

FINAL MINUTES

VIRGIN TOWN COUNCIL MEETING

WEDNESDAY, August 24, 2016

6:30 pm-Work Meeting

7:00 pm Regular Meeting

Virgin Town Heritage Town Square, 114 So. Mill Street, Virgin, Utah

Present:

Council Members: Mayor, Bruce Densley

Jay Lee

Dan Snyder

Matt Spendlove

Jean Krause, who arrived at the meeting as noted

Others: Monica Bowcutt, Town Clerk

Joesph Harper

Larry and Lisa Stout

Lenny Brinkerhoff

Gina Amodt

Rod Mills

Vince and Danyale Blackmore

Sabrina Cullen

Drew Allred

Darcey Spendlove

Shirlene Hall

Sean Amodt

Gene Sturzenager

Ray Golata

A. WORK MEETING/Non-Action Items:

1. Discussion of direct deposit costs and VULU printing costs.

The Council discussed changing to a direct deposit for payroll only. It would cost the town about \$30 a month or \$360 a year, which was not budgeted for. Mayor Densley stated he was in favor of making the change. The Council agreed.

Mayor Densley stated that VULU (Virgin Uniform Land Use) had been updated. It would cost approximately \$500 to make enough copies for the Town Council, Planning and Zoning, Chris Holm, and the office. Dan Snyder stated he would rather look up information online. Matt Spendlove and Jay Lee stated they would like a hard copy. The Council agreed to make the copies.

2. Discussion of BMX Track.

Mayor Densley reported that the fence had been moved, so the Town would be re-submitting a request for the patent. He, and the other Council Members, had not received input for other uses for the area. Council Member Jay Lee stated that Sean Amodt was getting the picture taken. Mayor Densley asked that he give the picture to the town to attach to the patent. Town Clerk, Monica Bowcutt, stated that Adam Pace was now running the BMX Track alone, but had combined with St. George, which would be a benefit for both Tracks.

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3. Discussion of Dalton Wash.

Mayor Densley stated that he had spoken to a realtor who had estimated the property would be worth between \$5,000 and \$7,500 an acre. Discussion turned to the well, with the Council deciding to find the cost of dropping a new pump into the well. The property did not have a water right with the property. The Council also discussed 're-upping' the water right from the dry wash (which is supposedly in the same basin) by filing a change application and perhaps filing an extension on the non-use of the water. Rod Mills stated that it depended on the State Engineers ruling. The Mayor Densley asked if it was worth the expense of upgrading the well and changing water rights to gain \$1,000 an acre. Council Member Jay Lee stated he would find out how much it would cost to buy pipe and a new pump. Attorney Snow stated that he had spoken to a commercial broker about giving his opinion on the property's price.

4. Discussion of Vacation Rentals.

Mayor Densley stated that he was not opposed to vacation rentals, but believed there was a place for them outside of the residential areas. He asked if it was worth asked the P & Z to look at the issue. Council Member Dan Snyder stated that it could start generating revenue. The council discussed creating an overlay zone, perhaps in Sierra Bella, to allow homes to be built for that purpose. The Council agreed to ask P & Z to look into the issue.

Mayor Densley stated that the question had been asked if the P & Z should revisit Chapter 22 (Highway Resort Zone), regarding different requirements for small lots in the resort zone area and the possibility of allowing residential units in those areas. He asked if there was a disadvantage or a danger to the town if somebody wanted to put a resident unit in the HRZ. Attorney Snow stated that the town had discussed this before. He stated that if they allowed residences in the zone, then congregate living facilities would also have to be allowed into the HRZ. Council Jay Lee stated he would like to look into it. Attorney Snow explained state code dealing with the facilities. Mayor Densley stated he felt the Council should hold off on asking the P & Z to review the issue.

* Rod Mills explained that he would be recommending something different than what he had explained last month for the water impact fee study. His recommendation would be based on meter sizes and equivalent residential connections to get the commercial impact fee.

B. REGULAR MEETING/Action Items:

1. Call to Order- Mayor, Bruce Densley

Mayor Densley called the meeting to order at 7:01 pm.

2. Invocation/Pledge of Allegiance

Bruce Densley gave an invocation. Jay Lee led the Pledge of Allegiance.

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3. Declaration of Conflict of Interest.

No conflicts were declared.

4. Open Forum: Limit 2 minutes per speaker.

* Gene Sturtzenager stated he was co-owner of the property on 150 South. He did not have any issue with the new subdivision, but was worried about opening up the 15 foot drainage easement along the west side of his property. His fence had substantial damage in 2005 when the irrigation had been run down it. He asked that the Town make sure the drainage requirement had been met.

5. Mayor's Comments and Updates:

Mayor Densley stated he had met the with Washington County School District and the bus stop issue had been resolved.

The Mosquito Distinct had been effective in treating the larva, so ZIKA and West Nile were not an issue down here.

The recycling program was in trouble because 1)24% of the materials that went into the cans were contaminants and 2)the market for recycled materials was about zero. The Solid Waste District was prepared to cover the cost for two years, without a rate increase to the citizens. They were in the process of deciding what to do.

The County Commission had decided to put the tax on the November ballot. It would be a ¼ of 1% sales tax on non food items. It would stay in the county and the amount that could come to Virgin was \$6,222 with 40% being paid by the tourists.

6. Citizen of the Month: In Appreciation of the Old Church Committee.

Mayor Densley stated that he wished to recognize the Heritage Park Committee and the years it had taken to remodel the old church. He thanked them for the celebration on the 24th of July. Shirlene Hall accepted the award for the Committee. Darcey Spendlove, Gina Amodt, and Lenny Brinkerhoff were also present.

7. Consent Agenda: Items #7a and 7b:

a. July 27, 2016 Draft Minutes

No discussion.

b. July Checks and Invoices

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No discussion.

Dan Snyder moved to approve July 27, 2016 Draft Minutes and the July 2016 Invoices and Checks. Matt Spendlove seconded the motion. No roll call vote was taken. The motion passed unanimously.

C. PUBLIC HEARING: Motion to close the public meeting and open the Public Hearing:

Accepting input from the public on the following items:

- a. Amending the 2016-2017 Budget.
- b. Adoption of Impact Fee Study by Ensign Engineering.

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

Mayor Densley stated that he had made a mistake in the budget and also the revenue had increased based on the year end figures. He reviewed the numbers of each line item and how the budget would be adjusted.

No public comments were given on either item.

Motion to close the Public Hearing and re open the Public Meeting:

Dan Snyder moved to close the public hearing and reopen the public meeting. Matt Spendlove gave the second. No roll call voted was taken. Voting was unanimously in favor.

REGULAR MEETING

8. Possible approval of Resolution # R2016-082416-A to amend the FY 2016-2017 Budget.

Mayor Densley stated that he had spoken to Hinton Burdick, who had agreed that the amendment was warranted. He reviewed the amendment, on page 6, which would add money to reduce the general fund deficit. The utilities budget and payroll budget had been changed. Laptops had also been taken out of the budget. The Road fund and Parks and Recreation fund had also been increased.

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Matt Spendlove moved to approve the Amended Budget for FY 2016-2017 Resolution #R2-16-082416. Jay Lee gave the second. Roll call vote: Matt Spendlove-Aye, Dan Snyder-Aye, Jay Lee-Aye and Mayor Bruce Densley-Aye. The motion unanimously. It was noted that Jean Krause was absent.

9. Possible adoption of Impact Fee Study-Rod Mills

Rod Mills presented the Commercial Water Impact Fee Study. He explained that an impact fee is a one time charge on new building. There were two ways to assess the costs: incremental method and equity method. Incremental looked at the costs to upgrade the existing system as it rates to new construction coming forward and imposing those costs on the developer. The Equity method assumed that existing residents had equity in the system because of tenure in the community. Those coming forward had to buy into the system to make it fair for all parties involved. He recommended the Equity method for Virgin town. The summary of calculations were: 258 ERC's (Equivalent Residential Connection Calculation) and the total value of the culinary water system would mean that the maximum impact fee that could be charged per connection was \$13,450. He admitted that the amount was inconsistent with what a lot of the communities were charging and reviewed these amounts. He explained that what he was recommending for commercial entities was an ERC's (Equivalent Residential Connection) Calculation (which had a precise calculation), then apply the residential impact fee times (x) the number of equivalent residential connections that the connection has.

Council Member Jean Krause arrived at the meeting.

Attorney Snow suggested that this type of fee schedule seemed to be more efficient and simple because the staff could calculate the fee for each applicant. The Council, Mr. Mills, and Attorney Heath Snow discussed ways the calculations could be manipulated (putting in several undersized meters) by the developer to save money and also, ways to mitigate the potential problems. Jay Lee stated that the developer paid for his own engineering costs, so it would not cost the town money to go with the more scientific method. Matt Spendlove stated, if he was a developer, he would like to go into the office and know coming out exactly what his cost was going to be. Jean Krause stated she trusted Rod Mills and his judgment on the issue.

It was clarified that the study was only for culinary water impact fees. The agenda should read "Possible adoption of Culinary Water Impact Fee Study".

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Bruce Densley moved to continue the public hearing on the adaption of the water impact fee study until next month. Matt Spendlove gave the second. No roll call vote was taken. The motion passed unanimously.

Council Member Jay Lee clarified that the change would be made to the Culinary Water Impact Fee Study. Rod Mills stated he would change the actual study to Culinary Water Impact Fee Study. Attorney Heath Snow agreed, stating that someone might think the study included parks, for example.

Jay Lee moved to table item number 9, possible adaption of Culinary Water Impact Fee Study. Matt Spendlove gave the second. No roll call vote. The voting was unanimously in favor.

10. Update on Hotel-Stu Ferber

Mayor Densley stated that Stu Ferber was not quite ready to come into the meeting. He had asked to be put on the September meeting agenda.

Jay Lee moved to table item #10. Jean Krause gave the second. No roll call vote was taken. The motion passed unanimously.

11. Review of Hinton Burdick Contract

The Mayor reported that Hinton Burdick was willing to keep the same price of \$1,500 a month for accounting and bookkeeper services. Town Clerk, Monica Bowcutt, stated that if the accountant continued to come every other Thursday, the rates would go up. If the town changed to direct deposit payroll, and the accountant only came on the 1st and the 15th of the month, the rate would remain the same.

Jean Krause moved to authorize Mayor Bruce Densley to enter into the contract with Hinton Burdick for fiscal year 2016-2017. Dan Snyder gave the second. Roll call vote: Matt Spendlove-Aye, Dan Snyder-Aye, Jean Krause-Aye, Jay Lee-Aye and Mayor Bruce Densley-Aye. The motion unanimously.

12. Review of quarterly Police Report

Mayor Densley read from the report. He stated he felt the town was still getting great coverage for the cost.

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13. Possible approval of recommendation from P&Z to approve Virgin Acres Sub Division application with conditions of a Full & Complete Mylar with 10 foot pedestrian easement shown.

Mayor Densley stated that the plans had been submitted with the corrections. He explained that Vince Blackmore had also agreed to change the 3 foot easement to a 10 foot easement at the corner of the cult-i-sack. Attorney Heath Snow pointed out that the construction drawings showed 2 inch thick asphalt, when the town required 3 inch thick. That modification was noted. He also explained that one of the P & Z conditions for approval was that in lieu of bonding for the public improvements, Mr. Blackmore intended to construct all the homes prior to selling any lots. Attorney Snow suggested that there be a development agreement in place stating that no lots could be sold and no building permits could be issued on the lots until the public improvements were completed. Mr. Snow and Mr. Blackmore had a preliminary agreement in the works, but a date of public improvements being completed needed to be added. He suggested approving the project based on the town attorney's approval of the development agreement.

Vince Blackmore stated that he had had a \$10,000 cash bond with the town for 7 years with regards to improvements on the road. He wanted to make sure the town would release the bond after 2 years. Attorney Heath Snow stated he would put that issue into the development agreement.

The drainage issue was discussed. Mayor Densley stated that the issue was with Phase One, so it was a separate issue, but the town and Mr. Blackmore would work to come to a resolution. Mr. Blackmore reported that he and Chris Holm had looked at the drainage problem and had agreed on a solution.

Jean Krause moved to approve the Virgin Acres Subdivision Application subject to the development agreement that will be worked out with Vincent Blackmore and the town attorney. Jay Lee gave the second. No roll call vote. The motion passed unanimously.

14. Possible approval of recommendation from P&Z to approve Conditional Use Permit for Adventure Pad subject to the findings as discussed and that the business will be operated within those findings.

Mayor Densley stated that the Council had comments from Lori Rose. He felt that the ordinance itself would resolve any issues that came up.

Jay Lee stated that Lori's findings talked about landscaping, but did not say what kind of landscaping was needed. He felt the lawn in the front yard was landscaping. He also felt that

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the public trail needed to be waived because there was only 20 feet in front of the house, not 50 feet, as required.

Town Attorney Heath Snow explained that at the P & Z meeting, Lori Rose made a list as they discussed items. She was tasked with memorializing the list of findings that would come with their recommendation to the Town Council. He further explained that it was very normal to approve a Conditional Use Permit and include very specific conditions that the Council felt needed to be imposed. However, if there were items that the Council did not want to follow the recommendation, such as the trail, the motion could be to approve the CUP subject to the list memorialized by Lori, except for item number 5, for example. Jean Krause stated that Lori was looking to the future on the trail, retaining the town's right if something changed with the building or the lot. She further explained that Lori Rose was trying to address each one of the paragraphs in the ordinance.

Jay Lee stated that he felt the applicant was not a new development, but a non conforming lot. Attorney Snow stated that the lot was non conforming, but the use was conditional.

Joseph Harper stated that he had no problem with how the conditions were laid out. He did have two new detailed plat maps, which he asked be entered with the conditions. He also stated that a large portion of the lot was underdeveloped, but it would remain well maintained. He also asked that that 30 foot landscaped buffer between the HRZ and the residential properties be waived because there was agricultural (field) behind the property. The Council agreed the a 30 foot disk-ed space would satisfy the VULU buffer requirement.

The Council agreed to leave the trail clause as written by Lori Rose.

Matt Spendlove moved to approve the Conditional Use Permit for Adventure Pad subject to the P & Z recommendations with the one change in the landscaping section. Jean Krause gave the second. No roll call vote: The motion passed unanimously.

COUNCIL COMMENTS:

* Jay Lee stated that the town had just set a precedence by allowing the first vacation rental in town.

* Dan Snyder asked about the appropriateness of people asking him for a meeting on town issues. Attorney Snow stated that it was very appropriate, as long as not two or more Council members were present. He also suggested Council Members not express their personal opinions during those meetings, but just listen and thank them for their comments.

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- * Jean Krause asked for a quick run down on the vacation rentals discussion during the work meeting. Mayor Densley stated he would talk to her after the meeting.
- * Jay Lee thanked Chris Holm for moving the dirt at the BMX track. He also thanked James Lee and Sean Amoldt for helping him move the fence.
- * Mayor Densley stated that the landfill would be installing the water line very soon.

E. ADJOURN PUBLIC MEETING:

16. Approve Motion to Adjourn Public Meeting

Dan Snyder moved to adjourn the public meeting. Jean Krause gave the second. No roll call vote. The motion passed unanimously.

The Meeting adjourned at 8:32 pm.

Monica Bowcutt
Town Clerk

Approved: _____