

Moroni City Council Meeting and Public Hearings
June 18, 2026
80 South 200 West, Moroni UT 84646
6:00 PM

1. Call to Order and Welcome

The meeting was called to order at 6:00 p.m. Mayor Troy Prestwich welcomed those in attendance and noted there were several items on the agenda, including multiple public hearings. Members of the public wishing to comment during hearings were advised they would have three minutes per hearing.

Pledge of Allegiance

Roll Call - Council Members present:

- Craig Draper
- Thayne Atkinson
- Jacob Bagley
- Kevin Taylor
- Cherrie Green

Staff in attendance: Carol Haskins, Recorder, Cheryl Sheperd, Treasurer, Ashley Grundy, Clerk, Gary Keddington, K&C CPA, Brennen Russell, Public Works, Logan Ludvigson, North Valley Police

Others: D. Bob Bailey, Paxton Prestwich, Wayne Latty, Kathy Latty, Ana Hales, Sadie Hales, Kaylee Prestwich, Lisa Christensen, Revis Christensen, Aspyn Grundy, Justin Atkinson, Mick Michie, Carolyn Michie

Council was asked if any member had a conflict of interest on items to be discussed.

- No conflicts of interest were declared.

2. Public Hearing – CIB Grant Application for Secondary Water System Planning

Purpose: Receive public comment regarding an application to the Community Impact Board (CIB) for a comprehensive secondary water system project, including:

- Secondary irrigation Master Plan
- Impact Fee Facilities Plan
- Impact Fee Analysis
- Evaluation of existing secondary system, water rights, storage, pumps, pipelines, distribution, and operations
- Hydraulic modeling for current and future conditions

- Capital Facilities Plan with projects, priorities, costs, and schedule
- 20-year planning document to guide system management, expansion, and funding

Key points summarized:

- Moroni is a growing rural community relying on culinary and secondary systems.
- The secondary irrigation system is essential to conserving potable supplies while meeting residential/agricultural needs.
- The project will evaluate existing infrastructure and water supplies, analyze current and projected irrigation demands, and incorporate population growth, land use, and anticipated development.
- A hydraulic model will be built to identify deficiencies, capacity constraints, and operational improvements.
- A Capital Facilities Plan will outline recommended improvements, priorities, costs, and implementation schedules.
- An Impact Fee Facilities Plan and Impact Fee Analysis will be prepared in accordance with Utah law to identify growth-related needs and support future impact fee implementation.
- The final plan will provide a 20-year roadmap for managing, maintaining, expanding, and funding the secondary system, support informed decision-making, and help position the city for future infrastructure funding.
- Total project cost is approximately \$76,000.
 - CIB grant is anticipated to cover 50%.
 - Sanpete County Water Conservancy District is considering funding the remaining 50%, with an expectation that the City participate at roughly 10% overall, which may later be repaid by impact fees.

Council discussion:

- Mayor Troy Prestwich indicated this is a necessary first step before any physical irrigation system upgrades can occur and may be revenue-neutral in the long run if impact fees are implemented.
- Council noted the planning work is required to “map things out” and identify needs before any construction phase.
- It was noted that city contribution is expected to be minimal and likely available in the existing irrigation fund.

Public comment:

- Lisa Christensen asked about the financial impact on Moroni residents, including potential irrigation rate increases or additional costs to citizens.
 - Council responded that:
 - This planning phase should not require a noticeable increase to residents because the irrigation fund likely has sufficient resources for the city’s small share.

- Future construction/upgrade phases may require borrowing (e.g., through water resources), which could result in future rate adjustments, but that would be at least 1–2 years away and would be addressed separately.

3. Public Hearing – FY 2025–2026 Budget Amendment

Presentation by Gary Keddington K&C CPA:

- Budget adjustments are based on the April financial statements, with projections through fiscal year-end and a small buffer for unknown expenses.
- The amendment aligns the budget with actual revenues and expenditures for the year.
- The City now treats Class C Road funds and Celebration funds as separate funds, allowing celebration revenues to roll over in their own fund.
- General Fund:
 - Original budgeted revenues about \$1,034,000 (approximate by statement).
 - Final revenues projected around \$1,001,000 (approximate; Gary emphasized revenues and expenses remained close to expectations).
 - Departments generally stayed within budget; no major unexpected overages.
- State law requires the City to not overspend the final budget, which is why the year-end amendment is necessary.
- Some cities amend monthly; Moroni currently amends about three times per year.

Action:

- Motion to approve Resolution 2026-06-19-A fiscal year 2025 budget amendment was made by Councilmember Atkinson, seconded by Councilmember Bagley.
- Roll call vote:
 - Draper – Yes
 - Atkinson – Yes
 - Bagley – Yes
 - Green – Yes
 - Taylor – Yes
- Motion passed; FY 2025–2026 budget amendment approved.

4. Public Hearing – FY 2026–2027 Proposed Budget and Certified Tax Rate of .001400.

Presentation Gary Keddington, K&C CPA:

- The tentative budget previously discussed in work sessions and prior meetings is now being proposed as the final budget, with no major changes since those meetings.
- Key items in the proposed budget:
 - Police fee increase: From \$22 to \$23 per month.
 - No increase included for the ongoing E-911 funding issue; city will wait to see final outcomes before adjusting.
 - No grant revenues or expenses are built into the budget in advance:

- Grants will be added only after funds are actually received, via budget amendment, to avoid over- or under-estimating.
 - This prevents situations where a grant is awarded for one amount but received for another and avoids assuming spending authority that never materializes.
- Example raised: a \$4,500 youth council grant already awarded but not yet received; Gary advised:
 - It will be added to the next fiscal year budget via amendment after the funds are received, especially because the grant is intended for that next year's activities.
- Ongoing projects:
 - Irrigation meter project (funded by earlier loan and grant).
 - State has moved the completion/close-out deadline up from December 2024 to October 31, 2024.
 - All meters, documentation, and reimbursement draws must be complete by October 31; target is to have field work done by early October so staff can reconcile all expenditures.
- Employee compensation:
 - 5% COLA for full-time employees.
 - A one-time employee payment (amount not specified in transcript).
 - Funding for a part-time cemetery employee, already being used this year and continued into next year.
- Capital outlay (limited):
 - Parks/Rec: Funding reserved (approx. \$39,000) for updating memorial name signage at the East Park/city park.
 - Parks/Rec: \$2,000 for baseball field infield material ("baseball field tracks") for improved sliding surface.
- Gary emphasized:
 - The budget is a "live document" and may be amended as grants and new projects arise.
 - The City may have more frequent amendments specifically to add confirmed grants and corresponding expenditures during the year.

Public comment:

- A public hearing was opened for comment on the FY 2026–2027 budget and certified tax rate.
- No public comments were received.

Enterprise Fund Transfer (Water to General Fund)

- Enterprise Fund transfer from the Culinary Water Fund to the General Fund in the amount of \$25,000, equal to approximately 5% of the proposed FY 2027 culinary water expenses (\$378,900).

Explanation (Gary Keddington):

- State law requires that enterprise funds (e.g., water) charge other City funds, including the General Fund, as if they were regular customers when they consume services (e.g., irrigation of parks, city buildings).
- The General Fund, in turn, must pay for that water usage.
- To avoid double-burdening taxpayers (through both water rates and property/sales taxes), the City is allowed to transfer funds back from the Water Fund to the General Fund.
- In effect:
 - The Water Fund bills the General Fund approximately \$25,000 for usage.
 - The City then authorizes a \$25,000 transfer back from the Water Fund to the General Fund to offset that cost.
 - This maintains compliance with state accounting rules without unnecessarily raising water rates or property taxes.
- Mayor Prestwich clarified that this mechanism had previously been confusing but is essentially money moving from “one pocket to the other” to keep overall taxpayer burden down.

Public comment:

- A public hearing was opened on the \$25,000 enterprise transfer.
- No public comments were received.

Motion to approve Resolution 2026-06-18-B, adopting the FY 2026–2027 budget, including the 2026 certified tax rate of 0.001400 and the Enterprise Fund transfer as noticed, was made by Councilmember Green, seconded by Councilmember Taylor.

- Roll call vote:
 - Draper – Yes
 - Atkinson – Yes
 - Bagley – Yes
 - Green – Yes
 - Taylor – Yes
- Motion passed; FY 2026–2027 budget and tax rate adopted.

Consolidated Fee Schedule – Resolution 2026-06-19-C

Purpose: Adopt/update Moroni City’s consolidated fee schedule for:

Discussion:

- It was noted for the record that an existing culinary water impact fee was missing from the printed schedule:
 - \$3,244.37 per new culinary water connection.
- Council confirmed this impact fee has been in place for several years and should be explicitly listed in the consolidated schedule.

Action:

- Motion to approve Resolution 2026-06-19-C, establishing the Moroni City fee schedule, including the culinary water impact fee of \$3,244.37 per new connection, was made by Councilmember Atkinson, seconded by Councilmember Draper.
- Roll call vote:
 - Draper – Yes
 - Atkinson – Yes
 - Bagley – Yes
 - Green – Yes
 - Taylor – Yes
- Motion passed; updated consolidated fee schedule adopted

5. Fraud Risk Assessment – Annual Review

Presenter: Gary Keddington

Summary:

- The State Auditor requires an annual self-evaluation of fraud risk, using a point-based checklist.
- Areas evaluated include:
 1. Separation of duties / internal controls
 - Payroll review and approval
 - Separation of check preparation, signing, and custody
 - Independent bank reconciliations
 - Oversight and control of credit cards (identified as a common fraud risk)
 - City believes it meets all required controls, earning the full 200 points for this section (all-or-nothing).
 2. Policies (conflict of interest, purchasing, ethical behavior, fraud/abuse reporting, travel, credit cards, personal use of assets, IT/security, cash receipting and deposits).
 - City has all required policies in place and earns full points.
 3. Professional qualifications – management/staff
 - Gary is a CPA and holds an accounting degree; Carol holds additional certifications.
 - City receives points for professional training and credentials.
 4. Ethics acknowledgements
 - Employees and elected officials annually sign written statements committing to ethical behavior; full points awarded.
 5. Governing body training
 - Council members are expected to complete State Auditor online training at least once every four years (separate from the Open and Public Meetings Act training).
 - Training is encouraged yearly to understand roles, responsibilities, and restrictions.

6. Ongoing training
 - At least one member of management (Gary) receives 40 hours per year of relevant continuing education to maintain his CPA license; full points awarded.
7. Internal audit function and audit committee
 - The City does not maintain:
 - A formal internal audit function, or
 - A formal audit committee separate from the Council.
 - Gary advised these structures are not practical or necessary for a city of Moroni's size and could dilute direct Council oversight.
 - City chooses not to pursue these elements and therefore does not receive points for them.
- Overall score: 355 points
 - This places Moroni City in the "very low risk" category – the best rating on the State's fraud-risk matrix.

6. Sewer Line Repair / Upgrade – 300 North & 100 West

Topic: Repair and upgrade of an undersized and improperly connected sewer main near 300 North and 100 West.

- Recent sewer scoping/camera work revealed:
 - City maps showed an 8-inch sewer main, but the installed line is 6-inch, not meeting current code for a main.
 - Two existing houses to the east are tied into the line in a way that effectively makes one house's lateral serve another house, not a standard main/manhole connection.
 - A new home is proposed on the south side of the road, which will add load to the line.
- The current configuration:
 - Does not meet code,
 - Could lead to blockages, and
 - Does not provide proper manhole access and grade transitions.

Scope of proposed project:

- Install approximately 220–252 feet of new 8-inch sewer main (exact footage varies slightly between bids).
- Add two manholes to address grade changes and tie into the existing system correctly.
- Provide appropriate laterals for:
 - The new house, and
 - The two existing houses currently connected in a non-standard way.
- Restore disturbed roadway, including asphalt patching where necessary.

Bids received:

1. MKJ Construction – \$28,950
 - Approximately 252 feet of pipe.
 - Includes two manholes, road repair, and lateral work, including cross-road bores where needed.
2. JCI – \$27,210
 - Approximately 220 feet of pipe.
 - Bid comparable in scope but:
 - Slightly shorter footage,
 - Less explicit language on asphalt patching;
 - MKJ's bid more clearly describes road repair and lateral connections.

Key discussion points:

- Responsibility / precedent:
 - The undersized 6-inch line and improper connections are historic issues (approx. 30-plus years old).
 - Council discussed whether the new home builder should pay a portion of the cost versus the City assuming full cost.
 - Noted that if the line had been constructed correctly (8-inch main with manhole) originally, the new homeowner would only pay standard connection fees; no main replacement would be needed.
 - Concern raised about setting a precedent:
 - If the City pays now, will it be expected to pay for future upsizing of mains elsewhere?
 - Conversely, holding the new builder responsible for correcting a mapping/installation error predating them was seen as inequitable.
- Lateral vs. main:
 - Technically, the existing “line” could be treated as a lateral, in which case the homeowners would bear responsibility.
 - However, given the mapping and need for code-compliant infrastructure, Council agreed the City should treat this as a main line correction and do it properly.
- Future development / impact fees:
 - This situation highlighted the need to revisit sewer and secondary water impact fees, which currently do not exist (only culinary water has an impact fee).
 - Council discussed:
 - Using impact fees in the future to fund similar upsizing/extension projects driven by growth.
 - Possibly increasing connection fees as an interim step.
 - Holding a future work meeting to review impact fee policy, connection fees, and planning/zoning processes so problems are identified earlier.
 - Planning & Zoning has been advised to verify utilities in the field before issuing zoning/building approvals moving forward.
- Equity and documentation:

- Several councilmembers expressed that the error lies with historic City oversight and mapping, not the current builder.
- Consensus emerged that this should be treated as a “one-time correction” of a past mistake, with careful documentation of the reasons to protect against inappropriate future claims.
- Consensus that the City will pay the full cost of the sewer main correction, given:
 - The error in recorded map (showing 8-inch main where only 6-inch exists), and
 - The line not meeting current code for a main.
- Bid selection:
 - Council weighed JCI’s slightly lower price vs. MKJ’s more explicit scope (extra footage and clearly listed asphalt patching and lateral details).
 - Concern was raised that if JCI’s bid did not fully include asphalt patching, the final cost could be higher through change orders, erasing the apparent savings.
 - Motion to accept the MKJ bid for \$28,950 was made by Councilmember Atkinson, seconded by Councilmember Draper. Motion carried.

7. Secondary Water Schedule

- Water supply status
 - Council and staff reported significant drought conditions and loss of river water; system is now relying heavily on wells.
 - Brennen Russell noted Well #2 has been running nearly 24/7 since March 15 and explained pond capacities and pumping limits.
 - Concern expressed that the system may not keep up if current usage continues and that over-pumping could deplete well capacity.
 - Councilmember Kevin Taylor reported informal feedback from residents:
 - Preference for three watering days per week with reduced hours (2 hours instead of 3) over a 2-day schedule with longer gaps.
 - Residents are worried about garden survival with long no-water stretches.
 - It was noted other nearby cities have already reduced watering hours or increased water rates due to drought.
- Schedule adjustment
 - General consensus that the City must reduce watering time to conserve water but try to maintain reasonable lawn and garden viability.
 - Direction to:
 - Implement a new secondary water schedule effective July 1.
 - Monitor pond levels and system performance under the new schedule and be prepared to revisit restrictions again in July if conditions worsen.
 - Brennen explained that if water is in the system, it will be used; shutting off zones entirely is possible but increases operational work and may cause line draining issues.
 - Council agreed the change must be clearly communicated:
 - Include in July billing and newsletter.
 - Post notices

- Explain that the change is due to severe drought, reduced river supply, and the need to stretch limited water through the season.

8. Financial Reports

9. Meeting Minutes

- Minutes approved:
 - April 16, 2026 minutes:
 - Motion to approve by Councilmember Craig Draper.
 - Second by Councilmember Kevin Taylor.
 - Motion passed; all in favor.
 - May 21, 2026 minutes:
 - Motion to approve by Councilmember Thayne Atkinson.
 - Second by Councilmember Jake Bagley
 - Motion passed; all in favor, with Cherrie Green abstaining because she was absent from that meeting.

10. Activities Review – Ashley Grundy

- Parade (July 4)
 - Lineup at 9:30 a.m.; City Council entry to be the third entry (after color guard and grand marshal).
 - Ashley Grundy has signed up council participation and will remind members of lineup time and roles.
- 5K / Fun Run and Course Support
 - Need a council member at the 5K to help get runners safely across the highway bridge; law enforcement will also assist.
 - Road marking for fun run:
 - Jake Bagley agreed to help paint course lines the night before.
- Volleyball Tournament (July 3)
 - Night volleyball tournament starting 5:30 p.m. and going late.
 - Austin Ison is running the event.
 - Jake Bagley volunteered to attend and represent the Council / check in.
- Patriotic Program (Sunday, June 28th at Opera House)
 - Program at 7:00 p.m. .
 - Need at least one council member present; Kevin Taylor and Thayne Atkinson will attend.
- Flag Ceremony (July 4)
 - Scheduled at 8:00 a.m. Josh Cook to MC.
 - Council members expected to attend.
- Carnival / Dunk Tank
 - Miss Moroni and Little Miss along with Cheryl Shepherd will primarily run the carnival.
 - Need council coverage at the dunk tank between roughly 11:00 a.m. and 1:00 p.m.:

- Cherrie Green volunteered for a 30-minute slot.
 - Craig Draper was asked to help run the dunk tank; Fred Atkinson offered to help as needed.
- Food Events and Logistics
 - Turkey dinner:
 - Corn cost estimated at about \$300; supplier will have it prepped.
 - Plan to set up cooking under the shade trees at the traditional location (not in the middle school area) to avoid heat stress on volunteers.
 - Troy Prestwich to coordinate with Jason Christensen and crew and with Annette Taylor on food staging and timing.
- Equipment & Setup for Concert in the Park
 - Need tables, flat surface, and extension cords for band/drum setup:
 - Discussion of using existing tables and new fold-up tables the City has ordered.
- Communications
 - Ashley will send reminders and coordinate assignments via text.

11. City Council Reports

Craig Draper

- Planning & Zoning
 - Reported that Planning and Zoning is working effectively and “moving right along.”
- Schools
 - Elementary and middle school projects are expected to be ready by the time school starts; no new issues reported from the state.
- Opera House
 - Parking lot at the Opera House needs crack seal; concern that if deferred, repairs will be more extensive and costly later.
 - Noted lack of contingency funds for such maintenance, but suggested exploring reallocation of existing budget lines.
- Sidewalks
 - Identified a bad sidewalk near “Series” (likely a local business/area) needing lift/fill and some grinding for safety.
 - Mentioned previous contact from a sidewalk-grinding firm, but prior estimates were high (around \$50,000 for broader work); council skeptical about city-wide grinding.

Cherrie Green

- Concert on July 27 - council participation requested.

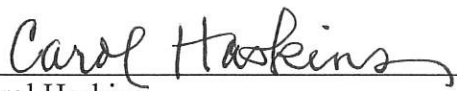
Kevin Taylor

- Reiterated:
 - Ongoing drought.
 - River water largely unavailable; heavy reliance on wells.
 - Need for conservation, schedule changes, and future consideration of meters and rate structures (e.g., higher base or tiered rates for high culinary use).
- Fireworks / Fire Risk
 - Cherrie raised concern about residential fireworks due to very dry conditions.
 - Gary Keddington referenced state law limits on local restrictions and enforcement challenges for police without a specific city ordinance.

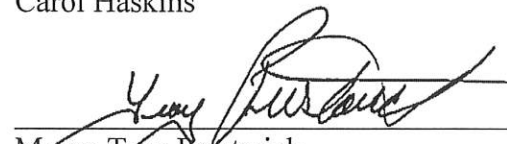
12. Mayor Troy Prestwich

- Thanked staff and volunteers, especially Ashley Grundy, for extensive July 4 coordination.
- Reiterated the seriousness of water supply issues and the need for residents to understand the circumstances.

13. Meeting adjourned on motion by Councilmember Cherrie Green, seconded by Councilmember Jake Bagley, with all in favor.



Carol Haskins



Mayor Troy Prestwich