

PERRY CITY COUNCIL MEETING  
PERRY CITY OFFICES  
May 22, 2025

7:00 PM

OFFICIALS PRESENT: Mayor Kevin Jeppsen, Council Member Nathan Tueller, Council Member Toby Wright, Council Member Ashley Young, and Council Member Blake Ostler (arrived at 7:25PM)

OFFICIALS ABSENT: Council Member Dave Walker

CITY STAFF PRESENT: City Recorder/Finance Director Shanna Johnson, City Administrator Bob Barnhill, Public Works Director Zach Allen, Chief of Police Scott Hancey and City Engineer Representative Brandon Jones

OTHERS PRESENT: Alex Owens, Pat Burns and Paul White (Planning Commission)

ON-LINE: Nelson Phillips (BENJ)

### **ITEM 1: CALL TO ORDER**

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

### **ITEM 2: PROCEDURAL ISSUES**

#### **A. Conflict of Interest Declaration**

None

### **ITEM 3: PRESENTATION**

#### **A. Fiscal Year 2025-2026 Budgets**

Finance Director Shanna Johnson presented an overview of the fiscal year 2025-2026 budget. She explained that they had been reviewing the budget since April and provided key dates in the budget process. Ms. Johnson noted that the tentative budget was filed with the Council on April 10th according to the city code, and the public hearing was being held that night, May 22nd.

Ms. Johnson outlined the general fund revenues, projected to be \$6,608,109 for fiscal year 2026. She explained that the majority of revenue comes from taxes, including property tax, sales tax, transit taxes, energy taxes, and lodging. She noted that this budget plan did not include a tax increase.

Regarding general fund expenses, Ms. Johnson explained that the budget was balanced at \$6,608,109. She broke down the expenses by department, with the majority going to streets, followed by police and administration. Ms. Johnson noted that the projected unrestricted fund balance at the end of all spending would be about 23%, which is within the required 5-35% range.

Ms. Johnson then discussed the utility funds, which have been split into separate enterprise funds for fiscal year 2026. She presented details on the water fund, garbage fund, storm drain fund, and sewer fund, including their respective revenues, expenses, and proposed rate changes.

For the water fund, Ms. Johnson proposed a 25% rate increase to address recent and projected operational losses. For the garbage fund, no rate increase was proposed. She noted that the council passed an automatic increase for garbage, but the council plans to forgo this increase in the next fiscal year in light of the water increase and the fact that the garbage increase does not appear to be needed at this time. The storm drain fund showed a small loss, which Ms. Johnson said they would monitor. The sewer fund included a planned 2% rate increase.

Ms. Johnson also presented an overview of the general fund and enterprise fund projects planned for fiscal year 2026, including street projects, landscaping, park improvements, and equipment updates.

Finally, Ms. Johnson presented the Perry City RDA budget, explaining that it is a redevelopment area near Point Perry. The RDA revenues, totaling \$229,802, come from tax increment based on interlocal agreements with the city and county. She advised that the city plans to pay administrative costs and then will transfer the remaining revenues back to the city to pay back bond payments made by the city for the project area and costs associated with a defaulted developer. She noted that the RDA has almost paid the city back for these costs, the balance remaining should be paid in full by Fiscal Year 2027.

#### **ITEM 4: PUBLIC HEARINGS**

##### **A. Resolution 25-06 FY2026 Budget**

##### **B. RDA Resolution 2025-01 FY2026 Budget**

The public hearing for both Resolution 25-06 and RDA Resolution 2025-01 was opened at 7:25PM.

No public comments were made.

The public hearing was closed at 7:26PM.

##### **C. Ordinance 25-D Adopting a Compensation Schedule**

Ms. Johnson explained that the ordinance adopts a compensation schedule for elected officials, appointed officials, and department heads, as required by legislation from the previous year. She presented a table showing proposed pay changes, including a 2.8% increase for elected officials. Ms. Johnson noted that the budget numbers reflect the mayor's recommendation for increases, which includes giving the police the pay increases they requested and a 13% increase for others.

City Administrator Bob Barnhill clarified that this ordinance sets the maximum range for compensation but does not lock the council into anything.

The public hearing was opened at 7:28PM.

No public comments were made.

The public hearing was closed at 7:29PM.

#### **ITEM 5: ACTION ITEMS**

**A. Ordinance 25-C Zone Change Request adding the Development Overlay Zone to existing RE ½ located at approximately 3650 S Highway 89 Parcel #s 02-038-0039 & 02-036-0007 Applicant: Pat Burns**

City Administrator Bob Barnhill presented a zone change request for a development overlay zoning district. He explained that the underlying zoning districts would remain the same, but a development agreement would be adopted. The property in question is about 23 acres, with current zoning including neighborhood commercial, half-acre residential, and environmentally sensitive areas.

Mr. Barnhill presented two concept plans: the initial plan with 44 single-family lots and 24 multi-family units, and an updated plan with 31 townhomes, 34 single-family lots, and about 10.75 acres of preserved orchard.

Council Members expressed concerns about road fire access, density, and the proposed orchard preservation. The applicant, Pat Burns, addressed some of these concerns, explaining their willingness to work with neighboring property owners and adjust the plan based on Council feedback.

Planning Commission Vice-Chairman Paul White provided feedback on the Planning Commission's review of the zone change request discussed earlier in the meeting. He explained that the Commission had recommended denial of the initial proposal due to its raw nature and lack of clear benefit to the city.

After discussion, the Council tabled the item (with no objections) to give the developer an opportunity to revise the plan and present it to the planning commission for a second review.

**B. Resolution 2025-08 Moderate Income Housing**

Mr. Barnhill presented Resolution 2025-08 regarding moderate income housing. He explained that this is an annual update required by state statute. The resolution adopts strategies selected from a menu of options provided by the state, including plans for infrastructure improvements to support housing development.

**MOTION:** Council Member Ostler made a motion to approve Resolution 2025-08 Moderate Income Housing. Council Member Young seconded the motion.

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

**Motion Approved. 4 Yes, 0 No**

**C. Resolution 2025-09 Perry City Employee Appeal Authority**

Ms. Johnson presented Resolution 2025-09, which appoints David C. Richards as the appeal authority for employment-related appeals. Ms. Johnson explained that this change was made to the personnel policy recently, moving away from having the mayor hear appeals. Mr. Richards, from Christiansen and Jensen Law Firm, would charge \$400 per hour plus travel for this service.

Council Members discussed the appeal process and its necessity. Ms. Johnson clarified that this is a protection for the city against potential lawsuits and is required by state law for non-statutory employees.

**MOTION:** Council Member Wright made a motion to approve Resolution 2025-09 Perry City Employee Appeal Authority. Council Member Tueller seconded the motion.

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

**Motion Approved. 4 Yes, 0 No**

#### **D. Resolution 2025-10 Setting a Property Tax Hearing**

Ms. Johnson presented Resolution 2025-10, which sets a property tax hearing for August 14th at 7:15 PM at Perry City Hall. She explained that while there is no planned property tax increase, this hearing is required by state law to keep options open in case the anticipated revenue is not received.

**MOTION:** Council Member Ostler made a motion to approve Resolution 2025-10 Setting a Property Tax Hearing. Council Member Wright seconded the motion.

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

**Motion Approved. 3 Yes, 1 No**

#### **ITEM 6: Discussion Items**

##### **A. FY2025-2026 Budget Proposals**

Brandon Jones from Jones and Associates presented an overview of the StreetLogix software being used for road maintenance planning. He explained how the software assesses road conditions, recommends treatments, and helps prioritize projects based on various factors. The presentation showed that Perry City's overall road condition index is 76 out of 100, with a total maintenance backlog of \$6.4 million. Public Works Director Zach Allen provided additional context on how the

city is using this software to plan road maintenance projects and make budget decisions. He noted that the current budget of about \$800,000 per year for road maintenance appears to be sufficient to maintain the current road condition over the next 15 years, according to the software's projections.

Mr. Allen updated the Council on the \$80,000 used street sweeper that was added to the current budget recently. He shared that the specific sweeper that was discussed previously had been sold to another city. He mentioned that the options now include a much newer sweeper for \$100,000 and one that is 25 years old for \$60,000. Council Members continue to show interest in purchasing a sweeper. Mr. Allen said that he would work with Ms. Johnson to find the best solution.

Council Members discussed the compensation package proposed in the budget. Council Member Tueller expressed a desire to "pump the brakes" on the compensation increases, suggesting a return to the originally planned 6-7% range instead of the proposed 13% increase. Other council members echoed concerns about the sustainability of large increases and the potential need for future tax increases to support them.

Mayor Jeppsen directed that the budget be taken back to its original form, with department heads to make individual proposals for any necessary adjustments, which would address compensation on an individual basis with department heads communicating if there are significant risks associated with the more conservative approach.

#### **ITEM 7: MINUTES & COUNCIL/MAYOR REPORTS (INCLUDING COUNCIL ASSIGNMENTS)**

##### **A. Approval of Consent Items**

- May 8, 2025, City Council Meeting Minutes
- May 15, 2025 Work Session

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

**All Council Members were in favor.**

**Motion Approved.**

##### **B. Mayor's Report**

Mayor Jeppsen reported on his recent meeting with the sewer board, thanking them for their work and noting that the current situation has highlighted areas for improvement. He also mentioned contacting the Tremonton mayor regarding potential cooperation between the cities in emergency situations.

##### **C. Council Reports**

Council Member Ostler inquired about moving forward with discussions on the fire district proposal from the previous work session. Mayor Jeppsen suggested organizing a meeting with relevant parties to discuss the matter further.

Council Member Tueller commended Shanna Johnson and Zach Allen for their work on sewer board issues and the hiring process for new personnel.

**D. Staff Comments**

None

**E. Planning Commission Report**

**ITEM 8: CLOSED SESSION**

Not 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 9:48PM.

---

Kevin Jepps, Mayor

---

Shanna Johnson, City Recorder

---

Misty Moesser, Deputy Recorder