

Gunnison City Council Public Hearing & Meeting Minutes
Wednesday, January 20, 2021, 6:00 PM
Gunnison City Hall, 38 West Center
Gunnison, UT 84634

Present: Mayor Lori Nay, Councilmembers: Robert Andersen, Shawn Crane, Stella Hill, Justen Mellor, and Rod Taylor, City Recorder Steven Jensen, Pool Manager Matthew Reber, Jed Hansen (Fire Chief), Zach Jensen (Gunnison Valley Fire), Kelly Chappell (Ensign Engineering), Ben Reeves (Santaquin City), Marcus Keller (Zions Bank), Jason Christensen, Roland Christensen, Robert Stevens (Sanpete Messenger), and citizens Blake Donaldson, Joann Taylor, Debra Greener, and Jimmy Seear by Zoom.

Presiding: Mayor Lori Nay

6:00 pm Work Meeting: Discussion for need to hire a City Manager – Ben Reeves City Manager Saniquin

Mayor Nay welcomed back Ben Reeves who is the City Manager for Santaquin City. He is also a past President of the City Managers Association. The Mayor and Council invited Ben back to give a presentation of the benefits of having a City Manager and to also answer any questions the Council might have. Ben handed out some paperwork to go with the presentation that he was giving. He presented the same information today as he did back in March 2020. He has been the City Manager of Santaquin City for the past 11 years. Ben stated that he wants a dialogue with the Council and Mayor to help understand the position of a City Manager and how that can work to the City's benefit in having one. The purpose of the City Manager is to take the policies that the Council and Mayor make and to help implement that into the day to day activities of the city. Most of the information that was used in the presentation were used when Morgan City had implemented a City Manager Position. Morgan, Utah is about the same size as Gunnison so that is why the comparison. It also allows for a better transition and continuity when elected officials leave office.

This position also allows dedication for more time to look for grants and loans to help further the policies and ideas for growth within the city. Provides leadership within departments as well as connections with government officials and other cities. Also creates a layer of protection and support for city employees. He suggests that the city have clearly defined roles and policies to help a City Manager not step on the Mayor or City Council's toes.

In starting the hiring process, Ben suggests that all applications get a writing assignment so that the hire board has a chance to see how each application thinks and their writing style. That way there are no surprises after a City Manager is hired. Then pull candidates from that pool of who you would like to move on to the next round. The hiring panel should also consist of several people from a cross section of the community. Another suggestion given to the Council is to have other City Managers be on the panel so that suggestions of current managers give input as to who would be a good hire.

Ben then went into the importance of a contract for a City Manager and what is acceptable. It allows the employee (City Manager) have a level of protection and allows them to be who they are and do the best job they can. Most times they are relocating to work for a city and because of that, they are investing their time in the city. If there is not a layer of security, or fear they will lose their job at the next election, they will not be able to give their best. In the packet that was handed out, there is the presentation as well as some examples of the job description, a contract, code of ethics and a Delegation of Authority. This gives the Mayor a list of things that they want delegated or what they want to keep with themselves.

The Mayor stated that Gunnison had a City Manager before and so the position is in the City Code. However, they need to decide what they would like the position to look like with responsibility going forward. She knows that without a City Manager they could be missing out on opportunities to receive the grants that would help the City grow and prosper. Ben did say that a City Manager helps good people become better. By helping take the administrative responsibilities off of the shoulders of others and allow them to focus on the day to day tasks.

The Mayor opened up the floor to questions from the Council. Councilmember Stella Hill had a question about the packet that was handed out with one page saying Contract Negotiations and another example in the packet saying the City Manager is approved to 2/3 majority of the Council and serve at the pleasure of the Council. Councilmember Rod Taylor responded that a City Manager can not be removed from office less than 90 days of an election. Each city can have a different contract or policy in the city Code. Ben says that in the State of Utah many cities have a clause that if a City Manager is let go, the city has to pay 6 months severance. This can get quite expensive for a city to come up with that much money. Mayor Nay asked the question as to what the range from low to high of what the salary of a City Manager in the State of Utah.

Ben responded that there is a website that the State uses to list salaries of Managers from around the State. Typically small communities and towns start at about \$65,000 to \$75,000 and most cities are around \$85,000 to \$125,000. Large cities can pay in the range of \$200,000 and higher. Councilmember Taylor was looking at the packet and the numbers for population was over 3,000. Ben responded that the first time he gave the presentation he pulled the census numbers which included the prison population. Also, it was a possibility that the City Manager would work for both Gunnison and Centerfield Cities. The Mayor responded that she was wondering if it would benefit in sharing the position or just having a City Manager looking out for just the interests of Gunnison. Ben gave his suggestion that two things can happen, either both communities merge together or one of the cities is not being served to the extent that they want and will hire their own City Manager. There are also times that both cities will have different interests and having one manager to serve both interests is not good either. Councilmember Crane asked the questions with around 1,700 citizens in the community is the cost benefit really there to hire a City Manager. Ben stated that it depends on the needs and the goals of the City Council. What are you wanting to accomplish in the first year or in the next five years? The Council needs to have a vision, goals and objectives to see if a City Manager is then needed. It was mentioned that Gunnison is the hub for the five communities in the valley. If Gunnison does something well, it will benefit the other communities in the area. Councilmember Mellor asked the question as to what is the chain of command with the City Manager and the Council and Mayor. Ben responded with what the chain of command with Santaquin City. He is in charge of all department heads except for the Police and Fire who report to the Mayor directly. Ben still works with the Mayor on budgets and policy. He reports to the Mayor and City Council based on their responsibilities and what they are in charge of. Also the question of communication was asked in if it improves having a City Manager. Ben reported that he meets with the Mayor on a weekly basis and when the Mayor or any on the Council ask him a question, he responds to all the elected officials with the answer, that way everyone has the information and can be on the same page together.

The Mayor asked how do they find a person that is qualified to wear different hats and meet the needs of the City. Ben stated that there will be three types of people that will be applying for a City Manager position in a community the size of Gunnison. First, there will be the person fresh out of college and looking to start their career. The second type of person is an assistant city manager looking to move up or a department head that has experience running a department of a larger city. The third and final type of application is one that is a city manager from out of the state. There are many people that are from Utah that have to find jobs out of the state and then have experience and are looking to move back to Utah. You will get what you pay for.

7:00 End Work Meeting

Presiding: Mayor Lori Nay

Invocation: Councilmember Justen Mellor

Public Hearing to Receive Public Comment Regarding Applying for CIB Funding for Road and Sidewalk Maintenance and New Construction – Mayor Nay

Councilmember Crane made the motion to open the Public Hearing to Receive Public Comment regarding Applying for CIB Funding for Road and Sidewalk Maintenance and New Construction. Councilmember Mellor seconded the motion. Roll Call Vote was unanimous 4-0 Councilmember Stella Hill was absent.

Open Public Hearing

The Mayor gave the floor to Kelly Chappell to start the conversation on the application for the CIB funding to help with B&C road funds to speed up the maintenance and new construction of City Roads. The Master Plan has been worked on to just maintain the city roads and the B&C funds that the City gets from the State, were not enough to help with these new projects of rebuilding some roads. The City has been awarded a grant from UDOT of \$200,000 to help with the safe route schools project goes along 200 East to provide sidewalk and with additional monies, the curb, gutter, storm drainage, and asphalt can be done for that project. The map that was provided for the meeting shows the different projects around the city that the CIB funds would be used in updating the City roads. Depending on the amount of money that would be awarded for the CIB application, that would help to expand or contract the number of projects that the city would be able to do at this time. One of the priorities is the 400 West road to do improvements there. Another project would be to expand Cemetery road to help with traffic to the businesses in the Industrial park. 300 West is another road that needs some improvements on as well. 300 South from 200 East to 400 East is one that also has been targeted and needing to be improved on. There is a recommendation of a double chip seal on what is known as Indian Road which is a cut road from the highway down to 200 West. There are other roads around the City that need work on but are in yellow because they can wait at this time if needed to back off due to funding. The Consensus of the Council and public was to bond to the B&C funds from the State and help pay of the CIB loans with B&C funds as they are made available throughout the year. This way projects can be done faster and no extra money is needed from the public. The total cost of the project will be around \$2.35 million. Again, what ever is granted by the CIB will determine how much of these projects can be done.

If the Council wanted to continue with the same project and budget, \$200,000 is already secure from UDOT with the safe route schools project and the grant from CIB would be \$1.5 million with a loan of \$780,000 from CIB, with a local contribution from the town of \$20,000. There is a interest rate to be determined by CIB, so Kelly put a rate of 2.5% for 10 years with yearly payments of \$89,000. The plan is to have the yearly payments come out of the B&C road funds. The total amount is usually around \$170,000 so the City can not bond more than 80% of B&C Funds. The Mayor then opened the floor to the Council for questions

Councilmember Crane asked how many years would the loan be, Kelly responded that the length of the loan would be 10 years starting in 2023 after the construction is completed in 2022. No other questions from the Council so the Mayor opened the floor to the public to speak 2 minutes time limit and to come to the microphone to state their name at the beginning of their statement.

Steven Buchanan spoke that it is great that the city is planning to upgrade the roads, but what about the semi-trucks that are being driven on the back city roads and why the ordinances that are on the books are not being enforced because they are creating a lot of damage this time of year to the shoulders of the roads. He asked if the Council had heard anything about Governor Cox wanting to help rural Utah with more road money. The Mayor had not heard anything and Kelly had not heard what government entity would distribute those funds in the future. The Mayor thanked Steven for his service as mayor to keep the roads in great shape.

Blake Donaldson got up to speak to a concern he had with paving the Indian road, in that more traffic would use it especially semi-trucks. He thought that the money could be used to go to other roads in the City. Councilmember Rod Taylor made the comment again that if CIB did not give the full amount of the grant to the City, the projects would be relooked at and adjusted accordingly. He also agreed with Blake that Indian road should not be a priority right now. Kelly Chappell agreed with the comment of adjustment and said nothing is set in stone until we know the amount of the grant that will be given. There was a discussion of if an approval was need at the meeting or just to have the public hearing. Kelly responded that the minutes of the public hearing was needed for the application to CIB. The question was asked if the full amount of the grant was not approved by CIB, what would be the plan of the Council to move forward. The Mayor, Councilmember Crane and Councilmember Taylor reported that they would like to scale back the project. If need be, the Mayor said that there are funds set aside to help with the projects. Councilmember Crane asked what the City Debt ratio would be if the City received the \$780,000 loan. The Mayor responded that it would not affect the debt ratio in that the loan would be paid back with B&C road funds the City receives each year from the State.

Councilmember Robert Andersen made the motion to close the Public Hearing. Councilmember Crane seconded the motion. The vote was unanimous minus Councilmember Stella Hill was absent.

Future Comp and Bond Resolution 2021-2 – Marcus Keller, Zions Bank, Jason Christensen, Roland Christensen ACT

Marcus Keller started to explain the reason for coming tonight was to help build business in the Gunnison area. Zions Bank is using a Federal Bond Program with Future Comp to get them an interest free bond and to help the City of Gunnison will be the conduit to receive the bond to Future Comp. The Resolution to be signed tonight would give the liability to Future Comp and not the City. The bond will be for \$10 million and Future Comp would begin as soon as September 2021 on construction. Once the final paper work on the bond is needed to be signed, Marcus will come back to the Council and the final Resolution will need to be signed. The Mayor asked the question as to where the money will go in the account process. Would it go on the City's books or Future Comp's? Marcus responded that the money will go to Future Comp and nothing will be on the accounting books for the City. Councilmember Crane asked about paragraph 3a of the resolution, in that it states that the company will make payments to the City to then pay the Federal Government. Marcus replied that sometimes that happens but, in this case,, Future Comp will be making the payments to the Federal Government and leaving Gunnison City out of the loop.

Jason Christensen stood up to thank the City for helping them build their businesses in the Gunnison Valley. He then gave a history of their carbon fiber business in creating Christensen Arms, That technology of carbon fiber will be used in creating bike wheel business. They have contracts with other companies to create the parts for mountain bikes and wheels. Chevy Silverado uses this technology to create their truck beds. He believes they are on the ground floor of the technology and have one of only two pieces of equipment in North America that can make these parts. The other is in Canada. The bond of \$10 million they will receive will go to building the building that the company will be housed. The building will be located in the industrial park by their other businesses and will be closer to the highway. There will be room for an additional building if needed and also property closer to the highway for commercial strip mall and a hotel in the future. The plan is 50 employees and in 3 years will be 400 employees. The pool to hire employees Jason believes should be from the local area. Councilmember Rod Taylor thanked both Jason and Roland for their commitment to business in the valley. Jason then asked for help in getting housing in the area to keep employees in area. Right now, most of their employees live out of the area in Ephraim, Manti and also Richfield. Jason started talking about creating another road entrance off of Highway 89 to the industrial park so that traffic is not so bad on Cemetery Road. Zach Jensen asked to height of the building and it was told that it would be two stories like the other buildings in the industrial park.

Councilmember Rod Taylor made the motion to approve the Bond Resolution 2021-2 for Future Comp. Councilmember Shawn Crane seconded the motion. The roll call vote was unanimous 4-0.

Whites Sanitation Report with Proposed Approval of Proposed Changes – Max White and Chet White

Chet White came to ask the Council if there were any concerns or questions with the sanitation service Whites was providing to the City. He then asked if there were any questions. The Mayor stated that Councilmember Stella Hill was not able to attend the meeting but did have a question as when to schedule the Spring Clean Up so that we had access to the needed dumpsters that are provided by Whites? Chet responded the best time to schedule the time was now. He had a few dates that the City could choose from. He explained that the end of spring into the first of summer would be the best time. The land fill allows one free dump a month. With the City wanting two weeks for Spring Clean Up, it would be best to schedule one week at the end of the month and the second at the beginning of the following month. That way, there would be no fee to dump more than once at the dump. The Mayor asked if April 24 to May 7 was available. The best time was end of May first of June. The reason for that is that most cities in Sevier County are doing their Spring Clean Ups in April and the availability of dumpsters will be low for Gunnison. Councilmember Stella Hill would be contacting Whites later on to finalize the dates that will work best for everyone. Debbie Greener asked if there was any way a dumpster could be placed closer to her home, since she does not have a truck to haul her limbs to where it has been placed in the past (3 blocks away)? The Mayor reported that it could be looked at of putting the dumpsters in a different place this year, The Council thanked Mr. White for his service to the community.

Discussion of Future Residential Development – Clark Flake

Clark passed out a map of the development that he purchased from Hendrickson. The questions that the Council had for Mr. Flake was what would be changed and what would be staying the same. The Mayor was concerned with the building lots close to the G-Hill in that houses build there would obstruct the view from the City of the G-Hill. There were originally planned for 3 phases of building homes. Clark wanted to know what the Council would need to change if he were to move on building there. The development had been brought be for the P&Z Commission before and only thing needed was the money to move forward. Clark wanted some guidance to see if what was on paper was still good, or what needed to change. The lots are starting at ¼ acre, and then going up. The question of how building would proceed. Clark responded that he would sell lots and also build houses and sell them. He was looking to start as soon as possible. Something would need to happen with the back lots due to being too close to the G. The project will need to go through the Planning and Zoning Commission for acceptance and then back through the Council. Blake Donaldson had a concern as to the runoff to go to the river and not to the homes across the street. The retention pond would need to be looked at. Councilmember Shawn Crane and the rest of the Council expressed his thanks for Mr. Flake to want to develop the land and help with bringing more housing to the area. Recorder Steven Jenson confirmed that Clark Flake would be on the agenda for P&Z Commission.

Discussion of Possible Plans for Food truck Events for 2021 – Ryker Pickett and Max Christensen

Both Ryker and Max were wanting to come before the Council to ask for permission to park food trucks one day a week from the months of April to October at the City Park in the North parking lot of the pool. There would be 4 food trucks and would have different vendors each week that would come and it would be open to the public and have entertainment at the park for people to gather each week. They also asked if each truck had to have a business license from the City since they would be inviting other trucks from surrounding counties. The Mayor and Councilmember Crane thought an Event License would be fine at \$25 a time and then after the fourth time, the food truck would not need to pay until the end of the season. Councilmember Rod Taylor reported that the city could mark off parking to reserve an area for the trucks to park. Ryker Pickett would be the one to be in charge of which food trucks would be available each week.

Discussion for Fire Equipment – Fire Chief Jed Hansen and Zach Hansen

Councilmember Justen Mellor started the discussion stating that Jed Hansen had come to him with a request for the City to help with buying new turn outs (fire suits) for the department. 8 of them are up to dated and they can only last for one to two more years. The rest were purchased in 1995 and are needing to be replaced. They are asking the council to help with \$13,000 to purchase and replace 12 of the old turn outs that are out of date. The turn outs should only last 10 years before they should be replaced. Chief Jed Hansen reported that he had gone to the other cities in the area and Centerfield City committed to \$12,000, Mayfield committed \$4,000, and Fayette committed \$4,500. That would leave 13,500 to come up with from Gunnison City.

Councilmember Robert Andersen made the motion to give the Gunnison Valley Fire Department \$13,500 to pay for 12 sets of turnouts for the volunteer firefighters. Councilmember Shawn Crane. The vote was unanimous 4-0

6 Month Update of City Financials – City Accountant Gary Keddington CPA, Keddington & Christensen

The Mayor asked Gary if he knew the amount of the COVID-19 money the city got from the State. He is working on that and due to the payroll having problems posting to the GL. He was going to give a brief accounting to the revenues tonight. He reported that the revenues are larger than expected with sale tax being the most. There was a small dip during the summer due to people not spending but things have picked up and the City is slightly ahead of the projections that were made back in June 2020. Revenue from Sales Tax is calculated by point of sale in the area as well as a division from the State. The rural areas get some of the tax revenue that is collected from the larger areas and paid to the State. B&C road money comes from the gas tax collected from the State and that is more than was projected as well. Overall we are doing well and ahead of budget. The City is ahead \$90,000 of budget and offset the expenditures to see what the net will be.

Proposed Approval of Bills and Adjustments

There were no questions on the bills

Councilmember Andersen made the motion to approve the bills and adjustments. Councilmember Crane seconded the motion. The motion passed with a 4-0 vote.

Proposed approval of City Council Meeting Minutes for Wednesday, January 6, 2021, Wednesday June 29, 2020, Wednesday September 2, 2020, and November 9, 2020

The Mayor reported she had read through the minutes very carefully and would like to approve them. Councilmember Justen Mellor said that he was having a hard time remembering what was said. Councilmember Rod Taylor reported that he did not have time to read the minutes and would abstain from the vote.

Councilmember Crane made the motion to approve the minutes to the Council Meeting for November 9, 2020, June 29, 2020, September 2, 2020 and January 6, 2021. Councilmember Mellor seconded the motion. The vote was 3 for and 1 abstain.

City Business and Future Items

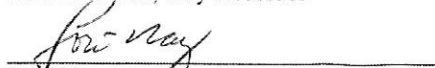
Retreat for City: The Mayor wanted to schedule the City Retreat for March 9, 10, or 11th. She will be looking to schedule that at Snow College and be the same as last year. The morning training will be with Staff and the afternoon would be with Council. Lunch will be provided same as last year. The next meeting will finalize the date.

Adjourn

Councilmember Andersen made the motion to adjourn. Councilmember Mellor seconded the motion. The vote was unanimous.

8:15 p.m. Adjourn


Steven Jensen, City Recorder


Lori Nay, Mayor

2-4-2021
Approval Date