

**NEPHI CITY
COUNCIL MEETING
May 5, 2026**

The Nephi City Council met in regular session in the council chambers of city hall located at 21 East 100 North at 7:00 p.m. Tuesday, May 5, 2026.

Those present and representing the city were:

Mayor.....	Justin D. Seely
Council Member	Jeramie Callaway
Council Member	Shari Cowan
Council Member	Travis Worwood
Council Member	JD Parady
City Administrator.....	Seth Atkinson
City Attorney.....	Brittany Tellez
City Recorder	Leslee Anderson
City Assistant Administrator	Sara Samuelson
Library Director	Ruth Bonzo
Planning and Zoning.....	Shauna Talbot

Absent: Council Member Tate Douglas

Guests: Mike Rasmussen, Callie Newell, Melissa Codwell, Kelly McBride, Jean McBride, Amanda Reynolds, Amy Skinner, Seth Skinner, Sally Peterson, Michelle Feaman, Bryce Gardner, Amber Painter, Joran Carter, Jeanette Southworth, Arlene Bassett, Craig Oswald (Recreation Director), Rust Finlinson (Power Superintendent), Tom Fowkes, Glade Nielson, Cory Thomson, Steve Brosius, Zeke Burnett, Beb Ingram, Clint Worwood, Craig Moundy, Natalie Jacobson, Melinda Pinson, Pieter von Zyl, Lisa Brower, Casie Morgan, Kasey Wright, Mike Morgan, Zack Buck, Ben Luker, Patty Luker, Rily Higginson, Jamie Flanders, Matt Flanders, Jessica Eastvold, Haylee Eastvold, John Waites, Wendy Waites, Ron Stepan, Taylor Cowan, Mark Martineau, Kerry Martineau, Kevin Snow, Jessica Smith, Terri McCoy, Tracy Hathaway, Mark Hathaway, David Fletcher, Ann Baker, Phil Baker, Tanner Cowan, Traci Memmott, Marcus Burnett, Kristi Zerbes, Alyssa Lynn, Zina Watt, Jocelyn Watt, Sandra Westring, Deborah Taylor, Kasandra Downey, Tylee Webber, Douglas Anderson, Jim Phillips, Shurron Phillips, John Crippen, Drake Underwood, Richard Harris, Brayden Kay, Clint Pew, Sarah Lee F. Gross, Michael Gross III, Kecia Roundy, Chris Toundy, Brinley Higginson, Perry Godzisz, Elizabeth Neilson, Tyrell Neilson, April Ainge, Jordon Whitlock, LaTisha Fitzgerald, Coltin Fitzgerald, Tahnee Lind, Kelly Lind, Richard Kay, Lucinda Kay, Cody Hudson (Streets/Garbage), Tiffany Khan (Library), Paul Harmon, Shauna Harmon, Jordon Torrance, Jayci Torrance, Savannah Bradford, Paul Flora, Levi Groom, Mike Vance, Abrienne Harmon, Jake Barker, Steven Larson, Myrna Trauntvein (Press), Donald W. Ball, Brent Boswell, Doni Carlton, Matt Evans, Ryan Lynn, Rick Carlton, Patrick Painter, Donni Pay, Hollie Holman, Richard Pay, Jakota D Snow, W. Reyes, Connor Finuf, K Jones, W Reyes, D?

Mayor welcomed everyone present and convened into regular meeting. 7:00 pm

PRAYER: Seth Atkinson, City Administrator

PLEDGE OF ALLEGIENCE: Library Youth Council

PRESENTATION BY SHERIFF DOUG ANDERSON

Sheriff Doug Anderson read a letter announcing his retirement. He served 40 years in law enforcement, eleven and a half of those years have been with the Juab County Sheriff's Office. Wearing the badge was never just a job, but a responsibility that he carried with honor. He expressed gratitude for fellow officers and his confidence in the continued professional service and new leadership that would follow. He thanked the citizens and communities for their support and enjoyed serving the people of Juab County.

LIBRARY

A. PRESENTATION TO JUAB COUNTY EMS

The library youth council made charity bears and presented them to the ambulance crew to provide to kids in crisis. The youth spent two days, totaling 4 hours, creating the bears, with participation from parents and kids.

B. LIBRARY UPDATES

- a. Ruth Bonzo, Library Director, represented Utah and rural libraries by attending the Institute of Museum and Library Services (IMLS) Convening 250 Commemorating American History conference held in Arizona. She explained several events planned to celebrate America 250 at the national, state, county, and city levels.
 - i. National Level—America Potluck (July 5)
 - ii. State Level—Traveling of Utah's 29 counties: The Pen is Mightier (writing a revolution) -exploring the Revolutionary Era. It will be in Juab county June 30 through August 18.
 - iii. County Level—Historical Jubilee (July 18) sponsored by the Daughters of the Utah Pioneers (DUP).
 - iv. City Level—4th of July Celebration; time capsule to be opened in 25 years; library incorporating America 250 celebration with monthly themes.
- b. Summer Reading Kick off is May 27th from ten to noon.
- c. The library has received four grants funded by the IMLS.
 - i. 2026 Children and Teen Foundation Book Enhancement Grant--\$3000. With this grant the library purchased 172 books at a chart collection.
 - ii. Library Services and Technology Act (LSTA) Technology Grant--\$5000. The library acquired three new staff computers and two patron computers.
 - iii. Community Library Enhancement Fund (CLEF) Grant--\$3780. The library is utilizing that money to replace older books in their collection.
 - iv. LSTA Borrower Support Grant--\$7476. This interlibrary loan grant allows the library to borrow books from other libraries for our patrons to borrow.
- d. The library replaced the software used for library services. A grant was also used to fund this change.
- e. The library is increasing fees for county patrons. Starting July 1, the fees will increase from \$25 to \$50/year. An additional cost of \$25/ year will be incurred to use Libby (online books/audio book service). City taxes are used to fund the library which comes from residents. Charging county residents a fee helps provide funding for those wanting to participate.

CONSENT AGENDA

Councilor Shari Cowan made a motion to approve the consent agenda including Council Meeting Minutes from 4-7-2026; Work Session Minutes from 4-14-2026; Approval of Claims dated 5-4-2026; and three burial rights (3 spaces). Councilor JD Parady seconded the motion. The motion passed with four votes. Councilor Tate Douglas was absent.

CURRENT ISSUES – DATA CENTER PRESENTATION

Mayor Seely introduced the topic of data centers, emphasizing the need for an open mind and respectful discussion. He mentioned the importance of addressing misinformation and mistrust in the community regarding data centers. He offered his time for anyone interested in discussing issues further.

City Administrator, Seth Atkinson, clarified that no monumental decision on data centers will be made tonight and that the city is in the process of negotiating with companies.

Mr. Atkinson explained the difference between small, modular data centers and larger ones. He discussed the reasons data centers are interested in Juab County, including the availability of power, natural gas, and land. He outlined options for the Nephi City Council: let it happen without us or engage with developers to mitigate concerns and benefits for the city. He mentioned water, power, jobs, and noise as concerns for bringing a data center to the community. He also noted benefits: selling gas and power which would allow for maintenance of systems; potential for lower power rates; a percentage of dividend that would come back to general fund; property taxes from the business to be used for police services, parks, road, library, paying of debt, and investments.

Mr. Atkinson explained the city is in the process of negotiating with a single developer and making an agreement with developer. The developer is working to annex land. A public hearing concerning the annexation will be noticed and scheduled later.

PUBLIC COMMENT

- Bryce Gardner, Nephi, chose to hold comment for the public hearing concerning data centers.
- Ron Stepan, Nephi, shared concerns about water usage for the data centers. He stated that even with a loop system more water will be needed due to evaporation and shared worry about chemical disposal. He mentioned promises made are not always kept.
- Zeke Burnett, Nephi, named air and noise pollution caused by diesel-fueled backup generators as a concern for asthma patients. He also declared that there are state-based tax breaks and revenue breaks that the city and county would have no control over.
- Amanda Reynolds, Nephi, thanked the council for their service. She had previously talked to environmental specialists that clarified we cannot stop data centers from coming but can put environmental restrictions on them to make sure we have the control. She shared contact information for these professors from Utah State University who were willing to consult with city leaders.
- Mike Morgan, Nephi, Chief of Police, shared that Nephi city has budget constraints. Nephi city has not increased property taxes for over thirty years. Police calls have triple with no increase in police officers during that time. Data Centers could help provide funding for public safety.
- Mark Martineau, Nephi, questioned why property taxes need to be raised. He shared comparisons of Nephi tax rates to Saratoga Springs. He agreed with previous comments concerning the data centers but then asked the council if they were willing to listen to the community and vote with the majority.
- Tom Fowkes, county resident, warned the council and staff to be cautious about what they think will be a benefit.
- Jim Phillips, Nephi, stated he is not anti-growth, but is anti-letting other people come in and raid our resources. He said he cannot water his lawn, but the council is considering bringing in data centers that will use lots of water. He wants the council to be honest about whether they are really considering allowing a data center to come and being transparent about where we are in the process of things. He felt the citizens deserve that.
- Savannah Bradford, Nephi, discussed health concerns surrounding bringing a data center to the area, including cancer, miscarriages, and mental health issues due to noise. She questioned if

they would be paying the same cost for services or would they get a break. She felt citizens should have a right to say no and be able to keep them away.

- Kelsey Bennett, Nephi, felt the city was uninformed about the hazards of data centers and thought something this big should be better advertised and that the city should be more transparent and open. Her main concern was noise, saying her husband suffers from chronic migraines, and the noise would exacerbate it.
- Zack Buck, Nephi, showed support for the elected officials. He stated we put trust in them by electing them. He had heard concerns about data centers, so he did own research and visited Eagle Mountain to learn more. He stated it is not hard to find out when meetings are, and he has come several times to learn. He again shared appreciation for the council and that he would be willing to share with anyone what he has learned about data centers.
- Jamie Flanders, Nephi, declared that she is not for or against data centers but felt the city and council could be better about sharing information. She felt most of the community were uninformed. She questioned whether an environmental assessment has been done.
- Joshua Pinson, Nephi, shared disapproval of adding a data center and disagreed that citizens cannot fight for something and win. He declared we need to move away from the mindset that anyone can tap into our resources without them running out.
- Brent Boswell, Nephi, commended the citizens in attendance for being respectful. He shared his respect for the council members that we elected to make decisions for the city residents. He felt they care and are here to serve our community. Mr. Boswell defended the data centers, emphasizing property rights and the legal processes involved in their development.
- John Crippin, Nephi, thanked the council and mayor. He then asked what the projected financial benefit would be and what those funds are earmarked for.
- Jessica Eastvold, Nephi, thanked the council for allowing citizens to come and share their thoughts concerning data centers. She suggested banding together with other small communities to keep bigger companies out. She worried about incrapification—desired tool will become less valuable to the user when revenue is prioritized over satisfaction.
- Braden Kay, Mona, mentioned that 86% of data centers are for social media and 14% are used for artificial intelligence (AI). He spoke to the citizens and asked if they would be willing to give those things up or worried about kids' mental and physical health to get them off social media. He does not want agricultural land to be bought up. He said there is more that we can do as citizens to not need data centers.

Mayor Seely thanked the citizens for how they addressed the issues with respect. He acknowledged the concerns raised and promised to continue working on finding solutions that benefit the community. The mayor stated there would be a five minute break before the meeting reconvened. 7:44 pm

PLANNING ITEMS 8:53 pm

A. RICK CARLTON PROPOSAL FOR COMBINED USE 1 ZONE

- a. Seth Atkinson explained that Rick Carlton had approached the city with a proposal to adjust the full CU1 zone code allowing for a vertical discount as well as density adjustments. He wants to place high-density residential on his four remaining lots in the Bryce's Landing Plat A subdivision that are zoned CU1. He is looking to get four structures with three (3) units per structure on each of the four lots for a total of twelve units. Each proposed unit would have two parking spaces.
- b. Although staff is in favor of a vertical discount in this zone, they recommend a different percentage discount based on past feedback from the Planning Commission and City Council. The council discussed the feasibility of combining lots to increase the number of units and the potential impact on traffic and parking.
- c. Rick Carlton shared a presentation of what he is proposing.

- d. Residential is a permitted by right use in the CU1 zone. However, this zone is primarily encouraged to be commercial with limited residential. The council considers rezoning the area to CU-2 to allow for increased density and to better align with the community's needs.
 - e. The Commission recommended that this proposal be denied, so an ordinance was not prepared for approval tonight. The council directed staff to explore increasing density in the CU two zone and to bring back a recommendation for further consideration.
- B. CITY-INITIATED PROPOSAL FOR COMBINED USE 1 AND COMBINED USE 2 ZONES – ORDINANCE 05-05-2026

- a. Shauna Talbot (Planning and zoning supervisor) summarized the idea of allowing a vertical discount of fifty (50%) percent for 2nd and 3rd floors in the CU-1 and CU-2 zones, regardless of whether the use is residential or commercial.
- b. Currently the required density for residential for both zones is six (6) units per acre and requires 7,260 square feet of property per unit to develop. Commercial development requires a density of 5.445 units per acre and requires 8,000 square feet of property per unit to develop. Changes would require $7,260 \times .50 = 3,630$ sq ft land for residential, and $8,000 \times .50 = 4,000$ sq ft land for commercial on upper floors in addition to the above-mentioned requirements.
- c. This discount can help a developer reduce the lot size requirement and not alter other ground measures aiding with affordability and feasibility of the project. It also avoids excessive property that may not be maintained as well as a smaller area of maintenance.
- d. This ordinance proposes that nothing changes with density if a building is built horizontally, but if a development chooses to build vertically the second and third floors are “reusing” the same building footprint of the bottom floor, and therefore does not alter footprint ground coverage, space for parking and drive paths, space for open space, setbacks, or required landscaping.
- e. Planning Commission recommended the proposal be approved at their meeting on April 8, 2026.
- f. Council Member Travis Worwood made a motion to approve Ordinance 05-05-0226 allowing for vertical discount in the CU1 and CU2 zones. Councilor JD Parady seconded the motion. The motion passed on the following roll call vote:

Jeramie Callaway	Yes
Shari Cowan	Yes
Tate Douglas	Absent
JD Parady	Yes
Travis Worwood	Yes

C. RESIDENTIAL HOME FACILITY CODE CHANGES- ORDINANCE 05-05-2026-A

- a. Mr. Atkinson introduced a request to decrease the distance requirements between disabled and elderly facilities. The current ordinance has a distance requirement of 3,960 feet. The staff recommended the distance be decreased to 1,056 feet (2 city blocks).
- b. The current code also limits the number of individuals in one facility to eight. The staff is recommending a change to allow the maximum number of residents (including staff) to be increased to twelve. The Planning Commission recommended this be approved by the council.
- c. Councilor Jeramie Callaway made a motion to approve Ordinance 05-05-2026-A Elderly and Disabled Residential Facilities. Councilor Shari Cowan seconded the motion. The motion passed on the following roll call vote:

Jeramie Callaway	Yes
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Shari Cowan	Yes
Tate Douglas	Absent
JD Parady	Yes
Travis Worwood	Yes

FISCAL YEAR 2027 TENTATIVE BUDGET PRESENTATION

Seth Atkinson explained that Nephi has a two year budget, and we are in the second year. However, because there are changes to the budget, he presented the tentative budget for fiscal year 2027. The budget includes a property tax increase to fund a new police station and rental income from state agencies who would space in the new police station. The police fund will have a new expense line for lease payments to the Local Building Authority Fund.

CONSIDERATION OF RESOLUTION 05-05-2026-A – A Resolution of the Council of Nephi City acknowledging:

- a. the filing of the tentative budget for fiscal year 2026-27 prepared by the Budget Officer pursuant to Section 10-6-111 of the Utah Code, adopting the tentative budget subject to further review and consideration by the City Council,
- b. establishing Tuesday, June 2, 2026, at 7:00 p.m. in the City Council Chambers of the Nephi City Hall at 21 East 100 North for a public hearing on the tentative budget prior to adoption of the final budget for fiscal year 2026-27 subject to the requirements of Sections 59-2-919 and 59-2-924 of the Utah Code,
- c. ordering publication of notices as required by law, and
- d. ordering the Fiscal Year 2026-2027 Tentative Budget to be available for public inspection in the office of the City Recorder and on the Nephi City website for at least 10 days prior to adoption of the final budget.
- e. Councilor JD Parady made a motion to approve Resolution 05-05-2026-A. Councilor Jeramie Callaway seconded the motion. The motion passed on the following roll call vote:

Jeramie Callaway	Yes
Shari Cowan	Yes
Tate Douglas	Absent
JD Parady	Yes
Travis Worwood	Yes

THE BUDGET OFFICER INTENDS TO STATE THAT THE FISCAL YEAR 2026-2027 TENTATIVE BUDGET INCLUDES A PROPOSED PROPERTY TAX RATE INCREASE.

Seth Atkinson, City Administrator, stated his intentions.

STATEMENT OF THE NEPHI CITY BUDGET OFFICER THAT THE FISCAL YEAR 2026-2027 TENTATIVE BUDGET INCLUDES A PROPOSED PROPERTY TAX INCREASE.

Seth Atkinson, City Administrator, made a statement about a property tax increase being included in the fiscal year 2026-2027 budget.

BUDGET OFFICER PRESENTATION OF A PROPERTY TAX IMPACT SCHEDULE AS A SEPARATE DOCUMENT FROM OTHER BUDGET DOCUMENTS.

Seth Atkinson presented the property tax impact schedule (See Exhibit A). Nephi City is considering a tax rate that exceeds the certified tax rate (112% increase).

CONSIDERATION OF RESOLUTION 05-05-2026-B –A Resolution of the City Council of Nephi City acknowledging that:

- a. A separate item is on the agenda for the public meeting on May 5, 2026, notifying the public that the Budget Officer intends to state to the Nephi City Council that the Fiscal Year 2026-2027 Tentative Budget for Fiscal Year 2026-2027 includes a proposed property tax increase; and
- b. The Budget Officer made a statement to the Nephi City Council in the May 5, 2026, public meeting that the Fiscal Year 2026-2027 Tentative Budget includes a proposed property tax rate increase; and
- c. The Budget Officer presented to the Nephi City Council, as a separate item on the agenda, in the same public meeting, a Property Tax Impact Schedule separate from other budget documents, as defined in Section 59-2-924 of the Utah Code; and
- d. Direction was given that the Property Tax Impact Schedule shall be available for public inspection and will be included as a separate agenda item at each public hearing prior to June 30th at which the Nephi City Council discusses the proposed general fund budget for Fiscal Year 2026-2027.
- e. The Council discussed that 100% of the increase would be dedicated to law enforcement. The proposed increase is 112% on the portion of the property tax bill controlled by Nephi City, affecting about 5% of the total tax bill. An estimated increase for a primary residence valuing \$450,000 would be \$256 per year. Adjustments have been made to the original building design due to an increase in cost. The building would exclude the sally port and the conference room. The police station will house the highway patrol, driver's license division, adult probation and parole, and will lease space to these agencies to help pay. The city is also exploring other ways to reduce costs and seeking funding assistance from the Community Impact Board (CIB) via a grant.
- f. Councilor Shari Cowan made a motion to approve and authorize the mayor to sign Resolution 05-05-2026-B. Councilor Travis Worwood seconded the motion. The motion passed on the following roll call vote:

Jeramie Callaway	Yes
Shari Cowan	Yes
Tate Douglas	Absent
JD Parady	Yes
Travis Worwood	Yes

NEPHI CITY DECLARES INTENT TO MAKE A STATEMENT

Seth Atkinson declared that Nephi City intends to make a statement that Nephi City is considering levying a tax rate that exceeds its certified tax rate, the approximate dollar amount of and purpose for additional *ad valorem* tax revenue that would be generated by the proposed tax rate increase, the approximate percentage increase in ad valorem tax revenue for Nephi City based on the proposed tax increase, and that if Nephi City proceeds with the proposed tax rate increase, Nephi City will provide notice of and conduct a public hearing at which members of the public will have an opportunity to provide comments on the proposed tax rate increase.

STATEMENT OF BUDGET OFFICER OF NEPHI CITY PURSUANT TO SECTION 59-2-919 (4)(b) OF THE UTAH CODE.

Seth Atkinson stated that Nephi city is considering levying a tax rate increase, exceeding our certified rate. The amount of dollars raised would be approximately \$523,000 which was shown in the property tax impact schedule to help make a bond payment for a bond issued to construct a new police station and potentially a new patrol officer. The approximate percentage increase will be 112.81% on the portion that is just Nephi City's, not the total tax bill. Nephi city is providing notice of a public hearing specific to the increase in property tax rate on August 11, 2026, at 7 pm, in the lower gym of the Juab County building.

CONSIDERATION OF RESOLUTION 05-05-2026-C – A resolution of the City Council of Nephi City:

- a. Acknowledging that a separate item is included on the agenda for the public meeting on May 5, 2026, notifying the public that the Budget Officer or Executive intends to make a statement as required by Section 59-2-919 (4)(b) of the Utah Code; and
- b. Acknowledging that the Budget Officer or Executive made the statement as required by section 59-2-919 (4) of the Utah Code; and
- c. Setting August 11, 2026, at 7:00 p.m. in the lower gym of the Juab County Building at 160 North Main Street for the public hearing on the proposed property tax increase as required by Section 59-2-919 of the Utah Code; and
- d. Directing the Budget Officer or designee to send a notice before June 1, 2026 to the Utah State Tax Commission (“Tax Commission”) and the Juab County Auditor (“County Auditor”) stating that the City is considering a property tax increase, and the date, time, and place of the public hearing required by Section 59-2-919 of the Utah Code.
- e. Councilor Travis Worwood made a motion to approve Resolution 05-05-2026-C. Councilor Jeramie Callaway seconded the motion. The motion passed on the following roll call vote:

Jeramie Callaway	Yes
Shari Cowan	Yes
Tate Douglas	Absent
JD Parady	Yes
Travis Worwood	Yes

PURCHASE AND SALE AGREEMENT – ORGILL FIELDS

Seth Atkinson, City Administrator, presented a purchase and sale agreement with the Church of Jesus Christ of Latter-day Saints for Orgill Field Park. The purchase price is \$1.63 million, and the money is already borrowed. The agreement includes no limitations on park use and no relinquishment of water shares. The city plans to connect the park to the regular water system for better maintenance.

Councilor Travis Worwood made a motion to authorize the mayor to sign the purchase and sale agreement for Orgill Fields. Councilor Shari Cowan seconded the motion. The motion passed on the four votes of those present. Councilor Douglas was absent from the vote.

CATTLEMAN ASSOCIATION FENCE REQUEST

Seth Atkinson discussed the proposal from the Cattlemen Association to install fencing along steep slopes and properties. The fencing is intended to prevent cattle from accessing the road, improving safety. The association will pay for the fencing, but the city wants to ensure it does not deed any property or easements so the city may have the fence removed if necessary. The city will consult with legal counsel before proceeding with the agreement.

ADMINISTRATIVE AND COUNCIL UPDATES

- Seth Atkinson brought attention to the JUAB Center for Advanced Professional Studies (CAPS) program at the high school, seeking participation from the city on the advisory board. The program involves students interning with local businesses, providing practical experience. The city can assign someone to participate, or a council member can volunteer. The advisory board meets once a month.
- Mr. Atkinson discussed negotiations with Comcast for a franchise agreement for telecommunication services. Comcast wants a franchise for cable only, but the city requires a franchise for all telecommunication services. The city believes Comcast should pay for the use of the right of way, like other providers.
- Ms. Cowan announced the Miss Nephi pageant would take place on June 6. Six girls are planning to participate. An additional eight girls will take part in the Miss Nephi Teen pageant.

- Mr. Callaway participated in interviews for a new police officer. The next step is for the police chief to meet with the top candidates.
- Mr. Parady wondered where the city is in adopting the Wildlife, Urban Interface (WUI) code. Mr. Atkinson explained that the state requires cities and counties to take responsibility for WUI areas, but the city wants to ensure the local fire district remains involved. The city is considering creating its own WUI map to include future growth areas.
- Mr. Parady reminded the council that the Chamber of Commerce lunch was this week.
- Mr. Worwood expressed gratitude for getting the video meetings in place to help the city be more transparent. He appreciated the comments of community members on data centers but voiced his concerns that we be cautious and conscious about what we allow and make sure we have agreements in place. Mr. Worwood stated his support for the tax increase because it is for public safety. He also declared his appreciation for staff and the time dedicated to helping the community and keeping the council informed.
- Mayor Seely announced availability for agriculturally based state grants that he has sent to a few people but would love to get the word out about the grants if those present knew of anyone that could benefit. He also mentioned Craig Oswald would be looking at grants available for youth in our community.

Work Session

1. Recreation Vendor Permits
 - a. Craig Oswald, Recreation Director, discussed the influx of requests for food trucks and vendors at tournaments.
 - b. The council discussed concern about out of town food trucks because the city does not benefit from their sales tax. The council wants to ensure local businesses are prioritized and that sales tax is collected. Other options were to require a percentage of sales for those out of town vendors.
 - c. The council suggested requiring any food truck wanting to participate to acquire a local business license.
2. Selling baked goods at Hive
 - a. Craig explained that a local vendor wanted to sell baked goods at the Hive.
 - b. The council and city attorney, Brittany Tellez, discussed the legal implications of allowing someone to sell baked goods on city property even if they have a cottage business license, which is for selling out of a home. Shauna Talbot, Planning and Zoning, stated that we would need to change our code, or to sell in a public place, the person would need to create the products in a commercial area.
 - c. The council suggested having the person visit with staff to have questions answered if necessary.

ADJOURN

Councilor Shari Cowan made a motion to adjourn the meeting. Councilor Travis Worwood seconded the motion. The motion passed on the four votes of those present. Councilor Tate Douglas was absent for the vote.

10:40 pm

I, Leslee Anderson, Nephi City Recorder, hereby certify that the foregoing minutes represent a true, accurate, and complete record of the meeting held on May 5, 2026. This document constitutes the official minutes of the Nephi City Council Meeting.

Leslee Anderson

NEPHI CITY FISCAL YEAR 2027 TENTATIVE BUDGET

EXHIBIT A

PROPERTY TAX IMPACT SCHEDULE

Nephi City will consider an increase to its property tax rate from 0.000504 to 0.001073 (estimated) to generate an additional \$523,000. The following information is intended to provide decision makers and the public with an explanation of how the City's operations would be affected if the proposed property tax increase is adopted.	
Nephi City Current Property Tax Rate	0.000504
Nephi City Current Property Tax Revenue	\$463,625
Proposed Revenue with Tax Change	\$986,625
Approximate dollar amount of additional ad valorem tax revenue generated by the proposed tax increase:	\$523,000
Approximate percentage increase in tax revenue that is based on the proposed tax rate increase:	112.81%
Estimated increase to a primary residence of \$450,000	\$140.83
Estimated increase to a business valued at \$450,000	\$256.05
The approximate percentage increase to the amount of property taxes paid on an average residence per year as a result of the proposed tax rate increase:	5.94%
The approximate percentage increase to the amount of property taxes paid on an average commercial property per year as a result of the proposed tax rate increase:	5.94%

Affected Departments/Funds - Police Department Budget:			
	Proposed Budget	Budget without Tax Change	Budget Change
<u>Revenue:</u>			
- Property Taxes	\$ 1,018,850	\$495,850	\$523,000
- Rental Income	\$ 285,000	\$10,000	\$275,000
<u>Expense:</u>			
- Lease Payments	\$798,000	\$0.00	\$798,000
Local Building Authority			
- Lease Revenue	\$ 798,000	\$0.00	\$798,000
- Bond Payment	\$798,000	\$0.00	\$798,000

Impact of Tax Increase - If the Property Tax increase were to be approved, the Police Department would have the necessary funds to make a lease payment to the city's Local Building Authority. The Local Building Authority would, in turn, have the revenue to make a bond payment for a bond issued to construct a new police station of approximately \$15,000,000 and potentially a new patrol officer.

Total General Fund Change: \$798,000

Total General Fund Change from Property Tax Increase: \$523,000