

**MINUTES OF MORGAN CITY
COUNCIL WORK MEETING**

APRIL 23, 2024; 6:00 P.M.

MAYOR AND COUNCIL MEMBERS

PRESENT:

Mayor Steve Gale, Tony London, Jeff Wardell, Jeffery Richins and Dave Alexander

STAFF PRESENT:

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

EXCUSED:

Eric Turner and Gary Crane, City Attorney

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.

This meeting was called to order by Mayor, Steve Gale.

ITEMS FOR DISCUSSION

PERSONNEL POLICY HANDBOOK REVIEW

Ty Bailey, City Manager, said the Personnel Policies Handbook had undergone a thorough review. While in the past only a few sections had been initially modified, a comprehensive review has now been conducted. This revised Handbook was being introduced, allowing for a period of two weeks for familiarization. Primarily, the updates aim to align policies with actual office practices. Significant adjustments were made to the travel policy section, and a new section, Chapter 10-3, introduced a new retirement benefit concept.

During a discussion on nepotism and policy compliance, it was noted that the state code prohibits direct supervision of relatives. Despite the adherence to regulations, instances occurred where family members were employed due to staffing shortages. However, emphasis was placed on maintaining a clear separation to avoid favoritism or conflicts of interest. It was acknowledged that while good employees are valued and retained, strict adherence to the policy regarding supervision of relatives is essential to maintain impartiality. After the discussion it was decided to strike paragraph 3-3(B)(2).

Council Member Alexander noted that there might be confusion regarding the term "monthly statements from the bank" in relation to purchasing cards. It was clarified that the accounts payable clerk received the purchasing card statements, while the Treasurer handled the bank statements. The discrepancy arose from the use of "bank statements" instead of "credit card statements." Therefore, it was suggested to specify "monthly purchasing card statements from the bank" to avoid confusion. Additionally, it was proposed to consistently use "purchasing card" instead of "credit card" throughout the document. This clarification was particularly relevant in Section 6-3(J).

During the discussion, it was proposed to clarify the reporting procedure for accidents involving City vehicles. While it was agreed that accidents should be immediately reported to a supervisor and Human Resources to fill out an accident report, there was a question about whether law enforcement should also be notified. It was noted that in some cases, such as accidents involving significant damage or injury, law enforcement must be contacted. However, for minor incidents like hitting a telephone pole or shopping cart, law enforcement may not need to be involved. The existing policy seemed to suggest reporting every

accident to law enforcement, but it was clarified that law enforcement would conduct their own report if they were called to the scene.

During the meeting, Council Member Alexander inquired about the policy concerning romantic relationships between department heads and their subordinates. Initially, it was established that such relationships were prohibited, including dating. However, subsequent paragraphs delineated procedures to follow if such relationships were to develop, necessitating disclosure to the City Manager and Human Resources. Concerns were raised regarding the policy's ambiguity, suggesting potential permissibility under certain circumstances. Debate ensued about whether determining the consensual nature of relationships was within managerial discretion or should be left to law enforcement or legal statutes. The imperative to prevent harassment was acknowledged, with suggestions to involve the grievance procedure if needed. There was a proposal to review and possibly revise the policy section with Gary to ensure clarity and alignment with legal guidelines. Additionally, it was emphasized that while the policy discouraged dating relationships between employees, it was essential to focus on maintaining fairness, equity, and professionalism in the workplace.

Ty presented Chapter 10-3, outlining an incentive program for employees in their last year of employment. They would receive a 6% increase if they provided a year's notice of their retirement date, contingent upon signing a commitment to retire and being fully eligible. The program involved collaborative planning between employees and management to accomplish tasks like hiring replacements and transitioning responsibilities. It was approved by URS and was optional for employees, but once committed, backing out was challenging due to replacement plans. The goal was to ensure a productive transition to retirement and leave the City in a better state. Retirement eligibility depended on years of service and age, varying by retirement system. Generally, employees with 30 years of service were eligible, receiving 60% of their salary. Different payout options were available based on URS guidelines. Concerns were raised about the program's applicability to employees at the highest salary scale step. It was suggested that all employees, regardless of step, could receive the 6% increase, possibly as a lump sum payment, to incentivize retirement planning and facilitate smooth transitions, promoting engagement and knowledge transfer.

Ty pointed out changes to the travel policy to align it with current practices.

RESOLUTION AUTHORIZING A TAX CERTIFICATE AND AGREEMENT FOR UAMPS' FIRM POWER SUPPLY PROJECT; AND RELATED MATTERS – RESOLUTION 24-14

Ty explained this was a public bond market strategy, where a third party bonded for pre-purchases of power and gas. This involved buying power from specific projects through the third entity, leveraging tax-free money for pre-purchases. It allowed capitalizing on current bond market rates, with the third party reselling the power on the public bond market, benefiting from interest spreads. While complex, this approach provided UAMPS advantages by securing funds well in advance for power and gas purchases, with the third-party managing finances and bearing financial risks. UAMPS was insulated from risks associated with bond payments or purchases. In discussions, it was noted that the bond issuer borrowed money, with UAMPS not liable for payments. Revenue streams from power projects were assigned to bond holders for repayment assurance. Concerns were raised about revenue stream concentration and bond term duration. Nonetheless, the primary benefit was tax-saving advantages from purchasing power pre-tax. Bond proceeds were used for power and gas purchases, meeting tax requirements, with an estimated initial discount of 8%, contingent on market conditions. The acquired electricity targeted retail customers within the service territory, emphasizing the importance of serving existing customers.

Ty explained that each entity participating in one of the projects was part of the Firm Power Project, such as Steel Solar B which the City was a part of. When UAMPS required each governing board to sign a resolution, the matter was brought back to the governing body. The agreements underwent extensive

vetting, taking several months. It was suggested that Gary Crane, City Attorney, review the documents. When voting on it, the Council could include a condition for Gary's review.

RESOLUTION REGARDING INTER-LOCAL AGENCY AGREEMENT FOR THE MORGAN COUNTY RURAL PLANNING ORGANIZATION – RESOLUTION 24-15

This item was not discussed.

AMENDMENT TO TITLE 8, CHAPTER 8.08 – BACKFLOW AND CROSS CONNECTIONS OF THE MORGAN CITY CODE – ORDINANCE 24-06

This item was not discussed.

TRAINING – GARY CRANE, CITY ATTORNEY

No training given.

This meeting was adjourned at 6:59 p.m.


Denise Woods, City Recorder


Steve Gale, Mayor

These minutes were approved at the May 14, 2023 meeting.