

PERRY CITY COUNCIL MEETING
PERRY CITY OFFICES
February 22, 2024

7:02 PM

OFFICIALS PRESENT: Mayor Kevin Jeppsen presided and conducted the meeting. Council Member Nathan Tueller, Council Member Blake Ostler, Council Member Dave Walker, and Council Member Toby Wright

OFFICIALS ABSENT: Council Member Ashley Young

CITY STAFF PRESENT: Bob Barnhill, City Administrator
Shanna Johnson, City Recorder
Scott Hancy, Chief of Police
Zach Allen, Public Works Director
Bill Morris, City Attorney

OTHERS PRESENT: Bryan Dana

ON-LINE: Nelson Phillips (BENJ), Fred Philpot (LRB), and JJ Johnson

ITEM 1: CALL TO ORDER

Mayor Jeppsen welcomed everyone and called the City Council meeting to order.

ITEM 2: PROCEDURAL ISSUES

A. Conflict of Interest Declaration

None.

ITEM 3: PUBLIC HEARING

A. Proposed Water Impact Fees & Park Impact Fees

Mr. Barnhill said that the city council had a work session and he had consulted with Lewis, Robertson, & Burningham (LRB) on this item. He recounted that LRB along with Jones & Associates did a study to assess Perry City's water and park impact fees. He explained the study and gave the scenarios examples from the study, which proposed increases in culinary water impact fees and park impact fees, see proposed fees below:

- Culinary Water Impact Fee (scenario 1, indoor only) - \$10,800
- Culinary Water Impact Fee (scenario 2, indoor & outdoor) - \$24,052
- Park Impact Fees - \$1,944

. Mr. Barnhill noted that the council may accept the proposed fees or come up with their own amounts. Council Member Tueller asked if the impact fees were only used on new improvements and Mr. Barnhill responded that they can only be used for new infrastructure to accommodate the growth.

B. Resolution 2024-03 Adopting a Fiscal Year 2024 Budget Amendment

Ms. Johnson said the budget amendment was needed since the \$200k grant the city received was increased to \$600k and that the city also needed to allocate the 20% match required with this grant. She listed the accounts where she made the adjustments. She advised that \$250,019.69 in additional Class C funds have been allotted to the City as part of the transportation tax changes the County made and has been reflected in the amendment. She said that she also changed the way administration wages were allocated to allow for new transparency reporting related to inspection and development expenses. She explained that the budget amendment for wage allocations was a net zero change and allowed for better transparency reporting. She reported that the projected unrestricted General Fund Balance was 16.84%, and the city still has a healthy fund balance.

Public Hearing Opened at 7:14 p.m.

No Comments

Public Hearing Closed at 7:15 p.m.

ITEM 4: ACTION ITEMS (Roll Call Vote)

A. Resolution 2024-03 Adopting a Fiscal Year 2024 Budget Amendment

Council Member Ostler commented that this \$250k Class-C fund allotment will be a one-time event. He clarified that part of the expenditure of this money will go to purchasing a roads management software, which will help develop a plan for road maintenance. Bob Barnhill and Zach Allen confirmed that this was the plan. He then inquired about the unrestricted fund balance percentage and whether or not the grant funds were restricted and if they would impact the unrestricted percentage. Ms. Johnson said she was not sure but would look into that question, she said if this were the case the percentage would go up. Council Member Ostler wanted to clarify this as 15% fund balance, in his mind, has always been a safe limit to keep the fund balance. Ms. Johnson said she will look into the grant funds and noted that the city began the fiscal year with \$1,926,015 and with the budget amendments that have taken place the city still has \$1,452,977 in unrestricted funds, this is a healthy fund balance and is within state compliance. Ms. Johnson answered and explained other questions and concerns given by the council members.

MOTION: Council Member Tueller made a motion to approve Resolution 2024-03 Adopting a Fiscal Year 2024 Budget Amendment. Council Member Wright seconded the motion.

ROLL CALL: Council Member Young, Absent
Council Member Walker, Yes
Council Member Ostler, Yes
Council Member Wright, Yes
Council Member Tueller, Yes

Motion Approved. 4 Yes, 0 No

B. Resolution 2024-04 Adopting Water Capital Facilities Plans

Mr. Barnhill explained that this Culinary Water Capital Facilities Plan was the first step the engineers took in creating the impact fee study. Council Member Ostler said that in the title of the resolution “associated” should be “associates”. He pointed out page 6 of the study report and the water loss

mentioned in that section. Mr. Barnhill replied that water usage and water loss had been an issue for a while. He explained that there were a lot of different causes for these losses and several reasons they (Public Works Department) struggle to fix them. Council Member Ostler noted that on page 14 in the second to last paragraph “thirteen (15)” needs to be clarified with the engineers.

MOTION: Council Member Wright made a motion to approve Resolution 2024-04 Adopting Water Capital Facilities Plans with (corrections to the) typographical errors. Council Member Tueller seconded the motion.

ROLL CALL: Council Member Young, Absent
Council Member Walker, Yes
Council Member Ostler, Yes
Council Member Wright, Yes
Council Member Tueller, Yes

Motion Approved. 4 Yes, 0 No

C. Ordinance 24-B Adopting the Impact Fee Enactment Including the Impact Fees From the Public Hearing and Other Governing Regulations

Council Member Walker asked why the impact study showed both the indoor and outdoor use scenarios and Mr. Barnhill responded that it was because the city has had those scenarios come up in the past. Mr. Barnhill then expounded that in the future forecast, secondary water might not be available for all areas of new development. He said that the city needs to make sure to collect enough water to offset the additional impact. He mentioned that the intent would be to have the impact fees reflected with both scenarios.

Mr. Allen commented that city metered water tracking observation showed outdoor water usage increased approximately three times during the warmer months. Mr. Philpot explained that if (right now all) new developments were Scenario 2 (Indoor and Outdoor Use) there would not be enough water storage to handle the demand. Council Member Walker was concerned with the impact fees and having the funds for a water storage system. Council Member Ostler gave his perspective of the study then stated that it may be done again in five years. Council Member Tueller commented that impact fees are dependent on growth and asked if there was a code requiring new development to use secondary water. Mr. Barnhill said that the code has been updated to state that the development shall bring (build the infrastructure) secondary water into the development.

The council members discussed and were concerned with the proposed threefold increase of the impact fee. Mr. Morris calmed them by explaining the fees will be more specific and may adjust (with negotiation) per development. He said Perry City has a lot of room to grow with a lot of potential for growth therefore the impact fees should be high to accommodate the growth until the city gets built out. Council Member Tueller asked how to gauge (or negotiate) the impact fee per development and Mr. Morris responded that they could base it off the study and current costs. Mr. Morris explained that the old ordinances did not follow the new state law and this ordinance will allow Mr. Barnhill the flexibility with the new system to negotiate these impact fees depending on the development. Council Member Tueller and Mr. Morris considered different cases where the impact fee might be adjusted to be fair to the developer and the city.

Council Member Ostler said that in section one of the ordinance there was a number typo “15” should be “13”. He asked if the reference to the City’s Fee Schedule in section 13.05.060 meant that the fees may be updated without including the changes in this ordinance and Mr. Morris responded that it was. Council Member Tueller commented that the current fee schedule has different fees for the different sizes of meters and the proposed impact fee does not have the cost listed this way. Mr. Barnhill said the proposed impact fee will be charged by the equivalent residential unit (ERU). Council Member Ostler commented on the guarantee by LRB in the water study and the formula used to get the impact fee calculations. Then, he asked what unit of measurement in the park impact fee study will go in the Perry City consolidated fee schedule and Mr. Philpot responded that it would be the per household unit.

Council Member Wright asked if there was a high potential for litigation if the city imposes these high impact fees. Mr. Morris responded that developers would have to exhaust their administrative internal remedies before they could sue the city. Council Member Ostler expressed his concerns that the inexperienced or small developer might not know he can negotiate the impact fees. Mr. Philpot said developers of all sizes look at impact fees and will have that dialog because it was fairly common to know the (negotiation) impact fee process. Council Member Wright said he was uneasy about approving this ordinance because the increase was so high but that the city needs to be sustainable, and it needs to be preserved to the standard of Perry City.

MOTION: Council Member Walker made a motion to approve Ordinance 24-B Adopting the Impact Fee Enactment Including the Impact Fees from the Public Hearing and Other Governing Regulations, with the typographical correction that were noted earlier in the discussion. Council Member Tueller seconded the motion.

ROLL CALL: Council Member Young, Absent
Council Member Walker, Yes
Council Member Ostler, Yes
Council Member Wright, Yes
Council Member Tueller, Yes

Motion Approved. 4 Yes, 0 No

D. Ordinance 24-C Repeal Dog Licenses

Mr. Barnhill said that the city administration reviewed the dog licensing process. He explained that staff had an internal conversation and were looking for opportunities to reduce the burdens and processes required on the citizens. The city administration considered what purpose the dog licensing fulfilled and if it was providing the benefit, we hoped it would. He said the culture of dog care has shifted and the animals seem to get (good) health care. He mentioned that with this repeal the city would have around \$2,200 in revenue loss.

Council Member Wright asked what percentage of dog owners presently got an (animal) license and Chief Hancey said he has found that approximately 1 out of every 25 dogs were licensed. Council Member Ostler said there were other costs to the city associated with animal management and he did not want to take away the revenue to offset these costs. He recommended maximizing the

penalty for not having a dog license. Chief Hancey commented that they did not have many situations where they imposed the fines. The council members, Chief Hancey, and Mr. Morris discussed annoyances and issues with dogs and the need for owner accountability. Council Member Tueller said he was okay with repealing the dog license because he did not want the obedient dog owners subsidizing the other (non-licensing) dog owners. Mr. Morris said if the council wants, they may increase the fees on animal violations. Chief Hancey added that most of the police calls are for barking dogs and that the dog registration does not have anything to do with that.

MOTION: Council Member Walker made a motion to approve Ordinance 24-C Repeal Dog Licenses. Council Member Tueller seconded the motion.

ROLL CALL: Council Member Young, Absent
Council Member Walker, Yes
Council Member Ostler, No
Council Member Wright, No
Council Member Tueller, Yes
Mayor Jeppsen, Yes - Tie Breaker

Motion Approved. 3 Yes, 2 No

ITEM 5: MINUTES & COUNCIL/MAYOR REPORTS (INCLUDING COUNCIL ASSIGNMENTS)

A. Approval of Consent Items

- February 03, 2024 City Council Retreat Meeting Minutes
- February 08, 2024 City Council Work Session Minutes
- February 08, 2024 City Council Meeting Minutes

Council Member Ostler said that in the retreat minutes on line 66 that “AARP” should have been “ARPA”. And in the work session minutes line 48 and 49 needs better clarification such as stating, “times the estimated population unit EPU or \$6,493 per household” at the end of the sentence. Then in the regular meeting on line 78 “forth” should be “fourth”. He also said that on line 109 he recalls that it was the resolution title that the name was not the same as in the lease agreement. Council Member Wright said in the retreat minutes on line 136 he said “metrics” instead of “matrix”.

MOTION: Council Member Wright made a motion to approve the consent items listed with the corrections. Council Member Walker seconded the motion.

Motion Approved. All Council Members were in favor.

B. Mayor’s Reports

Mayor Jeppsen reported that they had an administrative meeting concerning making upgrades at the gun range. He explained that the city has purchased equipment that will streamline the check-in and payment process for the patrons at the range. He mentioned the gun range was projected to open on Saturday, March 23. Next, he commented on the two local animal control shelters and how they were full and that they have plans of expanding them. He said it was not the goal of the Perry City Police

Department to have animal control patrols and wondered if the city could justify a part-time animal control officer (to offer this service).

C. Council Reports

Council Member Tueller said the sewer board was creating their budget and said they were concerned with a replacement switch being complete by the end of the fiscal year and with losing the allocated funds. He mentioned that they were surprised that the motor they purchased came in \$50.00 under budget and that it was a good thing to have happened. He noted that their equipment was healthy right now.

D. Staff Comments

Mr. Barnhill introduced Bryan Dana as a new tenant (to the city) in the lodge and welcomed him (and his business).

Mr. Allen reported that Public Works was now fully staffed. He followed up with a comment about the water study and said that the water loss was down 20% from last year and they were continuing to work on improving it.

E. Planning Commission Report

None.

ITEM 6: EXECUTIVE SESSION

None needed.

ITEM 10: ADJOURNMENT

MOTION: Council Member Walker made a motion to adjourn the meeting.

Motion Approved. All Council Members were in favor.

The meeting adjourned at 9:11 p.m.

Kevin Jepps, Mayor

Shanna Johnson, City Recorder

Anita Nicholas, Deputy Recorder