

FINAL MINUTES

VIRGIN TOWN COUNCIL MEETING WEDNESDAY, May 30, 2018 6:30 pm 114 So. Mill Street, Virgin, Utah

Present:

Council Members: Mayor, Matthew Spendlove
Jay Lee
Dan Snyder
Kevin Stout
LeRoy Thompson

Others: Monica Bowcutt-Town Clerk
Lesa Sandberg
Sean Amodt
Bruce Densley
Jack Ruggles
Candus Tibbitts, town accountant
Darcey Spendlove
Dina Moore
Bonnie Timmerman
Kent Peterson
Rod Mills, town engineer
Myron Lee, 5 Counties
Gene Garate

A. WORK MEETING 6:30 PM

Mayor Spendlove stated that item b would be discussed before item a so that Mr. Pace could get back to the BMX Track.

b. Discussion of BMX hours open to the public.

Adam Pace, BMX Committee President, was present to discuss opening the track to the public. A few citizens had asked about using the track to practice on more days. Mr. Pace explained that the track had a five million dollar insurance policy which required the track be kept locked, so USA BMX was not held liable. The policy also stated that if the track was publicly opened, the city would need to hold a matching insurance policy and become liable. Also, as part of the insurance policy, the track must be kept in good BMX repair, which was hard to do when anyone and everyone (including motorcycles, dogs, cars, etc.) had open access to be on it.

Mr. Pace then explained that anyone who rode the track must be licensed through USA BMX (\$60) and pay \$4 per ride, even at practice. People could rent the track for \$100 with the gate or \$80 without the gate, for 2 hours. Riders expected a certain level of track readiness when they rode and to do this money was needed for upkeep. Because of all the requirements, the track was a USA BMX sanctioned track and large races could be held on it. If the track was made public and taken over by the city, it would not be sanctioned.

Bruce Densley asked if the town's insurance policy would cover the track. Monica Bowcutt stated that the town's park insurance, through the Trust, was not enough to cover the track.

Kevin Stout volunteered to help the BMX committee repair the starting gate at the track. He asked Jay Lee and Adam Pace to continue to bug him about it. The Council thanked Mr. Pace for his time and dedication to the BMX track.

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a. Discussion of 4th tier water rates.

The Council continued prior discussion on a water rate 4th tier. They reviewed water accounts (account numbers only) which had excessive water usage. One account had used more than one million gallons during the month of May. LeRoy Thompson wondered if there was a better way to penalize the accounts who were misusing the water. It was clarified that the base rate for commercial accounts was \$80, instead of the residential rate of \$45. Dan Snyder and LeRoy Thompson thought 40,000 gallons should be the beginning of the 4th tier, so large families would not be penalized. Possibly adding a commercial tier in the future was also discussed. The Council agreed to have an ordinance on the June agenda to introduce the 4th tier.

c. Discussion of possibly de-annexing the Smith Mesa Road.

Mayor Spendlove stated that Smith's Mesa Road was in need of major repairs, which would cost about 4-5 million dollars. The town could not afford that amount, but the County could. He had asked the Council what they thought about de-annexing the area from above the water tank up to the bottom of Corral Canyon. They were not thrilled, but supportive. The B & C road funds which were collected did not come close to paying for the upkeep. It was clarified that there was no private ground in the area, only state and BLM. The Council agreed to formally speak to the County and begin the process.

d. Discussion of allowing or banning fireworks.

The Council agreed to designate the Town Park as the only place that fireworks would be allowed. It was a very dry year and they agreed no chances should be taken.

B. REGULAR MEETING: 7:00 PM

1. Call to Order- Mayor, Matthew Spendlove

Mayor Spendlove began the meeting at 7:02 pm.

2. Invocation/Pledge of Allegiance

Jay Lee gave the invocation. LeRoy Thompson led the Pledge of Allegiance.

3. Declaration of Conflict of Interest

No conflicts of interest were declared.

4. Consent Agenda: Possible Approval of Items 5 and 6

5. April 2018 Checks and Invoices

6. April 25, 2018 Town Council Draft Minutes

Jay Lee made one change to the minutes dealing with the executive session.

Jay Lee moved to approve the consent agenda, Invoices and Checks and the Town Council Meeting, April 25, 2018 as amended. LeRoy Thompson gave the second. No roll call vote. The motion was

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unanimously approved.

7. Motion to CLOSE Public Meeting and OPEN Public Hearing:

Dan Snyder moved to close the Public Meeting and open the Public Hearing. Kevin Stout gave the second. No roll call vote. The motion was unanimously approved.

C. PUBLIC HEARING to accept public input on the following items:

a) Open and Amend FY 2017-2018 Budget

* Sean Amodt stated that he thought as water rates went up the town was supposed to be saving for infrastructure costs. He asked if the town was doing this. Candus Tibbits, Town Accountant, reported that the water fund balances increased year to year. The revenue did exceed the expenditures and this surplus was the town savings. Mr. Amodt then asked if the town had budgeted anything for large water projects. Mayor Spendlove and Ms. Tibbits responded yes, there were several and the town water fund was in a good position.

b) Proposed FY 2018-2019 Budget

* Bruce Densley asked how the new budget compared to the amended budget. Candus Tibbits reported that the tax revenue had been increased by \$13,000, which was very conservative. The building permit section had not been predicted to change because she had already seen a 'big building boom' over the last 5 years. However, the Class C funds had been increased a little. Mr. Densley then asked if the Council had considered a Virgin Town tax, which would be collected from the hotel. Mrs. Tibbits responded that it had been discussed, but it took a long time to get through the legal issues and public hearings to pass a tax increase ordinance. The approximate percentage the town received from transient room tax was discussed, but no definite answer was given.

* Kent Peterson asked if other communities had an added tax. Candus Tibbits responded that Springdale was the only community with this type of tax.

* Candus Tibbits, town accountant, went on to explain the general expenses section which had budgeted staff, Town Council, and P & Z pay increases, plus computer tech support/maintenance.

* Bruce Densley asked if the General Fund had increases and if the budget was balanced. Candus reported, yes, the general fund had increased by \$20,000. \$15,000 had been left in the police expenditures, if more police support was needed. Yes, the general fund budget was balanced at \$393,000.

* Bruce Densley asked if money had been allocated for paving roads. She stated that \$60,000 had been budgeted for paving roads.

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* Candus Tibbets explained that some possible capital projects that had been discussed were new playground equipment, paved parking at Pocketville Park, and refinishing the tennis court to include a pickle ball court.

* LeRoy Thompson, Town Treasurer, reported that the budget was very conservative on revenue and liberal on expenses. They had also taken into consideration what Chris Holm needed and what citizens wanted.

* Bruce Densley asked if any any new equipment was going to be purchased. Mayor Spendlove reported that a new trailer had been purchased during this year and a commercial grade lawnmower would be purchased in the next year's budget. Candus Tibbets stated that a new truck had been discussed, but a loan payment was currently not feasible.

8. Motion to CLOSE Public Hearing and OPEN Public Meeting.

Jay Lee moved to close the public hearing and open the public meeting. LeRoy Thompson gave the second. No roll call was taken. The motion passed unanimously.

9. Possible approval to open and amend FY 2017-2018 Budget

LeRoy Thompson moved to approve the amended budget 2017-2018, item number 9. Dan Snyder gave the second.

The motion was amended to include the Resolution number.

Aye: *LeRoy Thompson moved to approve the amended budget 2017-2018, #R2018-1. Jay Lee gave the second. Roll call vote: Jay Lee-Dan Snyder-Aye; Kevin Stout-Aye; LeRoy Thompson-Aye; and Mayor, Matthew Spendlove-Aye. The motion passed unanimously.*

10. Possible approval of FY 2018-2019 Proposed Budget

Jay Lee asked about a PTIF Utility Fund showing \$130,000 labeled for the Washington County Water Conservancy District as impact fees. Then another account showed the town owed the WCWCD \$170,000. He asked if the \$130,000 could be used to pay down the \$170,000. Candus Tibbets explained that those impacts fees were due when the WCWCD contract was renewed. She continued that there were three parts to the water impact fees coming from new development: part was paid to the conservancy district, part was paid to the town for infrastructure, and finally a part was saved that would be used when the town went over the allowed 1,000 hookups.

Candus Tibbets clarified that the water meters were listed in a liability account because the

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town would have the potential to owe the money back. Jay Lee suggested that the name of the police budget line item be changed to sheriff's department. It was clarified that Chris Holm's time was split in thirds between roads, parks and water. Max Malan's time was split half and half between roads and parks. Sometimes payroll was taken from Capital Projects, but it depended on what was being worked on and for how long.

LeRoy Thompson moved to approve Fiscal year 2018-201 proposed budget, Resolution #R2018-J. Jay Lee gave the second. Roll call vote: Jay Lee-Aye; Dan Snyder-Aye; Kevin Stout-Aye; LeRoy Thompson-Aye; and Mayor, Matthew Spendlove-Aye. The motion passed unanimously.

11. Update from 5 County regarding Transit System-Myron Lee

Myron Lee, from 5 County, was present regarding the Transit System. He gave a history of the suggested program. He reported that Springdale was adamant that a transit system was needed and he had received a letter of commitment from Virgin. He passed out a spreadsheet that showed the potential costs and revenue of a transit line between St. George and Springdale.

One year ago the Utah State Legislature had allocated 100 million dollars earmarked for reducing congestion, benefiting local economies, and enhancing tourism. \$60 million had been taken by UDOT to fix issues in Little Cottonwood Canyon, leaving \$15 million for a transit line coming through Virgin. This money would be used to purchase six buses and run the line for 5 years. After that, the local entities would be responsible to keep the line up and running for the next 10 years. It was anticipated that \$554,678 would be needed to fund the line in year six. In theory, Virgin would be expected to fund .5% or \$2,773 annually (beginning in year 6), although, the numbers could be changed. The county had said they would not help fund the transit line.

Mr. Lee asked if Virgin was interested in helping with the funding and if so, who would be willing to begin attending meetings to work out the details. Mayor Spendlove responded that they were in favor, but would like Virgin to have a say on where the parking lots and stops would be located. Mr. Lee agreed and added that the line had not been designed, only conceptually planned. It was explained that as written, there was no revenue for Virgin, however, Virgin could charge for a park and ride or pass a sales tax ordinance to add revenue. Sponsorships and FTA funding were also anticipated in the future. The time frame was 'as quick as possible', but was anticipated at least one year before it was up and running. Mayor Spendlove stated the town would send at least one person to the meetings. He asked Mr. Lee to keep in touch with the town and thanked him for his time.

12. Possible approval of Virgin Park, LLC Development Agreement-Kevin Kerlin

Kevin Kerlin was not present to discuss a development agreement for his trailer park. After discussion, the Council and staff were unclear of the exact changes Mr. Kerlin had suggested

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to the agreement. It was decided the Agreement would not be approved until Mr. Kerlin was present at the meeting.

Kevin Stout moved to table the item until Mr. Kerlin was present at a meeting. Dan Snyder gave the second. No roll call vote. The motion passed unanimously.

13. Possible approval of ORDINANCE #2018-15 to Rezone approximately acres known as parcel #V-2140-A-4-A-1 from its current designation of Commercial ("C") to Highway Resort Zone ("HRZ")-Jack Ruggles

The Council discussed a possible rezone of Jack Ruggles property from Commercial to Highway Resort. Mr. Ruggles stated he was sure this was the zone he wished to apply for. The Council stated that the property qualified for the Highway Resort Zone.

Kevin Stout moved to approve Ordinance #2018-15 a rezone of parcel # V-2140-A-4-A-1 referred to as Jack Ruggles property. Dan Snyder gave the second. Roll call vote: Jay Lee-Aye; Dan Snyder-Aye; Kevin Stout-Aye; LeRoy Thompson-Aye; and Mayor, Matthew Spendlove-Aye. The motion passed unanimously.

14. Review and discuss information regarding drainage issue-John Ely

Mayor Spendlove stated the John Ely had asked for the discussion of his drainage issues be tabled until the June meeting. He had not felt well enough to attend the meeting.

Dan Snyder moved to table item 14 until next month. Kevin Stout gave the second. No roll call vote. The motion was approved unanimously.

15. Possible approval of RESOLUTION #R2018-H Changing the date of the Special Election concerning Virgin Proposition 2018-1 and Virgin Proposition 2018-2 from June 26, 2018 to November 6, 2018.

Mayor Spendlove stated that the referendum deadline could not be met, so the June 26 referendum election could not be held. The referendum election needed to be held in November.

Dan Snyder moved to approve Resolution #R2018-H changing the date of the Special Election concerning Virgin Proposition 2018-1 and Virgin Proposition 2018-2 from June 26, 2018 to November 6, 2018. LeRoy Thompson gave the second. No roll call vote. The motion was approved unanimously.

16. Possible approval of ORDINANCE 2018-14: Amending Ch. 16, 17, and 24 of the Virgin Uniform Land Use Ordinances ("VULU") for the purpose of

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meeting the changing needs of housing within Town Boundaries.

The Mayor explained that the amendment lowered the required minimum square footage in order to build. The Planning and Zoning had recommended the ordinance to follow the International Building Code (a minimum 250 square feet) and directed the town to follow it. Sean Amodt stated that Chapter 22 also needed to be changed because it had the same wording. The Council agreed that the Ordinance could be approved as written, and then amend it to include Chapter 22 at the June meeting. The Council discussed that many people would like to build a smaller home (1,000 square feet was currently required).

Bonnie Timmerman stated that the International Building Residential Code stated a dwelling could be as small as 88 square feet, 70 foot habitatual room, and 18 feet for a bathroom, which was too small for a home. (2015 Code)

Dan Snyder clarified that one person who owned one acre could not fit as many 120 square foot homes on the acre as possible. This was not possible because only one home was allowed per lot and each home would pay a separate impact fee. Sean Amodt stated that there was not much public input during the public hearing. The Council discussed the different sizes, what P & Z discussed, and the pros and cons.

***LeRoy Thompson moved to approve the ORDINANCE 2018-14:
Amending Ch. 16, 17, and 24 of the Virgin Uniform Land Use
Ordinance. Jay Lee gave the second. Roll call vote: Jay Lee-Aye;
Dan Snyder-Aye; Kevin Stout-Aye; LeRoy Thompson-Aye; and Mayor
Matthew Spendlove-Aye. The motion passed unanimously.***

17. Possible approval of ORDINANCE #2018-10: to reopen Chapter 21 in VULU.

Mayor Spendlove explained that Chapter 21, the Resort Zone, had been used to build Zion River Resort. The zone had been left the same except that the parcel ID numbers had been removed, making it available in more places than where Zion River Resort was located. Mayor Spendlove explained that P&Z had denied the ordinance because they wanted to open the locations up, making the zone usable to more locations. Kevin Stout stated that the way it was written now, only two or three parcels would qualify for the zone because it had to have highway frontage and also be bordered by the river.

LeRoy Thompson asked why the zone was limited to the north side of the river. Dan Snyder explained he felt it was to keep the utilities and water all on one side of the river.

Jay Lee felt the section on sewage be taken out because it was under the Health Department's jurisdiction.

Mayor Spendlove explained that if approved, R.V. Parks would be allowed in town. LeRoy Thompson stated he like the ordinance, especially because it used conditions for the use. Kevin Stout liked the ordinance because it limited where and how many RV parks could be put

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in.

Bonnie Timmerman stated that one place which the zone would be allowed already had a referendum to stop it, the Munn property. She stated that the Council was ignoring the referendum and going ahead with the zone. Kevin Stout and Mayor Spendlove stated no one had said the Munns wanted an RV park.

Kevin Stout moved to approve the Ordinance #2018-10 to reopen Chapter 21 and make it an active zone again. Jay Lee gave the second. Roll call vote: Jay Lee-Aye; Dan Snyder-Aye; Kevin Stout-Aye; LeRoy Thompson-Aye; and Mayor, Matthew Spendlove-Aye. The motion passed unanimously.

It was discovered that the agenda did not contain Open Forum as a place for citizens to make comments. The Council agreed to take public comments.

LeRoy Thompson moved to open the meeting for public comments. Jay Lee gave the second. No roll call vote was taken. The motion was approved unanimously.

* Bruce Densley stated that he estimated 4 million people went in and out of town, therefore, a transit line was perfect. He thought it was a win-win situation. He stated that the Town Council was in a position of power to control where the stops were and how much was charged. He thought it was a great thing and hoped the Council would opt into it.

* Kent Peterson stated he thought the transit line was a great thing, but more than 5 buses would be needed. He then read a letter which stated that affordable housing could be a good thing. Government was not the answer and that not everyone could afford to own a house. Citizens who thought that anything that was attached to a foundation were OK, were mistaken. He then stated that Zion River Resort had campfires and not many people knew that. Signs, billboards, flags and outdoor advertising did not please him. Reputation was the new advertising. He strongly recommended the town staff and officials attend training(s) to help with the signage issue. He asked the Council to please consult professionals with the issues.

* Sean Amodt reminded everyone the 4th of July celebration would be coming up very soon. The town would be looking for volunteers and donations. Monica Bowcutt added that the town needed HELP!

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* Rod Mills reported that final approval from CDBG had been given, so the contract would be signed very soon and work would begin on the water tank liner. The evaluation had shown more damage than anticipated, so the bids had to be adjusted. He was also working on funding for a new water tank.

18. Motion to CLOSE Public Meeting and ENTER into CLOSED EXECUTIVE meeting for the purpose of discussing the possible sale of real property owned by the Town pursuant to Utah Code Ann. (§) 52-4-205(1)(e).

Jay Lee moved to close the public meeting and open the closed executive meeting. Kevin Stout gave the second. No roll call vote was taken. The motion was approved unanimously.

19. Executive Meeting to discuss the sale of real property owned by the Town pursuant to Utah Code Ann. (§) 52-4-205(1)(e).

The executive session began at 8:31 pm.

20. Motion to CLOSE Executive Meeting and re-enter into the Public Meeting.

Jay Lee motioned to close the executive session. Kevin Stout gave the second. No roll call vote. The motion was unanimously approved.

D. ADJOURN PUBLIC MEETING:

21. Motion to Adjourn Public Meeting.

Kevin Stout moved to adjourn the public meeting. LeRoy Thompson gave the second. No roll call vote was taken. The motion was approved unanimously.

The meeting adjourned at 9:59 pm.

Monica Bowcutt
Town Clerk

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Approved: _____