

PERRY CITY COUNCIL MEETING
PERRY CITY OFFICES
January 26, 2023

7:00 PM

OFFICIALS PRESENT: Mayor Kevin Jeppsen presided and conducted the meeting. Council Member Nathan Tueller, Council Member Blake Ostler, Council Member Dave Walker, Council Member Toby Wright, and Council Member Ashley Young.

OFFICIALS ABSENT:

CITY STAFF PRESENT: Robert Barnhill, City Administrator; Bill Morris, City Attorney; Shanna Johnson, City Recorder; Zach Allen, Public Works Director; Scott Hancey, Chief of Police; and Sergeant Dave Freeze

OTHERS PRESENT:

ON-LINE: Nelson Phillips (BENJ), Benson, and Melanie Barnhill

ITEM 1: CALL TO ORDER

Mayor Jeppsen welcomed everyone and called the City Council meeting to order.

ITEM 2: PROCEDURAL ISSUES

A. Conflict of Interest Declaration

None

ITEM 3: PRESENTATION

A. State of the City

The State of the City was presented by Mayor Jeppsen. He said the top six priority areas of focus for 2022 were roads, water, city hall, staff, parks and trails, and business and economic development. He gave more detail about each area of focus through a slide show. The slide highlights are as follows:

Roads: He said there were several road projects completed in 2022 and a total of \$232,587 was spent. The projects included chip seal on 1500 S, 750 W, 2700 S, 1700 S, 900 W, 3275 S, Hargis Hill and 385 W. Also, overlays were done on 3000 S and 2650 S. He commented that we completed the corridor preservation of Commerce Way (Maddox Lane) with as many landowners as would participate. He mentioned that we were awarded a grant to connect 1200 W with 1100 S.

Water: He explained that there were upsized waterlines installed along 3000 S, 1200 W and 2450 S. He mentioned that ARPA funds were secured for future water improvements on the south side of the city, mostly for the no. 5 well. In addition, He said we secured grant money for generators to be used for backup power at our wells.

City Hall: He said we purchased the Lodge for a New City Hall and that we have received bids on its renovation with the anticipation of a completion by late summer.

Staff: He reported that the city was 100% staffed with a 14% attrition, which is not all bad because we have brought great employees on the team.

Parks and trail: He remarked that there was an on-going (playground) equipment project being done at Mountain View Park and should be completed this summer. He also, commented that there will be grant money available for the 1200 West North and Central trails.

Business and Economic Development: He said we have been updating the codes and zoning to encourage economic growth.

Mayor Jeppsen expounded on the state of the city and remarked that the financial health was presented by the accountant in the last council meeting. He commented that tax revenue has increased by \$378,784, which \$210,000 was sales tax and the remainder was from property tax. He expressed that all funds were healthy and compliant. He gave statistics that there were 38 building permits issued, which 30 were single family and 8 were multi-family dwellings. In addition, he said the city issued 213 business licenses in 2022.

Mayor Jeppsen stated that we hired a new patrol officer, Rick Mabrey, who has now been assigned as the detective. We also hired a new public works director, Zach Allen, who has a degree in engineering. He expounded that we changed the organization structure and created an assistant public works director position. This position was offered to Matt Klopfenstein, who has brought his experience of culinary water to the city. He highlighted that the Public Works employee, Jake Andrew, had attained his certifications in water and sewer, which will benefit the city. He said that the administration department welcomed, Anita Nicholas, who brought with her business and accounting degrees. He reported that Tyra Bischoff, who was promoted to City Treasurer and he indicated that she was doing an excellent job in her new role. He ended his review of staff highlights noting that the Financial Director, Shanna Johnson obtained her Master Municipal Clerk Certification in May of 2022.

Mayor Jeppsen continued the state of the city with a few highlights of 2022 projects as follows:

- New City Hall and renovation process
- Mount View Park equipment progress
- Continued improvement with water, roads, and storm (drain) systems
- Improvements with records storage by utilizing the state off-site storage and Docuware Digital Storage
- Implementing TextMyGov for improved communications with the public
- Grant and ARPA funds received totaling \$5.6 million

He said the goals for 2023 will be as follows:

- Improving roads
- Completion of the New City Hall renovation

- Completion of the Mount View Park playground equipment
- Development in our commercial sectors
- Continue compliance with city utilities and infrastructure
- Address impacts of the current economy, inflation, and growth

Next part of the state of the city presentation was given by Chief Hancey. He gave the department statistic report on 2022 for the Perry Police Department. He used a visual display by showing a PowerPoint presentation. (See slides).

Some of the highlight for 2022 he mentioned were the following:

- Awarded several Grants
- Given a gold-level award from Lexipol
- Received state DUI funding
- Established NOVA program at local school to help at-risk youth
- Obtained a Field Investigation Drug Officer (FIDO) and a Commercial Vehicle Enforcement Officer (CVSA)
- Processed 359 GRAMA requests and organized and digitized many old police records

Chief Hancey said that the NIBRS (National Incident Based Reporting System) Incidents have increased over 40%, which caused the overall total case count to decrease. He explained the reduction in total case counts were because the NIBRS type of criminal cases take so much longer for an officer to process. He then said property crimes went up slightly but violent crime increased greatly and then showed other types of case details. After seeing the slides, Mr. Barnhill asked if there was a correlation with violent crime and drug use. Chief Hancey said statistically there was not a correlation. Council Member Walker asked what types of drugs were typically found in these types arrests. Chief Hancey stated that mostly marijuana, methamphetamine and some cocaine.

Chief Hancey reviewed a new report called Law Enforcement Officers Killed or Assaulted (LEOKA). He said this was the first reporting year for this program and that there were six Perry City incidents. He conclude the statistical presentation with the numbers for traffic accidents and violations. He showed several pictures of events throughout the year and then thanked everyone.

Mayor Jeppsen moved item 5 B (discussion items) Budget Update to this portion of the meeting.

Shanna Johnson presented a quarterly budget update. She said the update showed where the city was as of December 2022, which was half way through the fiscal year. She began with the revenue overview and said revenues in the General Fund we are at 37% of budget. She noted that most of the property tax revenue will be received in January. She pointed out that for the Utility Fund and Sewer Fund they are respectively 49% and 50% of their projected revenue. She continued with the Non-Operation Utility Fund revenue, which was mostly impact fees, and was at 65%, which was indicative of the growth the city had from July to December. The expense overview of the General Fund shows that the departments are functioning within their budgets. She said the 60.9% used in the Fire account is due to an annual contract fee paid at beginning of the year. She pointed out that the Utility Fund was on track with the exception of the Water Fund. This fund was at 53.5% and slightly higher due to unexpected water leak repairs. She reported that in the Sales Tax Revenue we

have collected \$1 million. She went on to give details that \$717,968 was from sales tax and the balance from property tax. She mentioned that the majority of the property tax will be received in January. She noted that we were functioning well in sale tax and were 10.44% higher than the prior year. She said we were trending to receive \$1.7 million and only budgeted \$1.6 million so we were looking good.

Mayor Jeppsen asked if the sales tax trend followed the inflation trend. Mr. Barnhill responded it was a combination of inflation and growth. Ms. Johnson said she thinks people were still comfortable with spending but that might not continue. Mr. Barnhill mentioned that we had recently seen an increase in sales tax through on-line sales. Ms. Johnson said that about four years ago a law was passed that allowed tax to be collected from the point of sale of purchases. She pointed out that sales tax was on a two-month lag, which means you will not see December sales tax until February and is one of the reasons there is a delay in closing the year end books.

ITEM 4: ACTION ITEMS (Roll Call Vote)

A. Resolution 2023-01 Amending the Contract with Econo Waste Inc. for Solid Waste Disposal

Mr. Barnhill said at the last meeting the council members proposed to eliminate the highest tier from the proposal given to us from Econo Waste. He said Econo Waste agreed to remove that tier and was happy that we were willing to work with them on their increased gas expenses. Mayor Jeppsen said since they discussed what Econo Waste offered at the previous council meeting then they should be able to make a motion.

MOTION: Council Member Walker made a motion to approve the Resolution 2023-01 Amending the Contract with Econo Waste Inc. for Solid Waste Disposal as presented. Council Member Wright seconded the motion.

ROLL CALL: Council Member Young, Yes
Council Member Walker, Yes
Council Member Ostler, No
Council Member Wright, Yes
Council Member Tueller, Yes

Motion Approved. 4 Yes, 1 No

B. Resolution 2023-02 Public Safety Retirement Contribution Pick-Up Amendment.

Ms. Johnson said a few years ago Utah Retirement System (URS) came out with a Tier II contribution plan. In this plan, they introduced the requirement for the employee to pay a certain percentage amount to pick-up the difference (of current plan costs over 14%) for the employee's retirement account. They also allowed for the employer to elect to pay the employees portion. She said at that time the council did elect to pick up the employees difference (at that time 2.27%). She noted that the percentages fluctuates and an auditor suggested the council either passes a new resolution noting the specific current percentage every year or have a blanket resolution that will allow us to cover the applicable percentage . The resolution will need note that they will pay to conform to the annual pick-up limits established by the state. The approval of this resolution will allow the city to be compliant with the states rules and the councils' adopted decision.

Council Member Wright asked if there was a way to cap the annual pick-up amount given by the state. Ms. Johnson responded that there was not and suggested setting the rate each year if this was the desire of the council. She cautioned that currently the city pays all costs for the Tier I employees but the Tier II program was different and allows amounts to be charged to Tier II employees. Council Member Walker asked if they passed this resolution would they be able to adjust it if one year there was a big change in the pick-up percentage. Ms. Johnson said that the percentages go into effect in July and they would see any big changes during the budget planning process. She said they could review the amount beforehand and would be able to adopt a new resolution before approval of the budget. City Attorney, Mr. Morris, commented that other city's agreed to pay the pick-up because they don't want the employees to have contention with these contribution differences. He then explained the reason for the Tier I and Tier II and that it changed the whole dynamics of the state retirement system.

Mayor Jeppsen asked if the city covering the Tier II employee pick-up portion was discretionary. Ms. Johnson said it was discretionary and then added that the city also offers a match-up in the 401k account for the Tier II employees. She said in order to keep the council informed of the cost of this pickup she would add a line in the budget workbook to outline these two discretionary amounts so they can see them more clearly. Chief Hancey mentioned that this Tier II retirement change has reduced people's desires to work in public safety. Ms. Johnson pointed out that this resolution was for public safety and fire and not all Tier II employees.

Council Member Ostler asked if the resolution could state "the percentage the city chooses to pick-up be evidenced in its approved annual budget". Ms. Johnson said it could be written that way however, she would need to break down the costs and give the annual percentages in the budget. She noted that if we list a specific percentage she was concerned that in the future, if the resolution wasn't revisited and updated, it would go out of compliance again. Council Member Ostler mentioned that he was concerned with the open-ended commitment given in this resolution. Council Member Walker agreed that was also his concern. Mayor Jeppsen reminded them that it was discretionary. The council members then expressed different thoughts and feelings about this resolution. Ms. Johnson reminded the council that this effects a limited number of staff and was a limited percentage. Council Member Walker asked the approximate cost of the pick-up. Ms. Johnson noted that this was approximately \$4,000 a year. She also said it does not concern her, as during the budgeting process the council would see a huge jump in the budget if there were a great percentage change.

MOTION: Council Member Wright made a motion to accept the Resolution 2023-02 Public Safety Retirement Contribution Pick-Up Amendment. Council Member Young seconded the motion.

ROLL CALL: Council Member Young, Yes
Council Member Walker, Yes
Council Member Ostler, No
Council Member Wright, Yes
Council Member Tueller, Yes

Motion Approved. 4 Yes, 1 No

ITEM 5: DISCUSSION ITEMS:

A. City Council Retreat

Mayor Jeppsen asked if the agenda was sent and covered what they wanted to discuss at the city council retreat. He mentioned there was still opportunities for other things to be put on the agenda. Ms. Johnson reminded the council members that the retreat will be on a Saturday morning, January 28 at 7:00 a. m.

B. Budget Update

Given above with the presentation of State of the City. (See slides).

ITEM 6: MINUTES & COUNCIL/MAYOR REPORTS (INCLUDING COUNCIL ASSIGNMENTS)

A. Approval of Consent Items

- January 12, 2023 City Council Meeting Minutes

Council Member Walker said he didn't have time to review the minutes and wanted before he approved them.

Motion Tabled.

B. Mayor's Reports

Mayor Jeppsen said Brigham City has set up the fire district meeting. They will allow one council member, one fire or first responder chief, and the mayor. The meeting will be on Monday, February 13 at 12:00 p.m. in the Brigham City Council Room. He said if a council member wanted to attend he would send them an invitation. He mentioned the meeting will be a presentation by the company who will do the fire district study. They will explain what the study will address and the cost responsibilities of those cities concerned.

C. Council Reports

None

D. Staff Comments

None

E. Planning Commission Report

None

ITEM 7: EXECUTIVE SESSION

None needed

ITEM 8: ADJOURNMENT

MOTION: Council Member Walker proposed to adjourn the meeting.

Motion Approved. All Council Members were in favor.

The meeting adjourned at 8:01 p.m.

Shanna Johnson, City Recorder

Kevin Jeppsen, Mayor

Anita Nicholas, Deputy Recorder