**Tooele City Council and**

**Tooele City Redevelopment Agency**

**Business Meeting Minutes**

Date: Wednesday, October 7, 2015

Time: 7:00 p.m.

Place: Tooele City Hall, Council Chambers

 90 North Main Street, Tooele Utah

**Council Members Present**:

Brad Pratt, Chairman

Scott Wardle

Steve Pruden

Debbie Winn

Dave McCall

**City Employees Present**:

Mayor Patrick Dunlavy

Roger Baker, City Attorney

Glenn Caldwell, Finance Director

Michelle Pitt, City Recorder

Chief Ron Kirby, Chief of Police

Lisa Carpenter, Deputy Recorder

Jim Bolser, Public Works and Community Development Director

Paul Hansen, City Engineer

Randy Sant, RDA Director

Minutes prepared by Elisa Jenkins

Chairman Pratt called the meeting to order at 7:00 p.m. He welcomed Boy Scout Troop 1085 who were working on their Communications Merit Badge.

1. **Pledge of Allegiance**

The Pledge of Allegiance was led by Jim Bolser.

1. **Roll Call**

Brad Pratt, Present

Scott Wardle, Present

Dave McCall, Present

Steve Pruden, Present

Debbie Winn, Present

1. **UDOT Update on SR-36 Project**

Presented by Carlye Sommers & Jessica Rice

Ms. Rice and Ms. Sommers gave an update on the SR-36 construction project. A copy of their presentation is included with the minutes as Exhibit “A”.

Councilman Wardle was concerned if the snow comes early how they would plow the roads with the different elevation.

Ms. Rice said they would be putting in some transitions so there will not be a step offset in the road.

The contractor said that there will not be any large grade differentials left by the end of the year. Their intentions are that there will be no barriers in the winter so the road can be plowed.

Councilman McCall thanked UDOT for working as fast as they have, and noted what they have completed looks nice and it will be great when it is finished.

Ms. Sommers stated that there is a summary board out in lobby if anyone is interested and they will continue to post updates on their website.

A member from the audience asked if a left turn lane will be put in on 1000 North and 1280 North.

Ms. Rice said that there will be a left turn lane put in at 1280 north and 1000 north. They have a temporary situation right now because they are finishing the curb, gutter and sidewalk on each side of the road at those locations and when that is complete they will put the turn lanes back in.

Mayor Dunlavy stated that UDOT has been gracious to work with and they meet with them weekly to keep updated on the project and give suggestions. This project is much more than road surface there is a lot that has gone on underneath the road.

1. **Mayor’s Youth Recognition Awards**

Presented by Mayor Patrick Dunlavy, Heidi Peterson and Chief Ron Kirby

Mayor Dunlavy welcomed all those who have come to support these students. He thanked the students for the important role that they play in this community. He said that this award recognizes special young people for the good things they do in their homes, school and community. These young people will be the future leaders of Tooele. He introduced Heidi Peterson, Communities that Care Director and Chief Ron Kirby from the Tooele City Police Department.

Ms. Peterson thanked everyone for coming and supporting these students. Ms. Peterson said that this award is part of a bigger effort and they are very grateful to have leadership in the community that care about kids and the good things that they do. She stated that the Communities that Cares program evaluates the risks that kids are up against in the community and then they put programs into place to help them. She mentioned that there are three programs that the Communities that Care program offers in the community which are; 1) Second Step program which is in the elementary and secondary schools 2) Guiding Good Choices which is a family program; and 3) QPR, which is a new suicide prevention program. She encouraged anyone interested in the Guiding Good Choices Program or QPR to contact her. She explained that the students receiving this award will receive a backpack filled with donations from various businesses in the community and she thanked those businesses for their donations. She thanked the Tooele School District and the teachers for their support of the Communities of Care program in the schools. She also thanked the Police Department for their role in this program.

Ms. Peterson then presented the Mayor’s Community Recognition Awards to the following students:

DeVon Marshall, East Elementary

Karan Monsour, Harris Elementary

Nathan Flake, Harris Elementary

Jackson Deeter, Middle Canyon Elementary

Emma Shumway, Northlake Elementary

Logan Duersch, Overlake Elementary

Danson Coats, West Elementary

Ms. Peterson congratulated the students and thanked them for their efforts.

Mayor Dunlavy asked the recipients of this award to stand and he recognized them again for receiving this award. He said that he is amazed how much these students give to their family and the community. He also thanked their families for their support.

A brief recess was taken for a picture with the Mayor, the Council and the recipients of this award.

1. **Public Comment Period**

Chairman Pratt opened the public comment period to anyone who would like to come forward and address the Council.

Sharon Bodon, 55 North Main Street, Tooele addressed the Council. Ms. Bodon said that she is with Family Promise, Tooele County. She said that they have obtained a facility at 55 North Main Street. They will be having an open house at the end of October. She asked for the City’s support in their transition period.

Chairman Pratt closed the public comment period at 7:50 p.m.

1. **PUBLIC HEARING & MOTION Regarding the Issuance and Sale of not More than $5,500,000 Aggregate Principal Amount of Taxable Franchise Tax Revenue bonds, Series 2015 of Tooele City, Utah and to Allow Public Input Regarding the Potential Economic Impact that the Improvement, Facility or Property for which the Bonds Pay all or Part of the Cost will have on the Private Sector; Related matters**

Presented by Randy Sant

Mr. Sant stated that the purpose of this public hearing is to receive public comments on the issuance of this bond. The purpose of this bond is to purchase property on 1000 North and Main Street. The RDA entered into an agreement three years ago with a developer to move forward with a development on this property and the developer was unable to perform under the agreement. There was a condition in the agreement where the RDA had a right to buy the property back so they could control the commercial development. The property has been defined by the City as a significant area for major retail commercial development. The RDA has been working with tenants over the last three years and they want to make sure they control the development. This is a private placement bond in which they have received bids and the potential buyer of this bond is Zion’s Bank. Zion’s Bank has given a bid of a taxable interest rate of about 3.42%, they have agreed to amortize the bond over 20 years, and provided a provision that they can call the bond anytime with a 30 day notice. It is the RDA’s intent to buy the property back and make an agreement as soon as they can with another developer and work with the developer to purchase the property back from them and then use the proceeds to repay the bond so it is not outstanding any longer than it needs to be. The debt service on this bond will be approximately $345,000 a year. This is an obligation of the RDA to repay the bond not the City, however they are using the City’s funding mechanism to get a better interest rate. The economic impact on the City for this property could potentially produce a substantial amount of sales tax which helps the City with their cost of services.

Chairman Pratt stated that this is a public hearing if anyone would like to come forward and address the Council.

Cindy Elton, 70 South Coleman, Tooele addressed the Council. Ms. Elton was concerned as a taxpayer as why the City is going through the motions of spending money to buy this property back only to sell it again. She noted that they would lose money on property taxes. She also stated that about a month ago there was an article in the Transcript Bulletin that said the reason they were buying the property back is so they could prevent residential homes on this property, and asked why that is a concern when it is zoned Commercial. She asked why a developer can’t use their money to come in and purchase the property instead of issuing a bond.

Mr. Sant stated that the RDA is buying the property back because the developer is not performing. He has not been able to bring forth the development that they would like to see. The developer says that his reasons have been that the market is not ready and he and wants more public participation from the City which would be more than the purchase price, which could cost more money. The RDA felt when the developer bought the property they knew the market was not very good and they had an agreement if the developer could not develop in three years they could sell the property and the RDA would have the first right to purchase it back. He said that the property could be opened up to any commercial development due to the zoning. They want to control the development of this property. He said that they are working with a different developer right now; they want to make sure that they are ready to develop before they move forward. This property is the best place for regional commercial development. They don’t want to lose the opportunity for the commercial development. The RDA is trying to bring in the tenants that the community would like to see and this property is critical to that development.

Councilman Wardle said if they did not buy this property back by October 31st the holding costs to stay with the company would have been more than any costs of the issuance of the bond. It will save money over the next year.

Mr. Sant said when they met with the developer about a year ago on the proposal the developer wanted a $6 million incentive, and if they developed part of the property they wanted a $3 million incentive. If the City buys it back they can move forward with their development plan. He said that they have agreements with some tenants; they are making great strides for a commercial development in this area.

Councilman Pruden said that they have had four developers for this property and they want a lot of money in incentives. If the City can control the property they can hand pick a developer that would come through with what they promise. There are some tenants that have signed letters of intent. They need to get moving on this development.

Mr. Sant said that the individual that bought this property was more of an investment group than they were a true developer. The RDA is getting a great interest rate and they have the ability to pay the bond back anytime.

Councilman Wardle stated that if they stayed with this developer and carried a note for another year their interest rate would have been higher.

Mr. Sant said they would have been paying more interest. He also said that the property tax the developer has paid over the last two years was $30,000. By the RDA owning the property they would not pay property tax. It is not their intent to own this property for very long.

Ms. Elton asked if the developer faces any penalties for not completing his contractual obligations.

Mr. Sant said no. He put up the money to buy the property. If the developer could not perform in three years they could buy back the property. They felt good at the time that things would move forward.

Chairman Pratt closed the public hearing at 8:07 p.m.

**Councilman Pruden moved to approve the Issuance and Sale of not More than $5,500,000 Aggregate Principal Amount of Taxable Franchise Tax Revenue bonds, Series 2015 of Tooele City, Utah and to Allow Public Input Regarding the Potential Economic Impact that the Improvement, Facility or Property for which the Bonds Pay all or Part of the Cost will have on the Private Sector; Related matters. C**ouncilman Wardle seconded the motion. The vote was as follows: Councilman Wardle, “Aye”, Councilman McCall, “Aye”, Councilwoman Winn, “Aye”, Councilman Pruden, “Aye”, and Chairman Pratt, “Aye”.

1. **Resolution 2015-43 A Resolution of the Tooele City Council Consenting to the Mayor’s Appointments to the Library Board of Directors**

Presented by Jami Carter

Ms. Carter said they have three members of the community who are willing and able to serve on the Library Board. The Library Board is an advisory board to the library staff to make sure the correct policies are in place to run the library and to make sure they are a shared resource. The three names she would like to submit are; Ray Ashby, Susan Callihan and Julie Thomas. She has interviewed these individuals over the phone and recommends them.

**Councilman McCall moved to approve Resolution 2015-43.** Councilwoman Winn seconded the motion. The vote was as follows: Councilman Wardle, “Aye”, Councilman McCall, “Aye”, Councilwoman Winn, “Aye”, Councilman Pruden, “Aye”, and Chairman Pratt, “Aye”.

1. **Resolution 2015-44 A Resolution of the Tooele City Council Adopting the Certified Tax Rate for Fiscal Year 2015-2016**

Presented by Glenn Caldwell

Mr. Caldwell stated that every year they are required by Utah Code to adopt the certified tax rate by resolution. The general tax rate has been calculated to be 0.002203 (or 0.22%) which will generate about $2,440,890 million dollars. Last year the rate was 0.002310.

**Councilman McCall moved to approve Resolution 2015-44**. Councilman Wardle seconded the motion. The vote was as follows: Councilman Wardle, “Aye”, Councilman McCall, “Aye”, Councilwoman Winn, “Aye”, Councilman Pruden, “Aye”, and Chairman Pratt, “Aye”.

1. **Sunset Estates Phase 6 – Final Subdivision Plat Request**

Presented by Jim Bolser

Mr. Bolser explained that this is a plat request for a 32 lot subdivision which is Phase 6 of Sunset Estates which is located at approximately 2000 North and 300 West. It is south east of Clarke Johnsen Junior High. This project is currently under development as is allowed by state and City laws prior to recording the plat. They have already at their own request, been annexed into the North Tooele City Special Service District and are developing to their specific design standards. Planning Commission has forwarded a unanimous positive recommendation to the City Council. Staff also recommends approval.

**Councilman Pruden moved to approve the final plat request for Sunset Estate Phase 6.** Councilwoman Winn seconded the motion. The vote was as follows: Councilman Wardle, “Aye”, Councilman McCall, “Aye”, Councilwoman Winn, “Aye”, Councilman Pruden, “Aye”, and Chairman Pratt, “Aye”.

1. **Resolution 2015-45 A Resolution of the Tooele City Council Approving a Contract with Kilgore Contracting for the Fire Station Number 2 Drive Approach Reconstruction Project**

Presented by Paul Hansen

Mr. Hansen explained that due to the expanded growth of the City; the City has recently purchased a new fire truck. This piece of apparatus is longer than any piece of equipment that the City currently has. It is the City’s intent to put the new fire truck at Fire Station #2. However, because of the size of the truck they will need to replace the existing drive approach which has become broken and unstable. There is also a steep approach and because of the size of the truck it is hard on the equipment due to twisting of the frame. They are proposing to reconstruct the approach, which will also include re-routing the storm water under the new drive approach. They put the project out to bid and they invited five contractors that have experience with this type of work. They received one bid back by Kilgore Contracting, which the City has quite a bit of experience with. Staff is not concerned with the single bid because it is within 10% of the City’s estimate before they put it out for bid. It is their recommendation to the City Council to award the contract to Kilgore Contracting in the amount of $32,225. The work would begin later this week and take a couple of weeks. They will be replacing most of curb and gutter along the entire frontage of the station as part of the work.

**Councilwoman Winn moved to approve Resolution 2015-45.** Councilman Pruden seconded the motion. The vote was as follows: Councilman Wardle, “Aye”, Councilman McCall, “Aye”, Councilwoman Winn, “Aye”, Councilman Pruden, “Aye”, and Chairman Pratt, “Aye”.

1. **Minutes: September 2nd and 16th 2015**

**Councilman McCall moved to approve the minutes from the September 2, 2015 meetings as presented.** Councilwoman Winn seconded. The vote was as follows: Councilman McCall, “Aye”, Councilwoman Winn, “Aye”, and Chairman Pratt, “Aye”. Councilman Pruden and Councilman Wardle abstained because they were not present at the meeting.

Councilman Pruden noted that on the Business Meeting Minutes under item # 1 is says Chairman Pratt called the meeting to order but it should say Vice-Chairman Wardle.

**Councilman Pruden moved approve the minutes from September 16, 2015 meetings with the one change as noted above.** Councilwoman Winn seconded the motion. The vote was as follows: Councilman McCall, “Aye”, Councilwoman Winn “Aye”, Councilman Pruden, “Aye”, and Councilman Wardle, “Aye”. Chairman Pratt abstained because he was not present at the meeting.

1. **Invoices**

Presented by Michelle Pitt

Ms. Pitt stated that there were no invoices to present.

1. **Adjourn**

**Councilman Pruden moved to adjourn the meeting.** Councilwoman Winn seconded the motion. The vote was as follows: Councilman Wardle, “Aye”, Councilman McCall, “Aye”, Councilwoman Winn, “Aye”, Councilman Pruden, “Aye”, and Chairman Pratt, “Aye”.

The meeting adjourned at 8:21 p.m.

*The content of the minutes is not intended, nor are they submitted, as a verbatim transcription of the meeting. These minutes are a brief overview of what occurred at the meeting.*

Approved this 21st day of October 2015

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Brad Pratt, Chairman Tooele City Council