

SPRING CITY PUBLIC HEARING -MEETING MINUTES
Thursday, June 10, 2020, 7:00 p.m. – Budget Public Hearing
Spring City Council Chambers, Spring City Hall, 45 South 100 East

Attendees: Kim Crowley, recorder, George Kenzy, John and Kimberly Stewart, Clark Christensen, Pete and Elizabeth Allred, John Allred, Jim Fleming

Prayer: Craig Clark

Pledge of Allegiance: Mayor Cynthia DeGrey

Roll Call: Mayor Cynthia DeGrey, Council Members Craig Clark, Cody Harmer, Chris Anderson, Paul Penrod, Joe McGriff

2019-2020 Fiscal Year Budget Amendments

Mayor DeGrey introduced the meeting stating as the 2019-2020 Fiscal Year Budget Amendments Public Hearing and turned the meeting over to Council Member Clark.

Council Member Clark stated we will be getting more revenue in the coming months. **Mayor DeGrey** explained receiving more money for Sales and Use tax, pole rental and Verizon rental. Cemetery Interest we will continue to see as a revenue in the ten fund. We will still have some expenses coming out like Fire expenses and Retirement payments. The Retirement payments will be approximately over \$10,000 which will be to catch-up two-part time employees on their retirement. **Council Member Harmer** commented that Property taxes were higher than prior year. He asked about Grant money for Fire Department which was explained it had been put under Grant-Fire Department.

Public Comments

Kimberly Stewart asked if the interest that we get for cemetery should not go into cemetery. It was explained that the interest revenue is allocated to cemetery. She also asked about where the revenue was for Wildland Firefighting. **Mayor DeGrey** stated that the Wildland Fire Fighter's brought in \$20,000 last summer and explained where it was on the budget. Police Chief Christensen stated that Wildland Fire Proceeds should be taken out of the budget because it's too hard to predict how much they will make. Once we receive the check for Wildland Fire

Fighting then we should budget the expenses. **Council Member Clark** stated we cannot carry over any money to the next year. *Elizabeth Allred* asked where in the budget did the city pay out the cost sharing for the Flemings house. **Council Member Clark** stated it would come out of Sewer Fund in Materials and Supplies/Line Extension but hard to find because it would not be broken down with the other expenses. *Elizabeth Allred* asked about the expenses for the 24th of the July. **Mayor DeGrey** explained there were prior expenses that came from the previous recreation Advisor. *Kimberly Stewart* asked why the budget shows an expense in 2019 for the Bluegrass. It was explained that in the budget shows that Bluegrass paid the City in the year 2018 and revenue and express cancel each one out. **Council Member McGriff** asked if we are over our budget what do we do? **Council Member Harmer** stated that we would take money out of our reserves because that's what it is there for. He also stated we need to understand the sales tax because big cities have a small percentage that is extended throughout the state which we receive a portion. We will never be able to compete with them, so we need to increase businesses here to increase our sales tax. *Kimberly Stewart* asked if we have inquired about money provided for Coronavirus. **Council Member Harmer** stated that applications were due June 7th. **Mayor DeGrey** stated we will investigate it. *John Stewart* asked about telephone expenses for power. **Council Member Clark** stated it is part of the Power Mapping system Kent has put in place. **Council Member Harmer** stated he was not comfortable with approving a budget when not all expenses have not been included.

Council Member Clark explained not all expenses will be included that's why we have a revised column to project what our expenses might be, also the state understands that we have to project since the cut off for Fiscal year is June 30th and some expenses will come after that.

2020-2021 Fiscal Year Original Draft Budget Adoption

Mayor DeGrey explained the second part of the meeting was about the 2020-2021 Fiscal Year Adoption. She also stated that we do not know how the next year will be because of the Coronavirus with our revenues. She went over net amount of revenue and expenses. We also, made some changes in the cemetery fees which will increase revenue.

Public Comments

George Kenzy asked what are the anticipated negative and exposures that could affect expenses. **Mayor DeGrey** stated we really cannot predict what unexpected expenses or revenues we might have. We just don't know what can impact us. **Council Member Harmer** stated we could have a lot of fires which could bring in more money. **Council Member Clark** stated we may not get as much money for roads due to the Coronavirus. **Mayor DeGrey** explained we looked at the history to make our projections. *Kimberly Stewart* asked about the payment for the Old School if Friends of Historic Spring City had paid that off. **Mayor DeGrey** stated they have been doubling on their payments, but it has not been paid off yet. **Council Member Anderson** stated due to Heritage Day being online they may not be able to pay more than just the amount of Loan payment.

Council Member Harmer motioned to closed Public Hearing meeting. **Motion seconded by Council Member Clark. All were in favor.**

Adjourn to Council Meeting 8:09PM

SPECIAL CITY COUNCIL-MEETING MINUTES
Thursday, June 10, 2020, 7:30 p.m. – Special City Council Meeting
Spring City Council Chambers, Spring City Hall, 45 South 100 East

Attendees: Kim Crowley, recorder, George Kenzy, John and Kimberly Stewart, Clark Christensen, Pete and Elizabeth Allred, John Allred, Jim Fleming

Roll Call: Mayor Cynthia DeGrey, Council Members Craig Clark, Cody Harmer, Chris Anderson, Paul Penrod, Joe McGriff

FY 2019-2020 Final Budget Amendments, Resolution 2020-06

Mayor DeGrey explained this portion of Council Meeting is to make a motion for the 2019-2020 Budget Amendments.

Council Member Harmer motioned to approve 2019-2020 Final Budget Amendments reflecting expenditures coming forward **Motion seconded by Council Member Paul. All were in favor.**

FY 2020-2021 Draft Budget Adoption, Resolution 2020-07

Mayor DeGrey explained that this portion of Council Meeting is to make a motion for the 2020-2021 Budget Adoption.

Council Member Harmer motioned to approve 2020-2021 Draft Budget Adoption. **Motion seconded by Council Member Anderson. All were in favor.**

FY 2020-2021 Adoption of Certified Tax Rate, Resolution 2020-05

Mayor DeGrey explained we need to adopt a Property Tax Rate of the Fiscal Year 2020-2021.

Council Member Harmer motioned to approve 2020-2021 Certified Tax Rate of .001471. **Motion seconded by Council Member Clark. All were in favor.**

Impact Fee request for Elizabeth Allred

Mayor DeGrey explained that we had discussed the Impact Fees in Council Meeting pertaining to Pete and Elizabeth Allred's property. Elizabeth had presented Impact fee information in the Municipal code to us in our last meeting. Kent Kummer had presented a policy that was established in 2007 saying same as the Municipal code as Elizabeth referenced. She asked the Attorney for The League of City and Towns, David Church, about the ordinance and he said if the property owner is tearing down an old derelict building and the building had been there before 2007 then the property owner does not owe an impact fee which is in the Municipal code 12-2-5d, if it is just an empty lot with a power hook up and it was never used then you can charge the owner the fee. David Church's opinion is the impact fees can only be charged on new growth; the fees appear to have been adopted in 2007. When they did the fee calculation in 2007, they would have taken into account the exiting uses and commitments in calculating the fee, which should have included in the calculation this particular lot among them. Therefore, this lot would not be considered a new impact on the existing services and no fee should be charged. **Council Member Anderson** stated he had questions in the statute which states it had to be either redevelopment or rehabilitation which tearing down and rebuilding. David Church's answer was it does not make a difference. He also said if we can find the study that was done in 2007 understanding the collection of the impact fees that would give a better understanding to the impact fees. **Mayor DeGrey** stated Hookup fees are different than Impact fees. She had spoken to Debra Sorenson who's father is Jack Watson which owns the property, but she had lived on the property. Debra Sorenson had paid for water and electric hook up fees in 1974. They had a trailer on the property and moved it 1992, that's when the water and power were disconnected. Discussion among the council members that a new Code and/or ordinance needs to be adopted.

George Kenzy asked what is an Impact Fee and a wavier? **Council Member Harmer** stated an impact fee is to pay for improvement, for growth and expansion for each citizen who hooks onto the system. **Council Member Anderson** stated a wavier is to wave impact fee, but our Code is not very clear.

Council Member McGriff motioned based on the recommendation of David Church to not charge an impact fee for Pete and Elizabeth Allred and to change Municipal Code for the future. **Motion seconded by Council Member Clark. Four in favor one opposed.**

Sewer Cost Sharing Hook up

Mayor DeGrey explained that there is a subdivision outside of the city limits which ran into an issue with the irrigation pipe which created a problem with putting in a sewer line. The property owners want the city to pay to put in an extra manhole. She stated that Jim Bennett said the city did have some responsibility because we did not compete the engineering on that area, so we should pay for the cost of the materials for a second manhole and the cost of the labor should be paid for by the developer. *John Allred* stated the total cost with a new manhole will cost \$26,000. Because he is within 300 feet and now he needs water he is required to hook up to sewer. **Council Member Harmer** stated he would be okay with paying 1/6th of the total cost.

Council Member Harmer motioned to contribute 1/6th up to a total of \$4500 to Mountain View Subdivision for sewer expansion and the council will move forward with a new policy to be put in place. **Motion seconded by Council Member McGriff on the. All were in favor.**

Public Comments

Jim Fleming wanted more understanding of what he will be charged in the future if he builds on a lot which he owns in the Mountain View Subdivision. **Mayor DeGrey** stated it would be up to the property owners to decide what amount each will pay. The city would pay up to \$4500 if he decides to build.

Council Member Harmer motioned to closed Special Council meeting. **Motion seconded by Council Member McGriff. All were in favor.**

Adjournment 9:22