

The Regular Meeting of the
Brian Head Town Council also
Acting as the Governing Body of the
Brian Head Special Service District
 Town Hall Council Chambers
 56 N. Hwy 143, Brian Head, UT 84719
TUESDAY, MAY 14, 2013 @ 6:30 PM

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Roll Call.

Members Present: Mayor/Chair H.C. Deutschlander, Council/Board Member Clayton Calloway, Council/Board Member Jim Ortler, Council Member Linda Ames.

Members Absent: Council Member Larry Freeberg.

Staff Present: Bret Howser, Nancy Leigh, Tom Stratton, Cecilia Johnson, Chet Hovey (Town Engineer)

A. CALL TO ORDER

Mayor/Chair Deutschlander called the regular meeting of the Town Council and special meeting of the Brian Head Special Service District to order at 6:30 pm.

B. PLEDGE OF ALLEGIANCE

Mayor/Chair Deutschlander led the Council/Board and others in the Pledge of Allegiance.

C. DISCLOSURES

There were no conflicts of interest with today’s agenda items. Mayor/Chair Deutschlander stated that the disclosure statements are on file at the Clerk’s office and are available for public inspection during normal business hours.

D. APPROVAL OF THE MINUTES:

1) Town Council Minutes of April 9, 2013

Motion: Council Member Ortler moved to approve the April 9, 2013 Town Council minutes. Council Member Ames seconded the motion.

Action: **Motion carried 4-0-0 (summary: Yes = 4 Vote: Yes: Mayor Deutschlander, Council Member Calloway, Council Member Ortler, Council Member Ames. Absent: Council Member Freeberg).**

2) Special Service District Minutes of November 20, 2012

Motion: Board Member Ortler moved to approve the November 20, 2013 Special Service District minutes. Board Member Ames seconded the motion.

Action: **Motion carried 3-0-1 (summary: Yes = 3, No = 0, Abstain = 1 Yes: Chair Deutschlander, Board Member Ortler, Board Member Ames. Abstain: Board Member Calloway. Absent: Board Member Freeberg).**

3) Special Service District Minutes of February 12, 2013

Motion: Board Member Ortler moved to approve the February 12, 2013 Special Service District. Board Member Ames seconded the motion.

Action: **Motion carried 3-0-1 (summary: Yes = 3, No = 0, Abstain = 1 Yes: Chair Deutschlander, Board Member Ortler, Board Member Ames. Abstain: Board Member Calloway. Absent: Board Member Freeberg).**

E. PUBLIC INPUT/ REPORTS (Limited to three (3) minutes) Non-Agenda Items

Council/Board Member Calloway reported he rode the new ATV trail going down Parowan Canyon and noted the public works crew did an excellent job in constructing the trail. Council Member Calloway stated he has two concerns regarding the trail: 1) The debris along the trail left from other agencies is an eye sore and also a possible safety hazard. 2) The trail going around the 25 mph turn is a safety issue. Tom responded he would identify additional signage along the trail. **Mayor/Chair Deutschlander**

1 requested staff to contact the Utah Department of Transportation (UDOT) to see if they would consider cleaning up some of the
2 debris that is in the right-of-way.

3
4 **Mayor/Chair Deutschlander**

- 5 1. There are 13 tourism organizations being recognized at the Tourism Conference being held in St. George this week. One
6 organization is the Utah Patchwork Parkway recognized for their interpretative plan. As part of this plan, the entry way
7 sign into Parowan is now being constructed by Pendleton Building.
8 2. Nancy Dalton, Patchwork Parkway, is completing the final draft of the grant application for signage to be submitted
9 tomorrow, May 15, 2013.

10
11 **Bret Howser, Town Manager**

- 12 1. Updated the Council on an offer to an individual for the special event organizer. Once a decision is made, staff will
13 report back to the Council.
14 2. Staff is reviewing the Tour of Utah contract and is negotiating some changes in the contract. The contract will be
15 presented to Council for approval at the June meeting.
16 3. Staff is working with the Utah Patchwork Parkway committee to secure grant funding for trails. The trail will be a non-
17 motorized trail to Cedar Breaks National Monument. The application is due tomorrow and there will be approximately
18 seven percent (7%) match from the town.
19 4. Staff has been reviewing the utility rate studies prepared by Lewis, Young & Burningham over a three year period.
20 Cody Deeter has been informed that staff will be handling a majority of items internally and staff will go out to bid for
21 Financial Advisor services on the next bond issuance. Staff will continue to work with Lewis, Young & Burningham
22 and requested them to be more competitive on their prices.
23 5. Requested Zion's Bank to review an option on refinancing the town's 2007 General Obligation (GO) bonds.

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25 **Tom Stratton, Public Works Director**

- 26 1. On June 29, 2013 the Patchwork Parkway will hold a ribbon cutting ceremony for the trail system kiosk signage. Tom
27 reported the kiosks will be located throughout the town for the motorized and non-motorized trails. The ceremony will
28 be held on Burt's Road / Mosquito Lane trail head. There will be trail maps distributed to the public and will be located
29 at the kiosk.
30 2. The public works department hosted a gravel road academy at the public safety building. Beaver, Iron, and Washington
31 County along with several cities attended the training. Staff will also be utilizing the public safety building for an
32 upcoming Rural Water Conference in July. Council Member Ames inquired if this information was available on the
33 town's website to let the public know the buildings are available for conferences. Tom reported he inform staff to update
34 the town's website.

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36 **Council Member Ames** inquired as to the construction work taking place at the mouth of Parowan Canyon. Tom reported there
37 were water leaks the irrigation company was addressing.

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39 **Council Member Calloway** stated his concern regarding the re-use of the waterline pipe used for dewatering the meadow area
40 and is now be used for culinary purposes. Tom responded the pipe will be tested before it can be used for culinary purposes.

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42 **Mayor Deutschlander** presented a check to Tom Stratton for serving as interim town manager for a period.

43
44 **Cecilia Johnson, Town Treasurer,**

- 45 1. Distributed April's financials to the Council (see attached). Cecilia reported the town is currently \$60,000 ahead and is
46 anticipating a large portion of the tax revenue to be coming in this month. Cecilia reminded the Council there will be a
47 \$32,000 expenditure for the fuel pump dispenser identified in this year's budget.
48 2. Attended the annual Treasurer's conference in St. George and received several good comments on Bret Howser, Town
49 Manager.

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52 **F. AGENDA TOPICS:**

- 53
54 **1. CONTRACT AWARD FOR THE BRIAN HEAD RESTORATION RESERVOIR PROJECT.** Contract
55 award for the Brian Head Restoration Reservoir project.

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57 Chet Hovey, Town Engineer, presented the contract for JP Excavating for the Brian Head Restoration Reservoir project along
58 with a Notice to Proceed (see attached). Check explained legal is currently reviewing the contract and has given his verbal
59 approval, but will need to submit a certificate of owner's attorney before it is finalized.

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The Council held discussion on the following:

- 1. Council Member Calloway voiced his concern regarding the approval of the contract without knowing what is being built exactly. Chet responded the contract is a unit base contract and the cost will depend on the actual unit count that is used.
- 2. Council Member Ortler raised his concern regarding Article 5 of the contract, in which it was his understanding the project would be a unit price contract, but a fixed price of 2.8 million dollars is identified in the contract as the contract price. Chet responded he will remove that amount from Article 5.
- 3. The loan application is to be submitted to CIB for consideration. It has been communicated to them of Brian Head’s short construction season and the need to quickly fund the loan for this project.

Motion: Council Member Ortler moved to approve the Brian Head Restoration Reservoir Project contract to JP Excavating with the modification in Article 5 of the contract referring to 2.8 million dollars to be moved to the appropriate place and authorize the Mayor to sign the contract and Notice to Proceed. Council Member Ames seconded the motion.

Action: **Motion carried 4-0-0 (summary: Yes = 4 Vote: Yes: Mayor Deutschlander, Council Member Calloway, Council Member Ortler, Council Member Ames. Absent: Council Member Freeberg).**

Chet then requested the Council give direction to staff on what they would like to see implemented into the reservoir project, explaining that the additional items would come with an additional cost to the project. The Council reviewed the following:

- 1. Option A (see attached) of the proposed project which is the original blueprint of the project.
- 2. Option B (see attached) is the project with a smaller parameter and greater greenbelt area identified.
- 3. The Planning Commission reviewed both options and submitted their recommendation for option B with a rock wall around the parameter of the reservoir.
- 4. Whether staff should continue to pursue negotiations with the resort for an easement on their property adjacent to the reservoir. Consensus of the Council was to continue discussions with the Resort and report back to Council.
- 5. If the property remains in the Resort’s ownership would it constitute snow storage for the project? Council Member Ortler responded that as long it doesn’t interfere with the easement.
- 6. Council Member Calloway stated he believes if the rock wall was constructed around the entire parameter of the reservoir, it could render the access to the public useless at a cost of approximately \$26,000.
- 7. The location of a possible dock on the reservoir and utilizing an effective use of the park facilities will need to be determined.
- 8. Concerns regarding the look of the reservoir once Parowan Irrigation pulls the water out, leaving a large mud mess. The town will be reseeded the area once construction is completed.

Consensus of the Council:

- 1. Option B was the preferred choice.
- 2. Staff will return with additional information on costs for sand, rock wall, stairs (no concrete).
- 3. Staff will continue negotiations with the Resort on the property adjacent to the reservoir.
- 4. Council did not want the following items identified for the project:
 - a. Lighting.
 - b. Boat ramp.

Discussion took place regarding Council Member Calloway’s concern on the information given to the public for the cost of the reservoir at 2.6 million dollars and how the Council justifies the additional cost of the project which is now 2.8 million dollars not include any additional items to be included in the project. Council Member Calloway stated he believes this information is misleading to the public. Council Member Ortler responded the taxpayers approved a bond for 2.6 million dollars which is not the cost of the project and the town intends to use RDA funds of \$600,000 and USDA funds, the town may only be using 1.5 million from the CIB loan.

- 2. **USDA PARTIAL PAY REQUESTS FOR APRIL 2013.** The partial pay request for USDA for April 2013 for water system improvements.
 - **Administration Partial Pay Request #44 in the amount of \$46,376.00 (see attached).**

Motion: Council Member Ames moved to approve the USDA Administration Partial Pay Request #44 in the amount of \$46,376.00 as presented. Council Member Calloway seconded the motion.

1 **Action:** **Motion carried 4-0-0 (summary: Yes = 4 Vote: Yes: Mayor Deutschlander, Council Member Calloway,**
2 **Council Member Ortler, Council Member Ames. Absent: Council Member Freeberg).**

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5 **3. ASSIGNMENT AGREEMENT WITH BRIAN HEAD ACQUISITION PARTNERS, LLC.** An assignment
6 agreement with to Brian Head Acquisition Partners, LLC.

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8 Bret Howser, Town Manager, presented the proposed assignment agreement with Brian Head Acquisition Partners LLC (see
9 attached). Bret explained this agreement is transferring several agreements to the new owner, Brian Head Acquisition Partners
10 LLC.

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12 Council held discussions on the following:

- 13 1. Staff will correct the signature line for the Resort to reflect John Grissinger and update the address as requested by the
- 14 Resort.
- 15 2. The number of fixture units is still to be determined.
- 16 3. Brian Head Acquisition Partners LLC did not purchase the entire resort, leaving land and other items that were not part
- 17 of the purchase from Brian Head Acquisition Partners.
- 18 4. Zion’s Bank may own seven parcels of property.
- 19 5. Mr. Grissinger indicated there will be a second assignment agreement for the town to review.
- 20 6. Staff will research further information for the Council and report back at the next meeting.

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22 **Motion:** Council Member Ames moved to table this item for further information. Council Member Calloway seconded
23 the motion.

24 **Action:** **Motion carried 4-0-0 (summary: Yes = 4 Vote: Yes: Mayor Deutschlander, Council Member Calloway,**
25 **Council Member Ortler, Council Member Ames. Absent: Council Member Freeberg).**

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28 **4. PRESENTATION OF THE 2013-2014 BRIAN HEAD TOWN BUDGET ENDING JUNE 30, 2014.**
29 Presentation of the 2013-2014 Tentative Budget.

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31 The 2013-2014 Tentative Budget ending June 30, 2014 was presented to the Council for their review (see attached). Cecilia
32 Johnson, Town Treasurer, reported staff has implemented changes identified during the budget retreat and Bret has re-projected
33 the revenues. The water fund identifies \$800,000 from the USDA for the reservoir project.

34
35 Council held discussions on the following:

- 36 1. The General Fund is currently \$55,000 ahead with the re-projections made.
- 37 2. The delinquent property taxes may need to be reviewed and whether staff should contact Iron County Treasurer to
- 38 determine the number of delinquent properties who may be identified for a tax sale this year.
- 39 3. Bret reported he will look at alternative methods for the Council to consider, would ask the Council to allow time to
- 40 complete a long range financial projection and see what the fund looks like six months from now.

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42 **Motion:** Council Member Ortler moved to approve the 2013-2014 Tentative Budget as presented and schedule a public
43 hearing for May 28, 2013 during the regular meeting of the Council. Council Member Ames seconded the
44 motion.

45 **Action:** **Motion carried 4-0-0 (summary: Yes = 4 Vote: Yes: Mayor Deutschlander, Council Member Calloway,**
46 **Council Member Ortler, Council Member Ames. Absent: Council Member Freeberg).**

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48 **Motion:** Council Member Ortler moved to schedule a public hearing for the 2012-2013 budget amendment on June 11,
49 2013 during the regular meeting of the Council. Council Member Ames seconded the motion.

50 **Action:** **Motion carried 4-0-0 (summary: Yes = 4 Vote: Yes: Mayor Deutschlander, Council Member Calloway,**
51 **Council Member Ortler, Council Member Ames. Absent: Council Member Freeberg).**

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54 **5. SPECIAL SERVIC DISTRICT PARAMETER RESOLUTION, A RESOLUTION OF THE TOWN COUNCIL**
55 **OF THE TOWN OF BRIAN HEAD, UTAH ACTING AS THE GOVERNING BODY OF THE BRIAN HEAD**
56 **SPECIAL SERVICE DISTRICT AUTHORIZING NOT MORE THAN \$2,600,000 GERNERAL OBLIGATION**
57 **BONDS, SERIES, 2013, FIXING THE MAXIMUM AMOUNT, MATURITY, INTEREST RATE, AND**
58 **DISCOUNT ON THE BONDS; PROVIDING FOR THE PUBLICATION OF A PUBLIC HEARING OF THE**

1 **BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; AND RELATED**
2 **MATTERS.**

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4 Bret Howser, Town Manager, presented a proposed resolution of the Special Service District setting the parameters for the GO
5 Bonds, series 2013 at a maximum amount of not more than 2.6 million dollars and setting the maximum amount of the interest
6 rate, maturity and providing for a public hearing and providing for a contest period.

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8 **Motion:** Board Member Ames moved to adopt Resolution No. SSD-011, a Parameters Resolution of the Town Council
9 of the Town of Brian Head, Utah acting as the governing body of the Brian Head Special Service District
10 authorizing not more than \$2,600,000 General Obligation Bonds, Series 2013, fixing the maximum amount,
11 maturity, interest rate, and discount on the bonds; providing for the publication of a public hearing of the bonds
12 to be issued; providing for the running of a contest period and related matters. Board Member Ortler seconded
13 the motion.

14 **Action:** **Motion carried 4-0-0, roll call vote (summary: Yes = 4 Vote: Yes: Chair Deutschlander, Board Member**
15 **Calloway, Board Member Ortler, Board Member Ames. Absent: Board Member Freeberg).**

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17 **H. ADJOURNMENT**

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19 **Motion:** Council Member Calloway moved to adjourn the regular meeting and special meeting of the Brian Head Town
20 Council / Special Service District for May 14, 2013. Council Member Ames seconded the motion.

21 **Action:** **Motion carried 4-0-0, roll call vote (summary: Yes = 4 Vote: Yes: Chair Deutschlander, Board Member**
22 **Calloway, Board Member Ortler, Board Member Ames. Absent: Board Member Freeberg).**

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24 The regular meeting of the Town Council and special meeting of the Special Service District was adjourned at 8:40 pm for May
25 14, 2013.

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28 MAY 28, 2013
29 Date Approved

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Nancy Leigh, Town / District Clerk