

PERRY CITY COUNCIL MEETING
PERRY CITY OFFICES
February 12, 2026

7:01 PM

OFFICIALS PRESENT: Mayor Kevin Jeppsen, Council Member Dave Walker, Council Member Toby Wright, Council Member Blake Ostler, Council Member Ashley Young, and Council Member Nathan Tueller

OFFICIALS ABSENT: None

CITY STAFF PRESENT: City Recorder/Finance Director Shanna Johnson, City Administrator Bob Barnhill, Chief Scott Hancey (online), Public Works Director Zach Allen, Deputy Recorder Anita Nicholas and Deputy Recorder Misty Moesser

OTHERS PRESENT: Chuck Vesco, David Rogers, Chuck Palmer and Russ Fox

ON-LINE: None

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

B. Appointments

a. Planning Commission Vice Chair

City Administrator Bob Barnhill introduced the Planning Commission Vice Chair appointee. He explained that Paul White had been serving as Vice Chair and had moved into the role of Commission Chair for 2026. The Planning Commission proposed that Commissioner Steven Moss be appointed as the Vice Chair for 2026, with the understanding that he would move into the Chair position the following year.

Council Member Walker asked how long Steven Moss had been on the Planning Commission. Mr. Barnhill indicated that it had been a couple of years, possibly three years, and noted that Moss had previously served as Chair. Mr. Barnhill added that Commissioner Moss has been an excellent contributor to the Commission.

MOTION: Council Member Tueller made a motion to appoint Stephen Moss as the Vice Chair of the Planning Commission. Council Member Walker seconded the motion.

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

Council Member Young, Yes
Council Member Ostler, Yes

Motion Approved. 5 Yes, 0 No

ITEM 3: PRESENTATIONS

A. State of the City (Note: Fiscal Year 2025 Audited Financial Report was presented first)
Mayor Jeppsen presented the State of the City report, highlighting the city's 2025 priorities and accomplishments:

- **Gun Range:** The range continues to operate well with volunteers and three paid Range Safety Officers. A project is underway to improve the grade in front of the firing line, funded by a contracted user.
- **Roads:** The 1200 West Central Trail project has faced coordination challenges with utility companies but is now progressing well. The trail work has continued through the mild winter.
- **Master Plans:** The Highway 89 master plan was completed in 2025, and work continues on parks and capital facilities plans.
- **Fire Services:** A contract with Brigham City for fire services has been negotiated, with the long-term goal of creating a fire district in the southern part of Box Elder County.
- **Staffing:** The city is 100% staffed with an 8% attrition rate. Two new staff members were hired at the wastewater plant, resulting in significant improvements.
- **Citizen Engagement:** Events included Fourth of July celebrations (which will tie into America's 250th celebration in 2026), Easter egg hunts, Halloween trunk-or-treat, the holiday movie, and a "meet the candidates" night.
- **City Hall:** 68.5% of the building's bond payment is covered by rent from event space and leased areas, projected to increase to 78% in the coming year.
- **Parks and Trails:** The Mountain View Bike Park plan has been developed with grants and funding in place for phase 1. Recent drainage issues have been corrected.
- **Economic Development:** The city has 111 active business licenses and added two new tax-generating businesses in 2025 (Heritage Dodge and Young Ford dealership).
- **Financial Health:** The city's net position increased by 5.8% to \$37,000,000, long-term debt decreased by 7.7%, and tax revenue decreased by 1%. General fund balance currently stands at \$1,100,000 or 23.4% (well within the 35% requirement).
- **Grant Funding:** The city received \$1,300,000 in grants, including \$1,000,000 for the Nelson well pump house, \$45,000 for the parks master plan, \$45,000 for police grants, and other smaller grants.

The Mayor noted future focus areas would include completing the 1200 West projects, emergency preparedness and services, updating capital facilities plans, commercial development, completing well #5, installing generators for all wells, and improving city utilities and infrastructure.

B. Fiscal Year 2025 Audited Financial Report

Finance Director Shanna Johnson introduced David Rogers, the City's accountant, and Chuck Palmer, the auditor, who presented the financial statements and audit report for fiscal year 2025.

David Rogers presented the financial statements for the year ending June 30, 2025. He explained that the report was delivered later than usual due to scheduling issues on their end, not because of any problems with the City. He highlighted several key points:

- The city's unrestricted net position was \$7,400,000, up from \$6,600,000 the previous year
- Tax revenue decreased slightly due to the mass transit tax being replaced with the city highway transit tax
- Operating grants and contributions decreased compared to the previous year, which had included an extra B&C road fund payment
- Capital grants decreased significantly (by \$1,700,000 for corridor preservation grants and \$540,000 for a state grant for the City Hall)
- Impact fees decreased by about half from 2024 to 2025
- Expenses increased in several departments: administration (payroll and depreciation), public safety (wages), streets (wages, vehicle expenses, and depreciation), parks (mowing contract and repairs), and community development (subdivision expenses and professional fees)
- Water expenses increased due to higher utility costs
- Sewer expenses increased due to maintenance contracts and equipment repairs

Mr. Rogers discussed the net cost of governmental activities and noted that most departments don't bring in enough fees to cover expenses, which is normal and expected for governmental functions. He also highlighted capital asset additions, including \$1,000,000 for governmental assets (central trail and lodge), \$100,000 for sewer equipment, and \$1,500,000 for water infrastructure (Nielsen well #5 and backup generators for wells 3 and 4).

Chuck Palmer presented the audit report, explaining that he was with a new firm this year, which contributed to the slower timeline. He stated that they issued an unqualified opinion (the highest opinion possible) on the financial statements. Palmer noted two compliance findings:

1. Fund balance - The city exceeded the allowable fund balance after adjustments were made, similar to last year's finding
2. Cash management - The June investment reporting to the state incorrectly used December's figures

Mr. Palmer explained that neither finding was a major concern. He noted that the city has good internal controls for its size and employees who understand their jobs well.

C. Development Update

Mr. Barnhill presented a development update, highlighting ongoing construction, pending developments, and building permits:

- Current construction includes various single-family and townhome developments with 179 total units (53 multifamily).
- Pending developments represent over 400 potential units, with several breaking ground soon including Bear River Landing (110 townhomes) and Olsen Orchards (133 single-family and 75 multifamily units).
- In 2025, the city issued 24 residential building permits, which is below the 7-year average of 38 permits annually. This represents approximately a 2% annual population growth rate, which is manageable but slower than most Wasatch Front communities.
- The Event Center saw a 35% increase in revenue but only a 16% increase in total events, indicating more paid events. Improvements to the facility included completed landscaping, signage, outdoor lighting, and furnishings.

Council Member Dave Walker asked about road resurfacing progress. Public Works Director Zach Allen explained that in addition to the 1200 West project, the city completed significant road resurfacing with cape seal in various areas of town. He explained they chose a higher-quality seal

that helps fill larger cracks, and they plan similar work in spring. Council Member Tueller requested that future reports include total miles of road treated.

ITEM 4: ACTION ITEMS

A. Motion to Acknowledge Receipt of the Fiscal Year 2025 Financial Report

Following the presentations by David Rogers and Chuck Palmer, the Council moved to acknowledge receipt of the audited financial report.

MOTION: Council Member Wright made a motion to acknowledge receipt of the audited Fiscal Year 2025 Financial report. Council Member Tueller seconded the motion.

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

Motion Approved. 5 Yes, 0 No

B. Motion to Approve Red Line Amendments to the Rocky Mountain Franchise Agreement

Mr. Barnhill explained that the franchise agreement had previously been approved by the Council, but Rocky Mountain Power requested some adjustments. Russ Fox, Regional Business Manager from Rocky Mountain Power, outlined the requested changes:

- Removal of language regarding security cameras and police cameras on poles, as these require a separate agreement
- Minor modifications to language about maintenance requirements
- Addition of a missing address
- Clarification of vegetation management
- Minor clarification to the waiver of jury trial language

Council Member Blake Ostler inquired about the term length (20 years), the format (ordinance), and specific language changes. Russ Fox explained that 10-20 years is a standard term length for franchise agreements and the redline changes were primarily clarifications requested by their legal department.

MOTION: Council Member Walker made a motion to approve red line amendments to the Rocky Mountain Franchise Agreement. Council Member Wright seconded the motion.

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

Motion Approved. 5 Yes, 0 No

C. Ordinance 26-C Adjusting Common Boundary between Perry City and Willard City

Mr. Barnhill presented a boundary adjustment proposal between Perry City and Willard City. The Council had previously approved this adjustment, but Willard City received public comments leading to a revision. The updated proposal would transfer most properties as originally planned but leave the Barker family property in Willard at their request.

Mr. Barnhill explained that Perry has utilities in the area that would serve these properties if they develop, while Willard does not. The proposal included giving Willard half of the road that borders their properties, which raised concerns about Perry's ability to maintain utilities located under that portion of the road.

After extensive discussion about boundary placement and utility maintenance rights, the Council agreed to approve the boundary adjustment with conditions that would protect Perry's interests while respecting the property owners' wishes.

MOTION: Council Member Tueller made a motion to approve Ordinance 26-C, adjusting the common boundary between Perry City and Willard City. The motion included authorizing the Mayor to negotiate relocating the boundary from the center of the road to the west edge of the trail, along with entering into an interlocal agreement allowing Perry City to maintain the road and related infrastructure. Council Member Walker seconded the motion.

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

Motion Approved. 5 Yes, 0 No

ITEM 5: MINUTES & COUNCIL/MAYOR REPORTS (INCLUDING COUNCIL ASSIGNMENTS)

A. Approval of Consent Items

- January 22, 2026 City Council Meeting Minutes

MOTION: Council Member Walker 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 discussed an upcoming town hall meeting regarding potential police service unification. He initially planned to postpone the meeting until Tremonton had made a firm

commitment, but after discussion with Police Chief Scott Hancey, the Council decided to proceed with the town hall on February 19th as originally planned.

The Council discussed the format of the town hall, agreeing to use a structured public meeting format where citizens would have three minutes to comment, after which the Council could respond to questions and concerns. The purpose would be to gather public input before making any decisions about a trial unification period with other communities, possibly starting in April and running through July 2027.

Council Members expressed that they wanted the public to understand their thought processes and have accurate information, as some online comments contained inaccuracies. They agreed not to make any decisions at the town hall but to listen to public input first.

C. Council Reports

None.

D. Staff Comments

None.

E. Planning Commission Report

None.

ITEM 6: CLOSED SESSION

Not needed.

ITEM 8: ADJOURNMENT

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

Motion Approved. All Council Members were in favor.

The meeting adjourned at 9:00 PM.

Kevin Jeppsen, Mayor

Shanna Johnson, City Recorder

Misty Moesser, Deputy Recorder