



MINUTES

CALL TO ORDER, PLEDGE OF ALLEGIANCE, PRAYER

The Town Council meeting was called to order by Mayor Farrar at 6:00 PM. The Pledge of Allegiance and an invocation were offered.

ROLL CALL

PRESENT

Mayor Michael Farrar
Council Member Kevin Sair
Council Member Annie Spendlove (arrived at 6:09 PM and declared no conflicts of interest.)
Council Member Scott Taylor
Council Member Richard Palmer

DECLARATION OF CONFLICTS OF INTEREST

The Mayor addressed the declaration of conflicts of interest and disclosed a conflict regarding Item No. 2, the accounting contract amendment. The Mayor stated that they would present the item but would recuse themselves from the vote. No other conflicts of interest were disclosed.

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

During the Mayor's report, updates were provided on recent community events, including a marathon and an Easter egg hunt, both of which were reported as successful. The Mayor discussed ongoing operational and financial challenges related to limited revenue growth, increasing administrative demands, and rising engineering and legal costs. The Council was informed of plans to open two part-time positions to support administrative and financial functions. Updates were also given on the development of a master transportation plan, progress on water tank planning and review, and discussions regarding potential changes to law enforcement services, including coordination with a neighboring jurisdiction to improve coverage and cost efficiency.

PUBLIC COMMENTS: 3 MINUTES EACH - DISCRETION OF MAYOR FARRAR

One public comment was received by a resident. He referenced zoning and code provisions related to building distances, animal enclosures, and potential future considerations regarding shipping containers, seeking clarification on current requirements.

DISCUSSION AND ACTION

1. O-2026-11 Amend Title 10.10.050 RE Rural Estates Zone.

*Planning Commission recommended approval on April 8, 2026.

The Mayor then introduced Item No. 1, Ordinance O-2026-11, amending Title 10.10.050 related to the Rural Estates Zone, noting that the Planning Commission had recommended approval.

The Mayor reviewed the proposed amendments, including correcting a typographical error in the ordinance text. The Mayor also addressed revisions to animal regulations, specifically proposing a standard of one rooster per ten chickens for lots one acre or larger. Additional changes included

clarifying that certain agricultural activities would be permitted for personal use but not for commercial purposes, and removing language related to family food production.

The Mayor further explained proposed modifications to setback requirements for animal enclosures and similar structures. The amendment would eliminate the requirement for a 30-foot setback from property lines, while maintaining the requirement that such structures be located at least 50 feet from adjacent dwelling units. The Mayor stated that these changes were intended to simplify and clarify the ordinance requirements.

The Mayor then asked the Council if there were any questions, concerns, or comments regarding the proposed ordinance amendments before proceeding.

MOTION: Council Member Taylor moved we approve O-2026-11 Amend Title 10.10.050 RE Rural Estates Zone. Planning Commission recommended approval on April 8, 2026.

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

Motion carried.

2. Accounting Contract Amendment.

The Mayor introduced Item No. 2, the accounting contract amendment. The Mayor reiterated the previously disclosed conflict of interest. The Mayor explained that the contract pertained to the Town's CPA and had been established prior to their tenure. The Mayor noted that a complaint had previously been submitted to the state auditor, which resulted in a comprehensive audit. While no wrongdoing was identified, the audit included recommendations, one of which was to establish defined terms for contracts.

The Mayor stated that the existing contract did not include an end date and that staff had prepared an amendment to establish a term limit. The proposed amendment set the contract duration at four years, after which it would be subject to renewal consideration by the Council. The Mayor reiterated their conflict of interest related to the contract and confirmed they would recuse themselves from the vote, while remaining available to answer questions.

MOTION: Council Member Scott moved we approve Accounting Contract Amendment.

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 - Recused
Council Member Spendlove - Aye
Council Member Palmer - Aye

Motion carried.

3. Development Agreement Addendum (4) for Oculta Roca Project.

The Mayor introduced Item No. 3, Development Agreement Addendum No. 4 for the Oculta Roca Project. The Mayor explained that the proposed amendment would allow for adjustments to the site layout by redistributing cabin spacing without increasing the total number of units. To accommodate this change while preserving open space, the number of residential lots would be reduced from 54 to 50.

The Mayor also described additional provisions included in the addendum related to the use of a Public Infrastructure District (PID) as a construction bond. The Council was informed that the Town typically requires a construction bond to ensure completion of infrastructure improvements. Under the proposed amendment, the developer requested to use the PID, valued at approximately \$10 million, to satisfy this requirement.

The Mayor stated that the proposed language had been reviewed by legal counsel, who made revisions to ensure adequate protection for the Town, including provisions related to oversight by a bond trustee. The Mayor indicated that the use of a PID as a bond mechanism was not uncommon and that the revised agreement provided appropriate safeguards.

MOTION: Council Member Sair moved to approve the Development Agreement Addendum (4) for Oculta Roca Project.

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

Motion carried.

CONSENT AGENDA

- 4. Minutes: February 18, 2026 - Town Council Hearing and Meeting.**
- 5. Minutes: February 25, 2026 - Special Town Council Meeting.**
- 6. Minutes: March 18, 2026 - Town Council Hearing and Meeting.**
- 7. Disbursement Listing for March 2026.**
- 8. Budget Report for Fiscal Year 2026 through March 2026.**
- 9. March 2026 Water Usage Comparison.**

The Mayor reviewed the items included in the consent agenda, which consisted of prior meeting minutes, the March 2026 disbursement listing, the budget report through March 2026, and the March

2026 water usage comparison. The Mayor noted one specific expenditure related to fencing work for the water department, explaining that a gate had been installed to restrict unauthorized vehicle access to the spring area.

During discussion, the Recorder clarified that the budget report reflected Fiscal Year 2026. The Mayor confirmed this and acknowledged that some figures within the report may appear inconsistent due to accounting classifications and capital asset entries, noting that these would be reconciled at the end of the fiscal year and presented for final audit review.

Additional comments were made regarding recent equipment repairs and purchases, including maintenance of existing machinery and acquisition of vehicles, as part of ongoing operational improvements.

MOTION: Council Member Taylor moved we approve the Consent Agenda, items, 4, 5, 6, 7, 8, 2026 instead of 2025 on number 8, and item number 9.

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

Motion carried.

REQUEST FOR A CLOSED SESSION: IF NECESSARY

MOTION: Council Member Sair moved to a closed session to discuss pending litigation.

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

Motion carried.

ADJOURNMENT

Following the closed session, the Mayor reconvened the meeting at 6:37 PM. No further action was taken.

MOTION: Council Member Palmer motioned to close.

SECOND: The motion was seconded by Council Member Spendlove.

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 6:37 PM.

Date Approved: _____

Approved BY: _____
Mayor | Mike Farrar

Attest BY: _____
Recorder | Jenna Vizcardo

DRAFT