Manti City Council Work Meeting

MINUTES

JULY 1, 2026
5:00 PM

MANTI CITY BUILDING
50 SOUTH MAIN STREET

MEETING CALLED BY	Mayor Pro Tem Mary Pipes
TYPE OF MEETING	City Council Work Meeting
ATTENDEES	Councilmembers: Meagan Johnson, Mary Pipes, AJ Mower, Jennifer Christiansen, and Brian Francois City Manager: Jason Brown City Recorder: Matt Gray City Planner: McKay Muhelstein
ABSENT	Mayor Wintch
WELCOME	Mayor Pro Tem Mary Pipes

ITEM 1	**Discussion of Manti City Financial Status and Strategic Planning:**

The Manti City Council held a work meeting focused entirely on the city's financial status, debt position, and long-term strategic planning. Mayor Pro Tem Mary Pipes opened the meeting at 5:30 p.m., noting that Mayor Winch was absent but that the rest of the council and staff were present. The main guest for the discussion was Marcus Keller from Cruz Municipal Advisors, who had been working with City Manager Jason Brown and Recorder Matt Gray to review the city's finances.

Mr. Keller began by introducing himself and explaining that he helps cities understand their debt, borrowing capacity, bond coverage ratios, and future financing options. He said Manti is in a strong position overall and complimented Jason Brown's work as city manager.

Much of the early discussion focused on the city's current debt. Mr. Keller explained the city's general obligation bond connected to the sports park. He pointed out that although voters had approved the bond, the city never actually imposed the property tax levy that could have been used to pay it. Instead, the city appears to have paid it from other sources. Mr. Keller said that could be a positive message if the city ever asks voters for another bond, because officials could say they previously had authority to levy a tax but did not use it.

Manager Brown explained that the sports park bond is nearly paid off and that the city already has enough money set aside to pay it off immediately. However, because the bond carries 0% interest, and the money is currently earning interest in the bank, it may make more financial sense to leave the money where it is and make the final payments as scheduled. Manager Brown said he likes the idea of being debt-free, but financially there is no rush.

Mr. Keller then reviewed other city bonds, including lease revenue bonds for projects such as the ambulance building and sports park. He emphasized that Manti has very favorable debt, with some bonds at 0% interest and others at very low rates. He said if the city tried to borrow today in the private market, rates would likely be much higher, so the city should be cautious about paying off cheap debt too quickly if it might need to borrow again later.

The council then discussed water bonds, especially a 2018 water bond. Mr. Keller said this would probably be the best candidate for early payoff if the city ever wanted to reduce debt, because it has a higher effective interest cost than some of the other loans. Manager Brown said the city could pay it off now using PTIF funds, but the council discussed whether that would be wise given possible future water needs, such as spring redevelopment. The general feeling was that the city should keep watching the numbers and perhaps revisit the issue later.

Mr. Keller also explained the concept of coverage ratios, which measure how much revenue an enterprise fund has available to pay debt. He said the city's water fund had shown strong coverage, but that the recently issued large water bond will reduce the city's future flexibility once those payments fully come online. He said the city is still in a good position, but it will have less room for additional water borrowing unless rates are increased.

The conversation then shifted heavily toward the city's sewer system, which appeared to be the biggest long-term issue. Mr. Keller said the sewer fund is currently healthy, with good coverage and favorable existing debt, but future sewer projects could be very expensive.

Manager Brown described several possible approaches. One option would be to buy land now for a future sewer lagoon relocation and pay off the land before the city builds the new facility. Another option would be to move forward with a much larger project, possibly costing around $30 million once land, relocation, construction, and related infrastructure are included.

Council members talked about how the current lagoon location may limit commercial growth along an important highway area. Relocating the lagoons could free up land for future business development, which could increase sales tax revenue and help the city long-term. One council member framed the sewer project as an investment, not just an expense, because it could open the door to economic development.

The council also discussed whether the city should continue using lagoons or explore other treatment options. Manager Brown explained that aeration could reduce the amount of land needed, but it would create ongoing electrical and maintenance costs. Another council member asked about mechanical treatment plants, noting that some communities use smaller-footprint systems and reuse treated water. Manager Brown and Mr. Keller both said mechanical plants can work, but they are expensive to operate and often lead to higher sewer rates.

Manager Brown showed the council a possible future lagoon location identified in a sewer study. The council discussed where the land was, who owned nearby parcels, whether annexation would be needed, and how much property the city might need. Manager Brown estimated the city could need at least 100 acres for a future lagoon site, especially if it wants room for growth. He also noted that buying the land would only be one part of the cost; the city would also need to build pipelines, secure easements or rights-of-way, and eventually abandon the existing sewer site.

Mr. Keller encouraged the council to move the sewer project higher in its capital planning priorities if it is truly coming in the next several years. He said the city should start developing estimates, studying options, and preparing financing scenarios as early as possible. He warned that infrastructure costs are unlikely to get cheaper.

When asked what the city should do to maintain financial stability, Mr. Keller said the city should especially focus on the sewer project. He recommended planning ahead for a sewer rate study and considering gradual rate increases rather than waiting until a major project forces a large increase all at once. He said residents are more likely to tolerate smaller annual increases than a sudden large jump.

The group also briefly discussed economic development tools, including project areas and incentives that could help attract businesses and help pay for infrastructure. Mr. Keller said if the city can open up commercial land and maintain water, sewer, and power capacity, Manti may be well positioned for growth.

Near the end of the discussion, Manager Brown mentioned another major upcoming need: a new electrical substation, which could be needed within five years and may cost around $5 million. Mr. Keller noted that the city does not currently appear to have electric revenue bonds, so that could be one possible financing path in the future.

Overall, the tone of the meeting was positive but forward-looking. Mr. Keller told the council that Manti is financially healthy, has managed its debt well, and has obtained very favorable financing. At the same time, he stressed that the city needs to plan carefully for major upcoming projects, especially sewer relocation or treatment upgrades and the future electrical substation.

The meeting ended with Manager Brown explaining that he wanted the council to meet Mr. Keller and understand who staff have been working with on financial planning. Mr. Keller offered to provide the debt report and answer future questions. The council thanked him, and Mayor Pro Tem Pipes called for a short break before the regular city council meeting.

ITEM 2	**Close work meeting, for City Council meeting**
The work meeting adjourned so the council could move into the regular City Council session.	

ADJOURNED	6:16 P.M.

Mary Wintch, Mayor

Matt Gray, City Recorder