



TOWN COUNCIL HEARING AND MEETING

1777 N Meadowlark Dr, Apple Valley
Tuesday, November 18, 2025 at 6:15 PM

MINUTES

CALL TO ORDER – Mayor Farrar called the meeting to order at 6PM

PLEDGE OF ALLEGIANCE

PRAYER – Prayer was offered by Council Member Sair

ROLL CALL

PRESENT

Mayor Michael Farrar

Council Member Kevin Sair

Council Member Annie Spendlove

Council Member Scott Taylor

Council Member Richard Palmer

DECLARATION OF CONFLICTS OF INTEREST

None declared.

Note: Audio Glitch until 3:30

MAYOR'S TOWN UPDATE & REPORTS, RECOMMENDATIONS, AND ANNOUNCEMENTS

The Mayor reported that the easement for the new one-million-gallon concrete water tank on the hill had been finalized. With the easement and access road secured, soils testing could proceed and design work was already underway. Construction was expected to begin near the end of the year, with the Mayor noting it might be close to the year-end target. The project was described as being completed at no cost to the town or its residents.

The Mayor explained that two existing steel tanks were in severe disrepair, requiring ongoing patching and welding and presenting safety concerns for staff. The new concrete tank would replace those tanks, be located slightly higher on the hill, and improve system pressure, particularly for residents and hydrants currently near minimum pressure.

The Mayor also announced the annual cookie exchange scheduled for December 20, from 2:00 to 4:00 PM at the town building. Residents were invited to bring baked cookies to share and exchange; if enough children attended, Santa Claus would be present for a short period.

The Mayor thanked all candidates who ran for office in the recent election and noted that the current Town Council had been re-elected. The Mayor acknowledged the difficulty and scrutiny that accompany candidacy and service.

Council member Sair reported on the status of bar ditch work, stating that approximately two-thirds of the town, including several problem areas, had been completed. Due to current weather conditions, staff were temporarily focusing on other projects, with plans to resume ditch work later.

PUBLIC COMMENTS: 3 MINUTES EACH - DISCRETION OF MAYOR FARRAR

The Mayor opened the public comment period; no comments were offered in person or online.

PUBLIC HEARING

1. Resolution R-2025-26, Fee Schedule Amendment: Residential Solid Waste Disposal Fee Increase and Building Permit Xpress Bill Pay Fees Update.

The Mayor explained that Washington County was increasing the residential solid waste disposal fee by \$0.36 per month (from \$14.30 to \$14.66). The town would pass this increase directly through to residents without markup. City Inspect fees related to building permits would likewise be passed directly to end users.

Mayor Farrar opened the public hearing, no public comments were received, and the public hearing was closed.

2. Ordinance O-2025-39, Amend Title 4.04.030 Municipal Energy Sales And Use Tax.

The Mayor described the item as a housekeeping measure. The municipal energy tax rate had been increased from 1.5% to 6% in 2018, but some documentation had not been updated. The ordinance corrected those references without imposing any new tax increase. Finance Director Michelle Kinney pointed out a remaining reference to 1.5% in the draft and clarified that it would be corrected to 6%.

Mayor Farrar opened the public hearing, no public comments were received, and the public hearing was closed.

3. Ordinance O-2025-40, Amend Title 2.10.050 Town Council Compensation Schedule and 2.14.030 Establishment Of Municipal Planning Commission.

The Mayor explained that council compensation was historically split between separate council and water board meetings. With those meetings now combined, council compensation was being adjusted to \$100 per meeting so members would not be compensated less than under the previous structure.

The ordinance also confirmed planning commission benefits, including free trash service, and restructured how trash and water stipends would be paid (through payroll as taxable stipends rather than directly offsetting utility bills). This change also ensured that members without a municipal water connection could still receive the benefit.

Mayor Farrar opened the public hearing, no public comments were received, and the public hearing was closed.

3. Resolution R-2025-28, Adoption of the Town of Apple Valley Water Conservation Plan.

The Mayor stated that the water conservation plan had previously been adopted under the name "Big Plains Water Special Service District" and now needed to be re-adopted under the proper name, Town of Apple Valley Water.

Mayor Farrar opened the public hearing, no public comments were received, and the public hearing was closed.

DISCLOSURES AND COMPLIANCE STATEMENTS

4. Disclosure Statement.

The Mayor read a formal disclosure statement regarding the town's contract with a CPA who is the Mayor's son.

The Mayor clarified that:

- The CPA is an independent contractor, not a town employee.
- The contract was executed by a prior administration before the Mayor took office.
- The CPA is highly qualified and licensed, and the town benefits from a discounted hourly rate (approximately \$75 per hour versus typical market rates around \$250 per hour).
- The services include monthly review of the town's books, preparation for the annual state audit, and direct coordination with state auditors.

The Mayor emphasized that the town is audited annually by the state, every transaction is documented, checks require dual signatures from the Mayor and the town treasurer, and the CPA does not have signing authority or direct access to bank accounts. The Mayor reiterated a commitment to financial transparency, noted the improved financial condition of the town, and emphasized that all financial reports and disbursement listings are presented to the public and reviewed by the council monthly.

DISCUSSION AND ACTION

6. Ordinance O-2025-41, Approving the Amended and Restated Master Development Agreement for Jepson Canyon.

*Planning Commission recommended approval on November 18, 2025.

Under Ordinance O-2025-41, the council considered approval of the amended and restated master development agreement for Jepson Canyon following a recommendation from the Planning Commission earlier that evening.

Discussion included:

- The development would consist of approximately 226–227 lots, described as slightly larger than the Cedar Point subdivision, and anticipated to build out over roughly a decade, rather than all at once.
- The project included a park area (approximately 2.5 acres) and commercial acreage along State Route 59.
- There was discussion about future water sources on the east side of town and whether the new system would interconnect with the town's main system and the planned million-gallon tank. The Mayor indicated a preference for interconnection to provide an alternate water source, with final decisions to be made at a later stage.
- Council and staff briefly discussed the previous agreement and prior hotel/fire truck arrangements from earlier iterations of the project and noted that the updated agreement no longer included a hotel or golf course, focusing instead on housing, a park, and commercial space.
- The council also discussed broader growth issues, including the long build-out of Cedar Point, the lack of rental options for local residents and young adults, and potential future concepts for accessory dwelling units or small-scale rentals that would support existing residents while limiting over-intensification by new developers.

MOTION: Council Member Sair motioned we approve Ordinance O-2025-41, Approving the Amended and Restated Master Development Agreement for Jepson Canyon. Planning Commission recommended approval on November 18, 2025.

SECOND: The motion was seconded by Council Member Palmer.

VOTE: Mayor Farrar called for a Roll Call vote:

Council Member Taylor - Aye
Council Member Sair - Aye
Mayor Farrar - Aye
Council Member Spendlove - Aye
Council Member Palmer - Aye

The vote was unanimous and the motion carried.

7. Ordinance O-2025-37, Zone Change from Open Space Transition Zone (OST) to Rural Estates 1 Acre Zone (RE-1) for parcel AV-1334-V-A.

*Planning Commission recommended approval on November 12, 2025.

The Mayor explained that the applicant owned a remaining two-acre parcel near Apple Blossom Lane. Surrounding properties and the general plan designated the area as one-acre lots. The applicant sought to rezone from Open Space Transition (OST) to Rural Estates 1 Acre (RE-1) in order to divide the parcel into two one-acre lots, consistent with neighboring zoning.

MOTION: Council Member Taylor moved we approve Ordinance O-2025-37, Zone Change from Open Space Transition Zone (OST) to Rural Estates 1 Acre Zone (RE-1) for parcel AV-1334-V-A. Planning Commission recommended approval on November 12, 2025.

SECOND: The motion was seconded by Council Member Sair.

VOTE: Mayor Farrar called for a Roll Call vote:

Council Member Taylor - Aye
Council Member Sair - Aye
Mayor Farrar - Aye
Council Member Spendlove - Aye
Council Member Palmer - Aye

The vote was unanimous and the motion carried.

8. Ordinance O-2025-38, Amend Title 10.02.050 Building Permit Required.

*Planning Commission recommended approval on November 12, 2025.

The Mayor explained that the amendment added a section to clarify that a particular residential provision addressing structures such as gazebos and open horse barns does not apply to commercial properties.

The change, recommended by the town's building official, reaffirmed that commercial structures must follow the International Building Code and obtain permits and inspections, in part to manage public safety and liability.

MOTION: Council Member Taylor moved we approve Ordinance O-2025-38, Amend Title 10.02.050 Building Permit Required. Planning Commission recommended approval on November 12, 2025.

SECOND: The motion was seconded by Council Member Palmer.

VOTE: Mayor Farrar called for a Roll Call vote:

Council Member Taylor - Aye

Council Member Sair - Aye

Mayor Farrar - Aye

Council Member Spendlove - Aye

Council Member Palmer - Aye

The vote was unanimous and the motion carried.

9. Approval of Add-on to Gateway Services Master Agreement for Xpress Bill Pay, Building Permit - City Inspect API Integration.

Staff Report: Staff recommends council approval of the Xpress Bill Pay Add-On to the Gateway Services Master Agreement to enable Rev Neutral integration for City Inspect building permit payments; this integration has no cost to the Town, and all processing fees are passed directly to the user.

The council considered approval of an add-on to the Gateway Services Master Agreement for Xpress Bill Pay – City Inspect API integration specific to building permits. Staff explained that the add-on would automate the standard 3% credit card processing fee for building permit payments and allow applicants to pay through the existing portal. There would be no cost to the town, with all processing fees paid by the user. The change would reduce staff time by eliminating manual entry of the processing fee.

MOTION: Council Member Taylor moved we approve the Add-on to Gateway Services Master Agreement for Xpress Bill Pay, Building Permit - City Inspect API Integration. Thank you for staff for putting that together.

SECOND: The motion was seconded by Council Member Sair.

VOTE: Mayor Farrar called for a vote:

Council Member Taylor - Aye

Council Member Sair - Aye

Mayor Farrar - Aye

Council Member Spendlove - Aye

Council Member Palmer - Aye

The vote was unanimous and the motion carried.

10. Resolution R-2025-26, Fee Schedule Amendment: Residential Solid Waste Disposal Fee Increase and Building Permit Xpress Bill Pay Fees Update.

The council discussed the resolution, which increased the residential solid waste disposal fee by \$0.36 per month in line with Washington County's increase and updated the building permit Xpress Bill Pay

fee language. The council briefly discussed the county's solid waste contract and noted that the town had limited options due to a long-standing regional arrangement.

MOTION: Council Member Sair motioned we approve Resolution R-2025-26, the Fee Schedule Amendment: Residential Solid Waste Disposal Fee Increase and Building Permit Xpress Bill Pay Fees Update.

SECOND: The motion was seconded by Council Member Palmer.

VOTE: Mayor Farrar called for a Roll Call vote:

Council Member Taylor - Aye

Council Member Sair - Aye

Mayor Farrar - Aye

Council Member Spendlove - Aye

Council Member Palmer - Aye

The vote was unanimous and the motion carried.

11. Ordinance O-2025-39, Amend Title 4.04.030 Municipal Energy Sales And Use Tax.

The council discussed the ordinance to correct and update references in the code to the 6% municipal energy tax rate that had been in effect since 2018. During deliberation, a staff member pointed out an erroneous reference to 1.5% in the text.

MOTION: Council Member Sair motioned that we approve Ordinance O-2025-39, the Amended Title 4.04.030 for the Municipal Energy Sales And Use Tax. It states 1% but actually 6%, so they can make that change.

SECOND: The motion was seconded by Council Member Palmer.

VOTE: Mayor Farrar called for a Roll Call vote:

Council Member Taylor - Aye

Council Member Sair - Aye

Mayor Farrar - Aye

Council Member Spendlove - Aye

Council Member Palmer - Aye

The vote was unanimous and the motion carried.

12. Ordinance O-2025-40, Amend Title 2.10.050 Town Council Compensation Schedule and 2.14.030 Establishment Of Municipal Planning Commission.

The council addressed compensation and benefit provisions, the ordinance adjusted the Town Council stipend to \$100 per meeting, consolidating previous compensation associated with separate council and water board meetings. It also confirmed that planning commission members would receive stipends, including one related to trash service, and clarified that both trash and water stipends would be paid through payroll as taxable reimbursements rather than appearing as exempt line items on utility bills.

This structure ensured that members using private wells or different water sources could still receive the benefit.

MOTION: Council Member Taylor moved we approve Ordinance O-2025-40, Amend Title 2.10.050 Town Council Compensation Schedule and 2.14.030 Establishment Of Municipal Planning Commission and on Section A, need to add Section A number 3, This stipend shall be paid through the Town's payroll system as taxable income, with applicable federal, state, and FICA withholdings applied. a. Water Stipend is set at \$75.00 per month. b. Trash Stipend is set at \$14.30 per month.

SECOND: The motion was seconded by Council Member Palmer.

VOTE: Mayor Farrar called for a Roll Call vote:

Council Member Taylor - Aye
Council Member Sair - Aye
Mayor Farrar - Aye
Council Member Spendlove - Aye
Council Member Palmer - Aye

The vote was unanimous and the motion carried.

13. Resolution R-2025-27, Amend Apple Valley Policies and Procedures, Benefits and Salary Planning.

The resolution amended the town's policies and procedures to extend free trash service benefits and water stipends to planning commission members, town council members, fire volunteers, and town employees. The Mayor explained that the water stipend for employees was intended as an incentive for staff to live in town.

MOTION: Council Member Taylor moved we approve Resolution R-2025-27, Amend Apple Valley Policies and Procedures, Benefits and Salary Planning.

SECOND: The motion was seconded by Council Member Sair.

VOTE: Mayor Farrar called for a Roll Call vote:

Council Member Taylor - Aye
Council Member Sair - Aye
Mayor Farrar - Aye
Council Member Spendlove - Aye
Council Member Palmer - Aye

The vote was unanimous and the motion carried.

14. Resolution R-2025-28, Adoption of the Town of Apple Valley Water Conservation Plan.

The Mayor introduced Resolution R-2025-28, adopting the Town of Apple Valley Water Conservation Plan. The Mayor noted that the plan had previously been adopted in 2024 under the former "Big Plains" name and explained that this action was primarily a housekeeping update to officially adopt the same plan under the name Town of Apple Valley Water.

MOTION: Council Member Sair motioned we approve Resolution R-2025-28, Adoption of the Town of Apple Valley Water Conservation Plan.

SECOND: The motion was seconded by Council Member Palmer.

VOTE: Mayor Farrar called for a Roll Call vote:

Council Member Taylor - Aye

Council Member Sair - Aye

Mayor Farrar - Aye

Council Member Spendlove - Aye

Council Member Palmer - Aye

The vote was unanimous and the motion carried.

15. Resolution R-2025-29, Adopt Apple Valley Policies and Procedures Holiday Gifts and Bonuses.

The council considered Resolution R-2025-29, which established a policy for holiday gifts and bonuses:

The resolution allowed the Mayor to provide gifts or bonuses to part-time employees, and any employees, particularly to offset the impact of unpaid time off when the town offices were closed for holidays. The annual amount per employee was capped at up to \$1,000, with any higher amount requiring council approval. The Mayor explained that the intent was to prevent part-time employees from going without pay during office closures and to support staff the town hoped to retain and eventually move into full-time roles. Finance Director Michelle Kinney noted that the policy needed a dedicated budget line; for the current year, the expense would be covered from the council's discretionary fund, and a specific line item would be added in the budget. Council members commented on the importance of supporting employees and acknowledged that checks and balances were written into the resolution.

MOTION: Council Member Sair motioned we approve Resolution R-2025-29, Adopt Apple Valley Policies and Procedures Holiday Gifts and Bonuses.

SECOND: The motion was seconded by Council Member Palmer.

VOTE: Mayor Farrar called for a Roll Call vote:

Council Member Taylor - Aye

Council Member Sair - Aye

Mayor Farrar - Aye

Council Member Spendlove - Aye

Council Member Palmer - Aye

The vote was unanimous and the motion carried.

16. Certification of the Results from the General Election (Canvass).

The council certified the results of the recent general election:

- There were 633 registered voters, and 408 ballots were cast, for a 64.46% voter turnout.

- The county's results showed vote totals for mayor and council races, including four-year and two-year council seats.
- The County Clerk's report documented in-person voting, counted ballots, challenged/curable ballots, and rejected ballots with mismatched signatures.

The Recorder presented the canvass. The council voted to accept the certified results from the county. It was noted that the newly elected officials would take office on the first Monday in January, with the oath of office to be conducted at the first council meeting in January.

MOTION: Council Member Sair motioned we approve the voting results from the county for the Town of Apple Valley.

SECOND: The motion was seconded by Council Member Palmer.

VOTE: Mayor Farrar called for a vote:

Council Member Taylor - Aye

Council Member Sair - Aye

Mayor Farrar - Aye

Council Member Spendlove - Aye

Council Member Palmer - Aye

The vote was unanimous and the motion carried.

CONSENT AGENDA

17. Disbursement Listing for September and October 2025.
18. Budget Report for Fiscal Year 2025 through September 2025 and October 2025.
19. September and October 2025 Water Usage Comparison.
20. Minutes: October 15, 2025 - Town Council Hearing and Meeting.

The Mayor introduced the consent agenda, which included four items: the disbursement listings for September and October 2025, the budget report for Fiscal Year 2025 through September and October, the September and October 2025 water usage comparison, and the minutes from the October 15, 2025 Town Council Hearing and Meeting. The Mayor noted that these materials contained the monthly financial information presented to the public and reviewed by the council each month before approval.

MOTION: Council Member Taylor moved we approve the Consent Agenda, item 17 through 20.

SECOND: The motion was seconded by Council Member Sair.

VOTE: Mayor Farrar called for a vote:

Council Member Taylor - Aye

Council Member Sair - Aye

Mayor Farrar - Aye

Council Member Spendlove - Aye

Council Member Palmer - Aye

The vote was unanimous and the motion carried.

REQUEST FOR A CLOSED SESSION: IF NECESSARY

No request.

ADJOURNMENT

MOTION: Council Member Sair motioned to adjourn.

SECOND: The motion was seconded by Council Member Palmer.

VOTE: Mayor Farrar called for a vote:

Council Member Taylor - Aye

Council Member Sair - Aye

Mayor Farrar - Aye

Council Member Spendlove - Aye

Council Member Palmer - Aye

The vote was unanimous and the motion carried.

Meeting adjourned at 7:01 PM

Date Approved: _____

Approved BY: _____

Mayor | Michael L. Farrar

Attest BY: _____

Recorder | Jenna Vizcardo