

PERRY CITY COUNCIL MEETING
PERRY CITY OFFICES
May 23, 2024

7:03 PM

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

OFFICIALS ABSENT:

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

OTHERS PRESENT: Paul White (Planning Commission Member)

ON-LINE: Nelson Phillips (BENJ) and Melanie Barnhill

ITEM 1: CALL TO ORDER

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

ITEM 2: PROCEDURAL ISSUES

A. Conflict of Interest Declaration

None.

ITEM 3: ACTION ITEMS (Roll Call Vote)

A. Ordinance 24-D Amending Multi-Family Dwelling/Apartment Density Map and Subdivision Code

Robert Barnhill reported that the subdivision and density map code went through the Planning Commission and a public hearing before it was presented to the City Council. Mr. Barnhill said that this amendment was for improvements to the code language for better clarity, revisions for unclaimed deposit escrowed money, and other updates as required. He explained that the new state subdivision legislation has required cities to amend their ordinances to have a code reference for each comment given on the applicant's application of the subdivision plans. This updated amendment would have the changes needed to comply with the state requirements.

The Planning Commission recommended in lieu of section 6C (which allowed multi-use development) that they zero out the remaining (by-rights) multi-family units along the highway in the Neighborhood Commercial 2 (NC2) zone. Also to allow the developer the opportunity to submit a development agreement if they want to request multi-family units in this area. Mr. Barnhill said he was going to update the Planning Commission request in lieu of section 6C but the software he was using to write this ordinance amendment would not let him make the proper format update. He explained that he wanted to remove section 6C and add the wording in another area. He explained

that the reason for this change was to give commercial development opportunities to build businesses before the land was used for other purposes. This amendment will still allow the developer the opportunity to present a development agreement that includes multi-family housing units with the commercial units on an individual basis. As far as the conservation subdivision they need to follow the administration process of the new state statute that does not involve the City Council. This ordinance will include the City Council reviewing the conservation subdivision plans because of the legislation zone overlay and negotiation process.

Mr. Barnhill presented other updates such as setback requirements with a note of specific building codes on the structures, landscaping requirements and calculations in this amendment were clarified, along with updated description for the garage design styles standards.

The council members continued their discussion on having commercial buildings compared to allowing multi-family development along the highway. There were comments to pause the multi-family development, put a moratorium on development, or other options to stop and gauge how development was going. They also want to include the results from the Master Highway Plan study in their evaluation. The mayor mentioned the development concerns he received from the public and the questions they asked on the direction (town vision) the city was going.

Planning Commissioner White gave a brief report on some of the discussions and concerns from the most recent Planning Commission meeting relating to this ordinance amendment. He said the commissioners came up with the same thought of putting the NC2 development on pause with the caveat that a developer may still present their plans through a development agreement process.

Ms. Johnson recommended implementing a pause rather than a 6-month moratorium and bring back the multi-family issue on a future agenda, so they don't limit the time need for the study to be completed and ensure that the Planning Commission has time to review and make recommendations on the study.

MOTION: Council Member Walker made a motion to approve Ordinance 24-D with the exception of the statement of the 25% being commercial (omit it) and not adding language to zero out multi-family NC2 (in section 6C); and adding in the modification for public roads to say public and private roads. Council Member Wright seconded the motion.

ROLL CALL: Council Member Young, Yes
Council Member Walker, Yes
Council Member Ostler, No
Council Member Wright, No
Council Member Tueller, Yes

Motion Approved. 3 Yes, 2 No

B. Discussion/Action Regarding Proposed Tier 2 Public Safety Retirement Contribution Pick-Up and Tier 2 Non-Public Safety Pay Increase for Employee Retirement Contribution (see slides)

Ms. Johnson requested direction from the City Council regarding the state Tier 2 retirement changes effective July 1, 2024. She explained that the State Tier 2 retirement requires employers to pay 10% toward an employee's retirement and anything required beyond the 10% to provide retirement to

Tier 2 is to be paid by an employee contribution. In the past public safety employees had a required contribution which the legislature allowed employers (the city to pick up) She said the amount has increased public safety and for the first time non-public safety has an amount which they will be required to contribute and the legislature is not allowing the employer to pick up. She said the State and many agencies are picking up the additional public safety amount and providing other pay incentives (pay increases or bonuses) to offset the non-public safety employee contribution amounts. She proposed the City increase the percentage of the employee contribution pickup for Tier 2 Retirement Public Safety employees to meet the state required amount of 4.73% and proposed providing a 0.7% pay increase to Non-Public Safety Tier 2 Retirement employees to offset the State required employee retirement contribution that was not approved for employer pick up by the legislature. She noted that if approved these changes are permanent and cannot be reversed. She advised that the City already provides a contribution to Tier 2 employees retirement to match the amount the City contributes to Tier 1 employees retirement (referred to as the Tier 2 to Tier 1 match up) and noted that this amount would be reduced to provide these additional required employee contributions, resulting in a net zero change for the amount of money paid into retirement for employees. She noted that the council members may elect not to cover the employee required contributions and continue to make additional contributions to the Tier 1 to Tier 2 match up, however this will impact the employee's pay checks. She also noted that the council can also elect to not make any of the contributions (employee portion or matchup). She cautioned this would impact our competitiveness in the job market. She said she needs to know which option they want to provide to the employees in order to properly reflect compensation in the budget and in the compensation change ordinance (required by S.B. 91) being presented in the next council meeting

The council discussed public retirement vs. private retirement and asked why we provide a match up to tier 2 employees. Ms. Johnson mentioned that the purpose of Perry City matching Tier 1 and Tier 2 retirement is to show our employees that we place the same value on each of them. Then noted that eventually there will only be Tier 2 employees. She said by having this benefit it allows the city to be more marketable for new employees and have better retention of current employees. She reiterated that the state legislature passed a compensation increase for non-public safety as they did not implement the ability to pick-up the employee contribution and encouraged the council to make the needed changes. Several Council members commented that they want to pay their employees what it will cost to keep them.

MOTION: Council Member Walker made a motion to approve the Proposed Tier 2 Public Safety Retirement Contribution Pick-Up and Tier 2 Non-Public Safety Pay Increase for Employee Retirement Contribution as explained in the meeting. Council Member Wright seconded the motion.

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

Motion Approved. 5 Yes, 0 No

ITEM 4: DISCUSSION ITEMS

A. Fiscal Year 2025 Budget Update (see budget update slides)

After reviewing actual taxes received and creating a trending report through April, Ms. Johnson said she made adjustments and will present them in this budget update. She recommended a 2% automatic (annual) increase to the sewer utility rate. She highlighted that the revenue and expense trending reports show they might not need to use Fund Balance this year. To keep the Fund Balance within the percentage requirements and because of a difference in collected grant funds in Fiscal Year 2025 they might need to assign approximately \$80k to capital projects next year. She mentioned that they may need an amendment to the Fiscal Year 2024 budget as animal control is trending to exceed budget.

Ms. Johnson reviewed some changes to the proposed Fiscal Year 2025 budget including an additional expenditure for a new on-line payment system that will better serve the on-line and paperless billing needs of the city and better integration with our current financial system. She also said that money was added to the police department to reflect a grant from the State for our internet crimes against children program.

She referred to the project page of the workbook, which summarizes projects included in the budget and shows the additions.

Council Member Ostler asked if we are required to send transit tax to UTA, then would the city still need to assign fund balance to capital projects to keep the general unrestricted fund balance within the legal maximum. Ms. Johnson said we would not. Ms. Johnson explained that Council Member Ostler has asked the State Commission about the Transit District tax that has been deposited into the City PTIF because as he reads the law this amount should be going to UTA. We are waiting for the answer.

Council Member Walker proposed the \$80k be put into the park equipment budget. Ms. Johnson responded that these numbers are all conceptual and can be assigned later. Council Member Wright proposed that the EMS have funds allocated to their budget to purchase the Life pack equipment they need. After some discussion it was agreed that Ms. Johnson would update the EMS budget by \$30k after verification by Misty Moesser of the cost of the requested equipment.

They discussed the planning of the capital projects and savings in the Fund Balance.

ITEM 6: MINUTES & COUNCIL/MAYOR REPORTS (INCLUDING COUNCIL ASSIGNMENTS)

A. Approval of Consent Items

- May 9, 2024, City Council Meeting Minutes
- May 9, 2024, RDA Meeting Minutes

MOTION: Council Member Tueller made a motion to approve the consent items. Council Member Walker seconded the motion.

Motion Approved. All Council Members were in favor.

B. Mayor's Reports

None.

C. Council Reports

Council Member Young thanked the Planning Commission for their hard work. Council Member Walker encouraged all to sign up for the Utah State Advisor Council Annual Sagebrush Spectacular pickle ball tournament. He explained that this fundraiser was to create scholarships for students in our local area. Council Member Tueller reported that the Sewer Board planned for the transfer switch on the generator to be replaced in June this year. He said if this does not happen then they will need to do a budget amendment for about \$70k - \$80k to go into the next fiscal year (budget).

D. Staff Comments

Mr. Allen said that StreetScan will start Friday so in the coming days they will do some assessments and we will better understand needed street projects.

E. Planning Commission Report

None.

ITEM 6: EXECUTIVE SESSION

None needed.

ITEM 10: ADJOURNMENT

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

Motion Approved. All Council Members were in favor.

The meeting adjourned at 9:24 p.m.

Kevin Jeppsen, Mayor

Shanna Johnson, City Recorder

Anita Nicholas, Deputy Recorder