



TOWN COUNCIL HEARING AND MEETING

1777 N Meadowlark Dr, Apple Valley
Wednesday, June 17, 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 Annie Spendlove
Council Member Scott Taylor
Council Member Richard Palmer

DECLARATION OF CONFLICTS OF INTEREST

No conflicts of interest were disclosed.

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

The Mayor provided updates regarding Town projects, including the completion and readiness of the new cemetery, progress on the million-gallon water tank project, efforts to improve Gooseberry roads, ongoing impact fee studies, transportation planning, and work on the Merritt Well.

PUBLIC COMMENTS: 3 MINUTES EACH - DISCRETION OF MAYOR FARRAR

1. Parks and Recreation Survey.

The Mayor indicated that public comment on the Parks and Recreation Survey would be reopened following presentation of the survey results.

PUBLIC HEARING

2. Ordinance O-2026-14, Repeal and Replace Title 14.13 Cemeteries.

The Mayor opened the public hearing for Ordinance O-2026-14, which proposed repealing and replacing Title 14.13 Cemeteries. The Mayor explained that the ordinance would simplify the Town's cemetery regulations and better align them with current cemetery operations. No public comments were received. The public hearing was closed.

3. Resolution R-2026-20, Water Rate Increase - Amend Title 01.20.010 Residential of Appendix A Schedule Of Water Rates, Fees, And Charges.

The public hearing was opened regarding proposed amendments to residential water rates. The Mayor indicated that a detailed explanation would be provided during the discussion and action portion of the meeting. No public comments were received, and the hearing was closed.

4. Resolution R-2026-18, Amending the Town Fee Schedule relating to Water Rates, Solid Waste Fees, Boundary Adjustments, Master Development Agreements, Water Agreements, and Other Agreements requiring Legal, Engineering, or Administrative Review and Establishing After-The-Fact Fees.

The public hearing was opened concerning amendments to the Town fee schedule, including water rates, solid waste fees, boundary adjustments, development agreements, and after-the-fact fees. No public comments were received, and the hearing was closed.

DISCUSSION AND ACTION

5. Parks and Recreation Survey results.

The Mayor presented the results of a Parks and Recreation survey that received approximately 45 verified responses. Survey participants identified walking and biking trails, restroom facilities, shade trees, landscaping, neighborhood parks, and community gathering spaces as top priorities. Cedar Point was frequently identified as an area lacking recreational amenities.

Council Members, staff, and members of the public discussed potential recreational improvements, including:

- Multi-use walking, biking, and equestrian trail systems.
- Connections between Cedar Point and other areas of town through trails.
- Safe crossings or underpasses beneath Highway 59.
- Outdoor fitness stations along trails.
- Community parks, playgrounds, picnic areas, and fishing ponds.
- Pickleball courts, basketball courts, soccer fields, BMX tracks, skate parks, and other youth recreation facilities.
- Equestrian facilities and rodeo grounds.
- Community gardens and petting zoo concepts.
- Archery and shooting range opportunities.
- Preservation of access to public lands and existing trail networks.

Public comments emphasized maintaining access for horseback riders and off-road recreation users, providing recreational opportunities for youth, and pursuing projects that could be implemented in phases as funding becomes available.

The Mayor and staff explained that future recreational improvements would largely depend on impact fee revenue, grants, land acquisition, and coordination with the Bureau of Land Management. No formal action was required on the survey results.

6. Ordinance-O-2026-15, Zone Change from Open Space Transition Zone (OST) to Agricultural 20 Acres Zone (AG-20) for parcel AV-1361-B , AV-1361-C.

*Planning Commission recommended approval on June 10, 2026.

The Council considered a request to rezone two parcels from Open Space Transition (OST) to Agricultural 20 Acres (AG-20). The applicant proposed dividing approximately 60 acres into three 20-acre agricultural lots for family use and future development. The Planning Commission had recommended approval.

MOTION: Council Member Sair motioned that we approve Ordinance-O-2026-15, Zone Change from Open Space Transition Zone to Agricultural 20 Acres Zone (AG-20) for parcels AV-1361-B and AV-1361-C. Planning Commission recommended approval on June 10, 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

The vote was unanimous and the motion carried.

7. Ordinance O-2026-16, Zone Change from Open Space Transition Zone (OST) to Agricultural 5 Acres Zone (AG-5) for parcel AV-1378-G.

*Planning Commission recommended approval on June 10, 2026.

The Council considered a request to rezone a parcel from Open Space Transition (OST) to Agricultural 5 Acres (AG-5). The applicant sought the flexibility to divide the property into five-acre parcels in the future. The Planning Commission had recommended approval.

MOTION: Council Member Sair motioned we approve Ordinance O-2026-16, Zone Change from Open Space Transition Zone to Agricultural 5 Acres Zone (AG-5) for parcel AV-1378-G. Planning Commission recommended approval on June 10, 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

The vote was unanimous and the motion carried.

8. Ordinance O-2026-14, Repeal and Replace Title 14.13 Cemeteries.

The Council discussed the proposed cemetery ordinance, noting that it simplified regulations and better aligned with the Town's current cemetery operations.

MOTION: Council Member Sair motioned we approve Ordinance O-2026-14, Repeal and Replace Title 14.13 Cemeteries.

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. Resolution R-2026-20, Water Rate Increase - Amend Title 01.20.010 Residential of Appendix A Schedule Of Water Rates, Fees, And Charges.

The Mayor presented and read a memorandum into the record regarding the proposed water rate adjustment. The memorandum is attached hereto as Exhibit A and incorporated by reference. The Mayor explained that water conservation efforts and reduced consumption had reduced water system revenues while operational expenses remained significant. The proposed amendment would restore upper-tier water rates to previously adopted levels and primarily affect high-volume water users. The Council reviewed information regarding water system revenues, expenses, debt obligations, infrastructure needs, and recommendations contained in the Town's Culinary Water Master Plan and guidance from the Utah Division of Drinking Water and other state agencies.

MOTION: Council Member Taylor moved we approve Resolution R-2026-20, Water Rate Increase - Amend Title 01.20.010 Residential of Appendix A Schedule Of Water Rates, Fees, And Charges.

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.

10. Resolution R-2026-18, Amending the Town Fee Schedule relating to Water Rates, Solid Waste Fees, Boundary Adjustments, Master Development Agreements, Water Agreements, and Other Agreements requiring Legal, Engineering, or Administrative Review and Establishing After-The-Fact Fees.

The Council reviewed proposed fee schedule changes, including:

- A \$1.50 monthly increase in residential solid waste fees to offset increased costs charged by Washington County.
- Increased after-the-fact fees for permits and licenses obtained after work or operations had commenced.
- New cost-recovery provisions for master development agreements, water agreements, and other projects requiring significant legal, engineering, or administrative review.
- Boundary adjustment fees related to lot line adjustments.

MOTION: Council Member Taylor moved we approve Resolution R-2026-18, Amending the Town Fee Schedule relating to Water Rates, Solid Waste Fees, Boundary Adjustments, Master Development Agreements, Water Agreements, and Other Agreements requiring Legal, Engineering, or Administrative Review and Establishing After-The-Fact Fees.

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. Resolution R-2026-19, Adopt Fiscal Year (FY) 2027 Tentative Budget and establish June 30th at 6pm for public hearing date where the public can comment on the tentative budget.

The Council reviewed the proposed Fiscal Year 2027 tentative budget. Staff explained that the budget would be available for public review before final adoption and that a public hearing would be held on June 30, 2026.

MOTION: Council Member Sair motioned we approve Resolution R-2026-19, Adopt Fiscal Year 2027 Tentative Budget and establish June 30th at 6pm for public hearing date where the public can comment on the tentative budget.

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. Resolution R-2026-22, Approving an Intergovernmental Cooperative Agreement by and between The Town of Colorado City, Arizona and Town of Apple Valley, Utah for Police Services.

The Mayor presented the proposed Intergovernmental Cooperative Agreement between the Town of Colorado City, Arizona and the Town of Apple Valley, Utah for police services. The Mayor explained that the proposal originated from concerns regarding dispatch coordination and emergency response communications between multiple dispatch agencies. Discussion included the Town's current

arrangement for supplemental patrol services through the Washington County Sheriff's Office, associated costs, and challenges related to citation revenue distribution and court processing.

The Mayor reported that the proposed agreement would provide law enforcement response services for calls within Apple Valley, improve dispatch coordination, and establish targeted traffic enforcement along State Route 59. The Mayor stated that the agreement would focus on traffic safety concerns, including speeding, unsafe passing, and other hazardous driving behaviors that have generated significant public concern. The Mayor noted that the proposed arrangement would initially provide part-time highway enforcement and emergency response services, with the potential to expand services in the future if warranted.

Council discussion included the cost of the agreement, anticipated benefits to public safety, improved local coordination, and the ability to address traffic-related concerns on State Route 59. Council Members expressed support for pursuing a local law enforcement partnership and improving roadway safety.

MOTION: Council Member Sair motioned we approve Resolution R-2026-22, Approving an Intergovernmental Cooperative Agreement by and between The Town of Colorado City, Arizona and Town of Apple Valley, Utah for Police Services.

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-2026-21, Approving an Interlocal Cooperation Agreement for Justice Court Services between Hildale City and Apple Valley.

The Council considered an interlocal cooperation agreement with Hildale City for justice court services. The agreement would provide a revised structure for handling citations and court-related expenses.

MOTION: Council Member Taylor moved we approve Resolution R-2026-21, Approving an Interlocal Cooperation Agreement for Justice Court Services between Hildale City and Apple Valley.

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. Formally accept a donation in the amount of \$4,230.00. These funds were received from the gold coin that the Council previously authorized the Mayor to redeem. It is unknown who originally donated the gold coin.

The Council formally accepted \$4,230 in funds generated from the redemption of a gold coin previously authorized for liquidation. The original donor of the coin remains unknown. The funds had been designated for cemetery improvements.

MOTION: Council Member Sair motioned to formally accept a donation in the amount of \$4,230.00. These funds were received from the gold coin that the Council previously authorized the Mayor to redeem. It is unknown who originally donated the gold coin.

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.

15. Donation for Town Council Approval.

The Council considered a donation related to concrete work performed at the fire station. The contractor provided labor and materials at a significantly reduced cost, resulting in an estimated donation value of approximately \$10,000.

MOTION: Council Member Taylor moved to approve the Donation for Town Council Approval.

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.

16. Consideration of Updated URS Tier 2 Public Safety Retirement System Pickup Election.

The Council reviewed an increase in retirement contributions associated with the Fire Chief's public safety retirement plan. The Mayor recommended that the Town continue covering the increased amount due to the Fire Chief's contributions and responsibilities.

MOTION: Council Member Taylor moved to approve the Consideration of Updated URS Tier 2 Public Safety Retirement System Pickup Election.

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.

CONSENT AGENDA

17. Minutes: May 20, 2026 - Town Council Hearing and Meeting.
18. April 2026 Water Disbursement Listing.
19. May 2026 Disbursement Listing.
20. Fiscal Year 2026 through May 2026 Budget Report.
21. May 2026 Water Usage Comparison.

The Council reviewed the Consent Agenda, including:

- Minutes of the May 20, 2026 Town Council Hearing and Meeting.
- April 2026 Water Disbursement Listing.
- May 2026 Disbursement Listing.
- Fiscal Year 2026 through May 2026 Budget Report.
- May 2026 Water Usage Comparison.

MOTION: Council Member Spendlove motioned to approve the Consent Agenda.

SECOND: The motion was seconded by Council Member Taylor.

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 closed session was requested.

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 7:31 pm.

Date Approved: _____

Approved BY: _____
Mayor | Mike Farrar

Attest BY: _____
Recorder | Jenna Vizcardo



Mayor: Michael Farrar Council Members: Kevin Sair – Annie Spendlove – Scott Taylor – Richard Palmer

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MAYOR'S MEMORANDUM

TO: Apple Valley Town Council
FROM: Mayor Michael Farrar
DATE: June 17, 2026
SUBJECT: Water Rate Adjustment Justification

As the Town of Apple Valley transitions operation of the public water system from the Big Plains Water Special Service District to the newly established Apple Valley Water Department, Town officials have undertaken a review of the system's operational needs, maintenance requirements, and financial sustainability.

During this transition process, staff identified operational challenges and costs associated with the continued delivery of reliable culinary water service. These include water system losses, ongoing maintenance requirements, infrastructure replacement needs, regulatory compliance obligations, emergency repair preparedness, debt and the establishment of appropriate operational and capital reserves.

Based on information provided by staff and system operators, the current rate structure may not generate sufficient revenue to adequately support the long-term operation, maintenance, repair, and replacement of water system infrastructure while maintaining appropriate reserves for unexpected expenditures and future capital improvements.

If you remember back in October of 2025 as a town council, we voted to approve an upper tier level water rate reduction. We did this in hopes of being able to cut some cost, reduce expenses in the budget and have enough water system revenue to cover the yearly expenditures. On paper it looked like it might work. We felt it was worth trying. However, after fiscal year 2026 coming to an end we have seen that the numbers didn't go as planned and we will need additional revenue to cover water system expenses.

I wanted to share some quantitative analysis I used to develop the proposed rate increases. The annual water system revenue for 2025 fiscal year was \$725k. For 2026 fiscal year we are looking at about \$650k. We have been able to lower our annual operating expense down to about \$700k. That leaves us short about \$50k to cover our annual operating expenses. Increasing these upper tier levels of water usage back to where they originally were last year before we lowered the top tier rates would affect approximately 40 customers of our approximate 450 water connections and generate an estimated additional annual amount of \$40k.

Some other information that was utilized in my quantitative analysis is the AV water system has a debt of about \$4million dollars. Tiered rates are utilized to promote water conservation. I also compared the tiered rates to other nearby cities/towns (St. George, Leeds, Hurricane, Hilldale, Colorado City) and even with the increase our tiered rates will be lower than other neighboring

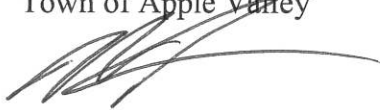
cities/towns. This rate increase also puts us in line with the with the recommended rates addressed in the Culinary Water Masterplan performed by Sunrise Engineering in July of 2023 as well as recommendations by the Utah State Division of Drinking Water.

The proposed water rate adjustment is intended to better align water system revenues with the actual costs of providing service, preserve the financial stability of the utility, and ensure the Town's ability to maintain a safe and reliable water supply for current and future customers.

The Town Council is asked to consider the proposed rate adjustment in light of these operational and financial considerations and determine whether the revised rate structure is in the best interest of the water system and its customers.

Respectfully submitted,

Michael Farrar
Mayor
Town of Apple Valley

A handwritten signature in black ink, appearing to read 'Michael Farrar', is written over the printed name.