

**TREMONTON CITY CORPORATION
CITY COUNCIL MEETING
APRIL 22, 2025**

Members Present:

Wes Estep
Beau Lewis
Bret Rohde
Lyle Vance
Blair Westergard
Lyle Holmgren, Mayor
Bill Cobabe, City Manager
Linsey Nessen, Assistant City Manager
Cynthia Nelson, City Recorder

CITY COUNCIL BUDGET WORKSHOP AGENDA

Mayor Holmgren called the April 22, 2025 City Council Workshop to order at 5:02 p.m. The meeting was held in the City Council Meeting Room at 102 South Tremont Street, Tremonton, Utah. Those in attendance were Mayor Holmgren, Councilmembers Estep, Lewis, Rohde, Vance, and Westergard, City Manager Cobabe, Assistant City Manager Nessen, and City Recorder Nelson. The following Department Heads were also present: City Planner Jeff Seedall, Public Works Director Carl Mackley (via Zoom), Police Chief Dustin Cordova, Co-Interim Fire Chief Shawn Jensen, Fire Chief Jeffery Jarrow, and Parks and Recreation Director Zach LeFevre. Also in attendance was Finance Director Curtis Roberts.

1. Evaluating and prioritizing capital projects for the upcoming fiscal year

Director Roberts said our goal is to start a dialogue, show the Council the number of capital needs and give an estimate of the dollar volumes. We are pressed on time to identify projects we want to do in the fiscal year 2025-26 (starting July 1 and going through June 30, 2026). Discussion of bigger projects may be delayed until we get past the budget season. We do not need to resolve every project now, but being aware of them provides insight as to why we might set rates the way we are. Department heads have ranked their needs as critical, high, or important, giving them a means to communicate. The Council can ask questions and help narrow this down for future years, giving a lot of direction to the management team and department heads. Having direction from the Council as to what you want to see as critical is really important. The numbers on the analysis sheet look overwhelming. Money is held in the Capital Projects Fund to handle general capital projects. Currently we have \$9.3 million available and \$6 million worth of projects for this next year. Some projects or needs are easy while others are more significant.

The Council spent some time discussing the RDA #2 fund. Director Roberts said the RDA #2 has money assigned for some of those projects. Basically, all the property taxes coming in are assigned to reimbursement of the developer. None of the \$1.4 million in

there will be paid out. The number in the funds shows what is projected to be available by July. Funds are available and could be assigned to capital.

Councilmember Vance said in my mind, we still need to define what we can spend. \$9.3 million is available, but we have not done the operating budget. Director Roberts said we have not done the operational budget for fiscal year 2026. When we present it, we will show an amount we are going to collect in excess of the planned expenditures. That money will be available to assign to capital projects as well. We are working on that. Councilmember Vance said at this point, it is just a bunch of chaos talking about ideas until we have a number to work with. Director Roberts said \$9.3 million is there. We will be adding in rough terms. You may want to save some for the next year or even start saving up for other things. \$9.3 million is what will be available as of July 1. In the past, the Council has set aside roughly 75% of the sales tax to be transferred out of the General Fund to the Capital Projects Funds. If we are looking at roughly \$3 million in sales tax amounts, that will be about \$2.2 million dollars. Manager Cobabe said one of the reasons we have not got operation numbers is we do not know what our insurance is going to come back at for health insurance. Until we get those final numbers, we do not know what to put in front of you. There are several other things we are working through and waiting on. Councilmember Lewis said we are facing some proposed increases. The police department made proposals that would need to be planned and factored in. Director Roberts said there will be some discussion to bring that number down or you have to consider other funding mechanisms to fund those operational items. We are still chasing down those operational numbers. Rather than us totally driving the discussion, we are trying to involve more feedback from the Council. Give us direction on the priorities of the community, and let us build this together.

Councilmember Rohde said so we have \$9.3 million. We need to go through the capital projects until we spend up to that. Director Roberts said yes, without funding anything for future years the \$9.3 million is the ceiling. It does not include any of the enterprise funds (water, storm drain, treatment and sewer). Those are completely separate. It also does not include money for food pantry, parks and recreation, or the RDA #2. Manager Cobabe said we are prepared for several items that Public Works can take care of, but roads are not one of them. Right now, roads are being funded out of the General Fund. Director Roberts reviewed some of the projects proposed in those enterprise funds. The treatment plant has the money it needs for several projects. That fund has functioned exactly the way we planned. We set a fee eight years ago, increasing the fee, because we knew this was coming. We hit a target, which means we are funding \$7 million worth of improvement straight out of cash that this has been prepared for, without going into debt. We made a plan in advance, knowing this is how much cash we would need. The Council took a lot of heat over those fees, but we hit the target. What we need to do is start looking at that for water, unless the City wants to consider other financing sources. Some of these are in a position where the debt may not need to be incurred. The Council could leave water rates alone and plan on issuing debt when this timeframe happens or adjust the rates and plan some cash built up to minimize or eliminate the need for debt in the future. It is cash flow versus debt. I am trying to give the Council options.

The Council then discussed impact fees associated with future growth. How things could be funded by new growth, as well as the City's participation since improvements, especially to the roads, would service the current population. Several hypotheticals were discussed. There was discussion on the parks and the current level of service, as well as the golf course, which does not count toward park space based off of how that land functions. Director LeFevre said on a Saturday at Jeannie Stevens Park, we have over 1,500 people there and only 214 parking stalls. The open space we have is so overused. Obtaining and developing 180 acres of park space should get us caught up plus future use. They discussed potential options. Director LeFevre said this is not immediate, it is critical, but it is going to take some planning. We should save now so that when things become available, we can purchase them. The 26 acres of planned parks with these new developments will get us back to where we were, not put us ahead. That includes the Stokes Park (west Tremonton), River's Edge Park (east Tremonton), and one on the south.

Mayor Holmgren brought up a transportation utility fee that could create potential funding for roads. Manager Cobabe said Director Mackley has provided numbers for projects related to roads over the next seven years, totaling \$10.1 million. That averages out to about \$1.4 million a year. A Transportation Utility Fee could be established to have residents and businesses help pay for roads based on trip generation and anticipated impact on roads. We have a connection fee for water that helps defray costs associated with our water lines and their needs over time. Those fees help offset costs. We currently do not have anything like that for our roads and sidewalks. We are paying it mostly out of the General Fund using property tax and sales tax dollars. With a transportation utility fee, things gets earmarked specifically for roads. We need about \$1.5 million a year from a transportation utility fee if we are going to fund the real cost of maintaining roads in our City. This would be an easy sell. The level of quality of the roads in town in general has decreased because we are trying to put out fires and are always chasing the worst thing instead of getting ahead. If we were to implement this kind of fee, we would have control and something to rely on. The idea is not to burden residences because they do not have the same impact that a business would. We would increase the burden on commercial a bit to reduce the burden on residential.

Director Roberts said the water fund is okay for about three years. As we consider the operational budget and see where it is going, we may need to consider looking at a water rate increase to start planning for a 2030 project. Every year I present to the City, I talk about a rate of return on the assets. We target that rate of return so we can replace assets as they come due and even plan for additional. We can consider raising rates, borrow money, or even a combination. Grants are also available.

Councilmember Rohde said we are having huge discussions, but do not know what is necessary. Would it be easier to have these discussions after we have gone through and eliminated things? Planner Seedall said I would not eliminate anything on the list. We can move them out further, but these are not things that are going away just because we take them off. We cannot just ignore capital needs, because that is what has got us here. Councilmember Rohde said part of us having the debate is determining if something is a

high priority or not. I do not want any department head to feel like we do not value their opinions. Manager Cobabe said that is the point of this interaction. Department heads have identified needs, and we need to take steps in the right direction, set the priorities, and start working toward those. That is where your leadership comes in. Tell us what you think is most important. The way you do that is by funding them and how you fund them is either having a Truth in Taxation and raise taxes and raising or instituting transportation utility fees. Director Roberts said these project lists should be analyzed and scrutinized by every Councilmember. That is why we have put the spreadsheet in your hands. Mayor Holmgren said we have the funding to take care of this fiscal year, but what are we going to do about the future? How do we handle the needs down the road? If we take care of everything this year, are we short in the future? Councilmember Lewis said that is why I am less concerned about discussing the 2026 stuff as the future stuff. Today is the time to make decisions for the future. Today is the time to increase the rate and make those decisions.

Director Roberts said if you look at storm drain there is nothing needed for 2026, but next year it is projected to need \$2 million. We have \$1 million. We can delay that discussion for a minute, but it needs to be addressed. Councilmember Lewis said if I know that in 2027 we have a \$1 million deficit, I am going to change the way I spend money in 2026. You have to change your decision-making process today. Manager Cobabe said exactly, if the priority is that 2030 number, we have to target that now. Either do not spend in anticipation of that 2030 number or change rates. Councilmember Lewis said the funding mechanisms are different. That is why we have to look at these individually as a five-year business plan. Once we know what those needs are then we have a prioritization of the General Fund. We are going to allocate in this priority level. Director Roberts said in the analysis, they are broken out by funding source. I would start by going through each tab and looking at each area project. Councilmember Lewis said I personally find it impossible to approve 2026 without knowing what 2029 looks like. If you filter out the future, you cannot make a decision on today. We have to have the future context. Manager Cobabe said a decision to spend all the money this year is going to impact our capacity to deal with issues in the future. Some of those decisions are best looked at and perhaps addressed in that context, but if we do not take action now to address some of those things, we are going to be even further behind. Councilmember Lewis said we have to start with water, roads, and police. Councilmember Vance said we need to define which is the most important to fund. What makes a town is the infrastructure.

Director Mackley said I feel like the Council is not utilizing us as department heads. We should be making this a lot easier for you. This spreadsheet is helpful. You are trying to decide how to eat this elephant and we keep staring at the elephant when we have to talk about pieces. Back to that analysis path on the storm drain, we have already established there are enough funds there. You are not allowing us to tell you how we are going to fund our own projects. We could make this significantly easier for you by doing a little bit more work and saying this is what the impact fee funds look like. Each department has more time than Director Roberts does collectively to look at these things individually. I should be saying, this is what our impact fee scenario looks like, and this is how we are going to self-fund and make those suggestions to the Council. Some Public Works items

are fairly self-funded and if we cannot make them self-funded, then I should be asking the Council for a specific amount of dollars in that year. You are not leaning on Public Works as much as you could. For capital projects, for the next two to three years, I am fairly comfortable with water and the treatment plant. There are some unanswered questions, but that is my job to look at that and present that to the Council. If we can get the transportation utility fee up and running, then roads will basically be self-funding as well. We do road projects until the money we have set aside is gone and then we push it to the next year and prioritize internally—then you do not have to make those decisions for us. We make those recommendations, and the Council can agree or disagree and provide direction.

Councilmember Lewis said we are accomplishing big tasks and setting a 10-year vision. Manager Cobabe said once the vision is in place, it is about maintenance. Director Roberts said some of these decisions can shift past budget season into the fall so there is less stress for more in-depth conversations. I hope this spreadsheet is something that is referred back to. When we first started this, it was just trying to get the expenditures identified. Now we are branching up and expanding into, how do the revenues all impact this. Manager Cobabe said even if we have to approve a tentative budget for this year, we can put a pin in a lot of these other issues and come back to them in a few months after having had some time to digest it and really keep the budget conversation going throughout the year.

The Council reviewed the administration needs. Director Roberts said \$10,000 for the interactive City cemetery map and \$35,000 for a new vehicle. The vehicle would save money because employees could use it for quick day trips instead of being paid for miles on their own vehicles. It would be an admin vehicle but could be used across departments for a day trip. It is more cost effective to have a vehicle here. When discussing the option of having some of these things being funded through grants or other options, Councilmember Lewis suggested adding a column to the spreadsheet for potential funding.

They then discussed the fire department needs which include replacement of ambulances. Director Roberts said there is \$270,000 budgeted in fiscal year 2024-25, this current year, for an ambulance purchase. Co-Interim Fire Chief Jensen said we did go over this amount because of the three-year delay. It is closer to \$285,000. Director Roberts said projecting out to the end of the year, that fund will have basically \$0, it will have nothing available to fund any of these capital operations. It will continue to operate and generate revenue, but that fund typically does not generate a significant amount of income from its operations to contribute to capital. It is receiving its operational support from the General Fund to make up the difference. Co-Interim Fire Chief Jensen said we are already way behind on our replacement and it takes 24 to 36 months to build. If you say yes to another, we will get our name on the list. That money will be set aside until 2027. Adding \$114,000 a year would about give us an ambulance every three years. Manager Cobabe said we are trying to remove the politics so that if these guys know they are due an ambulance next year, they do not have to come to the Council and beg they just would say we are ready to pull the trigger on this ambulance we have been budgeting for. Then

when it comes due, we are not scrambling and questioning should we buy it or not. When asked about the training complex, Co-Interim Fire Chief Jensen said that needs to be discussed between a whole bunch of departments in the County. We originally had that at \$750,000 and were going to do it ourselves. Other departments around the County want to be involved so we dropped that to \$200,000. We still have to build that plan. The exhaust system (\$8,000) for our west bay is needed if we are going to stay in that fire station for another 10 years. You should have an exhaust system for the vehicles when there are livable quarters. The rest is our 10-year plan on replacement of our next engine and ladder truck. Councilmember Vance said let us get the exhaust system approved as soon as possible.

Director Roberts said after we add priorities I will come back to the Council and say, here is the operational budget for 2026. Here is how much we were able to set aside. This is how much we are running short. We may need to come back and adjust the plan, but it is starting the discussion. I am looking for guidance on starting down this path so we can tie in the operational budget and be able to explain it when we come together with the full budget for fiscal year 2026. The \$9.3 million does not consider any operational funds. Councilmember Rohde said I am just having a hard time separating those two accounts. We have \$9.3 million sitting in an account that can be used and then operational will be adding to that for years. Director Roberts said the State explains it as, we have this much available in current funds for one-time needs and when we present the operational budget it will be this is how much is available for ongoing needs. We will split that out for you so we can add that into the sheet. We will present that so the Council can see how much is available in one-time expenses and for ongoing.

Director LeFevre said obviously Parks and Recreation is not the fire or police, but we are of different importance. I think of the movie, "The Castaway." A person on a deserted island is living because he has fire, shelter, and water. But what kind of life is he living if he has to rely on a volleyball to be his best friend? When we talk about the pillars of our community, Parks and Recreation is a big part of that. The things we offer are important for emotional, physical, and social wellness. On the last wellness survey, we found Parks and Recreation does meet needs of wellness. The preventative maintenance can also save us money. We did get a new slide ordered for Shuman Park, but that whole playground will be 25 years old in 2030. They have a 20-to-25-year life expectancy. We had two slides that were broken due to age and had to replace those. The longer it goes, the more maintenance we are going to have. Cost is \$500,000 to replace all that playground equipment. Director Roberts said we can amortize that \$500,000 over five years and have it set aside. There are lots of options for funding. We can figure out how much we need to set aside each year if we want to avoid debt. Director LeFevre said there is also a new field painter. Currently we have ten fields just at Jeanie Stevens Park. It takes our staff of three, four full days to paint those lines each season (three times a year). This is GPS driven and would take one full day to accomplish the same thing. Not only is the cost savings of manpower, but also for paint. This is one of the highest on my priority list. We also could use an updated security system at Shuman Park and Jeanie Stevens Park. The outfield lights at North Park are out and poles are starting to rust. They all need to be retrofitted with new poles, just a revamp of the light fixtures and replacing the bad poles

was estimated to be \$300,000. The scoreboards are over 20 years old. We need to have 40 acres of park space for our current need. We already have 26. That number is a little lower because of the three parks we already own that will need to be developed. These parks are also detention basins for stormwater so that fund can help build these parks. 40 acres is just going to get us to where our current level of service was, we need 180 acres total to be at a better level of service for our population. The sports complex could be part of that. Planner Seedall said once these four parcels of land are built, that really is the end of what the City has in terms of land. We still need acreage for other things. We have four parcels that could be developed and then we are done, and we have not even talked about other buildings. We still need land. Director LeFevre said land is an investment. It will be more expensive later. Director Roberts said that one is not going to be funded operationally. That will dip into your \$9.3 million. Director LeFevre said since 2001 when the department started, we put in a lot of things. Since 2008 we have declined but have grown over a third of our population. We are basically starting from ground zero with a lot of our things. It is going to take a lot and it is going to be a yearly thing. The needs and facility condition assessment will tell us a lot. That will be done in October. Next year, we can revisit a lot of this. There is also a new field prep machine. Ours is 14 years old. That would allow us to level the fields. We have done the best with what we have. This will up our level of maintenance. An awning or cover over equipment behind our shop is needed. We have a lot of hand-me-down equipment from the Public Works Department. We have no place to store them, so we need something to keep them out of the elements. Stokes Park needs to happen, but I feel the same with the sport complex. The sport complex is going to be key and the hub around everything that happens with the other parks. If it does go, then it will lead us one direction with the park system. If it does not, then we will have to change things and figure out other places for those amenities to go within the park system. They then discussed possible grants, but they would require a matching contribution. Councilmember Vance said I would love to see this sports complex come in. We really need it, but Tremonton cannot fund it without some type of major bond or partnership with a private sector. Manager Cobabe said this list is an exhaustive list of things we ought to consider. I also want to point out that this is a reflection of years of neglect for our parks. The funding that has not been available for parks and recreational opportunities in the City is reflected in the fact that we are, \$50 million behind the eight ball on some of these items. If past Councils had taken the opportunity to look at the things we are looking at now—20, 10, or even five years ago, we would be having a different conversation about these needs. We keep kicking the can down the road.

Chief Cordova said I wanted to point out first, that none of this equipment matters if we cannot retain our people. I do not want to see people leave because they are extremely hard to get back and it is very costly. It has cost us about \$350,000 over the last three years. Cops are very sought after. We have identified three things. We are lacking in our police vehicle budget. We need to replace four vehicles (\$400,000). We could push them out, but then we are looking at costs with maintenance. We also need new Tasers to keep officers safe and to avoid liability. There is a 40 by 70 outbuilding we could use for an armored vehicle. We are on a list to receive a \$1 million vehicle from the State. It could be this year or later, but if we are chosen, we need to close in that building as part of the

requirement for obtaining that. The rest of our needs are out to 2036. For the animal shelter, we do need a plan. It is something to put on the agenda. I have talked to the sheriff. They do have funding put aside, but no plans. That is not our problem. Our problem is the future needs for our community. I would love to have a public safety building. I have up to three people in a small office right now. It is a high priority need, but I understand we cannot really afford that right now. As we discuss impact fees with our growth and the amount of developments coming in, that might be a good time to do that. Vehicle cameras would be nice, but that is also a luxury. We are doing what we can as a department to fund our needs.

Director Roberts would send the Council the updated spreadsheet for review until their next meeting on April 29. We have two critical dates. We have the first meeting in May, which is approval of the tentative budget then the second meeting in June, which is approval of the final budget.

2. Discussion on Operational Budgets

3. ***CLOSED MEETING: No Closed Meeting held at this time.***

- a. ***Strategy session to discuss the purchase of real property when public discussion of the transaction would disclose the appraisal or estimated value of the property under consideration or prevent the public body from completing the transaction on the best possible terms; and/or***
- b. ***Strategy session to discuss the character, professional competence or physical or mental health of an individual; and/or***
- c. ***Strategy sessions to discuss pending or reasonably imminent litigation; and/or***
- d. ***Discussions regarding security personnel, devices or systems***

4. Adjournment

Motion by Councilmember Estep to adjourn the meeting. Motion seconded by consensus of the Council. Vote: Councilmember Estep - yes, Councilmember Lewis - yes, Councilmember Rohde - yes, Councilmember Vance - yes, Councilmember Westergard - yes. Motion approved.

The meeting adjourned at 9:30 p.m.

The undersigned duly acting and appointed Recorder for Tremonton City Corporation hereby certifies that the foregoing is a true and correct copy of the minutes for the City Council Meeting held on the above referenced date. Minutes were prepared by Jessica Tanner.

Dated this _____ day of _____, 2025.

Cynthia Nelson, City Recorder