



## PAROWAN CITY COUNCIL WORK MEETING

Tuesday, April 30<sup>th</sup>, 2024 – 3:00 P.M.

Parowan City Conference Room

35 E 100 N, Parowan, UT 84761

Office: (435) 477-3331

**Elected Officials Present:** Mayor Mollie Halterman, Councilmember David Burton, Councilmember John Dean, Councilmember Sharon Downey, Councilmember David Harris (electronically), Councilmember Rochell Topham

**City Staff Present:** Dan Jessen, City Manager; Callie Bassett, City Recorder;

1. **WELCOME:** Mayor Halterman

2. **FISCAL YEAR 2024-25 BUDGET DISCUSSION:** Dan Jessen and Council

In the previous work meeting, the council discussed the general fund items and the capital projects fund items. In this meeting, the council discussed the enterprise funds and personnel matters.

- The Water Retention Project: The council discussed how the money and grants should be handled and whether all the money will be run through the city. There is approximately \$3 million dollars in funds and grants to do this project. If they decide to run the money through the city, the budget will have to be amended. They discussed what to do if the bids for the project come out higher than the amount they have at this point.
- Building for Canyon Well: One of the wells up the canyon is out in the open and exposed to the elements. The need to put a building on top of the well to protect it.
- Distribution Line Upgrades for Fire Flow: Water distribution lines and hydrants need to be upgraded. The city will need to invest over time to do this. The ten-year capital improvement projects plan is:
  - Improvements - \$100,000/year. Dan said the water rates should be enough to fund these projects. He is not sure they are. They need to start budgeting annually for this.
  - Six Mile Spring Water Treatment Plant – The city will need to bond to do this project. They are looking at doing this in FY2026.
- Fencing for Race Track Well: If they can fix this with money in the water fund, they will not have to use money from the pickleball grant.
- Water Rights Acquisition: They need to make an ordinance that says if there are inexpensive water rights available to buy, the city can react quickly and purchase those. They could also put money in the budget every year that is there to purchase as it comes along. Or, Dan said, they could purchase it, as Cedar City did, purchase water in lump sums. The question was if the council wanted to reserve money each year to purchase water. If they do, they will need to add a revenue and expense line in the budget. Dan suggested they do this.
- Surface Rights Acquisition: They may need to consider this eventually.
- Dry Pond Engineering: There has been a hold up on this project. The city needs to develop a plan and have the engineering done.
- Putting an Electronic Gate at the Public Works Department: This is a “want,” not a need. This should be done at some point for security measures.
- Cat Walk at Sewer Lagoons: This was budgeted for this year. This item will be carried forward.
- Engineering of New Treatment Plant: This was in this year’s budget. They are not sure how much it will cost. Bids were all over the place. This will be carried forward.

- Fence Extension for Cemetery: Councilmember Dean said the city has the cinderblock, the stone, and the caps. They need to pour the concrete mow strip and concrete bases. They need to finish 461 feet of fencing. They will put \$10,000 in the budget.
- New Bucket Truck for Power Dept.: This truck is already ordered and will arrive during next year's budget. This money will be carried over.
- Power Building Heat: They budgeted to insulate and heat the new building. The insulation is happening now. There is about \$15,000 to carry over. It should cost approximately \$27,000. This project needs to be completed.
- 2200 West: Build out the line that collects the loop from 200 South to Old Highway 91. This will be phase two of the project. This is a 3-year project. This item is a need.
- Impact Fee Study: Dan said they have not done an impact fee study in a long time. Dan said the city's fees need to be adjusted.
- Security Upgrades for Substation: They put \$50,000 in the budget for security at the substation. This needs to be carried forward.
- Set Aside Money for New Trash Truck: This is done every year.
- Cameras: Security cameras in different areas of the city. This will be carried over.

#### Discussions:

- Storm Drain Enterprise Fund - Impact Fee Study and Utility Fee: Dan would like to create a storm drain enterprise fund. This would be used for doing maintenance of storm drains in the city. It would also allow the city to take care of problems with drainage that arise. The fees would allow the city to put in utility level infrastructure. \$15,000 for study. Dan asked if they want to put a \$1 utility fee for storm drains on the utility bill.
- Street Impact Fee: Dan said the city does not have a street impact fee. The transportation master plan identifies street that need to be upgraded. They need to have a fee that will help fund these projects. They will put \$15,000 in the budget for the study. Jones and DeMille would be happy to do the impact fee study.
- Closing the Court: Dan said they are marching closer to changing the structure of our justice court. The state is planning on doing a mid-size court in between a justice court level and district court level, probably a circuit court. When this happens, it will take away most of the infractions that our justice court takes care of. Dan said the court does not pay for itself. They talked about having Keith Naylor become fully certified to become the building inspector. He would then be the city planner/building inspector. The building inspector fees would pay for building fees. This is what Brian Head, Enoch City, and Iron County has done. They would need to start allocating money for training.
- Personnel:
  - New Positions: They need an additional seasonal position. They discussed the overlap with Aldo and Kelly. They also discussed volunteers who want to help get the library put back together. Dan would also like to move the city trees to the parks department.
  - Increase in Wage: Both Keith Naylor and Justin Dalley have been given additional responsibilities that they need to be compensated for.
  - 6<sup>th</sup> Police Officer: Chief Adams would like to find a lateral transfer so they do not have the expense of certification. Chief Adams has been able to justify the additional officer. The city is losing Officer Dobrinski, so she will need to be replaced as well as hiring the additional officer. The council agreed that the additional officer is needed.
  - URS Tier 2 Retirement System: The Tier 2 required contribution rate for FY24-25 is going to 10.7%. Tier 2 employees must pick up the .7%. This is state law. Dan said what some cities are doing is when they give their employees a COLA, they will add the .7% to the COLA for Tier 2 employees. He said the city had talked about giving a 4% COLA to its



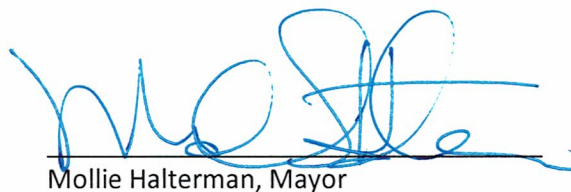
employees. They could give the Tier 2 employees would get a 4.7% to cover that expense. Dan said this is something for the council to consider.

- URS COLA Discussion: Dan said last year they started a new plan where they would take what URS is giving on a COLA to its people they are paying retirement to. URS spends a lot of money on people who study what the actual COLA should be. He said this was an idea that he stole from Beaver City, who ties their annual COLA recommendation to URS's COLA that they give. URS caps their COLA at any given year to 4%. That is what they gave their people, that is what Parowan gave to its employees. Dan said this year the recommendation is 4.1%. He said if the city sticks with URS, the proposal for this year's COLA would be 4%. He asked the council if they would consider a 4% COLA, and if they would consider a 4.7% COLA for Tier 2 employees. This way the city could absorb the expense to the employees. Dan roughly estimated that this would cost \$110,000.

The council decided that they would like to see the numbers before making any decisions.

- Parowan Chamber of Commerce Executive Director: This needs to be voted on at the next meeting.
- Public Hearing for Tentative Budget: The public hearing on the Final Budget was scheduled for May 23, 2024.

3. ADJOURNMENT. The meeting adjourned at 5:52 p.m.



Mollie Halterman, Mayor



Callie Bassett, City Recorder

Date Approved: June 13, 2024