

Minutes of the Daggett County Commission Public Hearing, Friday, May 16, 2014.
Members present were, Commissioner Jerry Steglich and Commissioner Warren Blanchard, Commissioner Karen Perry was excused. Sheila Williams, Deputy County Clerk, was present as board secretary. The hearing was called to order at 6:30 PM by Acting Chairman Mr. Steglich.

Also present were: Christine Richman – GSBS Richman Consulting, Clyde Slaugh, Jesse Slaugh, Bernetta Higley, Mary Castleberry, Marvin & Carol Holmes, Dave & Lorraine McDonald, Terry Collier, Gayle Wernsing, Caridad Neyra, Jess Jackson, Douglas Sands, Ryan Kelly, Harriet Dickerson, Tamara Twitchell – CEM, Danny Mangum, Gene Gautieri, Ed Eudis, William & Julie Rogers, Jordan Gillespie, Jenny Handy, Linda Blanchard, Butch & Pam Johns, Jack Lytle, Joellen Reardon, John Morton, Emmett Heath, Sheena Mapps, Rod Mangum, Gordan Tharrett, Thompson Davis and David Orr.

Commissioner Steglich introduced Christine Richman who provided a presentation to those present. Ms. Richman stated that the state statute is very specific so that is where they focus. Ms. Richman stated that she would answer questions as they come up. Tamara Twitchell asked what population projection is based on? Ms. Richman stated they have kept that the same as it is currently. Presentation continues with information on Revenues. Revenues do not contain a property town tax levy for the town of Dutch John. Warren Blanchard stated that there is another tax that the county collects on bed tax, would that tax come to the town? Ms. Richman stated that is a county option tax, so no, it would not go to Dutch John. Mrs. Dickerson asked if the Town of Manila charged a resort tax. Mr. McDonald stated that they do and they use it for the water system. Gene Gautieri asked if the businesses are in the boundaries of the town of Dutch John and questioned why the taxes are going to the county? Mr. McDonald along with Ms. Richman provided an answer to the question. Terry Collier asked if the land included the whole 2400 acres, Mr. McDonald stated in detail what the petition covers. Ms. Richman continues. Mr. Ed Eudis asked about repair and upkeep expenses and if they obtained any costs? Ms. Richman stated no that would not be part of the study. Ryan Kelly stated that he believed they had put in a 10% overage/excess fund. Mr. Blanchard stated that it would be about \$30,000 overage. Mr. Slaugh stated that the water tanks need to be recoated on the inside of both tanks. Ms. Richman stated that the feasibility study does not include any repair or upkeep expenses. Mr. Blanchard provided an explanation of why this does not affect the county as a whole since it will only affect Dutch John. Gene Gautieri asked if the liquor tax was a new tax and did it not come from the resorts? Ms. Richman stated that it was not, and it would be paid to the county for law enforcement. Thompson Davis asked about Law Enforcement revenue and funds? Ms. Richman explained the differences of working with the Sheriff or having their own officers. Discussion ensued on law enforcement issues. Mr. McDonald provided a history as he had spoken with Sheriff Jorgensen. There was a long discussion on law enforcement and the issues and costs associated. Mrs. Richman brought the

conversation back to the program. Ed Eudis, questioned the insurance of the County for fire and Dutch John being allowed to use the same insurance? Ms. Richman stated NO they would have their own policy. Thompson Davis asked if the fire department would still be run by volunteers. Ms. Richman stated yes they would be just as it is now. Jack Lytle questioned if they could work out an agreement since the county could be closer to a fire than what Dutch John town could be? An agreement could be made when or if the town council decided that is the direction they wanted to go. Mr. Blanchard stated that the fire department could become a special district where they could charge the people who live in that district/area to pay the fees. Ed Eudis asked if they had an amount/cost on the buildings in the town of Dutch John that the County has control of. A discussion of the building ensued with the people present. Mr. Holmes stated that until it was incorporated was that discussion feasible. Mr. Davis questioned if the upkeep for roads would be at the expense of the town of Dutch John? Ms. Richman explains that the large expense items are not in this study as it is a bare minimum only. Mr. Davis states his objection to this as this study is only giving a small picture/explanation of the actual costs to incorporate Dutch John. John Morton & Jack Lytle stated that Ms. Richman needs to continue the presentation and then they can have their own meeting and discuss other issues. Ms. Richman continues, she states that the bottom line is that they are in the range of the proper boundaries of incorporation. David Orr asked if the financial information was from the 2014 year, Ms. Richman stated that the financial information was an average from the last 4 to 5 years. Mr. Davis asked why they are not showing the population growth. Ms. Richman states that they have to get the information from the Lt. Governor's office and that is the information they must use. Terry Collier stated that he has lived here for 38 years and he sees people come and go but his business has grown he feels that if they would have more accommodations from the County he thinks that the community would have grown in population. Mr. Davis asked if income from the lodging tax of 1.1% would go to the town of Dutch John. Mr. McDonald stated that the resort tax is on all sales not just rooms but yes that would go to the town. Ms. Richman finishes her presentation showing that the revenues are between 4 to 5 % over the expenditures and therefore can proceed as they are not above the 10% restriction. Mr. Orr asked if the tourist tax is being charged here now. Ms. Richman stated no, it is not currently being charged. Harriet Dickerson told Ms. Richman "Thank you for her time".

Motion from Warren Blanchard to go into the Public Hearing, seconded by Jerry Steglich. All in favor, motion carries. Mr. Lytle asked what the status is of the petition; Mr. Steglich stated that the study has been approved. Mr. Steglich asked Mrs. Williams to provide a history on the election process. Mrs. Williams stated that the next step would be to put this issue onto the ballot. Mrs. Williams stated that there was discussion with Mr. McDonald earlier today about why this issue would not be on the June Primary Ballot. New election code was approved this year by state legislation but it did not become effective until May 13, 2014 and in

the code there is a 65 day period that cannot be met and still have the matter on the June Ballot. Vicky McKee had been in contact with Mark Thomas, Lt. Governor's Office Election Department, on this issue and he also stated that there is 65 days to call an election. So what would happen is that the Incorporation issue would be on the November election and then the next step would be to hold the municipal election. This was discussed and the time frame was set for the town elections. The old code gave only the option of having the election on the General Election. Mr. McDonald stated that the codes effective date could be recorded incorrectly with the State of Utah and also the intent of this code meant for it to go into effect immediately. Mr. McDonald stated that in the past it could have a "yes/no" vote for Incorporation it can have a section for the municipal officers at the same time. Also, the county could nominate a committee to run the town of Dutch John. These are the items they are investigating at this point. Mrs. Williams stated that the ballots have already been received and it would not be a guarantee to order a new ballot and have it arrive on time. Mr. McDonald stated that state statute sets how a ballot needs to be done and could go home and print them up. Mrs. Williams explained that our election is done on a machine and it is a time consuming process. Mr. Marvin Holmes asked if the voters have to live in the Dutch John town area. Mrs. Williams stated that yes they do. Mr. McDonald asked why they could not do this as a paper ballot. Mrs. Williams explained that preparing an election is a very time consuming process. Mrs. Williams stated that it is very doubtful that it can be completed in time. Mr. Lytle asked what the drop dead last day to get this on the primary. Mrs. Williams explained that the process is the same and the deadlines can be reviewed. Mr. Blanchard asked if they could do this as a paper ballot. Mr. Steglich stated that what he is hearing it sounds like the County is willing to move forward and see if an election can happen. If it cannot happen then we are at least ahead in the process.

Gene Gautieri asked what the benefits of incorporation for the county are. Mr. Steglich stated that he is not opposed to and he does not feel it is a benefit or loss for the county. Mr. Blanchard stated that Dutch John incorporating would benefit the county greatly as it would save the county money. Mr. Morton made the comment that Dutch John has paid the county money for the last 15 years and now that the money is going away the County is willing to let them incorporate. Mr. Steglich stated that the statement is not true. According to the federal audit performed the town of Dutch John has cost the County \$2 million above and beyond what the county has received. Mr. Eudis asked about the equipment the county now owns, would the town have to replace that or would the county donate it. Mr. Steglich stated that they cannot donate assets. Mr. Blanchard stated that some assets were given to the county when the county took over.

Mr. Eudis asked about municipal election times when or if the town incorporates and if the County Clerk's Office would be willing to help them? Mrs. Williams told him that the

County Clerk's office would be glad to help as we help the Town of Manila. Mrs. Williams explained that the County Clerk has control of the election data base, forms, signatures, ect.

Mr. McDonald stated that people ask why to incorporate; He said it is for controlling the planning & zoning in their area so that they can control how their town grows. The finance issues presented by Ms. Richman are so that the State of Utah knows the town is not getting rich. The state makes all entities have a balanced budget each year. Mr. Eudis stated that you still don't know what you're getting into until you pass it; he also commented that it would be hard to find more volunteers. Mr. Holmes stated that they need to become an entity before you start saying what you are going to do or not do. Incorporation provides them with community control. Mr. Eudis said that they already know what they need to do as it is already being done by the County. They need to remove the snow, fix the roads, etc. Mrs. Holmes said that they can get grants and bonds. Mr. Eudis said that it takes time to get that kind of money from the government. Tamara Twitchell, County Emergency Manager stated that she is asking for volunteers for the CERT training and she had minimal participation from the Dutch John Community and the grants and funding they are looking for will require that their people will have to be certified. They would have to commit to completing all of the required training. Mr. Jackson asked for a show of hands on who would volunteer. Several people responded that they would. Mr. Lytle stated that he is proud of this community and the volunteering that they already do. Mr. Gautieri summarized a statement that if they decided to unincorporated could they do that? Mr. Blanchard stated the simple answer is yes they can, but there is a process to un-incorporating. Mr. Steglich stated that would end the Public Hearing for this evening.

Motion by Mr. Blanchard to end the meeting, seconded by Mr. Steglich. Meeting adjourned at 8:34 pm.

/s/ Sheila Williams

/s/ Jerry Steglich

/s/ Warren Blanchard