



# Council Meeting

09-12-23

6:00 p.m.



## MORGAN CITY COUNCIL AGENDA

SEPTEMBER 12, 2023 – 6:00 P.M.

MORGAN, UTAH

**PUBLIC NOTICE** is hereby given that the Morgan City Council will hold a public meeting in the Council Room in the City Office Building, 90 West Young Street, Morgan, Utah, commencing at 6:00 p.m. on September 12, 2023.

### **WORK MEETING – 6:00 P.M.**

1. Discussion – Mixed Residential Overlay (MRO) Zone (Jake)
2. Discussion – Annexation Petition for 54.17 Acres of Property Located at Approximately 555 West Old Highway Road, 936 and 1075 North 700 East, and 1050 North 600 West, Morgan, Utah 84050, as Requested by Lisa C. Preece (Ty)
3. Discussion – Conditional Acceptance – Valley Vista Phase 1 (Ty)
4. Discussion – Steel Solar 1B Project Second Amended and Restated Transaction Schedule Under the Master Firm Power Supply Agreement with UAMPS (Ty)
5. Training – Gary Crane, City Attorney

### **GENERAL MEETING – 7:00 P.M.**

1. A. Welcome - Mayor Steve Gale  
B. Pledge of Allegiance and Opening Ceremony  
C. Approval of Meeting's Agenda
2. **CONSENT AGENDA:**
  - A. City Council Work Meeting Minutes – July 11, 2023;
  - B. City Council Meeting Minutes –August 8, 2023;
  - C. Warrants – (08/18/23 – 09/08/23)
3. **CITIZEN COMMENTS** (Time has been set aside for the public to express their ideas, concerns, and comments. Comments are limited to 3 minutes per person with a total of 30 minutes for this item. Open Comment Cards are available on the City's website, [morgancityut.org](http://morgancityut.org), and are to be filled out and submitted to the City Recorder before 5:00 p.m. on the day of the meeting.)
4. **VERBAL PRESENTATIONS**
  - A. Tri-Utah – Dan Aamodt
5. **ACTIVE AGENDA**
  - A. Amendment to Title 10, Chapter 10.04, Section 10.04.010; Chapter 10.12, Sections 10.12.010 and 10.12.040; and Enacting Title 10, Chapter 10.15 Mixed Residential Overlay (MRO) Zone of the Morgan City Code – Ordinance 23-04 (Jake)
  - B. Consideration to Accept Annexation Petition for 54.17 Acres of Property Located at Approximately 555 West Old Highway Road, 936 and 1075 North 700 East, and 1050 North 600 West, Morgan, Utah 84050, as Requested by Lisa C. Preece (Ty)
  - C. Conditional Acceptance – Valley Vista Estates Phase 1 (Ty)
  - D. Consider Providing Assistance to the Morgan County Food Pantry (Mayor)
  - E. Steel Solar 1B Project Second Amended and Restated Transaction Schedule Under the Master Firm Power Supply Agreement with UAMPS – Resolution 23-30 (Ty)
6. **CITY REPORTS AND BUSINESS**
  - A. City Council
  - B. City Manager
    - Project Updates
      - City Hall Natural Gas Generators
    - Personnel Updates
7. ADJOURN

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- A Work Session will be held prior to the General Meeting at 6:00 p.m. to discuss miscellaneous matters if needed.
- This meeting will also be live streamed via [morgancityut.org](http://morgancityut.org).
- The Council at its discretion may rearrange the order of any item(s) on the agenda.
- In compliance with the American with Disabilities Act, individuals needing special accommodation (including auxiliary communicative aids and service) during the meeting should notify Denise Woods, City Recorder, at (801) 829-3461 at least 48 hours prior to the meeting.
- This meeting may involve the use of electronic communications for some of the members of this public body. The anchor location for the meeting shall be the Morgan Council Conference Room, 90 West Young Street, Morgan, Utah. Elected Officials at remote locations may be connected to the meeting electronically to participate.
- Notice is hereby given that by motion of the Morgan City Council, pursuant to Title 52, Chapter 4 of the Utah Code, the City Council may vote to hold a closed session for any of the purposes identified in that Chapter.
- The undersigned, duly appointed City Recorder does hereby certify that the above notice and agenda was posted within the Morgan City limits on this 8<sup>th</sup> day of September, 2023 at Morgan City Hall, on the Utah State Public Notice Website, at [morgancityut.org](http://morgancityut.org), and three public places within the City.
- The 2023 meeting schedule was posted on the City's Website and Public Notice Website on December 19, 2022.

/s/ Denise Woods, City Recorder

**MINUTES OF MORGAN CITY  
COUNCIL MEETING**

**JULY 11, 2023; 7:11 P.M.**

**MAYOR AND COUNCILMEMBERS  
PRESENT:**

**Mayor Steve Gale, Jeff Wardell, Eric Turner, and  
Dave Alexander**

**STAFF PRESENT IN-PERSON:**

**Ty Bailey, City Manager; Gary Crane, City Attorney;  
and Denise Woods**

**EXCUSED:**

**Tony London and Jeffery Richins**

**OTHERS PRESENT:**

**Boyd Carrigan, Morgan County Fire Chief; Dave  
Vickers, Morgan County Fire Warden**

**This meeting was held in the Council Conference Room of the Morgan City Offices, 90 West Young Street, Morgan, Utah. The meeting was streamed live on YouTube and available for viewing on the City's website – [morgancityut.org](http://morgancityut.org).**

This meeting was called to order by Mayor Steve Gale.

The pledge of allegiance was led by Councilmember Turner.

The opening ceremony was presented by Councilmember Alexander.

**APPROVAL OF MEETING AGENDA**

**MOTION:** Councilmember Turner moved to approve the agenda.

**SECOND:** Councilmember Alexander

Vote was 3 ayes; Motion passed unanimously to approve the agenda; Councilmember London and Councilmember Richins were absent.

**MINUTES AND WARRANTS**

**MOTION:** Councilmember moved to approve the following:

Minutes of the City Council Work Meeting – June 13, 2023;  
Minutes of the City Council Meeting Minutes – June 13, 2023; and  
Warrants (06/23/23 – 07/07/23).

**SECOND:** Councilmember Wardell

Vote was 2 ayes; Councilmember Alexander wasn't in attendance at the meetings on June 13, 2023 and therefore couldn't vote to approve. The minutes and warrants will carry over until the regular City Council meeting on August 22, 2023 for approval; Councilmember London and Councilmember Richins were absent.

## **CITIZEN COMMENTS**

No citizen comments.

## **PUBLIC HEARING**

### **AMENDMENT TO TITLE 1, CHAPTER 1.15 – CONSOLIDATED FEE SCHEDULE OF THE MORGAN CITY CODE; ENACTING CULINARY WATER IMPACT FEES AND AMENDING THE MONTHLY ELECTRIC SERVICE CHARGE FEE – ORDINANCE 23-09**

**MOTION:** Councilmember Alexander moved to open the public hearing.

**SECOND:** Councilmember Turner

Vote was 3 ayes; Motion passed unanimously to open the public hearing to discuss the amendment to Title 1, Chapter 1.15 – Consolidated Fee Schedule of the Morgan City Code regarding culinary water impact fees and amending monthly electric service charge fee; Councilmember London and Councilmember Richins were absent.

**Public Comments:** No public comments.

**MOTION:** Councilmember Turner moved to close the public hearing.

**SECOND:** Councilmember Alexander

**Discussion on the Motion:** None

Vote was 3 ayes; Motion passed unanimously to close the public hearing regarding the amendment to Title 1, Chapter 1.15 – Consolidated Fee Schedule of the Morgan City Code regarding culinary water impact fees and amending monthly electric service charge fee; Councilmember London and Councilmember Richins were absent.

## **ACTIVE AGENDA**

Mayor Gale amended the agenda by moving Item C and Item D to be heard first so Boyd Carrigan, Morgan County Fire Chief, and Dave Vickers, Morgan County Fire Warden, could leave after the vote on these items.

### **COOPERATIVE AGREEMENT BETWEEN THE UTAH DIVISION OF FORESTRY, FIRE, AND STATE LAND AND MORGAN CITY; RATIFYING MAYOR'S SIGNATURE – RESOLUTION 23-23**

Dave Vickers, Morgan County Fire Warden, explained historically in the State of Utah the costs of wildfires could only be handled by an agreement being entered into between the County and the State. He said approximately five years ago state law changed to allow the cities to enter into similar agreements. He stated if there was a wildfire which was caused by something within the City limits the State would pay for the big fires. He said the County had entered into their new agreement, but he just recently realized the City's agreement had expired. He said he brought a new agreement over to the City and Denise Woods, City Recorder, had it signed by the Mayor so the City would be covered for the 4<sup>th</sup> of July. He said there were no changes to the agreement and the City's obligation remained the same, but there had been changes to references to the Utah Code and Administrative Rules. He reported that the City was in total compliance.

He offered to sponsor a community clean-up to assist the City in meeting their obligation to the CWPP (Community Wildfire Protection Plan). He said the Cooperative Agreement will expire December 2024 and then the new agreement would expire every five years.

Councilmember Turner mentioned several projects the City had completed over the past several years.

Boyd Carrigan, Morgan County Fire Chief, stated the City had completed a large project several years ago and it would take care of this years commitment, but the City needed to make plans for a new project.

Ty Bailey, City Manager, mentioned a project involving an infrared camera and the City had found a location at the sewer lagoons where the camera could be placed. He explained it took a light signature and it would spin 360° and was an AI application which would learn the difference between smoke and clouds. He said it would be an early detection warning system through UTOPIA and they would look at each of the warnings to decide if it was a fire or not.

Boyd stated Dave Vicker's boss needed to approve a project of this type. He stated the City's CWPP agreement needed to be updated and also the areas which needed some work, such as Mahogany Ridge. He stated that area was in the high-risk zone. He said he liked the infrared camera idea but would like to see more vegetation removal in that area.

Jake Young, City Planner, CitiDesign, mentioned the WUI (Wildland Urban Interface) which was the transition between unoccupied land and human development. He mentioned adding specific zoning on the hillside and bringing portions of the WUI regulations into zoning, so they matched up and made it easier on the hillside development.

Boyd stated he had been working on a document for the WUI areas and it included all the codes and what vegetation to plant and why it should be planted. He explained the City's WUI area is on the hill above the Mahogany Ridge development which bordered the State lands.

**MOTION:** Councilmember Alexander moved to adopt Resolution 23-23 – A resolution adopting and approving a Cooperative Agreement between the Utah Division of Forestry, Fire, and State Land and Morgan City; Ratifying Mayor's signature.

**SECOND:** Councilmember Turner

**Discussion on the Motion:** No discussion.

Vote was 3 ayes; Motion passed unanimously to adopt Resolution 23-23 – A resolution adopting and approving a Cooperative Agreement between the Utah Division of Forestry, Fire, and State Land and Morgan City; Ratifying Mayor's signature; Councilmember London and Councilmember Richins were absent.

### **CWPP PARTICIPATION COMMITMENT AGREEMENT FOR 2023**

**MOTION:** Councilmember Turner moved to table the CWPP Participation Commitment Agreement for 2024.

**SECOND:** Councilmember Alexander

**Discussion on the Motion:** No discussion.

Vote was 3 ayes; Motion passed unanimously to table the CWPP Participation Commitment Agreement for 2024; Councilmember London and Councilmember Richins were absent.

**AMENDMENT TO TITLE 1, CHAPTER 1.15 – CONSOLIDATED FEE SCHEDULE OF THE MORGAN CITY CODE; ENACTING CULINARY WATER IMPACT FEES AND AMENDING THE MONTHLY ELECTRIC SERVICE CHARGE FEE – ORDINANCE 23-09**

Ty Bailey, City Manager, explained this was an amendment to the Consolidated Fee Schedule to adopt a service charge. He said previously the base rate was amended but the service charge was not amended at that time. He stated the base rate under the net metering returned to what it was before since the net metering costs were not included in the study. He said the City also had a Net Metering Policy and it would need to be changed at the same time. He said this also amended the impact fee schedule for culinary water.

Gary Crane, City Attorney, clarified that the enactment of an impact fee was a separate action, and the State Code had several requirements of what needed to be in an impact enactment. He stated those items were currently in the City's Code so the City was not re-adopting them, but the only thing missing was how you calculate the impact fee and that was completed in the study. The State Code required the City adopt the enactment which the City did at an earlier meeting, so the only item left was to change the impact fee amount and the calculation.

Discussion regarding the process. Gary said first the City had to give notice that they were going to change the fees and then the City needed to adopt the IFFP (Impact Fee Facilities Plan) with a public hearing, which the City had already done. He said the second piece was the analysis, which did not require a public hearing, but the City did it at the same time it adopted the IFFP. The analysis only required approval by the City Council. He said the enactment needed to be placed in the library and the City building. The final step was to adopt the impact fee which couldn't be assessed for 90 days after adoption.

**MOTION:** Councilmember Alexander moved to adopt Ordinance 23-09 – An ordinance amending Title 1, Chapter 1.15 of the Morgan City Code by enacting a Culinary Water Impact Fee and providing for the collection of such fees and amending electric fees of the Consolidated Fee Schedule, providing for repealer, providing for severability, and providing for an effective date.

**SECOND:** Councilmember Turner

**Discussion on the Motion:** No discussion.

**ROLL CALL VOTE:** Dave Alexander – aye  
Jeffery Richins – absent  
Jeff Wardell – aye  
Tony London – absent  
Eric Turner – aye

Vote was 3 ayes; Motion passed unanimously to adopt Ordinance 23-09 – An ordinance amending Title 1, Chapter 1.15 of the Morgan City Code by enacting a Culinary Water Impact Fee and providing for the collection of such fees and amending electric fees of the Consolidated Fee Schedule, providing for repealer, providing for severability, and providing for an effective date; Councilmember London and Councilmember Richins were absent.

**AMENDMENT TO TITLE 10, CHAPTER 10.04, SECTION 10.04.010, CHAPTER 10.12,  
SECTIONS 1.12.010 AND 10.12.040 AND ENACTING TITLE 10, CHAPTER 10.15 ENTITLED  
MIXED RESIDENTIAL OVERLAY (MRO) ZONE OF THE MORGAN CITY CODE –  
ORDINANCE 23-04**

Mayor stated this item had been discussed at length during the prior work meeting this evening and it had also been discussed during meetings on June 27<sup>th</sup> and a special work meeting on June 28<sup>th</sup>.

Councilmember Turner stated even though this item had been discussed during the prior work session and the Council was not taking this concept lightly and said it should be discussed further. He felt the Council needed to be careful with this because this could have ramifications for Morgan City. He would like to wait until the entire Council was in attendance to vote on Ordinance 23-04.

**MOTION:** Councilmember Turner moved to table Ordinance 23-04 until the City Council meeting on August 22, 2023.

**SECOND:** Councilmember Alexander

**Discussion on the Motion:** Councilmember Alexander stated there had been additional changes discussed during the work meeting which also meant there was more work to be done. He thanked Jake for all his work and patience during this process.

**ROLL CALL VOTE:** Dave Alexander – aye  
Jeffery Richins – absent  
Jeff Wardell – aye  
Tony London – absent  
Eric Turner – aye

Vote was 3 ayes; Motion passed unanimously to table Ordinance 23-04 until the City Council meeting on August 22, 2023; Councilmember London and Councilmember Richins were absent.

**Jake Young left the meeting at 7:57 p.m.**

**MORGAN CITY EVENT SPACE INCENTIVE PROGRAM – RESOLUTION 23-24**

Ty stated this was associated with the Rural Opportunities Grant. He explained the Grant listed five projects and one of those projects was to incentivize event space. He said the Planning Commission was the Advisory Board and he had reviewed this concept with them. He said the expenditures for this portion of the Grant had been incorporated into the budget, but he would like the Council's input regarding the program. He said the eligible development costs would be paid to the City, i.e., impact fees, connections, building permits, inspection fees, etc., up to \$25,000.00. He said the event space would be built to City standards. Applications needed to be submitted by June 30, 2024, and he would work with the County Economic Development Board and the Chamber to contact several business owners. He said the event space needed to be able to accommodate 50 people and if he did not receive 4 applicants within the year timeframe he could reevaluate. He said the City had received 90% of the Grant and it was a three-year Grant. The projects under the Grant was retrofitting the Train Depot for a visitor's center, signage promoting the historic district, putting plaques on the historic buildings on Commercial Street, redesigning the entrance to the City, and an event stage.

**Gary Crane left the meeting at 8:09 p.m.**

**MOTION:** Councilmember Turner moved to adopt Resolution 23-24 – A resolution adopting and approving the Morgan City Event Space Incentive Program and Applications to receive funding to promote the construction of event space for Morgan City.

**SECOND:** Councilmember Wardell

**Discussion on the Motion:** No discussion.

**ROLL CALL VOTE:** Dave Alexander – aye  
Jeffery Richins – absent  
Jeff Wardell – aye  
Tony London – absent  
Eric Turner – aye

Vote was 3 ayes; Motion passed unanimously to adopt Resolution 23-24 – A resolution adopting and approving the Morgan City Event Space Incentive Program and Applications to receive funding to promote the construction of event space for Morgan City; Councilmember London and Councilmember Richins were absent.

### **CITY REPORTS**

#### **CITY COUNCIL**

Councilmember Turner expressed appreciation to the Chamber for all their hard work regarding the 4<sup>th</sup> of July Celebration.

Ty expressed his appreciation to the Council and their participation in the parade. The City highlighted the Road Department this year.

#### **CITY MANAGER**

Ty asked the Council regarding the Council meeting scheduled for July 25<sup>th</sup> and whether they would like to cancel the meeting. Consensus of the Council was to cancel the July 25<sup>th</sup> meeting.

#### **PROJECT UPDATES**

**Young Street Bridge & Young Street Improvements** – Ty updated the Council regarding the Bridge and Young Street Improvements. He stated that both projects were on schedule. He explained how the trail would connect to the sidewalk.

**Purchase of New Equipment** – Ty stated the City purchased 2 smaller pieces of equipment (Mini Excavator and Skid Steer). He also mentioned 2 trucks the City would receive for the fleet.

This meeting was adjourned at 8:26 p.m.

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Denise Woods, City Recorder

Steve Gale, Mayor

These minutes were approved at the September 12, 2023 meeting.

**MINUTES OF MORGAN CITY  
COUNCIL MEETING**

**AUGUST 8, 2023; 7:02 P.M.**

**MAYOR AND COUNCILMEMBERS**

**PRESENT:**

**Mayor Steve Gale, Tony London, Eric Turner, and  
Dave Alexander**

**STAFF PRESENT IN-PERSON:**

**Ty Bailey, City Manager; and Denise Woods, City  
Recorder**

**STAFF PRESENT ELECTRONICALLY:**

**Gary Crane, City Attorney**

**EXCUSED:**

**Jeffery Richins and Jeff Wardell**

**OTHERS PRESENT:**

**Cliff Estes**

**This meeting was held in the Council Conference Room of the Morgan City Offices, 90 West Young Street, Morgan, Utah. Due to technical difficulties the meeting was not streamed live on YouTube.**

This meeting was called to order by Mayor Steve Gale.

The pledge of allegiance was led by Councilmember London.

The opening ceremony was presented by Councilmember Alexander.

**APPROVAL OF MEETING AGENDA**

**MOTION:** Councilmember London moved to approve the agenda.

**SECOND:** Councilmember Turner

Vote was 3 ayes; Motion passed unanimously to approve the agenda; Councilmember Richins and Councilmember Wardell were absent.

Ty Bailey, City Manager, explained the process of the public hearings and stated the first item was the amended budget for the year ending June 30, 2023. He stated most of the items were just clean-up based on the final outcome of the year's expenditures. He stated the second public hearing item was the Truth in Taxation, and the third was adoption of the City's final budget for the 2023 – 2024 fiscal year, but this couldn't be adopted until after the Council makes a decision regarding the tax rate. He said the City had been operating off of the tentative budget which had been adopted in June.

**PUBLIC HEARINGS**

**A. OPEN AND ADJUSTING THE 2022 – 2023 FISCAL YEAR BUDGETS OF MORGAN  
CITY – RESOLUTION 23-27**

**MOTION:** Councilmember Alexander moved to open the public hearing to open and adjust the 2022 – 2023 Fiscal Year Budgets of Morgan City.

**SECOND:** Councilmember London

Vote was 3 ayes; Motion passed unanimously to open the public hearing to open and adjust the 2022 – 2023 fiscal year budgets of Morgan City; Councilmember Richins and Councilmember Wardell were absent.

Mayor recognized a gentleman in the audience, but he stated he was only there to observe and didn't have any comments.

**Public Comments:** No public comment.

**MOTION:** Councilmember London moved to close the public hearing.

**SECOND:** Councilmember Turner

**Discussion on the Motion:** No discussion.

Vote was 3 ayes; Motion passed unanimously to close the public hearing; Councilmember Richins and Councilmember Wardell were absent.

#### **OPEN AND ADJUSTING THE 2022 – 2023 FISCAL YEAR BUDGETS OF MORGAN CITY – RESOLUTION 23-27**

Ty explained the big adjustment in the amended budget was under the Road Department. He said since the fiscal year ended on June 30<sup>th</sup> and the new year begins July 1<sup>st</sup> a lot of the billing for the summer projects fell in one budget year versus the next year. He stated the Local Option Sales Tax expense account went from \$400,000.00 to \$651,000.00 because the majority of the Young Street Rebuild Project and there were some bills which came in July but would be paid out of the 2022 – 2023 fiscal year budget. He mentioned that a portion of that project was also paid out of B&C Road funds.

Councilmember Alexander asked regarding the reduction in revenue account 10.31.310 – Sales Tax – Transportation from \$400,000.00 to \$290,000.00.

Ty stated the amended budget was cleaning up accounts to align more closely with the 'actual' budget amounts for the fiscal year, for example in that account the original budget was \$400,000.00 because he anticipated the County adopting their Local Option Sales Tax, which didn't happen, so the actual was \$290,059.84 and the amended budget amount would be \$290,000.00.

Councilmember Alexander asked regarding the decrease in building permit revenue amounts.

Ty said based on the previous year the City received \$220,000.00 and by the end of June 2023 we had \$96,000.00 and basically all of that was residential and then the beginning of this fiscal year the City had a couple of big commercial building permits come in.

Councilmember Alexander asked regarding the increase in account 10.36.300 – State Treasurer General Fund Interest from \$18,000.00 to \$154,000.00.

Ty explained that interest was from the PTIF Savings Account and the interest had increased to 5.6%.

Councilmember London mentioned the differences in the building permits amounts between the 2022 amended budget, 2023 actual, 2023 amended, and the 2024 final budget. He asked if it was a conservative figure.

Ty said there had been a significant slowdown in most places regarding building. He stated the current subdivisions which had been approved had been almost completely built out. He explained building permits were closely tied to the building official and they paid for the inspections. He said since the building official was on contract there wasn't other costs so if we didn't have inspections the City didn't pay the building official. So, if the City received more revenue in the building permit fund the City also paid more, and if that happened the budget would be amended next year to reflect actuals.

**MOTION:** Councilmember Alexander moved to adopt Resolution 23-27 – A resolution opening and adjusting the 2022 – 2023 fiscal year budgets of Morgan City.

**SECOND:** Councilmember Turner

**DISCUSSION ON THE MOTION:** No discussion.

**ROLL CALL VOTE:** Jeffery Richins – absent  
Jeff Wardell – absent  
Tony London – aye  
Eric Turner – aye  
Dave Alexander – aye

Vote was 3 ayes; Motion passed unanimously to adopt Resolution 23-27 – A resolution opening and adjusting the 2022 – 2023 fiscal year budgets of Morgan City; Councilmember Richins and Councilmember Wardell were absent.

**B. ADOPTION OF THE 2023 PROPOSED TAX RATES AND PROPERTY TAX REVENUE BUDGET AMOUNTS FOR MORGAN CITY – RESOLUTION 23-28**

**MOTION:** Councilmember London moved to open the public hearing to discuss the adoption of the 2023 proposed tax rates and property tax revenue budget amounts for Morgan City.

**SECOND:** Councilmember Alexander

**Discussion on the Motion:** No discussion.

Vote was 3 ayes; Motion passed unanimously to open the public hearing regarding the 2023 proposed tax rates and property tax revenue budget amounts for Morgan City; Councilmember Richins and Councilmember Wardell were absent.

**Public Comments:** No public comments.

**MOTION:** Councilmember London moved to close the public hearing.

**SECOND:** Councilmember Turner

**Discussion on the Motion:** No discussion.

Vote was 3 ayes; Motion passed unanimously to close the public hearing regarding the 2023 proposed tax rates and property tax revenue budget amounts for Morgan City; Councilmember Richins and Councilmember Wardell were absent.

**ADOPTION OF THE 2023 PROPOSED TAX RATES AND PROPERTY TAX REVENUE BUDGET AMOUNTS FOR MORGAN CITY – RESOLUTION 23-28**

Ty explained each year the City received the proposed certified tax rate from the State Tax Commission. He said two out of the last 5 years the City has had Truth in Taxation hearings. He said the proposed certified tax rate indicated the City would collect less money than the City actually collected in last year's fiscal budget. He explained the certified tax rate was supposed to keep the City revenue neutral and if it truly did that the City would be working off of the same budget that they had last fiscal year. He stated the certified tax rate also didn't take inflation into account. He said the certified tax rate was what prompted him to propose to the City Council that we hold a Truth in Taxation hearing. He explained the certified tax rate was based off of last year's original budget instead of last year's actual revenue which the City received so we missed capturing the new growth. He mentioned the handout, which is attached hereto and incorporated herein by this reference, which listed three options for the Council to consider. He explained each of the options.

Discussion regarding personal tax notices received by the Council and the adjustments in the amount of property tax due. Ty explained the process of the County Assessor's office regarding the assessment of properties within the County/City.

**MOTION:** Councilmember London moved to adopt Resolution 23-28 – A resolution adopting the 2023 proposed tax rates and property tax revenue budget amounts for Morgan City; the proposed tax rate 0.001471 and the property tax revenue budget amount of \$626,029.00.

**SECOND:** Councilmember Turner

**DISCUSSION ON THE MOTION:** No discussion.

**ROLL CALL VOTE:** Jeffery Richins – absent  
Jeff Wardell – absent  
Tony London – aye  
Eric Turner – aye  
Dave Alexander – aye

Vote was 3 ayes: Motion passed unanimously to adopt Resolution 23-28 – A resolution adopting the 2023 proposed tax rates and property tax revenue budget amounts for Morgan City; the proposed tax rate 0.001471 and the property tax revenue budget amount of \$626,029.00; Councilmember Richins and Councilmember Wardell were absent.

**C. ADOPTION OF THE 2023 – 2024 FISCAL YEAR BUDGETS BEGINNING JULY 1, 2023 AND ENDING JUNE 30, 2024 FOR MORGAN CITY – RESOLUTION 23-29**

**MOTION:** Councilmember moved to open the public hearing to discuss the adoption of the 2023 – 2024 fiscal year budgets beginning July 1, 2023 and ending June 30, 2024 for Morgan City.

**SECOND:** Councilmember Turner

**Discussion on the Motion:** No discussion.

Vote was 3 ayes; Motion passed unanimously to open the public hearing to discuss the adoption of the 2023 – 2024 fiscal year budgets beginning July 1, 2023 and ending June 30, 2024 for Morgan City; Councilmember Richins and Councilmember Wardell were absent.

**Public Comments:** Mayor Gale read an Open Comment Card submitted by:

**Kent Francis, 325 East Deer Valley Drive,** He said he wanted to thank Ty Bailey for spending time with him by email and in person to better understand the income statement for the 2023 – 2024 budget. Please continue to attract new businesses to Morgan City. Thanks, Ty, for seeking grants when possible.

**MOTION:** Councilmember London moved to close the public hearing.

**SECOND:** Councilmember Turner

**Discussion on the Motion:** No discussion.

Vote was 3 ayes; Motion passed unanimously to close the public hearing to discussion the adoption of the 2023 – 2024 fiscal year budgets beginning July 1, 2023 and ending June 30, 2024 for Morgan City; Councilmember Richins and Councilmember Wardell were absent;

**ADOPTION OF THE 2023 – 2024 FISCAL YEAR BUDGETS BEGINNING JULY 1, 2023 AND  
ENDING JUNE 30, 2024 FOR MORGAN CITY – RESOLUTION 23-29**

Ty explained a couple of changes from the tentative budget which was adopted in June to the final budget presented tonight for adoption. He stated the amount for the property tax revenue was changed to \$630,000.00 to reflect the adoption of the proposed tax rate and revenue amounts. He said after reviewing the budget he was able to reduce the overall budget by \$30,000.00. He explained the main decrease was from money put in a line-item for disaster relief which was developed the later part of last year due to the anticipated flooding, but the City didn't need to anticipate those expenses since the flooding concerns have been alleviated.

Councilmember Alexander asked how much sales tax the City received from the car dealerships.

Ty stated it was approximately 25%. He said as the City's entire tax base grew it was becoming a smaller portion of our budget and that was a positive because the City wasn't reliant on that amount. He mentioned the spike in sales tax revenue during COVID because people shopped from home and the City received online sales tax from businesses such as Amazon and Home Depot. He said people have become accustomed to online shopping.

Councilmember Alexander asked what the \$110,000.00 in the cemetery capital outlay account would be for.

Ty said it was for sprinkler system updates in the cemetery.

Councilmember London stated the split between property tax and sales tax was 70/30 and the City ran more on sales tax than property tax.

Ty said the County generated property taxes countywide, and they relied on property tax heavily.

Discussion regarding the Transient Room Tax which was another supplemental revenue source for the City's budget. This tax came from the hotel and short-term rentals through Airbnb and Vrbo.

**MOTION:** Councilmember London moved to adopt Resolution 23-29 – A resolution adopting the 2023 – 2024 fiscal year budgets beginning July 1, 2023 and ending June 30, 2024 for Morgan City.

**SECOND:** Councilmember Alexander

**DISCUSSION ON THE MOTION:** No discussion.

**ROLL CALL VOTE:** Jeffery Richins – absent  
Jeff Wardell – absent  
Tony London – aye  
Eric Turner – aye  
Dave Alexander – aye

Vote was 3 ayes; Motion passed unanimously to adopt Resolution 23-29 – A resolution adopting the 2023 – 2024 fiscal year budgets beginning July 1, 2023 and ending June 30, 2024 for Morgan City; Councilmember Richins and Councilmember Wardell were absent.

**D. AMENDMENT TO TITLE 1, CHAPTER 1.15 OF THE MORGAN CITY CODE  
AMENDING THE NET METERING ELECTRIC RATE OF THE CONSOLIDATED FEE  
SCHEDULE – ORDINANCE 23-10**

**MOTION:** Councilmember Alexander moved to open the public hearing to discuss the amendment to Title 1, Chapter 1.15 of the Morgan City Code amending the net metering electric rates of the Consolidated Fee Schedule.

**SECOND:** Councilmember London

**Discussion on the Motion:** No discussion.

Vote was 3 ayes; Motion passed unanimously to open the public hearing to discuss the amendment to Title 1, Chapter 1.15 of the Morgan City Code amending the net metering electric rates of the Consolidated Fee Schedule; Councilmember Richins and Councilmember Wardell were absent.

**Public Comments:** No public comments.

**MOTION:** Councilmember Alexander moved to close the public hearing.

**SECOND:** Councilmember London

**Discussion on the Motion:** No discussion.

Vote was 3 ayes; Motion passed unanimously to close the public hearing to amend Title 1, Chapter 1.15 of the Morgan City Code amending the net metering electric rates of the Consolidated Fee Schedule; Councilmember Richins and Councilmember Wardell were absent.

**AMENDMENT TO TITLE 1, CHAPTER 1.15 OF THE MORGAN CITY CODE AMENDING THE  
NET METERING ELECTRIC RATE OF THE CONSOLIDATED FEE SCHEDULE –  
ORDINANCE 23-10**

Ty explained that in July the electric rates were adjusted pursuant to the electric study done by the City. He said as part of that we neglected net metering, which was what the City paid to solar customers for the energy which they produced. He stated this amendment cleaned up that error. He stated the electricity going into the home was on retail and what came off onto the City's system was wholesale. He said the cost of operating the system and delivering that power was the same margin the City received off the grid and then distributed to the homes. He said the City didn't want to subsidize the solar customers too much because the City still had to maintain the system, but the City didn't want to cut them short either since they were producing power which offset the City's need to purchase more power.

Discussion regarding solar customers and the impact on the City's system. Ty explained the City had already bought the power whether they used it or not. The City was on a take-or-pay so we pay for the power and then if they produce power through solar and don't use the power because they had lowered their consumption then the City was stuck paying on both ends and paying for power the City didn't need. He explained power was cheapest during the day and then at night when there wasn't any solar the cost of power increased when everyone came home and turned on all their lights and their air conditioners were still running. It wasn't a lot of an impact on a small scale, but if everyone in the City did solar it would have a negative impact.

Discussion regarding electric vehicles. Ty stated there had been discussion on how the City planned on dealing with electric vehicles. He said the issue was the rate at which they drew power. He said if the City had an electric charger, it would be paired with a battery because the battery would facilitate a quick draw. He explained it wasn't so much how much total power the vehicle consumed, but the City's power lines were not built to flow that much energy that quickly in any one location. Ty mentioned the City was working on a policy or ordinance which would require batteries for solar to help levelize the load and at night whatever they had produced would be available to them at a better hour of the day.

**MOTION:** Councilmember Alexander moved to adopt Ordinance 23-10 – An ordinance amending Title 1, Chapter 1.15 of the Morgan City Code amending the net metering electric rates of the Consolidated Fee Schedule; Providing for repealer; Providing for severability; and Providing for an immediate effective date.

**SECOND:** Councilmember Turner

**Discussion on the Motion:** No discussion.

**ROLL CALL VOTE:** Jeffery Richins – absent  
Jeff Wardell – absent  
Tony London – aye  
Eric Turner – aye  
Dave Alexander – aye

Vote was 5 ayes; Motion passed unanimously to adopt Ordinance 23-10 – An ordinance amending Title 1, Chapter 1.15 of the Morgan City Code amending the net metering electric rates of the Consolidated Fee Schedule; Councilmember Richins and Councilmember Wardell were absent.

This meeting was adjourned at 8:01 p.m.

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Denise Woods, City Recorder

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Steve Gale, Mayor

These minutes were approved at the September 12, 2023 meeting.



**MINUTES OF MORGAN CITY  
COUNCIL MEETING**

**AUGUST 8, 2023; 7:02 P.M.**

**MAYOR AND COUNCILMEMBERS**

**PRESENT:**

**Mayor Steve Gale, Tony London, Eric Turner, and  
Dave Alexander**

**STAFF PRESENT IN-PERSON:**

**Ty Bailey, City Manager; and Denise Woods, City  
Recorder**

**STAFF PRESENT ELECTRONICALLY:**

**Gary Crane, City Attorney**

**EXCUSED:**

**Jeffery Richins and Jeff Wardell**

**OTHERS PRESENT:**

**Cliff Estes**

**This meeting was held in the Council Conference Room of the Morgan City Offices, 90 West Young Street, Morgan, Utah. Due to technical difficulties the meeting was not streamed live on YouTube.**

This meeting was called to order by Mayor Steve Gale.

The pledge of allegiance was led by Councilmember London.

The opening ceremony was presented by Councilmember Alexander.

**APPROVAL OF MEETING AGENDA**

**MOTION:** Councilmember London moved to approve the agenda.

**SECOND:** Councilmember Turner

Vote was 3 ayes; Motion passed unanimously to approve the agenda; Councilmember Richins and Councilmember Wardell were absent.

Ty Bailey, City Manager, explained the process of the public hearings and stated the first item was the amended budget for the year ending June 30, 2023. He stated most of the items were just clean-up based on the final outcome of the year's expenditures. He stated the second public hearing item was the Truth in Taxation, and the third was adoption of the City's final budget for the 2023 – 2024 fiscal year, but this couldn't be adopted until after the Council makes a decision regarding the tax rate . He said the City had been operating off of the tentative budget which had been adopted in June.

**PUBLIC HEARINGS**

**A. OPEN AND ADJUSTING THE 2022 – 2023 FISCAL YEAR BUDGETS OF MORGAN  
CITY – RESOLUTION 23-27**

**MOTION:** Councilmember Alexander moved to open the public hearing to open and adjust the 2022 – 2023 Fiscal Year Budgets of Morgan City.

**SECOND:** Councilmember London

Vote was 3 ayes; Motion passed unanimously to open the public hearing to open and adjust the 2022 – 2023 fiscal year budgets of Morgan City; Councilmember Richins and Councilmember Wardell were absent.

Mayor recognized a gentleman in the audience, but he stated he was only there to observe and didn't have any comments.

**Public Comments:** No public comment.

**MOTION:** Councilmember London moved to close the public hearing.

**SECOND:** Councilmember Turner

**Discussion on the Motion:** No discussion.

Vote was 3 ayes; Motion passed unanimously to close the public hearing; Councilmember Richins and Councilmember Wardell were absent.

**OPEN AND ADJUSTING THE 2022 – 2023 FISCAL YEAR BUDGETS OF MORGAN CITY – RESOLUTION 23-27**

Ty explained the big adjustment in the amended budget was under the Road Department. He said since the fiscal year ended on June 30<sup>th</sup> and the new year begins July 1<sup>st</sup> a lot of the billing for the summer projects fell in one budget year versus the next year. He stated the Local Option Sales Tax expense account went from \$400,000.00 to \$651,000.00 because the majority of the Young Street Rebuild Project and there were some bills which came in July but would be paid out of the 2022 – 2023 fiscal year budget. He mentioned that a portion of that project was also paid out of B&C Road funds.

Councilmember Alexander asked regarding the reduction in revenue account 10.31.310 – Sales Tax – Transportation from \$400,000.00 to \$290,000.00.

Ty stated the amended budget was cleaning up accounts to align more closely with the 'actual' budget amounts for the fiscal year, for example in that account the original budget was \$400,000.00 because he anticipated the County adopting their Local Option Sales Tax, which didn't happen, so the actual was \$290,059.84 and the amended budget amount would be \$290,000.00.

Councilmember Alexander asked regarding the decrease in building permit revenue amounts.

Ty said based on the previous year the City received \$220,000.00 and by the end of June 2023 we had \$96,000.00 and basically all of that was residential and then the beginning of this fiscal year the City had a couple of big commercial building permits come in.

Councilmember Alexander asked regarding the increase in account 10.36.300 – State Treasurer General Fund Interest from \$18,000.00 to \$154,000.00.

Ty explained that interest was from the PTIF Savings Account and the interest had increased to 5.6%.

Councilmember London mentioned the differences in the building permits amounts between the 2022 amended budget, 2023 actual, 2023 amended, and the 2024 final budget. He asked if it was a conservative figure.

Ty said there had been a significant slowdown in most places regarding building. He stated the current subdivisions which had been approved had been almost completely built out. He explained building permits were closely tied to the building official and they paid for the inspections. He said since the building official was on contract there wasn't other costs so if we didn't have inspections the City didn't pay the building official. So, if the City received more revenue in the building permit fund the City also paid more, and if that happened the budget would be amended next year to reflect actuals.

**MOTION:** Councilmember Alexander moved to adopt Resolution 23-27 – A resolution opening and adjusting the 2022 – 2023 fiscal year budgets of Morgan City.

**SECOND:** Councilmember Turner

**DISCUSSION ON THE MOTION:** No discussion.

**ROLL CALL VOTE:** Jeffery Richins – absent  
Jeff Wardell – absent  
Tony London – aye  
Eric Turner – aye  
Dave Alexander – aye

Vote was 3 ayes; Motion passed unanimously to adopt Resolution 23-27 – A resolution opening and adjusting the 2022 – 2023 fiscal year budgets of Morgan City; Councilmember Richins and Councilmember Wardell were absent.

**B. ADOPTION OF THE 2023 PROPOSED TAX RATES AND PROPERTY TAX REVENUE BUDGET AMOUNTS FOR MORGAN CITY – RESOLUTION 23-28**

**MOTION:** Councilmember London moved to open the public hearing to discuss the adoption of the 2023 proposed tax rates and property tax revenue budget amounts for Morgan City.

**SECOND:** Councilmember Alexander

**Discussion on the Motion:** No discussion.

Vote was 3 ayes; Motion passed unanimously to open the public hearing regarding the 2023 proposed tax rates and property tax revenue budget amounts for Morgan City; Councilmember Richins and Councilmember Wardell were absent.

**Public Comments:** No public comments.

**MOTION:** Councilmember London moved to close the public hearing.

**SECOND:** Councilmember Turner

**Discussion on the Motion:** No discussion.

Vote was 3 ayes; Motion passed unanimously to close the public hearing regarding the 2023 proposed tax rates and property tax revenue budget amounts for Morgan City; Councilmember Richins and Councilmember Wardell were absent.

**ADOPTION OF THE 2023 PROPOSED TAX RATES AND PROPERTY TAX REVENUE BUDGET AMOUNTS FOR MORGAN CITY – RESOLUTION 23-28**

Ty explained each year the City received the proposed certified tax rate from the State Tax Commission. He said two out of the last 5 years the City has had Truth in Taxation hearings. He said the proposed certified tax rate indicated the City would collect less money than the City actually collected in last year's fiscal budget. He explained the certified tax rate was supposed to keep the City revenue neutral and if it truly did that the City would be working off of the same budget that they had last fiscal year. He stated the certified tax rate also didn't take inflation into account. He said the certified tax rate was what prompted him to propose to the City Council that we hold a Truth in Taxation hearing. He explained the certified tax rate was based off of last year's original budget instead of last year's actual revenue which the City received so we missed capturing the new growth. He mentioned the handout, which is attached hereto and incorporated herein by this reference, which listed three options for the Council to consider. He explained each of the options.

Discussion regarding personal tax notices received by the Council and the adjustments in the amount of property tax due. Ty explained the process of the County Assessor's office regarding the assessment of properties within the County/City.

**MOTION:** Councilmember London moved to adopt Resolution 23-28 – A resolution adopting the 2023 proposed tax rates and property tax revenue budget amounts for Morgan City; the proposed tax rate 0.001471 and the property tax revenue budget amount of \$626,029.00.

**SECOND:** Councilmember Turner

**DISCUSSION ON THE MOTION:** No discussion.

**ROLL CALL VOTE:** Jeffery Richins – absent  
Jeff Wardell – absent  
Tony London – aye  
Eric Turner – aye  
Dave Alexander – aye

Vote was 3 ayes: Motion passed unanimously to adopt Resolution 23-28 – A resolution adopting the 2023 proposed tax rates and property tax revenue budget amounts for Morgan City; the proposed tax rate 0.001471 and the property tax revenue budget amount of \$626,029.00; Councilmember Richins and Councilmember Wardell were absent.

**C. ADOPTION OF THE 2023 – 2024 FISCAL YEAR BUDGETS BEGINNING JULY 1, 2023 AND ENDING JUNE 30, 2024 FOR MORGAN CITY – RESOLUTION 23-29**

**MOTION:** Councilmember moved to open the public hearing to discuss the adoption of the 2023 – 2024 fiscal year budgets beginning July 1, 2023 and ending June 30, 2024 for Morgan City.

**SECOND:** Councilmember Turner

**Discussion on the Motion:** No discussion.

Vote was 3 ayes; Motion passed unanimously to open the public hearing to discuss the adoption of the 2023 – 2024 fiscal year budgets beginning July 1, 2023 and ending June 30, 2024 for Morgan City; Councilmember Richins and Councilmember Wardell were absent.

**Public Comments:** Mayor Gale read an Open Comment Card submitted by:

**Kent Francis, 325 East Deer Valley Drive,** He said he wanted to thank Ty Bailey for spending time with him by email and in person to better understand the income statement for the 2023 – 2024 budget. Please continue to attract new businesses to Morgan City. Thanks, Ty, for seeking grants when possible.

**MOTION:** Councilmember London moved to close the public hearing.

**SECOND:** Councilmember Turner

**Discussion on the Motion:** No discussion.

Vote was 3 ayes; Motion passed unanimously to close the public hearing to discussion the adoption of the 2023 – 2024 fiscal year budgets beginning July 1, 2023 and ending June 30, 2024 for Morgan City; Councilmember Richins and Councilmember Wardell were absent;

**ADOPTION OF THE 2023 – 2024 FISCAL YEAR BUDGETS BEGINNING JULY 1, 2023 AND  
ENDING JUNE 30, 2024 FOR MORGAN CITY – RESOLUTION 23-29**

Ty explained a couple of changes from the tentative budget which was adopted in June to the final budget presented tonight for adoption. He stated the amount for the property tax revenue was changed to \$630,000.00 to reflect the adoption of the proposed tax rate and revenue amounts. He said after reviewing the budget he was able to reduce the overall budget by \$30,000.00. He explained the main decrease was from money put in a line-item for disaster relief which was developed the later part of last year due to the anticipated flooding, but the City didn't need to anticipate those expenses since the flooding concerns have been alleviated.

Councilmember Alexander asked how much sales tax the City received from the car dealerships.

Ty stated it was approximately 25%. He said as the City's entire tax base grew it was becoming a smaller portion of our budget and that was a positive because the City wasn't reliant on that amount. He mentioned the spike in sales tax revenue during COVID because people shopped from home and the City received online sales tax from businesses such as Amazon and Home Depot. He said people have become accustomed to online shopping.

Councilmember Alexander asked what the \$110,000.00 in the cemetery capital outlay account would be for.

Ty said it was for sprinkler system updates in the cemetery.

Councilmember London stated the split between property tax and sales tax was 70/30 and the City ran more on sales tax than property tax.

Ty said the County generated property taxes countywide, and they relied on property tax heavily.

Discussion regarding the Transient Room Tax which was another supplemental revenue source for the City's budget. This tax came from the hotel and short-term rentals through Airbnb and Vrbo.

**MOTION:** Councilmember London moved to adopt Resolution 23-29 – A resolution adopting the 2023 – 2024 fiscal year budgets beginning July 1, 2023 and ending June 30, 2024 for Morgan City.

**SECOND:** Councilmember Alexander

**DISCUSSION ON THE MOTION:** No discussion.

**ROLL CALL VOTE:** Jeffery Richins – absent  
Jeff Wardell – absent  
Tony London – aye  
Eric Turner – aye  
Dave Alexander – aye

Vote was 3 ayes: Motion passed unanimously to adopt Resolution 23-29 – A resolution adopting the 2023 – 2024 fiscal year budgets beginning July 1, 2023 and ending June 30, 2024 for Morgan City; Councilmember Richins and Councilmember Wardell were absent.

**D. AMENDMENT TO TITLE 1, CHAPTER 1.15 OF THE MORGAN CITY CODE  
AMENDING THE NET METERING ELECTRIC RATE OF THE CONSOLIDATED FEE  
SCHEDULE – ORDINANCE 23-10**

**MOTION:** Councilmember Alexander moved to open the public hearing to discuss the amendment to Title 1, Chapter 1.15 of the Morgan City Code amending the net metering electric rates of the Consolidated Fee Schedule.

**SECOND:** Councilmember London

**Discussion on the Motion:** No discussion.

Vote was 3 ayes; Motion passed unanimously to open the public hearing to discuss the amendment to Title 1, Chapter 1.15 of the Morgan City Code amending the net metering electric rates of the Consolidated Fee Schedule; Councilmember Richins and Councilmember Wardell were absent.

**Public Comments:** No public comments.

**MOTION:** Councilmember Alexander moved to close the public hearing.

**SECOND:** Councilmember London

**Discussion on the Motion:** No discussion.

Vote was 3 ayes; Motion passed unanimously to close the public hearing to amend Title 1, Chapter 1.15 of the Morgan City Code amending the net metering electric rates of the Consolidated Fee Schedule; Councilmember Richins and Councilmember Wardell were absent.

**AMENDMENT TO TITLE 1, CHAPTER 1.15 OF THE MORGAN CITY CODE AMENDING THE  
NET METERING ELECTRIC RATE OF THE CONSOLIDATED FEE SCHEDULE –  
ORDINANCE 23-10**

Ty explained that in July the electric rates were adjusted pursuant to the electric study done by the City. He said as part of that we neglected net metering, which was what the City paid to solar customers for the energy which they produced. He stated this amendment cleaned up that error. He stated the electricity going into the home was on retail and what came off onto the City's system was wholesale. He said the cost of operating the system and delivering that power was the same margin the City received off the grid and then distributed to the homes. He said the City didn't want to subsidize the solar customers too much because the City still had to maintain the system, but the City didn't want to cut them short either since they were producing power which offset the City's need to purchase more power.

Discussion regarding solar customers and the impact on the City's system. Ty explained the City had already bought the power whether they used it or not. The City was on a take-or-pay so we pay for the power and then if they produce power through solar and don't use the power because they had lowered their consumption then the City was stuck paying on both ends and paying for power the City didn't need. He explained power was cheapest during the day and then at night when there wasn't any solar the cost of power increased when everyone came home and turned on all their lights and their air conditioners were still running. It wasn't a lot of an impact on a small scale, but if everyone in the City did solar it would have a negative impact.

Discussion regarding electric vehicles. Ty stated there had been discussion on how the City planned on dealing with electric vehicles. He said the issue was the rate at which they drew power. He said if the City had an electric charger, it would be paired with a battery because the battery would facilitate a quick draw. He explained it wasn't so much how much total power the vehicle consumed, but the City's power lines were not built to flow that much energy that quickly in any one location. Ty mentioned the City was working on a policy or ordinance which would require batteries for solar to help levelize the load and at night whatever they had produced would be available to them at a better hour of the day.

**MOTION:** Councilmember Alexander moved to adopt Ordinance 23-10 – An ordinance amending Title 1, Chapter 1.15 of the Morgan City Code amending the net metering electric rates of the Consolidated Fee Schedule; Providing for repealer; Providing for severability; and Providing for an immediate effective date.

**SECOND:** Councilmember Turner

**Discussion on the Motion:** No discussion.

**ROLL CALL VOTE:** Jeffery Richins – absent  
Jeff Wardell – absent  
Tony London – aye  
Eric Turner – aye  
Dave Alexander – aye

Vote was 5 ayes; Motion passed unanimously to adopt Ordinance 23-10 – An ordinance amending Title 1, Chapter 1.15 of the Morgan City Code amending the net metering electric rates of the Consolidated Fee Schedule; Councilmember Richins and Councilmember Wardell were absent.

This meeting was adjourned at 8:01 p.m.

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Denise Woods, City Recorder

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Steve Gale, Mayor

These minutes were approved at the September 12, 2023 meeting.

## Morgan City Property Tax Discussion for FY 2024

Property taxes help pay for administration, buildings, events, public safety, roads (sidewalks, trails, bridges), parks, and cemeteries.

The amount of property tax collected in 2023 was  $\$564,527 + \$10,466$  delinquent =  $\$574,993$

Year	Revenue	Rate
2015	304,286	.001902
2016	321,694	.001912
2017	327,429	.001720
2018	340,281	.001724
2019	350,831	.001544
2020 (TNT held rate)	359,020	.001544
2021 Certified Rate	386,170	.001471
2022 (TNT held rate)	417,521	.001471
2023	564,527	.001471
2024 Certified Rate	562,192	.001321
2024 Option 2 hold rate	626,029	.001471

Options for consideration:

Option 1:

Approve the certified tax rate of .001321 with the revenue of \$562,192 (\$2,335 less than 2023 actuals and \$12,801 less than 2023 actuals with delinquent)

Option 2:

Keep the same tax rate from 2023 of .001471 and generate \$626,029 (\$61,499 more than 2023 actuals)  
(Would cause a truth in taxation hearing before Sept. 1st and postpone the final budget until then)

Option 3:

Propose a new tax rate of .001351 and generate \$575,000 (the same revenue as 2023 with delinquent)  
(Would cause a truth in taxation hearing by Sept. 1st and postpone the final budget until then)

## ORDINANCE 23-04

**AN ORDINANCE AMENDING TITLE 10, CHAPTER 10.04, SECTION 10.04.010, CHAPTER 10.12, SECTIONS 10.12.010 AND 10.12.040 AND ENACTING TITLE 10, CHAPTER 10.15 ENTITLED MIXED RESIDENTIAL OVERLAY (MRO) ZONE OF THE MORGAN CITY CODE; PROVIDING FOR REPEALER; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.**

**WHEREAS**, Morgan City desires to provide a variety of housing types and development within the City; and

**WHEREAS**, this Mixed Residential Overlay (MRO) Zone ordinance has been studied and reviewed by the Morgan City Planning Commission and is forwarded to the Morgan City Council with a positive recommendation; and

**WHEREAS**, the City Council has reviewed this Mixed Residential Overlay (MRO) Zone ordinance and finds that it is in the best interest of the health, safety and welfare of the Citizens of Morgan City to put into place an ordinance that allows for the development of a variety of housing types and innovative land use designs; and

**WHEREAS**, the City Council of Morgan City deems it to be in the best interest of the citizens of Morgan City to amend Title 10, Chapter 10.04, Chapter 10.12, Sections 10.12.010 and 10.12.040 and enacting Title 10, Chapter 10.15 – Mixed Residential Overlay (MRO) Zone of the Morgan City Code.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF MORGAN, UTAH:**

**SECTION 1 Repealer.** If any provisions of the Morgan City Code heretofore adopted are inconsistent herewith, they are hereby repealed.

**SECTION 2. Enactment.** Title 10, Chapter 10.04, Section 10.04.010 – Definitions, of the Morgan City Code is hereby amended to read as follows:

### **10.04.010 DEFINITIONS**

COMMON GREEN: Property within a Homeowners Association (HOA) that is owned by the HOA and available for gatherings, recreation, and open space uses. All HOA members have access to Common Green. Landscaping around buildings and streets is not part of a Common Green unless associated with a larger gathering land area.

CIVIC GREEN: A community gathering place such as a square, plaza, or functioning grass gathering area. Outdoor activities and community gatherings may occur in Civic Greens.

INFILL DEVELOPMENT: Development of land that has been bypassed, remained vacant, and/or is underused because of current market conditions. Infill development is not on the perimeter of the city, located near outer annexation areas, and upper hillsides.

**SECTION 3. Enactment.** Title 10, Chapter 10.12, Section 10.12.010 and Section 10.12.040 of the Morgan City Code are hereby amended to read as follows:

**10.12.010 ZONING DISTRICTS AND CLASSIFICATION ESTABLISHED**

For the purposes of this title, all of the land within the corporate limits of the city is hereby divided into zoning districts. The boundaries of the zoning districts are shown on the official zoning district map of the city. The classification of zoning districts is as follows:

A	Agriculture
R-R	Rural residential
R-1-20	Single-family residential
R-1-12	Single-family residential
R-1-10	Single-family residential
R-1-8	Single-family residential
R-MH	Mobile home and travel trailer parks
RM-7	Multiple-family residential
RM-15	Multiple-family residential
C-G	General commercial
C-C	Central commercial
C-H	Highway commercial
M-D	Manufacturing and distribution
HC	Historic commercial overlay zone
MRO	Mixed residential overlay zone
--	Sensitive lands district

**10.12.040 R RESIDENTIAL DISTRICTS**

The R (residential) zoning districts are created to provide for a range of densities which will reflect the diverse needs and desires of the people of the city. These districts shall also allow for other compatible uses which may complement the primarily residential function of the district, under certain conditions. Basic urban services and utilities should be available in all of these zones.

- A. R-R Zone: The R-R zone is intended to provide area for very low density, suburban type uses. It may, provided adequate lot area exists, include farm animals.
- B. R-1 Zones: The R-1 zones are intended to provide areas for single-family attached and detached dwellings of a low density.
  1. The R-1-8 zone is not an available zoning designation for purposes of zoning applications filed after July 1, 2006.
- C. R-MH Zone: The R-MH zone is intended to provide areas for mobile home and travel trailer parks to develop at a low density. Because of the required size of these developments, they should be located adjacent to an arterial or collector street.
- D. R-M Zones: The R-M zones are intended to provide areas for multi-family attached dwellings at medium to high-medium densities. Single-family dwellings are also allowed in these zones. These districts shall be located adjacent arterial streets and, in some circumstances, major collector streets.
- E. MRO Zone: The MRO zone is intended **to provide a variety of home choices and sizes. for infill development.** See Chapter 10.15 – Mixed Residential Overlay (MRO) Zone.

**SECTION 4. Enactment.** Title 10, Chapter 10.15 of the Morgan City Code is hereby enacted to read as follows:

**CHAPTER 10.15 MIXED RESIDENTIAL OVERLAY (MRO) ZONE**

**10.15.010 PURPOSE**

**10.15.020 LAND USES IN MRO**

**10.15.030 DEVELOPMENT SIZE**

**10.15.040 RESIDENTIAL DENSITY**

**10.15.050 BUILDING TYPES AND DESIGN LIST**

**10.15.060 OPEN SPACE REQUIREMENTS**

- 10.15.070 BUILDINGS**
- 10.15.080 BUILDING SPATIAL STANDARDS**
- 10.15.090 STREET AND ALLEY REQUIREMENTS**
- 10.15.100 LANDSCAPE REQUIREMENTS**
- 10.15.110 DOCUMENTS REQUIRED FOR APPLICATION**
- 10.15.120 DOCUMENTS REQUIRED FOR BUILDING PERMITS (IN ADDITION TO TYPICAL DOCUMENTS)**

**10.15.010 PURPOSE**

This residential overlay zone is intended for infill development. The MRO requires a mixture of housing types and creates smaller pocket neighborhoods. It is not intended for larger developments or as a standalone master-planned community, but may be part of larger developments. The dwelling types within the zone must vary according to the ordinance. The MRO is an overlay zone and is not preassigned to areas before the development application. The rezoning process to the MRO zone is in conjunction with the development application, site plan, open space plan, rezone application, Master Development Agreement, and final approval by the City Council. Construction plans and building plans are to be submitted with the plat and or building permit application.

**10.15.020 LAND USES IN MRO**

The allowed land uses in the MRO include residential and home businesses. See land use chart.

**10.15.030 DEVELOPMENT SIZE AND LOCATION**

This zone applies to a development project between two and a half (2.5) four (4) to ten (10) acres in size, including all combined parcels. This gross acreage calculation includes residential parcels, open space or common space, trails, and street right-of-ways.

As a stand-alone project, MRO must conform to the four (4) to ten (10) acres in size; however, as part of a larger subdivision, the MRO may be used for up to 25% of the gross acreage. For example, a 20-acre project could be MRO up to the first 10 acres, and the remaining 10 acres could be 75% base zoning (compatible R zone) and 25% MRO. The continuation of MRO after 10 acres shall be a maximum of a 4:1 ratio or less.

For projects larger than ten (10) acres, the entire project must be designed at once for streets, trails, utilities, stormwater, parks, and open space. The usable open space requirement only applies to the gross MRO acreage; however, the amenities, trails, park, and open space shall be accessible and usable by the whole development and City. Requirements for architecture, landscaping, HOA management, and street trees apply to the whole development (including non-MRO). Architecture requirements include garage placement, materials, and unique architecture (see section 10.15.70). Landscape requirements include waterwise landscaping (see section 10.15.100).

Larger developments should provide choices in housing sizes and types (from large to small). Careful consideration should be given if new MRO developments are proposed next to existing MRO developments.

The MRO is allowed as an overlay in the following base zones:

- o R-1-12
- o R-1-10
- o R-1-8
- o RM-7
- o RM-15
- o General Commercial (G-C)

The MRO is not allowed in the following base zones:

- Manufacturing and Distribution (M & D)
- R 1-20
- R-R
- Highway Commercial (C-H)
- Agriculture (A)
- Central Commercial (C-C)

MRO developments shall not have frontage on key commercial corridors such as State Street (600 East to Young Street) and Commercial Street (300 North to 100 North).

The applicant may apply for a base rezone and MRO zone simultaneously.

**10.15.040 RESIDENTIAL DENSITY AND HOUSING TYPES MIXTURE**

- A. Residential housing dwellings shall include a blend of housing types within the development plan. The variety of housing types will provide Morgan residents with options and establish neighborhoods with various architectural styles and Building Types. The residential dwellings should provide a range of housing costs.
- B. The maximum number of dwelling units is (10) ten gross per acre.

**10.15.050 BUILDING TYPES AND DESIGN LIST**

- A. In the MRO zone, developments shall have a minimum of two buildings/housing types. The housing types shall come from the two lists (below), with a minimum of one (1) housing type coming from each list. The minimum number of units from each list shall be 30%. The 30% can include all building types found in each list. For example, if the development plan had 30 dwellings, then a minimum of ten (10) units would be required from each list. Building types' variations should be mixed as groups throughout the project. Fractional numbers less than five round down to a whole number and five or greater round up to a whole number.

**List 1**

- Small-Single Family
- Medium-Single Family

**List 2**

- Townhome
- Two-Family Home

B. All residential buildings shall be oriented in one of the two methods:

1. Traditional street orientation. A building's front façade and front door are directly oriented toward the street. See the example in Figure 1.



Figure 1 Traditional Street Orientation

2. Connecting common green: The buildings face onto a common green or park that is a minimum of 40' wide for the majority of the common area. The common green shall directly connect to the street. Each dwelling shall have a continuous sidewalk from the residential front door, facing the common green, to the street. See the example in Figure 2.



Figure 2 Buildings Facing Common Green

#### **10.15.060 OPEN SPACE REQUIREMENTS**

- Open Space is essential for creating healthy and happy communities. In general, Open Space includes a variety of landscape types such as improvements, common open space, common greens, trails, and civic greens. The MRO ordinance is intended to create Usable Open Space that is within walking distance from each dwelling.
- Usable Open Space
  - In the MRO Zone, fifteen percent (15%) of the entire project land area must be dedicated to Usable Open Space.
  - The Usable Open Space areas must be accessible to all development residents. The Usable Open Space must be designed for multiple purposes and not landscaping in between buildings. Usable Open Spaces greater than one (1) acre may be divided into two (2) areas. The following open space features meet the Usable Open Space requirements: plazas, courtyards, common greens, parks, playing fields, gardens, shade structures, fountains, trails, play areas, sports courts, pools (including surrounding pool deck/pool house), splash pad, and playgrounds.
  - The following do not qualify for Usable Open Space Requirements: buildings (excluding community pool or community buildings), sheds, garages, drives/alleys, roads/streets, parking areas, sidewalks in the public right of ways, landscaping on private property, and utility areas. This is not a comprehensive list; additional areas may not qualify per City review. Open Space features shall have a passive or active recreation function. Qualifying Usable Open Space shall be considered part of the application and rezone process.
  - Stormwater infrastructure shall only count towards Usable Open Space when incorporated within designated open space, the stormwater function will have minimal effect on the usability and performance of the open space. Only one quarter (25%) of the Usable Open Space area may be used for stormwater detention/retention.
  - The Usable Open Space Plan must include the following at a minimum: playground, open grass space for play and recreation, benches, sidewalks/trails, and landscaping. The Usable Open Space Plan should consider sports courts, natural or passive open spaces with

walking/biking trails, pavilions, gathering places, and creative design. The grass may be synthetic grass or natural grass of a water conservation variety.

6. The Developer shall provide a Usable Open Space maintenance plan as part of the Development Agreement and include details regarding landscape maintenance, recreation equipment maintenance, and Home Owner Association (HOA) Codes Covenants and Restrictions (CCRs) for maintenance.
7. Trails are an essential component of the City's recreation plans. Developers shall review the City's Parks and Recreation Plan and implement/incorporate required trails according to the City's plan.
8. All open spaces shall be privately owned and maintained by an HOA unless they are deeded to the City as a park of two acres or larger.
9. Resident access and visibility to the Usable Open Spaces are essential for public safety and to encourage usability. A minimum of 25% of the perimeter or a street front of 60 feet (whichever is lesser) of the Usable Open Space shall be directly in front of a public or private street for access. The Usable Open Space Plan must show the perimeter and frontage access percentage.
10. No off-street parking is required for the Usable Open Space. A minimum of two (2) on-street parking stalls is required for the Usable Open Space where the street and open space connect.
11. Of the usable open space, 75% must be less than 10% slope.

#### **10.15.070 BUILDINGS**

##### **A. Building Forms and Frontages:**

1. Buildings in the MRO Zone must have porches and a covered entry for each dwelling. Porches must be a minimum of 5' x 8', equaling 40 square feet or larger.
2. The MRO zone developments should foster a majority of owner-occupied dwellings. A minimum of 50% of MRO dwellings/units shall be individually platted.
3. The maximum number of units per building is five (5).

##### **B. Building Variety:**

MRO developments shall utilize varying architectural elements throughout the community to create dynamic and interesting Centers and Neighborhoods.

1. No buildings on the same block face (on both sides of the street) may be the same, within 400 feet minimum distance. Building design must distinctly vary in four (4) of the following eight (8) elements:
  - a. architectural style
  - b. colors of exterior materials and surfaces
  - c. roofline articulation
  - d. materials (brick, stone, stucco, hardy-board, etc)
  - e. window locations and sizes
  - f. door design, color, and location
  - g. porch location or porch covering,
  - h. building bump-outs or exterior wall changes

##### **C. Differentiation**

Each townhome/twin home building is to be designed differently and varies from others. Individual units do not have to be designed differently, but together should represent a single building.

##### **D. Building Windows**

Building facades facing the street or common green shall have a minimum of 20% transparency (glass). Non-street-facing facades shall have a minimum of 10% transparency (glass). Garage sides, porches, and roofs are excluded from measurements and requirements. Glass may include windows and/or doors (with windows). Architectural plans shall show façade measures and square footage.

E. **Building Types**

A. Small Single-Family

- a. Small Single-family homes are situated on smaller lots, and garages per standards. Homes face streets or common greens.
- b. See MRO Design Standards for lot size, setbacks, and dimensions.
- c. Garages may be attached or detached from dwelling units.
- d. Small Single-family examples:



*Figure 4. Small Single Family Home Examples. Pictures are representative examples. These homes face the street and common green. Examples are rear load loaded garages.*

B. **Medium Single-Family**

- a. Medium Single-family homes are located on smaller lots, and garages may be rear-loaded or front-loaded (per garage standards). Homes face public streets or common greens.
- b. See MRO Design Standards for lot size, setbacks, and dimensions.
- c. Garages may be attached or detached from dwelling units.
- d. Medium Single-family examples:



*Figure 5. Medium Single Family Home Examples. Pictures are representative examples. These homes face the street and common green. Examples are both rear load and front-loaded garages.*

C. Townhome

- a. Townhome dwellings are single-family attached and may be up to five (5) units per building.
- b. Garages must be rear-loaded (per garage standards). Dwellings face streets or common greens.
- c. Garages may be attached or detached from dwelling units.
- d. See MRO Design Standards for lot size, setbacks, and dimensions.

Townhome Examples:



*Figure 6. Townhome Examples. Pictures are representative examples. These homes face the street and have rear loaded garages.*

**D. Twin home**

- a. Twin home is two (2) single-family attached units per building (see building standards).
- b. Garages may be rear-loaded (per garage standards) or street-facing with shared driveways. Dwellings face streets or common greens.
- c. Garages may be attached or detached from dwelling units.
- d. See MRO Design Standards for lot size, setbacks, and dimensions.

Twin home Examples:



*Figure 7. Twin home Examples: Pictures are representative examples. These homes face the street and have rear loaded garages.*

**F. Building Materials:**

Buildings in the MRO zone must have high-quality exterior finish materials on all sides. High-quality exterior finish materials are brick, fiber-cement board, or similar lap siding, glass, or stone. Fronts of the buildings must have brick, stone, fabricated stone, or fiber-cement boards on 30% minimum of all non-glass/window and door areas for each first-floor front facade.

G. Garages:

1. Two types of methods are allowed, including parking access from the street and parking access from an alley.
2. Parking Access via Street. The following standards apply to detached single-family units where the garage is accessed from the street in front of the house or from the side street on corner lots. Garage setback is per the standards table. Twinhomes with front-loaded garages may have shared driveways (minimum 20' wide).
3. Parking Access via alley/driveway. The second method is parking access via Alley.

Garages must be set back from the alley right of way to accommodate trash and recycle bins, utilities, and other items. Setbacks per standards table.

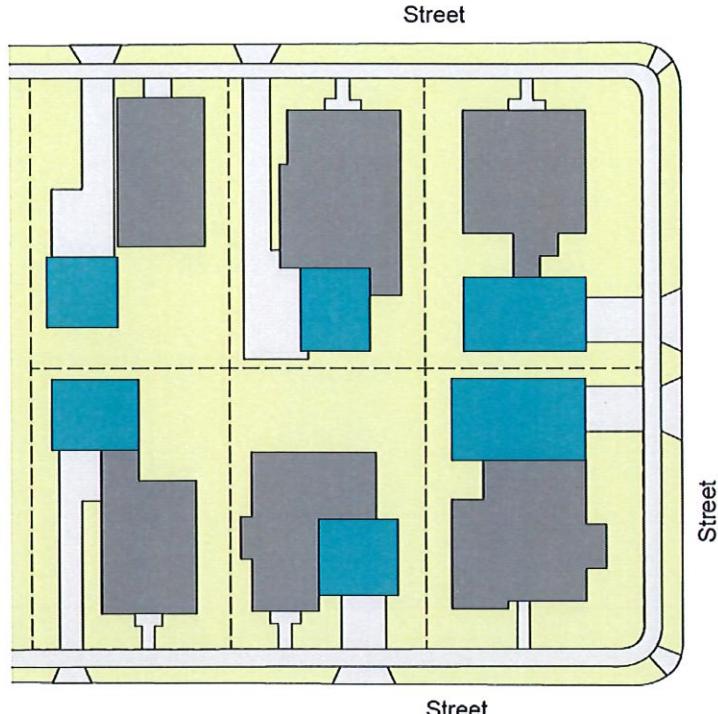


Figure 8. Front Loaded Garage Layout

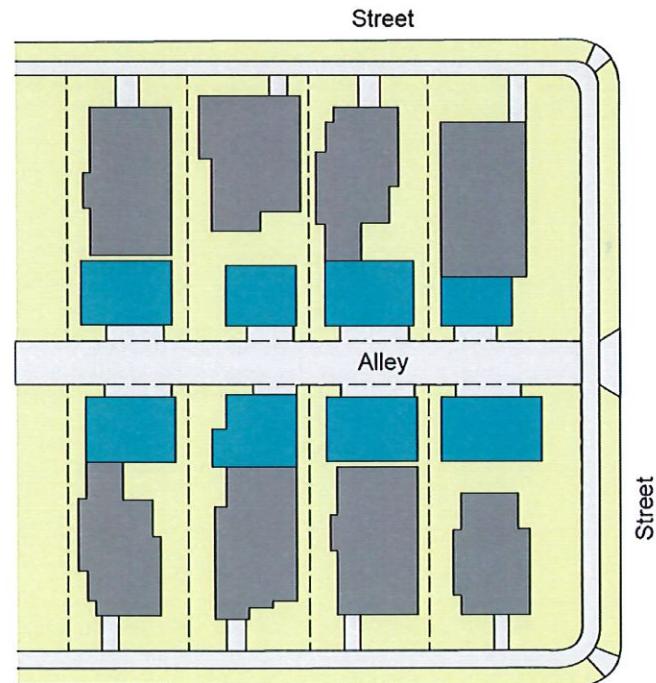


Figure 9. Rear Loaded Garage Layout  
(garages in the blue/green color)

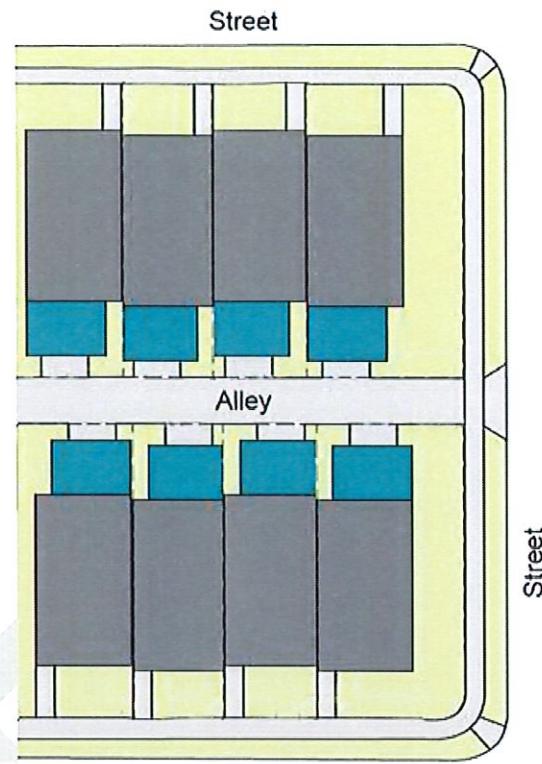


Figure 10. Rear Loaded Garage Layout  
(garages in the blue/green color)

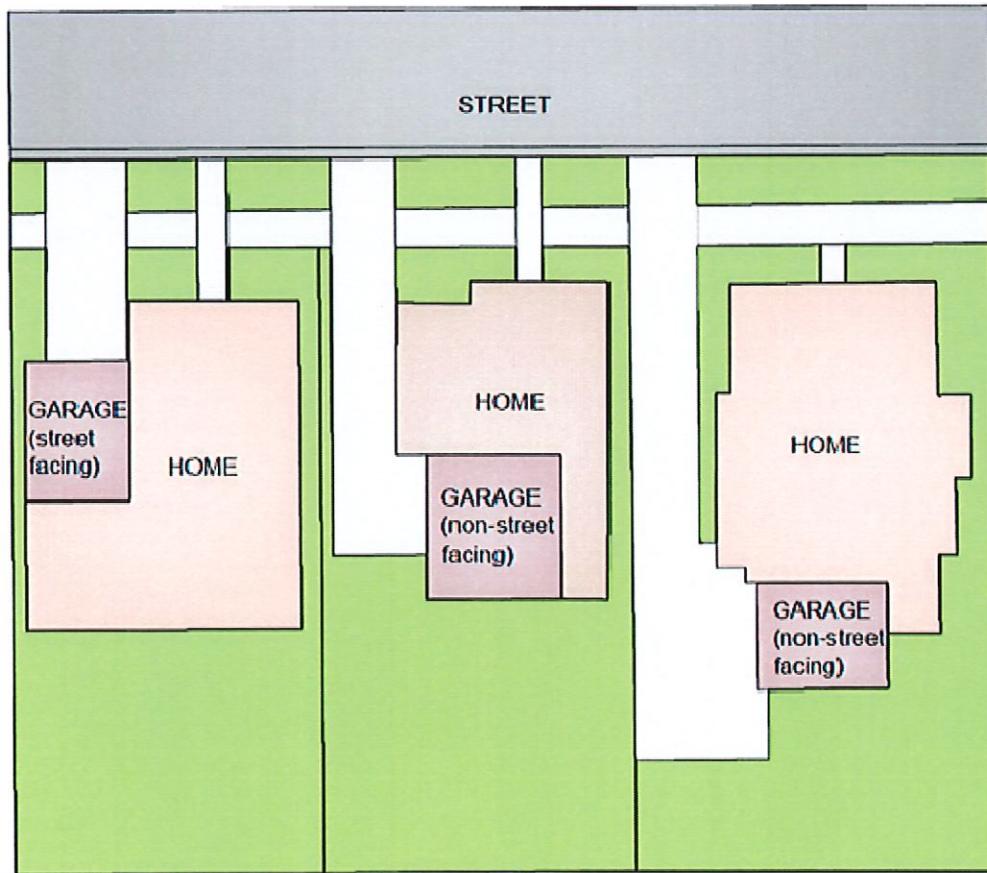


Figure 11. Front Loaded Garage Diagram

**10.15.080 BUILDING SPATIAL STANDARDS**

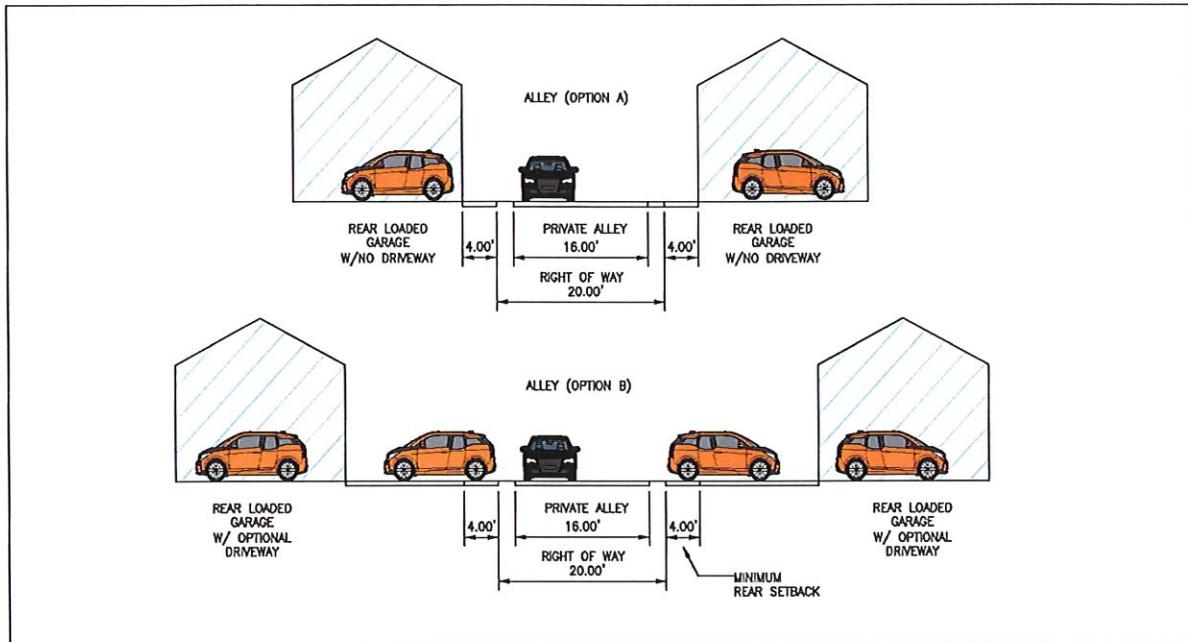
## A. Building Standards (all distances are in feet)

Building Type	Small Single-family	Med. Single-family	Townhome	Twin-home
Min. Lot Size	3,000 SF	4,500 SF	1,500 SF	2,200 SF
Min. Lot Width in Feet (at setback)	40	50	24	30
Min. Lot Depth	60	70	60	60
Min. Front Setback	7	7	7	7
Min. Garage Setback (street facing garage)	20	20	N/A	N/A
Min. Garage Setback (non street facing garage)	11	11	N/A	11
Garage setback from the front of the home	4	4	N/A	N/A
Min. Rear Setback (alley)	4	4	4	4
Min. Rear Setback (non-alley)	10	10	10	10
Min. Side Setback (non-corner/non-attached)	5	5	5	5
Min. Side Setback (street corner lot)	10	10	10	10
Building Height Max. in Feet	27	27	27	27
Parking Stalls Per Dwelling	2.5	2.5	2.5	2.5

B. Each unit must have a minimum of two dedicated stalls per unit located at the dwelling, one of which is required to be a garage stall. One half (1/2) visitor stall is required for each unit to be located within 150 feet of each dwelling unit.

## **10.15.090 STREET AND ALLEY REQUIREMENTS**

- A. Street requirements will be per City engineering standards.
- B. The following Alley cross-section will be allowed for development. Construction standards will be approved by engineering.



*Figure 12. Alley Cross Section*

## **10.15.100 LANDSCAPE REQUIREMENTS**

Street Tree Master Plan.

- A. A street tree master plan is required at the plat submittal. The street tree plan shall show trees per lot planted in the park strip.
  1. Park Strip Tree Spacing.
    - a. Streets must be spaced at a minimum of 40 feet (excluding driveways). Trees species selection must be approved by City staff.
    - b. Conifers are not permitted as street trees.
- B. Landscape requirements
  1. Grass lawn areas in residential landscapes shall not exceed 50% of the total landscaped area.
    - a. Lawn areas should be at least eight feet wide in all directions.
    - b. Turfgrass in front lawns should be minimized.
    - c. Turf grass lawn is not permitted in the park strip unless it is synthetic.
    - d. Landscape plans must show coverage of water-wise plants for 70% of nongrass area landscapes (excluding pathways and patios). This does not include tree canopies. Waterwise plant coverage is for shrubs, ornamental grasses, perennials, and succulents. Coverage of plant areas shall be shown on landscape plans in the form of a table and plant sizes shall be shown at mature sizes.
  2. Landscape Plans
    - a. All townhome and twin home projects must submit a landscape plan simultaneously as construction documents. Single-family homes are required to submit plans for front yards.
    - b. The landscape plan must be stamped by a Professional Landscape Architect
    - c. Each dwelling must have a minimum of one tree in the front yard (excluding park strip trees).
    - d. The landscape plan must show:
      - 1) Foundation plantings around the base of dwellings.

- 2) Trees and landscape for private areas. A minimum of 10 trees per acre and 20 shrubs/ornamental grasses, this to all landscapes.
- 3) Trees on residential dwellings.
- 4) Waterwise conservation methods.
  - A) Water efficient irrigation
  - B) Water wise plantings

3. Common Areas

- a. Landscape plans must be submitted for common areas.
- b. The landscape plan must be stamped by a Professional Landscape Architect
- c. The landscape plan must include the following:
  - 1) Lawn areas should be at least eight feet wide in all directions.
  - 2) Foundation plantings around the base of buildings.
  - 3) Trees and landscape in common areas. A minimum of 15 trees per acre.
  - 4) Waterwise conservation methods.
    - A) Water efficient irrigation
    - B) Water wise plantings

**10.15.110 DOCUMENTS REQUIRED FOR APPLICATION**

- A. Application and all typical documents required for rezone.
- B. Site plan: including building envelopes, streets, alleys, parking, stormwater areas, open space amenities, trails, snow storage, and utility corridors.
- C. Open Space Plan: including Usable Open Space, trails, amenities, trees, and stormwater.
- D. Street tree plan.
- E. Conceptual building elevations of proposed building types.
- F. HOA – Codes Covenants and Restrictions (CC&Rs)
  1. The HOA CC&Rs must include management and policies for parking, outdoor storage, recreational vehicles, and landscape maintenance. Visitor parking policies shall address the need for visitor parking to be available.
  2. The HOA must be managed by a third-party professional business that is independent of real estate ownership within the development and has no conflicts of interest with the real estate development.
- G. Property and landscape management plans.
- H. Master Development Agreement.

**10.15.120 DOCUMENTS REQUIRED FOR BUILDING PERMITS (IN ADDITION TO TYPICAL DOCUMENTS)**

- A. Building Elevations with materials and colors to be reviewed by Planning Staff in addition to building officials
- B. Landscape Plans
  1. Full landscape plans for Townhomes and Twin homes. Front yard plans for Single-family Homes (both small and Medium)
- C. Open Space Plan construction documents
- D. Civil Construction Documents
- E. Plat

**SECTION 5. Severability.** If any section, subsection, sentence, clause or phrase of this ordinance is declared invalid or unconstitutional by a court of competent jurisdiction, said portion shall be severed and such declaration shall not affect the validity of the remainder of this ordinance.

**SECTION 6. Effective Date.** This ordinance shall become effective immediately upon posting.

**PASSED AND ADOPTED** by the City Council of Morgan, Utah, this 12<sup>th</sup> day of September, 2023.

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STEVE GALE, Mayor

ATTEST:

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DENISE WOODS, City Recorder

**CITY COUNCIL VOTE AS RECORDED:**

	Aye	Nay	Excused
Councilmember London	____	____	____
Councilmember Wardell	____	____	____
Councilmember Turner	____	____	____
Councilmember Richins	____	____	____
Councilmember Alexander	____	____	____

**(In the event of a tie vote of the Council):**

Mayor Gale	____	____
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Lisa C. Preece

**NOTICE OF INTENT TO ANNEX**

I hereby indicates the intent to annex the following described real property into the city limits of Morgan, Utah:

**LEGAL DESCRIPTION:**

\*\*

*Back page* is a map indicating the location of the area intending to be annexed.

This Notice of Intent to Annex has been sent this 30 day of August, 2023 to the following affected entities, pursuant to UCA §10-2-401(2)(a) and §10-2-401(1)(a):

Morgan City Recorder	P.O. Box 1085	Morgan	Utah	84050
Morgan County Recorder	P.O. Box 886	Morgan	Utah	84050
Morgan County Clerk	P.O. Box 886	Morgan	Utah	84050
Morgan County Assessor	P.O. Box 886	Morgan	Utah	84050
Morgan County Fire Department	P.O. Box 886	Morgan	Utah	84050
Morgan County Sheriff's Department	P.O. Box 886	Morgan	Utah	84050
Dominion Energy Attn: Annexations	P.O. Box 45433	Salt Lake City	Utah	84145

BY: Lisa C. Preece  
Printed Name: Lisa C. Preece  
Title: Main Contact







August 21, 2023

Morgan City Mayor and City Council  
90 West Young Street  
Morgan, Utah 84050

**RE: Valley Vista Estates Phase 1 - Conditional Acceptance**

Dear Mayor and City Council:

Lance Prescott and I along with other city staff have completed an inspection of the improvements in the above-mentioned subdivision and found them to be completed satisfactorily and to meet minimum requirements of Morgan City standards in accordance with engineering and/or subdivision plans submitted and previously approved. We can recommend Conditional Acceptance of this Subdivision and start the guarantee period.

As a condition to granting Conditional Acceptance, an escrow needs to be set up in the amount of \$144,002.35 for the 10% guarantee. The 10% guarantee needs to be held in the escrow account until final acceptance is granted.

If you have any questions, or if I can be of any help, please let me know.

Sincerely,

JONES AND ASSOCIATES  
Consulting Engineers  
Morgan City Engineers

Benjamin A. Slater  
Benjamin A. Slater, P.L.S.  
City Engineer Representative



**Steel Solar Resource Talking Points for  
UAMPS Participants' Governing Bodies**  
**August 30, 2023**

**What is the resource?** The Steel Solar Resource will be an 80 MWac solar photovoltaic generation facility to be located in Box Elder County in northern Utah. UAMPS' members contracted for two 40 MW portions, Steel Solar 1(A) and Steel Solar 1(B). The Steel Solar 1(A) facility is scheduled to become operational in November 2023 and Steel Solar 1(B) facility is scheduled to become operational in December 2023.

**How is UAMPS contracting for the resource?** UAMPS has entered into power purchase agreements with Steel Solar, LLC on behalf of UAMPS' members electing to participate in these two 40 MW projects. UAMPS is utilizing the Master Firm Supply Agreement with specific transaction schedules for the Steel Solar 1(A) and Steel Solar 1(B) resources as the agreement with its members participating in these projects.

**What is the term of the arrangement?** The PPAs between Steel Solar, LLC and UAMPS provides for the delivery of solar energy for twenty-five year terms commencing on the commercial operation dates of Steel Solar 1(A) and Steel Solar 1(B).

**What is the developer's experience?** D. E. Shaw Renewable Investments (DESRI) and its affiliates develop, own, and operate long-term contracted renewable energy assets in the U.S. DESRI's portfolio of contracted, operating and in-construction renewable energy projects currently includes more than 65 solar and wind projects representing more than 8 GW of aggregate capacity. DESRI has more than 350 MW of solar under construction in Utah, as well as 360 MWac of operating solar assets. DESRI is currently the largest owner and constructor of solar projects in Utah.

**What is the purpose of the Second Amended PPA?**

DESRI requested the second amended PPA to allow it to take advantage of production tax credits ("PTCs") and associated financing based on PTCs. PTCs became available to solar resources through the Inflation Reduction Act and were not available to DESRI when the agreement was first entered.

**What changes were made to the Second Amended PPA relating to the tax benefits?**

The Second Amended PPA increases the penalty to UAMPS for default or economic curtailment by requiring UAMPS to pay both the contract price and the grossed-up value of the PTCs.

- The value of the PTCs is estimated to be approximately \$27.50/MWh and is approximately \$35/MWh when grossed up for federal, state, and local taxes. The grossed up PTCs are contractually capped at \$35/MWh.
- No grossed-up PTCs will be charged during the first year of project operations under either contract.

**What additional benefits to UAMPS were provided in the Second Amended PPA?**

- UAMPS is permitted additional penalty-free economic curtailment than what was provided in the First Amended PPA (from 600 MW to 2000 MW for first ten years and from 600 MW to 1000 MW for years eleven through twenty). These amounts are per contract so total free economic curtailment is 4,000 MWh during the first ten years and 2,000 MWh during the second ten years. UAMPS will not receive penalty-free economic curtailment during the last five years of the contract term.
- DESRI will allow UAMPS to develop a battery project adjacent to the Steel Solar site and use commercially reasonable efforts to cooperate with UAMPS in obtaining governmental approvals for the project over the next three years. The Second Amended PPA does not require that DESRI be the developer of the battery project.
- UAMPS is explicitly permitted to assign the PPA to J. Aron under a prepay arrangement structured to provide UAMPS members the benefits of the difference between the public and private cost of financing.
- DESRI will split 50/50 with UAMPS any benefits it receives under the Powering Affordable Clean Energy program administered by the U.S. Rural Utilities Service.

**Will the project meet its contractual scheduled commercial operation date?**

DESRI has represented that the 1(A) project is targeted to be operational by November 15, 2023 and the 1(B) project will be operational by December 31, 2023. The contractual Scheduled Commercial Operation Date for 1(A) is September 30, 2023 and for 1(B) is December 31, 2023.

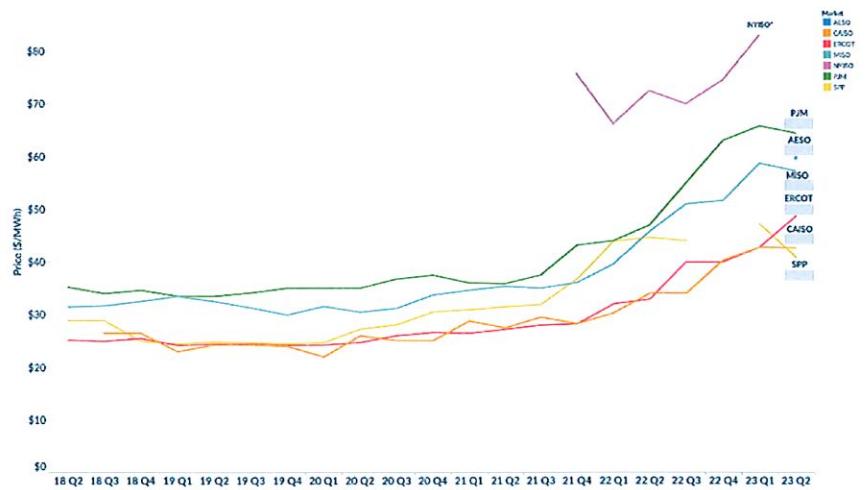
**What happens if the project does not come online as expected?** Steel Solar, LLC has provided development security to protect UAMPS from the failure of the projects to ultimately become operational. The contract also provides for liquidated damages if DESRI fails to meet the Scheduled Commercial Operation Date.

**What is the pricing?** The price is competitive (\$34.66/MWh) with other solar projects of the same size and includes both energy and renewable energy credits (RECs). The Second Amended PPA does not raise the Contract Price.

**What would happen if a participant does not approve the Second Amended and Restated Transaction Schedule?** If the Steel Solar 1(A) and 1(B) Participants do not approve the Transaction Schedule(s), the Firm Power Supply Project would convene a project management meeting to discuss whether any of those participating participants are willing to pick up the available output of a participant that elects not to approve the Second Amended and Restated Transaction Schedule(s).

**Why should UAMPS agree to amend the power purchase agreement instead of insisting on compliance with the First Amended and Restated PPA?** DESRI has indicated that a failure to amend the PPA would compromise the availability of financing and their ability to complete the project. Any alternative solar PPA would be at an increased price with an online date of approximately five years due to transmission restrictions and equipment availability. The terms relating to PTCs are standard in contracts for new solar resources. (See the below graph showing PPA index value for North American Solar in Q2 2023 at \$49.09/MWh.) Additionally, DESRI agreed to provide UAMPS with the benefits described above to compensate for the increased penalty for economic curtailment or default.

LEVELTEN ENERGY  
Q2 2023 PPA Price Index Executive Summary



1

<sup>1</sup> LEVELTEN ENERGY

Q2 2023 PPA Price Index Executive Summary [https://go.leveltenenergy.com/l/816793/2023-07-17/37bhhy/816793/1689639546mVH9ljkc/2023Q2\\_NA\\_ExecutiveSummary\\_PPAPriceIndex.pdf](https://go.leveltenenergy.com/l/816793/2023-07-17/37bhhy/816793/1689639546mVH9ljkc/2023Q2_NA_ExecutiveSummary_PPAPriceIndex.pdf) accessed August 21, 2023

RESOLUTION NO. 23-30

A RESOLUTION AUTHORIZING THE STEEL SOLAR 1B PROJECT SECOND AMENDED AND RESTATED TRANSACTION SCHEDULE UNDER THE MASTER FIRM POWER SUPPLY AGREEMENT WITH UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS; AND RELATED MATTERS.

\*\*\*\*\*

WHEREAS, Morgan City (the "Member") owns and operates a utility system for the provision of electric energy to its residents and others (the "System") and is a member of Utah Associated Municipal Power Systems ("UAMPS") pursuant to the provisions of the Utah Associated Municipal Power Systems Amended and Restated Agreement for Joint and Cooperative Action dated as of March 20, 2009, as amended (the "Joint Action Agreement");

WHEREAS, the Member desires to purchase all or a portion of its requirements for electric power and energy from or through UAMPS and has entered into a Power Pooling Agreement with UAMPS to provide for the efficient and economic utilization of its power supply resources;

WHEREAS, the Member has previously entered into the Master Firm Power Supply Agreement with UAMPS in order to allow for UAMPS entering into various firm transactions for the purchase and sale of firm supplies of electric power and energy;

WHEREAS, UAMPS has investigated the Steel Solar 1B Project, a forty (40) megawatt (MW) solar photovoltaic generation facility to be located in Box Elder County, Utah, on behalf of its members and is now prepared to enter into a twenty-five (25) year second amended and restated power purchase agreement with Steel Solar LLC to secure the delivery of all the energy from the Project and associated environmental attributes; and

WHEREAS, the Member now desires to authorize and approve the Steel Solar 1B Second Amended and Restated Transaction Schedule ("Second Amended and Restated Transaction Schedule") attached hereto as Exhibit A for the Project subject to the parameters set forth in this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Morgan City as follows:

*Section 1. Authorization of Steel Solar 1B Second Amended and Restated Transaction Schedule.* The Second Amended and Restated Transaction Schedule, in substantially the form presented at the meeting at which this resolution is adopted, is hereby authorized and approved, and the Member Representative is hereby authorized, empowered and directed to execute and deliver the Second Amended and Restated Transaction Schedule on behalf of the Member. Promptly upon its execution, the Second Amended and Restated Transaction Schedule shall be filed in the official records of the Member.

*Section 2. Other Actions.* The Mayor, City Recorder, the Member Representative and other officers and employees of the Member shall take all actions necessary or reasonably required to carry out,

give effect to, and consummate the transactions contemplated hereby and shall take all actions necessary to carry out the execution and delivery of the Second Amended and Restated Transaction Schedule and the performance thereof.

*Section 3. Miscellaneous; Effective Date.* (a) All previous acts and resolutions in conflict with this resolution or any part hereof are hereby repealed to the extent of such conflict.

(b) In case any provision in this resolution shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(c) This resolution shall take effect immediately upon its adoption and approval.

ADOPTED AND APPROVED this 12th day of September, 2023.

MORGAN CITY

---

STEVE GALE, Mayor

ATTEST AND COUNTERSIGN:

---

DENISE WOODS, City Recorder

[SEAL].

**EXHIBIT A**  
**STEEL SOLAR 1B SECOND AMENDED AND RESTATED TRANSACTION SCHEDULE**

