



**PAROWAN CITY COUNCIL MEETING MINUTES  
JUNE 11, 2026 – 5:30 P.M.  
PAROWAN CITY COUNCIL CHAMBERS  
35 E. 100 N., PAROWAN, UT 84761**

**Elected Officials Present:** Mayor Mollie Halterman, Councilmember Lyle Barton, David Burton, John Dean, and David Harris

**Excused:** Councilmember Rochell Topham and Scott Burns, City Attorney

**City Staff Present:** Dan Jessen, City Manager; Chief Addison Adams, Parowan PD; Jeremy Franklin, Power Director; Jerry Ross, City Treasurer; Callie Basset, City Recorder.

**Public Present:** See Sign-in sheet.

**1. Welcome and Call to Order**

Mayor Halterman called the Parowan City Council meeting to order at 5:30 PM on Thursday, June 11, 2026, at Parowan City Council Chambers, 35 E. 100 N., Parowan, UT. The Mayor welcomed those present in chambers as well as those viewing online.

**2. Opening Ceremonies**

The invocation and Pledge of Allegiance were led by Jennelle Zajac.

**3. Declaration of Conflicts With or Personal Interest In any Agenda Items**

Council Member David Burton said he had a discussion with the pool manager, Anna Carlson, who was unable to attend the council meeting. Anna asked if this item could be tabled until she could attend the meeting and offer her input. He also noted that Council Member Topham was absent, and expressed that her perspective and input would have been particularly valuable for agenda item 17 (Pool and City Rec Fee Schedule). He also noted that she had planned to be actively involved in that discussion. He felt she would also be a pertinent part of this discussion and would have a lot to interject to help give the council a different perspective.

Council Member Burton moved to table agenda item 17 until the next meeting, with a request that the pool manager also be present at that time.

Motion to table Item 17 (Discussion and Resolution: Update the Fee Schedule for Pool and City Rec – Resolution 2026-12) was made by Council Member David Burton and seconded by Council Member Lyle Barton. The motion carried.

Mayor Halterman excused Scott Burns from the meeting as he was attending a sheriff's conference. She also excused Council Member Topham, who was on vacation.

**4. Public Comments**

No members of the public came forward to offer public comment.

## PRESENTATION

### 5. Fiscal Year 2026-2027 Budget and Municipal Statutory Officers' Compensation

City Manager Dan Jessen presented the FY2026-2027 budget, characterizing it as a "year of grants" and a balanced budget with strategic investment. He emphasized that while the total budget appears to have ballooned significantly—reaching approximately \$29 million compared to the \$7–8 million range in FY2022-2023—the vast majority of that increase is attributable to one-time grant revenues and associated project expenditures rather than ongoing operational growth.

Dan noted a combined total of approximately \$10.5 million in budgeted grants and an additional \$8.6 million in revenue bonds (borrowings through the State Division of Drinking Water and CIB), all of which flow through the city's books, inflating the apparent size of the budget. He stressed that no property tax increase is included in this budget, and that the city's general fund unassigned fund balance remains within statutorily required limits.

Key budget highlights presented included:

**Revenue Assumptions:** Sales tax revenues have shown stable growth, rising from \$658,000 in FY2022 to a forecasted increase driven in part by new commercial activity, including an anticipated Terrible's and Starbucks near the freeway. Property tax revenues have grown through new growth (not rate increases), rising from approximately \$715,000 to a projected \$937,000 for the upcoming tax year—though the budget was prepared before receipt of the county auditor's new growth estimate and was not adjusted upward, as is standard practice for revenue-side adjustments.

**Capital Projects:** Major capital projects included in the budget are:

- **Water Recharge Project:** Nearing completion, with only a minor carryover anticipated into the new fiscal year.
- **Main Street Bridge:** Construction is expected to be substantially complete by December 2026, with full wrap-up in FY2027.
- **Water System Improvements (Springs):** A \$10 million project—\$1 million in grant funding and \$9 million in borrowings—to bring Parowan's springs back online, construct a treatment facility, and install associated pipelines. Remaining funds are earmarked for fire flow pipeline upgrades in town.
- **Sewer Treatment Plant:** Currently in design and permitting phase only; engineering costs are budgeted. A full redesign is required due to new state phosphorus removal requirements. Construction funding will be addressed in a future budget.
- **Airport Master Plan Update:** A multi-year update totaling \$364,000 (city pays 5%), anticipated to wrap up next fiscal year.
- **Airport Terminal Remodel:** A CIB application has been submitted for up to \$475,000. Marcus Keller of Cruz Municipal Advisors elaborated on this separately.
- **Valentine Peak Ball Field Lighting:** \$865,000 budgeted, but entirely grant-dependent. City Manager Jessen noted that private and public grant funding is being aggressively pursued and could materialize quickly.
- **Airport Road / Industrial Park Access (EDA Grant):** A \$6.7 million project to construct a new airport road with underground water, power, and fiber—unlocking the city's industrial park. The project is budgeted as 100% grant funded, pending EDA approval expected before the end of June.
- **Canyon Trail:** A \$1 million-plus grant has been awarded for an asphalt walking trail from the Four-Bay trailhead up the canyon, piggybacking on the water pipeline construction project.
- **Four-Bay Facilities:** County tourism grants of \$50,000 for a restroom and \$50,000 for a pavilion at the Four-Bay trailhead.

**Other Highlights:** The budget includes a 2.6% cost-of-living adjustment for employees (pegged to the URS COLA metric), continuation of the step-in-grade system, and the first-year issuance of RAP Tax awards. Additional items include a Firehouse Subs operating grant application for the fire department (\$40,000), funding for one water well generator (with a second pending a grant), and impact fee studies for storm drain and streets.

Council Member Barton commended the team for approaching the budget with level heads, describing it as a "catch-up year" focused on achieving closure on large projects rather than abandoning future priorities.

**Municipal Statutory Officers' Compensation Presentation:** City Manager Jessen also presented the required information for the statutory officers' compensation public hearing, noting that the 2.6% COLA and applicable step-in-grade adjustments represent the compensation increases subject to the separate public hearing required under Senate Bill 91 (2024). The total estimated impact of these increases across all funds was approximately \$89,000–\$90,000, with roughly 60% attributable to the general fund.

## **PUBLIC HEARINGS**

### **6. Receive public comment on the Fiscal Year 2026-27 Budget**

Motion to open the public hearing to receive public comment on the Fiscal Year 2026-2027 Budget was made by Council Member David Burton and seconded by Council Member John Dean. The motion carried unanimously.

No public comment was received.

Motion to close the public hearing on the Fiscal Year 2026-2027 Budget was made by Council Member David Burton and seconded by Council Member John Dean. The motion carried unanimously.

### **7. Receive public comment on the Municipal Statutory Officers' Compensation**

Motion to open the public hearing to receive public comment on the Municipal Statutory Officers' Compensation was made by Council Member David Burton and seconded by Council Member John Dean. The motion carried unanimously.

Larry Zajac appeared and requested that the compensation increases be expressed in dollar terms rather than percentages. City Manager Jessen provided the estimate of approximately \$89,000–\$90,000 total across all funds for the compensation increases, noting that the figure accounts not only for salary changes but also for downstream effects on retirement contributions and workers' compensation. He further noted the distribution across funds: approximately 60% to the general fund, 17% to power, 9% each to water and sewer, 4% to irrigation, and 2% to solid waste.

No additional public comment was received.

Motion to close the public hearing on the Municipal Statutory Officers' Compensation was made by Council Member David Burton and seconded by Council Member John Dean. The motion carried unanimously.

### **8. Receive public comment on the Permanent Community Impact Board ("CIB") application in the total amount of \$475,000**

Prior to opening this hearing, Marcus Keller of Cruz Municipal Advisors provided context on the CIB application. He explained that the application was submitted at \$475,000 as an all-grant request for the Parowan City Library remodel. He noted that CIB may approve the application as all grant, a combination of loan and grant, or all loan, but that CIB-subsidized loan rates are typically in the 2–2.5% range, significantly below current market rates of 4–5% for highly rated borrowers. He advised that the city would be notified of placement on CIB's July, August, or September authorization agenda in the coming weeks.

Marcus and Dan addressed a question from Mayor Halterman regarding whether the absence of a cash match could jeopardize the application. Marcus acknowledged that larger CIB applications typically require demonstrated skin in the game, but expressed confidence that the city's extensive in-kind contributions—including staff time, community volunteer labor, and prior preparatory work—would constitute a compelling case, particularly given the relatively small dollar amount of this request. He encouraged the Mayor and library staff to attend the CIB board presentation in person, noting that CIB board members respond best to hearing directly from community representatives rather than consultants.

Motion to open the public hearing to receive public comment on the CIB application in the total amount of \$475,000 was made by Council Member David Burton and seconded by Council Member Lyle Barton. The motion carried unanimously.

No public comment was received.

Motion to close the public hearing on the CIB application was made by Council Member Lyle Barton and seconded by Council Member David Burton. The motion carried unanimously.

## **STAFF REPORTS**

### **9. Power Department: Jeremy Franklin**

Power Department Superintendent Jeremy Franklin provided an update on department activities over the past year. His report covered underground wiring projects, pole replacements, new commercial connections including Terrible's and the Good Fellow property, and ongoing infrastructure improvements. The department's work during recent high-wind events was acknowledged by the Council.

## **CONSENT AGENDA**

### **10–12. City Council Meeting Minutes / Warrant Register / Financial Report**

Motion to approve Consent Agenda Items 10, 11, and 12 was made by Council Member John Dean and seconded by Council Member Lyle Barton. The motion carried unanimously.

## **ACTION AGENDA**

### **13. Adopt the 2027 Auditor's Certified Tax Rate – Resolution 2026-09**

City Manager Jessen briefly summarized the auditor's certified tax rate, explaining that it is the rate calculated by the county auditor and State Tax Commission to generate the same property tax revenue as the prior year, plus new growth. Adopting this rate does not trigger Truth in Taxation proceedings. The certified rate is 0.002137, expected to generate \$937,161 in revenue. Adoption was required before June 21, 2026.

Motion to adopt the 2027 Auditor's Certified Tax Rate, Resolution 2026-09, was made by Council Member David Burton and seconded by Council Member John Dean. Upon roll call vote: Council

Member David Harris – Aye; Council Member Lyle Barton – Aye; Council Member John Dean – Aye; Council Member David Burton – Aye. The resolution carried 4-0.

**14. Adopt the FY2026-2027 Budget – Resolution 2026-10**

No additional discussion was raised following the budget presentation and public hearing.

Motion to adopt the FY2026-2027 Budget, Resolution 2026-10, was made by Council Member Lyle Barton and seconded by Council Member David Harris. Upon roll call vote: Council Member David Harris – Aye; Council Member Lyle Barton – Aye; Council Member John Dean – Aye; Council Member David Burton – Aye. The resolution carried 4-0.

**15. A Resolution Authorizing Not More Than \$12,000,000 Water Revenue Bonds – Resolution 2026-11A**

Marcus Keller returned to the podium to walk the Council through the parameters resolution for the water revenue bonds. He summarized the financing terms as approved by the State Division of Drinking Water: \$1,075,000 in grant funding and \$9,675,000 at 2% interest (designated as a "hardship" assessment rather than a standard interest rate, though the effective rate is identical) over a 30-year term. Keller noted that these are exceptional terms—Parowan is receiving a better rate than large municipalities such as Salt Lake City, which currently borrow at 4–5% in the open market.

Council Member Burton sought clarification on the distinction between "interest rate" and "hardship grant assessment fee in lieu of interest rate" as stated in the resolution title. City Manager Jessen and Marcus Keller explained that this distinction refers only to the accounting classification within the state's lending program—the effective rate and impact on the city are identical either way. The Division of Drinking Water determined this loan would be designated under the hardship category.

The Council was advised that this resolution authorizes the parameters only. A public hearing notice will be published and included in utility bills, and bond counsel Eric Johnson will return on July 23, 2026 for the public hearing and final bond resolution vote.

Motion to approve Resolution 2026-11A authorizing not more than \$12,000,000 in Water Revenue Bonds in one or more series to finance drinking water system improvements and related improvements was made by Council Member David Burton and seconded by Council Member Lyle Barton. Upon roll call vote: Council Member David Harris – Aye; Council Member Lyle Barton – Aye; Council Member John Dean – Aye; Council Member David Burton – Aye. The resolution carried 4-0.

**16. Approve Proposed Submission of a Funding Application to the Community Impact Board ("CIB") in the total amount of \$475,000**

City Manager Jessen elaborated on the urgency and necessity of the library remodel. He described the building as over 60 years old, with a failing HVAC system for which parts are no longer available, repeated water intrusion and leaks (including one that led to black mold remediation), single-pane windows that are both inefficient and non-code-compliant for a commercial facility, and ongoing structural concerns. Dan emphasized that while every reasonable alternative had been explored, the consensus is that the building has sound bones and a remodel is far more cost-effective than demolition and new construction. He expressed personal commitment to advocating for the project before the CIB board.

Discussion touched on the condition of the roof, which represents the greatest area of uncertainty in the project estimate. Dan noted that the extent of roof work required—whether a flat roof replacement or a full re-framing to an angled roof—will not be known until the existing membrane is removed, and the

project contingency was sized with this uncertainty in mind. A commercial contractor familiar with municipal buildings assisted in developing the estimates.

Motion to approve the proposed submission of a funding application to the Community Impact Board (CIB) in the total amount of \$475,000 for the remodel and improvements of the Parowan City Library, including renovations, accessibility improvements, updated building systems, and related facility upgrades, was made by Council Member John Dean and seconded by Council Member David Harris. The motion carried unanimously.

**17. Discussion and Resolution: Update the Fee Schedule for Pool and City Rec – Resolution 2026-12**

*This item was tabled at the beginning of the meeting pending the return of Council Member Topham and the availability of the pool manager. It will be placed on the next meeting agenda.*

**18. URS Pickup - Public Safety Tier 2**

City Recorder Callie Bassett and City Manager Jessen jointly presented this item. Dan provided background on the Utah Retirement Systems (URS) Tier 2 structure, explaining that Tier 2 was created following the 2008 economic downturn and provides a less generous retirement benefit than Tier 1. Under state statute, when the Tier 2 employee contribution rate increases above a set threshold, the employing entity must decide whether to absorb the additional cost or pass it to employees.

Callie provided the specific rates: the current-year total contribution rate is 29.56% (employee pickup of 4.73%, employer contribution of 20.24%); the upcoming year's rate will be 30.31% (employee contribution rising to 5.98%, employer contribution decreasing by \$0.50), for a net increase of approximately 0.75%. This election applies only to public safety employees. Dan noted that of the city's six police officers receiving retirement benefits, only two are Tier 2 members, making the fiscal impact very modest. The fire department is not affected, as no firefighters currently receive URS retirement benefits.

The Council elected to absorb the additional cost on behalf of the two affected Tier 2 public safety employees.

Motion to approve the URS Pickup for Public Safety Tier 2 was made by Council Member David Burton and seconded by Council Member Lyle Barton. The motion carried unanimously.

**19. Discussion and Consideration of Building Permit Agreement with Enoch City**

City Manager Jessen presented a proposed interlocal agreement with Enoch City to provide building inspection and plan review services for Parowan following the departure of the city's building inspector. Rather than immediately rehiring a full-time position, staff evaluated options and determined that contracting with Enoch City—which was already serving as Parowan's Certified Building Official (CBO) and handling commercial inspections—presented a mutually beneficial arrangement given Enoch's own staffing growth needs.

Under the proposed agreement:

- Enoch City will perform 100% of Parowan's building inspections and plan reviews.
- Parowan will pay Enoch 35% of building permit fee revenues, structured to scale naturally with inspection volume.
- Parowan will pay Enoch 100% of plan review fees for reviews Enoch performs directly (complex commercial projects requiring a third-party plan reviewer will be handled and billed separately).

- Parowan will allow Enoch to use the city-owned vehicle previously assigned to the building inspector. The city retains responsibility for maintenance and fuel. The vehicle must be parked at either Parowan City offices or Enoch City offices and will not serve as a take-home vehicle.
- The agreement includes a 60-day cancellation clause (increased from an initial 30-day proposal at the suggestion of Council Member Harris), allowing either party to exit the arrangement with adequate transition time.

Parowan will retain all administrative functions, including permit intake, fee calculation and collection, permit issuance, certificates of occupancy, enforcement proceedings, and all land use and zoning authority.

Dan also advised the Council that, in conjunction with this arrangement, he intends to post a job description for a part-time position (approximately 25 hours per week) to handle building permit technician duties, assist with planning-related inquiries, attend Planning Commission meetings, and perform some code enforcement activities. This approach—contracting inspections to Enoch while hiring a part-time technician rather than a full-time inspector—results in a net budget savings and contributed to achieving a balanced budget for FY2026-2027. The agreement has been reviewed by both cities' attorneys; Enoch's attorney added legal clarifying language that did not alter any substantive terms.

Council Member Burton confirmed that the vehicle in question was used exclusively by the former building inspector and would not be taken from any other department's inventory.

Motion to approve the Building Permit Agreement with Enoch City was made by Council Member David Harris and seconded by Council Member Lyle Barton. The motion carried unanimously.

## **WORK AGENDA**

### **20. Discussion on America's 250 Events**

Mayor Halterman presented an overview of Parowan's participation in America's 250th anniversary (semiquincentennial) celebrations. Two promotional videos produced by America 250 Utah were shown to those present. Mayor Halterman noted that Parowan has been recognized on state committee calls for its engagement with America 250 initiatives.

For July 5th's "America's Potluck" — a nationally promoted event encouraging communities to share a meal together — Mayor Halterman outlined four participation options tailored to the diversity of the community: (1) a traditional community potluck at Library Park from 4–6 PM; (2) congregation-based "Linger Longers" following Sunday services; (3) neighborhood block parties or street barbecues; and (4) simply inviting someone over to share a meal. This flexible framework was well received by America 250 Utah organizers and shared as a model for other communities.

Mayor Halterman also highlighted Iron County's "13 Days of Celebration" running June 26 through July 8, available at [visitcedarcity.com/america250](http://visitcedarcity.com/america250). Additional America 250 programs include a 250-service-hours volunteer challenge (logging hours earns a certificate from the Governor's office) and a 250-miles walking challenge, both continuing through the end of the calendar year.

For July 4th itself, the city's fireworks show will again be held at the Rodeo Arena at the fairgrounds, with live music preceding the display and patriotic music accompanying the fireworks over the sound system. City Manager Jessen shared personal reflection on the significance of the 250th anniversary and the value of community-wide participation.

## **21. Reports, Updates, Old Business Follow Up: Elected Officials and Staff**

**Council Member David Burton** reported that a dye test was conducted in the springs as part of ongoing water source development work, with results still being evaluated. A further dye test is anticipated when the Yankee Reservoir is taken offline for the second crop irrigation period. He also noted that a cemetery expansion appointment has been scheduled and will be reported on at a future meeting.

**Council Member John Dean** reported attendance at the Subdivision Review Committee on June 2nd, a Zoom call with Envision Utah on June 4th to discuss community youth engagement projects, Planning and Zoning Commission on June 3rd (which included a public hearing, approval of the 12th West Road dedication plat, and discussion of commercial zone code), and a Zoom call with Get Healthy Utah on June 10th regarding the community garden. He announced a community garden walk audit scheduled for June 24th at 6 PM, beginning at Meigs Pond, open to the public. He also announced the first-ever tag fishing derby at Meigs Pond on June 23rd from 5:00–8:30 PM, noting that 100 catfish have been stocked, with 50 tagged for prizes. He also noted that he had gathered informal public input from approximately a dozen residents regarding the pool and city rec facilities, and will present findings at the next meeting when Item 17 is addressed.

Community garden volunteer Jennelle Zajac provided an update on garden progress, reporting that planter boxes are installed and plantings underway including approximately 20 tomatoes, pepper plants, 40 feet of sweet corn in four varieties, and additional seeds. Irrigation connections are being finalized. She acknowledged donations and support from Council Member Burton (cattle panels) and IFA (fencing materials and T-posts), and noted that a list of needed tools (shovels, rakes, hoes, shelving) would be forthcoming.

**Council Member Lyle Barton** expressed support for city workers on the 200 South project, noting that some negativity had been circulating in the community and emphasizing that crews are working under difficult conditions. He reported that the Shade Tree Committee meeting was canceled but confirmed that city staff had re-staked Kentucky coffee trees that were damaged by wind. He noted that the county commission meeting he attended was conducted in a manner he described as disrespectful and disgraceful, stating that Iron County deserves better, and that the meeting is publicly available online.

**Council Member David Harris** reported attendance at the Subdivision Review Committee and Airport Board. He noted that the annual glider event is approaching (June 15–28) and encouraged Council members and the public to visit the airport during the event. He also reported on an Economic Development Committee meeting, highlighting the energetic work of Main Street coordinator Tricia Harris.

**City Manager Dan Jessen** thanked city staff broadly for their work, with particular recognition of Aldo for his grant development efforts and all department heads for working through a difficult budget process. He provided three substantive updates:

1. **200 South Project:** He clarified that the city's portion of the in-kind match work is largely complete and that Sun Rock will be performing the remaining concrete and asphalt work. He asked for public patience with the inconvenience and confirmed that progress will be more visible going forward.
2. **Main Street Bridge:** The high-pressure gas line relocation, which must be completed before bridge construction can proceed, is expected to finish in July. Full construction is anticipated to begin in August, and Jessen acknowledged it is unlikely asphalt work will be completed before asphalt plants close for the season. The project remains on track for FY2027 completion.
3. **Wildland Fire Response / Fire Safety:** Jessen attended a "hot wash" debrief following the May 31st wildland fire south of Parowan near Summit. He noted the fire moved quickly and, had the

wind not shifted, structures could have been threatened within a very short time. The likely cause is shooting. He announced that the fire chief will be releasing fire restrictions via social media, prohibiting burn permits and restricting fireworks to the 4th and 24th of July (plus one day before and after) at the fairgrounds location—consistent with last year's restrictions. He also reported that the city's five-year Cooperative Wildland Fire System (CWS) extension with the state has been executed. He encouraged residents and property owners to take fuel mitigation seriously as both fire and flood risks increase heading into summer.

**Mayor Halterman** provided additional updates, noting the glider event dinner fundraiser on June 20th benefiting a Parowan High School aeronautics scholarship (\$15 per person). She announced a personal initiative to list all city volunteer and service opportunities on the JustServe platform. She reflected on the significance of the completed 200 South sidewalk project, noting the multi-year effort required to bring it to fruition, and urged the community to appreciate the complexity involved in infrastructure projects. She reported on her participation in the Five County Steering Committee, noting that Five County Association of Governments provides substantial services to the city—including senior services, Meals on Wheels, and other programs—and that municipalities may be asked to increase their financial contributions in the future. She closed by commending the Council for its consistently civil and constructive working relationship.

## **22. Closed Session**

Motion to convene in closed session for a strategy session to discuss the purchase, exchange, lease, or sale of real property was made by Council Member David Burton and seconded by Council Member Lyle Barton. Upon roll call vote: Council Member David Burton – Aye; Council Member John Dean – Aye; Council Member Lyle Barton – Aye; Council Member David Harris – Aye. The motion carried 4-0.

Present in the closed session: Mayor Halterman, Dan Jessen, Scott Burns, Lyle Barton, David Burton, John Dean, David Harris, Callie Bassett.

## **23. Adjourn**

*The meeting adjourned following the closed session at 8:15 p.m.*



Mollie Halterman, Mayor



Callie Bassett, CMC, City Recorder

Date Approved: 6/25/2026