



MONROE CITY COUNCIL MEETING

Tuesday, May 14, 2024, at 7:00 pm

7:00 p.m.

1. The regular meeting of the Monroe City Council was called to order by Mayor Parsons at 7:00 p.m.

2. The Pledge of Allegiance was led by Councilmember Mathie. Councilmember Payne offered a prayer.

3. Roll Call

Mayor Johnny Parsons

Councilmembers:

Janet Cartwright- absent

Ryan Johnson

Michael Mathie

Perry Payne

Erica Sirrine – absent

City Attorney Eric Johnson -electronic

Public Works Director John Draper

City Recorder Allison Leavitt

Parker Vercimak- Jones & DeMille Engineering

4. Consider a motion to approve the minutes of the meetings held April 9, 2024.

Councilmember Payne moved to approve the April 9, 2024, Regular City Council Meeting Minutes as corrected. Councilmember Mathie seconded the motion. A roll call vote was called. Voting yes: Councilmembers Johnson, Mathie, and Payne. The vote was unanimous. The motion carried. 3-0

5. Citizen input – Limit of 3 minutes per comment

6. Approval of April 2024 warrant register, cash disbursements, and adjustment journal.

Councilmembers reviewed and signed the April 2024 warrant register, cash, disbursements, and adjustment journal.

7. Business

a. Consider Special Assessment Area - Hot Spring Estates Subdivision

During a recent visit from City Attorney Eric Johnson, we had a conversation concerning the completion of Hot Spring Estates Subdivision, and he suggested that the Council may want to create a special assessment area to get the subdivision completed.

There are currently 25 lots within the remaining portion of the subdivision and no infrastructure has been completed. Of the 25 lots there are currently eight different owners. Most of these lots were just recently purchased by developer Sunset Ridge LLC who are wanting to install infrastructure so these lots may be sold. Out of the 25 lots there are two lots still pending purchase from Sunset Ridge LLC and two other lots that contact with owners has been unsuccessful. The developer has asked if there was a process of where the City would be able to help them in recouping the costs of infrastructure improvements for these 2 or 4 lots.

Mayor Parsons stated that he would really like to see this subdivision completed. It was approved in 1974 and seems to be a recurring issue that has been presented to the Council many times over many years. Mayor Parsons asked Sunset Ridge LLC representatives John Draper and Mitch Dickinson to explain what their concerns are, and City Attorney Eric Johnson to explain to the Council the details of what a special assessment area is.

John Draper stated a conflict of interest with him being a partner in Sunset Ridge LLC and is currently Monroe City's Public Works Director.

City Attorney Eric Johnson stated that he was not here to talk anybody into doing things one way or another, he just wants to explain the tools the City has if they choose to use them.

A special assessment area is when you draw a circle around some properties that are going to be benefitted by the installation of public infrastructure improvements. Then a special tax assessment is imposed on those properties benefiting from the public infrastructure improvements. The type of improvements that can be handled through a special assessment area is streets, water, and power because these are all City improvements.

The process would include the City providing notice to all property owners, giving all property owners the opportunity to protest or object to the special assessment. If 25% or more of the benefitted property owners object the City may not move forward with the assessment.

77 The costs of this process are cost neutral to the City. Any costs associated with creating the special
78 assessment area would be included in the special assessment and disbursed amongst benefitted
79 property owners.

80
81 The benefit to the property owners is that the cost of the improvements is divided equally amongst
82 all property owners and the City is usually able to borrow monies at tax exempt rate rather than an
83 individual property owner or private developer. The benefit to the City is that the amount of the loan
84 will be paid back by the property owners. Because a street is involved it typically is a 10-year payback
85 plan. The assessment would be a yearly amount that would retire the loan in ten years. This
86 assessment is included in the property owner's property tax assessment and if not paid in full each
87 year it will become delinquent.

88
89 This is a tool that the City can use for anybody, and the Council is not showing preference to one
90 person over another. It appears in this instant the Council is contemplating this action to help get a
91 development completed that has languished for nearly three decades.

92
93 Councilmember Payne asked if each lot owner was given a vote. City Attorney Eric Johnson stated
94 that it is based on taxable value of each lot, so if each lot were of equal value, then each vote would
95 count as the same. The Council understood that each lot is one vote.

96
97 Mayor Parsons explained that we are only looking at approximately two or four lots that the
98 assessment would be applied to and that any costs associated with this process would be passed on
99 to all property owners.

100
101 City Attorney Eric Johnson explained that there are protections offered to the City with a special
102 assessment area. First a study must be conducted by a qualified person to verify that the property
103 value with improvements would be three-times the current value of the property. If the property
104 owners do not pay their property tax assessment the property will be placed up for a tax sale from
105 the County. A person may purchase the property from the County, from which the City will still
106 receive their money, or the City could acquire the property, or the property would be returned to the
107 lender, because the land is the security for the loan. Councilmember Mathie asked if the City would
108 take second position on the sale and City Attorney Eric Johnson stated no because a tax lien always
109 takes first position.

110
111 Councilmember Mathie asked how commonly this tool was used. City Attorney Eric Johnson stated
112 that it is much more common on the Wasatch Front verses rural Utah. The study to ensure that the
113 improvements would be three times the value protects the City and the lender.

114
115 City Recorder Allison Leavitt asked City Attorney Eric Johnson if he could give the developer an
116 estimate of his charges to complete the steps in creating the assessment area. He stated that he fees
117 would be dependent on who the lender is and their requirements. Mayor Parsons asked what if the
118 City self-funded the project. City Attorney Eric Johnson stated that the City needs to be careful using
119 the City's funds for this because it could limit the ability for the City to fund other projects.

Councilmember Mathie asked what kind of standard the City is setting for future developers asking for the same type of provision. City Attorney Eric Johnson stated that there is no standard being set it is entirely at the City Councils discretion whether or not to use this tool. It appears in this circumstance that the Council has a valid reason in creating a special assessment area to help complete a subdivision that has been sitting for a long time.

Councilmember Mathie asked what type of noticing does the City provide to the property owners. City Attorney Eric Johnson stated that a notice would be mailed to each individual property owner, the notice recorded with the County recorder, and a public hearing must be held to receive comments on the proposed special assessment area. After these items have been done then the Council may consider moving forward with the special assessment area. The notice is a detailed notice that will include pertinent information that each property owner needs to know concerning the assessment of their property, and City Attorney Eric Johnson will prepare the letter/notice.

There were no further questions for City Attorney Eric Johnson, so he stated that if there were any other questions or the Council decided to move forward with a special assessment area to please contact him and he left the meeting. 7:25 p.m.

Mayor Parsons asked if there were any other comments. It appears that with this area where there are multiple landowners this gets the area finally developed. Mitch Dickinson, Sunset Ridge LLC, explained to the Council that because of the several owners involved in the subdivision it has taken several months to get everything done to this point and if the City was willing to help with a special assessment area the area will be developed quickly and ready for lots to be sold. Both John Draper and Mitch Dickinson stated that they have the funds to pay for their portion of the development costs. Mr. Draper referred the Council to the documents given to them earlier in the meeting that shows a cost estimate of all the improvements. The total shows an estimated cost of \$16,394.20 per lot for all the improvements. It was clarified that the number of lots that the assessment may cover is two or four lots.

Melissa Smith, a property owner in the area, asked why it is important for the City to see this property improved. Councilmember Payne explained because this subdivision was approved in 1974 and this portion of the area has been abandoned since and it is an issue that comes before the Council every few years. Ms. Smith asked if she could purchase the lot that is adjacent to her property to the east, she was told yes but to access this property off the new road she would have to pay her share of the development costs. She stated that she was not opposed to this was just wanted to understand why the Council felt like it is important to complete. It was discussed that the Council would just like this subdivision to be completed as other subdivision in the City. Councilmember Mathie also noted that this area is an attractive nuisance to ATV riders and there have been some accidents in the area.

Councilmember Payne explained that over the years we have learned from each subdivision development what expectations and regulations need to be in place. As for this subdivision, it is important to complete the development at no cost to the City, such as this special assessment area provides and does not mean the City will always be willing to use this tool for development.

Councilmember Mathie stated that he asked this question earlier in the meeting to clarify how moving forward with this special assessment area may affect future developers' requests.

Councilmember Mathie would like the City to look at all financing possibilities. Mayor Parsons explained that he was thinking of borrowing money from the sewer anticipation fund where the interested would be paid to the sewer anticipation fund.

Councilmember Payne moved to move ahead on the special assessment area process for Hot Spring Estates Subdivision. Councilmember Johnson seconded the motion. A roll call vote was called. Voting yes: Councilmembers Johnson, Mathie, and Payne. The vote was unanimous. The motion carried. 3-0

b. Consider Harvest Feast Proposal - Joe Anderson not here – Tabled

Mr. Anderson was not in attendance.

c. Consider use of City Property for Shave Ice Trailer - Shaka Shack Shave Ice

Sawyer Smith asked the Council if he could have permission to park and operate his sno-cone trailer business on City property, mainly at Lion's Park and Mtn. View Park Ballfields. The Council asked if they were asking to park in the grass area or in the parking areas. Mr. Smith stated that he planned to park in the parking area, not on the grass.

Mr. Smith explained that he would park his trailer on City property 2-3 days a week and it would be removed every day. Councilmember Johnson asked if he had previously parked his trailer at the Family Dollar and why he did not want to go there this year. Mr. Smith explained that there were no problems with Family Dollar management, he just felt he would get more exposure at the City's parks.

Councilmember Johnson asked if the City had an ordinance that would prevent giving Mr. Smith permission to park on City property. It does not appear that the City has an ordinance prohibiting this. Councilmember Payne asked that Mr. Smith work with the City office to prevent any conflicts with other activities going on at the parks.

Councilmember Mathie asked about having the trailer at the Mtn. View ballfields because we do have someone selling concessions during the ball games. Melissa Smith explained that they do not plan to compete with the concessions stand.

Councilmember Johnson moved to approve Shaka Shack Shave Ice to conduct business on City property when and where appropriate. Councilmember Mathie seconded the motion. A roll call vote was called. Voting yes: Councilmembers Johnson, Mathie, and Payne. The vote was unanimous. The motion carried. 3-0

d. Consider acceptance of bid for Secondary Water Meters

A bid opening for secondary water meters, valves, boxes, and other parts was held on April 25, 2024. Peterson Plumbing was the only supplier to submit a bid. Their bid was for \$844,076.80. As the project moves forward there may be change orders due to adjustments for meter quantities and meter sizes.

Mr. Vercimak stated that even though they were the only bid the bid was very competitive.

Councilmember Mathie moved to accept a bid from Peterson Plumbing for secondary water meters in the amount of \$844,076.80. Councilmember Payne seconded the motion. A roll call vote was called. Voting yes: Councilmembers Johnson, Mathie, and Payne. The vote was unanimous. The motion carried. 3-0

e. Consider acceptance of bid for Secondary Water Meter Project - Construction phase

Parker Vercimak, Jones and DeMille, explained that earlier today bids for the construction phase of our secondary water meter project were opened.

There were two companies that submitted bids:

A&D Jensen Contractors	\$1,538,034
HMH Excavation	\$1,106,455

HMH Excavation appeared to have the lowest bid and Mr. Vercimak requested that the City accept the bid of \$1,106,455 from HMH Excavation. Mr. Vercimak stated that he had not personally worked with this firm but has received good referrals from others that have worked with them. As with all construction projects there is the potential of some change orders needed which could increase the costs.

During the mandatory construction meeting it was discussed that having the project of installing some 850 meters done in a six-month period may not be possible. It was noted and the engineers determined that the project could be divided into two parts if needed. HMH Excavation stated during the bid opening that they plan to have the project completed by spring of 2025, but they do know that no penalties will be charged unless they are not completed by spring of 2026. Mr. Vercimak divided the City at 100 S making the south side be phase 1 and north side being phase 2. HMH Excavation will be required to complete at least one phase during October 2024 -April 2025.

Councilmember Mathie questioned the difference between companies on the potholing line item. Mr. Vercimak stated that if the project consisted of more front of lot installation where the road may be more involved, he would be concerned, but in visiting with the contractor he does not see any reasons to make change order to his original bid. The contractor told Mr. Vercimak that this project was going to be a good solid winter job for his employees.

Councilmember Mathie moved to accept a bid from HMH Construction for the construction phase of our Secondary Water Meter Project in the amount of \$1,106,455. Councilmember Johnson seconded the motion. A roll call vote was called. Voting yes: Councilmembers Johnson, Mathie, and Payne. The vote was unanimous. The motion carried. 3-0

f. Consider sole vendor Mountainland Supply bid for meter radio and base station

Parker Vercimak, Jones and DeMille reviewed with the Council the costs presented by Mountainland Supply Company for a fixed-based metering system. This platform will provide meter reading capabilities for all utility meters including a demand reading for power meters.

The total costs include meter radios, and base station components, and software. The one drawback with the new system is the annual software fee that will start at \$28,902 per year with an approximate 3.5% cost increase each year. Mr. Vercimak explained that as they looked at other software programs this one appears to be the most affordable and best.

The Council asked where the base tower would be located, and Mr. Vercimak explained that Mountainland Supply Company would conduct a propagation study to determine this. The costs of the tower were lowered by nearly \$25,000 because the City recently acquired a used tower.

Councilmember Mathie moved to accept a bid from Mountainland Supply as a sole vendor for secondary water meter radio and base antenna station in the amount of \$272,433.26 with recurring annual software support costs. Councilmember Payne seconded the motion. A roll call vote was called. Voting yes: Councilmembers Johnson, Mathie, and Payne. The vote was unanimous. The motion carried. 3-0

Mr. Vercimak explained with all the bids accepted tonight that the project appears to be on budget and there is sufficient contingency funds for any change orders needed during completion of the project.

Peterson Plumbing will be creating a mock meter set up so that the contractor, City employees, and Mr. Vercimak can review the best way to proceed with the installation of the meters.

g. Consider purchase of office copier from Sevier Office Supply

Councilmember Payne moved to accept a bid from Sevier Office Supply for the office copier in the amount of \$8932.63. Councilmember Johnson seconded the motion. A roll call vote was called. Voting yes: Councilmembers Johnson, Mathie, and Payne. The vote was unanimous. The motion carried. 3-0

h. Consider purchase of fencing for City property located at approximately 600 S Main Street

Public Works Director John Draper explained that he had received three price quotes for fencing the City's property located at approximately 600 S Main as follows:

Econo Fence Inc.	\$18,433
Scholzens	\$22,426
Mountain States	\$30,000 estimated

All quotes were without shipping costs.

The council discussed that even with freight costs Econo Fence Inc. appeared to be the lowest bid. The Council discussed to complete the project the estimated cost would be \$25,000.

Councilmember Payne moved to accept a bid from Econo Fencing for fencing material for City property located a approximately 600 S Main Street in the amount \$18,433.24 without shipping costs. Councilmember Mathie seconded the motion. A roll call vote was called. Voting yes: Councilmembers Johnson, Mathie, and Payne. The vote was unanimous. The motion carried. 3-0

i. Consider purchase of universal key system for City buildings and locks

Public Works Director John Draper explained to the Council that he has been looking into a universal key system that would help eliminate the multiple keys needed to access City buildings. Salina Auto Lock provides a universal key system that would provide one key for all buildings at a cost of \$3100.00. This key system will provide keys that are set to open certain buildings. Some employees' keys will fit all the doors while other keys will be department specific and only open doors to buildings pertaining to the department employee is working in.

Padlocks are about \$45 a piece and we have about 40 pad locks. Public Works Director John Draper would like to start with the building keys first and then do the pad locks later.

Councilmember Payne asked how long it would take to get a new key when needed. Public Works Director John Draper explained that the business with the key system lives in Salina, and he does not see this being a problem.

It was discussed that keypad locks for the ballfield lights and community center would be a good thing to do. These types of locks are around \$250.00 and are not provided by Salina Auto Lock. With these locks a code will be given out and it will track who has opened the door.

Councilmember Payne moved to approve purchasing a universal key system with an estimated cost of \$3100.00 and keypad system at an estimated cost of \$250.00 each. Councilmember Johnson seconded the motion. A roll call vote was called. Voting yes: Councilmembers Johnson, Mathie, and Payne. The vote was unanimous. The motion carried. 3-0

j. Consider items to be placed on City surplus list

The Council determined the following items to be placed on our surplus list:

- 1969 Green dump truck
- Push lawn mower
- 1997 Red s-10
- Office Copier

Councilmember Mathie moved to accept listed items to be placed on Monroe City's surplus list. Councilmember Johnson seconded the motion. A roll call vote was called. Voting yes: Councilmembers Johnson, Mathie, and Payne. The vote was unanimous. The motion carried. 3-0

- k. Consider adoption of Monroe City 2024-2025 tentative budget and budget message

Councilmember Payne moved to accept the 2024-2025 tentative budget and budget message. Councilmember Johnson seconded the motion. A roll call vote was called. Voting yes: Councilmembers Johnson, Mathie, and Payne. The vote was unanimous. The motion carried. 3-0

- l. Set time and date for public hearing to receive comments on the 2024-2025 annual budget

The council discussed and determined that a public hearing to receive comments on the 2024-2025 annual budget would be at 7:00 p.m. May 28, 2024.

Councilmember Mathie moved set May 28, 2024, 7:00 p.m. for a public hearing to hear comments on the 2024-2025 annual budget. Councilmember Johnson seconded the motion. A roll call vote was called. Voting yes: Councilmembers Johnson, Mathie, and Payne. The vote was unanimous. The motion carried. 3-0

8. Other Business

a. Staff Reports

City Recorder Allison Leavitt –

No further business.

Public Works Director John Draper –

Would like the Council to consider a long-term goal of accruing a vac truck to help assist when dirt removal in meter boxes and trenches is necessary. This type of equipment would allow a more efficient use of staff time.

b. Department Business-Council

Monroe City Council
Minutes
5 14 2024

Councilmember Mathie-

No further business.

Councilmember Johnson -

No further business.

Councilmember Payne-

No further business.

Mayor Parsons-

No further business.

9. Adjournment

There being no further business to come before the Council for consideration, Councilmember Payne moved the Regular Council Meeting adjourn at 8:26 p.m. Councilmember Johnson seconded the motion. The vote was unanimous. The motion carried. 3-0

The next regular City Council meeting is scheduled to be held on Tuesday, May 28, 2024 starting at 7:00 p.m. at Monroe City Office.

Approved this 28th day of May 2024.



Allison Leavitt
Monroe City Recorder



Johnny C. Parsons
Mayor