



# Cedar City

10 North Main Street • Cedar City, UT 84720  
435-586-2950 • FAX 435-586-4362  
[www.cedarcityut.gov](http://www.cedarcityut.gov)

## CITY COUNCIL WORK MEETING

October 21, 2026

5:30 P.M.

**Mayor**  
Steve Nelson

### **Council Members**

Robert Cox  
Waldo D. Galan  
R. Scott Phillips  
Phil E. Schmidt  
Carter Wilkey

**City Manager**  
Paul Bittmenn

The City Council meeting will be held in the Council Chambers at the City Office, 10 North Main Street. The City Council Chambers may be an anchor location for participation by electronic means. The agenda will consist of the following items:

I. Call to Order

II. Agenda Order Approval

III. Administration Agenda

- Mayor and Council Business
- Staff Comments
  - Swearing in of Patrol Officer II Trevor Parsons

IV. Business Agenda  
Public

1. Discussion on Master Planned Road in the vicinity of 725 N and 1450 W. Platt & Platt
2. Fire Mitigation. Steven Koltvet/ Cedar Ridge HOA
3. Consider amending Mining Rights Lease. Coal Creek Gravel/ Paul Bittmenn

Staff

4. Consider the Budget Policy. Terri Marsh
5. Consider an agreement allocating water acquisition credit among Cedar 106 parcels. Randall McUne / Jonathan Stathis / Cedar 106, LLC
6. Consider Airport Terminal CCTV Expansion. Tyler Galetka
7. Consider Airport Planning Consultant Selection. Tyler Galetka

Closed Session

8. Imminent Litigation. Randall McUne

Dated this 19<sup>th</sup> day of October 2026.

Amber Ray  
City Recorder

### CERTIFICATE OF DELIVERY:

The undersigned duly appointed and acting recorder for the municipality of Cedar City, Utah, hereby certifies that a copy of the foregoing Notice of Agenda was delivered to the Daily News, and each member of the governing body this 19<sup>th</sup> day of October 2026.

Amber Ray  
City Recorder

Cedar City Corporation does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in employment or the provision of services. If you are planning to attend this public meeting and, due to a disability, need assistance in accessing, understanding or participating in the meeting, please notify the city not later than the day before the meeting and we will try to provide whatever assistance may be required.

Steve Nelson  
(435)590-5586

Robert Cox  
(435)559-0785  
[crobert@cedarcityut.gov](mailto:crobert@cedarcityut.gov)

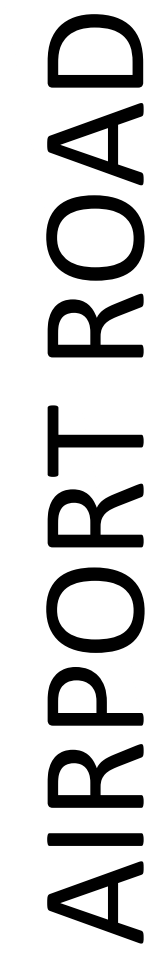
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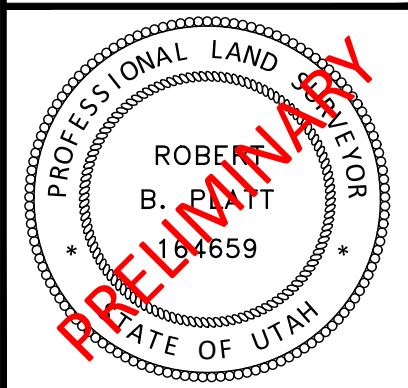
WITHIN THE NW1/4 OF SECTION 10, AND THE SW 1/4 OF SECTION 3 T.36S., R.11W., SLB&M  
CEDAR CITY, IRON COUNTY, UTAH



## MASTERPLAN ROAD

# INDUSTRIAL ROAD

**VACATING MASTER PLANNED 55' AND 66' ROADS  
WITHIN THE NW1/4 OF SECTION 10 AND SW1/4 OF  
SECTION 3, T. 36 S., R. 11 W. SLB&M  
CEDAR CITY, IRON COUNTY, UTAH**



DRAWN BY:  
S.J. CHRISTENSEN

CHECKED BY:  
R.B. PLATT

DATE: Aug 26, 2026

SCALE: 1" = 50'

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**[EXTERNAL]: Agenda Topic for October 21st Council Meeting - Fire Mitigation**

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**From** Stephen Koltvet <skoltvet@gmail.com>

**Date** Thu 2026-10-15 5:35 PM

**To** Amber Ray <ramber@cedarcityut.gov>

**Cc** Steve Nelson <nsteve@cedarcityut.gov>

**Update Note:** The memo below was written for the September 2nd Council Meeting. Due to some “incidents” prior to that meeting, I decided to postpone approaching the City Council. This topic and documentation was discussed a few days later at the Board meeting of the Canyon Ridge Homeowner’s Association and the Board, (representing the 155 owners), decided to make the Fire Mitigation request to the City Council on behalf of all the HOA membership. Unfortunately the HOA President, due to scheduling conflicts, has pushed out available dates twice so I have decided to present the issues as an individual at this time. Respectfully, Steve Koltvet

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Mayor Nelson September 2, 2026  
Cedar City Council

Re: Wildfire Mitigation of City Land

I come before you to seek the city’s additional actions at fire mitigation. It seems each day another city or township is being evacuated due to these devastating fires. One cannot avoid the heartbreaking scenes on the nightly news. The victims deal not only with the loss of their homes, possessions, historic heirlooms, but their irreplaceable memories. The unacceptable statistic is that of the over 800+ fires in Utah as of early August, over 75% are human caused and “motor vehicles” account for roughly 40% of the human caused fires.

As KSL News reported August 2nd, Governor Cox cautions against 'careless action' as Utah's wildfire risks increase. The Governor said, "With another hot, dry week ahead, we need every Utahn to take precautions. Avoid anything that could create a spark, secure trailer chains, never park on dry grass and follow all fire restrictions and evacuation orders. One careless action could put lives, homes and our firefighters at risk.”

I hope that I am the only one at this Council Meeting that has personally experienced a life changing fire, fighting a fire all night and watching as your neighbor’s homes burn. Unfortunately I relived all that horror during last year’s Palisades fire that claimed over 6,800 structures. One does not recover from these experiences.

After the Palisades Fire in 2025, the simple quest of finding out when the fire hydrant at the corner of my property was last tested became an eye opener. This lead to further contact with the Fire Department, the Water Division, the City Attorney, the Mayor and the BLM. The scope of concern expanded to the widespread risk to Cedar City from unrestricted activities on City property.

The City’s property is being used as an “off-road” track. The Water Tank area is littered with trash, broken glass, cigarette butts and signs of small fires. The glass laying in the weeds under the hot sun is of particular concern. The 13th Hole Trail parking area past the “No Motor Vehicles” signage has been a weekend “tailgate party” area. Again trash, matches, cigarette butts, empty beer cans all just laying in the brush. A short distance back in the canyon past the “No Vehicles, No Shooting, No Dumping and No Trespassing” signs were found old fire pits, shell casings, and new motorcycle and ATV trails cut through the bush and hill climbing trails. I submitted pictures of all this abuse and requested the City take action to restrict and stop all these off-road, hazardous activities. I thought perhaps the city might be concerned about liability caused by not enforcing the restrictive signage, but the City Attorney countered my concern. So nothing really happened in 2025 except a rollover accident with a truck speeding down from the water tank

on June 21st, hitting a boulder and flipping upside down. Fortunately no one was hurt and any sparks from metal hitting rock did not cause a fire. Police and fire responded so there should be documentation on file. As far as any other City mitigation actions, nothing happened in 2025.

In January of 2026, I received a “New Assessment Report” from the State of Utah showing all the city’s property near the 13th Hole Trail, up to the city’s water tank and back in the canyon toward the Thunderbird Garden Trailhead was rated “High Fire Risk”. I renewed my efforts with the new administration. As the state put into effect HB48 in January 2026, the Deseret News reported that “now property owners in high risk areas can also request lot assessments to develop personalized risk mitigation strategies from counties and cities.”

In recent months the city has taken a few steps to limit access, but the off-roaders have created new ATV and full size 4X4 dirt paths back up the canyon and up to the water tank. I was advised that some within the city do not view dirt bikes to be a hazard. If ricocheting bullets, dragging chains, hot or faulty exhausts can cause fire, I think dirt bikes making new trails through the brush and dead weeds could also cause a fire. These off-road enthusiasts have alternatives such as Three Peaks that does not border residential communities. It is not my desire to limit any hikers or bicycle adventurers, but seek to limit and actually enforce the “no motor vehicles” restrictions. I know the city must balance the rights and expectations of the residents vs. the outdoors folks, but what would the city say if strong southerly winds quickly set homes and apartments ablaze due to the irresponsible actions of motor vehicles in “High Fire Risk” city owned land.

The situation has been well documented. The high fire risks have been documented by the City’s own fireworks restrictions over the recent holidays. The state has mandated restrictions as well. Someone decided on the city’s behalf that these areas of concern should be “no motor vehicle” areas yet with all the data, pictures, suggestions and requests, I still see and hear reluctance from the city. There is a known risk and an opportunity to mitigate that risk. I am asking the city to step up and protect the residents. The legal aspect of non-liability is not clear to me so if needed I can reach out to the state for clarification and the specifics of HB48. I would much prefer the city work with residents and their concerns and suggestions and welcome the City Council’s opinion, support and direction at this time.

Steve Koltvet

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### **Canyon Ridge Fire Mitigation Recap and Request Past Activities and Communications from Residents Follow**

Requesting the Board directly participate and request the City Council of Cedar City, to take positive steps at ending the abuse and risky activities on City property that places our community at high risk of devastating fire.

Late 2024, another resident, a retired fireman and I volunteered to perform fire hydrant testing since the city could not provide history. Fire Chief Phillips declined our offer. Growing concern, all the dirt bike, 4X4 and other motorized vehicles driving in the weeds, hillclimbing, tailgate activities, shooting and trash. Nothing came from it.

January 2025 the Pacific Palisades fires reset growing concerns about fires and the strong winds experienced in Cedar. (12 killed, over 6800 structures burned)

June 2025 approached Fire Department again about hydrant testing and Station #1 said there were no records available for the public. City Hall then advised it is the Water Department that does the testing.

Late June (21st) 2025 a truck coming down from the water tank, traveling far too fast, slid, hit a boulder and flipped upside down. Fortunately no one was hurt. Both police and fire responded. Fluid (oil and coolant) drained from the vehicle.

July 2025 approached the Water Department who advised hydrants were tested every two years but specific information was not available. Process was explained (City Map with hydrants crossed out, south one year, north following year.

July 2025, had dialog with BLM who agreed with the high fire hazard but corrected the signage posted at the entrance to the 13th Hole Trail that has a BLM logo. That was their support for no motor vehicles but it is not their land.

Late July, emailed Mayor Green and outlined growing concerns, lack of documentation and requested help. He never responded.

August 2025, sent email to the City Attorney about potential City liability and lack of enforcement. Basic response was the City is not liable for not enforcing their signage.

January 2026 the State of Utah puts HR48 into law which supposedly gives homeowners more leverage with Cities and Counties regarding Fire Mitigation.

January 12th, 2026 the State came out with a New Assessment Report showing City property rated "high fire risk".

January 5th 2026 Cedar City's new Mayor took office and was very receptive. He visited the property on April 1st. And again at a later date.

The City has been provided with dozens of pictures evidencing:

Trash, broken glass and cigarette butts in weeds, many new dirt bike trails, fire pits, burnt mattresses, spent rifle shell casings, spent shotgun shells, clay pigeons, targets, discarded clothing, beer cans, etc.

The City put up chains to restrict motor vehicles but quickly new paths around the chains were carved out. The chain restricting the road up to the water tank was cut. The City repaired it but there is also a new path around it.

While not threatening, teen dirt bikers have been intimidating and disrespectful to residents. Clearly there are those that have no respect for the risk they present to our and neighboring communities.

## **Water Tank Road, Fire Pits, Trash**



## **Added Chain and Cut Chain**



## Area below Water Tank





## New Paths



## What's At Risk





CEDAR CITY COUNCIL  
AGENDA ITEMS - #03  
DECISION PAPER

**TO:** Mayor and City Council

**FROM:** City Manager

**DATE:** October 19, 2026

**SUBJECT:** City Council Decision Paper – mining rights lease amendment.

On September 29, 2014, Cedar City leased a parcel of property to Coal Creek Gravel, LLC. The property is located west of Bulldog Road and south of the City's old wastewater treatment plant. The original lease is for twenty (20) years and a limit of five hundred thousand (500,000) cubic yards of material. The leasee surveys the property annually to determine how much material they have removed, and this is also the basis for their payments to Cedar City. They have reached the lease limit and have asked to increase the limit so they can continue to mine material. Attached is an amendment to the lease. The only thing the amendment does is allow the lessee to mine an additional five hundred thousand (500,000) cubic yards of material. The lease represents that the property has the capacity to yield the additional material and maintain all required slopes. The lease has agreed and signed the proposed amendment. Please consider approving this amendment. If you have questions, please ask. Thank you. Below is a copy of the amendment and original lease.

**MINING RIGHTS LEASE AMENDMENT.**

This mining rights lease amendment is entered into on the \_\_\_\_ day of October 2026, between Cedar City Corporation, a Utah municipal corporation and political subdivision of the State of Utah, hereinafter referred to as "CITY"; and Coal Creek Gravel, L.L.C., a limited liability corporation, herein referred to as "LESSEE".

**WHEREAS**, On September 29, 2014, CITY and LESSEE entered a mining rights lease which allowed LESSEE to mine products from approximately 16.14 acres of CITY owned land, said lease is attached hereto and incorporated herein as exhibit A; and

**WHEREAS**, September 29, 2014, lease contained terms limiting the life of the lease to twenty (20) years and limiting the amount of mineable material to five hundred thousand (500,000) cubic yards; and

**WHEREAS**, the lease has resulted in beneficial use of the material and provided income to Cedar City; and

**WHEREAS**, LESSEE is reaching the cubic yard limitation contained in the original lease. The property is in such condition that additional mining is possible while maintaining all applicable safety factors. The LESSEE has requested an amendment to the original lease so they can continue to mine material from the property.

**NOW THEREFORE**, it is hereby agreed that the original lease is amended to allow LESSEE to mine an additional five hundred thousand (500,000) cubic yards of material.

All other terms and conditions in the original lease shall remain the same.

Dated this \_\_\_\_ day of October 2026.

\_\_\_\_\_  
Steve Nelson  
Cedar City Mayor

[Seal]  
Attest:

\_\_\_\_\_  
Amber Ray  
Cedar City Recorder

STATE OF UTAH            )  
                                      :ss.  
COUNTY OF IRON        )

This is to certify that on the \_\_\_\_ day of October, 2026, before me, the undersigned, a Notary Public, in and for the State of Utah, duly commissioned and sworn as such, personally appeared Steve Nelson, know to me to be the Mayor of Cedar City Corporation, and Amber Ray, known to me to be the City Recorder of Cedar City Corporation, and acknowledged to me that he the said Steve Nelson and she the said Amber Ray executed the foregoing instrument as a free and voluntary act and deed of said corporation, for the uses and purposes therein, and on oath state that they were authorized to execute said instrument, and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year hereinabove written.

\_\_\_\_\_  
NOTARY PUBLIC

Dated this \_\_\_\_ day of October 2026.

\_\_\_\_\_  
Lessee's Signature

STATE OF UTAH            )  
                                      :ss.  
COUNTY OF IRON        )

On this \_\_\_\_ day of October 2026, personally appeared before me \_\_\_\_\_ who duly acknowledged to me that he signed the above and foregoing document.

\_\_\_\_\_  
NOTARY PUBLIC



Exhibit A

**MINING RIGHTS LEASE**

This agreement is entered into and becomes effective on the 29<sup>th</sup> day of September, 2014, between Cedar City Corporation, a Utah municipal corporation and political subdivision of the State of Utah, herein referred to as "CITY"; and Coal Creek Gravel, L.L.C., a corporation, herein referred to as "LESSEE".

**WHEREAS**, CITY owns approximately 17 acres of real property located in the vicinity of 1955 North Bulldog Road, more particularly described as follows, to wit:

Beginning at the Northwest Corner of the NE¼ SW¼ of Section 34, T35S, R11W, SLM; thence N 89°54'18" E, 986.68 ft. along the 1/4 section line; thence S 0°00'18" W, 481.01 ft.; thence S 89°54'18" W, 375.30 ft.; thence S 39°36'42" W, 958.88 ft.; thence N 0°00'04" E, 1218.70 ft. along the 1/16 section line to the point of beginning.  
Containing 16.14 acres of land.

**WHEREAS**, in accordance with CITY's purchasing policy CITY has held a public hearing, received bids, and received public comment prior to entering into this lease; and

**WHEREAS**, CITY has a continuing interest in the management and storage of runoff water; and

**WHEREAS**, the airport protection zones limit the height of structures or improvements that may be located on the above property; and

**WHEREAS**, the property LESSEE wants to lease from CITY is generally considered to be a rich source of gravel, dirt, and sand. It is for the purpose of mining gravel, dirt, and sand that LESSEE submitted a bid to lease the above described property from CITY; and

**WHEREAS**, the CITY makes no representations or warranties as to the quality or quantity of gravel, dirt, sand, or other materials that may be available for mining on the property; and

**WHEREAS**, CITY is interested in leasing the property for among other things the purpose of generating revenue.

**NOW THEREFORE** the CITY and LESSEE agree to the following, to wit:

1. This agreement shall remain in effect for twenty (20) years from the effective date listed above, or until LESSEE has removed the maximum volume of material from the site, or unless terminated in accordance with the terms and conditions contained herein, whichever comes first. Any extension of the length of this agreement must be agreed upon by both parties and reduced to writing. The five hundred thousand (500,000) cubic yards of material removable from the property is contingent on the following: (1) relocation or abandonment of the existing water and sewer main lines running through the property, and; (2) the material may be safely removed while maintaining proper side slopes as set forth herein. Any relocation of the water and/or sewer lines must be completed at LESSEE's sole cost, in accordance with City specifications, and conducted in a manner that will minimize the impact on those relying on these lines for sewer and water service.
2. LESSEE shall have the right to mine the maximum volume of material from the site. For purposes of this agreement the maximum volume of material shall be defined as an amount not to exceed five hundred thousand (500,000) cubic yards of gravel, dirt, and sand from the site. CITY reserves all rights to all other surface or subsurface materials, gases, or liquids.
  - A. For purposes of this agreement "gravel" means an unconsolidated mixture of pebbles or rock fragments, and excludes any remarkable mineral such as coal,

iron, copper, gold, silver, and the like, as well as any liquid or gaseous substance or deposit on the property.

- B. For purposes of this agreement "dirt" means loose earth or soil, and excludes all other remarkable minerals, all liquids, and all substances in a gaseous state.
- C. For purposes of this agreement "sand" means a substance consisting of fine particles of eroded rocks, and excludes all other remarkable minerals, all liquids, and all substances in a gaseous state.

LESSEE shall also have the right to locate such green waste recycling facilities on the leased property as may be mutually agreed to between CITY and LESSEE. The green waste recycling facilities shall be located in such a manner so as not to obstruct CITY or LESSEE's access to the gravel mining operations and to provide for the safety of LESSEE, CITY employees and the public.

- 3. Immediately prior to beginning any mining operations on any portion of the property LESSEE shall, at LESSEE's sole expense, clear all brush, debris, grass, etc.... from the portion of the property to be immediately mined. Thereafter, LESSEE shall contract with a civil engineering and surveying company of their choice to establish the base topography of the entire leased property. LESSEE shall have the property re-surveyed every year, and submit a report to the City Engineer as to how much material has been mined.
- 4. LESSEE shall have a permissive right of way across the approximately three hundred (300) foot of CITY property between the leased property and Bulldog Road at a location to be mutually agreed upon by LESSEE and CITY. Storage of material and/or

equipment shall not be allowed on any CITY property not included in the lease.

LESSEE shall maintain a 1:1 slope on all sides of the property unless LESSEE owns the adjacent property and indemnifies and holds the City harmless from any slope that is steeper than 1:1. Unless the water and sewer lines are abandoned or relocated in accordance with the terms contained herein, LESSEE shall maintain a 2:1 slope along on either side of the lines.

5. Throughout the entire property, LESSEE shall employ necessary and appropriate dust control procedures that meet or exceed the standards established by the State of Utah Air Quality Board and set forth in Utah Administrative Rule R307-205-7 as currently adopted or as may hereinafter be duly amended, or such other applicable administrative rules duly adopted by the Utah Air Quality Board.
6. Prior to commencing mining operations LESSEE and CITY shall agree to a location on the property to be set aside for the exclusive use of CITY to mine material including, but not limited to, dirt, gravel, and sand. In order to avoid billing conflicts, CITY shall keep track of the amount of material CITY removes from the property. While the access to the property may be gated and locked, CITY shall be provided a key to the pit and CITY shall have unimpeded access to the property to conduct mining operations. CITY and LESSEE agree to mutually cooperate so as to avoid conflicts that may result due to mutual mining activities.
7. In order to reclaim the property once the mining effort is complete, LESSEE shall remove all equipment, debris, or other material that is not native to the property. This shall include cleaning up all spills of oil, gas, or other industrial material. The cleanup shall

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require the removal of such material in accordance with standards now in place or as may hereinafter be adopted by State or Federal regulating bodies. LESSEE shall also grade the bottom of the pit to no slope is greater than a 8:1 incline. LESSEE shall hydro-seed the entire area with the same mixture of native plants as is used by the State of Utah Department of Transportation for hydro-seeding activities or such other comparable mixture as is agreed upon between CITY and LESSEE. LESSEE shall leave the pit in such condition that CITY may be able to use the pit for water reclamation or storm drain control.

8. LESSEE shall pay to CITY eighty cents (\$0.80) per cubic yard of material removed from the property. CITY, at CITY's sole and exclusive discretion, may adjust the lease amount every five (5) years during the term of the lease. The amount of the adjustment may not exceed the average change in the United States consumer price index for all urban consumers as published by the United States Department of Labor, Bureau of Labor Statistics and as may be re-published by the State of Utah Department of Workforce Services. Changes to the required lease rate shall be communicated in writing to LESSEE. Payment shall be as follows:
  - A. On or before the yearly anniversary of this agreement LESSEE shall cause the property to be surveyed as stated herein. LESSEE shall provide all information generated by the survey to CITY. Within thirty (30) days of completing the survey payment shall be made by LESSEE to CITY. Failure to timely pay the yearly lease rate shall be grounds for CITY to terminate the lease agreement.
9. In cases of a dispute, attorney fees and costs shall be paid individually by each party.

10. Upon the completion of either the time period stated herein, excavation of the quantity of materials stated herein, or termination of the agreement in accordance with the terms set forth herein, LESSEE shall have thirty (30) days to reclaim the property pursuant to paragraph 8, and thereafter shall have no rights to enter the property. At all times CITY shall maintain ownership of the property.
11. Until all of LESSEE's equipment and property is removed from the property, LESSEE shall indemnify and hold harmless Cedar City, its elected and appointed officials, its employees, agents and assigns from any and all damage caused during LESSEE's use of the property. To that end, LESSEE shall maintain all workers compensation and unemployment insurance as may be required by the State of Utah. LESSEE shall maintain liability insurance in the minimum of three million dollars (\$3,000,000.00) per occurrence with an aggregate amount that is typical in the industry for a mining operation and exceeds the per occurrence amount. CITY shall be named an additional insured on LESSEE's liability insurance policy. LESSEE shall provide City a certificate of insurance upon entering the lease showing CITY as an additional insured. With each annual payment LESSEE shall provide City a current certificate of insurance. City reserves the right during the course of this agreement to adjust the insurance requirements. Failure to maintain the above stated insurance, or name CITY as an additional insured, shall constitute a breach of this agreement.
12. This is a non-exclusive lease to the extent that during the term of the lease CITY will be able to remove gravel, dirt, and/or sand from the same described property. If City needs to remove gravel, dirt, and/or sand from the Property, City and LESSEE will agree on a

specific area for City to obtain the needed material. City will complete an initial topographical survey of the area and a topographical survey once the extraction of materials is completed. City will use the information related to the amount of material the City removed to equitably credit LESSEE when LESSEE's next payment is due.

13. CITY reserves the right to evaluate the volume of material LESSEE has removed from the property every five (5) years. If LESSEE does not remove a minimum of fifty thousand (50,000) cubic yards of material every five (5) years CITY reserves the right to terminate this lease.
14. Violation of the terms and conditions of this lease may result in termination of the lease. Prior to terminating the lease the party alleging non-conformance with the lease shall provide notice to the other party and allow a reasonable time to cure. If the conduct is not cured the lease may be terminated. If the lease is terminated all payments made to CITY are non-refundable.
15. LESSEE agrees to abide by all applicable federal, state, and local law, regulation, and ordinance. Specifically, LESSEE shall abide by all applicable health and safety regulations applicable to the mining industry.
16. The parties stipulate that the proper jurisdiction over this property is the District Court for the State of Utah. The parties further stipulate that venue is only appropriate in the Fifth Judicial District in and for Iron County.
17. This agreement constitutes the entire agreement between the parties. No prior representations, promises, or agreements shall be binding.
18. This agreement shall be amendable only by written document duly approved by the City

Council that shall reference this agreement and state with specificity the amendments thereto.

19. Both parties stipulate that the proper procedure has been followed to grant authority to enter this agreement, and agree to be bound by the terms and conditions herein. By affixing signatures hereto, the parties waive any defense based on not following proper internal procedures.
20. LESSEE shall grant to CITY permission to utilize for ground water recharge any abandoned portions of this property or any adjacent properties that LESSEE owns or controls that have been used for the purposes including the mining of gravel, sand, and dirt.

CITY'S SIGNATURE PAGE

Dated this 29<sup>th</sup> day of September, 2014.

Maile L. Wilson  
MAILE L. WILSON  
MAYOR

[SEAL]  
ATTEST:



Renon Savage  
RENON SAVAGE  
RECORDER

STATE OF UTAH     )  
                              :SS.  
COUNTY OF IRON    )

This is to certify that on the 29<sup>th</sup> day of Sept, 2014, before me, the undersigned, a Notary Public, in and for the State of Utah, duly commissioned and sworn as such, personally appeared Maile L. Wilson, known to me to be the Mayor of Cedar City Corporation, and Renon Savage, known to me to be the City Recorder of Cedar City Corporation, and acknowledged to me that she the said Maile L. Wilson and she the said Renon Savage executed the foregoing instrument as a free and voluntary act and deed of said corporation, for the uses and purposes therein, and on oath state that they were authorized to execute said instrument, and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year hereinabove written.

Shelli Peterson  
NOTARY PUBLIC

LESSEE'S SIGNATURE PAGE.

Dated this 22 day of September, 2014.

  
\_\_\_\_\_  
Lessee's signature

STATE OF UTAH    )  
                          :ss.  
COUNTY OF IRON )

On this 22nd day of September, 2014, personally appeared  
before me Blake DeMille who duly acknowledged to me  
that he signed the above and foregoing document.

  
\_\_\_\_\_  
NOTARY PUBLIC

## **CITY COUNCIL STAFF REPORT**

**To:** Mayor and City Council  
**From:** Finance Director  
**Date:** October 21, 2026  
**Subject:** Adoption of a Budget Policy

### **RECOMMENDATION**

Staff recommends that the City Council review and adopt the resolution establishing a Budget Policy to establish a transparent, consistent, and fiscally responsible approach to the City's annual budget. Establishing a formal Budget Policy will provide the City with a consistent framework for future budget development and will help ensure that annual budget decisions are made with consideration of both current service needs and the City's long-term financial sustainability.

### **BACKGROUND**

Cedar City prepares and adopts an annual budget in accordance with Utah law. The annual budget is one of the City's most important financial management and policy tools because it establishes the financial resources available to provide City services, support employees, maintain infrastructure, and accomplish the priorities established by the Mayor and City Council.

While the City follows the budget requirements established by Utah law, a formal City Budget Policy provides additional guidance regarding how the City's budget should be developed, reviewed, adopted, monitored, and amended.

The proposed policy establishes a consistent framework for the annual budget process and clarifies the roles and responsibilities of the Mayor, City Council, City Manager, Finance Director, and Department Directors.

### **PURPOSE OF THE POLICY**

The policy is intended to:

- Align the City's financial resources with the priorities established by the Mayor and City Council;
- Promote long-term financial sustainability;
- Establish clear responsibilities throughout the budget process;
- Encourage conservative and realistic revenue forecasting;
- Promote sustainable ongoing expenditures;
- Provide a process for evaluating new programs, positions, and capital projects;
- Establish expectations for budget monitoring and reporting;
- Provide guidance regarding budget amendments and transfers; and
- Improve transparency and communication with the City Council and public.

## MAYOR AND CITY COUNCIL INVOLVEMENT

An important component of the proposed policy is the active involvement of the Mayor and City Council in the development of the annual budget.

The Mayor will have an active leadership role in establishing budget priorities and participating in the development and review of the proposed budget.

The Mayor's role may include:

- Providing leadership regarding City priorities and desired service outcomes;
- Participating in the development of annual budget priorities;
- Reviewing significant departmental budget requests;
- Providing input regarding service levels, staffing, programs, and capital projects;
- Participating in budget workshops and discussions;
- Reviewing the proposed budget before formal Council consideration; and
- Working collaboratively with the City Council and administration to develop a financially sustainable budget.

The City Council will retain its authority to review, amend, and adopt the City's annual budget as provided by Utah law.

This approach recognizes that the budget is both a **financial management document and a policy document**. The Mayor and Council establish priorities and policy direction, while the City Manager and Finance Department provide administrative and financial analysis to develop a recommended budget.

## FINANCE DEPARTMENT ROLE

The Finance Director will coordinate the technical and financial aspects of the budget process and serve as the City's primary financial advisor regarding the budget.

Finance will provide:

- Revenue projections;
- Expenditure analysis;
- Historical financial information;
- Financial forecasts;
- Budget-to-actual reporting;
- Analysis of the ongoing financial impact of proposed expenditures;
- Information regarding fund balance and reserves;
- Debt and capital financing information; and
- Other financial information necessary for informed budget decisions.

The Finance Department's role is to provide objective financial information and identify financial risks and opportunities while allowing policy decisions regarding priorities and service levels to remain with the Mayor and City Council.

## **KEY POLICY PROVISIONS**

The proposed policy addresses the following areas:

### **1. Budget Development**

Establishes an annual process for developing the budget, beginning with financial forecasting and priority setting and continuing through departmental requests, management review, Council review, public hearings, and final adoption.

### **2. Revenue Forecasting**

Requires revenue estimates to be reasonable and supportable and based on historical collections, economic conditions, development trends, legislative changes, and other relevant factors.

### **3. Expenditure Management**

Establishes expectations that expenditures be based on demonstrated service needs, available resources, legal requirements, and City priorities.

### **4. Structural Balance**

Encourages recurring revenues to support recurring expenditures and discourages the use of one-time revenues to fund ongoing programs.

### **5. Capital Planning**

Encourages the City to consider capital needs on a multi-year basis and evaluate the ongoing operating and maintenance costs associated with capital projects.

### **6. Fund Balance**

Provides that fund balance will be managed in accordance with the City's separately adopted Fund Balance Policy.

### **7. Budget Monitoring**

Establishes expectations for periodic reporting to the Mayor and City Council regarding revenues, expenditures, significant variances, fund balances, capital projects, and other financial indicators.

### **8. Budget Amendments**

Provides a framework for budget amendments and transfers while maintaining compliance with Utah law and preserving the City Council's appropriation authority.

## **9. Long-Term Financial Planning**

Encourages the City to consider the long-term financial consequences of current budget decisions, including staffing, facilities, infrastructure, debt, maintenance, and other ongoing obligations.

### **FINANCIAL IMPACT**

Adoption of the Budget Policy is not expected to have a direct financial impact on the City's budget.

The policy is intended to improve the City's financial planning, budget development, monitoring, and decision-making processes.

Implementation will primarily involve incorporating the policy's requirements into the City's existing annual budget process.

### **LEGAL CONSIDERATIONS**

The proposed policy is intended to complement, rather than replace, the City's obligations under Utah's Uniform Fiscal Procedures Act for Utah Cities and other applicable state and federal requirements.

Where a conflict exists between the policy and applicable law, applicable law will govern.

The policy also recognizes that the City Council retains its authority to adopt the City's annual budget and approve budget amendments as required by law.

### **STAFF RECOMMENDATION**

Staff recommends that the City Council approve the proposed **Cedar City Budget Policy**.

# **CEDAR CITY, UTAH**

## **BUDGET POLICY**

**Effective Date:** [To Be Determined]

**Adopted by Resolution:** [To Be Determined]

**Responsible Department:** Finance

**Policy Review:** At least every three years, or as needed

### **1. PURPOSE**

The purpose of this Budget Policy is to establish a consistent and responsible framework for preparing, adopting, managing, monitoring, and amending the annual budget of Cedar City.

The budget is the City's primary financial planning and management tool. It is intended to:

- Provide a clear financial plan for delivering City services;
- Align available resources with City Council priorities and strategic objectives;
- Maintain the City's financial stability and long-term sustainability;
- Ensure compliance with Utah law and applicable accounting and financial reporting requirements;
- Promote transparency and accountability to the City Council, citizens, and other stakeholders;
- Provide departments with reasonable resources to accomplish approved programs and services;
- and
- Establish appropriate controls over expenditures and the use of public funds.

### **2. POLICY STATEMENT**

Cedar City will develop and maintain a balanced, fiscally responsible, and transparent annual budget.

The City will budget revenues conservatively and expenditures based on demonstrated service needs, available resources, legal requirements, and City Council priorities.

The City will not use temporary or one-time revenues to support ongoing expenditures unless the City Council specifically determines that such use is appropriate and sustainable.

The annual budget will be developed with consideration of both current-year needs and the City's long-term financial obligations.

### **3. LEGAL COMPLIANCE**

The City shall prepare, adopt, administer, amend, and monitor its budget in accordance with:

1. Utah Code Title 10, Chapter 6, Uniform Fiscal Procedures Act for Utah Cities;
2. Applicable requirements of the Utah State Auditor;
3. The Uniform Accounting Manual for Utah Cities;
4. Generally Accepted Accounting Principles (GAAP), as applicable;
5. Applicable federal and state laws and regulations;
6. City ordinances and resolutions; and
7. This policy.

If a conflict exists between this policy and applicable law, the law shall govern.

Utah law defines a municipal budget as a plan of financial operations for a fiscal period that estimates expenditures and the means of financing those expenditures.

#### **4. BUDGET PERIOD**

Cedar City shall prepare an annual budget for each fiscal year beginning July 1 and ending June 30.

The City may establish a multi-year financial forecast and/or capital improvement plan in conjunction with the annual budget.

Long-term financial forecasts are intended to assist the City Council and management in understanding the future financial implications of current decisions. Forecasts do not constitute appropriations unless formally incorporated into an adopted budget.

#### **5. BUDGET RESPONSIBILITY**

##### **5.1 City Council**

The City Council is responsible for establishing the City's overall policy direction and, as a legislative body, adopting the annual budget.

The City Council shall:

- Establish overall City priorities and policy direction;
- Participate in the annual budget development process;
- Review the proposed budget and supporting financial information;
- Provide direction regarding service levels, programs, capital projects, and other significant financial priorities;
- Conduct required public hearings;
- Adopt the annual budget in accordance with applicable law;
- Approve budget amendments requiring Council action;
- Establish appropriate financial policies; and
- Monitor the City's financial condition and budget performance.

The City Council's adoption of the budget constitutes authorization to expend public funds for the purposes and amounts approved, subject to applicable law and City policies.

##### **5.2 Mayor**

The Mayor shall have an active leadership role in the development of the City's annual budget.

The Mayor shall work collaboratively with the City Manager, Finance Director, City Council, and department leadership throughout the budget development process.

The Mayor's responsibilities may include:

- Providing leadership regarding the City's priorities and desired service outcomes;
- Participating in the development of the City's annual budget priorities;
- Reviewing significant departmental budget requests and recommendations;
- Providing input regarding service levels, programs, staffing, capital projects, and other significant expenditures;
- Working with the City Manager and Finance Director to identify opportunities, challenges, and financial priorities;
- Working with staff to produce and present the annual tentative budget to Council;
- Participating in budget workshops and discussions with the City Council;
- Reviewing the proposed budget before its presentation for formal Council consideration;
- Communicating the City's budget priorities and proposed financial plan to the City Council and public; and
- Working collaboratively with the City Council to develop a financially sustainable budget.

The Mayor's participation in the budget development process does not replace the collective authority of the City Council to review, modify, and adopt the City's annual budget as provided by law.

The Mayor shall not authorize expenditures or obligate City funds outside the authority provided by law, the adopted budget, City ordinances, resolutions, and applicable administrative policies.

### **5.3 City Manager**

The City Manager shall be responsible for coordinating the preparation and administration of the annual budget under the direction of the Mayor and City Council.

The City Manager shall:

- Coordinate the City's budget development process;
- Work with the Mayor and City Council to identify and incorporate budget priorities;
- Review departmental budget requests;
- Evaluate proposed programs, staffing changes, capital projects, and service-level changes;
- Develop recommendations regarding competing funding requests;
- Ensure that proposed expenditures are consistent with available resources;
- Coordinate the preparation of the proposed budget with the Finance Director;
- Monitor implementation of the adopted budget; and
- Recommend budget amendments when circumstances warrant.

The City Manager shall facilitate communication among the Mayor, City Council, Finance Director, and department directors throughout the budget process.

### **5.4 Finance Director / Budget Officer**

The Finance Director shall serve as the City's primary financial advisor and budget officer and shall coordinate the technical and financial aspects of the budget process.

The Finance Director shall:

- Establish the annual budget calendar;
- Prepare and distribute budget instructions and assumptions;
- Develop revenue estimates and financial forecasts;
- Provide the Mayor, City Manager, and City Council with financial information necessary for budget decisions;
- Review departmental budget requests for accuracy, completeness, and financial sustainability;
- Identify significant financial risks and opportunities;
- Prepare the proposed budget in coordination with the City Manager and Mayor;
- Monitor budget performance throughout the fiscal year;
- Coordinate required budget amendments;
- Ensure required state filings are completed; and
- Maintain the City's official budget records.

The Finance Director shall provide objective financial analysis and shall identify the financial implications of proposed budget decisions, including the impact on future operating costs, fund balances, reserves, debt, and long-term financial sustainability.

## **5.5 Department Directors**

Department Directors shall:

- Prepare budget requests based on demonstrated operational needs and City priorities;
- Participate in budget discussions with the City Manager, Finance Director, and, as appropriate, the Mayor and City Council;
- Develop realistic expenditure estimates;
- Identify staffing, contractual, equipment, capital, and operating requirements;
- Monitor expenditures throughout the fiscal year;
- Operate within the approved departmental budget;
- Identify significant budget variances promptly; and
- Provide Finance with information necessary to prepare accurate financial forecasts.
- Provide Quarterly Budget Revisions if necessary

Department Directors are responsible for managing their departments within the authority delegated to them.

## **6. BUDGET PRINCIPLES**

Cedar City's budget shall be guided by the following principles:

### **6.1 Structural Balance**

The City should maintain recurring revenues sufficient to support recurring operating expenditures.

The City should avoid creating ongoing expenditure commitments that depend upon one-time revenues, temporary grants, fund balance, or other nonrecurring resources.

## **6.2 Conservative Revenue Forecasting**

Revenue estimates should be based on historic collections, current economic conditions, known changes in law or policy, development trends, and other reliable information.

Revenue estimates should not be intentionally overstated to support desired expenditures.

## **6.3 Sustainable Expenditures**

Expenditure decisions should consider the City's ability to sustain the associated costs in future fiscal years.

When considering a new program, position, facility, service, or major purchase, the City should consider:

- Initial cost;
- Ongoing operating costs;
- Personnel costs;
- Maintenance requirements;
- Capital replacement requirements; and
- Long-term funding sources.

## **6.4 One-Time Revenues and Expenditures**

One-time revenues should generally be used for one-time expenditures, capital improvements, debt reduction, or other nonrecurring purposes.

One-time revenues should not normally be used to establish or expand ongoing programs without identifying a sustainable recurring funding source.

## **6.5 Transparency**

Budget information should be presented in a manner that allows the City Council and public to understand:

- Where revenues come from;
- How public funds are being spent;
- Changes from prior years;
- Major financial assumptions;
- Significant risks and uncertainties; and
- The financial impact of major decisions.

## **7. REVENUE POLICY**

Revenue estimates shall be developed using reasonable and supportable assumptions.

The Finance Department shall consider, as applicable:

- Historic collections;
- Current-year collections;
- Economic conditions;
- Population and development trends;
- Taxable sales trends;
- Property tax trends;
- User fees and charges;
- Intergovernmental revenues;
- Grants;
- Investment earnings;
- Known legislative changes; and
- Other relevant factors.

Revenue estimates shall distinguish between recurring and nonrecurring revenues.

New revenues should not be considered available for expenditure until they can reasonably be expected to be received or otherwise meet applicable budget requirements.

## **8. EXPENDITURE POLICY**

Expenditures shall be budgeted based on:

- Demonstrated service needs;
- Existing contractual obligations;
- Personnel requirements;
- Operating requirements;
- Capital needs;
- Legal requirements;
- City Council priorities; and
- Available financial resources.

Utah law requires appropriations to remain within estimated expendable revenue for the applicable fund.

Departments shall not make commitments that exceed available appropriations.

## **9. PERSONNEL BUDGET**

Personnel costs are generally one of the City's largest ongoing expenditures and shall receive particular attention during the annual budget process.

The budget shall identify, as appropriate:

- Authorized full-time positions;
- Part-time positions;
- Seasonal positions;
- Salaries and wages;
- Overtime;
- Benefits;
- Retirement costs;
- Payroll taxes;
- Workers' compensation;
- Other employee-related costs.

Requests for new positions shall include justification regarding service needs, workload, funding, and anticipated ongoing costs.

The City should identify the ongoing funding source for any new position before the position is authorized.

## **10. CAPITAL IMPROVEMENT BUDGET**

Cedar City shall maintain a multi-year Capital Improvement Plan (CIP) to identify significant capital needs and anticipated funding sources.

Capital requests should consider:

- Public safety;
- Infrastructure condition;
- Regulatory requirements;
- Growth and development;
- Service-level requirements;
- Asset replacement needs;
- Available funding;
- Debt capacity; and
- Long-term operating and maintenance costs.

Capital projects should identify the anticipated total project cost rather than focusing solely on the current fiscal year's expenditure.

Major capital projects should identify the anticipated source or sources of funding, including grants, impact fees where applicable, dedicated revenues, fund balance where legally permitted, debt, or other financing sources. Sinking funds may also be established for large capital expenditures.

## **11. DEBT**

The City shall use debt financing prudently and primarily for significant capital assets or projects that provide benefits over multiple years.

Debt should not normally be used to fund recurring operating expenditures.

Before issuing debt, the City should evaluate:

- Project necessity;
- Total project cost;
- Debt service requirements;
- Available revenues;
- Impact on future budgets;
- Existing debt obligations;
- Legal requirements; and
- Long-term financial sustainability.

Debt issuance shall comply with applicable laws, bond covenants, and City debt policies.

## **12. FUND BALANCE AND RESERVES**

Fund balance shall be managed in accordance with the City's separately adopted Fund Balance Policy.

The annual budget should identify the City's planned use, accumulation, and replenishment of fund balance when applicable.

The City should maintain adequate reserves to provide financial stability, address unforeseen circumstances, manage revenue volatility, and protect essential services.

The General Fund shall comply with the fund balance limitations and permitted uses established by Utah law.

Utah law places specific restrictions on accumulated General Fund balance and limits the circumstances in which General Fund balance may be appropriated for budget purposes.

## **13. USER FEES AND CHARGES**

The City should periodically review user fees and charges to determine whether they:

- Recover an appropriate portion of the cost of providing services;
- Remain competitive and reasonable;
- Comply with applicable law;
- Are consistent with City Council policy; and
- Remain financially sustainable.

The calculated cost of providing a service should be distinguished from the policy decision regarding the percentage of that cost that should be recovered through a fee. Fee recommendations should consider both cost of service and public policy objectives.

## **14. GRANTS AND RESTRICTED REVENUES**

Grant revenues shall be budgeted in accordance with applicable grant agreements and legal requirements.

Restricted revenues shall be used only for purposes permitted by law, regulation, ordinance, resolution, agreement, or other applicable restriction.

Departments seeking grants should coordinate with Finance before accepting grant funds when the grant creates:

- Matching requirements;
- Ongoing operating commitments;
- Additional staffing requirements;
- Future maintenance obligations; or
- Other significant financial commitments.

## **15. BUDGET DEVELOPMENT PROCESS**

Cedar City's annual budget process shall be a collaborative process involving the Mayor, City Council, City Manager, Finance Director, and department leadership.

The budget process shall provide an opportunity for the Mayor and City Council to establish priorities before departmental budget requests are finalized.

The Finance Director shall establish an annual budget calendar that provides sufficient time for:

1. Review of prior-year financial results;
2. Development of economic and financial assumptions;
3. Preparation of preliminary revenue projections;
4. Discussion of the City's financial condition and long-term outlook;
5. Identification of Mayor and City Council priorities;
6. Development of preliminary budget priorities and guidelines;
7. Preparation and submission of departmental budget requests;
8. Review of departmental requests by Finance and management;
9. Review and discussion of significant requests with the Mayor;
10. Development of tentative recommended budget;
11. Review of the tentative recommended budget by the Mayor and City Council;
12. Budget workshops and public discussion;
13. Preparation and presentation of the proposed budget;
14. Required public hearings;
15. Final Council consideration and adoption; and
16. Implementation and ongoing budget monitoring.

## **15.1 Establishing Budget Priorities**

At the beginning of the annual budget process, the Mayor and City Council should identify major priorities for the upcoming fiscal year.

Budget priorities may address:

- Public safety;
- Infrastructure;
- Economic development;
- Parks and recreation;
- Community development;
- Employee compensation and staffing;
- Capital improvements;
- Financial reserves;
- Service levels;
- Technology;
- Facilities;
- Growth-related needs; and
- Other matters identified by the Mayor and City Council.

The Finance Director shall provide financial information regarding available resources and significant financial constraints to assist the Mayor and City Council in establishing realistic priorities.

## **15.2 Departmental Budget Requests**

Department Directors shall develop budget requests consistent with established City priorities and budget instructions.

Requests for significant new expenditures should identify:

- The purpose of the request;
- The service or community need;
- Initial costs;
- Ongoing annual costs;
- Available funding sources;
- Staffing implications;
- Capital or equipment requirements;
- Anticipated future costs; and
- Consequences of not funding the request.
- How the request advances City priorities

### **15.3 Management Review**

The Mayor, City Manager, and Finance Director shall review departmental requests and develop recommendations based upon:

- City priorities;
- Available revenues;
- Financial sustainability;
- Legal requirements;
- Service needs;
- Staffing requirements;
- Existing commitments;
- Capital needs; and
- Long-term financial impacts.

The Mayor shall participate in this review process and provide leadership and direction regarding priorities and proposed funding levels.

### **15.4 Mayor and Council Budget Review**

Before the proposed budget is presented for formal adoption, the Mayor and City Council shall have an opportunity to review the recommended budget and discuss significant funding decisions.

Budget workshops may be used to:

- Review major revenue assumptions;
- Discuss significant departmental requests;
- Review capital projects;
- Discuss staffing recommendations;
- Review changes in service levels;
- Evaluate major financial issues;
- Consider alternative funding options; and
- Establish direction for revisions to the proposed budget.

The Mayor and Council may request additional information or analysis from the City Manager and Finance Director.

### **15.5 Proposed Budget**

Following management review and direction from the Mayor and City Council, the Finance Director shall prepare the proposed budget in accordance with applicable Utah law.

The proposed budget shall reflect the financial recommendations developed through the City's budget process while identifying significant policy or funding decisions requiring Council consideration.

The proposed budget shall be presented to the City Council for formal consideration, public review, and adoption in accordance with applicable law.

## **16. BUDGET MONITORING**

The Mayor and City Council shall receive periodic reports regarding the City's financial performance and budget status.

At least quarterly, the Finance Department should provide information comparing:

- Budgeted revenues to actual revenues;
- Budgeted expenditures to actual expenditures;
- Current-year estimates to budget;
- Significant departmental variances;
- Fund balance or net position;
- Capital project expenditures; and
- Other significant financial indicators.

The Mayor may request additional financial information or analysis from the City Manager or Finance Director when necessary to assist in monitoring the City's financial condition.

Significant variances should be communicated to the Mayor and City Council and, when appropriate, corrective action should be recommended.

## **17. BUDGET AMENDMENTS**

Once adopted, the budget shall remain in effect for the fiscal period unless amended in accordance with Utah law and City policy.

The Mayor, City Manager, Finance Director, and Department Directors may recommend budget amendments when circumstances warrant.

Budget amendments requiring City Council action shall be presented to the Council with an explanation of:

- The reason for the amendment;
- The amount of the amendment;
- The affected fund and department;
- The funding source;
- The ongoing financial impact, if any; and
- Any other information necessary for the Council to make an informed decision.

The Mayor may participate in developing and recommending budget amendments but shall not independently amend the City's adopted budget except as specifically authorized by law or City policy.

Budget amendments may be necessary due to:

- Changes in revenue;
- Unanticipated expenditures;
- Grants;
- Changes in project costs;
- Changes in City priorities;
- Emergency expenditures;
- Changes in staffing;
- Transfers between departments or accounts; or
- Other circumstances that materially affect the adopted budget.

Utah law establishes specific procedures for transferring appropriations within departments, between departments within the same fund, and increasing or reducing departmental appropriations.

## **18. SEPARATION OF BUDGET DEVELOPMENT AND APPROPRIATION AUTHORITY**

The budget development process is intended to provide an effective partnership among the Mayor, City Council, City Manager, Finance Director, and department leadership.

The Mayor provides executive leadership and participates actively in establishing priorities and developing the proposed budget.

The City Manager coordinates administrative implementation and prepares recommendations.

The Finance Director provides objective financial analysis and ensures compliance with applicable financial requirements.

The City Council retains its statutory authority to review, amend, and adopt the City's annual budget.

Nothing in this policy shall be interpreted to transfer the City Council's appropriation authority to the Mayor, City Manager, Finance Director, or any individual City official.

## **19. BUDGET TRANSFERS**

Transfers between expenditure accounts within a department may be authorized by the appropriate authority in accordance with Utah law and City administrative procedures.

Transfers between departments within the same fund shall require the approval required by Utah law and City policy.

Transfers between funds shall require City Council approval unless otherwise specifically authorized by law or City policy.

No transfer shall be used to circumvent a legal appropriation requirement, debt obligation, restricted revenue requirement, or other statutory or contractual restriction.

## **20. EMERGENCY EXPENDITURES**

The City may make emergency expenditures when necessary to protect public health, safety, property, or essential City operations.

Emergency expenditures shall comply with applicable Utah law and City emergency procedures.

Finance shall document emergency expenditures and incorporate any required budget amendments as soon as practicable.

## **21. PROCUREMENT AND BUDGET AUTHORITY**

Budget approval does not independently authorize a purchase or contract.

All expenditures must comply with:

- The adopted budget;
- City purchasing policies;
- Procurement requirements;
- Applicable state law;
- Contract approval requirements; and
- Delegated spending authority.

An appropriation establishes budget authority; it does not eliminate applicable procurement or approval requirements.

## **22. ENCUMBRANCES AND YEAR-END MANAGEMENT**

Departments shall monitor outstanding purchase orders, contracts, and other commitments throughout the fiscal year.

At year-end, Finance shall review outstanding commitments and determine the appropriate accounting and budget treatment in accordance with applicable law, accounting standards, and City policy.

Departments should avoid unnecessary year-end spending solely for the purpose of using remaining budget authority.

## **23. LONG-TERM FINANCIAL PLANNING**

The annual budget shall be developed with consideration of the City's long-term financial condition.

The City should maintain multi-year forecasts for significant funds, including the General Fund and major enterprise funds, when practical.

Long-term planning should consider:

- Revenue growth;
- Inflation;
- Personnel costs;
- Debt service;
- Capital replacement;
- Infrastructure needs;
- Pension and benefit obligations;
- Economic conditions;
- Growth;
- Changes in service levels; and
- Other significant financial risks.

## **24. FINANCIAL SUSTAINABILITY**

When considering new programs, facilities, services, or significant capital investments, the City should evaluate the full financial impact, including:

- Initial implementation costs;
- Ongoing operating costs;
- Staffing;
- Maintenance;
- Utilities;
- Insurance;
- Technology;
- Capital replacement;
- Debt service; and
- Future funding requirements.

The City should avoid decisions that create significant ongoing financial commitments without identifying sustainable sources of recurring revenue.

## **25. TRANSPARENCY AND PUBLIC COMMUNICATION**

The City shall make the adopted budget available to the public in accordance with applicable law. The Finance Department should present financial information in plain language whenever practical.

Budget presentations should focus on helping the public understand:

- How much revenue the City receives;
- Where the revenue comes from;
- What services the City provides;
- How funds are allocated among services;
- Major changes from the prior year;
- Significant capital projects; and
- Major financial challenges or opportunities.

## **26. BUDGET POLICY REVIEW**

The Finance Director shall review this policy periodically and recommend changes when necessary to reflect:

- Changes in Utah law;
- Changes in accounting standards;
- Changes in City operations;
- Changes in financial conditions;
- Changes in City Council priorities; or
- Best practices in municipal financial management.

Any material changes to this policy shall be presented to the City Council for consideration and approval.

## **27. EFFECTIVE DATE**

This policy shall become effective upon adoption by the Cedar City Council.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2026

### **CEDAR CITY COUNCIL**

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Mayor

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City Recorder

CEDAR CITY  
COUNCIL AGENDA  
ITEM – #05

TO: Mayor and City Council  
FROM: City Attorney  
DATE: October 19, 2026  
SUBJECT: Water Allocation Agreement with Cedar 106, LLC

DISCUSSION:

Back in 2006, the City's water acquisition ordinance was relatively simple: at annexation, 1.2 acre-feet for each acre annexed into the City. When the properties we now call Cedar 106, and some additional acreage adjacent to it, annexed into the City, a portion of Cedar 106 was fully "wet," some was partially "wet," and some was dry. Rather than leave the water acquisition allocations as set at the time of annexation, Cedar 106, LLC, seeks to re-allocate that allocation credit throughout the residential parcels. After substantial back and forth over the last few years, the exhibit with the proposed contract shows the allocation City Staff and Cedar 106 recommend the Council approve.

As a general rule, I do not recommend the City allow the re-allocation of water acquisition credit from one property to another. Beyond the difficulty it would create for the City to track all credit transfers, allowing the re-allocation of water acquisition credit more broadly would risk creating a market for the purchase and sale of water acquisition credit, since the purchase of said credits would likely be much cheaper than our water acquisition rates, where the City could find itself approving developments without acquiring additional water rights – essentially removing water acquisition credit from properties that aren't developing yet and transferring them to properties that are developing now. As the current re-allocation is within a single, development agreement-controlled area, the fear of creating a market is less concerning.

Please consider approving the proposed agreement.

## CEDAR 106 WATER ALLOCATION AGREEMENT

This agreement is entered into on the \_\_\_\_ day of \_\_\_\_\_, 2026, by and between Cedar City Corporation, a Utah political subdivision and municipal corporation, hereinafter referred to as “City”; and Cedar 106, LLC, a Utah Limited Liability Company, hereinafter referred to as “Cedar 106”.

**WHEREAS**, in 2006, the City approved the Steve Sevy Annexation, which brought in water rights appurtenant to the land annexed at the then-required 1.2 acre-feet of water rights per acre annexed into the City; and

**WHEREAS**, the portions of Cedar 106 annexed into the City through the Steve Sevy Annexation came in as fully “wet,” partially “wet,” or “dry,” and are considered such under current ordinance; and

**WHEREAS**, Cedar 106 seeks to re-allocate the water acquisition credit among the residential parcels within the Cedar 106 development agreement area; and

**WHEREAS**, City ordinance does not have a method to allow City staff to re-allocate water acquisition credit, so the Parties are providing for that re-allocation by this City Council-approved agreement; and

**WHEREAS**, the total acre-feet of water provided within the Cedar 106 development agreement area equals 81.5650 acre-feet of water; and

**WHEREAS**, the Parties intend the water acquisition credit to be allocated per the attached Exhibit A.

**NOW THEREFORE** the following provisions are hereby agreed to by Cedar 106 and City:

1. The Cedar 106 development agreement area includes 81.5650 acre-feet of water right acquisition credit that the Parties agree to re-allocate within the Cedar 106 development agreement area as shown in the attached Exhibit A.
2. Authority. The Parties to this Agreement represent to each other that they have full power and authority to enter into this Agreement, and that all necessary actions have been taken to give full force and effect to this Agreement. The Parties warrant to each other that the individuals executing this Agreement on behalf of their respective parties are authorized and empowered to bind the parties on whose behalf each individual is signing.
3. Entire Agreement. This Agreement, including exhibits, constitutes the entire Agreement between the Parties and supersedes all prior agreements, negotiations, and discussions concerning the subject matter hereof. This Agreement does not

amend or modify the prior development agreement and subsequent amendments to that development agreement.

4. Amendment of this Agreement. This Agreement may be amended in whole or in part with respect to all or any portion of the Property by the mutual written consent of the Parties to this Agreement or by their successors in interest or assigns.
5. Governing Law. The laws of the State of Utah shall govern the interpretation and enforcement of the Agreement. The Parties shall agree that the venue for any action commenced in connection with this Agreement shall be proper only in a court of competent jurisdiction located in Iron County, Utah, and the Parties hereby waive any right to object to such venue.
6. Waiver of Contractual Claims and Limitation of Remedies.
  - a. Waiver of Contractual Remedies. Cedar 106 explicitly acknowledges and agrees that, by entering into this Agreement, it waives, releases, and relinquishes any and all claims, causes of action, or remedies in contract—whether at law or in equity—against City arising out of or relating to any alleged breach, non-performance, or default of this Agreement by City. Cedar 106 agrees that it shall not seek, and is barred from recovering, any contractual damages, including but not limited to direct, indirect, expectation, reliance, consequential, or punitive damages.
  - b. Exclusive Remedy Under Land Use Law. Cedar 106's sole and exclusive remedy for any dispute, grievance, or adverse action arising under this Agreement, or regarding the zoning, permitting, or development approvals of the Project, shall be limited strictly to those administrative and judicial remedies expressly available under applicable state and local land use laws and municipal land use regulations.
  - c. Condition Precedent. Cedar 106 acknowledges that this limitation of remedies is a material inducement for City to enter into this Agreement, and that City would not have executed this Agreement absent Cedar 106's knowing and voluntary waiver of contractual claims.
7. Runs with the land. The re-allocation of water acquisition credit herein shall run with the land per the allocations listed herein. Any previous and subsequent purchasers of those parcels shall receive the water acquisition credit listed herein for developments on the parcel purchased with credits used for the first phase(s) in each parcel until the credit is exhausted.
8. No Agency Created. Nothing contained in the Agreement shall create any partnership, joint venture, or agency relationship between the Parties.

*Remainder of page intentionally left blank.*

Dated this \_\_\_\_ day of \_\_\_\_\_, 2026.

---

Steven Nelson  
Mayor

[Seal]  
Attest:

---

Amber Ray  
Cedar City Recorder

STATE OF UTAH        )  
  
                              :SS.  
  
COUNTY OF IRON    )

This is to certify that on the \_\_\_\_ day of \_\_\_\_\_, 2026, before me, the undersigned, a Notary Public, in and for the State of Utah, duly commissioned and sworn as such, personally appeared Steven Nelson, known to me to be the Mayor of Cedar City Corporation, and Amber Ray, known to me to be the City Recorder of Cedar City Corporation, and acknowledged to me that he the said Steven Nelson and she the said Amber Ray executed the foregoing instrument as a free and voluntary act and deed of said corporation, for the uses and purposes therein, and on oath state that they were authorized to execute said instrument, and that the seal affixed is the corporate seal of said corporation.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

Cedar 106, LLC

\_\_\_\_\_  
(signature)

\_\_\_\_\_  
(print name and title)

State of Utah )

:ss

County of )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2026, before me, a notary public in and for the State of Illinois, personally appeared before me \_\_\_\_\_, of Cedar 106, LLC, known to me to be the person who executed this agreement herein on behalf of Cedar 106, LLC, and acknowledged to me that he/she executed the same for the purposes therein stated.

\_\_\_\_\_  
Notary Public

**Exhibit A**  
**Cedar 106 Water Allocation Agreement**

| Parcels          | Zones | Water Rights Allocated   |
|------------------|-------|--------------------------|
| B-1885-0023-0000 | R-1   | 8.41 acre-feet           |
| B-1885-0024-0000 | R-2-1 | 10.81 acre-feet          |
| B-1885-0025-0000 | RN    | 8.1172 acre-feet         |
| B-1885-0026-0000 | R-2-2 | 20.77 acre-feet          |
| B-1885-0013-0000 | R-3-M | 10.0755 acre-feet        |
| B-1885-0014-0000 | R-3-M | 23.3823 acre-feet        |
| B-1885-0020-0000 | CC    | 0.00 acre-feet           |
| B-1885-0021-0000 | CC    | 0.00 acre-feet           |
| B-1885-0022-0000 | CC    | 0.00 acre-feet           |
| Total Amount =   |       | <b>81.5650 acre-feet</b> |



**CEDAR 106  
WATER RIGHTS ALLOCATION**

**CEDAR CITY  
COUNCIL  
AGENDA ITEM #06**

**TO:** Mayor and City Council  
**FROM:** Tyler Galetka, Airport Manager  
**DATE:** October 21, 2026  
**SUBJECT:** Airport Terminal CCTV Expansion – Camera System Migration & Access Control Conversion

**DISCUSSION:**

Cedar City Regional Airport issued a Request for Proposals on September 23, 2026, for the Terminal CCTV Expansion project — a full camera system migration and access control controller conversion at the Airport Terminal. Bids were due September 30, 2026, with a required completion date of December 4, 2026.

The project scope includes: migration of 13 existing IP cameras to the Hanwha Wisenet WAVE (Blaze) platform; installation of 15 new Hanwha cameras (11 dome, 2 panoramic multi-sensor, 2 PTZ); conversion of access control across 10 doors to Hanwha OnCAFE cloud licensing; and reuse of existing NVRs, network switches, and IDF locations. A Bid Alternate (Alternate 1) covers vehicle gate access control for 3 gates and is priced separately.

Two bids were received and are summarized below:

|                                                         | Budgeted Estimate | HEI Security LLC    | DSI National       |
|---------------------------------------------------------|-------------------|---------------------|--------------------|
| Base Bid                                                | \$60,000.00       | <b>\$101,170.00</b> | <b>\$51,548.73</b> |
| Bid Alternate 1 — Vehicle Gate Access Control (3 gates) | —                 | \$30,994.00         | Not quoted         |

Two bids were received. DSI National submitted the low base bid of \$51,548.73, which is \$49,621.27 below HEI Security LLC's base bid of \$101,170.00. Based on lowest base bid price, staff recommends award to DSI National.

Please consider approving award of the Terminal CCTV Expansion contract to DSI National and authorizing the Mayor to execute the agreement.

**CEDAR CITY  
COUNCIL  
AGENDA ITEM #07**

**TO:** Mayor and City Council  
**FROM:** Tyler Galetka, Airport Manager  
**DATE:** October 21, 2026  
**SUBJECT:** Airport Planning Consultant Selection – Cedar City Regional Airport

**DISCUSSION:**

Cedar City Regional Airport issued a Request for Qualifications (RFQ) on August 14, 2026, for airport planning consultant services. Statements of Qualifications (SOQs) were due September 8, 2026. The selection was conducted as a qualifications-based process in accordance with FAA Advisory Circular 150/5100-14E, under which fee is not considered during evaluation.

Two firms submitted SOQs: Ardurra and Woolpert. A panel of four evaluators — Tyler Galetka, Ryan Marshall, Waldo Galan, and Kim Ellis — independently scored each firm across six criteria worth a combined 100 points. Average scores are summarized below.

| Evaluation Criteria                            | Max        | Ardurra      | Woolpert     | Rank |
|------------------------------------------------|------------|--------------|--------------|------|
|                                                | Pts        | Avg Score    | Avg Score    |      |
| Key Personnel Qualifications & FAA Experience  | 25         | 20.75        | 19.50        |      |
| Capability & Recent Airport Project Experience | 25         | 22.25        | 20.75        |      |
| Understanding of Projects & Sponsor Concerns   | 15         | 13.75        | 13.50        |      |
| Detailed Work Plan                             | 10         | 8.75         | 8.50         |      |
| Ability to Meet Schedules & Deadlines          | 10         | 8.50         | 7.75         |      |
| Past Performance & References                  | 15         | 13.50        | 10.75        |      |
| <b>TOTAL SCORE</b>                             | <b>100</b> | <b>87.50</b> | <b>80.75</b> |      |
| <b>RANK</b>                                    |            | <b>1st</b>   | <b>2nd</b>   |      |

Ardurra ranked first with an average total score of 87.50 out of 100, scoring highest in key personnel qualifications, capability, past performance, and schedule control. Per FAA AC 150/5100-14E and note 2 of the score tabulation, the top-ranked firm is recommended for negotiation of a five (5) year planning consultant agreement.

Please consider approving the selection of Ardurra as Cedar City Regional Airport's Planning Consultant and authorizing staff to negotiate a five-year agreement.