

**MINUTES OF MORGAN CITY
COUNCIL MEETING**

June 24, 2025; 7:10 P.M.

**MAYOR AND COUNCIL MEMBERS
PRESENT**

Mayor Steve Gale, Tony London, Eric Turner, Jeffery Richins and Dave Alexander

STAFF PRESENT IN-PERSON:

Ty Bailey, City Manager; Gary Crane, City Attorney; and Janet Pace, City Recorder

EXCUSED:

Jeff Wardell

OTHERS PRESENT:

Tiara Auxier, Kale Watkins, Clark Crook and Mitchell Anderson

This meeting was held in the Council Conference Room of the Morgan City Offices, 90 West Young Street, Morgan, Utah. The meeting was streamed live on YouTube and available for viewing on the City's website – morganutah.gov/meetings.

This meeting was called to order by Mayor Steve Gale

The pledge of allegiance was led by Council Member Jeffery Richins

The opening ceremony was presented by Council Member Eric Turner

APPROVAL OF MEETING AGENDA

MOTION: Council Member Tony London moved to amend the agenda to include a presentation to introduce a new employee Mitchell Anderson

SECOND: Council Member Eric Turner

Vote was 4 ayes; Motion passed unanimously to approve the agenda.

MINUTES AND WARRANTS

MOTION: Council Member David Alexander moved to approve the following:
Minutes of the City Council Meeting – June 10, 2025; with minor a minor change to reflect that David Alexander was not present to vote, and Warrants (06/9/25 – 06/18/25)

SECOND: Council Member Jeff Richins

Vote was 4 ayes; The motion passed unanimously to approve the minutes with a minor change and one set of warrants; Council Member Jeff Wardell was absent.

CITIZEN COMMENTS

No Discussion

VERBAL PRESENTATION:

INTRODUCTION OF NEW EMPLOYEE - MITCHELL ANDERSON

At the beginning of the meeting, Mayor Gale welcomed Mitchell Anderson, the city's newest apprentice lineman. Clark then introduced Mitchell, explaining that he had recently completed a lineman program at Salt Lake Community College. Mitchell introduced himself as being from Spanish Fork and shared his background in the Marine Corps, where he operated cranes. He transitioned into the lineman field after some friends recommended it and found Morgan City to be a welcoming and appealing place. Clark explained that Mitchell has completed six months and about 40 hours of credited training, which counts toward the city's four-year apprentice program. The mayor and council officially welcomed Mitchell to Morgan City.

A video presentation was shown to the Council.

PUBLIC HEARING

- A. OPENING AND AMEND THE 2025 FISCAL YEAR BUDGETS**
- B. ADOPTION OF THE 2025 MUNICIPAL ENERGY TAX**
- C. ADOPTION OF THE 2025 CERTIFIED TAX RATE**
- D. AMENDING 1.5 CONSOLIDATED FEE SCHEDULE – BUILDING PERMITS**
- E. ADOPTING FINAL BUDGET FOR MORGAN CITY FOR THE FISCAL YEAR BEGINNING JULY 1, 2025, AND ENDING JUNE 30, 2026**

MOTION: Council Member Eric Turner moved to open the public hearing to hear public comments to Open and Amend the 2025 Fiscal Budgets, Adoption of the 2025 Municipal Energy Tax, Adoption of the 2025 Certified Tax Rate, Amending 1.5 Consolidated Fee Schedule – Building Permits and Adopting Final Budget for Morgan City for the Fiscal Year Beginning July 1, 2025, and ending June 30, 2026.

SECOND: Council Member David Alexander

Discussion on the Motion: No Discussion

Vote was 4 ayes; Motion passed unanimously to open the public hearing to Open and Amend the 2025 Budgets, Adoption of the 2025 Municipal Energy Tax, Adoption of the 2025 Certified Tax Rate, Amending 1.5 Consolidated Fee Schedule – Building Permits and Adopting Final Budget for Morgan City for the Fiscal Year Beginning July 1, 2025, and ending June 30, 2026; Council Member Jeff Wardell was absent.

Public Comments: No public comments

Mayor Gale asked Ty to give an introduction for each item.

MOTION: Council Member Eric Turner moved to close the public hearing to Open and Amend the 2025 Fiscal Budgets, Adoption of the 2025 Municipal Energy Tax, Adoption of the 2025 Certified Tax Rate, Amending 1.5 Consolidated Fee Schedule – Building Permits and Adopting Final Budget for Morgan City for the Fiscal Year Beginning July 1, 2025, and ending June 30, 2026.

SECOND: Council Member Jeffery Richins moved to close the public hearing

Discussion on the Motion: No discussion

Vote was 4 ayes; Motion passed unanimously to close the public hearing to Open and Amend the 2025 Fiscal Budgets, Adoption of the 2025 Municipal Energy Tax, Adoption of the 2025 Certified Tax Rate, Amending 1.5 Consolidated Fee Schedule – Building Permits and Adopting Final Budget for Morgan City for the Fiscal Year Beginning July 1, 2025, and ending June 30, 2026; Council Member Jeff Wardell was absent.

ACTIVE AGENDA

MUNICIPAL WASTEWATER PLANNING PROGRAM SURVEY

Kale Watkins reported that there have been no major changes or issues since last year regarding the city's sewer and wastewater systems. The capital improvement plan remains the same, with no major backups or overflows reported. Kale confirmed all data was submitted correctly. The only regulatory update was a change in chlorine residual limits for discharge into the Weber River, though the city is already well below those limits. Usage remains low—only about 40% of capacity—with minimal growth projected this year. While 57 new residential permits were issued last year, Kale expects fewer this year due to construction timing. A clarification was made regarding the age of lagoon aeration equipment, correcting it from seven years to three. Overall, no major concerns or red flags were identified.

MOTION: Council Member David Alexander moved to adopt the Municipal Wastewater Planning program survey presented by Kale Watkins

SECOND: Council Member Eric Turner

Discussion on the Motion: No discussion

ROLL CALL VOTE: Dave Alexander – aye
Jeffery Richins – aye
Jeff Wardell – absent
Tony London – aye
Eric Turner – aye

Vote was 4 ayes; Motion passed unanimously; Council Member Jeff Wardell was absent.

A RESOLUTION OPENING AND AMENDING THE 2025 FISCAL YEAR BUDGETS OF MORGAN CITY - RESOLUTION 25-09

Ty explained that the council was reviewing the annual budget amendment, a routine process done at the end of the fiscal year (which ends June 30). The amendment aligns the original budget with actual revenues and expenses, essentially a “true-up.” The main adjustment involves using the beginning fund balance to allocate local option sales tax and B&C road funds toward the Young Street West project. Although it appears to be a large increase in the road department budget, it doesn’t involve any new taxes—just reallocation of existing funds. Dave noted that much of the adjustment is due to project timing, as many projects straddle fiscal years. Ty agreed, emphasizing that the changes may appear as increases or decreases but are mostly due to when costs hit the books.

MOTION: Council Member Tony London moved to adopt Resolution 25-09 A RESOLUTION OPENING AND AMENDING THE 2025 FISCAL YEAR BUDGETS OF MORGAN CITY

SECOND: Council Member David Alexander

Discussion on the Motion: No discussion

ROLL CALL VOTE: Dave Alexander – aye
Jeffery Richins – aye
Jeff Wardell – absent
Tony London – aye
Eric Turner – aye

Vote was 4 ayes; Motion passed unanimously; Council Member Jeff Wardell was absent.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN UTAH ENACTING COMPENSATION INCREASE FOR ELECTED AND STATUTORY OFFICERS – ORDINANCE 25-07

Ty informed the council that state law requires cities to specifically disclose salary increases for elected and appointed officials outside of the general budget. This year’s proposed increase is a 2.5%, cost-of-living adjustment—matching what all city employees are receiving and falling below the 3.1% Consumer Price Index (CPI). Dave raised a concern that a separate public hearing is required by ordinance for these salary changes, and he didn’t recall one being held. While Tony noted that a public notice was issued, Ty admitted that the required hearing may not have occurred during the tentative budget phase. The council discussed whether the hearing could be held immediately or if advance notice is legally required. Ty and Dave agreed that the hearing must take place before the new fiscal year, and the group deferred to Gary to verify the legal requirements before taking further action. The mayor then suggested moving on to the next agenda item while awaiting clarification.

The council discussed the need to hold a public hearing regarding salary increases for elected officials. Gary advised they could proceed with the hearing after proper public notice, noting the

intent of the law is to give the public an opportunity for input—not necessarily to change the budget. The council agreed to table the item until a future meeting after proper notice is given.

MOTION: Council Member David Alexander moved to table Ordinance 25-07 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN UTAH ENACTING COMPENSATION INCREASES FOR SPECIFIC OFFICERS

SECOND: Council Member Tony London

Discussion on the Motion: No discussion

ROLL CALL VOTE: Dave Alexander – aye
Jeffery Richins – aye
Jeff Wardell – absent
Tony London – aye
Eric Turner – aye

Vote was 4 ayes; Motion passed unanimously to table Ordinance 25-07 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN UTAH ENACTING COMPENSATION INCREASES FOR SPECIFIC OFFICERS; Council Member Jeff Wardell was absent.

AN ORDINANCE ENACTING TITLE 1, CHAPTER 1.24, ARTICLE 1.24E OF THE MORGAN CITY CODE ENACTING THE CITY'S MUNICIPAL ENERGY SALES AND USE TAX FOR GENERAL FUND REVENUE - ORDINANCE 25-08

Ty proposed adopting a 6% municipal energy tax on natural gas and electricity to create a stable revenue source dedicated to the Capital Improvement Fund. The goal is to reduce reliance on borrowing and minimize pressure on property and sales taxes, especially during economic downturns. The MET would fund infrastructure projects previously approved by the council, such as the Young Street West project, and anticipated ones like the fishpond park, which recently came in with a much higher engineering estimate (\$2.5 million vs. \$1 million).

David supported the proposal, appreciating that it would be implemented in a year without a property tax increase, and emphasized the importance of tying the new revenue to specific, prioritized projects. He also noted that while the city held a truth-in-taxation hearing last year, other taxing entities like the school district and county did not raise taxes, making this an ideal year for a modest new revenue source.

Jeffery confirmed the city was the only local entity last year that did not adopt the certified tax rate, which had drawn some attention.

Tony agreed, calling property tax one of the most unpopular taxes, and supported the MET as a more equitable, user-based fee. He raised the idea of possibly phasing in the tax (e.g., 3% this year, 3% next year), but acknowledged the difference between 4% and 6% on the average utility bill is relatively small—around \$10/month per household. He also supported the tax if it was clearly tied to specific capital projects like the generator project with Geneva, which could save the city significant money by reducing peak power demands.

Eric mentioned the importance of long-term planning and being proactive. He shared an example of a poorly funded utility system that failed its residents due to undercharging and underinvestment. He

emphasized that raising revenue now can prevent future failures and maintain the city's infrastructure responsibly.

Ty reinforced that the MET would not fund operations or salaries but would directly support priority capital projects, especially as grant matching funds. He also noted that 100% of the tax revenue would stay with the city, unlike sales tax, which is shared with the state. With property acquisitions ahead and large-scale projects on the horizon, the capital improvement fund is projected to shrink, making the MET a fiscally sound solution.

In conclusion, the council showed broad support for the 6% MET as a reasonable and equitable way to fund necessary infrastructure projects without increasing property taxes. Several members emphasized that clear communication to the public about how the funds will be used is key to building support.

MOTION: Council Member Eric Turner moved to adopt Ordinance 25-08 AN ORDINANCE ENACTING TITLE 1, CHAPTER 1.24, ARTICLE 1.24E OF THE MORGAN CITY CODE ENACTING THE CITY'S MUNICIPAL ENERGY SALES AND USE TAX FOR GENERAL FUND REVENUE

SECOND: Council Member David Alexander

Discussion on the Motion: No discussion

ROLL CALL VOTE: Dave Alexander – aye
Jeffery Richins – aye
Jeff Wardell – absent
Tony London – aye
Eric Turner – aye

Vote was 4 ayes; Motion passed unanimously; Council Member Jeff Wardell was absent.

A RESOLUTION ADOPTING THE 2025 CERTIFIED TAX RATE AND PROPERTY TAX REVENUE BUDGET AMOUNTS FOR MORGAN CITY – RESOLUTION 25-10

The council discussed adopting the certified property tax rate of 0.001297, which would generate about \$720,000 in revenue. Ty noted this is slightly lower than last year's rate and avoids triggering a truth-in-taxation hearing. He recommended adopting the lower rate, especially since the city had recently approved the Municipal Energy Tax (MET). Dave added that this would be the lowest property tax rate in the past 10 years.

MOTION: Council Member Tony London moved to adopt Resolution 25-10 A RESOLUTION ADOPTING THE 2025 CERTIFIED TAX RATE AND PROPERTY TAX REVENUE BUDGET AMOUNTS FOR MORGAN CITY

SECOND: Council Member Eric Turner

Discussion on the Motion: No discussion

ROLL CALL VOTE: Dave Alexander – aye
Jeffery Richins – aye
Jeff Wardell – absent
Tony London – aye
Eric Turner – aye

Vote was 4 ayes; Motion passed unanimously; Council Member Jeff Wardell was absent.

AN ORDINANCE AMENDING TITLE 1, CHAPTER 1.15 OF THE MORGAN CITY CODE BY AMENDING FEES OF THE CONSOLIDATED FEE SCHEDULE FOR BASEMENT FINISHES (RESIDENTIAL) PROVIDING FOR REPEALER; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE IMMEDIATELY – ORDINANCE 25-09

The council discussed raising the basement remodel permit fee from \$100 to \$500 to better cover inspection costs. Ty explained that while the fee was previously kept low to encourage permits, most compliant homeowners already use licensed contractors, who are required to obtain permits. The new fee helps ensure proper inspections, especially for electrical, plumbing, structural changes, and egress requirements. Tony made a motion to adopt Ordinance 25-09, amending the city's consolidated fee schedule for residential basement finishes, which passed with immediate effect.

MOTION: Council Member Tony London moved to adopt Ordinance 25-09 AN ORDINANCE AMENDING TITLE 1, CHAPTER 1.15 OF THE MORGAN CITY CODE BY AMENDING FEES OF THE CONSOLIDATED FEE SCHEDULE FOR BASEMENT FINISHES (RESIDENTIAL) PROVIDING FOR REPEALER; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE IMMEDIATELY.

SECOND: Council Member Jeffery Richins

Discussion on the Motion: No discussion

ROLL CALL VOTE: Dave Alexander – aye
Jeffery Richins – aye
Jeff Wardell – absent
Tony London – aye
Eric Turner – aye

Vote was 4 ayes; Motion passed unanimously; Council Member Jeff Wardell was absent.

A RESOLUTION ADOPTING THE 2025 – 2026 FISCAL YEAR BUDGET BEGINNING JULY 1, 2025 AND ENDING JUNE 30, 2026 FOR MORGAN CITY – RESOLUTION 25-11

During the meeting, Tony noted for the record that while the council may appear to move quickly through agenda items, extensive discussion typically occurs during work meetings. He emphasized this point as a public clarification for anyone listening to recordings.

MOTION: Council Member David Alexander moved to adopt Ordinance 25-09 AN ORDINANCE AMENDING TITLE 1, CHAPTER 1.15 OF THE MORGAN CITY CODE BY AMENDING FEES OF THE CONSOLIDATED FEE SCHEDULE FOR BASEMENT FINISHES (RESIDENTIAL) PROVIDING FOR REPEALER; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE IMMEDIATELY.

SECOND: Council Member Tony London

Discussion on the Motion: No discussion

ROLL CALL VOTE: Dave Alexander – aye
Jeffery Richins – aye
Jeff Wardell – absent
Tony London – aye
Eric Turner – aye

Vote was 4 ayes; Motion passed unanimously; Council Member Jeff Wardell was absent.

CITY COUNCIL REPORTS AND ADMINISTRATIVE UPDATES

Impact fee and growth -

The council discussed impact fees and growth, referencing a WFRC meeting where Syracuse's mayor noted that building fees cover only 60% of development costs, leaving residents to fund the rest. Concern was raised about existing residents subsidizing new development. Tony and Gary emphasized that impact fees are designed to ensure growth pays for growth, though they're often behind due to rising costs. Morgan collects relatively low road impact fees due to its existing wide roads and state highways.

Ty clarified that impact fees can only be used for capacity-increasing projects, not maintenance, and must be spent within six years. The city is actively using its impact fees, with some balances even in the negative—like water and sewer—due to major projects. Ty noted this is preferable to letting funds sit unused, and deficits can be addressed in future impact fee studies, which allow for reimbursement if tied to future capacity. The council agreed it's critical to keep fees updated and ensure transparent use aligned with development needs.

Planning Commission - Meeting Updates -

Dave gave a brief update on the recent Planning Commission meeting, which covered three main topics. First, the commission held a public hearing on updates to the accessory dwelling unit (ADU) land use chart, expanding the zones where ADUs are permitted, including clarification for R1-8 zones. Tony added that the update corrects cases where lot **sizes** support ADUs but the zone previously didn't allow them. Second, there was a discussion on chicken regulations, with a public hearing scheduled for July—though details on allowable numbers were still unclear. Third, the commission reviewed a draft update to the general plan, aiming to consolidate various planning elements—land use, parks, trails, and transportation—into one comprehensive plan to be adopted later this summer.

U.A.M.P.S

Ty informed the council about an upcoming UAMPS member conference in Tahoe, where a key topic will be a proposed “all-in” power project model. Under this model, participating cities would commit to shared energy projects as a group—similar to UMPA in Utah County—rather than choosing projects individually. This would help streamline approvals, address resource adequacy, and reduce delays caused by inconsistent member participation. Ty cited Logan as an example, where the city's refusal to support a non-renewable energy project almost caused its failure, later reversed out of necessity.

Dave raised concerns about the risk of UAMPS making costly errors, but Ty explained that bad projects often fail naturally during development due to permitting or transmission issues. The group agreed that a broader coalition spreads risk more effectively than individual cities acting alone.

City Manager

Ty also noted that weeds in front of the hotel have been cleared and asked which council members want to participate in 4th of July events, confirming the city council would still be involved.

This meeting was adjourned at 9:30 p.m.


Janet Pace, City Recorder


Steve Gale, Mayor

This meeting was approved at the July 22, 2025 meeting.