, we have never done this before and we want to build an ice rink and run it, my vote would be a resounding no. But because I have seen this work for 6 years, I have seen the heart of these people that are involved and their passion, that's what is going to make this work. Like Mr. Barney said, I have worked with the Staheli family for a lot of years, and they pay their bills. I think it would be offensive if I went up to Dave Staheli and had him sign a contract because I trust him so much, and that's just how I feel about them, their word is gold. I know there is a lot of passion for a new gymnasium and I think that when that is proposed, I would guess that is going to fly through this Council for funding, and I'll bet nobody steps up to pay half the costs either. I know when Mayor Burgess was here, he did some research on the mac center in St. George and they had about \$150,000 a year in O&M and programming costs. Whether that is accurate today, I don't know. I hope we could make that payment with the money we receive. One more point, when companies want to come to Cedar City and set up shop, they come into the community and look at the cemetery and see how we treat those that have passed on, they look at recreational facilities, golf course, Aquatic Center, all these things play into their decision, and this is a unique thing, there is not one between Las Vegas and Salt Lake City or Provo. If we are competing for a large company with Kingman, AZ, and we have some facilities for our youth and to enjoy life, I think we may win with that venue in the winter time. I talked about the youth groups coming. Let's say this goes 30, 40 or 50 years and you add up the return on investment with the sales tax revenue we gained, I think it will pay off our one time investment whether it's the \$1.5 you want to think about or the \$2.85 one-time investment, I think it is going to pay off and then we're going to receive a return on investment..

CONSIDER A RESOLUTION TO RENEW A RIGHT-OF-WAY GRANT FOR THE SPILSBURY SPRINGS PIPELINE WITH THE BUREAU OF LAND