MINUTES OF MORGAN CITY COUNCIL ELECTRONIC MEETING
June 9, 2020; 6:00 P.M.

MAYOR AND COUNCILMEMBERS PRESENT ELECTRONICALLY:
Mayor Ray W. Little, Tony London, Eric Turner, Jeffery Richins, and Dave Alexander

Jeff Wardell joined the meeting after the closing of the public hearing

STAFF PRESENT ELECTRONICALLY:
Ty Bailey, City Manager; Gary Crane, City Attorney; and Teresa Shope

OTHERS PRESENT ELECTRONICALLY:
Ryan Child, Child Richards CPAs and Advisors, Carson Farnsworth, and Chad Kramer

This meeting was held electronically in accordance with Executive Order 2020-1; Suspending the Enforcement of the Provisions of Utah Code 52-4-202 and 52-4-207 by Governor Gary Herbert on March 18, 2020, due to Infectious Disease, Coronavirus (COVID19).

This meeting was called to order by Mayor Ray W. Little.

The pledge of allegiance was led by Ty Bailey, City Manager.

The opening ceremony was presented by Councilmember Turner.

MINUTES AND WARRANTS

MOTION: Councilmember London moved to approve the following:

Minutes of the City Council Electronic Meeting – April 28, 2020
Minutes of the City Council Electronic Meeting – May 12, 2020
Warrants

SECOND: Councilmember Richins

The vote was unanimous to approve the minutes as written and one set of warrants. Councilmember Wardell not present.

CITIZEN COMMENT

Mayor stated he had been in contact with City Recorder Denise Woods to see if there had been any request for citizen comment. Mayor stated Denise did not have any requests. Mayor asked Teresa Shope acting Recorder if she had received any request to participate in the citizen comments. Teresa Shope stated she had not.
INTRODUCTION OF NEW EMPLOYEES

Chad Kramer, Water/Wastewater Operator

Ty Bailey, City Manager, welcomed Chad Kramer as a new employee as a Water/Wastewater Operator. Ty stated Chad was replacing Chris Hansen as Chris was retiring at the end of the month. The City will host an open house for Chris Hansen on June 18th after 31 years of service. Ty asked Chad to introduce himself.

Chad Kramer stated he was excited to work for Morgan City and that he had learned a lot from Chris Hansen already. Chad expressed his respect to Chris and stated Chris was a really good guy.

Councilmember London asked Chad where he was from. Chad stated he was from Magna, Utah and was currently living in Oakley, Utah. Councilmember Alexander asked if Chad could be commuting daily from Oakley and how long did it take. Chad stated he had been commuting and would continue, that it took approximately 30 to 45 minutes between his home and the Morgan City shop.

Mayor expressed appreciation for Chad’s willingness to come to Morgan City with his background and credentials. Mayor said he had talked to staff and staff was pleased with Chad’s performance so far. Mayor welcomed Chad.

Councilmember London asked if Chad had any certifications. Chad indicated he currently held 3 certifications in wastewater and 2 certifications in water distribution. Councilmember London welcomed Chad.

Carson Farnsworth, Grounds Maintenance

Ty introduced Carson as our newest Grounds Maintenance worker. Carson just graduated, applied to work for the City and has already jumped in digging gravels and such. Carson had a shorter commute that Chad as he lived in Porterville. Ty asked Cason to introduce himself.

Carson Farnsworth stated he liked to work outside and especially enjoyed participating in teamwork. Carson said he liked giving back to the community and with this position he felt he could accomplish that. Carson stated he had especially enjoyed the look on people’s faces when they came to the South Morgan Cemetery and they were pleased. Carson stated he loved the work.

Mayor asked if anyone had questions for Carson. Councilmember Alexander ask how long Carson had lived in Morgan. Carson indicated he moved to Morgan when he was 8 years old and had loved living here.

Mayor stated the City enjoyed his enthusiasm and were excited to have such an energetic, committed employee and welcomed Carson as an employee of Morgan City.

NEW BUSINESS

RESOLUTION 20-17 – LETTER OF UNDERSTANDING BETWEEN MORGAN CITY AND MORGAN SECONDARY WATER ASSOCIATION.

Mayor stated Resolution 20-17 would be removed from the agenda this evening and would appear at another time. Mayor indicated work still needed to be done to the document and more communication with Morgan Secondary Water Board as well.
PUBLIC HEARING

RESOLUTION 20-16 – OPEN AND ADJUST 2019 – 2020 FISCAL YEAR BUDGETS; APPROVING TRANSFER/LOAN FROM ELECTRIC FUND TO WATER FUND.

MOTION: Councilmember Turner moved to open the public hearing.

SECOND: Councilmember London

Discussion on the Motion: None.

ROLL CALL VOTE: Jeffery Richins – aye
Jeff Wardell – absent
Tony London – aye
Eric Turner – aye
Dave Alexander - aye

Vote was 4 ayes with Jeff Wardell not in attendance; Motion passed unanimously to open the public hearing to open and adjust the 2019 – 2020 Fiscal Year Budgets and approve transfer/loan from Electric Fund to Water Fund.

Mayor asked Ty to take a minute to discuss what opening and adjusting the budget accomplished, plus briefly discuss the purpose of the transfer/loan. Ty stated the City had the opportunity at any time throughout the year to open and adjust the budget. As we were close to closing this year’s fiscal budget, we reviewed the budget to see how close we were in our expenditures and were able to make line item adjustments.

This opening was a request for a transfer of $250,000 from the Electric Department funds to the Water Departments funds and was a loan to support the water line project that was just awarded. The payback process was outlined in the packet which indicated payback was 10 years at 1½%. Ty stated the other line items also addressed as the City was tasked with the challenges of having summer projects with a fiscal year budget ending and a new one beginning in July.

Mayor thanked Ty for the brief description during the public hearing.

Public Comments: None.

MOTION: Councilmember Turner moved to close the public hearing.

SECOND: Councilmember London

Discussion on the Motion: None

ROLL CALL VOTE: Jeffery Richins – aye
Jeff Wardell – absent
Tony London – aye
Eric Turner – aye
Dave Alexander - aye

Vote was 4 ayes with Jeff Wardell not in attendance; Motion passed unanimously to open the public hearing to open and adjust the 2019 – 2020 Fiscal Year Budgets and approve transfer/loan from Electric Fund to Water Fund.

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Proceeding the opening and closing of the public hearing, Jeff Wardell was able to join the meeting and was in attendance.

RESOLUTION 20-16 – OPEN AND ADJUST 2019 – 2020 FISCAL YEAR BUDGETS; APPROVING TRANSFER/LOAN FROM ELECTRIC FUND TO WATER FUND.

Ty stated one of the biggest changes since the last meeting was the CARES Act money. There was a new revenue line item for Federal Grant revenue. The Federal Grant line item is $126,327 which was the first of the States allotment. The allotment was to take care of COVID expenses. On the expense side there was a new department created with new expenditure line items to identify those expenditures. Ty explained the items that would or have been used for the COVID expenses that would not normally be something the City would identify in a budget.

The bridge project had transfers to the Capital project of $500,000. At the last meeting there was a discussion about the grant money and the match Morgan City was to provide. After a discussion with UDOT, Morgan City will be required to come up with the rest of the money. Of the estimated cities portion of 1.8-million-dollar project, there was a need to bond $600,000. We would be doing the next year’s budget at the next meeting which we had included another $150,000 towards this project. This will allow a couple of options. The City will need to identify the revenue source to finish the bridge.

Councilmember London asked if the quarter percent sales tax could be used towards the bridge and an approximate amount of revenue to be collected. Ty indicated the tax could be used towards the bridge and the estimate was approximately $170,000. Ty discussed bonding and the need to identify a revenue source which the sales tax would be a good choice.

Councilmember Alexander indicated at the last meeting it seemed to be that there would not be a lot of money the City would need to come up with. Ty stated the conversation was with the project manager who looked at the overall project and gave numbers stated you’re funded and good to go. Ty discussed the process of trying to find an award document which led to talking to the finance department. That conversation led to details of the award and the application of the scope of work which cannot be altered after being granted the award.

Councilmember London asked about the estimated cost of the project and how it was created. Ty stated the estimate included the cost, inflation, as well as repairs and maintenance of the bridge. This accounted for the additional cost above the awarded 2 million dollars. Councilmember Turner stated it would be interesting to see what the actual numbers were and asked when the project would go out for bid. Ty stated as early as July as UDOT was just finishing the list of approved engineers. Once that was accomplished, UDOT would assemble teams to work on the project. Ty stated this presentation was the budget scenario and next meeting the Council will have a lot more to talk about.

Councilmember Turner asked about the CARES money and how long the monies would be available as we currently did not have a lot of expenditures on the books and we did not know how long this pandemic would last. Ty indicated the money was available until December for the first round of allotment. We were not sure on the second round. The City didn’t want to spend outside the perimeters, so we had been cautious with spending. Ty stated he was looking at the shop to be remote and has already started plans for a plexiglass closure in the front lobby. The money was there to help create new ways of conducting business.
MOTION: Councilmember Alexander moved to adopt Resolution 20-16 – A resolution opening and adjusting the 2019 – 2020 Fiscal Year Budgets and approving a transfer/loan from the Electric Fund to the Water Fund.

SECOND: Councilmember Turner

ROLL CALL VOTE: Jeffery Richins – aye
David Alexander – aye
Jeff Wardell – aye
Tony London – aye
Eric Turner – aye

Vote was 5 ayes; Motion passed unanimously to adopt Resolution 20-16 – A resolution opening and adjusting the 2019 – 2020 Fiscal Year Budgets and approving a transfer/loan from the Electric Fund to the Water Fund.

CITY REPORTS AND BUSINESS

City Manager

COVID-19 Update – We were not turning off customers that were late in payment on utilities and yet we had not had a significant increase. Office was still closed. Had hoped to reopen the doors when the State moved to yellow but then there had been a spike. Currently, 5 people in Morgan had the virus. Employees were accommodating residents and were available during business hours.

Councilmember Alexander questioned the number of people unable to pay. Ty stated the City had only one resident call regarding their situation and yet they had stayed current. It was hard to say what would happen when the stimulus money and the $600 unemployment incentive money ran out in July. We could get an increase at that time.

Operation Graduation – Morgan High School – The contribution was $500 for cleanup. A representative usually came to Council to report back but with the pandemic, that would most likely not occur.

Flags – Morgan High School Cheerleaders – Morgan City will be supporting the cheerleaders as the City had done in the past.

Coronavirus Relief Fund Utah Local Government Agreement – not discussed.

UTOPIA Update – Ty updated the Council stating there are 546 connections as of this date.

Mayor and Council

Councilmember Alexander advised the Council that the June Planning Commission meeting had been cancelled due to no agenda items being submitted.

No other updates.
This meeting was adjourned at 7:10 p.m.

Teresa Shope, Acting Deputy Recorder

These minutes were approved at the July 14, 2020 meeting.