

# REDEVELOPMENT AGENCY OF CENTERVILLE CITY AGENDA

**NOTICE IS HEREBY GIVEN THAT THE CENTERVILLE CITY COUNCIL WILL HOLD ITS REDEVELOPMENT AGENCY OF CENTERVILLE MEETING AT 8:45 PM ON OCTOBER 7, 2014 AT THE CENTERVILLE CITY COMMUNITY CENTER AND CITY HALL COUNCIL CHAMBERS, 250 NORTH MAIN STREET, CENTERVILLE, UTAH. THE AGENDA IS SHOWN BELOW.**

*Meetings of the City Council of Centerville City may be conducted via electronic means pursuant to Utah Code Ann. 52-4-207, as amended. In such circumstances, contact will be established and maintained via electronic means and the meeting will be conducted pursuant to the Electronic Meetings Policy established by the City Council for electronic meetings.*

*Centerville City, in compliance with the Americans With Disabilities Act, provides accommodations and auxiliary communicative aids and services for all those citizens in need of assistance, including hearing devices. Persons requesting these accommodations for City-sponsored public meetings, services, programs, or events should call Blaine Lutz, Centerville Finance Director, at 295-3477, giving at least 24 hours notice prior to the meeting.*

**A notebook containing supporting materials for the business agenda items is available for public inspection and review at City Hall and will be available for review at the meeting . Upon request, a citizen may obtain (without charge) the City Manager's memo summarizing the agenda business , or may read this memo on the City's website: <http://centerville.novusagenda.com/agendapublic> .**

**Tentative** - The times shown below are tentative and are subject to change during the meeting.  
**Time:**

## **A. NEW BUSINESS**

1. Minutes Review and Acceptance  
September 2, 2014 RDA/ACB meeting minutes
2. Consider funding of enhancements for pedestrian bridge to be constructed over I-15
3. Update of other RDA potential projects
  - a. Biotron Laboratories Expansion - Barnard Creek CDA

## **B. ADJOURNMENT**

Steve H. Thacker  
Executive Director

**CENTERVILLE CITY COUNCIL  
Staff Backup Report  
10/7/2014**

Item No. 1.

Short Title: Minutes Review and Acceptance

Initiated By:

Scheduled Time:

**SUBJECT**

September 2, 2014 RDA/ACB meeting minutes

**RECOMMENDATION**

**BACKGROUND**

**ATTACHMENTS:**

Description

- September 2, 2014 RDA/ACB meeting minutes

# PRELIMINARY DRAFT

1 Minutes of the Redevelopment Agency of Centerville City/Davis Center for the Performing Arts  
2 Administrative Control Board meeting held Tuesday, September 2, 2014 at 5:10 p.m. in the  
3 Centerville City Council Chambers, 250 North Main Street, Centerville, Utah.  
4

## MEMBERS PRESENT

5 Ken Averett, RDA of Centerville City, ACB Secretary  
6 Paul Cutler, RDA of Centerville City Chair, ACB Chair, Centerville Mayor  
7 Tamilyn Fillmore, RDA of Centerville City  
8 John T. Higginson, RDA of Centerville City Vice Chair/ACB Vice Chair  
9 Stephanie Ivie, RDA of Centerville City  
10 John Marc Knight, ACB Board Member, Bountiful City Council (left at 6:18 p.m.)  
11 Lawrence Wright, RDA of Centerville City, ACB Board Member (arrived at 5:15 p.m.)  
12  
13

## MEMBER ABSENT

14 John Pitt, ACB Board Member, Bountiful City Council  
15  
16

## STAFF PRESENT

17 Steve Thacker, RDA Executive Director  
18 Blaine Lutz, Centerville Finance Director  
19 Lisa Romney, Centerville City Attorney  
20 Jacob Smith, Centerville Management Assistant  
21 Jansen Davis, CPT Executive Director  
22 David Peterson, CPT Chief Financial Officer  
23 Katie Rust, Recording Secretary  
24  
25

## OTHERS PRESENT

26 Randy Lewis, Bountiful Mayor  
27 Ron Russell, Chair of CPT Board (arrived at 5:20 p.m.)  
28 Gary Hill, Bountiful City Manager  
29  
30

## SELECTION OF ADMINISTRATIVE CONTROL BOARD OFFICERS

31 Steve Thacker, RDA Executive Director, recommended appointing the RDA Chair and  
32 Vice Chair to the ACB Chair and Vice Chair positions. He also recommended the ACB  
33 Secretary be selected from the Centerville RDA. John Marc Knight, ACB Board Member, made  
34 a **motion** to appoint Paul Cutler as ACB Chair, John Higginson as ACB Vice Chair, and Ken  
35 Averett as ACB Secretary. Vice Chair Higginson seconded the motion, which passed by  
36 unanimous vote of the ACB (5-0).  
37  
38  
39

## REPORT/UPDATE FROM STAFF

- 40  
41
- 42 • Blaine Lutz, Centerville Finance Director, reported that an AED has been purchased
  - 43 for the Davis Center for the Performing Arts.
  - 44 • The facility is scheduled to be inspected by URMMA on September 16<sup>th</sup>.
  - 45 • Mr. Thacker explained that soil was moved from the Davis Center for the Performing
  - 46 Arts construction site to the Centerville Community Park expansion site at the
  - 47 beginning of construction. The soil now needs to be moved to other locations to
  - 48 make way for the Park Expansion Project. Staff has recommended to the RDA that
  - 49 up to \$100,000 of soil relocation expense could be charged to the RDA. The RDA
  - 50 has approved the expense.  
51

## 2013 FINANCIAL AUDIT REPORT

52  
53

1 Mr. Thacker reported that the 2013 financial audit of CPT received a clean opinion.  
2 David Peterson, CFO of CenterPoint Legacy Theatre (CPT), explained the segregation of  
3 financial duties issue identified by the auditors. Jan Davis, CPT Executive Director, pointed out  
4 that facility expenses substantially increased in 2013 compared to 2012. He explained that a  
5 facilities management team has been hired to ensure that routine maintenance is done on a  
6 regular basis.

7  
8 **FY 2014 SIX-MONTH FINANCIAL REPORT FOR CPT**

9  
10 Mr. Davis briefly reported on the FY 2014 six-month Financial Report. Mr. Peterson  
11 explained that the facility expenses are spread evenly throughout the year, but revenue is  
12 received sporadically, matching up with the different productions. Mr. Davis stated that the  
13 facility expenses are currently in line with anticipated amounts. Director Wright asked if they  
14 have taken into account Rocky Mountain Power rate increases, and suggested that solar power  
15 may be a way to reduce electrical expenses. Mr. Davis responded that the budget anticipates  
16 rate increases each year. CPT is currently on the lowest rate tier with Rocky Mountain Power.  
17 Mr. Davis added that they are currently looking into switching to LED lighting fixtures.

18  
19 **CPT CONSTRUCTION OBLIGATION**

20  
21 Mr. Lutz reported that the construction obligation has been reduced to \$44,000. Chair  
22 Cutler asked Mr. Davis when he anticipates the remaining amount will be paid. Mr. Davis  
23 responded the goal is to pay the remaining amount before the end of the year. Mr. Thacker  
24 mentioned that per the Lease Agreement CPT has until March of 2015 to complete the  
25 payments. Mr. Thacker added that staff interpreted the transfer of the construction obligation  
26 repayment of \$177,000 last year to the Theatre Reserve Fund to be a one-time authorization.  
27 Subsequent repayments have been applied to the RDA Fund as anticipated by the Lease. The  
28 \$177,000 was transferred to the Theatre Reserve Fund to build up the balance of the Fund for  
29 long-term maintenance needs.

30  
31 **LONG-TERM FACILITY MAINTENANCE PLAN**

32  
33 Mr. Thacker stated that the Lease Agreement refers to a Comprehensive Maintenance  
34 Plan to be prepared by CPT to project maintenance needs. Jake Smith, Centerville  
35 Management Assistant, has helped CPT put together a Maintenance Plan based on information  
36 collected from Associated Building Services (ABS). ABS is on contract with CPT to advise and  
37 conduct periodic inspections and routine maintenance. Mr. Thacker reported he has reviewed  
38 the Maintenance Plan. He said he feels it does not fully satisfy the requirements in the Lease  
39 Agreement regarding scheduled maintenance and inspection programs, and documentation of  
40 work performed. Mr. Thacker suggested CPT representatives bring back an enhanced  
41 Maintenance Plan that includes a schedule of ongoing maintenance, as well as documentation  
42 of work performed in 2014, when they present their annual budget in December. Mr. Thacker  
43 also mentioned that asphalt maintenance for the parking lot and drive aisles is not included in  
44 the Maintenance Plan. Mr. Davis responded that the parking area is included in the grounds  
45 contract with MTC.

46  
47 Roof replacement and some other expensive items are to be paid out of the Theatre  
48 Reserve Fund (TRF), which requires RDA approval. The Maintenance Reserve Fund is under  
49 the control of the CPT Association. Director Averett suggested that Salt Lake County could be a  
50 good resource for theatre management cost estimates. Lisa Romney, Centerville City Attorney,  
51 asked if replacement of the stage floor would be paid for with the Theatre Reserve Fund or the

1 Maintenance Reserve Fund. Jacob Smith, Management Assistant, explained that floor  
2 replacement is assumed in the Maintenance Plan to be funded by the Theatre Reserve Fund  
3 because the Maintenance Reserve Fund has an expense cap of \$300,000 and a stage floor  
4 replacement costs much more than that limit. Mr. Thacker explained that CPT has the ability to  
5 request the RDA to pay expenses in addition to the ones already listed for the Theatre Reserve  
6 Fund. Director Wright suggested adding a separate column to the Maintenance Plan for annual,  
7 repetitive maintenance needs that will be funded by CPT's annual budget. Mr. Smith stated he  
8 learned that the University of Utah assumes 1-1.5% of a building's cost should be set aside  
9 each year for long-term maintenance needs. Mr. Thacker agreed to provide to RDA and ACB  
10 members a memo from Lisa Romney explaining the maintenance needs to be funded by CPT's  
11 annual budget, the Maintenance Reserve Fund and the Theatre Reserve Fund, respectively.  
12

13 **PAYMENT OF PROPERTY INSURANCE**

14  
15 Mr. Thacker explained that the RDA has paid the property insurance expense for the  
16 facility through 2014. However, the Lease Agreement specifies property insurance to be the  
17 responsibility of CPT. The annual expense is approximately \$1,500. Mr. Thacker asked the  
18 ACB if staff should begin billing CPT for property insurance, and at what point they should  
19 begin. Director Wright asked if the insurance provides earthquake coverage. Mr. Lutz  
20 responded it is part of a blanket policy with eleven other cities through URMMA that includes  
21 earthquake coverage. Mr. Thacker added that the building was designed for earthquake  
22 resistance. Chair Cutler commented that long-term it would be wise to either follow the Lease  
23 Agreement or amend the Lease. Mr. Davis responded that from his perspective several things  
24 have been added as the responsibility of the organization managing the facility, but he feels it  
25 should be a partnership. He said he does not feel CPT has done anything against the  
26 Agreement, but it feels heavy handed when talking about funds. Director Wright responded that  
27 the RDA owns the building and should evaluate who should be responsible for paying for  
28 property insurance. Mr. Thacker stated that the property insurance premium will be due again  
29 in July of next year. The ACB Board indicated a willingness to evaluate whether to follow or  
30 alter the Lease Agreement.  
31

32 Mr. Davis commented that the Lease Agreement was written without understanding  
33 completely what they were all getting into. He said he is a theater guy, not a facilities manager,  
34 and he is not always comfortable with a theater company making decisions for a building owned  
35 by the City. Mr. Davis expressed appreciation for the City's help in putting together  
36 maintenance plans. With a few years of experience he said it seems like a good time to rethink  
37 responsibilities and facility management. Director Fillmore commented that considering the fact  
38 that fewer cities are involved than originally anticipated, she is impressed with how well it has  
39 worked. Mr. Peterson suggested it might be beneficial to examine whether piggy-backing on  
40 other types of insurance could reduce the premium.  
41

42 **REPORT ON MEETING WITH DAVIS COUNTY OFFICIALS**

43  
44 Chair Cutler reported on conversations with Davis County officials about potential future  
45 support from tourism tax revenues. The County contributed \$2 million towards construction of  
46 the facility – some up front and some over several years. Chair Cutler stated he believes it is in  
47 the County's best interest for tourism tax revenues to continue to improve the facilities in South  
48 Davis County. Chair Cutler expressed a desire to work with Bountiful and other South Davis  
49 County cities to ensure continued funding. Mayor Lewis agreed with Chair Cutler on the need to  
50 be unified.  
51



**ADJOURNMENT**

At 6:37 p.m. Director Ivie made a **motion** to adjourn the meeting. Director Wright seconded the motion, which passed by unanimous vote (6-0).

\_\_\_\_\_  
Paul A. Cutler, RDA Chair

\_\_\_\_\_  
Date Approved

\_\_\_\_\_  
Steve Thacker, RDA Executive Director

\_\_\_\_\_  
Katie Rust, Recording Secretary

**CENTERVILLE CITY COUNCIL**  
**Staff Backup Report**  
**10/7/2014**

Item No. 2.

Short Title: Consider funding of enhancements for pedestrian bridge to be constructed over I-15

Initiated By:

Scheduled Time:

**SUBJECT**

**RECOMMENDATION**

Consider additional information to be provided by Councilwoman Fillmore and staff. Approve RDA funding for enhancements agreed upon by the RDA Board.

**BACKGROUND**

Councilwoman Tami Fillmore has been taking the lead recently in researching potential enhancements for the I-15 pedestrian bridge and the new sidewalk the I-15 contractor will construct along the north side of Parrish Lane between the interchange and 1250 West. Randy Randall, Public Works Director, and Kevin Campbell, City Engineer, are assisting her. The analysis is still ongoing; therefore, a summary of the analysis and recommendations will not be available until Monday or Tuesday.

**CENTERVILLE CITY COUNCIL**  
**Staff Backup Report**  
**10/7/2014**

Item No. 3

Short Title: Update of other RDA potential projects

Initiated By:

Scheduled Time:

**SUBJECT**

a. Biotron Laboratories Expansion - Barnard Creek CDA

**RECOMMENDATION**

**BACKGROUND**

a. Biotron Laboratories Expansion project - Below is some background and information on Biotron. Also attached are some site plans of the project expansion.

Biotron Laboratories Inc. was established as a Utah Corporation in 1979. Dr. M Taher Fouad and his wife Karen Sue Fouad invested their life savings into the idea of establishing a high quality mineral and vitamin processor, following Dr. Fouad's experience in allied companies. This idea took root in a 2500 ft<sup>2</sup> rented industrial condo (between a trailer repair shop and plumbing supply) in West Ogden, Utah. On the heels of early success, Biotron secured a parcel of vacant land in the nascent Centerville Industrial Park and in 1982 moved operations to the current site at 750 North 1250 West. What was a state-of-the-art facility for the period was constructed specifically for the purpose, having learned the limitations of 'borrowed' space. At approximately 17,000 ft<sup>2</sup> on two levels, there was ample room for growth. In subsequent years, improvements to the existing plant have kept pace, including commercial water deionization and purification, air handling and dust collection/filtration, energy efficient equipment upgrades and processing areas --culminating with a warehouse expansion in 2000 and in 2013, new roof seal and solar panel installation.

Over time, Biotron has grown from a small scale supplier of specialty mineral ingredients to a handful of U.S. based firms to a global provider of clinically studied products in a variety of forms. The quality and consistency of Biotron's materials has created a committed base of brand owners and marketers for whom these materials are essential, including some of the most recognized brands in the nutrition industry.

Growth has been robust, and continued even during the severe recession of 2008-2010. In the past 5 years (2007 to 2013, for which complete annual data is available) Biotron's output has more than tripled from 65 metric tons to 200 metric tons. Confirmed orders will exceed this quantity in 2014. During this period, a second facility was brought online in Salt Lake City, affording additional processing, office and warehouse space. Nevertheless, despite the addition of a second site the primary hub of activity remains in Centerville.

This growth – and it's concomitant order book – requires additional processing equipment and expanded warehouse and processing space. However, such a program is not without considerable costs as well as substantial risks and potential disruption. Biotron owners are interested in how the Barnard Creek Community Development Area (CDA), the boundaries of which encompass their location, can assist them with their expansion.

**ATTACHMENTS:**

## Description

-  Biotron Image 1
-  Biotron Image 2
-  Biotron Image 3
-  Biotron Image 4







