

The following are the approved minutes of the Centerfield City Council meeting held June 17, 2026 in the Centerfield City Hall. Those in attendance; Mayor Travis Leatherwood, Sherry Frasier, Ryan Smith, Jon Hansen, and Bart Hammond. Absent Brittney Fisher.

Other employees in attendance: Stewart Jensen, Jonah Christensen & Lacey Belnap. Absent Randi Hunt.

Meeting is being conducted by Mayor Travis Leatherwood

Meeting opened at 7:00 PM.

1- Roll Call

2- Pledge of Allegiance -Mayor Leatherwood

3- Invocation - Councilwoman Frasier

### **Minutes of June 3, 2026**

Councilman Smith moved to approve the minutes from June 3, 2026. Seconded by Councilman Hammond. Carries 4-0.

### **UMCA Board Recognition of Lacey Belnap, City Recorder, for Achievement of Master Municipal Clerk Certification**

Kim Crane, President of the Utah Municipal Clerks Association is in attendance to recognize Centerfield City Recorder Lacey Belnap on her achievement of the Master Municipal Clerk Certification.

### **Out of town water Connection- White Hills Landfill**

The Council discussed a request from White Hills Landfill for an out-of-town culinary water connection to provide potable water for restroom facilities at the landfill. Representatives explained that the landfill currently relies on a portable toilet due to the lack of culinary water, creating poor working conditions for employees. They noted that drilling a well is not financially feasible because of the area's extensive clay deposits and the high cost of drilling.

The proposed connection would tie into Centerfield City's culinary water line from the Mayfield spring. The landfill representatives stated they would pay all applicable impact and connection fees and would work with engineers to ensure proper backflow prevention and eliminate any risk of contaminating the city's water system. They also noted that the anticipated water usage would be minimal—less than a typical residence—and would be billed at the commercial rate.

Council members acknowledged that Centerfield City generally does not approve out-of-town water connections. However, because Centerfield is a part owner of the White Hills Landfill and the connection would benefit the participating local governments rather than a private individual, the Council recognized this as a unique circumstance.

Councilman Hammond made a motion to approve an out of town commercial culinary connection to the White Hills Landfill. Seconded by Councilwoman Frasier. Carries 4-0.

**Public Hearing- Open and Amend 2025-2026 Budget**

The Council reviewed the final budget amendment for the current fiscal year, which concludes at the end of June. The amendment reflected adjustments based on actual revenues and expenditures during the year rather than future budget changes.

Gary Keddington, city accountant, explained that the most significant amendment was the creation of a separate Class C Road Fund. Previously, Class C road revenues were included in the General Fund, but because these state-restricted funds may only be used for road-related projects and any unspent balance must carry forward to future years, they were moved into a dedicated fund to improve financial transparency and simplify tracking.

The Council was informed that property tax and sales tax revenues were slightly higher than originally budgeted, while interest income was reduced due to declining interest rates throughout the year. Overall, expenditures remained close to budgeted amounts, and adjustments were made to keep expenditures balanced with revenues.

A contingency transfer of approximately \$44,100 from fund balance was included as a precaution to ensure the General Fund remains within its authorized budget. Gary explained that the budget must be finalized before the fiscal year ends and is based on financial information available through April, requiring estimates for the remaining months. The contingency provides flexibility for any unanticipated expenses and helps ensure compliance with state audit requirements prohibiting expenditures in excess of the adopted budget.

The Council also reviewed the status of the enterprise funds. The water fund remained financially stable, while the sewer fund continued to face increased expenses associated with upcoming infrastructure needs. The irrigation meter project continued to affect the irrigation fund due to grant and loan funding, and the project will be separated into its own fund in the upcoming fiscal year's budget to improve financial reporting. The sanitation fund was projected to end the fiscal year with an estimated deficit of approximately \$22,000.

Councilman Hansen made a motion at 7:24 PM to go into a public hearing to open and amend the 2025-2026 budget. Seconded by Councilman Smith. Carries 4-0. Roll Call Councilman Hansen, Councilman Hammond, Councilwoman Frasier and Councilman Smith.

No public comment was made.

Councilman Frasier made a motion at 7:26 PM to go out of a public hearing to open and amend the 2025-2026 budget. Seconded by Councilman Smith. Carries 4-0. Roll Call Councilman Hansen, Councilman Hammond, Councilwoman Frasier and Councilman Smith.

Councilman Hansen made a motion to adopt the 2025-2026 open and amended budget. Seconded by Councilman Hammond. Carries 4-0.

The Mayor recognized the recent arrival of a new fire engine for the local fire district and shared highlights from the traditional "push-in" ceremony held earlier that day. The new apparatus, valued at more than \$1 million, was largely funded through grant assistance. The ceremony also featured historical fire apparatus from the community, celebrating the department's history and service.

The Mayor expressed appreciation for the dedication of the more than 20 volunteer firefighters serving the community, noting that their continued commitment demonstrates that the spirit of volunteerism remains strong. Special recognition was given to Fire Chief Jed Hansen for his leadership and the department's tradition of multi-generational service.

Councilwoman Frazier and Councilman Hansen attended the ceremony. Councilwoman Frazier commented that it was a memorable and meaningful event with strong community attendance and congratulated the fire department on the new fire engine. The Council expressed its appreciation and gratitude to the fire department for its continued service to the community.

#### **Public Hearing- 2026-2027 Budget**

Mayor Leatherwood and Gary Keddington presented the proposed fiscal year 2026-2027 budget, highlighting several key items and the reasoning behind the proposed revenues, expenditures, and fee adjustments.

The Council was informed that grant funding is not included in the annual budget because grants are not guaranteed and cannot be relied upon when adopting the City's operating budget. Any grant funds received during the year are accounted for separately.

The Mayor also explained that Centerfield City serves as the fiscal agent for the Gunnison Recreation District. The Recreation District prepares its own budget in coordination with the Finance Officer, and the City Council adopts it as part of the City's overall budget after review.

Additional budget changes included maintaining the newly established Class C Road Fund as a separate fund to improve financial transparency, and separating the Mayor and City Council budget into its own category for clearer reporting.

The proposed budget includes a 2.5% cost-of-living adjustment (COLA) for City employees. Gary noted that approximately \$15,300 of fund balance was budgeted as a contingency to ensure the General Fund remains balanced, although revenues are conservatively estimated and expenditures slightly overestimated, making it unlikely those reserves will be needed.

The Council reviewed several areas of increased operating costs and proposed fee adjustments, including:

- **Public Safety:** The City's annual contribution to law enforcement is projected to increase by approximately \$19,000. To help offset future increases and avoid larger adjustments in later years, a \$1.00 monthly increase to police fees was proposed.
- **Recreation:** The City will continue its annual \$5,000 contribution toward operation of the Gunnison Valley swimming pool, ensuring Centerfield residents continue to receive the same admission rates as Gunnison residents.
- **Water Fund:** The Council reviewed progress on the approximately \$2.2 million culinary water improvement project, funded through a combination of grant and low-interest loan funds. Improvements include replacing the existing 12-inch transmission line with an 18-inch line to improve water delivery capacity and system reliability. A budget of \$20,000 was also included for routine water system repairs.
- **Sewer Fund:** The Council discussed ongoing maintenance needs at the regional sewer lagoons, including removal and disposal of sludge from Cell No. 1 and efforts to prevent Cell No. 2 from becoming septic. Disposal costs are expected to be significant due to contamination from plastics, and chemical treatments continue to cost approximately \$4,000 to \$5,000 per month. The City will continue paying its 13% share of regional sewer expenses while pursuing cost-saving alternatives.
- **Irrigation Fund:** To improve transparency, irrigation operations and the irrigation meter installation project will be budgeted separately. The Council reviewed projected operating losses of approximately \$52,000 under the current rate structure and discussed proposed increases to irrigation maintenance and rental fees to eliminate the operating shortfall. The irrigation meter installation project also includes reimbursement to the City for equipment purchased to complete the grant-funded installation work in-house, allowing the City to retain the equipment after project completion.
- **Sanitation Fund:** The Council reviewed projected sanitation expenses and noted the fund continues to operate at an annual deficit of approximately \$24,000 due to increases in collection and landfill costs. A proposed \$5.00 monthly sanitation fee increase was presented to allow the fund to become self-supporting rather than relying on General Fund subsidies.

The Council reviewed the combined effect of the proposed fee adjustments, including the \$1.00 police fee increase, irrigation fee adjustments, and the \$5.00 sanitation fee increase. Staff

explained that these modest increases are intended to address ongoing operational costs incrementally and reduce the need for larger fee increases in future years.

The Mayor also reviewed proposed updates to the City's consolidated fee schedule, explaining that many connection fees have been adjusted to reflect actual increases in material and labor costs. Residents were encouraged to review the fee schedule, available on the City's website under Services → Transparency in Government → Centerfield City Consolidated Fee Schedule, and to provide comments or suggestions during the budget process.

Councilman Hansen made a motion at 7:55 PM to go into a public hearing to discuss the 2026-2027 budget. Seconded by Councilman Smith. Carries 4-0. Roll Call Councilman Hansen, Councilman Hammond, Councilwoman Frasier and Councilman Smith.

During the public hearing, Perry Sorenson expressed concerns regarding the proposed irrigation maintenance fees. He questioned why several agricultural water users are exempt from paying maintenance fees while city residents pay for maintenance of the irrigation system, despite a significant portion of the water being used by agricultural shares.

Mayor Leatherwood explained that the exemptions apply only to a small number of original participants who were able to document that they helped install and maintain the original irrigation pipeline. After consultation with the City Attorney, the City entered into agreements recognizing those documented ownership interests. The agreements are not transferable beyond the current owners and their spouses; once ownership of the water shares changes, the exemption terminates and the new owner becomes subject to the standard maintenance fee.

Mr. Sorenson stated that he disagreed with the exemption and believed all users should contribute equally to maintenance costs. The Mayor acknowledged the concern and explained that the City relied on documented legal ownership and attorney guidance in reaching its decision.

Mr. Sorenson also asked about the warranty and responsibility for repairs related to the newly installed irrigation meters. Staff explained that the meters are covered under the manufacturer's warranty, which aligns with the project's financing requirements. The City confirmed that installation-related issues or defective equipment will be repaired under warranty. However, damage caused by a property owner after installation will be the responsibility of the property owner.

Staff further noted that City crews documented each meter installation with before-and-after photographs to provide a record of installation conditions and to assist in resolving any future warranty or damage claims.

Councilman Frasier made a motion at 8:05 PM to go out of a public hearing to discuss the 2026-2027 budget. Seconded by Councilman Smith. Carries 4-0. Roll Call Councilman Hansen, Councilman Hammond, Councilwoman Frasier and Councilman Smith.

Councilman Smith made a motion to adopt the 2026-2027 budget. Seconded by Councilman Hansen. Carries 4-0.

**Public Hearing- Resolution 2026-5 Consolidated Fee Schedule Amendment**

Mayor Leatherwood and Council reviewed the changes during the budget hearing. Changes were presented to those in attendance.

Councilman Hammond made a motion at 8:06 PM to go into a public hearing to discuss Resolution 2026-5 Consolidated Fee Schedule Amendment. Seconded by Councilwoman Frasier. Carries 4-0. Roll Call Councilman Hansen, Councilman Hammond, Councilwoman Frasier and Councilman Smith.

Councilwoman Frasier asked when will fees go into effect? July 1, 2026.

Councilwoman Frasier made a motion at 8:09 PM to go out of a public hearing to discuss Resolution 2026-5 Consolidated Fee Schedule Amendment. Seconded by Councilman Smith. Carries 4-0. Roll Call Councilman Hansen, Councilman Hammond, Councilwoman Frasier and Councilman Smith.

Councilman Hansen made a motion to adopt Resolution 2026-5 Consolidated Fee Schedule Amendment. Seconded by Councilwoman Frasier. Carries 4-0.

**Policy Adoption- Procurement Policy, Ethical Behavior, Reporting Fraud or Abuse**

Councilman Hansen made a motion to adopt the Centerfield City Procurement Policy. Seconded by Councilwoman Frasier. Carries 4-0.

Councilman Smith made a motion to adopt the Centerfield City Ethical Behavior Policy. Seconded by Councilwoman Hansen. Carries 4-0.

Councilwoman Frasier made a motion to adopt the Centerfield City reporting Fraud and Abuse Policy. Seconded by Councilwoman Hammond. Carries 4-0.

**Fraud Risk Assessment**

Gary Keddington presented the City's annual Fraud Risk Assessment, explaining that state law requires the City to complete a self-evaluation of its internal controls and fraud prevention

practices. The assessment is subject to review by the City's external auditors, who verify the accuracy of the City's responses.

The Council was informed that the State Auditor's Office uses a point-based scoring system to evaluate areas such as separation of duties, financial controls, adopted policies, staff qualifications, ethics training, and fraud prevention measures. Staff reported that the City received full points for separation of duties, adopted financial policies, management qualifications, ethics acknowledgements, required council training, continuing professional education, and maintaining a fraud reporting link on the City's website.

Gary noted that the City does not receive points for maintaining a formal internal audit function or an audit committee because those measures are generally intended for much larger municipalities and would not be cost-effective for Centerfield City.

The City's overall score of 355 points placed Centerfield City in the "Very Low Risk" category for fraud risk. Gary emphasized that while strong internal controls significantly reduce the risk of fraud, no system can completely eliminate the possibility of fraud if multiple individuals intentionally work together to circumvent established controls.

Council members expressed appreciation for the City's continued improvements in internal controls and risk management practices. The Council reviewed and accepted the annual Fraud Risk Assessment as presented.

#### **Merri Lynn Sorenson- Gunnison Valley Hospital Board Report**

Merri Lynn Sorenson, Centerfield City's representative on the hospital board, provided an update on activities at the hospital.

She reported that the hospital is preparing to begin a major remodeling project that will include relocating and expanding the front entrance, renovating the kitchen and cafeteria, and improving the main entrance area. Additional construction will include new patient rooms and a new cesarean section suite on the west side of the hospital following the demolition of the former Dr. Christensen office building.

Merri Lynn also announced that Dr. Rylan Anderson, who was raised in the Gunnison Valley, will join the hospital medical staff beginning August 1. She noted that Dr. Anderson will assume many of the responsibilities following the departure of Dr. Jensen.

She reported that the hospital has experienced a positive financial year and is currently working through its annual budget process. The hospital continues to encourage increased use of outpatient services to support operations.

The Council discussed the proposed rural health care sales tax initiative expected to appear on the November ballot. Mayor Leatherwood noted that, if approved, the measure could help offset costs associated with emergency medical services and dispatch funding through a countywide sales tax rather than relying solely on local funding sources. Mayor Leatherwood indicated the proposal remains under discussion and encouraged residents to become informed about the initiative before the election.

#### **Garren Lund- Building Permit- Shop**

Garren Lund is in attendance for a building permit for a shop at his home located at 200 West 50 North. Setbacks were gone over and met code.

Councilman Smith made a motion for a building permit for a shop at 200 West 50 North. Seconded by Councilman Hansen. Carries 4-0.

#### **Brilee Hansen- Community Food Pantry Discussion**

Brilee Hansen presented a proposal to establish a volunteer-driven “community food cabinet” (also referred to as a blessing box/free little pantry concept) to provide shelf-stable food and basic necessities to residents in need. The proposed project would operate on the principle of “take what you need, leave what you can,” and would be fully stocked and maintained by community donations, with no ongoing operational or financial responsibility required of the City beyond providing a small location for placement.

The applicant requested permission to place the cabinet on a City-owned property, such as a park or near City facilities, and stated she would personally construct or purchase the cabinet and assume responsibility for upkeep, cleanliness, and removal of expired items. She also shared examples of similar successful programs in other Utah communities.

Councilmembers discussed possible locations, noting concerns about visibility, privacy for users, and potential vandalism. The Council considered placement options including the City park and areas near municipal buildings, with general consensus that a location on City property near existing facilities may provide better oversight and security. Staff suggested the possibility of camera coverage to deter vandalism and ensure accountability.

The applicant confirmed she would fund the project personally, including initial construction costs. Councilmembers expressed strong support for the concept and appreciation for the initiative to support residents in need.

Staff and the applicant agreed to coordinate on purchasing or ordering the cabinet and determining appropriate placement on City property. Additional outreach opportunities, including promotion during the Fall Festival and community donation drives, were also discussed.

Councilman Hansen made a motion to donate \$400 towards the community food pantry. Seconded by Councilwoman Frasier. Carries 4-0.

### **Tyler Larrow- Multi Family Housing Discussion**

Tyler Larrow addressed the Council regarding interest in constructing a duplex within the City to provide additional housing opportunities for young families. Larrow inquired about zoning requirements, approval processes, and potential locations for multifamily development.

Council discussed applicable land use regulations, noting that duplex development requires compliance with City zoning ordinances, subdivision covenants, and frontage requirements. It was explained that certain subdivisions, including Danish Meadows, may not allow duplexes and that a minimum of 150 feet of frontage is required for duplex construction within the City.

Council members noted that multifamily housing is permitted in certain zoning districts as identified in the City's general plan and zoning map. Larrow was advised to first review the City's zoning map and general plan to identify parcels designated for multifamily use before purchasing property. Mayor Leatherwood further explained that any proposal would need to proceed through the Planning and Zoning Commission for review, including verification of setbacks, infrastructure requirements, and ordinance compliance.

The Council also noted that rezoning requests may be considered through the established application process, subject to review based on surrounding land uses and development patterns. Mayor Leatherwood encouraged Larrow to coordinate early with Planning and Zoning to ensure compliance with all requirements prior to property acquisition or development planning.

### **Banner Sponsorship for GVHS Football Team**

No representation was in attendance

### **Chief Jed Hansen- Gunnison Valley Fire Department Report**

No representation was in attendance

### **Chief Jason Adamson- Gunnison Valley Police Department Report**

The Police Chief provided a monthly update on law enforcement activity within the Gunnison Valley, noting that overall call volumes for the month were comparable to the same period last year. While the total number of calls remained relatively consistent, there were slight variations between jurisdictions, with Centerfield experiencing a minor decrease and Gunnison a slight increase.

The Chief reported that the most recent reporting period included several incidents classified under Uniform Crime Reporting (UCR) standards, including three thefts and two assaults, resulting in what was noted as the highest severity month despite similar overall call volume. Officers conducted proactive policing efforts throughout the month, including increased property crime enforcement, issuance of citations, and participation in DUI enforcement operations during the Memorial Day weekend “Click It or Ticket” campaign. No DUI arrests were made during those specific shifts, though enforcement activity remained active.

Upcoming events were also noted, including Fourth of July activities, a community night-out event scheduled for August, and the First Responders Dinner planned for July 11. Coordination for officer participation in these events was confirmed.

#### **George Owens- 25 North 400 East Impact Fees**

The Council reviewed correspondence received from George Owens regarding impact fees and infrastructure contribution requirements related to a residential construction project. The discussion centered on the timing, applicability, and disclosure of impact fees, as well as requests for possible reductions, credits, or adjustments due to project delays and required on-site infrastructure improvements.

Staff clarified that the City’s impact fees were adopted in June 2023, and the applicant submitted a building permit application in August 2024, with permit approval occurring in March 2025. It was noted that the applicable impact fee schedule in place at the time of application and approval remained unchanged throughout that period.

Council discussed whether any portion of the requested adjustments or reimbursements for infrastructure installation should be considered. It was reiterated that required infrastructure improvements, including utility extensions beyond established thresholds, are the responsibility of the developer and are not eligible for reimbursement or reduction.

The Council further discussed claims that impact fees were not disclosed until the final stages of permitting. Staff indicated that impact fee schedules are publicly available, published in the City’s fee schedule and ordinance, and are reviewed during public budget processes. Council members expressed that the fees were accessible throughout the development process and were not newly imposed or undisclosed.

Additional requests from the correspondence were reviewed, including:

- Consideration of ADA-related or other fee waivers or credits (not available under City policy)

- Requests to expedite project completion or allow occupancy prior to final inspection (not permitted; compliance with inspections and utility requirements required)
- Request for temporary occupancy approval (not available under current regulations)
- Proposal for partial payment of impact fees as a condition of occupancy (not accepted; full payment required prior to service activation and approval)

Council discussed the importance of maintaining consistent application of impact fee policy to ensure fairness and avoid precedent-setting exceptions. Members noted that granting exceptions could impact future development and enforcement consistency.

After review and discussion, the Council provided general direction to maintain current policy without modification and to communicate requirements clearly to the applicant, including full payment of applicable fees and completion of required infrastructure and inspections prior to occupancy approval.

#### **Unfinished Business/Report of Council Members**

Councilman Hansen provided an update on current irrigation water conditions, reporting that water deliveries are declining rapidly. It was noted that current delivery levels are approximately 0.035, equating to roughly 225 gallons per day, and that flows have decreased significantly within a short period of time. Officials indicated that irrigation water is expected to continue dropping and may be shut off soon in order to preserve reserves in storage ponds. Continued dry conditions and lack of significant precipitation were noted as contributing factors.

Council discussed the status of irrigation storage ponds and acknowledged that water availability is expected to be limited for an extended period. Staff emphasized the need to monitor system levels closely and prepare for potential early shutoff of irrigation delivery.

The Council also received updates regarding road maintenance coordination and approval procedures for small-scale expenditures. Staff clarified the internal process for road-related maintenance decisions, noting that projects under a certain cost threshold (approximately \$5,000) may be approved administratively when time-sensitive, while larger expenditures require Council review. Council affirmed support for the established process and emphasized appropriate communication when urgent decisions are made.

An update was provided on the City's ongoing water infrastructure project. Staff reported that installation of mainline piping is progressing, including connections through existing easements and canal crossings, with future phases planned to extend service lines toward additional areas including Sugar Factory Lane. Easement acquisition and continued mapping were noted as upcoming steps.

Sewer system updates were also briefly discussed, with staff noting continued evaluation of cost-effective options and potential EPA-related considerations for future improvements.

Sherry Frasier-

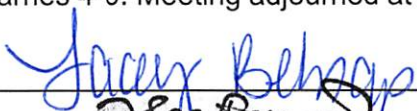
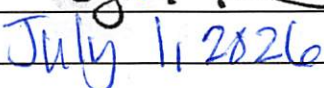
The Council reviewed and approved a proposed location for a memorial installation at the City park. The selected site is near the flagpole area in a highly visible location adjacent to the pavilion. The placement was selected for accessibility, visibility, and appropriateness for public remembrance. Staff were directed to proceed with coordination of plaque wording, design, and funding logistics.

Ryan Smith

Additional discussion included clarification of former roadway alignment near the gravel pit area. Staff confirmed that a previously used road corridor has been eliminated due to expansion of the pit and is no longer accessible. Boundaries and city limits in the area were reviewed for clarification.

Staff provided brief operational updates on metering infrastructure, noting that installation progress is nearing completion and that system indicators are functioning properly. The new reader system was reported to be operating successfully, improving monitoring capability and customer communication regarding usage.

Councilman Hansen made a motion to adjourn the meeting. Seconded by Councilman Frasier . Carries 4-0. Meeting adjourned at 9:32 PM.

|                                                                                     |       |                             |
|-------------------------------------------------------------------------------------|-------|-----------------------------|
|  | _____ | Lacey Belnap, City Recorder |
|  | _____ | Travis Leatherwood, Mayor   |
|  | _____ | Approval Date               |