

Mayor
Kenneth Romney

WEST BOUNTIFUL CITY

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Steve Maughan

CITY COUNCIL MEETING

THE WEST BOUNTIFUL CITY COUNCIL WILL HOLD A WORKSESSION BEGINNING AT 5:30 PM, AND A REGULAR MEETING BEGINNING AT 7:30 PM, ON TUESDAY, OCTOBER 20, 2015 IN THE CITY OFFICES AT 550 N 800 WEST.

5:30 pm WORKSESSION

Discuss Request to Extend Sales Tax Sharing Payment Period with Developers of The Commons At West Bountiful Per 2004 Participation Agreement.

7:30 pm REGULAR MEETING

Invocation/Thought –Kelly Enquist; Pledge of Allegiance – James Ahlstrom

1. Accept Agenda.
2. Public Comment (two minutes per person, or five minutes if speaking on behalf of a group).
3. Swearing in of Police Officer Tyler Horstman.
4. Consider Resolution 372-15, A Resolution Appointing Rick George to the West Bountiful Arts Council.
5. Engineering Report.
 - a. Pages Lane Bid Package
6. Finance and Administrative Report.
7. Mayor/Council Reports.
8. Approve Minutes from the October 6, 2015 City Council Meeting.
9. Possible Executive Session for the Purpose of Discussing Items as Allowed, Pursuant to Utah Code Annotated 52-4-205.
10. Adjourn.

Individuals needing special accommodations during the meeting should contact Cathy Brightwell at (801)292-4486 twenty-four hours prior to the meeting.

This agenda was posted on the State Public Notice website, the City website, emailed to the Mayor and City Council, and sent to the Clipper Publishing Company on October 15, 2015.

MEMORANDUM



TO: Mayor & Council

DATE: October 15, 2015

FROM: Duane Huffman

RE: **Extension of Sales Tax Payment Period**

This memo briefly summarizes the issues surrounding the sharing of certain sales tax revenues with the developers of The Commons at West Bountiful.

Background

While the idea of sales tax sharing with the developers of the Commons has a long history, it can perhaps be summarized as follows:

1. The developers met with the City several times in the early stages of the project to state that land acquisition costs would be exceptionally high and that City participation would be needed by way of sales tax sharing – up to half of what the City would receive from the development.
2. It also appears that both the developers' and the City's projections of sales tax revenues incorrectly assumed that the City would receive roughly 1% of sales through the local option sales tax. In fact the local option sales tax had been divided 50/50 between point-of-sales and a state-wide population formula since 1983. Prior to 2006, there was a provision that ensured that a City's total collections would be equal to at least 75% of point-of-sales. With the removal of that provision, the City's total collections average 66% of point-of-sale (see enclosed table of sales tax history). Additionally, the bad economy in 2008-2010 hurt sales tax collection. However, neither the change in the law nor the downturn in the economy can account for the large difference between the incorrect projections that the City would receive the full 1% of the point-of-sale sales tax and the reality that we only receive 50%.
3. Based on the costs of development and incorrectly projected sales tax revenues, the City and the developers entered into a Participation Agreement in 2004, wherein the City agreed to share a certain portion of sales tax from the development as well as a portion of the property tax increment. The developers were to receive: i) \$10 million, ii) interest on the \$10 million that would accrue at the same rate as the developers' debt, and iii) a \$2 million performance bonus. The agreement is clear that the obligation extends only so far as the City receives revenue from the project.

4. Before the development was complete, the developers convinced the City to increase the participation obligation to \$10.8 million in 2005. At the time, they made clear that they believed the City's sales tax projections were too conservative and that there was no risk to the City, because the developer would only receive this additional money if the project produced the additional revenues.
5. As soon as sales taxes started coming in, the developers approached the City about what they saw as a shortfall. It was made clear to them that the City would only receive sales tax revenues on 50% of the point-of-sales tax, and thus could only share that portion with the developer.
6. As soon as the developers realized the error in projections, they approached the City regarding the original 10 year sales tax payment period. There is record of their requests in early 2007 and again 2009. Neither request was successful.
7. The initial 10 year sales tax payment period ends in 2015. In January of 2015, the developers wrote a letter requesting that the RDA fulfill its responsibility in the Participation Agreement to seek an extension of this initial 10 year period from the City. The developers also provided a letter in July providing information on their Return on Costs for the project. Both letters are enclosed.
8. At the September 1, 2015 meeting, the West Bountiful City Redevelopment Agency passed Resolution 195-15, formally requesting that the City grant the extension of the sales tax payment period.
9. The work session scheduled for 10/20/15 is an opportunity for the Council and the developer to discuss this history and review options related to any potential extension.

The following table summarizes the current payments and projected payments to the developers.

PARTICIPATION AGREEMENT SOURCES:	Annual Amount (2014 \$'s)	Collections from 2006-2014	Projections for 2015-2033	TOTALS
Property Tax (Tax Increment)	\$205,219	\$1,212,344	\$3,962,970	\$5,175,314
Sales Tax Increment from RDA (without extension)	\$332,930	\$2,286,607	\$502,725	\$2,789,332
Total Participation (without extension)				\$7,964,646
Sales Tax Increment from RDA with 10 year extension			\$3,600,000	
Total Participation with extension				\$11,564,646

West Bountiful City
Local Option Sales Tax Distribution

Month	Period	City Wide Point of Sales	50% POS	Population Dist.	Total Distribution	% of POS
CY 2002						
January	Jan-02	64,095.85	32,047.93	23,415.55	55,463.47	86.53%
February	Feb-02	113,794.82	56,897.41	37,383.60	94,281.01	82.85%
March	Mar-02	43,512.74	21,756.37	22,234.25	43,990.62	101.10%
April	Apr-02	49,095.14	24,547.57	24,012.00	48,559.57	98.91%
May	May-02	100,933.13	50,466.57	30,873.84	81,340.40	80.59%
June	Jun-02	58,709.94	29,354.97	25,216.61	54,571.58	92.95%
July	Jul-02	54,408.13	27,204.07	23,748.71	50,952.77	93.65%
August	Aug-02	103,498.10	51,749.05	33,400.29	85,149.34	82.27%
September	Sep-02	53,737.60	26,868.80	23,948.03	50,816.83	94.56%
October	Oct-02	64,998.19	32,499.10	25,942.29	58,441.38	89.91%
November	Nov-02	96,756.99	48,378.50	31,375.68	79,754.17	82.43%
December	Dec-02	58,116.79	29,058.40	22,672.06	51,730.45	89.01%
		<u>861,657.42</u>	<u>430,828.71</u>	<u>324,222.88</u>	<u>755,051.59</u>	<u>87.63%</u>
CY 2003						
January	Jan-03	62,482.11	31,241.06	24,881.52	56,122.57	89.82%
February	Feb-03	120,890.46	60,445.23	36,393.06	96,838.29	80.10%
March	Mar-03	47,998.53	23,999.27	22,213.00	46,212.26	96.28%
April	Apr-03	50,320.89	25,160.45	21,677.51	46,837.95	93.08%
May	May-03	95,036.45	47,518.23	32,176.48	79,694.70	83.86%
June	Jun-03	52,782.42	26,391.21	23,902.03	50,293.24	95.28%
July	Jul-03	55,522.18	27,761.09	24,013.10	51,774.19	93.25%
August	Aug-03	86,689.50	43,344.75	32,671.68	76,016.43	87.69%
September	Sep-03	49,471.99	24,736.00	24,969.14	49,705.13	100.47%
October	Oct-03	63,614.37	31,807.19	25,926.77	57,733.95	90.76%
November	Nov-03	70,974.30	35,487.15	30,903.51	66,390.66	93.54%
December	Dec-03	54,795.44	27,397.72	24,193.89	51,591.61	94.15%
		<u>810,578.64</u>	<u>405,289.32</u>	<u>323,921.66</u>	<u>729,210.98</u>	<u>89.96%</u>
CY 2004						
January	Jan-04	55,006.88	27,503.44	23,276.30	50,779.74	92.32%
February	Feb-04	103,030.30	51,515.15	37,647.42	89,162.57	86.54%
March	Mar-04	45,417.89	22,708.95	22,893.00	45,601.94	100.41%
April	Apr-04	49,777.50	24,888.75	24,072.88	48,961.63	98.36%
May	May-04	95,847.79	47,923.90	33,249.33	81,173.22	84.69%
June	Jun-04	55,947.24	27,973.62	25,741.16	53,714.78	96.01%
July	Jul-04	57,101.44	28,550.72	25,162.90	53,713.62	94.07%
August	Aug-04	74,880.06	37,440.03	35,501.92	72,941.95	97.41%
September	Sep-04	60,208.28	30,104.14	27,270.04	57,374.18	95.29%
October	Oct-04	70,081.36	35,040.68	26,526.86	61,567.54	87.85%
November	Nov-04	80,851.97	40,425.99	33,919.79	74,345.77	91.95%
December	Dec-04	55,948.97	27,974.49	25,654.20	53,628.68	95.85%
		<u>804,099.68</u>	<u>402,049.84</u>	<u>340,915.78</u>	<u>742,965.62</u>	<u>92.40%</u>
CY 2005						
January	Jan-05	64,575.89	32,287.95	25,788.35	58,076.29	89.93%
February	Feb-05	107,065.91	53,532.96	40,848.00	94,380.95	88.15%
March	Mar-05	46,904.53	23,452.27	25,298.18	48,750.44	103.94%

Month	Period	City Wide				
		Point of Sales	50% POS	Population Dist.	Total Distribution	% of POS
April	Apr-05	42,838.92	21,419.46	24,875.21	46,294.67	108.07%
May	May-05	69,416.16	34,708.08	35,882.87	70,590.95	101.69%
June	Jun-05	47,836.15	23,918.08	28,648.83	52,566.90	109.89%
July	Jul-05	90,907.38	45,453.69	26,873.22	72,326.91	79.56%
August	Aug-05	72,431.11	36,215.56	38,114.22	74,329.77	102.62%
September	Sep-05	65,604.10	32,802.05	31,214.74	64,016.79	97.58%
October	Oct-05	63,643.86	31,821.93	31,464.06	63,285.99	99.44%
November	Nov-05	87,767.13	43,883.57	38,281.97	82,165.53	93.62%
December	Dec-05	60,891.60	30,445.80	29,218.53	59,664.33	97.98%
		<u>819,882.74</u>	<u>409,941.37</u>	<u>376,508.15</u>	<u>786,449.52</u>	<u>95.92%</u>

CY 2006

January	Jan-06	74,808.57	37,404.29	30,164.06	67,568.34	90.32%
February	Feb-06	177,322.67	88,661.34	44,641.15	133,302.48	75.18%
March	Mar-06	119,259.11	59,629.56	31,281.53	90,911.08	76.23%
April	Apr-06	105,323.92	52,661.96	29,078.24	81,740.20	77.61%
May	May-06	145,828.04	72,914.02	41,553.66	114,467.68	78.49%
June*	Jun-06	129,202.88	64,601.44	33,436.71	98,038.15	75.88%
July	Jul-06	113,384.82	56,692.41	32,344.00	89,036.41	78.53%
August	Aug-06	153,758.38	76,879.19	45,186.96	122,066.15	79.39%
September	Sep-06	132,668.11	66,334.06	34,675.42	101,009.47	76.14%
October	Oct-06	213,915.30	106,957.65	37,234.07	144,191.72	67.41%
November	Nov-06	149,026.90	74,513.45	41,782.89	116,296.34	78.04%
December	Dec-06	140,350.07	70,175.04	33,603.50	103,778.53	73.94%
		<u>1,654,848.77</u>	<u>827,424.39</u>	<u>434,982.17</u>	<u>1,262,406.55</u>	<u>76.29%</u>

*75% guaranteed minimum distribution ends 06/30/2006

CY 2007

January	Jan-07	164,002.18	82,001.09	35,404.94	117,406.03	71.59%
February	Feb-07	200,369.48	100,184.74	48,264.19	148,448.93	74.09%
March	Mar-07	132,067.37	66,033.69	33,668.69	99,702.37	75.49%
April	Apr-07	119,601.57	59,800.79	31,768.49	91,569.27	76.56%
May	May-07	179,537.35	89,768.68	44,975.92	134,744.59	75.05%
June	Jun-07	144,661.95	72,330.98	36,379.39	108,710.36	75.15%
July	Jul-07	138,057.85	69,028.93	35,790.73	104,819.65	75.92%
August	Aug-07	176,015.94	88,007.97	48,117.04	136,125.01	77.34%
September	Sep-07	154,547.32	77,273.66	37,960.83	115,234.49	74.56%
October	Oct-07	245,800.64	122,900.32	41,437.39	164,337.71	66.86%
November	Nov-07	161,936.78	80,968.39	46,175.69	127,144.08	78.51%
December	Dec-07	151,521.55	75,760.78	35,772.13	111,532.90	73.61%
		<u>1,968,119.98</u>	<u>984,059.99</u>	<u>475,715.40</u>	<u>1,459,775.39</u>	<u>74.17%</u>

CY 2008

January	Jan-08	162,311.28	81,155.64	36,059.13	117,214.77	72.22%
February	Feb-08	233,390.14	116,695.07	50,596.24	167,291.31	71.68%
March	Mar-08	151,603.80	75,801.90	35,241.44	111,043.34	73.25%
April	Apr-08	187,564.35	93,782.18	34,841.36	128,623.53	68.58%
May	May-08	202,732.10	101,366.05	45,307.94	146,673.99	72.35%
June	Jun-08	205,745.00	102,872.50	34,627.02	137,499.52	66.83%
July	Jul-08	217,324.41	108,662.21	34,396.81	143,059.01	65.83%
August	Aug-08	221,007.68	110,503.84	41,991.41	152,495.25	69.00%

Month	Period	City Wide				% of POS
		Point of Sales	50% POS	Population Dist.	Total Distribution	
September	Sep-08	234,279.33	117,139.67	37,096.78	154,236.44	65.83%
October	Oct-08	252,690.10	126,345.05	38,554.33	164,899.38	65.26%
November	Nov-08	252,649.70	126,324.85	41,872.98	168,197.83	66.57%
December	Dec-08	221,938.45	110,969.23	32,946.35	143,915.57	64.84%
		<u>2,543,236.34</u>	<u>1,271,618.17</u>	<u>463,531.77</u>	<u>1,735,149.94</u>	68.23%

CY 2009

January	Jan-09	178,384.09	89,192.05	32,548.18	121,740.22	68.25%
February	Feb-09	242,496.99	121,248.50	42,520.96	163,769.45	67.53%
March	Mar-09	190,525.07	95,262.54	33,455.11	128,717.65	67.56%
April	Apr-09	177,542.78	88,771.39	30,018.19	118,789.58	66.91%
May	May-09	194,828.05	97,414.03	36,369.80	133,783.82	68.67%
June	Jun-09	184,099.92	92,049.96	29,353.36	121,403.32	65.94%
July	Jul-09	192,337.97	96,168.99	31,116.43	127,285.41	66.18%
August	Aug-09	216,207.91	108,103.96	35,845.32	143,949.27	66.58%
September	Sep-09	211,135.19	105,567.60	31,850.09	137,417.68	65.09%
October	Oct-09	264,999.96	132,499.98	32,820.65	165,320.63	62.39%
November	Nov-09	207,465.01	103,732.51	34,504.42	138,236.92	66.63%
December	Dec-09	190,636.55	95,318.28	32,138.42	127,456.69	66.86%
		<u>2,450,659.49</u>	<u>1,225,329.75</u>	<u>402,540.90</u>	<u>1,627,870.64</u>	66.43%

CY 2010

January	Jan-10	185,658.75	92,829.38	28,244.61	121,073.98	65.21%
February	Feb-10	254,137.92	127,068.96	40,948.12	168,017.08	66.11%
March	Mar-10	172,312.36	86,156.18	29,189.20	115,345.38	66.94%
April	Apr-10	171,716.51	85,858.26	29,109.11	114,967.37	66.95%
May	May-10	192,926.64	96,463.32	36,251.55	132,714.87	68.79%
June	Jun-10	216,445.41	108,222.71	31,554.58	139,777.28	64.58%
July	Jul-10	181,026.41	90,513.21	30,823.46	121,336.66	67.03%
August	Aug-10	214,687.31	107,343.66	39,320.02	146,663.67	68.32%
September	Sep-10	183,353.65	91,676.83	31,512.35	123,189.17	67.19%
October	Oct-10	247,659.81	123,829.91	32,729.78	156,559.68	63.22%
November	Nov-10	198,488.40	99,244.20	34,190.91	133,435.11	67.23%
December	Dec-10	184,785.69	92,392.85	32,371.50	124,764.34	67.52%
		<u>2,403,198.86</u>	<u>1,201,599.43</u>	<u>396,245.16</u>	<u>1,597,844.59</u>	66.49%

CY 2011

January	Jan-11	188,903.78	94,451.89	30,405.73	124,857.62	66.10%
February	Feb-11	244,980.47	122,490.24	41,749.62	164,239.85	67.04%
March	Mar-11	183,587.36	91,793.68	30,549.05	122,342.73	66.64%
April	Apr-11	176,658.64	88,329.32	29,156.17	117,485.49	66.50%
May	May-11	212,276.62	106,138.31	36,908.59	143,046.90	67.39%
June	Jun-11	192,095.54	96,047.77	32,251.42	128,299.19	66.79%
July	Jul-11	194,640.63	97,320.32	31,164.36	128,484.68	66.01%
August	Aug-11	234,072.26	117,036.13	42,652.87	159,689.00	68.22%
September	Sep-11	196,757.89	98,378.95	29,813.50	128,192.44	65.15%
October	Oct-11	265,528.29	132,764.15	34,677.11	167,441.25	63.06%
November	Nov-11	221,354.74	110,677.37	39,220.79	149,898.16	67.72%
December	Dec-11	169,902.18	84,951.09	31,159.99	116,111.08	68.34%
		<u>2,480,758.40</u>	<u>1,240,379.20</u>	<u>409,709.19</u>	<u>1,650,088.39</u>	66.52%

Month	Period	City Wide Point of Sales	50% POS	Population Dist.	Total Distribution	% of POS
CY 2012						
January	Jan-12	199,198.19	99,599.10	35,774.86	135,373.95	67.96%
February	Feb-12	269,440.65	134,720.33	44,748.15	179,468.47	66.61%
March	Mar-12	187,382.94	93,691.47	30,625.13	124,316.60	66.34%
April	Apr-12	181,668.78	90,834.39	32,242.71	123,077.10	67.75%
May	May-12	231,410.83	115,705.42	42,744.43	158,449.84	68.47%
June	Jun-12	195,679.89	97,839.95	33,187.24	131,027.18	66.96%
July	Jul-12	204,193.83	102,096.92	34,239.20	136,336.11	66.77%
August	Aug-12	245,750.36	122,875.18	45,583.41	168,458.59	68.55%
September	Sep-12	190,404.07	95,202.04	31,717.17	126,919.20	66.66%
October	Oct-12	346,904.35	173,452.18	38,808.72	212,260.89	61.19%
November	Nov-12	210,337.25	105,168.63	40,886.79	146,055.41	69.44%
December	Dec-12	187,391.80	93,695.90	34,026.59	127,722.49	68.16%
		<u>2,649,762.94</u>	<u>1,324,881.47</u>	<u>444,584.36</u>	<u>1,769,465.83</u>	<u>66.78%</u>
CY 2013						
January	Jan-13	149,744.10	74,872.05	34,537.30	109,409.35	73.06%
February	Feb-13	271,918.22	135,959.11	46,574.18	182,533.29	67.13%
March	Mar-13	190,704.12	95,352.06	35,357.43	130,709.49	68.54%
April	Apr-13	192,087.42	96,043.71	33,350.86	129,394.57	67.36%
May	May-13	230,625.65	115,312.83	44,142.35	159,455.17	69.14%
June	Jun-13	205,791.76	102,895.88	32,833.05	135,728.93	65.95%
July	Jul-13	235,462.35	117,731.18	35,877.17	153,608.34	65.24%
August	Aug-13	231,131.45	115,565.73	43,749.57	159,315.29	68.93%
September	Sep-13	240,276.70	120,138.35	36,487.14	156,625.49	65.19%
October	Oct-13	310,048.74	155,024.37	38,384.77	193,409.14	62.38%
November	Nov-13	220,690.73	110,345.37	41,480.51	151,825.87	68.80%
December	Dec-13	207,255.16	103,627.58	35,045.45	138,673.03	66.91%
		<u>2,685,736.40</u>	<u>1,342,868.20</u>	<u>457,819.76</u>	<u>1,800,687.96</u>	<u>67.05%</u>
CY 2014						
January	Jan-14	223,219.24	111,609.62	34,641.72	146,251.34	65.52%
February	Feb-14	283,008.46	141,504.23	46,967.86	188,472.09	66.60%
March	Mar-14	218,524.32	109,262.16	35,026.48	144,288.64	66.03%
April	Apr-14	198,853.03	99,426.52	33,964.54	133,391.05	67.08%
May	May-14	224,551.11	112,275.56	44,012.48	156,288.03	69.60%
June	Jun-14	231,288.46	115,644.23	36,196.42	151,840.65	65.65%
July	Jul-14	238,649.76	119,324.88	36,274.09	155,598.97	65.20%
August	Aug-14	251,774.36	125,887.18	44,733.30	170,620.48	67.77%
September	Sep-14	229,314.06	114,657.03	37,398.59	152,055.62	66.31%
October	Oct-14	315,565.49	157,782.75	39,769.82	197,552.56	62.60%
November	Nov-14	247,657.23	123,828.62	44,527.49	168,356.10	67.98%
December	Dec-14	219,118.90	109,559.45	37,415.29	146,974.74	67.08%
		<u>2,881,524.42</u>	<u>1,440,762.21</u>	<u>470,928.06</u>	<u>1,911,690.27</u>	<u>66.34%</u>



January 20, 2015

VIA FEDERAL EXPRESS

Mayor Ken Romney
City Manager
West Bountiful City
550 North 800 West
West Bountiful, Utah 84087

Re: The Commons at West Bountiful

Dear Mayor Romney,

In 2002 we began working on The Commons at West Bountiful. Although the Participation Agreement with the City which formalizes the obligations of the various parties is dated June 30, 2004, work on the project began several years earlier. It was an extremely complicated project, involving 27 property owners. The project included numerous buildings in widely different states of repair and included some derelict, rat infested buildings. As you will recall, the area was severely underutilized with many vacant parcels and buildings. It was a "redevelopment project" in the truest sense of the word. The development of this portion of West Bountiful required a developer with sufficient determination to go the extraordinary lengths necessary to clean up the property.

We ran into issues with several property owners that wanted unrealistic prices for their property and we had numerous meetings with City officials before we agreed on the final terms and conditions upon which those parcels were purchased. The only way we could proceed on the project was with the commitment made by the Agency, using monies received from the City, to reimburse us for a portion of the costs for acquisition and development of the project. Those agreements were reduced to writing in the Participation Agreement. There is one amendment to the Participation Agreement dated July 5, 2005 which included notice that the Participant's rights under the agreement had been assigned to West Bountiful Commons Partners, L.C. Reference to the Participation Agreement in this letter refers to the Participation Agreement as amended. The Participation Agreement provides that the developer is to be reimbursed approximately \$15,624,373 (see below).

At the time we started the redevelopment process, Randy Sant was retained as a consultant to the City and/or The West Bountiful City Redevelopment Agency (the "Agency"). Randy, I believe in conjunction with Jason Burningham, provided economic analysis regarding the projected tax increment and sales tax that could be generated from the project. After careful consideration of all available information, we decided to proceed with the project. As you know, the development of the project has been completed and continues to be a boon to the City. I believe that a review of history

of the development would show that the development was constructed as promised and when promised. In fact, I have been in meetings on several occasions in which Jason Burningham has stated that we not only complied with the requirements that the City imposed on us, but that we in fact exceeded those requirements and developed a shopping center that is truly a benefit to the City. The architecture, variety of tenants and quality of tenants have resulted in a project that is a significant asset to the City and its residents.

As you know, our anticipated receipt of the approximately \$15.6 Million "Participation Obligation" under the Participation Agreement was based solely on projected receipt of tax increment and sales tax. We fully acknowledge that the Agency's obligation to pay the Participation Obligation is based on actual monies received for real property tax increment and sales tax related to the project.

As amended, the Participation Agreement provides that Tax Increment received by the Agency would be paid to the Participant "over a twenty-five (25) year period of time." The Participation Agreement provides that the Sales Tax would initially be paid "for an initial period of ten (10) years which is defined as the "Sales Tax Payment Period." The Sales Tax Payment Period began January 2006, which was the date we received the first payment of Sales Tax. We note, however, that since it was uncertain at the time of our discussions with the Agency and the City whether or not the Participant would receive the Agency's portion of the Participation Obligation during the initial ten (10) years, the parties agreed to the following language which is in Section 3.3.4.2 of the Participation Agreement:

In the event that Participant has complied with its development obligations with respect to Phases I, II and III and has not received the total amount of the Agency's Participation Obligation, including the Completion Incentive, prior to the expiration of the initial ten (10) year Sales Tax Payment Period, the Agency shall seek, in good faith, to obtain an extension from the City of the Sales Tax Payment Period for the amount of time estimated to be necessary for Participant to receive the full amount of the Participation Obligation that Participant is entitled to receive; provided, however, that in no event shall such extension be longer than an additional ten (10) years.

In Section 3.3 of the Participation Agreement, the Participation Obligation is defined as follows:

Participation Obligation (see Section 3.3.1)	\$10,800,000
Interest (through 12/31/13) (see Section 3.3.2)	<u>2,824,373</u>
Sub-total	\$13,624,373
Completion Incentive (see Section 3.4)	<u>2,000,000</u>
Total Obligation	\$15,624,373

Mayor Ken Romney
January 20, 2015
Page 3

As the Agency records will show, the total of the payments applicable to the Participation Obligation that have been paid to us as the "Participant" under the Participation Agreement through December 31, 2014 is:

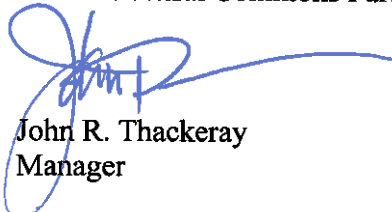
Sales Tax	\$2,462,435.58
Property Tax Increment	<u>\$1,210,279.17</u>
Total	\$3,672,714.75

Currently, \$11,951,658 of the Participation Obligation remains unpaid. Based on the date that the first payment of Sales Tax was received, as noted above, the initial ten (10) year period will expire December 31, 2015. Based on the payment history for both the Tax Increment and Sales Tax, it is unreasonable to expect that the full amount of the Participation Obligation will be paid prior to the end of that initial ten (10) year period. Therefore, it is respectfully requested that the Agency formally request an extension of the Sales Tax Payment Period from the City as contemplated by Section 3.3.4.2 of the Participation Agreement. Based upon the payment history for both the Tax Increment and Sales Tax, we request that the extension be for the full ten (10) years permitted by Section 3.3.4.2.

While the initial ten (10) year Sales Tax Payment Period expires in December 2015, we are in the process of refinancing this project. As you would expect, as part of the underwriting for any new loan secured by the project, it is critical that agreements be in place which will permit the Participant to receive the full amount of the Participation Obligation as originally agreed in the Participation Agreement. An extension of the Sales Tax Payment Period will not change the fact that the Agency's obligation to pay is always subject to the City's and the Agency's actual receipt of the Tax Increment and Sales Tax which can then be remitted through the Agency to the Participant as contemplated by the Participation Agreement as agreed to in 2004.

We continue to appreciate our relationship with the City. Please advise if we can provide additional information that will be useful in support of the Agency's request to the City for an extension of the Sales Tax Payment Period. We will, of course, make ourselves available to attend meetings of the Agency or the City Council as invited to assist in the preparation and approval of the requested extension.

Very truly yours,
West Bountiful Commons Partners, L.C.



John R. Thackeray
Manager

cc: Duane Huffman, City Manager
Read R, Hellewell
Craig Smith
Jason Burningham



July 13, 2015

Duane Huffman
City Manager
West Bountiful City
550 North 800 West
West Bountiful, Utah 84087

RE: THE COMMONS AT WEST BOUNTIFUL

Dear Duane,

I appreciate your letter of June 15, 2015. Be advised that the summary information in this letter need not be subject to confidentiality restrictions permitted under Utah Code Annotated Section 53G-2-305(2). Please note, however, that any more specific information can only be submitted under the confidentiality protections offered for commercial information under the Utah Code. Further, in some instances, disclosure of specific rent information is prohibited under the terms of tenant leases.

As you know, the Participation Agreement provides that if the Developer met its development obligations (which we did), pursuant to Section 3.3.4.2, if we have not received the total amount of the Agency's Participation Obligation within the first ten years, we could request the Agency to seek an extension of the Sales Tax Payment Period for up to ten years. As the Agency's records show, we have not received the total amount of the Agency's Participation Obligation, and have made the request that the Agency seek the permitted extension.

Although the test to determine if the extension is available and justified is simply whether or not the Developer, having met its development obligations, has received the full amount of the Agency's Participation Obligation, including the Completion Incentive, we believe the following summary of the history of The Commons at West Bountiful development is instructive:

1. We began the project in 2002. A typical return on the costs incurred in development of retail centers in 2002 would have been from 9% to 10%. Today the return on costs could range from 8½% to 9%.

2. The cost to acquire the land was budgeted at \$9.00 / sq. ft. or about \$14.8 Million. The actual cost of the land was about \$29.5 Million. The total cost of the project was about \$57.3 Million so the land assemblage was the most difficult part of the project. We paid approximately \$14.7 Million over the projected budget for land costs. Purchase prices for parcels were discussed with the Agency and it was expected that the excess land costs would be (and are) reflected in the project budget and the potential reimbursements to the developer.

At the time we developed this project, neither the City nor we wanted to use condemnation proceedings. Therefore, we ended up paying more than budgeted for the acquisition of property after property. We needed 100% of the property in order for the project to proceed and, therefore, the "holdout" property owners dramatically increased the costs. For example, the Mexican restaurant (which was a tenant only and not an owner) had only about three years remaining on a lease, but in the end it cost \$350,000 to buy-out that lease. As you know, with the property assembled and cleaned up, it is the best site in Davis County. That does not change the reality of the excess costs that were incurred to acquire the land for the project.

3. Net operating income for the entire project, before Agency participation through either tax increment or sales tax participation payments, is approximately \$4.1 Million annually, which includes the ground leases with Lowes and Costco. To achieve this rental income number, our rents are among the highest in Davis County. We have done everything we can to maximize income on this project.
4. The return on the cost of development, without West Bountiful participation, is 7.16%. You have the numbers for the West Bountiful participation. With an average of approximately \$420,000 per year in West Bountiful participation from both sales and property tax reimbursement, the net operating income is \$4,520,000 (which is our return on the cost of development) is only about 7.89%. As you can see, that return is below the market return for this type of project in today's real estate market and well below the market which existed when the project budget was approved.

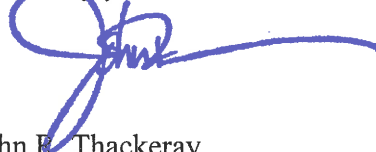
We recognize that the project sales tax receipts shown on the project budget are only estimates and understand that there is no guaranty of payment. Agency records will show that through December 2015, we should receive \$2,791,771 (that assumes the total of 2015 payments will equal the total of 2014 payments which was \$346,472). The budgeted amount to be received for the same period was projected to be \$6,572,283. The deficiency is \$3,780,512. If sales tax payments to us continue at the same rate as 2014 even for the 10 year extension, the payments will not make up

Duane Huffman
City Manager
July 13, 2015
Page 3

that deficiency in the extension years [$\$346,472 \times 10 = \$3,464,720$]. We are, therefore, requesting that the extension be for the full ten years permitted in the Participation Agreement.

In summary, the project maintains a positive cash flow because we have been able to maintain close to 100% occupancy and maximize rents. The project is, however, woefully short on providing the anticipated and typical return on costs for this type of project. We acknowledge that we did not bargain for, nor did the Agency promise a guaranteed return on our investment, but as the provision of the Participation Agreement shows, there was and is an expectation that we would have the maximum time period agreed upon to try to obtain the best possible return based upon receipt of the Agency's Participation Obligation through the Sales Tax Payment Period as extended. We are requesting the opportunity to continue to receive the sales tax participation payments so we can obtain the budgeted sales tax participation in order to more closely meet the budget expectations that were anticipated by all parties at the time the project and its budget were approved.

Very truly yours,



John R. Thackeray

cc: Read Hellewell
Armand D. Johansen

WEST BOUNTIFUL CITY REDEVELOPMENT AGENCY
RESOLUTION No. R195-15

A RESOLUTION OF THE WEST BOUNTIFUL CITY REDEVELOPMENT AGENCY
REQUESTING AN EXTENSION OF SALES TAX PAYMENT PERIOD
UNDER THE WEST BOUNTIFUL COMMONS PARTICIPATION AGREEMENT

WHEREAS, the West Bountiful City Redevelopment Agency (the "**Agency**"), West Bountiful City (the "**City**"), and Johansen-Thackeray Commercial Real Estate Services, L.C., and its approved successors and assigns ("**Participant**") entered into a participation agreement dated June 30, 2004 (the "**Participation Agreement**") with respect to the West Bountiful Commons Redevelopment Project Area (the "**Project Area**").

WHEREAS, under the Participation Agreement, the City agreed to allocate to the Agency a portion of certain Sales Tax revenues generated within the Project Area for payment to Participant for a period of ten (10) years (the "**Sales Tax Payment Period**").

WHEREAS, under Section 3.3.4.2 of the Participation Agreement, in the event Participant has complied with its development obligations but has not received the total amount of the Agency's Participation Obligation (as defined in the Participation Agreement) within the Sales Tax Payment Period, the Agency shall seek, in good faith, to obtain an extension from the City of the Sales Tax Payment Period.

WHEREAS, the extension referred to above, if granted, would be for the period of time, not to exceed ten (10) years, estimated to be necessary for Participant to receive the full amount of the Participation Obligation that Participant is entitled to receive (the "**Extension**").

WHEREAS, the development within the Project Area has been and continues to be an economic benefit to the community.

WHEREAS, the Participant has maintained the development within the Project Area to a high standard.

WHEREAS, the Agency finds that Participant has not received, and will not receive, the total amount of the Agency's Participation Obligation within the Sales Tax Payment Period. Without waiving any of its rights under the Participation Agreement, the Agency desires to seek, in good faith, to obtain the Extension from the City in accordance with the Participation Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE WEST BOUNTIFUL CITY REDEVELOPMENT AGENCY:

1. REQUEST TO EXTEND SALES TAX PAYMENT PERIOD. The Agency, in good faith, hereby requests the City to grant the Extension.

2. NO WAIVER OF RIGHTS. The Agency hereby reserves all rights under the Participation Agreement, and nothing in this Resolution shall be construed as a waiver of any

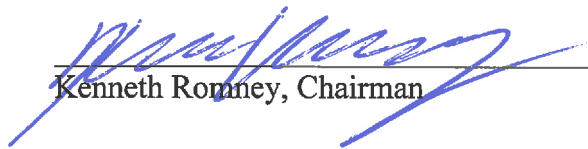
such right or of any obligation of any other party to the Participation Agreement.

3. DEFINITION OF TERMS. Capitalized terms in this Resolution that are not otherwise defined shall have the meanings ascribed to them in the Participation Agreement.

4. AUTHORIZATION. The Agency's *Executive Director* is hereby authorized and directed to deliver, file, and record this resolution; and to execute, deliver, file, and record any other documents, approved by the City Attorney, and take any other actions, necessary to carry out the purposes of this resolution.

6. EFFECTIVE DATE. This resolution will take effect upon adoption.

ADOPTED and APPROVED this 1st day of September, 2015.


Kenneth Romney, Chairman

VOTING:

James Ahlstrom	Yea	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>
Mark Preece	Yea	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>
James Bruhn	Yea	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>
Debbie McKean	Yea	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>
Kelly Enquist	Yea	<input checked="" type="checkbox"/>	Nay	<input type="checkbox"/>

Attest:


Cathy Brightwell, Secretary



WEST BOUNTIFUL CITY

RESOLUTION #372-15

A RESOLUTION APPOINTING MEMBERS TO THE WEST BOUNTIFUL CITY ARTS COUNCIL

WHEREAS, the West Bountiful City Council established the West Bountiful City Arts Council by adoption of Ordinance #360-14; and,

WHEREAS, pursuant to the above referenced Ordinance, the Mayor shall appoint least six (6) and no more than twelve (12) voting members, with the advice and consent of the City Council;

WHEREAS, a member of the Arts Council announced her retirement from the Arts Council ;

NOW THEREFORE, BE IT RESOLVED by the City Council of West Bountiful City that it consents to the Mayor’s appointment of Rick George to the West Bountiful Arts Council to replace Coleen Maloy, with a term ending December 31, 2016.

EFFECTIVE DATE. This resolution shall take effect immediately upon passing.

Passed and approved by the City Council of West Bountiful City this 20th day of October, 2015.

Ken Romney, Mayor

Voting by the City Council: Aye Nay

Councilmember Ahlstrom	_____	_____
Councilmember Bruhn	_____	_____
Councilmember Enquist	_____	_____
Councilmember McKean	_____	_____
Councilmember Preece	_____	_____

ATTEST:

Cathy Brightwell, City Recorder

MEMORANDUM



TO: Mayor and City Council

DATE: October 15, 2015

FROM: Ben White

RE: Pages Lane Project Scope of Work

The Pages Lane project began as a water line replacement project in 2013. Since that time, the scope of the project has continued to grow. As staff completes the design and prepares to send the project to contractors to bid, we thought it wise to review the overall scope of the project and the steps to proceed with the project.

Water Line

Replace the city water line from 800 West to 550 West including fire hydrants, valves and service laterals to the water meter (and including most water meter infrastructure).

Storm Drain

Replace the existing failing storm drain pipe along the south side of Pages Lane from 680 West to 550 West. Where the abandoned pipe is not under existing curb, the pipe will be removed. In areas where the abandoned pipe is under existing curb, it will be filled with sand or concrete with the ends capped with concrete. This is in an effort to prevent future settling as the pipe continues to deteriorate. Many homes have private drain lines connecting to the existing storm drain. This project will connect all existing private drain lines to the new storm drain pipe.

The City has had existing storm drain pipe capacity problems from 700 West to 800 West in recent years. The problem appears to be two fold (1) too small of storm drain pipe (2) tree roots restricting the flow capacity of the pipe. We have recently removed the tree roots, which will significantly help. But we also believe that the opportunity costs of installing a second storm drain in the future are too high to not increase the capacity now before curb and additional asphalt is installed. Therefore, the project includes a new 18" storm drain pipe from 860 West to 700 West on the south side of the road.

Curb and Gutter

Construct curb wherever it does not already exist between 800 West and 550 West. We will also be replacing short sections of existing curb around new fire hydrants, catch basins, water meters and badly damaged or improperly draining areas.

Bike Lane Striping

Bike lane striping will be placed from 800 West to Main Street. From Main Street to 400 East, only “share the road” signs will be installed.

Asphalt Surface

Construct new asphalt to widen the street to a consistent width to match curb all the way along the street. New asphalt will also be installed where it is removed for water and storm drain construction. The remainder of the road will have the last overlay removed and 3” of new asphalt place over the entire roadway.

Sidewalk

A 4’ wide sidewalk will be constructed on both sides of the street where it is currently missing. The sidewalk will only vary from its standard location if it is necessary to shift 3-6 inches to avoid a tree. The north side will be bid as a Bid Additive item.

Park Strip

A 4’ wide park strip will be created on both sides of the street between the curb and sidewalk. The park strip will have an irrigation sleeve under the sidewalk in front of each house. The park strip will be backfilled and left with 4” of topsoil.

Drive Approaches

Every property with current driveways will have a concrete drive approach between the curb and sidewalk at the approximate same location and width.

Driveways

The project includes replacing impacted driveways with a like kind material. Gravel driveways will be replaced with gravel. Concrete driveways will be replaced with slopes not to exceed about 7%. We will make every effort to replace entire concrete panels where it is feasible and practical.

Front Yards

Landscaping in front yards will be graded to an approximate 5 feet horizontally to 1 foot vertical slope. New fill will be placed to match the new sidewalk elevation and sod replaced. Existing sprinklers which are impacted will be replaced in the front yard (but not installed in the park strip). Front yard trees that have branches that are too low in relation to the new sidewalk will either be removed or trimmed. The City intends to keep all trees we believe are likely to survive.

Impacted Improvements in Street Right of Way

Existing improvements in street right of way that are impacted by the widening of the street to place curb and sidewalk in its proper location will be removed. The most common items are trees, sod, a few bushes, fences and mail boxes.

Mail boxes will be relocated to the park strip.

The trees, sod and other landscape improvements will be removed.

Fences

There are a few fences that will be impacted by this project both within the right of way and on private property. The current intent is to replace/relocate impacted fences to an elevation that matches the new sidewalk elevation with a like kind fence, when possible.

The fence at 574 West with the hedges in the fence may not be replaced. Final discussion with the home owner still needs to take place.

The fence at 1585 N 550 W (SW corner of 550 West) cannot go back as it currently exists due to site safety issues. Final discussions with the home owner still need to occur.

Utility Companies (Rocky Mountain Power and CenturyLink)

Staff needs to take the final design back to these two utility companies to have them relocate facilities that are in the way of sidewalk or curb.

Construction Easements

Staff will need to visit with all property owners who do not currently have sidewalk in front of their house to secure a construction easement. If a property owner does not wish to grant the construction easement, the most like scenario will be that the new sidewalk and the existing driveway do not match in elevation. We would not be replacing driveways in those instances.

Property Acquisition

Staff will work with the property owners to acquire the necessary corner clips to construct the sidewalk around the street corner where necessary.

There is still a lot to get done in order to complete this project in advance of UDOT reconstructing 400 North Street next summer.

1 **West Bountiful City** **PROPOSED** **October 13, 2015**
2 **Planning Commission**

3 **Posting of Agenda** - The agenda for this meeting was posted on the State of Utah Public Notice
4 website and the West Bountiful City website, and sent to Clipper Publishing Company on
5 October 9, 2015 per state statutory requirement.

6 **Minutes of the Planning Commission meeting of West Bountiful City held on Tuesday,**
7 **October 13, 2015, at West Bountiful City Hall, Davis County, Utah.**

8

9 **Those in Attendance:**

10

11 **MEMBERS PRESENT:** Chairman Denis Hopkinson, Vice
12 Chairman Terry Turner, Laura Charchenko, Mike Cottle, and Alan
13 Malan, and Corey Sweat.

14

15 **MEMBERS EXCUSED:** Councilmember Kelly Enquist

16

17 **STAFF PRESENT:** Ben White (City Engineer), Cathy Brightwell
18 (City Recorder), and Debbie McKean (Secretary)

19

20 **VISITORS:** Robert West and his son.

21 The Planning Commission Meeting was called to order at 7:30 p.m. by Chairman Denis
22 Hopkinson. Denis Hopkinson gave a prayer.

23 **I. Accept Agenda.**

24 Chairman Hopkinson reviewed the agenda. Mike Cottle moved to accept the agenda as posted.
25 Alan Malan seconded the motion and voting was unanimous in favor.

26

27 **Business Discussed:**

28 **II. Consider Conditional Use Application for AutoZinc.com, LLC at 1090 W 500 South to**
29 **Display and Repair Vehicles to Be Sold.**

30 Included in the Commissioner's packet was a memorandum dated October 8, 2015 from Cathy
31 Brightwell and Ben White regarding AutoZinc.com, LLC, a Conditional Use Permit Application,
32 Site plan, and Commercial Business License Application from Robert West for AutoZinc.com
33 LLC, at 1090 West 500 South. Currently Mr. West operates an auto sales business by the same
34 name at 735 West 500 South in Woods Cross and desires a location nearby to hold and display

35 vehicles that he may not have room for on his sales lot. The West Bountiful location will be
36 used to display vehicles for sale, he will also perform minor service work on his own vehicles,
37 but not to the general public.

38 **The memorandum included the following information:**

- 39 • Request for Conditional Use Permit
- 40 • Reference to City Code 17.34.030 and 17.60.040
- 41 • Staff Recommendation

42 Cathy Brightwell reviewed the application received from Mr. West to display/store vehicles at
43 1090 West 500 South, and listed suggested conditions to grant the Conditional Use Permit along
44 with items from Section 17.60.040 of the Conditional Use ordinance to be considered by the
45 Commission. She added that the fire inspection was approved earlier today.

46 Chairman Hopkinson invited Mr. West to the stand. Mr. Robert West took the stand.

47 Chairman Hopkinson asked the Commission if they had any questions for Mr. West.

48 Corey Sweat, Mike Cottle, and Terry Turner had no questions of the applicant.

49 Laura Charchenko asked how much space he would have and how many cars would be on the
50 property at any given time. Mr. West responded a maximum of 25 cars at one time. He stated
51 that he does not yet hold a dealer license for this location but needs a business license from the
52 city before he can get it.

53 Alan Malan asked staff regarding the need to have a building permit for signs. Mr. White
54 responded that some signs need building permits. Mr. Malan questioned why he would not be
55 able to do sales at that location and have to return back to the city for another application. Mr.
56 West responded that he will not be selling at this time but plans to move that direction and will
57 let the city know when he does. He would appreciate the opportunity to extend into sales when
58 he is ready to do so without coming back for additional approval.

59 Mr. Hopkinson talked about how nice it will be to clean up the property. Mr. White informed
60 the Commission that in the spring, curb, gutter and sidewalk will be placed along the side of that
61 building (on 1100 West) by Holly which will cure the eye sore on the corner. Mr. West said he
62 has plans to paint the building and also stated that the storage units behind the building will
63 continue to be under the control of the property owner, not him as the lessee.

64 **ACTION TAKEN**

65 *Alan Malan moved to approve the Conditional Use Permit for Robert West/AutoZinc.com LLC*
66 *at 1090 West 500 South with the following conditions: Proof of insurance be provided;*
67 *building permit as needed for signs; vehicles on display will be operable and in sellable*

68 *condition; inventory will be limited to prevent the need to stack vehicles on the property; no*
 69 *outdoor storage other than vehicles to be sold will be allowed; and a business license will be*
 70 *purchased upon granting of the conditional use permit. The Commission finds as follows::*
 71 *The proposed use at the particular location is necessary or desirable to provide a service or*
 72 *facility that will contribute to the general well-being of the neighborhood and community; the*
 73 *proposed use will not be detrimental to the health, safety, or general welfare of persons*
 74 *residing or working in the vicinity; and the proposed use will conform to the intent of the city's*
 75 *general plan. Laura Charchenko seconded the motion and the following friendly amendment*
 76 *was made by Chairman Hopkinson.*

77 **Friendly Amendment:**

78 *Chairman Hopkinson offered a friendly amendment to require a copy of the dealer bond and*
 79 *to add language "after repair" following "all vehicles on display will be operable and in*
 80 *sellable condition." Alan Malan accepted that friendly amendment and Terry Turner*
 81 *seconded the motion, and voting was unanimous in favor.*

82 **III. Staff Report**

- 83 • Mr. White reported that he has talked with Ovation homes and they will most likely come
 84 before them with a formal proposal at their next meeting. Mr. Hopkinson commented
 85 that based on their earlier presentation, he does not see a benefit to the City for reducing
 86 the rear yard setback and he would not support a proposal to grant bonus density to any
 87 application that included the reduced setback proposal.
- 88 • Ben met with the developer (Plum) and Ivory homes about developing the Equestrian
 89 Center area. No specifics were provided but it is likely the developer will probably
 90 request a rezone and a PUD. Current zoning is Blended Use (BU) zone.
- 91 • Park update – the concrete work is finished. The volleyball courts are almost completed.
 92 Playground equipment may be put in next week. The large tree that was currently in the
 93 middle of the playground has been removed. It had too much dead wood to save it.
- 94 • A neighborhood meeting was held two weeks ago on the Pages Lane Project. Some
 95 residents were in favor and some not so much. Duane did a great job conducting the
 96 meeting. The project continues to grow with additional needs being found as we go
 97 forward.
- 98 • The old Shopko building is being converted to an At Home store that will likely open the
 99 first part of 2016.
- 100 • A Day Spa type business will take some of the space in the old Winger's location, and
 101 Tuesday Morning will go into the Halloween Express space when they leave next month.
- 102 • City Council is having a special meeting on Thursday night in regards to the Prospector
 103 Rail trail and upkeep and maintenance of the trail and right of way. UTA is clearing the
 104 right away at present and then the city will take over maintaining it. Some details need to

105 be worked out regarding what trees to remove and personal improvements done by
106 residents that abut the trail.

107
108
109

110 **V. Approval of Minutes for September 22, 2015**

111 **ACTION TAKEN:**

112 **Alan Malan moved to approve the minutes dated September 22, 2015 as corrected. Mike**
113 **Cottle seconded the motion and voting was unanimous in favor among those members**
114 **present.**

115

116 **VI. Adjournment**

117 **ACTION TAKEN:**

118 **Alan Malan moved to adjourn the regular session of the Planning Commission meeting at**
119 **8:10 pm. Laura Charchenko seconded the motion. Voting was unanimous in favor.**

120

121
122 The foregoing was approved by the West Bountiful City Planning Commission on October 27, 2015, by
123 unanimous vote of all members present.

124 _____

125 Cathy Brightwell - City Recorder

126

127

128

West Bountiful City Finance Report

As of August 31, 2015 (17% of the Year)

The following tables provide a snapshot of the City's financial status as of August 31, 2015. The following are items of note (highlighted in yellow on the tables below):

Line #2: Taxes are so far below the previous year primarily due to a delay in the receipt of personal property taxes.

Line #33: The largest share of these expenditures comes from paving the trail at the Birnam Woods park. this was budgeted for in FY 15 but did not occur until July of the current fiscal year. A budget amendment will be needed.

Line #64: Water revenues are up due to impact fee collections.

Also included with this month's report is a summary of RAP Tax fund balances and City Park Improvement expenditures (playground and volleyball court).

	Prior YTD	Current YTD	Budget	YTD % of Budget
1 General Fund Revenues				
2 Taxes	\$801,569	\$455,041	\$3,434,699	13%
3 Licenses and Permits	\$31,226	\$46,167	\$89,750	51%
4 Intergovernmental	\$32,585	\$35,629	\$208,000	17%
5 Charges for Services	\$10,237	\$1,195	\$25,200	5%
6 Fines	\$19,387	\$10,983	\$80,000	14%
7 Misc	\$2,572	\$4,113	\$13,000	32%
8 Contributions/Transfers	\$0	\$0	\$226,200	0%
9 Total GF Revenue	\$897,576	\$553,128	\$4,076,849	14%
10				
11 General Fund Expenditures				
12 Legislative	\$2,034	\$8,021	\$48,281	17%
13 Court	\$3,926	\$4,030	\$24,500	16%
14 Administrative	\$30,305	\$39,955	\$265,843	15%
15 Engineering	\$15,370	\$11,512	\$76,226	15%
16 Non-Departmental	\$47,313	\$49,001	\$202,300	24%
17 Govt. Buildings	\$8,958	\$11,668	\$94,000	12%
18 Planning/Zoning	\$7,859	\$4,835	\$40,336	12%
19 Police	\$134,864	\$151,159	\$1,033,637	15%
20 Fire	\$106,609	\$118,819	\$480,029	25%
21 Streets	\$18,039	\$29,858	\$242,529	12%
22 Class C	\$134,053	\$0	\$195,500	0%
23 Parks	\$25,566	\$42,509	\$243,538	17%
24 Debt	\$0	\$0	\$156,000	0%
25 Transfers/Sales Tax Sharing	\$88,299	\$88,565	\$985,015	9%
26 Total GF Expend	\$623,196	\$559,931	\$4,087,734	14%
27				

	Prior YTD	Current YTD	Budget	YTD % of Budget	
28					
29	RAP Tax Fund				
30	Revenues	\$39,330	\$34,566	\$224,334	15%
31	Expenditures				
32	Equipment			\$0	
33	Park Improvements	\$2,666	\$36,178	\$200,000	18%
34	Legacy Trail			\$0	
35	Trail Protection			\$0	
36	Restroom			\$0	
37	General Fund Trans	\$0	\$0	\$4,500	0%
38	Fund Balance	\$0	\$0	\$20,834	0%
39	Total RAP Expend	\$2,666	\$36,178	\$225,334	16%
40					
41	RDA Fund				
42	Revenues	\$0	\$0	\$500,200	0%
43	Expenditures	\$12,595	\$11,317	\$500,199	2%
44					
45	Government Impact Fees				
49	Revenues	\$10,988	\$42,063	\$83,615	50%
53	Expenditures	\$0	\$9,784	\$293,615	3%
54					
55	Jessi's Meadows				
56	Revenues	\$0	\$6	\$12,025	0%
57	Expenditures	\$0	\$200	\$12,025	2%
58					
59	Streets Capital				
60	Revenues	\$0	\$0	\$212,500	0%
61	Expenditures	\$0	\$27,270	\$641,000	4%
62					
63	Water				
64	Revenues	\$252,272	\$277,557	\$2,541,984	11%
65	Expend (non-capital)	\$147,755	\$61,055	\$955,132	6%
66	Capital	\$90,353	\$32,662	\$2,672,000	1%
67					
68	Solid Waste				
69	Revenues	\$62,081	\$62,506	\$382,248	16%
70	Expenditures	\$52,894	\$37,873	\$366,904	10%
71					
72	Storm Water				
73	Revenues	\$33,250	\$33,825	\$117,000	29%
74	Expenditures	\$1,929	\$7,258	\$321,358	2%
75					
76	Golf				
77	Revenues	\$223,484	\$248,419	\$1,074,461	23%
78	Expenditures				
79	Pro-Shop	\$49,870	\$48,003	\$289,001	17%
80	Grounds	\$75,506	\$73,643	\$423,417	17%
81	Range	\$10,031	\$10,070	\$27,554	37%
82	Café/Merch	\$28,015	\$17,763	\$92,000	19%
83	Debt	\$8,287	\$6,915	\$246,971	3%
84	Golf Expend Total	\$171,708	\$156,393	\$1,078,943	14%

RAP Tax Fund Review

Estimates as of 10/15/2016

Beginning FY 15 RAP Balance	\$184,669
FY 15 Revenues	\$222,353
FY 15 Expenditures	\$78,043

Beginning FY 16 RAP Balance	\$328,979
FY 16 Projected Revenues	\$225,000
FY 16 Other Expenditures	\$36,500
FY 16 AVAILABLE FOR CITY PARK	\$517,479

Occurred Expenditures	
Playground Equipment/Wood Chips	\$134,560
Playground Concrete	\$52,276
Volleyball Concrete/Sand	\$82,900
Volleyball Poles/Nets	\$2,101
Tree Pruning	\$3,750
Irrigation	\$2,252
Volleyball Lighting	\$13,344
	<hr/>
Subtotal	\$291,183

Outstanding Expenditure Estimates	
Tree Removal	\$2,000
Wood Chips Change Order	\$5,000
Playground Concrete Change Order	\$15,000
Benches	\$8,000
Playground Security Light	\$2,500
Irrigation	\$5,000
	<hr/>
Subtotal	\$37,500

Total Projected for Current Park Improvements	\$328,683
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1 **Minutes of the West Bountiful Special City Council meeting held on Tuesday, October 6, 2015**
2 **at West Bountiful City Hall, 550 N 800 West, Davis County, Utah.**

3
4 Those in attendance:

5
6 **MEMBERS:** Mayor Ken Romney, Council members James Bruhn, Kelly Enquist, Debbie
7 McKean, and Mark Preece

8
9 **EXCUSED:** Council member James Ahlstrom

10
11 **STAFF:** Duane Huffman (City Administrator), Steve Doxey (City Attorney), Steve
12 Maughan (Public Works Director), Ben White (City Engineer), Police Chief Todd Hixson,
13 Cathy Brightwell (City Recorder/Secretary)

14
15 **VISITORS:** Boy Scout Troop 280 members Ryan Morton, Kyle Hilton, Jake Andresen,
16 Carter Stowell, A.J. Wilkins, and Alan Malan, Andy Williams, Fire Chief Bassett

17
18
19 Mayor Romney called the regular meeting to order at 7:30 pm.

20
21 Invocation/thought – Members of Boy Scout Troop 280 led the Pledge of Allegiance, and recited the
22 Scout Oath and Scout Law.

23
24 **1. Accept Agenda**

25
26 **MOTION:** *Debbie McKean moved to approve the agenda as posted. James Bruhn*
27 *seconded the Motion which PASSED by unanimous vote of all members*
28 *present.*

29
30 **Public Comment**

31
32 No comment.

33
34 **2. Approve Poll Workers Jennifer Cottle, Lucile Eastman, Leena Anderson, Christine**
35 **Harker, Arline Mann, Melissa Paschal, and Esther Miller for the General Election.**

36
37 **MOTION:** *James Bruhn moved to appoint poll workers listed above for the 2015*
38 *General Election and allow the Election Official to fill any vacancies that*
39 *may arise between now and Election Day. Mark Preece seconded the*
40 *Motion which passed by unanimous vote of all members present.*

41 **3. Discuss Resident Participation in Sidewalk Replacement and Tree Removal.**

42
43 Duane Huffman presented a memo related to property owner responsibilities for the costs of
44 repairing sidewalks and removing trees when needed, pursuant to Section 12.04.020 of the City
45 Code.

46 This issue has come up due to several recent reported instances of falls, including cases
47 where injuries were involved. He explained that we recently completed a sidewalk inventory that
48 revealed at least 153 areas of raised sidewalk. Trip hazards were identified and painted orange to
49 prevent accidents. In many instances, damage is caused by tree roots in the park strip although there
50 are also at least 19 trees on private property causing damage.

51 There was discussion about balancing the difference between sidewalk damage with directly
52 attributable causes (trees, vehicles, etc) vs. damage from normal wear and tear. It was suggested that
53 if damage was caused by natural causes not due to anyone's fault, the city should fix the damage.

54 Grinding versus sidewalk replacement was also discussed. Grinding may be a good option
55 for situations where the displacement is not too great and is not likely to continue in the near future.
56 Steve will talk with companies who do grinding to get more information.

57 There was consensus to have the city move forward this year to get a unit price for concrete.
58 Based on available budget, we will prioritize and methodically address areas of dangerous sidewalk.
59 To begin, the city will fix sidewalk damage not attributed to property owner causes, and the city will
60 bear 100% of the cost. We will also work to alert residents to their responsibility if the sidewalk has
61 been damaged by trees or other similar causes, and give them a year or two to prepare for the
62 financial impact. We will also begin the process of amending the current ordinance to clarify
63 resident obligations when the sidewalk has been damaged by an attributable cause (current
64 ordinances read that residents could be held responsible for 50% of the cost regardless of the cause).
65

66 **4. Engineering/Planning Commission Report. (Ben White)**

67
68 a. Pages Lane Project - Staff is still working on designs for the project. The plan is to have a
69 design ready to present to the Council in two weeks. He asked if there were any outstanding issues.
70 There was some discussion about how to handle residents who would prefer retaining walls vs. fill
71 brought into their yard to slope up to the new sidewalk. Staff will prepare the bid documents with the
72 slope option, but we may be able to work with individual residents once we know a cost difference.
73 The property on the corner of 800 W and Pages with a deferral agreement related to sidewalk
74 improvement was also discussed, as to whether it was fair to require this property to pay for
75 improvements. More discussion will take place at future meetings.

76
77 b. Park Update – A playground preconstruction meeting is scheduled for Thursday. The
78 Council was reminded that the playground area had been re-designed to save several large trees and
79 even included one left in the playground area. That tree now has shown signs of significant decay
80 and we believe it could be a hazard so it will be removed before the playground is installed. New
81 trees (tulip trees) are being ordered; they are on the state forestry list of desirable trees, are quick
82 growing, and disease resistant. Because of demand they are difficult to get.

83 Steve Maughan added that in an effort to keep existing trees healthy, we will work with a
84 contract arborist, who is more specialized than our staff, to take care of them.

85
86 c. Planning commission meeting review – Ovation homes is still working on their proposal.
87
88

89 **5. Administrative Report/Financial Report.**

90
91 Financial report –

- 92 • First quarter sales tax revenues are 2% below last year. Because we projected they would
93 increase 3% in the budget, there is a negative 5% difference between budget and actuals.
94 Staff is researching reasons for the discrepancy including some lost businesses, and a
95 couple companies from whom it appears we have not received taxes. If the trend
96 continues we may need to make budget adjustments.
- 97 • Property taxes are also below budget. We have not received normal summer payments.
98 Holly may be appealing its personal property tax amounts which could be causing the
99 delay.
- 100 • Building permits are up 50% from this time last year.

101
102 Mr. Huffman will have a summary at the next meeting itemizing park resources, along with a
103 fully detailed financial report. He said the budget looks good and department heads are doing a good
104 job managing their budgets. Mayor Romney asked him to check on fire impact fee payments to the
105 Fire Agency.

106 Mr. Huffman also reported that it appears FY15 (2014-2015) had the golf course's highest
107 revenues on record. In response to questions, Paul Holden said the Café is doing well. They liked
108 their first season at Lakeside and were busier than expected. He expects them to continue next year.
109 Paul said there have been some concerns from golfers with not having a quick, inexpensive meal
110 available, which they have now addressed.

111
112 Miscellaneous – the November 3rd city council meeting will be cancelled for the election.
113 Instead, council members and their spouses have been asked to judge a school project at West
114 Bountiful elementary school. Staff will double check, but this type of event will likely not require
115 open meeting notices.

116 A work session is being planned for the October 20th meeting to discuss sales tax sharing at
117 the Commons. Mr. Thackeray would like an opportunity to talk in an informal setting. Mr.
118 Huffman is working on a report related to the history of this issue. To accommodate schedules, the
119 work session may need to begin at 5:30.

120 UTA has hired a contractor to clear all vegetation on the Prospector Rail trail. They have
121 been asked to limit closures of the trail to areas and times they are working. We have also clarified
122 that we expect them to clear the trail - not mow it. They plan to be finished in two weeks.

123 Ivory Homes has asked to meet with staff this Friday regarding development on the Plum
124 property (Equestrian center).

125
126 **6. Mayor/Council Reports.**

127
128 Mark Preece – YCC is planning a training retreat at the end of month. South Davis Sewer
129 has called a special meeting to discuss alternative fuel process.

130
131 James Bruhn – Wasatch Integrated is in the process of converting its recycle facility to a
132 thrift store and will hire special needs individuals to refurbish and sell items. Their new entry/access
133 road is waiting for UDOT to install a traffic light before it can open. The new road will allow users
134 to access the facility without driving through residential areas.

135 Council member Bruhn discussed the Planning Commission's recent approval of a seven foot
136 fence for Terry Nilson where his property abuts the city park. He is concerned that the plans show a
137 one foot space between the ground and the bottom of the fence, and also would like to have him put
138 the nice side of the fencing on the Park side. There was discussion about whether our ordinance
139 gives us authority to tell him how or what to build. It is unclear what he plans to do as he has not yet
140 filed his building permit for the fence.

141
142 Debbie McKean attended the mosquito conference in Provo. She said it was a great
143 conference and she was impressed with their trustee training. She gave a copy of the training
144 manual to Duane.

145 Arts Council is looking to fill a vacancy and has someone interested.

146 July 4, 2016 is on Monday – and there was discussion about when to hold the fireworks and
147 parade. It was suggested that she find out when Centerville plans to hold their parade so a decision
148 can be made at the next meeting.

149 She also raised a concern about the chains around the monument by the playground at the
150 Park. The chains attract children and could potentially cause injuries when they play on them. She
151 suggested we remove them. Steve Maughan will take a look at it.

152
153 Mayor Romney reminded members to be at the school to judge school projects on November
154 3rd at 7 pm. and added they are welcome to bring their spouse.

155 RAP tax – he asked if members are individually promoting the RAP tax. They were
156 reminded that they are free to support it on an individual level but not as a city.

157 There was a house fire last week on 725 West. Chief Bassett reported that the first fire
158 engine arrived in 6 minutes, and the second arrived in 8 minutes. West Bountiful benefits from
159 having 3 surrounding fire stations.

160
161 **7. Approval of Minutes from the September 15, 2015, and September 29, 2015 City**
162 **Council Meetings.**

163
164 **MOTION:** *Kelly Enquist moved to approve the minutes from the September 15, 2015*
165 *and September 29, 2015 meetings. James Bruhn seconded the Motion*
166 *which PASSED by unanimous vote of all members present.*

167
168 **8. Possible Executive Session for the Purpose of Discussing Items as Allowed, Pursuant to**
169 **Utah Code Annotated 52-4-205.**

170
171 There was no need for an Executive session.

172
173 **9. Adjourn**

174
175 **MOTION:** *James Bruhn moved to adjourn this meeting of the West Bountiful City*
176 *Council at 10:25 PM p.m. Mark Preece seconded the Motion which*
177 *PASSED by unanimous vote of all members present.*

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181 *The foregoing was approved by the West Bountiful City Council on Tuesday, October 20, 2015.*

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Cathy Brightwell (City Recorder)

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