

Manti City Council Meeting

MINUTES

JUNE 16, 2021
6:00 PM

MANTI CITY BUILDING
50 SOUTH MAIN STREET

MEETING CALLED BY	Mayor Korry L. Soper
TYPE OF MEETING	Public Hearings and Regular Council Meeting
ATTENDEES	Mayor: Korry Soper Councilmembers: Darren Dyreng, Jason Maylett, Jason Vernon and Mary L. Wintch City Manager: Kent Barton Recorder: JoAnn Otten
ABSENT	Gary Chidester
WELCOME	Mayor Korry Soper
PLEDGE OF ALLEGIANCE	Led by Mayor Soper

Agenda Items

ITEM 1	Public Hearing Regarding Adjustments to the 2019/2020 Budget
<p>Mayor Soper welcomed all present for the public hearing and stated that it is nice to have interested citizens at our meetings.</p> <p>The Mayor then stated the following:</p> <p><i>“Each year in June, prior to completion of our current budget year, we are required by state law, to open and adjust our current year budget, to allow for overages, under-ages and any unforeseen expenses or revenues, which have occurred since the budget was adopted last year. A copy of the summarized adjusted budget has been available at the city office and on the city website for public viewing.”</i></p> <p>He then invited public comment.</p>	
CONCLUSIONS	
<p>Seeing that there were no questions concerning the adjustments to the current year budget (FY 2020/21), the Mayor closed the hearing.</p>	

ITEM 2	Public Hearing Regarding the Transfer of Monies from Utility Enterprise Funds to the General Fund as shown in the Proposed Budget (FY 2021/22)
	<p>Mayor Soper, then opened the public hearing regarding proposed transfers from the enterprise funds to the general fund and read the following statement:</p> <p><i>“For many years, Manti City has transferred some of the profit monies from the enterprise or utility funds to general fund. Many cities have used this practice in lieu of increasing property taxes and franchise taxes - especially cities where there are high concentrations of “tax exempt” property, such as we have in our community. The transfers from the enterprise funds create a fairer source of revenue, for all users of city services, as increasing property taxes alone, would disproportionately affect non-exempt tax-payers. Many cities in our state including Provo, Ogden, Logan, Bountiful, Orem, Murray, Spanish Fork, Salem, Nephi, St. George, Cedar City, Richfield, Washington and a host of others transfer enterprise funds to their general fund.</i></p> <p><i>As required by Utah state code §10-6-135.5, a city that is proposing to transfer funds from an enterprise fund to another fund for a purpose not directly related to the goods or services provided by the enterprise fund must provide notice of the transfers to the users of the enterprise fund. The city must also hold a public hearing on the transfers prior to adoption or the amendment of the City’s budget. Each household in the city received a notice of the hearing, it was also published in the local paper.</i></p> <p><i>Last year, we transferred \$410,000 from the Enterprise Funds to the General Fund. For the current year we are proposing \$375,000 be transferred to the General Fund as follows: \$250,000 from the electric fund, and \$75,000 from the sewer fund. The total transfer represents an overall reduction of \$85,000 in total transfers compared to last year.”</i></p> <p>The Mayor then invited public comment relative to the transfer of money from the enterprise electric and sewer funds to the general fund.</p> <p>Emery Kiss-Illes stated that he believed the transfers should not occur, that the budget should be adjusted accordingly and rates for utilities should be reduced. The Mayor asked if he had any suggestions on how to make up the revenue and he responded: “cut expenses”.</p> <p>Steve Thorsen asked why the numbers for the adjusted budget (FY 2020/21), the estimated budget (FY 2020/21), and the current year budget (FY 2020/21) are all different totals and do not match. City Manager Kent Barton explained that the current year budget (FY 2020/21) reflects the numbers that were adopted by the council last June, the current year estimated budget is our best guess of our year-end numbers when the fiscal year is completed on June 30th and all expenses and revenues have been recorded, and that the final adopted budget (FY 2020/21) reflects our highest estimate of where the year’s final revenues and expenses could potentially come in. He explained that the reason for adopting the “high number” as the final adjusted budget number is that the Utah state requires all budgets to be adjusted accordingly. Mr. Thorsen said that doesn’t make any sense. Kent Barton said he doesn’t disagree, but that is the requirement of state law. Mr. Thorsen then turned to the transfers and expressed concern that transfer money today could leave reserves for the enterprise fund deficient in the event of a major repair or project. Barton agreed with Thorsen’s concern that the reserves need to remain strong and reported that we currently have over \$400,000 reserves in the sewer fund and about \$675,000 reserves in the electric fund, precisely for that purpose. Thorsen then asked how we could transfer \$75,000 from the sewer fund, when we are expecting a loss of nearly \$385,000 in that fund in the current year. Barton explained that the loss showing is due to the land application project which has just been completed and was covered entirely by reserve funds, that the reserve funds covered the loss, but it still shows as a loss on the books. Thorsen asked if the funds have already been transferred or if they are part of the current</p>

\$400,000 in reserves. Barton said the funds have already been transferred. Thorsen asked several other questions about the current year budget, which Barton addressed.

CONCLUSIONS

Seeing that there were no additional comments, the Mayor closed the public hearing.

ITEM 3

Public Hearing Regarding the Proposed 2021/2022 Budget

The Mayor then opened the 3rd public hearing and stated the following:

“Over the past several months we have worked on a new budget for the upcoming fiscal year beginning July 1st. Our City Manager presented a tentative or draft budget to the Council on April 28th. Since that time, we have made some changes and modifications.

The General Fund budget totals just over \$2.4 million, which is an increase of just under 11% over the current year’s budget, but a 4% reduction from the current year’s adjusted actual budget. The final proposed budget has been completed and available to view at the city office, or online.”

He then invited public comment.

Steve Thorsen stated that he would like to see more information such as payroll information. Kent Barton said that payroll is allocated over each department where employees works, but offered to share any payroll or other detailed expense information with anyone who would like to see it.

Shannon Miller noted a loss of about \$350,000 showing on the actual budget for FY 2019/20 (one of the columns reported on the proposed budget report). Kent Barton explained that similar to the loss Mr. Thorsen inquired about (from the sewer fund that was related to the recent land application project) there was a sizeable loss in the general fund showing at the end of the 2019/20 budget year which was related to another major project, namely the Sports Park Complex on the north end of the city. Barton went on to explain, that the \$4 million project, which received \$3 million in funding from the Community Impact Board and \$1 million from city sources (including in-kind and cash reserves) was closed out during budget year FY2019/20, and the city cash reserves for the project (which included donations, large contributions and fundraising proceeds) were transferred from reserves to cover project closing expenses.

Shannon Miller also asked if all of the Covid relief funds the city received had been spent. Kent Barton stated that all were spent and reported prior to the end of the 2020 calendar year as required by the office of the state auditor.

CONCLUSIONS

Seeing there was no additional public comment, the mayor closed the public hearing.

ITEM 4

Open, Adjust and Close the Current Year 2020/2021 Budget

The Mayor stated that we had just completed a public hearing with regard to adjusting the budget for the current fiscal year (FY 2020/21) and asked if the Council desired discussion. Seeing none, he called for a motion to open and adjust the budget for FY 2020/21 as presented in the packet.

ACTION TAKEN

Councilmember Darren Dyreng made the motion, Mary Wintch seconded. Councilmembers voting “aye”: Darren Dyreng, Jason Maylett, Jason Vernon and Mary Wintch. Councilmembers voting “nay”: none.

ITEM 5	Discussion and Consideration of Proposed Transfer from Utility Enterprise Funds to General Fund.
<p>Mayor Soper then asked if the Council desired any discussion regarding the proposed transfers from enterprise funds to the general fund. Councilmember Wintch related a comment from a recent conference session at the Utah League of Cities and Towns she had attended. One of the participants in the session for rural community challenges asked the presenter what smaller communities that don’t enjoy sales taxes can do to boost revenue. Wintch related that the presenter stated, that hopefully your community is fortunate enough to have utility revenues that can be transferred and create a sort of dividend to the citizens or owners of the community utility systems. She then thanked previous city leaders, who over 100 years ago had the foresight to develop, maintain and expand an electric company which has and continues to pay dividends to its citizens. Some discussion ensued and there appeared to be consensus that the transfers should occur as proposed.</p> <p>The Mayor then called for a motion to approve the transfer of \$250,000 from the electric enterprise fund, and \$75,000 from the sewer enterprise fund to the general fund for FY 2021/22, as presented in the proposed budget.</p>	
ACTION TAKEN	
<p>Councilmember Wintch made the motion, Jason Vernon seconded. Councilmembers voting “aye”: Darren Dyreng, Jason Maylett, Jason Vernon and Mary Wintch. Councilmembers voting “nay”: none.</p>	

ITEM 6	Consideration and Possible Adoption of the Proposed Budget for fiscal year 2021/2022
<p>The Mayor asked if the Council desired discussion concerning the proposed budget for the upcoming fiscal year. Brief discussion ensued in support of the budget as proposed. Mayor Soper then called for a motion to adopt the proposed budget for fiscal year 2021/22 as proposed.</p>	
ACTION TAKEN	
<p>Councilmember Maylett made the motion, Jason Vernon seconded. Councilmembers voting “aye”: Darren Dyreng, Jason Maylett, Jason Vernon and Mary Wintch. Councilmembers voting “nay”: none.</p>	

ITEM 7	Electrical Department – Progress Report on 46KV Switch & Proposal to Convert to Automated Electric Meters.
<p>Blake DeMill, Electrical Department Superintendent, reported on the status of the 46KV switch installation project near 200 N and 600 W streets. He indicated that the parts have been ordered and that he is working with the project engineer on the metal for the structure. He said that the switch will act as a breaker between Manti City’s service line grid and the Rocky Mountain Power transmission spurs which enters the city from the west. Some discussion ensued with the Mayor remarking that both Rocky Mountain Power and UMPA have been after us for years to get the switch installed. Also included at the site of the switch will be a master meter panel for which UMPA will cover the cost. Total cost to the city for the 46KV switch will be about \$150,000.</p>	

DeMill then advised the council that he has been working with Visions Metering on a plan to convert the city's electric meters to automated meters, which can be remotely read via radio signal. DeMill said that he has negotiated a price for 500 of the meters that will be cheaper than the current manually read meters by about 10%. He went on to say that he would like to convert about one-fourth to one-third of the electric services each year over the next several years. Visions has also supplied the radio reading equipment for transmitting meter readings directly to the city billing system. Kent Barton remarked that we are one of the few cities in the state that still use manual read meters and that we have had some significant problems with retaining meter readers as well as the accuracy of some readers.

CONCLUSIONS

DeMill addressed several questions from the mayor and members of the council. Discussion ensued after which the Mayor indicated that there was unanimous consensus to proceed with the conversion to automated meters and to go ahead with his plan. DeMill said he would go ahead with the order for 500 meters, with staggered delivery dates and begin installation.

ITEM 8

David Craig – Request to Receive a Water Connection on a Vacant Lot

Mr. Craig addressed the council and explained that he owns a residential lot in the 500 East block of Union Street, where he plans to eventually build a home. He said that he inquired at the city office about in getting culinary water service connected to his lot and was denied, as he was told that city policy forbids service prior to the building of a home. He said he has searched the city ordinances and there is nothing in the code forbidding this. He said he also asked city staff to produce a written policy and was told that our policy is precedent we have practiced in the past – which he suggested is not a sound legal policy. Mr. Craig said he has planted trees on the property, which need watering and he is afraid of losing them if the irrigation water is turned off. He said he also plans to place animals on the property and that they will need regular watering.

City staff recommended to the Council that the request be denied based on precedent. A copy of that recommendation was provided in the packet. Councilmember Vernon read ordinance 13.04.310 which states:

"Permission to connect with the municipal water system shall not be given unless the plumbing in the house or building to be connected meets the provisions of the building and plumbing codes of the municipality."

Mr. Craig responded that he doesn't feel this section of code applies to putting water service on a lot. Councilmember Maylett said that he could understand Mr. Craig's interpretation and said that he believes the city should have more discussion and consider the request.

Some discussion ensued.

CONCLUSIONS

The Mayor then told Mr. Craig that the Council would study the issue and make a decision.

ITEM 9

Manti Trail Builders – Report on Track Development Project

The Mayor invited a report from the Manti Trail Builders. Steve Gerber came to the lectern and said that he would make the report as Dallas Cox and Andy Adamson had prior commitments. Mr.

Gerber then reported on the development of the mountain bike track near the Gunnison Reservoir, and said that there is still a lot of work to do prior to the state meet that is scheduled there in October and specifically mentioned need for more road base in the parking area. He said the group appreciates the cash and in-kind assistance the city has provided in the past and is hoping that additional help can be given. The Mayor asked how much money they need. He said about \$125,000, but that either cash or in-kind assistance would be appreciated.

Councilmember Dyreng asked Gerber to contact him at Cache Valley Bank.

Some discussion ensued and members of the Council seemed supportive of providing additional assistance. Kent Barton asked how much road base was needed and Gerber estimated about 25 loads.

CONCLUSIONS

More discussion ensued with the consensus being that Kent would make recommendation to the Council of how much additional road base the city could make available and deliver to the track site.

ITEM 10 Continuing Business

There was no continuing business brought up for discussion.

ITEM 11 Councilmember Reports

Councilmember Vernon reported on the planning meeting with the 4th of July Committee leaders Cassidie Goold and Lindsey Ipson. The community celebration will be held on Saturday July 3rd at the Manti City Park, with all of the traditional events and activities. Councilmember Dyreng commented that he was happy to hear that the Ipsons will be assisting the Goolds this year and said they would do a great job. Vernon asked how many from the Council would be available to assist with the water melon bust and it appeared that most present would be here. He also said that he had two names to recommend as Grand Marshalls for the parade and would like to discuss those with the council in closed session before extending an invitation.

Councilmember Wintch gave a report from the Airport board meeting the night previous and said that re-zoning around the airport and property acquisition were the main issues discussed. She also said that Mel Leseberg from Jviation, the contracted airport engineering firm, was there to report on runway resurfacing, the AWOS system repairs and other maintenance and improvement projects. Wintch also reported on the annual community “Fly In” event which is being planned for September.

ITEM 12 Public Comment

None

ITEM 13 Mayor Korry Soper

Mayor Soper reported on the recent Mayors’ and Commissioners’ meeting and read a statement from the fire district warden Tom Peterson regarding the restrictions of fires and fireworks on state lands. Some discussion ensued concerning the possibility of a fireworks ban within the city, which the Mayor felt was better to continue to monitor conditions before deciding of whether or not to ban

fireworks during the July 4th and 24th holidays. Councilmember Vernon pointed out that anyone using fire or fireworks that result in a fire which requires suppression, will be responsible for the costs of fighting the fire.

ITEM 14	Consideration of Minutes of the Previous Meeting
Kent Barton said that minutes for the June 2 nd meeting were not yet ready for review and will need to be approved at the next council meeting.	
ACTION TAKEN	
none	

ITEM 15	
City Manager Barton reported on the following: <ul style="list-style-type: none">• Water Plan application for CIB funding was reviewed and approved by the 6-county AOG and has been forwarded to the CIB. A copy of the AOG review is included in the packet.• A copy of the Sheriff's Office patrol report is included in the packet and available for Council review.• Movie in the Park event last Friday featuring "The Emperor's New Groove" was a big hit with lots of community support last Friday evening at the city park. Prior to the showing of the movie, the Manti City recreation department organized games and activities for attendees.• Reported that the new city website is in final design programming stages and will be ready for review soon.• Reported that the Fellingham / Thomson annexation petition has been certified and is now in the 30-day protest period.• The pool is enjoying large crowds and all is going sell there.• The sports park has been very busy and the community and is proving to be a great asset for the community.• Indicated that he did not have any items for closed session discussion, but did refer to Councilmember Vernon's request to discuss possible Grand Marshall suggestions by the 4th of July Committee.	
ACTION TAKEN	
At 7:55 PM, the Mayor called for a motion to move into executive session to discuss review of upcoming 4 th of July Parade Grand Marshalls. Mary Wintch made the motion, Jason Vernon seconded. Councilmembers voting "aye": Darren Dyreng, Jason Maylett, Jason Vernon and Mary Wintch. Councilmembers voting "nay": none.	
RETURNED TO REGULAR SESSION FOLLOWING CLOSED SESSION	
The bills were then presented for payment. Following review by the Mayor and Council, Darren Dyreng made the motion to pay the bills and adjourn. Mary Wintch seconded. Councilmembers voting "aye": Gary Chidester, Darren Dyreng, Jason Maylett, Jason Vernon and Mary Wintch. Councilmembers voting "nay": none	

ADJOURNED	8:10 P.M.
NEXT MEETING DATE	Regular Council Meeting – July 7, 2020

Korry L. Soper, Mayor

JoAnn Otten, City Recorder