TOWN COUNCIL HEARING AND MEETING

1777 N Meadowlark Dr, Apple Valley
Wednesday, August 19, 2026 at 6:00 PM

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 Scott Taylor
Council Member Richard Palmer
ABSENT
Council Member Annie Spendlove

DECLARATION OF CONFLICTS OF INTEREST

No conflicts of interest were disclosed.

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

The Mayor provided an update regarding the Town's aquifer following the recent storms. The Mayor reported that the aquifer level had increased approximately two feet and noted that the Town had otherwise been observing an estimated annual decline of approximately 10 to 15 feet. The Mayor stated that the increase had remained steady for several days and was encouraging, while acknowledging that the source and duration of the increase were uncertain.

PUBLIC COMMENTS: 3 MINUTES EACH - DISCRETION OF MAYOR FARRAR

No public comments were offered.

PUBLIC HEARING

1. Parity Water Revenue Bonds, Not to Exceed $4,500,000

The Mayor opened the public hearing to receive input regarding the issuance of Parity Water Revenue Bonds in an amount not to exceed $4,500,000 and any potential economic impact to the private sector resulting from the engineering and well rehabilitation work to address the emergency drought situation and the acquisition of the assets of Big Plains Water & Sewer Special Service District, including real property and water rights.

The Mayor explained that the financing did not represent a new $4.5 million loan but primarily completed the transfer of existing Big Plains debt and assets to the Town, together with financing for the Town's emergency water project. The Series 2026 parity water revenue bonds associated with the financing were identified as follows:

Parity Water Revenue Bond, Series 2026A - $200,000 payable to the Utah Drinking Water Board for the emergency engineering and well rehabilitation project. The bond bears no interest and is repaid in annual installments. During the hearing, the Mayor stated that the emergency loan was provided at zero percent interest for a 30-year term.

Parity Water Revenue Bond, Series 2026B - $1,488,000 payable to the Utah Drinking Water Board for the acquisition of Big Plains Water & Sewer Special Service District assets and debt. The bond bears no interest, with annual payments beginning in 2027 and continuing through 2044.

Parity Water Revenue Bond, Series 2026C - $262,000 payable to the Utah Drinking Water Board for the acquisition of Big Plains Water & Sewer Special Service District assets and debt. The bond bears interest at 1.0 percent per year, with annual principal and interest payments beginning in 2027 and continuing through 2048.

Parity Water Revenue Bond, Series 2026D - $1,990,227 payable to the USDA Rural Utilities Service for the acquisition of Big Plains Water & Sewer Special Service District assets and debt. The bond bears interest at 3.5 percent per year and is repaid through monthly installments over a period not exceeding 29 years.

Parity Water Revenue Bond, Series 2026E - $256,319 payable to the USDA Rural Utilities Service for the acquisition of Big Plains Water & Sewer Special Service District assets and debt. The bond bears interest at 3.5 percent per year and is repaid through monthly installments over a period not exceeding 29 years.

The Mayor explained that the $200,000 Series 2026A financing was obtained through the Utah Division of Drinking Water following the Town's declaration of a water emergency and would assist with emergency water system repairs. No public comments were received in person or online, and the public hearing was closed.

2. Resolution No. R-2026-27, Amending the Water Conservation Plan.

The Mayor opened the public hearing regarding Resolution No. R-2026-27, amending the Town's Water Conservation Plan. The Mayor explained that the proposed amendment established stages for water conservation that would be discussed in greater detail during the discussion and action portion of the meeting. No public comments were received, and the public hearing was closed.

3. Resolution No. R-2026-28, Amending Fee Schedule with Emergency Water Rates and Exhibit A.

The Mayor opened the public hearing regarding Resolution No. R-2026-28, amending the Town's Fee Schedule to include emergency water rates in Exhibit A. The Mayor explained that the proposed emergency rates corresponded with the amendments to the Water Conservation Plan. No public comments were received, and the public hearing was closed.

4. Ordinance No. O-2026-18, Revised Procurement Ordinance.

The Mayor opened the public hearing regarding Ordinance No. O-2026-18, Revised Procurement Ordinance. The Mayor explained that the Town's procurement requirements had been reviewed and revised to ensure compliance with applicable requirements. No public comments were received, and the public hearing was closed.

DISCUSSION AND ACTION

5. Special Event Permit for the 2026 Grand Circle Trailfest to be Held on October 2, 2026, at Ruby Rider Ranch and the Wire Mesa Trail, Apple Valley, Utah.

The Council considered a Special Event Permit for the 2026 Grand Circle Trailfest to be held on October 2, 2026, at Ruby Rider Ranch and the Wire Mesa Trail. The Mayor explained that the annual event was expected to have approximately 400 participants and discussed the event schedule, dust-control measures, prior event operations, and applicable Town fees. The Mayor noted that the Town had not experienced problems with the event in the past.

MOTION: Council Member Taylor moved to approve the Special Event Permit for the 2026 Grand Circle Trailfest to be held on October 2, 2026, at Ruby Rider Ranch and the Wire Mesa Trail, Apple Valley, Utah.

SECOND: Council Member Palmer seconded the motion.

VOTE: Mayor Farrar called for a vote:

Council Member Taylor - Aye
Council Member Sair - Aye
Mayor Farrar - Aye
Council Member Spendlove - Absent
Council Member Palmer - Aye
The vote was unanimous and the motion carried.

6. Resolution No. R-2026-31, Establishing Procedures for Resolving Ties and Filling Midterm Vacancies.

The Council considered Resolution No. R-2026-31, establishing procedures for resolving ties and filling midterm vacancies on the Town Council. The Mayor explained that the resolution established a permanent procedure for interviewing qualified applicants, conducting public votes, and resolving a tie through drawing by lot when necessary.

MOTION: Council Member Taylor moved to approve Resolution No. R-2026-31, Establishing Procedures for Resolving Ties and Filling Midterm Vacancies.

SECOND: Council Member Palmer seconded the motion.

VOTE: Mayor Farrar called for a Roll Call vote:

Council Member Taylor - Aye
Council Member Sair - Aye
Mayor Farrar - Aye
Council Member Spendlove - Absent
Council Member Palmer - Aye
The vote was unanimous and the motion carried.

7. Interviews and Appointment to Fill Midterm Vacancy on the Apple Valley Town Council Pursuant to Utah Code § 20A-1-510.

The Council interviewed Brooke Paxton, Lee Fralish, and Tanya Knudson for the midterm vacancy on the Apple Valley Town Council.

Paxton discussed involvement with the Apple Valley community garden and expressed a desire to serve the community. Fralish discussed more than 10 years of service on the Planning Commission and professional experience in corporate development and construction projects. Knudson discussed a professional background in aerospace planning and program management, experience working with engineering, and an interest in managed growth and community service. Knudson also expressed interest in serving on the Planning Commission if not appointed to the Council.

Prior to voting, the appointment procedure established by Resolution No. R-2026-31 was reviewed. Each Council Member was required to state their vote publicly. A candidate receiving three votes would be appointed. If no candidate received three votes, the two candidates receiving the highest number of votes would proceed to a second vote, with the adopted drawing-by-lot procedure used only if necessary to determine the final two candidates.

The Council Members publicly cast their votes as follows:

Council Member Sair - Lee Fralish
Mayor Farrar - Lee Fralish
Council Member Taylor - Lee Fralish
Council Member Palmer - Lee Fralish
Council Member Spendlove - Absent

Lee Fralish received the required majority and was appointed to fill the midterm vacancy on the Apple Valley Town Council. The Mayor thanked all three applicants for their willingness to serve and discussed the opportunity for Paxton and Knudson to be considered for future Planning Commission service. Arrangements would be made for Fralish to take the oath of office before assuming duties in September.

8. Resolution No. R-2026-27, Amending the Water Conservation Plan.

The Council considered Resolution No. R-2026-27, amending the Town's Water Conservation Plan. The Mayor explained that the amended plan established four conservation stages to provide defined levels of response during normal conditions, conservation periods, water crises, and severe water emergencies. The staged approach would allow the Town to communicate applicable conservation measures to residents based on current water conditions.

The Mayor explained that Stage 1 generally represented normal conditions, Stage 2 included increased conservation measures, Stage 3 addressed a water crisis, and Stage 4 addressed a severe water emergency when significant restrictions could be necessary. The Mayor further explained that emergency water rates associated with Stages 3 and 4 were intended for prolonged emergencies rather than short-term events. Because the Water Department's operating expenses continued even when water consumption and associated revenue declined, the proposed rate structure increased rates in the higher usage tiers during prolonged emergencies while leaving the base rate unchanged.

MOTION: Council Member Taylor moved to approve Resolution No. R-2026-27, Amending the Water Conservation Plan.

SECOND: Council Member Palmer seconded the motion.

VOTE: Mayor Farrar called for a Roll Call vote:

Council Member Taylor - Aye
Council Member Sair - Aye
Mayor Farrar - Aye
Council Member Spendlove - Absent
Council Member Palmer - Aye
The vote was unanimous and the motion carried.

9. Resolution No. R-2026-28, Amending Fee Schedule with Emergency Water Rates and Exhibit A.

The Council considered Resolution No. R-2026-28 to incorporate the emergency water rates associated with the amended Water Conservation Plan into Exhibit A of the Town's Fee Schedule.

MOTION: Council Member Taylor moved to approve Resolution No. R-2026-28, Amending Fee Schedule with Emergency Water Rates and Exhibit A.

SECOND: Council Member Palmer seconded the motion.

VOTE: Mayor Farrar called for a Roll Call vote:

Council Member Taylor - Aye
Council Member Sair - Aye
Mayor Farrar - Aye
Council Member Spendlove - Absent
Council Member Palmer - Aye
The vote was unanimous and the motion carried.

10. Resolution No. R-2026-29, Amend Title 01.20.030 Bulk Meter.

The Council considered Resolution No. R-2026-29 regarding bulk meters. The Mayor explained that the bulk meter deposit had previously been increased from $1,000 to $2,000 to reflect the replacement cost of a bulk meter; however, the corresponding provision in Town Code had not been updated. The amendment corrected the Town Code to reflect the previously approved deposit amount. The Council also discussed provisions addressing lost or stolen meters and unrecorded water usage.

During the discussion, staff asked whether the amended Water Conservation Plan needed to be submitted to the Utah Division of Drinking Water for approval because the plan had previously required Division approval. The Mayor stated that the requirement would be confirmed and that the amended plan could be submitted if required.

MOTION: Council Member Sair moved to approve Resolution No. R-2026-29, Amend Title 01.20.030 Bulk Meter.

SECOND: Council Member Palmer seconded the motion.

VOTE: Mayor Farrar called for a Roll Call vote:

Council Member Taylor - Aye
Council Member Sair - Aye
Mayor Farrar - Aye
Council Member Spendlove - Absent
Council Member Palmer - Aye
The vote was unanimous and the motion carried.

11. Ordinance No. O-2026-18, Revised Procurement Ordinance.

The Council considered Ordinance No. O-2026-18, Revised Procurement Ordinance. Staff explained that the Town's procurement provisions had been reviewed to ensure compliance with applicable requirements, including requirements associated with federal grant funding. The revisions incorporated additional procurement procedures, procurement tiers, approval requirements, and provisions that had been omitted during previous revisions.

MOTION: Council Member Sair moved to approve Ordinance No. O-2026-18, Revised Procurement Ordinance.

SECOND: Council Member Palmer seconded the motion.

VOTE: Mayor Farrar called for a Roll Call vote:

Council Member Taylor - Aye
Council Member Sair - Aye
Mayor Farrar - Aye
Council Member Spendlove - Absent
Council Member Palmer - Aye
The vote was unanimous and the motion carried.

12. Resolution No. R-2026-30, Adoption of Administrative Procurement Procedures Manual.

The Council considered Resolution No. R-2026-30, adopting the Administrative Procurement Procedures Manual. Staff explained that the manual established internal procedures for administering the Town's procurement requirements. The administrative manual would allow procedures to be updated through Council approval without requiring an ordinance amendment and public hearing each time an administrative procedure needed to be modified.

MOTION: Council Member Sair moved to approve Resolution No. R-2026-30, Adoption of Administrative Procurement Procedures Manual.

SECOND: Council Member Palmer seconded the motion.

VOTE: Mayor Farrar called for a Roll Call vote:

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

Council Member Spendlove - Absent
Council Member Palmer - Aye
The vote was unanimous and the motion carried.

CONSENT AGENDA

13. Minutes: July 15, 2026 - Town Council Hearing and Meeting.
14. Disbursement Listing for July 2026.
15. Budget Report for Fiscal Year 2027 through July 2026.
16. July 2026 Water Usage Comparison.

The Council reviewed the Consent Agenda. The Mayor highlighted two significant expenditures associated with the recent emergency well repairs: $36,910 to Cluff Drilling & Pump and $25,795.94 to Southwest Well Service & Pumps for work associated with the emergency, including the replacement pump and motor. Staff also explained that a larger Utah Local Governments Trust expenditure reflected the consolidation of insurance coverage for the former district and the Town.

MOTION: Council Member Taylor moved to approve the Consent Agenda, Items 13, 14, 15, and 16.
SECOND: Council Member Palmer seconded the motion.
VOTE: Mayor Farrar called for a vote:
Council Member Taylor - Aye
Council Member Sair - Aye
Mayor Farrar - Aye
Council Member Spendlove - Absent
Council Member Palmer - Aye
The vote was unanimous and the motion carried.

REQUEST FOR A CLOSED SESSION: IF NECESSARY

The Mayor determined that a closed session was not necessary.

ADJOURNMENT

MOTION: Council Member Sair motioned to adjourn.
SECOND: Council Member Palmer seconded the motion.
VOTE: Mayor Farrar called for a vote:
Council Member Taylor - Aye
Council Member Sair - Aye
Mayor Farrar - Aye
Council Member Spendlove - Absent
Council Member Palmer - Aye
The vote was unanimous and the motion carried.

Meeting adjourned at 6:35 PM.

Date Approved: ____________________

Approved BY: _____________________ Attest BY: ____________________
Mayor | Mike Farrar Recorder | Jenna Vizcardo