CITY COUNCIL AGENDA

Wednesday, September 23, 2026

NOTICE IS HEREBY GIVEN that the Herriman City Council shall assemble for a meeting in the City Council Chambers, located at
5355 WEST HERRIMAN MAIN STREET, HERRIMAN, UTAH

5:30 PM – WORK MEETING: (Fort Herriman Conference Room)

1. **Council Business**
   - 1.1. Review of this Evening's Agenda
   - 1.2. Future Agenda Items
   - 1.3. Council discussion of future citizen recognitions
2. **Administrative Reports**
   - 2.1. City Status Report: August 2026 – Trevor Ram, Assistant to the City Manager
   - 2.2. CIP Review: General Fund Projects - Trevor Ram, Assistant to the City Manager
   - 2.3. Legislative priorities for 2027 – Nathan Cherpeski, City Manager
   - 2.4. Discussion of proposed amendment to Herriman City Ordinance 5-1-11 — Replace "Licenses Required" with "Identification Required" – Brent Adamson, Commander | Matt Brooks, Assistant City Attorney
3. **Adjournment**

7:00 PM – GENERAL MEETING:

4. **Call to Order**

    4.1. Invocation/Thought/Reading and Pledge of Allegiance

    4.2. City Council Comments and Recognitions

5. **Public Comment**
Audience members may bring any item within the City's purview to the City Council's attention. Comments will be limited to two minutes. State Law prohibits the Council from acting on items that do not appear on the agenda. Public comments for this meeting will also be conducted electronically. Any person interested in addressing the Council may submit a comment by emailing recorder@herriman.gov or by visiting Herriman.gov/agendas-and-minutes, where there is a link to fill out an online public comment form. Your statement will be incorporated into the public record.

6. **City Council Reports**

    6.1. Councilmember Jared Henderson

    6.2. Councilmember Teddy Hodges

    6.3. Councilmember Matt Basham

    6.4. Councilmember Terrah Anderson

7. **Mayor Report**

8. **Consent Agenda**

    8.1. Approval of the August 26, 2026 City Council meeting minutes

9. **Discussion and Action Items**

    9.1. Consideration of an amendment to Title 10 of the Herriman City Code regarding uses allowed in the Commercial, Mixed Use, and Manufacturing zoning districts regarding Commissaries, outdoor retail displays associated with retail businesses, and seasonal sales activities – Blake Thomas, Community Development Director

    9.2. Discussion and consideration of an agreement with the Affordable Housing Infrastructure Grant Board regarding grant funding to build public infrastructure that directly supports the development of owner-occupied, attainable housing – Blake Thomas, Community Development Director

10. **Future Meetings**

    10.1. Next Joint City Council/Planning Commission Meeting: September 30, 2026

10.2. Next Planning Meeting: October 7, 2026

10.3. Next City Council Meeting: October 14, 2026

11. Events

11.1. Annie KIDS and Oliver Jr Performance: September 23, 2026 – September 25, 2026, Butterfield Park 6:00 p.m.

11.2. Hungry Herriman Food Truck Roundup: September 28, 2026, Crane Park, 5:00 p.m.

11.3. Herriman Howl: October 5, 2026, Crane Park @ 5:00 p.m.

12. Closed Session

The Herriman City Council may temporarily recess the City Council meeting to convene in a closed session to discuss the character, professional competence, or physical or mental health of an individual, pending or reasonable imminent litigation, and the purchase, exchange, or lease of real property, as provided by Utah Code Annotated §52-4-205

13. Adjournment

14. Recommence to Work Meeting (If Needed)

In accordance with the Americans with Disabilities Act, Herriman City will make reasonable accommodation for participation in the meeting. Request assistance by contacting Herriman City at (801) 446-5323 and provide at least 48 hours advance notice of the meeting.

ELECTRONIC PARTICIPATION: Members of the City Council may participate electronically via telephone, Skype, or other electronic means during this meeting.

PUBLIC COMMENT POLICY AND PROCEDURE: The purpose of public comment is to allow citizens to address items on the agenda. Citizens requesting to address the Council will be asked to complete a written comment form and present it to the City Recorder. In general, the chair will allow an individual two minutes to address the Council. A spokesperson, recognized as representing a group in attendance, may be allowed up to five minutes. At the conclusion of the citizen comment time, the chair may direct staff to assist the citizen on the issue presented; direct the citizen to the proper administrative department(s); or take no action. This policy also applies to all public hearings. Citizens may also submit written requests (outlining their issue) for an item to be considered at a future council meeting. The chair may place the item on the agenda under citizen comments; direct staff to assist the citizen; direct the citizen to the proper administrative departments; or take no action.

I, Jackie Nostrom, certify the foregoing agenda was emailed to at least one newspaper of general circulation within the geographic jurisdiction of the public body, at the principal office of the public body, on the Utah State Public Notice website www.utah.gov/pmn/index.html and on Herriman City's website at www.herriman.gov Posted and dated this 17th day of September, 2026.

/s/ Jackie Nostrom, City Recorder

DATE: **September 09, 2026**

TO: The Honorable Mayor and City Council

FROM: Trevor Ram

SUBJECT: City Status Report – August 2026

RECOMMENDATION:
Staff recommends the City Council accept the City Status Report.

ISSUE BEFORE COUNCIL:
Should the City Council accept the City Status Report for August 2026?

ALIGNMENT WITH STRATEGIC PLAN:
CE 2 – Promote trust in government.

BACKGROUND/SUMMARY:
This is the City Status Report for August 2026.

DISCUSSION:
Attached is the City Status Report for August 2026.

ALTERNATIVES:
1) The City Council accepts the City Status Report (recommended).
2) The City Council requests additional information.

ATTACHMENTS:
City Status Report – August 2026

5355 W. Herriman Main Street • Herriman, Utah 84096
801-446-5323 office • www.herriman.gov
Herriman City

HERRIMAN CITY STATUS REPORT

AS OF AUGUST 31, 2026

BUILDING PERMITS - AUG 2026

Issued: (Compare previous year)

34 (20) ***Residential***

14 (13) ***Commercial***

70 (70) ***Other***

New Residential Units:

33	0	5	0	0
Single Family	*Condos*	*Townhomes*	*Duplex*	*I-ADUs*

BUSINESSES

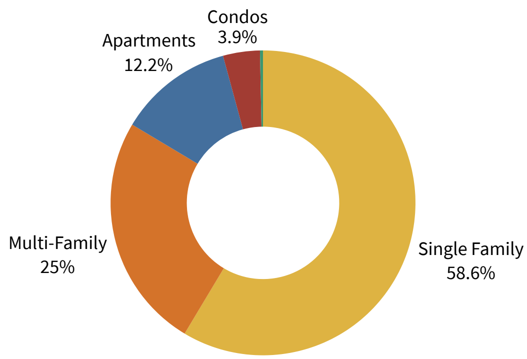
1,490 ***Total Businesses***

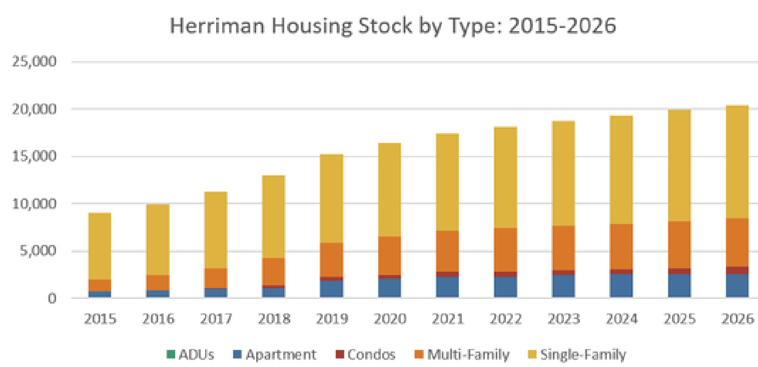
16 ***New Businesses***

85 *Restaurants/Food*

1,186 *Home Occupation*

HOUSING BY TYPE





66,266 *Population Estimate*

4.1% *Vacancy Rate*

PROJECT UPDATES

6000 W (Silver Sky to Herriman Blvd)

-Utility work complete, now doing curb & gutter
-Paving anticipated start: October 2026
-Estimated completion: November 2026

Rosecrest Pipeline Project

-Project pause in effect (utility conflicts)
-City's road rehab work to occur near end of project
-Estimated substantial completion: Spring 2028

Fire Station 103

-Exterior and interior finishes nearing completion
-Estimated substantial completion: October 2026
-Ribbon cutting being planned for November 2026

6400 W (Herriman Blvd to Midas Creek)

-Landscaping in park strip ongoing
-Intersection and signal installed and active

Real Vista Widening and Traffic Signal

-Utility work completed, curb and gutter installed
-Estimated completion: End of September 2026
-Anticipate Juniper Crest connection in October 2026

Juniper Canyon West Trailhead

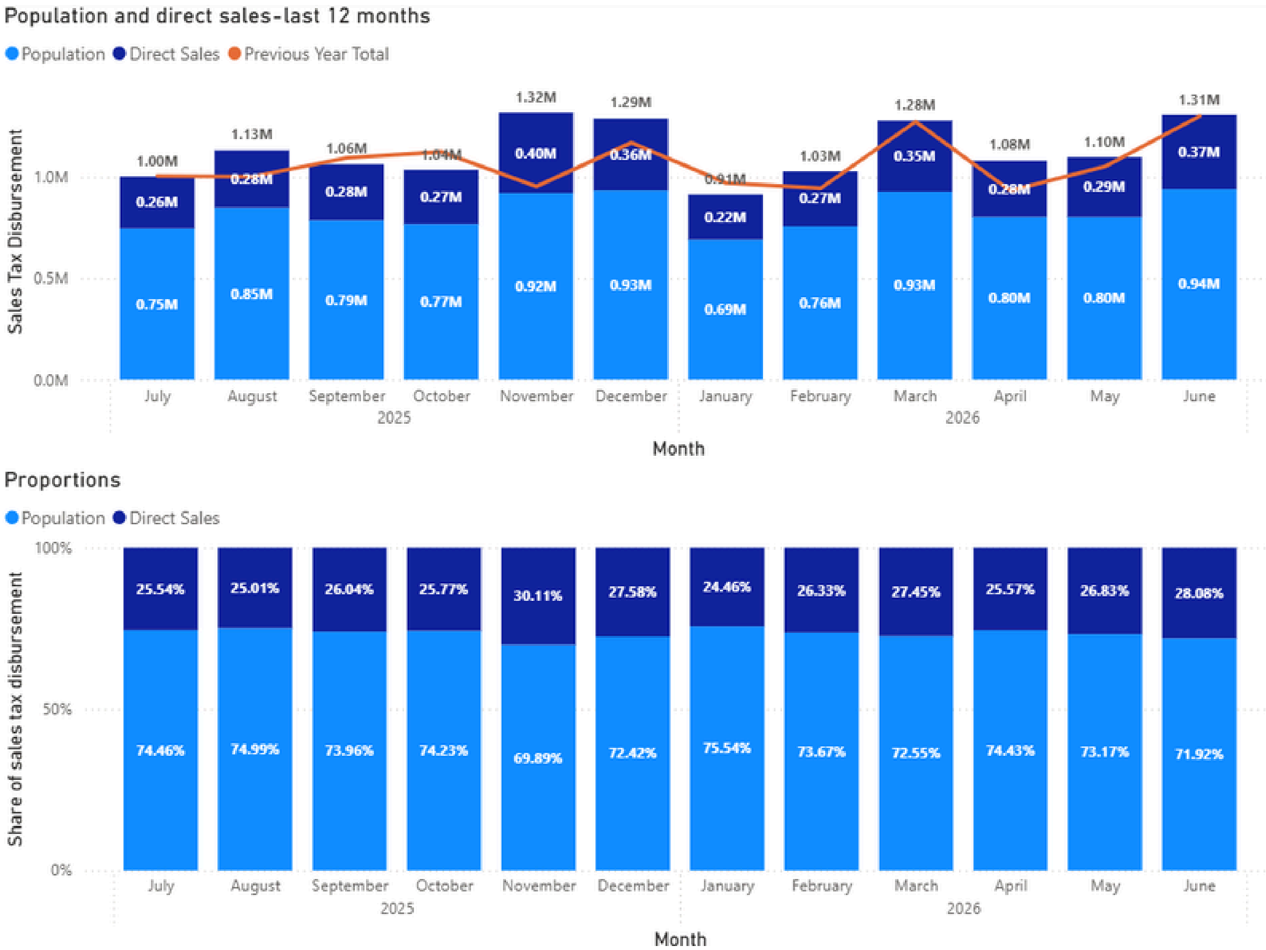
-Construction and paving underway
-Restroom to be installed October 2026
-Estimated completion: early Spring 2027 (weather pending)

HERRIMAN CITY STATUS REPORT

AS OF AUGUST 31, 2026

SALES TAX

$1,272,576.96 ***Latest Sales Tax Disbursement***



Note: Months shown above indicate the months in which sales were generated. Disbursement of these funds lags by about 2 months.

HERRIMAN CITY

DATE: September 09, 2026

TO: The Honorable Mayor and City Council

FROM: Trevor Ram, Assistant to the City Manager

SUBJECT: CIP Review – General Fund

RECOMMENDATION:
N/A – for discussion only.

ISSUE BEFORE COUNCIL:
Does the City Council have feedback for staff regarding the CIP planning for General Fund projects?

ALIGNMENT WITH STRATEGIC PLAN:
LV 7.1 – Capital Improvement Plan

BACKGROUND/SUMMARY:
This presentation will primarily discuss capital projects that are expected to be funded out of the City's General Fund during FY2029 through FY2034. In compiling this group of projects, staff has considered funding and bandwidth constraints, as well as the Council's input regarding priorities. Council is invited to ask questions and give feedback regarding the projects presented.

DISCUSSION:
The City's General Fund is anticipated to fund approximately $47 million of capital projects during FY2029 through FY2034, an average of over $7.8 million per year. Table 1 summarizes this amount by year and funding source:

Table 1: General Fund Projects Summarized by FY and Funding Source

Funding Source	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	Grand Total
20-Park Impact Fee	$450,000	$1,200,000	$80,000	$1,550,000	$80,000	$1,500,000	$4,860,000
22-Transportation Impact Fee	$1,163,000	$620,000	$3,115,000	$215,000	$1,685,000	$1,830,000	$8,628,000
40-General Fund	$3,799,875	$2,548,838	$4,557,750	$5,135,100	$7,364,780	$6,057,700	$29,464,043
43-Vehicles/Equipment	$678,330	$624,050	$655,250	$688,010	$722,410	$758,530	$4,126,580
Grand Total	**$6,091,205**	**$4,992,888**	**$8,408,000**	**$7,588,110**	**$9,852,190**	**$10,146,230**	**$47,078,623**

Note that Table 1 includes funding sources besides the General Fund, including Park and Transportation Impact Fee projects. This is because staff believes that these impact fee funds are unlikely to hold a balance in the future and therefore projects funded by these sources will need to compete for General Fund money.

Water Bonding:
A number of projects tentatively planned for this timeframe include water funding components. This water funding was anticipated to be obtained through bonding. Table 2 summarizes the water bonding and annual debt service necessary to cover the water portions of the projects under discussion:

Table 2: Water Bonding and Debt Service Summary

Fiscal Year	Bond Amount	Water Debt Service
FY2029	$2,120,000	$176,000
FY2030	$207,000	$18,000
FY2031	$2,964,000	$245,000
FY2032	$1,379,800	$115,000
FY2033	$1,411,000	$117,000
FY2034	$0	$0

There are a few points that are important to bear in mind when reading Table 2. First, Table 2 does not distinguish between culinary and secondary projects as staff has not broken these out for the projects under consideration. Second, the debt service amounts in Table 2 are not the entire water bonding amount needed in any of the listed fiscal years; they represent the portion of water bonding necessary to complete the tentatively scheduled General Fund projects under discussion in this presentation. The full list of water bond projects will come to the Council at a future meeting. In short, the amounts in Table 2 are only a part of the anticipated bonding necessary for water. Third, the water bonding amounts are anticipated in the current rate study. Fourth, impact fee and water enterprise portions of projects are combined in Table 2 because the Water Impact Fee fund faces the same pressures as the other impact fee funds discussed previously.

Public Works Facility:
The Public Works Facility project is an important one to consider separately for various reasons. One reason is because staff anticipate its construction will need to be bond-funded, necessitating ongoing debt service payments that will need to be covered by the General Fund. Staff has therefore pulled the Public Works Facility's project totals *out* of the project list and included the anticipated debt service payments *in* the project list. Those anticipated payments are summarized in Table 3, reflecting a three-phase approach to constructing the entire facility:

Table 3: Summary of Debt Service for Public Works Facility

Scenario	Bond Amount	Annual Debt Service
Phase 1A (Fleet Building)	$6,240,000	$516,000
Currently Planned Phase 1	$17,800,000	$1,472,000
Currently Planned Phase 2	$16,250,000	$1,344,000

Regarding timing, the payments shown above are assumed to begin in FY2029, FY2031, and FY2033, respectively. They will be cumulative, as shown in Table 4:

Table 4: Summary Schedule of Public Works Facility Debt Service

2029	2030	2031	2032	2033	2034
$516,000	$516,000	$1,988,000	$1,988,000	$3,332,000	$3,332,000

Conclusion:
This presentation highlights several elements of General Fund-related capital planning. A full list of General Fund projects will be provided to Council ahead of the meeting where these projects will be discussed. Staff welcomes feedback and questions regarding any of the information presented.

ALTERNATIVES:
N/A – for discussion only.

FISCAL IMPACT:
There will be no immediate direct fiscal impacts as a result of this discussion.

DATE: **September 08, 2026**

TO: The Honorable Mayor and City Council

FROM: Nathan Cherpeski

SUBJECT: Legislative priorities for 2027

RECOMMENDATION:
Discuss what priority positions the City should take for 2027.

ISSUE BEFORE COUNCIL:
Should the Council consider priorities for the 2027 session?

ALIGNMENT WITH STRATEGIC PLAN:
EV 3 – Balanced land use | EV 5 – Neighborhood quality | LV 1 – Level of Service | LV 2 – Quality public safety

BACKGROUND/SUMMARY:
Discussion

DISCUSSION:
Items of concern to consider:
E-bikes
Land use preemption
Attainable Housing
Advanced Air Mobility
etc

ALTERNATIVES:
Discussion only

DATE: August 25, 2026

TO: The Honorable Mayor and City Council

FROM: Brent Adamson, Police Commander | Matt Brooks, Assistant City Attorney

SUBJECT: Proposed Amendment to Herriman City Ordinance 5-1-11 — Replace "Licenses Required" with "Identification Required"

RECOMMENDATION:

Staff recommend the City Council discuss and consider amending;

Herriman City Code Section 5-1-11 “Licenses Required” **AMEND** to replace the current mandatory pet licensing requirement with a mandatory animal “identification required”

Herriman City Code Section 5-1-12 Issuance Of License **REPEAL**

Herriman City Code Section 5-1-13 Wearing Tag **AMEND** an animal not wearing a tag is in violation

Herriman City Code Section 5-1-8(C) Number of Domestic Animals per Household **CROSS REFERENCE UPDATE** remove “License” replace with “Identification”.

Herriman City Code Section 5-1-5(C)(2) Impoundment **CROSS REFERENCE UPDATE** remove “License”

Herriman City Code Section 1-11-8(l)(4) Administrative Code Enforcement **CROSS REFERENCE UPDATE** remove “License”

ISSUE BEFORE COUNCIL:

1. Extremely Low Compliance Rates

- Approximately 58% of Utah households own at least one pet (source: Pawlicy Advisor).
- Using a conservative estimate of 50% pet ownership and assuming one animal per household, licensing compliance has averaged approximately 3.6% over the past nine years.
- Actual compliance is likely lower because many interactions with animal owners involve multi-pet households.

2. Rabies Verification Is Redundant

- Rabies vaccination is already independently required under Ordinance 5-1-17, which mandates that owners of dogs or cats four months or older have the animal vaccinated within 30 days of reaching that age, acquisition, or moving into the city.

- Licensing serves only as an indirect verification tool; with approximately 5% participation, it does not effectively verify compliance.

3. Reunification Is Not Effectively Served

- With licensing reaching only ~5% of pet owners, it is not a reliable identification system.
- Modern alternatives — ID tags, personalized collars, and microchips — are widely available and more effective than traditional licensing tags.

4. Program Operates at a Net Loss

- Revenue generated from licensing is minimal.
- Costs include equipment, tag production, mailing, paperwork, and staff time.
- The program's operational costs exceed the revenue it generates.

ALIGNMENT WITH STRATEGIC PLAN:

LV 1 – Level of Service: Recalibrates Animal Services' level of service to better match available resources while maintaining core public safety outcomes.

LV 2 – Quality public safety: Supports the City's commitment to resident safety by ensuring domesticated animals can be quickly identified and reunited with owners, reducing unidentified animals at large.

LV 2.2 – Public Spaces: Proactively improves compliance and enforcement in public spaces by replacing a widely non-complied-with licensing requirement with a simpler identification standard.

LV 4.2.2 – Animal Services Facility: Supports operational readiness for the planned 2027 transition of the existing fire station into an Animal Services facility by reducing administrative overhead.

LV 7 – Fiscal Sustainability: Reduces administrative costs associated with licensing program operations, supporting a more fiscally sustainable Animal Services department.

BACKGROUND/SUMMARY:

Under current Ordinance 5-1-11, all domesticated animals are required to be licensed. The ordinance was most recently adopted by Ord. 2025-13 on May 14, 2025 as part of an overall code recodification. The last substantive changes were made to title 5 in March of 2024 to the . Licensing applies primarily to dogs and cats, with an average annual cost of approximately $15 for a sterilized animal. The current licensing workflow requires citizens to obtain an application from Herriman.gov, submit it with a valid rabies vaccination to Animal Services, where an Administrative Community Services Officer reviews the application, enters data into Comcate, and processes payment.

The licensing program was designed to serve three purposes:

Rabies vaccination compliance — Licensing serves as a mechanism to verify that animals have current rabies vaccinations, which are independently required under Ordinance 5-1-17.

Animal reunification — License tags are intended to help reunite lost animals with their owners.

Funding animal services — License fees have been used to help offset the cost of administering the program but were never intended as a revenue source for Animal Services.

DISCUSSION:

Staff recommend amending Section 5-1-11 from "Licenses Required" to "Identification Required." Under the proposed language, all domesticated animals (dogs and cats) would be required to wear or have an identification tag, collar, or microchip that includes the owner's name and phone number. This change would also require amendments to several other related city codes that would be impacted by this fundamental change.

ALTERNATIVES:

Option 1: Full Repeal of Licensing Requirement — Replace with Mandatory Identification

Option 2: Retain Licensing as an Option — Establish Identification as an Equivalent Compliance Path

Option 3: No Change — Maintain Current Licensing Requirement

FISCAL IMPACT:

- **Revenue reduction:** Elimination of licensing fees Currently set at $15-$110 per license depending on term and sterilization status. Budgeted Animal License revenue is $12,000 per year.
- **Cost Savings:** Elimination of tag production and supplies, mailing, application processing, data entry, and staff time currently dedicated to the licensing program.
- **Net Effect:** The program currently operates at or near net zero. Recovered staff time will have the greatest impact on efficiency of resources. The Department will reduce expenditures to compensate for the reduction in revenue.

ATTACHMENTS:

Recommended Herriman City Ordinance Updates and Amendments
Recommended Master Fee Schedule Updates

SECTION 5-1-11: License Required

Current Language:

SECTION 5-1-11: ~~Licenses Required~~ Identification Required

A. ~~Licenses. All domesticated animals are required to be licensed.~~ **Identification Tag or Microchip. All domesticated animals are required to wear or have an identification tag, collar, or microchip that includes the owner's name and phone number.

B. Exceptions. Subsection (A) of this section shall not apply to:

1. ~~Dogs whose owners have been present in the city for 30 days or less, but only so long as said dogs remain in the care and custody of a responsible person;~~
2. Dogs that are held for sale as the inventory of or patients in a properly licensed kennel, pet store, dog dealer, veterinary hospital, or clinic;
3. Dogs especially trained to assist officials or government agencies in performance of their duties and are owned by such agencies; or
4. Dogs under four months of age.

Nothing in this section shall be considered so as to exempt any animal from having a current rabies vaccination.

~~**C. Exemptions from fees.** Dogs especially trained to assist officials or government agencies in the performance of their duties, which government agencies own, shall not be required to pay licensing fees.~~

Proposed Language:

SECTION 5-1-11: Identification Required

A. Identification Tag or Microchip. All domesticated animals are required to wear or have an identification tag, collar, or microchip that includes the owner's name and phone number.

B. Exceptions. Subsection (A) of this section shall not apply to:

1. Dogs that are held for sale as the inventory of or patients in a properly licensed kennel, pet store, dog dealer, veterinary hospital, or clinic;
2. Dogs especially trained to assist officials or government agencies in performance of their duties and are owned by such agencies; or

3. Dogs under four months of age.

Nothing in this section shall be considered so as to exempt any animal from having a current rabies vaccination.

Section 5-1-12: Issuance Of License

Current Language:

5-1-12: ~~Issuance Of License~~ [REPEAL]

A. *Conditions.* A license shall be issued to the owner of a dog when:

1. The owner of the dog to be licensed completes an approved application.
2. The owner of the dog to be licensed pays the fee required for a license, which fee may be set by resolution of the city council.
3. Satisfactory proof is provided that the dog has been effectively vaccinated for rabies or a notarized letter from a veterinarian is provided stating the dog cannot be vaccinated due to health reasons.
4. Any dog required to be licensed shall be covered by homeowner, renter, or other liability insurance.

B. *Receipt and tag.* Upon issuing a license, the city shall give to the owner of the licensed dog a receipt and tag evidencing issuance of the license and showing for reference the number of the license.

Proposed Language:

5-1-12

Reserved

Section 5-1-13: Wearing Tag

Current Language

5-1-13:

Every owner of a ~~dog or cat~~ shall at all times cause the ~~dog or cat to wear the license tag on a collar or other means of attaching the tag to the dog or cat~~. An animal control officer may presume that a ~~dog or cat~~ not ~~wearing a tag is unlicensed~~.

Proposed Language:

5-1-13:

Every owner of a domesticated animal shall at all times cause the animal to have identification as required by Section 5-1-11. An animal control officer may presume that a domesticated animal not bearing identification is in violation of this chapter.

Section 5-1-8(C): Number of Domestic Animals Per Household — Cross-Reference Update

Current Language;

5-1-8(C)

C~~. *License*~~. Nothing in this section exempts any animal from the ~~license~~ requirements of this chapter.

Proposed Language:

5-1-8(C)

C. *Identification.* Nothing in this section exempts any animal from the identification requirements of this chapter.

Section 5-1-5(C)(2): Impoundment — Cross-Reference Update

Current Language:

5-1-5(C)(2)

Animals shall be impounded for a minimum of five business days before further disposition... Reasonable effort shall be made to notify the owner of any animal wearing ~~a license or other~~ identification during that time.

Proposed Language:

5-1-5(C)(2)

Animals shall be impounded for a minimum of five business days before further disposition... Reasonable effort shall be made to notify the owner of any animal wearing identification during that time.

Section 1-11-8(I)(4): Administrative Code Enforcement — Cross-Reference Update

Current Language:

1-11-8(I)(4)

The hearing officer may revoke any animal permit~~, an animal license~~, or the right to possess animals as provided in this Code.

Proposed Language:

1-11-8(I)(4)

The hearing officer may revoke any animal permit or the right to possess animals as provided in this Code.

OTHER CODE AMENDMENTS & MASTER FEE SCHEDULE CHANGES

Master Fee Schedule — Animal Services Section

The following "Pet Licensing" fee items should be **removed** from the Master Fee Schedule:

Current Fee Item	Current Fee	Action
1-year license (unsterilized)	$40.00	**Remove** 4
1-year license (sterilized)	$15.00	**Remove** 4
2-year license (unsterilized)	$75.00	**Remove** 4
2-year license (sterilized)	$25.00	**Remove** 4
3-year license (unsterilized)	$110.00	**Remove** 4
3-year license (sterilized)	$35.00	**Remove** 4
1-year license senior citizen (60+, sterilized)	$5.00	**Remove** 4
License transfer fee or replacement tag	$5.00	**Remove** 4

Current Fee Item	Current Fee	Action
Late license penalty (30 days past due)	$50.00	**Remove** 4

Fee Schedule Items That Remain Unchanged

The following Animal Services fees are **not affected** by this amendment and remain in the Master Fee Schedule:

Fee Item	Fee	Status
First Impound	$40.00	No change 4
Second Impound (within 24 months)	$80.00	No change 4
Third Impound (within 24 months)	$160.00	No change 4
Subsequent Impounds (within 24 months)	$320.00	No change 4
Boarding	$20.00/day	No change 4
Rabies vaccination	$25.00	No change 4
Microchip (may be required upon impound)	$30.00	No change 4
All Permit fees (Commercial, Residential, Exhibition)	Various	No change 4
Sterilization fees	Various	No change 4
Notice of Violation fees	Various	No change 4
Livestock fees	Various	No change 4
Euthanasia and Disposal fees	Various	No change 4

Fee Item	Fee	Status
Adoption fees	$25–$150	No change 4
Surrender fees	$100/$250	No change 4
Field service fee	$50.00	No change 4

HERRIMAN CITY

CITY COUNCIL MINUTES

Wednesday, August 26, 2026
Awaiting Formal Approval

The following are the minutes of the City Council meeting of the Herriman City Council. The meeting was held on **Wednesday, August 26, 2026, at 5:30 p.m.** in the Herriman City Council Chambers, 5355 West Herriman Main Street, Herriman, Utah. Adequate notice of this meeting, as required by law, was posted in the City Hall, on the City's website, and delivered to members of the Council, media, and interested citizens.

Presiding: Mayor Lorin Palmer

Councilmembers Present: Terrah Anderson, Matt Basham, Jared Henderson, Teddy Hodges

Staff Present: City Manager Nathan Cherpeski, Assistant City Manager Wendy Thomas, City Recorder Jackie Nostrom, Finance Director Kyle Maurer, Communications Manager Jonathan LaFollette, Police Chief Cody Stromberg, Assistant to the City Manager Trevor Ram, Community Development Director Blake Thomas, City Planner Michael Maloy, Public Works Director Justun Edwards, Operations Director Monte Johnson, City Engineer Bryce Terry, Building Official Cathryn Nelson, Deputy Chief of Police Zach Adams, Events Manager Lorren Mitchell.

5:30 PM – WORK MEETING: (Fort Herriman Conference Room)

1. Council Business

Mayor Palmer called the meeting to order at 5:31 p.m.

1.1. Review of this Evening's Agenda

Mayor Palmer requested to have a modification to the agenda to have item 2.7 to move forward to 6:00 p.m. to accommodate their schedule with a hard stop at 6:30 to go into closed session. All remaining items would be addressed after the general session.

1.2. Future Agenda Items

There were no future agenda items noted.

1.3. Council discussion of future citizen recognitions

There were no future citizen recognitions discussed.

2. Administrative Reports

2.1. Discussion and Planning for City Council Retreat – Nathan Cherpeski, City Manager

City Manager Nathan Cherpeski led a brief discussion to establish parameters for a future City Council retreat. He noted that retreats can range from a full two-day offsite event to an extended half-day session, and invited Council direction on format, location, and timing.

The Council expressed a general preference for a half-day format held during daytime hours, conducted at an off-site location within the Salt Lake Valley. Salt Lake Community College was mentioned as a potential venue, as an off-site facility would reduce the likelihood of staff being pulled away for routine matters. The Council indicated that evenings through December were difficult due to competing commitments and requested a morning session, structured roughly 8:00 a.m. to 1:00 p.m. to allow for overrun, in early November was recommended as the preferred time frame.

City Manager Cherpeski indicated staff would coordinate availability and reach out to Salt Lake Community College to explore use of their facility.

2.2. City Status Report: July 2026 – Trevor Ram, Assistant to the City Manager

Assistant to the City Manager Trevor Ram presented the July 2026 City Status Report, highlighting several project updates. On the 6400 West project, trails were in place, with landscaping still ongoing. The REAL Vista signal installation, previously anticipated for the end of August, was pushed to mid-September due to a utility conflict: Rocky Mountain Power had installed only one of the two required power sources for the two individual signals on Mountain View Corridor, necessitating a restart of the process. The Rosecrest Pipeline project was similarly suspended for four to six weeks due to material delays and utility conflicts, specifically a misalignment between as-built records and the actual location of an existing waterline. On a more positive note, paving of the Juniper Canyon West Trailhead trail was expected to be completed by the end of August.

2.3. Discussion regarding the Field Rental Fee Policy – Wendy Thomas, Assistant City Manager & Trevor Ram, Assistant to the City Manager

Assistant City Manager Wendy Thomas introduced the item, deferring primarily to Assistant to the City Manager Trevor Ram and Events Manager Lorrin Mitchell for the substantive discussion. Assistant to the City Manager Ram framed the core issue: without a formal written policy, it had been unclear which organizations qualified for contract rental rates, leading to inconsistency and ambiguity in decision-making. In 2025, 96-percent of field rentals were made under contract rates, making the absence of a clear eligibility framework a significant administrative concern.

Manager Lorrin Mitchell provided historical context, noting that when she assumed her position, certain established organizations, such as Herriman Baseball and Mountain Ridge Football leagues, had historically received contract rates because they effectively absorbed recreational programming responsibilities that would otherwise fall to the City. As newer organizations, particularly in soccer, began requesting the same rates, staff found themselves making ad hoc determinations without a guiding policy.

The draft policy presented for Council review included eligibility criteria such as nonprofit status (501(c)(3) or 501(c)(4) designation), primary service to youth under 18, and maintenance of liability insurance. Assistant City Manager Thomas noted that organizations receiving contract rates typically take on significant self-maintenance responsibilities, handling their own striping, field preparation, and cleanup, while the City continued to perform mowing and base maintenance.

Council discussion touched on residency, with Assistant City Manager Thomas noting it had been discussed previously but was difficult to apply rigidly given school boundary configurations. A question was raised about whether 501(c)(4) organizations specifically needed to be called out; City Manager Cherpeski noted the IRS Section 501(c) list was extensive and that 501(c)(3) is the most commonly recognized designation. The Council expressed broad consensus with the draft policy framework. The Council indicated there were no significant concerns with the proposed eligibility criteria.

2.4. Discussion of Field Rental Fees – Wendy Thomas, Assistant City Manager & Trevor Ram, Assistant to the City Manager

Assistant to the City Manager Ram presented the proposed field rental fee adjustments. Non-contract (hourly) rentals had previously been set at a level intended to cover personnel and operating costs, and no significant changes to that structure were proposed. For contract rates, charged on a per-day rather than per-hour basis, which included a proposed increase of five to ten dollars per day were proposed across all field categories, in recognition of the ongoing community service provided by qualifying organizations.

Manager Lorrin Mitchell referenced Mountain Ridge Football, which used multiple fields Monday through Saturday for approximately 16 weeks (August through November). At the current contract rate, their annual fee to the city was approximately $6,700 across three billing periods. The proposed increase would result in a modest additional cost, estimated at well under a dollar per participant, that could easily be absorbed within existing program registration fees.

The proposed rate increases would be effective January 1, 2027, and held stable for two years through 2028, at which point a reassessment would occur. Councilmember Basham emphasized the importance of not allowing fees to stagnate for a decade, as had occurred in the past, to avoid sudden large increases. Assistant City Manager Thomas supported the approach and recommended that rental agreements explicitly acknowledge that the city was providing a substantially discounted rate, so that organizations are informed well in advance that future increases are likely.

Councilmember Basham also raised the longer-term consideration of how field rental fees would need to be calibrated once the city's planned athletic complex comes online, noting that different pricing tiers would be appropriate for purpose-built athletic facilities versus general park turf. Assistant to the City Manager Ram agreed and noted that the two-year hold on current rates were intentional to allow time for the athletic complex to take shape before a broader fee restructuring.

Council consensus was supportive of the proposed rate structure and timeline.

2.7. Utah Transit Authority Presentation – Chandler Beutler, UTA Government Relations Manager

Item was discussed after Item 2.4

Mayor Palmer welcomed the Utah Transit Authority delegation: Executive Director Jay Fox, UTA Government Relations Manager Chandler Beutler, Jaren Robinson (Director of Planning), and state legislators Ray Ward and Paul Ray.

Executive Director Fox provided background on the agency, noting that UTA had achieved 40 million customer trips for two consecutive years, a notable figure for a state of 3.5 million residents. He reported that Utah ranked 10th nationally in per capita transit use and 4th in lane miles served per capita. He also noted a recent governance change resulting from the most recent legislative session, in which operational authority transitioned from a full-time trustee board to an administrative structure under a part-time commission, restoring responsibility to the executive staff. UTA employs approximately 3,200 people and is among the top 50 employers in the state.

Executive Director Fox introduced the agency's three strategic priorities: expanding sustainably, maintaining deliberately, and rethinking regionally. He noted that 60-percent of UTA's capital budget went toward maintaining the existing 1,400-square-mile system.

UTA Director of Planning Jaren Robinson then presented performance data specific to Herriman. Route 126, which launched in April 2025 and connects Herriman through Salt Lake Community College (SLCC) to the Daybreak TRAX station and the Draper FrontRunner station, was described as a still-maturing service. Average daily boardings across the full route were approximately 226, with Herriman-specific boardings at approximately 23 per weekday when school is out of session and 36 when school is in session. The highest concentration of boardings clustered near residential areas adjacent to SLCC, the academy high school, and a nearby Walmart. Director Robinson noted that the route was currently below UTA's internal benchmark of 10 passengers per hour, currently averaging approximately 4 passengers per hour, and that staff were evaluating opportunities for improvement.

On the UTA On Demand service, the app-based ride-hailing service covering a large zone including Herriman and surrounding areas, Director Robinson reported approximately 1,100 daily trips, with an 87-percent ride-request completion rate but a 31-minute average wait time, above the agency's target of 10 to 20 minutes. He noted that UTA had recently implemented a Transportation Network Company (TNC) overflow feature in partnership with Lyft, whereby customers facing long wait times are offered a subsidized Lyft ride within the same zone at the same fare. The service area for On Demand covers approximately 65 to 70 square miles and was UTA's most-watched on-demand program nationally.

Cell-based origin data revealed that in 2024, over 60,000 work trips originated from Herriman residents using the broader UTA system, not just Route 126 and On Demand, but also park-and-ride access at Daybreak and other FrontRunner stations. Executive Director Fox noted that utilization from Herriman was closely proportional to the tax dollars flowing from the city into the county for transit funding.

Mayor Palmer raised the issue of transit coverage for Herriman's rapidly growing western areas, particularly the Olympia development and Hidden Oaks area. He noted that all of the city's current residential growth was occurring just west of the existing On Demand service zone, and asked what steps would be needed to expand coverage. Executive Director Fox and Director Robinson acknowledged the funding constraints involved, noting that expansion would require additional vehicles and operators, and that any service changes would go through UTA's long-range transit planning process. Executive Director Fox referenced an innovative grant program through the Utah Department of Transportation as a potential funding avenue, and noted that discussions with partner cities including Riverton and Bluffdale were already underway regarding a joint grant application. Director Robinson noted that a full assessment of Route 126 performance was planned at the two-year mark, with potential service modifications to follow.

Councilmember Terrah Anderson asked Executive Director Fox to speak to two different philosophies of transit planning, one focused on building transit-supportive land use density within the community, and one focused on connecting residents to the broader regional system, noting that Herriman's suburban character made the former unlikely. Executive Director Fox affirmed that both models have value and that UTA recognized Herriman residents were already using the system in the traditional park-and-ride commuter model. The 60,000-plus annual work trips originating from Herriman validated continued investment in connectivity.

Mayor Palmer expressed a desire to partner with UTA on a public awareness campaign to increase ridership on Route 126, noting that increasing utilization was a prerequisite to making a credible case for additional service investment.

Councilmember Matt Basham moved to temporarily recess the City Council meeting to convene in a closed session to discuss pending or reasonable imminent litigation, and the purchase, exchange, or lease of real property, as provided by Utah Code Annotated §52-4-205 at 6:29 p.m. Councilmember Teddy Hodges seconded the motion.

The vote was recorded as follows:

Councilmember Terrah Anderson	*Aye*
Councilmember Matt Basham	*Aye*
Councilmember Jared Henderson	*Aye*
Councilmember Teddy Hodges	*Aye*
Mayor Lorin Palmer	*Aye*

The motion passed unanimously.

The Council reconvened the Council meeting at 6:55 p.m.
Councilmember Basham moved to temporarily recess the City Council work meeting to convene in the general session at 6:56 p.m. Councilmember Hodges seconded the motion, and all voted aye.

The Council reconvened the work meeting at 8:25 p.m.

2.5 Discussion of a proposed City Council Policy and Fee Schedule for the Herriman Community Center located at 13011 S Pioneer Street – Wendy Thomas, Assistant City Manager and Trevor Ram, Assistant to the City Manager

Assistant City Manager Thomas presented the proposed rental policy and fee schedule for the newly opened Herriman Community Center at 13011 South Pioneer Street.

Assistant City Manager Thomas noted the building was already being used by Friends of Herriman and for programming, including orchestra rehearsals which had moved to that location. The proposed policy was described as similar in structure to the existing Community Room rental policy at City Hall. Key policy elements discussed included the following.

Room Naming. The question of what to call the primary rentable space was raised. Councilmember Anderson had previously suggested names with a heritage theme. After brief discussion of various options, including geographic canyon names used for other rooms, the Council converged on "Heritage Room at the Herriman Community Center" as the working name, pending final adoption.

Hours of Availability. Assistant City Manager Thomas proposed expanding rental hours from 10:00 AM to 10:00 PM, rather than the 5:30 PM to 10:00 PM window used at City Hall, to allow daytime meetings and events.

Blackout Dates. The proposed blackout dates were consistent with other city rental policies. Discussion addressed the concern that requiring staff to be on call on holidays to accommodate renters was problematic, and the Council expressed support for maintaining blackout dates on major holidays. Councilmember Anderson suggested tracking requests for rentals on blackout dates during the first year to inform a future policy review. The Council also expressed a preference against Sunday rentals to protect employee schedules.

Reservation Structure. The policy proposed a one-reservation-per-day model with a four-hour minimum rental. This approach was supported as administratively simpler and as a means of avoiding conflicts between back-to-back events that could lead to setup and cleanup overruns.

Senior Programming. Mayor Palmer raised the desire to reserve certain daytime slots specifically for senior residents to use the space informally, not necessarily a structured program, but a designated open time. Assistant City Manager Thomas indicated staff would consult with the Recreation team to identify a day that works best for that purpose and bring a recommendation back when the policy is presented for formal adoption.

Fee Schedule. Assistant to the City Manager Ram presented the proposed fee schedule, developed using the same cost-recovery methodology applied to the Community Room, accounting for personnel, operating costs, and a capital/building replacement component. The weekday rate was proposed at $80 per hour, resulting in a minimum four-hour booking cost of $320. Assistant City Manager Thomas confirmed that the proposed fees were calibrated to cover costs without generating a profit, and that the space would remain among the more affordable event venues in the area. A refundable damage deposit structure was included. Access would be managed via key card, and all reservations would be coordinated through the Events Department. It was noted the item would be brought back for formal adoption at a future meeting.

2.6 CIP Decision Framework – Trevor Ram, Assistant to the City Manager
Assistant to the City Manager Ram opened the discussion by asking the Council to provide strategic input on the criteria staff should use when preparing Capital Improvement Program (CIP) recommendations, particularly for situations where projects score similarly under the existing technical framework and a council-level priority signal would help differentiate them.

City Manager Cherpeski explained the existing scoring system, which rates projects on a 1-5 scale across five criteria: (1) public safety risk mitigation, (2) system need/essentiality, (3) availability of external funding, (4) infrastructure preservation, and (5) community enhancement. Contractually obligated projects are addressed outside the scoring process as a threshold requirement. City Manager Cherpeski noted that the intent was not to ask the Council to evaluate individual projects in real time, but rather to provide overarching directional guidance, such as whether repair-and-replace should generally be favored over new capacity, that staff could apply earlier in the budget preparation process. The goal was to reduce last-minute surprises when the CIP comes before Council.

Assistant to the City Manager Ram illustrated the challenge with a concrete example: aging splash pad facilities might score similarly to providing a new park in an underserved growth area such as the Jackson Park neighborhood. Without Council guidance, it is difficult for staff to break such ties in a principled way.

Mayor Palmer expressed a clear preference that the City's default orientation going forward should be repair and replace, citing concern about accumulating deferred maintenance obligations similar to those he had observed at the county level. He acknowledged that new capacity projects, such as Jackson Park, would still rise to the top of the list when justified, but said the default should protect existing infrastructure first. Councilmember Basham agreed, framing it as a shift in the City's life-cycle stage: as large infrastructure builds are completed, the City begins to look more like an established municipality managing a mature asset portfolio.

Councilmember Anderson added that external funding opportunities and partnerships should continue to be weighted heavily, as they can fundamentally change the relative attractiveness of a project regardless of its ranking on other criteria.

Assistant to the City Manager Ram acknowledged the inherent subjectivity and confirmed the goal was not a rigid formula but a set of guiding principles to apply early in the process. He noted the city moved to a biennial budget, and the intent was to focus the mid-cycle year on a thorough capital discussion so the Council has more time to engage before the full budget was presented.

City Manager Cherpeski also flagged two significant facility needs that are expected to require Council deliberation in the near future: expanded space for the Police Department, including a proper evidence storage facility, and expanded or improved facilities for Public Works. He suggested these items be placed on the City Council Retreat agenda for more substantive discussion. The animal shelter project was also noted, with City Manager Cherpeski indicating the original $6 million estimate had been brought down to approximately $1.2 million under the revised approach.

The Council indicated general agreement with the "repair and replace as default" orientation and directed staff to continue refining the scoring framework and bring a more complete picture back for the mid-cycle capital discussion.

3. Adjournment

Councilmember Basham moved to adjourn the City Council work meeting at 9:08 p.m. Councilmember Hodges seconded the motion, and all voted aye.

7:00 PM – GENERAL MEETING:

4. Call to Order

Mayor Lorin Palmer called the meeting to order at 7:04 p.m.

4.1. Invocation/Thought/Reading and Pledge of Allegiance

The Pledge of Allegiance was led my Mr. Moroni Shelton.

4.2. City Council Comments and Recognitions

There were no comments or recognitions offered.

5. Public Comment

No public comments were offered.

6. City Council Reports

6.1. Councilmember Jared Henderson

Councilmember Henderson had no report.

6.2. Councilmember Teddy Hodges

Councilmember Hodges reported on the South Valley Chamber board meeting, discussion focused on upcoming events and on the anticipated economic impact of the Salt Lake Temple open house, scheduled for April through October of the following year. Projections indicated 33,000 to 38,000 visitors per day, with several million total visitors expected in downtown Salt Lake, representing significant economic opportunity for hotels, businesses, and related services in the region.

Councilmember Hodges reported on the Jordan Basin Improvement District board meeting, which covered ongoing infrastructure projects in the South Hills and South Mountain areas. He additionally noted that a city employee appreciation barbecue had been held earlier in the month.

6.3. Councilmember Matt Basham

Councilmember Basham had no report.

6.4. Councilmember Terrah Anderson

Councilmember Anderson reported on the kickoff retreat for the Herriman Youth Council. Approximately 38 members participated, with a high attendance rate. The retreat was held over Friday evening and Saturday morning. She expressed her appreciation to Deputy Recorder Angie Hansen for her help with the Youth Council.

7. Mayor Report

Mayor Palmer noted the Salt Lake County Council had formally approved the parameters of a parks and recreation bond, which will go before voters in November. The bond currently included $10 million designated for Herriman's athletic complex.

Mayor Palmer highlighted data presented at a recent TransCom meeting showing that approximately 90-percent of Herriman residents commute out of the city for work daily. While approximately 100 workers commute into the city, largely for schools, public safety, and service sector positions, the commuter data underscored the city's continued need for improved transit connectivity.

Mayor Palmer reported on the inaugural TRAX Board meeting, which received two funding applications: one for a design phase for the rodeo grounds and one for an additional phase of the athletic complex. Total applications were approximately $10 million against approximately $6 million in available funding, with a decision expected in November.

8. Reports, Presentations and Appointments

8.1. Salt Lake County Presentation – County Council Member Carlos Moreno

Salt Lake County Councilmember Carlos Moreno addressed the City Council, describing it as an intentional effort to build coordination between county and city governments. He noted that he represents seven cities and the unincorporated areas of District 2, spanning from Magna to Herriman.

Councilmember Moreno outlined several fiscal accomplishments during his tenure, including: amending the administrative budget and transitioning county daycare services to a public-private partnership; freezing salaries for selected officers; ending COVID-era federal programs; moving the Clark Planetarium from property tax funding to TRCC (Tourism, Recreation, Cultural and Convention) funds; opening a new 250-bed expansion of the Oxbow Jail; addressing $3 million in deferred maintenance at the Adult Detention Center; and completing an audit of election equipment.

On infrastructure, he noted the commencement of work on a downtown entertainment district, the creation of an American 250 Commission, investment in trail infrastructure, and a county resolution to protect the Great Salt Lake, which he described as a bipartisan effort that gained national attention.

Councilmember Moreno also spoke about his role on the SLVLESA (Salt Lake Valley Law Enforcement Service Area) Board of Trustees, noting that law enforcement and public safety represent a continuing crisis in Salt Lake County. He described the jail overcrowding situation as a long-standing failure of leadership, noting that within 90 days of release due to overcrowding, 38.4-percent of individuals had been arrested and booked again on new criminal charges. He indicated that legislation had passed requiring the county to address this, which may necessitate a tax increase to fund jail expansion. He expressed reluctance given his general opposition to tax increases but acknowledged the public safety imperative.

On the parks and recreation bond, Councilmember Moreno noted he had voted against the final version because colleagues moved to add $28 million to the original $100 million bond midway through the process, beyond what the governing board had recommended, and he was unwilling to support projects that lacked adequate analysis of long-term maintenance and operating costs.

Councilmember Moreno closed by reaffirming his commitment to being accessible and working collaboratively with Herriman City on shared priorities.

9. Public Hearing

9.1. Public hearing and consideration of a Resolution approving an Interfund Loan between the Water Rights Impact Fee Fund and the General Capital Projects Fund – Kyle Maurer, Director of Finance and Administrative Services

Finance Director Kyle Maurer presented the proposed interfund loan. By way of background, Councilmember Henderson noted for the benefit of newer members of the Council and the public that the City had originally borrowed against itself to purchase land in the Auto Mall project area that was zoned for apartments. The City intervened under a time-limited agreement to prevent residential development and preserve the site for commercial use. Proceeds from the eventual sale of that land are intended to repay the loan.

Director Maurer explained that the prior interfund loan, executed in 2020 for an original amount of $12.5 million, had expired. The current outstanding balance as of June 30, 2026, was $7,609,747.55. Staff proposed a replacement loan with the Water Rights Capital Impact Fee Fund as the lending fund and the General Capital Projects Fund as the borrower. The term was proposed at two years, with principal due at maturity, though the loan would be repaid immediately upon sale of the Auto Mall land. The interest rate would be set at the June Public Treasurer's Investment Fund Rate, consistent with state statute requirements. There are no prepayment penalties.

Director Maurer also reviewed the statutory requirements for interfund loans under Utah law, including the requirement that all terms be in writing, that the interest rate reflect what would have been earned on idle funds, that a public hearing be held, and that the loan be adopted by resolution or ordinance, with a maximum term of 10 years.

Mayor Palmer opened the public hearing.

No comments were offered.

Councilmember Hodges moved to close the public hearing. Councilmember Basham seconded the motion, and all voted aye.

Councilmember Henderson moved to approve Resolution No. R36-2026 approving an Interfund Loan between the Water Rights Impact Fee Fund and the General Capital Projects Fund. Councilmember Hodges seconded the motion.

The vote was recorded as follows:
Councilmember Terrah Anderson *Aye*

Councilmember Matt Basham	*Aye*
Councilmember Jared Henderson	*Aye*
Councilmember Teddy Hodges	*Aye*
Mayor Lorin Palmer	*Aye*

The motion passed unanimously.

10. Discussion and Action Items

10.1. Consideration for adoption of a Resolution authorizing the issuance and sale of not more than $16,000,000 aggregate principal amount of Sales and Franchise Tax Revenue Refunding Bonds, Series 2026; and related matters – Kyle Maurer, Director of Finance and Administrative Services

Finance Director Maurer presented the parameters resolution for a proposed refunding of existing Sales and Franchise Tax Revenue Bonds. He clarified that the current bond series has approximately $14.3 million outstanding, and that market conditions at the time of the meeting were unfavorable for refinancing. However, staff sought to have the parameters resolution in place so that designated officers could act expeditiously if market conditions improve to a point where a refunding would generate meaningful savings.

The parameters resolution established the following maximum terms: principal of $16 million (slightly above the outstanding balance to provide flexibility for premium bond structures), maturity of 10 years (one year more than currently remaining, to provide structural flexibility), a minimum selling price of 98-percent of par (industry standard), and a maximum interest rate of 6-percent (to accommodate the range of rates across bond years). Director Maurer noted that the bond underwriter, Stifel Finance, had already been authorized by the Council. Designated officers authorized to execute the refunding under the parameters would be Director Maurer and City Manager Cherpeski, consistent with the 2025 bond issuance

Councilmember Basham moved to approve Resolution No. R37-2026 authorizing the issuance and sale of not more than $16,000,000 aggregate principal amount of Sales and Franchise Tax Revenue Refunding Bonds, Series 2026. Councilmember Henderson seconded the motion.

The vote was recorded as follows:

Councilmember Terrah Anderson	*Aye*
Councilmember Matt Basham	*Aye*
Councilmember Jared Henderson	*Aye*
Councilmember Teddy Hodges	*Aye*
Mayor Lorin Palmer	*Aye*

The motion passed unanimously.

10.2. Extra Space Self Storage Discussion – Nathan Cherpeski, City Manager

City Manager Cherpeski presented a detailed report on the ongoing dispute regarding the gate installed at the connection between the Extra Space Self Storage development and the Black Powder Drive neighborhood. He prefaced the report by noting that the item was placed on the General Meeting agenda, rather than the work meeting, specifically to allow residents to provide public comment, as the work meeting does not include a public comment period.

City Manager Cherpeski highlighted the background of the Extra Space Self Storage development and noted it was governed by a Master Development Agreement (MDA). The MDA required the developer to build an office building first, a condition they complied with, before proceeding with storage unit construction. The development is located adjacent to a residential neighborhood accessed via Black Powder Drive. A historical agreement between the City and UDOT required that the connection point onto Mountain View Corridor be a public street, precluding the option of a private access road. As a compromise, the MDA specified that a "crash gate specified by Unified Fire District" would be installed to prevent through-traffic access from the neighborhood into the storage facility, while preserving emergency access. The term "crash gate" was not defined in the MDA, nor were any specifications, photographs, or drawings included to define what type of gate was required.

The developer, upon going to Unified Fire Authority (UFA), received confirmation that the gate they proposed met UFA's requirements. The gate was subsequently installed, a standard industrial-style swing-arm gate with bollards, and the developer maintained they had complied with the letter of the MDA. City staff acknowledged they had no clear legal mechanism to compel the developer to install a different gate.

City Manager Cherpeski presented police call data comparing the 21 months prior to the gate's installation with the 21 months after. Total incidents in the area declined from 260 to 173, though City Manager Cherpeski cautioned that the sample size was small and the data inconclusive. He noted that increases in "suspicious persons/vehicles" calls could indicate pedestrian access through the gate, but could also reflect growing activity in the area generally. He concluded that the data did not clearly support or refute the hypothesis that the gate had affected public safety outcomes.

A key development in the discussion was a clarification from Community Development Director Blake Thomas regarding the ADA accessibility requirement that had previously been cited as a constraint on closing the pedestrian access point. He confirmed, following further consultation with the City's Building Official, that the ADA requirement for emergency egress is to provide access to a public right-of-way and that the road constructed with the development itself (the through road in front of the storage building) satisfied that requirement. The connection to the Black Powder Drive sidewalk network is therefore not legally required to remain open. This resolved a concern that had blocked a definitive resolution at the previous meeting on the topic.

An estimate obtained approximately 18 months prior from the developer (DAI) for a replacement gate matching the aesthetic of the development's existing gates were approximately $30,000. City Manager Cherpeski acknowledged this figure was outdated and likely higher, but would not be expected to double. Any cost would come from the City's General Fund, as the developer had already met their obligation under the MDA's current language.

Mayor Palmer opened the floor to public comment.

<u>Tryna Jacobson</u> expressed frustration at returning to address an issue that had been raised at a prior meeting. She described witnessing individuals pull up directly to the gate opening and unload vehicles, using the access point as a convenient cut-through to the storage facility. She stated that residents deserved the protection that had been promised when the development was approved.

<u>Matt Prince</u> described having personally witnessed a small vehicle drive between the gaps in the current gate. He emphasized the proximity of a children's playground, the anticipated increase in Mountain View Corridor traffic as it is expanded and expressed support for fully closing both vehicle and pedestrian access.

<u>Jen Bangerter</u> echoed prior speakers' comments, noting that when the issue was first raised at a November meeting, she understood the Council to share residents' interpretation that the gate would provide meaningful access restriction. She expressed disappointment that a resolution had not been reached more quickly and urged Council action.

<u>Jeremy Jacobson</u> suggested that the gate enhancement could be accomplished cost-effectively through metal fabrication, adding a sleeve over existing bollards, welding a gate, and installing a crash bar for fire access, at a cost well under the $30,000 estimate. He characterized what was being requested as a functional, aesthetically appropriate rod iron-style gate, not a high-end automated system.

<u>Morgan</u> (last name not provided) raised the concern that with the Lifetime Fitness development coming online nearby, traffic and activity in the area would increase, making the access point more of an issue over time rather than less. She also expressed a general concern about whether

developer commitments in future projects would be honored and thanked the Council for accessibility and openness to constituent engagement.

Julie Christiansen spoke to the safety dimension, particularly in light of Mountain View Corridor's anticipated expansion, and urged the Council to view the residents as families deserving of the protection originally promised, rather than as statistics.

Councilmember Henderson provided historical context stating that extensive discussion had occurred at the time the MDA was approved about the imperative of ensuring no direct access from the storage facility to the residential neighborhood. He acknowledged that the MDA language did not adequately capture Council's intent, calling it an instance where "the details mattered" and the agreement failed to reflect what had been clearly directed. He stated his personal recollection that the Council had specifically indicated the gate should not be the type of swing-arm industrial gate that was ultimately installed, but that without a specific definition, drawing, or specification in the MDA, there were no enforceable basis to require something different from the developer.

Councilmember Henderson stated his view that regardless of fault, the City had made a commitment to the neighborhood and should make good on it. He indicated a preference for options that were functional and decent in appearance, not necessarily premium or expensive, and reiterated the direction he believed had been given at the December meeting: present options for a gate to Council and proceed.

Mayor Palmer stated that the ADA clarification was the critical new information for him. Prior to that meeting, he had been reluctant to support spending public funds on an improved gate if the pedestrian access point could not be simultaneously closed, as a better gate alone would not resolve the underlying access problem. With the confirmation that the sidewalk connection to the neighborhood could be closed, he supported moving forward with both a replacement gate and closure of the pedestrian pathway, characterizing it as honoring commitments made in the development approval process.

Councilmembers Basham and Hodges both expressed support for addressing the access issue, with Councilmember Basham emphasizing the safety dimension, particularly the unpredictability of young children near an open access point, and the importance of deploying public funds judiciously but decisively.

Director Thomas indicated three tiers of gate options could be developed: (1) a lower-cost modification of the existing gate using metal fabrication; (2) a mid-range rod iron-style gate, which would be visible through but substantially more secure and aesthetically appropriate; and

(3) a fully opaque or solid gate at the higher end of cost. Director Thomas confirmed that UFA coordination would be required regardless of option, to ensure the gate remains operable for emergency access and does not exceed weight or automation thresholds that would trigger the need for powered operation. City Manager Cherpeski noted that a motorized gate could add $20,000 or more to the cost and should be avoided.

Councilmember Anderson requested specifications regarding visibility, noting the concern expressed by residents about being able to see through the gate into the neighborhood from Mountain View Corridor, and asked that options addressing opacity be included. She also suggested adding no-parking signage near the gate on both sides of the road to address the issue of people using the shoulder to access the storage facility on foot.

Director Thomas confirmed that no-parking restrictions could be implemented with signing, with sight-distance clearance maintained for the fire access driveway.

The Council directed staff to return with a menu of gate replacement options, including both closure of the pedestrian sidewalk connection and replacement of the vehicle gate, coordinated with UFA for compliance, and to include cost estimates for each option. Staff indicated they would also explore whether no-parking restrictions near the gate were feasible. The item will return to Council for a formal decision and any necessary budget amendment.

11. Future Meetings

11.1. Next Planning Meeting: September 2, 2026

11.2. Next City Council Meeting: September 9, 2026

12. Events

12.1. Hungry Herriman Food Truck Roundup: Mondays@ Crane Park 5:00 p.m.

12.2. Labor Day: September 7, 2026; City Offices Closed

13. Closed Session

The Herriman City Council may temporarily recess the City Council meeting to convene in a closed session to discuss the character, professional competence, or physical or mental health of an individual, pending or reasonable imminent litigation, and the purchase, exchange, or lease of real property, as provided by Utah Code Annotated §52-4-205

14. Adjournment

Councilmember Hodges moved to adjourn the City Council meeting at 8:19 p.m. Councilmember Basham seconded the motion, and all voted aye.

15. Recommence to Work Meeting (If Needed)

I, Jackie Nostrom, City Recorder for Herriman City, hereby certify that the foregoing minutes represent a true, accurate and complete record of the meeting held on August 26, 2026. This document constitutes the official minutes for the Herriman City Council Meeting.

Jackie Nostrom, MMC
City Recorder

DATE: **September 10, 2026**

TO: The Honorable Mayor and City Council

FROM: Blake Thomas, Community Development Director

SUBJECT: Consideration of an amendment to Title 10 of the Herriman City Code regarding uses allowed in the Commercial, Mixed Use, and Manufacturing zoning districts regarding commissaries, outdoor retail displays associated with retail businesses, and seasonal sales activities.

RECOMMENDATION:
Staff recommends approval of the proposed amendments.

ISSUE BEFORE COUNCIL:
Should the City Council approve an amendment to Title 10 to allow Commissaries in locations zoned for commercial, mixed-use, and manufacturing?

Should the City Council amend the code to allow for outdoor uncovered seasonal sales at locations where there is an established retail business in areas zoned for mixed-use?

ALIGNMENT WITH STRATEGIC PLAN:
EV 1 – Business development | EV 1.1 – Business support | EV 3.5 – Economic Development Efforts | EV 3 – Balanced land use | EV 2 – Commercial Development

BACKGROUND/SUMMARY:
City staff has identified the following amendments to Title 10 Land Development for consideration and recommendation of the Planning Commission:

- Recommendation to permit food truck "commissaries" in C-1, C-2, and M-1 zoning districts; and
- Permitting outdoor uncovered seasonal sales for established commercial businesses.

DISCUSSION:
The primary objective of the proposal is to address inconsistencies within the current Herriman City Code due to the adoption of the CF Zone and introduction of the Commissary land use into the code. Commissary was not listed in the land use table before the creation of the CF Zone. When it was introduced, it created a need to include the land use in other zones but that was not done when the CF Zone was adopted. Food trucks are required to be present at their commissary

kitchen at least once per day per Salt Lake County Health Department requirements, so it is often the location where they are parked overnight.

Additionally, several potential businesses have expressed interest in having outdoor/seasonal displays such as pumpkin patches, Christmas markets, etc. This use is not allowed in the MU-2 Zone. The proposed amendment to §10-14-4(D) creates a pathway for these uses to be allowed in the MU-2 Zone.

A public hearing was held at the Planning Commission September 2, 2026. No comments were received and the planning commission voted unanimously to recommend approval of the proposed amendments to the Herriman City Code.

ALTERNATIVES:

Alternative	Pros	Cons
1. Approval of item	Amends the code to address needs identified by city staff.	None Identified
2. Approve item with conditions	Allows conditional items to be included that may not have been considered by staff.	Could delay approval of the item.
3. Continue item to a future meeting	May allow staff and council more time to consider items of concern.	Could delay approval of the item.
4. Deny request	None identified	Could result in missed economic development opportunities.

FISCAL IMPACT:
None identified

ATTACHMENTS:
Exhibit A: Draft Amendment to City Code Sections

HERRIMAN, UTAH
ORDINANCE NO. 2026 - ________

AMENDING TITLE 10 OF HERRIMAN CITY CODE TO MODIFY THE TABLE OF USES AND USES ALLOWED IN THE MIXED-USE ZONES.

WHEREAS, the City of Herriman, pursuant to Utah State Code, may adopt an ordinance to establish land development regulations ("Zoning"), which includes the adoption or amendment of the regulatory text or official map; and

WHEREAS, pursuant to Utah State Code, the Planning Commission (the "Commission") shall prepare and recommend any Zoning amendments to the City Council (the "Council"); and

WHEREAS, pursuant to the City of Herriman Land Development Code, the Commission shall hold a public hearing and provide reasonable notice at least ten (10) days prior to the said public hearing to recommend any Zoning text amendments to the Council; and

WHEREAS, a notice of a Planning Commission public hearing on a Zoning text amendment was posted in three (3) public locations and mailed to affected entities on August 21, 2026, for a meeting to be held on September 2, 2026, at 7:00 p.m.; and

WHEREAS, the Commission voted 6-0 to recommend approval of the Zoning text amendment in a public meeting held on September 2, 2026, at 7:00 p.m. in the City Council Chamber; and

WHEREAS, pursuant to Herriman City Code, it is the responsibility of the Council to consider the Zoning text amendment and the Commission's recommendation in a public meeting; and

WHEREAS, a City Council public meeting was held on September 23, 2026, at 7:00 p.m. to discuss the Zoning text amendment; and

WHEREAS, the Council finds that it is in the best interest of the citizens of Herriman City to adopt the Zoning text amendment, which was recommended by the Planning Commission and documented in City File number Z2026-123;

NOW, THEREFORE, be it ordained by the Herriman City Council for approval to amend the Herriman City Land Development Code, Title 10, as described in Exhibit "A".

This Ordinance assigned Ordinance No. 2026-____, shall take immediate effect as soon as it shall be published or posted as required by law and deposited and recorded in the office of the City Recorder.

PASSED AND APPROVED this 23rd day of September 2026.

HERRIMAN CITY

____

ATTEST:

Mayor Lorin Palmer

____

Jackie Nostrom, City Recorder

Exhibit "A"

The following text comprises excerpts from various sections of the Herriman City Code, providing context for the Ordinance. Only the text marked by an underline or strike-through shall be amended by the codifier.

Herriman City Code
Chapter 10-16 Table of Uses

The following amendments are proposed to the use table in §10-16-1(B):

Uses	*Zones*																					
	A-1-10	*A-1-21*	*A-1-43*	*R-1-10*	*R-1-15*	*R-1-21*	*R-1-43*	*R-2-10*	*R-2-15*	*R-M*	*FR2*	*R C*	*O P*	*C-1*	*C-2*	*M-1*	*T-M*	*M-2*	*M U*	*M U-2*	*ASMD*	C-F
Commissary														P	P	P				P		P

§ 10-14-4(D) Shall amended as follows:

D) *Business and uses; conditions.* The stores, shops, or businesses ~~designated in this chapter~~ in this zone shall be retail establishments only and shall be permitted only under the following conditions:

1. Such business shall be conducted wholly within an enclosed building except for:
   i. Parking and automobile service, and;
   ii. Temporary or seasonal outdoor display and sales areas associated with an existing retail establishment.
2. All products, whether primary or incidental, shall be sold at retail on the premises.
3. All uses shall be free from objection due to odor, dust, smoke, noise, vibration, or similar causes.
4. ~~No large box retail is allowed~~

HERRIMAN CITY

DATE: **September 16, 2026**

TO: The Honorable Mayor and City Council

FROM: Blake Thomas, Community Development Director

SUBJECT: Discussion and consideration of an agreement with the Affordable Housing Infrastructure Grant Board regarding grant funding to build public infrastructure that directly supports the development of owner-occupied, attainable housing.

RECOMMENDATION:
Staff recommends approval of the agreement and authorize the City Manager to sign the agreement. In the event there are changes requested from the State to the redlines from CIty Staff, authorize the City Manager and City Legal to agree to such changes if they are not detrimental to the City.

ISSUE BEFORE COUNCIL:
Should the City Council approve an agreement to receive funds to construct public infrastructure to support the creation of owner-occupied, attainable housing?

ALIGNMENT WITH STRATEGIC PLAN:
LV 5.1 – Seek outside funding sources for capital transportation projects | LV 7.1 – Capital Improvement Plan | LV 1 – Level of Service

BACKGROUND/SUMMARY:
Herriman City was approved for a grant from the Utah Affordable Housing Infrastructure Grant Board to construct public infrastructure that directly supports the development of at least 2,500 new owner-occupied housing units. At least 1,250 of the housing units shall be single-family, detached homes constructed on lots that are no more than 5,000 square feet. In addition, a minimum of 50 single-family, detached homes shall have no more than 1,400 finished square feet and shall contain no accessory dwelling units; 450 single-family, detached homes shall have no more than 1,600 finished square feet (including the square footage of any accessory dwelling unit); and the remainder of the single-family, detached homes shall have no more than 1,900 finished square feet (including the square footage of any accessory dwelling unit).

This agreement is one of several necessary for this grant to be utilized. We will see an amendment to the MDA and an Agreement with UDOT.

5355 W. Herriman Main Street • Herriman, Utah 84096
801-446-5323 office • www.herriman.gov
Herriman City

DISCUSSION:

The Utah Affordable Housing Infrastructure Grant will be used to construct right-of-way improvements for Herriman Boulevard (from 7300 West to Bacchus Highway), Olympia Boulevard (from 7300 West to ~Bacchus Highway), and Herriman Highway (from 7300 West to Herriman Boulevard). The city will coordinate with the Olympia PID to cause the infrastructure to be constructed. In exchange for receiving funds to complete the work, the city will ensure the construction of at least 2,500 new owner-occupied housing units. These units are already included in the Olympia Master Planned Community and will not increase the total number of allowable units or overall density of the development.

ALTERNATIVES:

1. Authorize the City Manager to sign the agreement subject to the City Manager and City Attorney agreeing to any changes the State may request.
2. Decline to act at this time and provide further direction.

FISCAL IMPACT:

The city will receive $50,000,000 to be used for the design, engineering, and construction of the infrastructure improvements.

ATTACHMENTS:

1. Agreement from State
2. Agreement with staff redlines

GRANT AGREEMENT
Herriman City AHIG Agreement

This Interagency Agreement is entered into by and between the State of Utah**, AFFORDABLE HOUSING INFRASTRUCTURE GRANT BOARD**, referred to as **"Grantor" or "AHIG"** and the following, hereinafter referred to as **Grantee**:

ORGANIZATION:	Herriman City
ADDRESS:	5355 W Herriman Main St
CITY, STATE, ZIP:	Herriman, Utah, 84096

Contract Number:	AHIG-260904-01
Commodity Code:	99999
Contractor Type:	Municipal Entity
Funding Source:	Affordable Housing Infrastructure Grant
Program Name:	Affordable Housing Infrastructure Grant.
Subrecipient/Contractor:	N/A
Federal UEI #:	N/A
State Vendor Number:	N/A

THE GENERAL PURPOSE OF THIS CONTRACT is to provide grant funding to build public infrastructure that directly supports the development of owner-occupied, attainable housing.

APPLICATION
This grant has been awarded as a result of direct funding and approved by the Affordable Housing Infrastructure Grant Board.

PERIOD OF PERFORMANCE
This Agreement shall be effective **09/10/2026.** This Agreement shall remain in effect unless terminated sooner in accordance with the terms and conditions herein. The Grantee may have obligations that will survive the termination of this Agreement, including obligations for which performance is due after termination, whether or not the Agreement expressly states the obligation will survive termination.

GRANT AMOUNT
The **Grantee** shall be paid up to a maximum of **$50,000,000** per year for a total contract maximum of **$50,000,000** for costs authorized under this Agreement, based on funding availability and Grantee performance. All expenditures and activities must be in accordance with all attachments herein and must occur within the grant period. Funding may not be used for purposes contrary to applicable federal, state, and local laws.

STATE FISCAL YEAR BILLING DEADLINE

Grantor must receive billing for services for the month of June no later than July 15th, due to the Grantor fiscal year end. Billings **submitted after JULY 15TH may be denied**.

ATTACHMENTS
Attachment A: Grant Terms and Conditions
Attachment B: Affordable Housing Infrastructure Grant Terms and Conditions

RATIFICATION
It is understood and agreed that the effective date of this Agreement is the date of commencement of services as provided in the Period of Performance paragraph above, and that any and all appropriate costs within budget incurred by the Grantee between said effective date and the date on which this Agreement is fully executed are hereby approved and ratified for payment.

CONTACTS

AHIG	**Grantee**
Name: Matt Meyer	Name: Nathan Cherpeski
Position: DHCD Managing Director	Position: City Manager
Address: 195 North 1950 West	Address: 5355 W Herriman Main St
City, State Zip: Salt Lake City, Utah 84116	City, State Zip: Herriman, Utah 84096
Phone: (801) 831-3926	Phone: (801) 446-5323
Email: mrmeyer@utah.gov	Email: Nathan ncherpeski@herriman.gov

SIGNATURE AND ACKNOWLEDGEMENT
By signing below, the following officials acknowledge that they understand and agree to all the terms and responsibilities set forth herein and cause this Agreement to be executed.

ATTEST: **GRANTEE**

Signature　　　　　　　　　　　　　　Date

Print Name　　　　　　　　　　　　　Print Title

ATTEST: **AFFORDABLE HOUSING INFRASTRUCTURE GRANT BOARD**

Steve Waldrip, AHIG Board Chairman　　　　　　Date

ATTACHMENT A
Grant Terms and Conditions

1. **DEFINITIONS:**
   a. **"Agreement Signature Pages"** means the State cover pages that Grantor and Grantee sign.
   b. **"Agreement"** means the Agreement, Signature Pages, attachments, and documents incorporated by reference.
   c. **"Confidential Information"** means information that is classified as Private or Protected or otherwise deemed non-public under applicable state and federal laws, including but not limited to the Government Records Access and Management Act (GRAMA) Utah Code 63G-2-101 et seq. Grantor reserves the right to identify, during and after this Agreement, additional information categories that must be kept confidential under federal and state law.
   d. **"Goods and Services"** means goods including, but not limited to, any deliverables, supplies, equipment, or commodities, and services including, but not limited to the furnishing of labor, time, and effort by Grantee pursuant to this Agreement and professional services required in accordance with this Contract.
   e. "**Grantee**" means the individual or entity receiving the funds identified in this Agreement, and includes all sub-recipients and loan recipients, as well as all owners, partners, directors, and officers of Grantee or others with authority to establish policies and make decisions for Grantee.
   f. **"Proposal"** means Grantee's response to Grantor's Solicitation.
   g. **"Solicitation"** means the documents and process used by the Grantor to obtain Grantee's Proposal.
   h. "**State of Utah**" means the State of Utah, in its entirety, including its institutions, agencies, departments, divisions, authorities, instrumentalities, boards, commissions, elected or appointed officers, employees, agents, and authorized volunteers.
   i. "**Subcontractor/Subgrantee"** means an individual or entity that has entered into an agreement with the original Grantee to perform services or provide goods which the original Grantee is responsible for under the terms of this Agreement. Additionally, the term "subgrantee" or "subcontractor" also refers to individuals or entities that have entered into agreements with any subgrantee if: (1) those individuals or entities have agreed to perform all or most of the subgrantee's duties under this Agreement; or (2) federal law requires this Agreement to apply to such individuals or entities.
   j. **"Volunteer"** means an authorized individual performing a service without pay or other compensation.
2. **GOVERNING LAW AND VENUE:** This Agreement shall be governed by the laws, rules, and regulations of the State of Utah. Any action or proceeding arising from this Agreement shall be brought in a court of competent jurisdiction in the State of Utah. Venue shall be in Salt Lake City, in the Third Judicial District Court for Salt Lake County.
3. **CONFLICT OF INTEREST:**
   a. Grantee may not use Grant funds to make any payments to an organization which has in common with Grantee either: a) owners or partners who directly or indirectly own ten percent (10%) or more of the voting interest of the organization; or b) directors, officers or others with authority to establish policies and make decisions for the organization.
   b. By executing this Agreement, Grantee certifies that none of its owners, directors, officers, or employees are employees of Grantor. Grantee may not hire or subcontract with any person who is an employee of Grantor.
   c. By executing this Agreement, Grantee certifies that none of its owners, directors, officers, or employees working under this Agreement, are relatives of an employee of Grantor. A relative is defined as: spouse, child, step-child, parent, sibling, aunt, uncle, niece, nephew, first cousin, mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandparent or grandchild.
   d. By executing this Agreement, Grantee certifies that Grantee has notified Grantor in writing if any of its owners, directors, officers, or employees are employees of any state or local agency, as defined by Title 67, Chapter 16, Utah Public Officers' and Employees' Ethics Act.
   e. Grantee shall require its owners, directors, officers, or employees who are also public employees of any state or local agency to comply with the Utah Public Officers' and Employees' Ethics Act.
   f. Grantee shall notify Grantor in writing immediately upon learning of a previously undisclosed or newly developed conflict.

g. Grantee shall take immediate action to cure any conflict of interest in accordance with Grantor's direction.

4. **RELATED PARTIES:**
   a. Grantee shall not use Grant funds to make any payments to related parties without the prior written consent of Grantor. Grantee is obligated to notify Grantor of any contemplated related party payment prior to making a purchase. Payments made by Grantee to related parties without prior written consent may be disallowed and may result in an overpayment assessment.
   b. As used in this Section, "related parties" means:
      i. a person who is related to Grantee through blood or marriage, as defined by U.C.A., Section 52-3-1(1)(d), as father, mother, husband, wife, son, daughter, sister, brother, grandfather, grandmother, grandson, granddaughter, uncle, aunt, nephew, niece, first cousin, mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, or daughter-in-law; and
      ii. an organization with directors, officers, or others with the authority to establish policies and to make decisions for the organization who is related to Grantee through blood or marriage, as defined above.
   c. Upon notification of proposed related party payment, Grantor may, at its discretion:
      i. Require Grantee to undertake competitive bidding for the goods or services,
      ii. Require satisfactory cost justification prior to payment, or
      iii. Take other steps that may be necessary to ensure that the goods or services provided afford Grantor a satisfactory level of quality and cost.
   d. Any related-party payments contemplated under this Agreement must be disclosed in a written statement to Grantor which shall include:
      i. The name of Grantee's representative who is related to the party to whom Grantee seeks to make payments;
      ii. the name of the other related party;
      iii. the relationship between the individuals identified in "i" and "ii" above;
      iv. a description of the transaction in question and the dollar amount involved;
      v. the decision-making authority of the individuals identified in "i" and "ii" above, with respect to the applicable transaction;
      vi. the potential effect on this Agreement if the payment to the related party is disallowed;
      vii. the potential effect on this Agreement if the payment to the related party is made; and
      viii. the measures taken by Grantee to protect Grantor from potentially adverse effects resulting from the identified parties' relationship.
5. **INDEMNITY:** Grantee shall be fully liable for the actions of its agents, employees, officers, partners, and subcontractors, and shall fully indemnify, defend, and save harmless Grantor and the State of Utah from all claims, losses, suits, actions, damages, and costs of every name and description arising out of Grantee's performance of this Agreement caused by any intentional act or negligence of Grantee, its agents, employees, officers, partners, volunteers, or subcontractors, without limitation; provided, however, that the Grantee shall not indemnify for that portion of any claim, loss, or damage arising hereunder due to the sole fault of Grantor. The parties agree that if there are any limitations of the Grantee's liability, including a limitation of liability clause for anyone for whom the Grantee is responsible, such limitations of liability will not apply to injuries to persons, including death, or to damages to property of Grantor.
6. **STANDARD OF CARE:** Grantee and Subcontractors shall perform in accordance with the standard of care exercised by licensed members of their respective professions having substantial experience providing similar services, including the type, magnitude, and complexity of the Services. Grantee is liable for claims, liabilities, additional burdens, penalties, damages, or third-party claims, to the extent caused by the acts, errors, or omissions that do not meet this standard of care.
7. **AMENDMENTS:** This Agreement may only be amended by the mutual written agreement of the parties, provided that the amendment is within the Scope of Work of this Agreement and is within the scope/purpose of the original solicitation for which this Contract was derived. The amendment will be attached and made part of this Agreement. Automatic renewals will not apply to this Agreement, even if listed elsewhere in this Agreement.
8. **IMPOSITION OF FEES:** Grantee will not impose any fees upon clients' provided services under this Agreement except as authorized by Grantor. The State of Utah and Grantor will not allow the Grantee to charge end users electronic payment fees of any kind.
9. **Grantee RESPONSIBILITY:** Grantee is solely responsible for fulfilling the scope of work under this Agreement, with responsibility for all services performed as stated in this Agreement. Grantee shall be the sole point of contact regarding all matters related to this Agreement. Grantee must incorporate Grantee's responsibilities under this Agreement into every subcontract with its subcontractors that will

provide any of the work product in this Agreement. Moreover, Grantee is responsible for its subcontractor's compliance under this Agreement.

10. **Grantee ASSIGNMENT AND SUBGrantees/SUBCONTRACTORS:**
    a. Assignment: Notwithstanding Grantor's right to assign the rights or duties here under, this Agreement may not be assigned by Grantee without the written consent of Grantor. Any assignment by Grantee without Grantor's written consent shall be wholly void.
    b. If Grantee enters into subcontracts the following provisions apply:
        i. Duties of Subgrantee/Subcontractor: Regardless of whether a particular provision in this Agreement mentions subgrantees, a subgrantee must comply with all provisions of this Agreement including insurance requirements and the fiscal and program requirements. Grantee retains full responsibility for the Agreement compliance whether the services are provided directly or by a subgrantee.
        ii. Provisions Required in Subcontracts: If Grantee enters into any subcontracts with other individuals or entities and pays those individuals or entities for such goods or services with federal or state funds, Grantee must include provisions in its subcontracts regarding the federal and state laws identified in this Agreement, if applicable ("Grantee's Compliance with Applicable Laws; Cost Accounting Principles and Financial Reports"), as well as other laws and grant provisions identified in 45 C.F.R. §92.36(i).
11. **INDEPENDENT Grantee:** Grantee and subcontractors, in the performance of the Scope of Work, shall act in an independent capacity and not as officers or employees or agents of Grantor or the State of Utah. Persons employed by or through the Grantee shall not be deemed to be employees or agents of the State and are not entitled to the benefits associated with State employment.
12. **MONITORING:**
    a. Grantor shall have the right to monitor Grantee's performance under this Agreement. Monitoring of Grantee's performance shall be at the complete discretion of Grantor which will include but is not limited to Grantee's fiscal operations, and the terms, conditions, attachments, scope of work, and performance requirements of this Agreement. Monitoring may include, but is not limited to, both announced and unannounced site visits, desk audit, third party monitoring, expenditure document review or video/phone conferencing. Any onsite monitoring will take place during normal business hours.
    b. If it is discovered that Grantee is in default (not in compliance with the Agreement), Grantee may be subject to sanctions which may include warnings, audits, temporary suspension of payments, termination, demand for the return of funds, or suspension/debarment from participation in future Grantor grants and contracts. Default may also result in the cancellation of other agreements between Grantee and Grantor.
    c. Grantee understands that Grantor may conduct customer-satisfaction surveys. Grantee agrees to cooperate with all Grantor-initiated customer feedback.
    d. EVALUATIONS: Grantor may conduct reviews, including but not limited to:
        i. PERFORMANCE EVALUATION: A performance evaluation of Grantee's and Subcontractors' work.
        ii. REVIEW: Grantor may perform plan checks, plan reviews, other reviews, and comment upon the Services of Grantee. Such reviews do not waive the requirement of Grantee to meet all of the terms and conditions of this Agreement.
13. **DEFAULT:** Any of the following events will constitute cause for Grantor to declare Grantee in default of this Agreement (i) Grantee's non-performance of its contractual requirements and obligations under this Agreement; or (ii) Grantee's material breach of any term or condition of this Agreement. Grantor may issue a written notice of default providing a ten (10) day period in which Grantee will have an opportunity to cure. In addition, Grantor will give Grantee only one opportunity to correct and cease the violations. Time allowed for cure will not diminish or eliminate Grantee's liability for damages. If the default remains after Grantee has been provided the opportunity to cure, Grantor may do one or more of the following: (i) exercise any remedy provided by law or equity; (ii) terminate this Agreement; (iii) debar/suspend Grantee from receiving future grants or contracts from Grantor or the State of Utah; or (iv) demand a full refund of any payment that Grantor has made to Grantee under this Agreement.
14. **AGREEMENT TERMINATION:**
    a. **Termination for Cause:** This Agreement may be terminated with cause by either party, upon written notice given to the other party. The party in violation will be given ten (10) days after written notification to correct and cease the violations, after which this Agreement may be terminated for cause immediately and subject to the remedies herein. Time allowed for cure will not diminish or eliminate Grantee's liability for damages.
    b. **Immediate Termination:** If Grantee creates or is likely to create a risk of harm to the clients served under this Agreement, or if any other provision of this Agreement (including any provision in the attachments) allows Grantor to terminate the Agreement immediately for a violation of that provision, Grantor may terminate this Agreement immediately by notifying

Grantee in writing. Grantor may also terminate this Agreement immediately for fraud, misrepresentation, misappropriation, or mismanagement as determined by Grantor.

c. **No-Cause Termination:** This Agreement may be terminated without cause, by either party, upon thirty (30) days prior written notice being given to the other party.

d. **Termination Due to Nonappropriation of Funds, Reduction of Funds, or Changes in Law:** Upon thirty (30) days' written notice delivered to the Grantee, this Agreement may be terminated in whole or in part at the sole discretion of Grantor, if Grantor reasonably determines that: (i) a change in Federal or State legislation or applicable laws materially affects the ability of either party to perform under the terms of this Agreement; or (ii) that a change in available funds affects Grantor's ability to pay under this Agreement. A change of available funds as used in this paragraph includes but is not limited to a change in Federal or State funding, whether as a result of a legislative act or by order of the President or the Governor.

If written notice is delivered under this section, Grantor will reimburse Grantee for the services properly performed until the effective date of said notice. Grantor will not be liable for any performance, commitments, penalties, or liquidated damages that accrue after the effective date of said written notice.

e. **Accounts and Payments at Termination:** Upon termination of this Agreement, all accounts and payments will be processed according to the financial arrangements set forth herein for approved services rendered to date of termination. In no event shall Grantor be liable to Grantee for compensation for any good or service neither requested nor accepted by Grantor. In no event shall Grantor's exercise of its right to terminate this Agreement relieve the Grantee of any liability to Grantor for any damages or claims arising under this Agreement.

f. **Remedies for Grantee's Violation:** In the event this Agreement is terminated as a result of a default by Grantee, Grantor may procure or otherwise obtain, upon such terms and conditions as Grantor deems appropriate, services similar to those terminated, and Grantee shall be liable to Grantor for any damages arising there from, including attorneys' fees and excess costs incurred by Grantor in obtaining similar services. Additionally, Grantor may (i) demand repayment of any grant funds deployed to Grantee, which, upon such demand Grantee shall repay the requested grant funds; or (ii) exercise any remedy provided by law or equity.

15. **DISPUTE RESOLUTION:** Prior to either party filing a judicial proceeding, the parties agree to participate in the mediation of any dispute. Grantor, after consultation with the Grantee, may appoint an expert or panel of experts to assist in the resolution of a dispute. If Grantor appoints such an expert or panel, Grantor and Grantee agree to cooperate in good faith in providing information and documents to the expert or panel in an effort to resolve the dispute.
16. **SUSPENSION OF WORK:** If Grantor determines, in its sole discretion, to suspend Grantee's responsibilities but not terminate this Agreement, the suspension will be initiated by formal written notice pursuant to the terms of this Agreement. Grantee's responsibilities may be reinstated upon advance formal written notice from Grantor.
17. **FORCE MAJEURE:** Neither party to this Agreement will be held responsible for delay or default caused by fire, riot, act of God, or war which is beyond that party's reasonable control. Grantor may terminate this Agreement after determining such delay will prevent successful performance of this Agreement.
18. **ATTORNEYS' FEES and COSTS:** In the event of any judicial action to enforce rights under this Agreement, the prevailing party shall be entitled its costs and expenses, including reasonable attorney's fees incurred in connection with such action.
19. **AGREEMENT RENEWAL:** Renewal of this Agreement will be solely at the discretion of Grantor.
20. **CITING GRANTOR IN GRANT PROGRAM PROMOTION:** Grantee agrees to give credit to Grantor for funding in all written and verbal promotion, marketing or discussion of this program, including but not limited to brochures, flyers, informational materials, paid advertisements, and social media. All formal promotion, marketing (paid or otherwise), or public information programs will be coordinated with the assigned Public Information Officer for Grantor. It is within Grantor's sole discretion whether to approve the advertising and publicity.
21. **LICENSING AND STANDARD COMPLIANCE:** By signing this Agreement, Grantee acknowledges that it currently meets all applicable licensing or other standards required by federal and state laws or regulations and ordinances of the city/county in which services or care is provided and will continue to comply with such licensing or other applicable standards and ordinances for the duration of this Agreement period. Failure to secure or maintain a license is grounds for termination of this Agreement. Grantee acknowledges that it is responsible for familiarizing itself with these laws and regulations and complying with all of them.
22. **LAWS AND REGULATIONS:** The Grantee shall ensure that all supplies, services, equipment, and construction furnished under this Agreement complies with all applicable Federal, State, and local laws and regulations, including obtaining applicable permits, licensure and certification requirements. Grantees receiving federal pass-through funding shall comply with applicable 2 CFR 200 (Uniform Administrative Requirements and Cost Principles).

23. **TIME OF THE ESSENCE:** Services shall be completed by the deadlines stated in this Agreement. For all Services, time is of the essence. Grantee is liable for all damages to Grantor, the State, and anyone for whom the State may be liable as a result of Grantee's failure to timely perform the Services.
24. **COMPLIANCE WITH GENERALLY APPLICABLE STATE AND FEDERAL LAWS:**
    a. At all times during this Agreement, Grantee, and all services performed under this Agreement, will comply with all applicable federal and state constitutions, laws, rules, codes, orders, and regulations.
    b. Grantee is required to comply with all anti-discrimination and drug-free workplace laws. If Grantee is receiving federal funds under this Agreement, federal laws could apply. Grantee is solely responsible for understanding which federal laws apply to the grant funds, and for complying with those laws and regulations.
    c. By accepting this Grant, the Grantee assures that it has the ability to comply with applicable state and federal nondiscrimination and equal opportunity laws and shall remain in compliance with such laws for the duration of the Grant.
25. **INSPECTIONS AND AUDITS:** In accordance with Utah law, Grantee shall allow inspections and audits by Grantor, the Utah State Auditor, and the legislative auditor general concerning the grant funds and their use. Grantee shall consent to any claw back request made by the Grantor, Utah State Auditor, or the legislative auditor general relating to improprieties discovered with the grant funds under this Agreement. Grantee authorizes Grantor, or other auditors identified above, to communicate directly with third parties, including Grantee's employees, contractors, subcontractors, financial institutions, and other individuals in possession of relevant information regarding this Agreement or the grant's purpose. Grantee authorizes Grantor and auditors to request records from those third parties.
26. **COMPLIANCE WITH ENVIRONMENTAL REVIEW REQUIREMENTS:** If applicable for specific grant funds, Grantor funding is contingent upon the Grantee complying with 24 CFR Part 58 by, among other things, completing the following: (1) Prepare and submit electronically an Environmental Review Record (ERR) to Grantor; (2) As required, publish public notices and submit documentation; (3) Receive an environmental clearance letter or an Authorization to Use Grant Funds (AUGF); and (4) Perform the mitigation actions identified by the ERR. Grantee must adhere to the requirements of 24 CFR Part 58. Should Grantee violate 24 CFR Part 58 prior to, during, or following completion of the construction of the project, funds disbursed under this Agreement shall be immediately due and payable to Grantor.
27. **WORK ON STATE OF UTAH PREMISES:** Grantee shall ensure that personnel working on State of Utah premises shall: (i) abide by all of the rules, regulations, and policies of the premises including Grantor substance abuse and drug free workplace standard; (ii) remain in authorized areas; (iii) follow all instructions; and (iv) be subject to a background check, prior to entering the premises. The State of Utah or Grantor may remove any individual for a violation hereunder.
28. **WORKFORCE SERVICES JOB LISTING:** Grantee must post employment opportunities with the Grantor of Workforce Services for the duration of the Agreement.
29. **CODE OF CONDUCT** (attached if applicable): Grantee agrees to follow and enforce Grantor's Code of Conduct, Utah Administrative Code, R982-601-101 et seq.
30. **GRIEVANCE PROCEDURE:** Grantee agrees to establish a system whereby recipients of services provided under this Agreement may present grievances about the operation of the program as it pertains to and affects said recipient. Grantee will advise recipients of their right to present grievances concerning denial or exclusion from the program, or operation of the program, and of their right to a review of the grievance by Grantor. Grantee will advise applicants in writing of rights and procedures to present grievances. In the event of a grievance, Grantee will notify Grantor Contract Owner of the grievance and its disposition of the matter.
31. **PROTECTION AND USE OF RECORDS:** Grantee shall comply with the Government Data Privacy Act (GDPA), Title 63A, Chapter 19, under which a Grantee that enters into or renews an agreement with a governmental entity and processes or has access to personal data as part of the Grantee's duties under the agreement, is subject to the requirements of the GDPA with regard to the personal data processed or accessed by the Grantee to the same extent as required of the governmental entity.

Grantee shall ensure that its agents, officers, employees, partners, volunteers and Subgrantees keep all Confidential Information strictly confidential. Grantee shall immediately notify Grantor of any potential or actual misuse or misappropriation of Confidential Information. The use or disclosure by any party of any personally identifiable information concerning a recipient of services under this Agreement, for any purpose not directly connected with the administration of Grantor's or Grantee's responsibilities with respect to this Agreement is prohibited except as required or allowed by law.

Grantee shall be responsible for any breach of this duty of confidentiality, including any required remedies or notifications under applicable law. Grantee shall indemnify, hold harmless, and defend Grantor and the State of Utah, including anyone for whom Grantor or the State of Utah is liable, from claims related to a breach of this duty of confidentiality, including any notification requirements, by Grantee or anyone for whom the Grantee is liable.

This duty of confidentiality shall be ongoing and survive the termination or expiration of this Agreement.

32. **RECORDS ADMINISTRATION:** Grantee shall maintain or supervise the maintenance of all records necessary to properly account for Grantee's performance and the payments made by Grantor to Grantee under this Agreement. These records shall be retained by Grantee for at least six (6) years after final payment, or until all audits initiated within the six (6) years have been completed, whichever is later. Grantee agrees to allow, at no additional cost, the State of Utah, federal auditors, and Grantor staff, access to all such records and to allow interviews of any employees or others who might reasonably have information related to such records. Further, Grantee agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Grant. Such access will be during normal business hours, or by appointment.
33. **PUBLIC INFORMATION**: Grantee agrees that this Agreement, invoices and supporting documentation will be public documents and may be available for public and private distribution in accordance with the State of Utah's Government Records Access and Management Act (GRAMA). Grantee gives Grantor and the State of Utah express permission to make copies of this Agreement, invoices and supporting documentation in accordance with GRAMA. Except for sections identified in writing by Grantee and expressly approved by Grantor, Grantee also agrees that the grant application will be a public document, and copies may be given to the public as permitted under GRAMA. Grantor and the State of Utah are not obligated to inform Grantee of any GRAMA requests for disclosure of this Agreement, related invoices and supporting documentation.
34. **FINANCIAL REPORTING AND AUDIT REQUIREMENTS**: Grantee shall comply with all applicable federal and state laws and regulations regarding financial reporting and auditing, including but not limited to 2 CFR 200, Subpart F; Utah Code: 51-2a-201.5, Utah Code: 53A-1a-507. Utah Admin. Code Rule R123-5, the *State of Utah Compliance Audit Guide* (SCAG). Further information on financial reporting and audit requirements is available at auditor.utah.gov.
35. **BILLINGS AND PAYMENTS:** Payments to Grantee will be made by Grantor upon receipt of itemized billing for authorized service(s) supported by appropriate documentation and information contained in reimbursement forms supplied by Grantor. Billings and claims must be received within thirty (30) days after the last date of service for the period billed including the final billing, which must be submitted within thirty (30) days after Agreement termination or payments may be delayed or denied. Grantor must receive billing for services for the month of June no later than July 15th, due to Grantor's fiscal year end. Billings submitted after this date may be denied.

Grantor will not allow claims for services furnished by Grantee which are not specifically authorized by this Agreement. Grantor has the right to adjust or return any invoice reflecting incorrect pricing.

36. **PAYMENT WITHHOLDING:** Grantee agrees that the reporting and record keeping requirements specified in this Agreement are a material element of performance and that if, in the opinion of Grantor, Grantee's record keeping practices or reporting to Grantor are not conducted in a timely and satisfactory manner, Grantor may withhold part or all payments under this or any other Agreement until such deficiencies have been remedied. In the event of the payment(s) being withheld, Grantor agrees to notify Grantee of the deficiencies that must be corrected in order to bring about the release of withheld payment.
37. **OVERPAYMENT/AUDIT EXCEPTIONS/DISALLOWANCES:** Grantee agrees that if during or subsequent to Grantee's CPA audit or Grantor determines payments were incorrectly reported or paid, Grantor may amend the Agreement and adjust the payments. To be eligible for reimbursement Grantee expenditures must be adequately documented. Upon written request, Grantee will immediately refund to Grantor any overpayments as determined by audit or Grantor. Grantee agrees to participate in follow-up audits as requested by Grantor. Grantee further agrees that Grantor shall have the right to withhold any or all subsequent payments under this or other Agreements with Grantee until recoupment of overpayment is made.
38. **UNUSED FUNDS:** Any funds paid by Grantor that are not appropriately used as authorized by this Agreement must immediately be returned to Grantor.
39. **REDUCTION OF FUNDS:** The maximum amount authorized by this Agreement shall be reduced or Agreement terminated if required by federal/state law, regulation, or action or if there is significant under-utilization of funds, provided Grantee shall be reimbursed for all services performed in accordance with this Agreement prior to date of reduction or termination. If funds are reduced, there will be a comparable reduction in the amount of services to be given by Grantee. Grantor will give Grantee thirty (30) days' notice of reduction.
40. **FINANCIAL/COST ACCOUNTING SYSTEM:** Grantee agrees to maintain a financial and cost accounting system in accordance with accounting principles generally accepted in the United States of America. An entity's accounting basis determines when transactions and economic events are reflected in its financial statements. An entity may record its accounting transactions and events on a cash basis, accrual basis, or modified accrual basis; however, the cash method of accounting is not appropriate for governmental entities. Grantee further agrees that all program expenditures and revenues shall be supported by reasonable documentation (e.g., vouchers, invoices, receipts), which shall be stored and filed in a systematic and consistent manner. Grantee further agrees to retain and make available to

independent auditors, State and Federal auditors, and program and grant reviewers all accounting records and supporting documentation for a minimum of six (6) years after the final payment, or until all audits initiated within the six (6) years have been completed, whichever is later. Grantee further agrees that, to the extent it is unable to reasonably document the disposition of monies paid under this Agreement, it is subject to an assessment for over-payment.

41. **COST PRINCIPLES FOR COST REIMBURSEMENT AGREEMENTS:**
    a. Federal cost principles determine allowable costs in Grantor grants. Grantee may locate the Federal Cost Principles applicable to its organization by searching the appropriate federal government websites.
    b. Compliance with Federal Cost Principles: For Grantee's convenience, Grantor provides Table 1 below, “Cost Principles,” as a reference guide to the applicable cost principles. However, the information in this table is not exhaustive, and Grantee understands that it is obligated to seek independent legal or accounting advice. As shown in Table 1, “Cost Principles,” the principles applicable to a particular Grantee depend upon Grantee’s legal status.

Table 1: Cost Principles

Grantee	**Federal Cost Principles**
State/Local/Indian Tribal Governments	2 CFR 200 Subpart E
College or University	
Non-Profit Organization	
For-Profit Entity	48 CFR Part 31.2

    c. Compensation for Personal Services - Additional Cost Principles:

In addition to the cost principles in the Federal circulars concerning compensation for personal services, the following cost principles also apply:

i. The portion of time a person devotes to a program should be disclosed in the budget as a percent of 40 hours per week.
ii. Employees who are compensated from one or more grants, or from programmatic functions must maintain time reports, which reflect the distribution of their activities.
iii. If total work time exceeds 40 hours in a week and Grantee wants reimbursement for the time devoted to Grantor programs over 40 hours, the following two conditions must be met: 1) a perpetual time record must be maintained and 2) prior written approval must be obtained from Grantor’s Finance-Contracting Division
iv. Compensation for Personal Expenses: Grantor will not reimburse Grantee for personal expenses. For example, spouse travel when the travel costs of the spouse is unrelated to the business activity, telecommunications and cell phones for personal uses, undocumented car allowances, payments for both actual costs of meals and payments for per diem on the same day, and business lunches (not connected with training).

    d. Third-Party Reimbursement and Program Income: Grantee is required to pursue reimbursement from all other sources of funding available for services performed under this Agreement. Other sources of funding include, but are not limited to, third-party reimbursements and program income. In no instance shall any combination of other sources of funding and billings to Grantor be greater than “necessary and reasonable costs to perform the services” as supported by audited financial records. Collections over and above audited costs shall be refunded to Grantor.

42. **ADMINISTRATIVE EXPENDITURES:** Grantor will reimburse administrative expenses as allowed by the budget terms of this agreement. Grantees with a federally approved Negotiated Indirect Cost Rate Agreement (NICRA) must provide Grantor with a copy of their approval letter from the federal cognizant agency along with information on the base(s) used to distribute indirect costs.

43. **CHANGES IN BUDGET (Cost Reimbursement Grants Only):** The budget attached hereto shall be the basis for payment. Grantee may not make any adjustment in budgeted funds from Category III, “Program Expenses” to either Category I, “Indirect Expenses” or Category II, “Direct Administrative Expenses” or between Categories I and II, without prior written approval by Grantor. Expenditures in excess of those budgeted in either Category I or II may be considered questioned costs. Resolution of such questioned costs will normally result in a request that such excesses be refunded to Grantor. Grantee may, however, shift between either Category I or II to Category III with prior approval from Grantor. Expenditures in excess of those budgeted in Category III will not normally result in questioned costs unless restrictions have been placed on subcategories within this major category. When the grant restricts expenditures within defined subcategories, any unapproved excess will be considered a questioned cost.

44. **NON-FEDERAL MATCH:** For those grants requiring a non-federal match, said match shall be:
    a. Expenses which are reasonable and necessary for proper and efficient accomplishment of the Agreement program objectives.
    b. Allowable under applicable cost principles.

c. Not paid by the Federal Government under another award except where authorized by Federal statute.
d. In accordance with the appropriate Federal grant being matched.
e. Invoices submitted to Grantor should detail the total cost of program expenditures and should distinguish between which expenditures are match and which are requested for reimbursement.

45. **WAIVER:** A waiver of any right, power, or privilege shall not be construed as a waiver of any subsequent right, power, or privilege. The State does not waive its sovereign or governmental immunity.
46. **NOTIFICATION TO THE INTERNAL REVENUE SERVICE:** It is Grantor's policy to notify the Internal Revenue Service of any known violations of IRS regulations.
47. **ORDER OF PRECEDENCE:** In the event of any conflict in the terms and conditions in this Agreement, the order of precedence shall be: (i) this Attachment A; (ii) Agreement Signature Page(s); and (iii) any other attachment listed on the Agreement Signature Page(s). Any provision attempting to limit the liability of Grantee or limit the rights of Grantor or the State of Utah must be in writing and attached to this Agreement or it is rendered null and void.
48. **SURVIVAL OF TERMS:** Termination or expiration of this Agreement shall not extinguish or prejudice Grantor's right to enforce this Agreement with respect to any default of this Agreement or of any of the following clauses: Governing Law and Venue, Laws and Regulations, Records Administration, Remedies, Indemnity, Intellectual Property, Indemnification Relating to Intellectual Property, Insurance, Public Information; Conflict of Terms; Confidentiality; and Publicity.
49. **SEVERABILITY:** The invalidity or unenforceability of any provision, term, or condition of this Agreement shall not affect the validity or enforceability of any other provision, term, or condition of this Agreement, which shall remain in full force and effect.
50. **ENTIRE AGREEMENT:** This Agreement constitutes the entire agreement between the parties and supersedes any and all other prior and contemporaneous agreements and understandings between the parties, whether oral or written.
51. **PUBLIC CONTRACT BOYCOTT RESTRICTIONS**: In accordance with Utah Code 63G-27-102 and 63G-27-201, if applicable, Grantee certifies that it is not currently engaged in an "economic boycott" nor a "boycott of the State of Israel" as those terms are defined in that Code section. Grantee also agrees not to engage in either boycott for the duration of this Agreement. If Grantee does engage in such a boycott, it shall immediately provide written notification to Grantor.

ATTACHMENT B
Affordable Housing Infrastructure Grant Terms and Conditions

1. **PURPOSE.** The Grantor shall cause the Funds to the Grantee solely for the purpose of the proposed infrastructure Project. The Project must directly support the development of at least 2,500 new owner-occupied housing units. At least 1,250 of the housing units shall be single-family, detached homes constructed on lots that are no more than 5,000 square feet. In addition, a minimum of 50 single-family, detached homes shall have no more than 1,400 finished square feet and shall contain no accessory dwelling units; 450 single-family, detached homes shall have no more than 1,600 finished square feet (including the square footage of any accessory dwelling unit); and the remainder of the single-family, detached homes shall have no more than 1,900 finished square feet (including the square footage of any accessory dwelling unit).
2. **TERM.** This agreement is effective upon execution by both Parties and remains in effect until terminated in accordance with the terms of this Agreement.
3. **FUNDS.** Funds shall be applied strictly to the construction of the Project.
4. **PAYMENT AND REPAYMENT:**
   (a) The Grantor agrees to cause UDOT to pay Grantee fifty million dollars ($50,000,000.00) within thirty (30) days after execution of this Agreement by mail or electronic funds transfer.
   (b) The Grantor may require repayment of all or any portion of Funds used in violation of the terms of this Agreement or in violation of applicable law.
5. **Grantee RESPONSIBILITIES:**
   (a) Grantee shall serve as Manager for the Funds and shall ensure expenditures are made only for the purposes authorized by AHIG and the Grant Statute.
   (b) Grantee includes Grantee's agents, officers, employees, partners, consultants, contractors, managers, and persons or entities under the direct or indirect control or responsibility of Grantee.
   (c) Grantee shall ensure that the Funds are segregated in a dedicated account.
   (d) Grantee shall provide a written report to the Grantor prior to September 1 of each year during the construction of the approved infrastructure. The report must include 1) the amount of money provided through the grant; 2) an accounting of how the grant money has been utilized; 3) the progress of the Project; and 4) the number and type of housing units completed or under construction, and any other information requested by the Grantor.
   (e) Grantee shall submit a copy of each audit report relating to the Funds.
   (f) Grantee shall promptly respond to Board, DHCD, UDOT, legislative, or Governor inquiries.
   (g) Grantee shall ensure the master development agreement associated with the contemplated infrastructure improvements complies with project requirements provided by the Grantor.
   (h) Grantee shall ensure no more than forty percent (40%) of the single-family, detached homes have accessory dwelling units.
   (i) Grantee and the developer shall endeavor to maximize the dedication of public roads within the benefitted developments and minimize the number of private roads maintained by HOAs to minimize HOA fees and maintenance obligations.
6. **LAWS AND REGULATIONS:** Grantee shall comply with all applicable federal and State constitutions, laws, rules, codes, orders, and regulations, including but not limited to Utah Code 51-2a-101 et seq. and 63J-1-220.
7. **RECORDS ADMINISTRATION:**
   (a) Grantee shall maintain all records, receipts, and any other documentation necessary to properly account for the Funds and performance.
   (b) Records shall be retained for at least six (6) years after each annual report.
   (c) Grantee shall allow State auditors and staff access to all records at no cost.
8. **INDEPENDENT CAPACITY:** The Parties shall act in an independent capacity and not as officers, employees, or agents of each other.
9. **EMPLOYMENT PRACTICES:** Grantee shall abide by federal and State employment laws, including Title VI and VII of the Civil Rights Act of 1964, Executive Order No. 11246, 45 CFR 90, and Section 504 of the Rehabilitation Act of 1973.
10. **AMENDMENTS:** The Parties may amend this Agreement only by written agreement attached hereto.

11. **TERMINATION:** This Agreement may not be terminated by Grantee while it retains responsibility for any Funds. The Grantor may terminate for cause upon written notice.
12. **NOTICE OF CHANGE OR REORGANIZATION:** Grantee shall immediately notify other Parties of any change or reorganization affecting its ability to perform under this Agreement.
13. **REVIEWS:** The State may perform reviews and audits of Grantee's use of Funds.
14. **ASSIGNMENT:** Grantee may not assign or transfer rights or obligations without prior written approval from the Grantor.
15. **PUBLIC INFORMATION:** This Agreement and related records are public records as defined by the Utah Government Records Access and Management Act (GRAMA).
16. **INDEMNIFICATION:** Grantee is fully liable for the actions of its agents and employees and will indemnify and defend other Parties and the State of Utah from all claims arising out of its performance.
17. **PUBLICITY:** Grantee shall submit all advertising and publicity matters to other Parties for written approval and give recognition to the State of Utah and other Parties.
18. **WAIVER:** A waiver of any right, power, or privilege will not be construed as a waiver of any subsequent right.
19. **ATTORNEYS' FEES:** In any judicial action to enforce rights, the prevailing Party will be entitled to reasonable attorneys' fees and costs.
20. **GOVERNING LAW AND VENUE:** This Agreement is governed by the laws of the State of Utah, with venue in Salt Lake City.
21. **SURVIVAL OF TERMS:** Termination or expiration will not extinguish the State's right to enforce the Agreement regarding uncured defaults.
22. **SEVERABILITY:** If any term is found invalid, the remaining terms shall remain in full force and effect.
23. **ENTIRE AGREEMENT:** This Agreement constitutes the entire agreement between the Parties.

GRANT AGREEMENT
Herriman City AHIG Agreement

This Interagency Agreement is entered into by and between the State of Utah**, AFFORDABLE HOUSING INFRASTRUCTURE GRANT BOARD**, referred to as **"Grantor" or "AHIG"** and the following, hereinafter referred to as **Grantee**:

ORGANIZATION:	Herriman City
ADDRESS:	5355 W Herriman Main St
CITY, STATE, ZIP:	Herriman, Utah, 84096

Contract Number:	AHIG-260904-01
Commodity Code:	99999
Contractor Type:	Municipal Entity
Funding Source:	Affordable Housing Infrastructure Grant
Program Name:	Affordable Housing Infrastructure Grant.
Subrecipient/Contractor:	N/A
Federal UEI #:	N/A
State Vendor Number:	N/A

THE GENERAL PURPOSE OF THIS CONTRACT is to provide grant funding to build public infrastructure that directly supports the development of owner-occupied, attainable housing.

APPLICATION
This grant has been awarded as a result of direct funding and approved by the Affordable Housing Infrastructure Grant Board.

PERIOD OF PERFORMANCE
This Agreement shall be effective **09/24/2026.** This Agreement shall remain in effect unless terminated sooner in accordance with the terms and conditions herein. The Grantee may have obligations that will survive the termination of this Agreement, including obligations for which performance is due after termination, whether or not the Agreement expressly states the obligation will survive termination.

GRANT AMOUNT
The **Grantee** shall be paid up to a maximum of **$50,000,000** per year for a total contract maximum of **$50,000,000** for costs authorized under this Agreement, based on funding availability and Grantee performance. All expenditures and activities must be in accordance with all attachments herein and must occur within the grant period. Funding may not be used for purposes contrary to applicable federal, state, and local laws.

~~**STATE FISCAL YEAR BILLING DEADLINE**~~

Commented [NC1]: We want to follow the UDOT language for 4 disbursements of $12.5 million.

~~Grantor must receive billing for services for the month of June no later than July 15th, due to the Grantor fiscal year end. Billings **submitted after JULY 15TH may be denied**.~~

ATTACHMENTS
Attachment A: Grant Terms and Conditions
Attachment B: Affordable Housing Infrastructure Grant Terms and Conditions

RATIFICATION
It is understood and agreed that the effective date of this Agreement is the date of commencement of services as provided in the Period of Performance paragraph above, and that any and all appropriate costs within budget incurred by the Grantee between said effective date and the date on which this Agreement is fully executed are hereby approved and ratified for payment.

CONTACTS

AHIG	**Grantee**
Name: Matt Meyer	Name: ~~Blake Thomas~~Nathan Cherpeski
Position: DHCD Managing Director	Position: City Manager~~Director of Community Development~~
Address: 195 North 1950 West	Address: 5355 W Herriman Main St
City, State Zip: Salt Lake City, Utah 84116	City, State Zip: Herriman, Utah 84096
Phone: (801) 831-3926	Phone: (801) 446-5323
Email: mrmeyer@utah.gov	Email: ncherpeski@herriman.gov~~bthomas@herriman.gov~~

SIGNATURE AND ACKNOWLEDGEMENT
By signing below, the following officials acknowledge that they understand and agree to all the terms and responsibilities set forth herein and cause this Agreement to be executed.

ATTEST: **GRANTEE**

Signature   Date

Print Name   Print Title

ATTEST: **AFFORDABLE HOUSING INFRASTRUCTURE GRANT BOARD**

Steve Waldrip, AHIG Board Chairman   Date

ATTACHMENT A
Grant Terms and Conditions

1. **DEFINITIONS:**
    a. **"Agreement Signature Pages"** means the State cover pages that Grantor and Grantee sign.
    b. **"Agreement"** means the Agreement, Signature Pages, attachments, and documents incorporated by reference.
    c. **"Confidential Information"** means information that is classified as Private or Protected or otherwise deemed non-public under applicable state and federal laws, including but not limited to the Government Records Access and Management Act (GRAMA) Utah Code 63G-2-101 et seq. Grantor reserves the right to identify, during and after this Agreement, additional information categories that must be kept confidential under federal and state law.
    d. **"Goods and Services"** means goods including, but not limited to, any deliverables, supplies, equipment, or commodities, and services including, but not limited to the furnishing of labor, time, and effort by Grantee pursuant to this Agreement and professional services required in accordance with this Contract.
    e. "**Grantee**" means the individual or entity receiving the funds identified in this Agreement, and includes all sub-recipients and loan recipients, as well as all owners, partners, directors, and officers of Grantee or others with authority to establish policies and make decisions for Grantee.
    f. **"Proposal"** means Grantee's response to Grantor's Solicitation.
    g. **"Solicitation"** means the documents and process used by the Grantor to obtain Grantee's Proposal.
    h. "**State of Utah**" means the State of Utah, in its entirety, including its institutions, agencies, departments, divisions, authorities, instrumentalities, boards, commissions, elected or appointed officers, employees, agents, and authorized volunteers.
    i. "**Subcontractor/Subgrantee"** means an individual or entity that has entered into an agreement with the original Grantee to perform services or provide goods which the original Grantee is responsible for under the terms of this Agreement. Additionally, the term "subgrantee" or "subcontractor" also refers to individuals or entities that have entered into agreements with any subgrantee if: (1) those individuals or entities have agreed to perform all or most of the subgrantee's duties under this Agreement; or (2) federal law requires this Agreement to apply to such individuals or entities.
    j. **"Volunteer"** means an authorized individual performing a service without pay or other compensation.
2. **GOVERNING LAW AND VENUE:** This Agreement shall be governed by the laws, rules, and regulations of the State of Utah. Any action or proceeding arising from this Agreement shall be brought in a court of competent jurisdiction in the State of Utah. Venue shall be in Salt Lake City, in the Third Judicial District Court for Salt Lake County.
3. **CONFLICT OF INTEREST:**
    a. Grantee may not use Grant funds to make any payments to an organization which has in common with Grantee either: a) owners or partners who directly or indirectly own ten percent (10%) or more of the voting interest of the organization; or b) directors, officers or others with authority to establish policies and make decisions for the organization.
    b. By executing this Agreement, Grantee certifies that none of its owners, directors, officers, or employees are employees of Grantor. Grantee may not hire or subcontract with any person who is an employee of Grantor.
    c. By executing this Agreement, Grantee certifies that none of its owners, directors, officers, or employees working under this Agreement, are relatives of an employee of Grantor. A relative is defined as: spouse, child, step-child, parent, sibling, aunt, uncle, niece, nephew, first cousin, mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandparent or grandchild.
    d. By executing this Agreement, Grantee certifies that Grantee has notified Grantor in writing if any of its owners, directors, officers, or employees are employees of any state or local agency, as defined by Title 67, Chapter 16, Utah Public Officers' and Employees' Ethics Act.
    e. Grantee shall require its owners, directors, officers, or employees who are also public employees of any state or local agency to comply with the Utah Public Officers' and Employees' Ethics Act.
    f. Grantee shall notify Grantor in writing immediately upon learning of a previously undisclosed or newly developed conflict.

Commented [NC2]: While we believe we addressed this concern, one of our City Councilors works for the Governor's office of Budget and Planning.

g. Grantee shall take immediate action to cure any conflict of interest in accordance with Grantor's direction.

4. **RELATED PARTIES:**
   a. Grantee shall not use Grant funds to make any payments to related parties without the prior written consent of Grantor. Grantee is obligated to notify Grantor of any contemplated related party payment prior to making a purchase. Payments made by Grantee to related parties without prior written consent may be disallowed and may result in an overpayment assessment.
   b. As used in this Section, "related parties" means:
      i. a person who is related to Grantee through blood or marriage, as defined by U.C.A., Section 52-3-1(1)(d), as father, mother, husband, wife, son, daughter, sister, brother, grandfather, grandmother, grandson, granddaughter, uncle, aunt, nephew, niece, first cousin, mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, or daughter-in-law; and
      ii. an organization with directors, officers, or others with the authority to establish policies and to make decisions for the organization who is related to Grantee through blood or marriage, as defined above.
   c. Upon notification of proposed related party payment, Grantor may, at its discretion:
      i. Require Grantee to undertake competitive bidding for the goods or services,
      ii. Require satisfactory cost justification prior to payment, or
      iii. Take other steps that may be necessary to ensure that the goods or services provided afford Grantor a satisfactory level of quality and cost.
   d. Any related-party payments contemplated under this Agreement must be disclosed in a written statement to Grantor which shall include:
      i. The name of Grantee's representative who is related to the party to whom Grantee seeks to make payments;
      ii. the name of the other related party;
      iii. the relationship between the individuals identified in "i" and "ii" above;
      iv. a description of the transaction in question and the dollar amount involved;
      v. the decision-making authority of the individuals identified in "i" and "ii" above, with respect to the applicable transaction;
      vi. the potential effect on this Agreement if the payment to the related party is disallowed;
      vii. the potential effect on this Agreement if the payment to the related party is made; and
      viii. the measures taken by Grantee to protect Grantor from potentially adverse effects resulting from the identified parties' relationship.
5. **INDEMNITY:** Grantee shall be fully liable for the actions of its agents, employees, officers, partners, and subcontractors, and shall fully indemnify, defend, and save harmless Grantor and the State of Utah from all claims, losses, suits, actions, damages, and costs of every name and description arising out of Grantee's performance of this Agreement caused by any intentional act or negligence of Grantee, its agents, employees, officers, partners, volunteers, or subcontractors, without limitation; provided, however, that the Grantee shall not indemnify for that portion of any claim, loss, or damage arising hereunder due to the sole fault of Grantor. The parties agree that if there are any limitations of the Grantee's liability, including a limitation of liability clause for anyone for whom the Grantee is responsible, such limitations of liability will not apply to injuries to persons, including death, or to damages to property of Grantor.
6. **STANDARD OF CARE:** Grantee and Subcontractors shall perform in accordance with the standard of care exercised by licensed members of their respective professions having substantial experience providing similar services, including the type, magnitude, and complexity of the Services. Grantee is liable for claims, liabilities, additional burdens, penalties, damages, or third-party claims, to the extent caused by the acts, errors, or omissions that do not meet this standard of care.
7. **AMENDMENTS:** This Agreement may only be amended by the mutual written agreement of the parties, provided that the amendment is within the Scope of Work of this Agreement and is within the scope/purpose of the original solicitation for which this Contract was derived. The amendment will be attached and made part of this Agreement. Automatic renewals will not apply to this Agreement, even if listed elsewhere in this Agreement.
8. **IMPOSITION OF FEES:** Grantee will not impose any fees upon clients' provided services under this Agreement except as authorized by Grantor. The State of Utah and Grantor will not allow the Grantee to charge end users electronic payment fees of any kind.
9. **Grantee RESPONSIBILITY:** Grantee is solely responsible for fulfilling the scope of work under this Agreement, with responsibility for all services performed as stated in this Agreement. Grantee shall be the sole point of contact regarding all matters related to this Agreement. Grantee must incorporate Grantee's responsibilities under this Agreement into every subcontract with its subcontractors that will

provide any of the work product in this Agreement. Moreover, Grantee is responsible for its subcontractor's compliance under this Agreement.

10. **Grantee ASSIGNMENT AND SUBGrantees/SUBCONTRACTORS:**
    a. Assignment: Notwithstanding Grantor's right to assign the rights or duties here under, this Agreement may not be assigned by Grantee without the written consent of Grantor. Any assignment by Grantee without Grantor's written consent shall be wholly void.
    b. If Grantee enters into subcontracts the following provisions apply:
        i. Duties of Subgrantee/Subcontractor: Regardless of whether a particular provision in this Agreement mentions subgrantees, a subgrantee must comply with all provisions of this Agreement including insurance requirements and the fiscal and program requirements. Grantee retains full responsibility for the Agreement compliance whether the services are provided directly or by a subgrantee.
        ii. Provisions Required in Subcontracts: If Grantee enters into any subcontracts with other individuals or entities and pays those individuals or entities for such goods or services with federal or state funds, Grantee must include provisions in its subcontracts regarding the federal and state laws identified in this Agreement, if applicable ("Grantee's Compliance with Applicable Laws; Cost Accounting Principles and Financial Reports"), as well as other laws and grant provisions identified in 45 C.F.R. §92.36(i).
11. **INDEPENDENT Grantee:** Grantee and subcontractors, in the performance of the Scope of Work, shall act in an independent capacity and not as officers or employees or agents of Grantor or the State of Utah. Persons employed by or through the Grantee shall not be deemed to be employees or agents of the State and are not entitled to the benefits associated with State employment.
12. **MONITORING:**
    a. Grantor shall have the right to monitor Grantee's performance under this Agreement. Monitoring of Grantee's performance shall be at the complete discretion of Grantor which will include but is not limited to Grantee's fiscal operations, and the terms, conditions, attachments, scope of work, and performance requirements of this Agreement. Monitoring may include, but is not limited to, both announced and unannounced site visits, desk audit, third party monitoring, expenditure document review or video/phone conferencing. Any onsite monitoring will take place during normal business hours.
    b. If it is discovered that Grantee is in default (not in compliance with the Agreement), Grantee may be subject to sanctions which may include warnings, audits, temporary suspension of payments, termination, demand for the return of funds, or suspension/debarment from participation in future Grantor grants and contracts. Default may also result in the cancellation of other agreements between Grantee and Grantor.
    c. Grantee understands that Grantor may conduct customer-satisfaction surveys. Grantee agrees to cooperate with all Grantor-initiated customer feedback.
    d. EVALUATIONS: Grantor may conduct reviews, including but not limited to:
        i. PERFORMANCE EVALUATION: A performance evaluation of Grantee's and Subcontractors' work.
        ii. REVIEW: Grantor may perform plan checks, plan reviews, other reviews, and comment upon the Services of Grantee. Such reviews do not waive the requirement of Grantee to meet all of the terms and conditions of this Agreement.
13. **DEFAULT:** Any of the following events will constitute cause for Grantor to declare Grantee in default of this Agreement (i) Grantee's non-performance of its contractual requirements and obligations under this Agreement; or (ii) Grantee's material breach of any term or condition of this Agreement. Grantor may issue a written notice of default providing a ten (10) day period in which Grantee will have an opportunity to cure. In addition, Grantor will give Grantee only one opportunity to correct and cease the violations. Time allowed for cure will not diminish or eliminate Grantee's liability for damages. If the default remains after Grantee has been provided the opportunity to cure, Grantor may do one or more of the following: (i) exercise any remedy provided by law or equity; (ii) terminate this Agreement; (iii) debar/suspend Grantee from receiving future grants or contracts from Grantor or the State of Utah; or (iv) demand a full refund of any payment that Grantor has made to Grantee under this Agreement.
14. **AGREEMENT TERMINATION:**
    a. **Termination for Cause:** This Agreement may be terminated with cause by either party, upon written notice given to the other party. The party in violation will be given ten (10) days after written notification to correct and cease the violations, after which this Agreement may be terminated for cause immediately and subject to the remedies herein. Time allowed for cure will not diminish or eliminate Grantee's liability for damages.
    b. **Immediate Termination:** If Grantee creates or is likely to create a risk of harm to the clients served under this Agreement, or if any other provision of this Agreement (including any provision in the attachments) allows Grantor to terminate the Agreement immediately for a violation of that provision, Grantor may terminate this Agreement immediately by notifying

Grantee in writing. Grantor may also terminate this Agreement immediately for fraud, misrepresentation, misappropriation, or mismanagement as determined by Grantor.

c. **No-Cause Termination:** This Agreement may be terminated without cause, by either party, upon thirty (30) days prior written notice being given to the other party.

d. **Termination Due to Nonappropriation of Funds, Reduction of Funds, or Changes in Law:** Upon thirty (30) days' written notice delivered to the Grantee, this Agreement may be terminated in whole or in part at the sole discretion of Grantor, if Grantor reasonably determines that: (i) a change in Federal or State legislation or applicable laws materially affects the ability of either party to perform under the terms of this Agreement; or (ii) that a change in available funds affects Grantor's ability to pay under this Agreement. A change of available funds as used in this paragraph includes but is not limited to a change in Federal or State funding, whether as a result of a legislative act or by order of the President or the Governor.

If written notice is delivered under this section, Grantor will reimburse Grantee for the services properly performed until the effective date of said notice. Grantor will not be liable for any performance, commitments, penalties, or liquidated damages that accrue after the effective date of said written notice.

e. **Accounts and Payments at Termination:** Upon termination of this Agreement, all accounts and payments will be processed according to the financial arrangements set forth herein for approved services rendered to date of termination. In no event shall Grantor be liable to Grantee for compensation for any good or service neither requested nor accepted by Grantor. In no event shall Grantor's exercise of its right to terminate this Agreement relieve the Grantee of any liability to Grantor for any damages or claims arising under this Agreement.

f. **Remedies for Grantee's Violation:** In the event this Agreement is terminated as a result of a default by Grantee, Grantor may procure or otherwise obtain, upon such terms and conditions as Grantor deems appropriate, services similar to those terminated, and Grantee shall be liable to Grantor for any damages arising there from, including attorneys' fees and excess costs incurred by Grantor in obtaining similar services. Additionally, Grantor may (i) demand repayment of any grant funds deployed to Grantee, which, upon such demand Grantee shall repay the requested grant funds; or (ii) exercise any remedy provided by law or equity.

15. **DISPUTE RESOLUTION:** Prior to either party filing a judicial proceeding, the parties agree to participate in the mediation of any dispute. Grantor, after consultation with the Grantee, may appoint an expert or panel of experts to assist in the resolution of a dispute. If Grantor appoints such an expert or panel, Grantor and Grantee agree to cooperate in good faith in providing information and documents to the expert or panel in an effort to resolve the dispute.
16. **SUSPENSION OF WORK:** If Grantor determines, in its sole discretion, to suspend Grantee's responsibilities but not terminate this Agreement, the suspension will be initiated by formal written notice pursuant to the terms of this Agreement. Grantee's responsibilities may be reinstated upon advance formal written notice from Grantor.
17. **FORCE MAJEURE:** Neither party to this Agreement will be held responsible for delay or default caused by fire, riot, act of God, or war which is beyond that party's reasonable control. Grantor may terminate this Agreement after determining such delay will prevent successful performance of this Agreement.
18. **ATTORNEYS' FEES and COSTS:** In the event of any judicial action to enforce rights under this Agreement, the prevailing party shall be entitled its costs and expenses, including reasonable attorney's fees incurred in connection with such action.
19. **AGREEMENT RENEWAL:** Renewal of this Agreement will be solely at the discretion of Grantor.
20. **CITING GRANTOR IN GRANT PROGRAM PROMOTION:** Grantee agrees to give credit to Grantor for funding in all written and verbal promotion, marketing or discussion of this program, including but not limited to brochures, flyers, informational materials, paid advertisements, and social media. All formal promotion, marketing (paid or otherwise), or public information programs will be coordinated with the assigned Public Information Officer for Grantor. It is within Grantor's sole discretion whether to approve the advertising and publicity.
21. **LICENSING AND STANDARD COMPLIANCE:** By signing this Agreement, Grantee acknowledges that it currently meets all applicable licensing or other standards required by federal and state laws or regulations and ordinances of the city/county in which services or care is provided and will continue to comply with such licensing or other applicable standards and ordinances for the duration of this Agreement period. Failure to secure or maintain a license is grounds for termination of this Agreement. Grantee acknowledges that it is responsible for familiarizing itself with these laws and regulations and complying with all of them.
22. **LAWS AND REGULATIONS:** The Grantee shall ensure that all supplies, services, equipment, and construction furnished under this Agreement complies with all applicable Federal, State, and local laws and regulations, including obtaining applicable permits, licensure and certification requirements. Grantees receiving federal pass-through funding shall comply with applicable 2 CFR 200 (Uniform Administrative Requirements and Cost Principles).

23. **TIME OF THE ESSENCE:** Services shall be completed by the deadlines stated in this Agreement. For all Services, time is of the essence. Grantee is liable for all damages to Grantor, the State, and anyone for whom the State may be liable as a result of Grantee's failure to timely perform the Services.
24. **COMPLIANCE WITH GENERALLY APPLICABLE STATE AND FEDERAL LAWS:**
    a. At all times during this Agreement, Grantee, and all services performed under this Agreement, will comply with all applicable federal and state constitutions, laws, rules, codes, orders, and regulations.
    b. Grantee is required to comply with all anti-discrimination and drug-free workplace laws. If Grantee is receiving federal funds under this Agreement, federal laws could apply. Grantee is solely responsible for understanding which federal laws apply to the grant funds, and for complying with those laws and regulations.
    c. By accepting this Grant, the Grantee assures that it has the ability to comply with applicable state and federal nondiscrimination and equal opportunity laws and shall remain in compliance with such laws for the duration of the Grant.
25. **INSPECTIONS AND AUDITS:** In accordance with Utah law, Grantee shall allow inspections and audits by Grantor, the Utah State Auditor, and the legislative auditor general concerning the grant funds and their use. Grantee shall consent to any claw back request made by the Grantor, Utah State Auditor, or the legislative auditor general relating to improprieties discovered with the grant funds under this Agreement. Grantee authorizes Grantor, or other auditors identified above, to communicate directly with third parties, including Grantee's employees, contractors, subcontractors, financial institutions, and other individuals in possession of relevant information regarding this Agreement or the grant's purpose. Grantee authorizes Grantor and auditors to request records from those third parties.

~~26. **COMPLIANCE WITH ENVIRONMENTAL REVIEW REQUIREMENTS:** If applicable for specific grant funds, Grantor funding is contingent upon the Grantee complying with 24 CFR Part 58 by, among other things, completing the following: (1) Prepare and submit electronically an Environmental Review Record (ERR) to Grantor; (2) As required, publish public notices and submit documentation; (3) Receive an environmental clearance letter or an Authorization to Use Grant Funds (AUGF); and (4) Perform the mitigation actions identified by the ERR. Grantee must adhere to the requirements of 24 CFR Part 58. Should Grantee violate 24 CFR Part 58 prior to, during, or following completion of the construction of the project, funds disbursed under this Agreement shall be immediately due and payable to Grantor.~~

~~27.~~26. **WORK ON STATE OF UTAH PREMISES:** Grantee shall ensure that personnel working on State of Utah premises shall: (i) abide by all of the rules, regulations, and policies of the premises including Grantor substance abuse and drug free workplace standard; (ii) remain in authorized areas; (iii) follow all instructions; and (iv) be subject to a background check, prior to entering the premises. The State of Utah or Grantor may remove any individual for a violation hereunder.

~~28.~~27. **WORKFORCE SERVICES JOB LISTING:** Grantee must post employment opportunities with the Grantor of Workforce Services for the duration of the Agreement.

~~29.~~28. **CODE OF CONDUCT** (attached if applicable): Grantee agrees to follow and enforce Grantor's Code of Conduct, Utah Administrative Code, R982-601-101 et seq.

~~30.~~29. **GRIEVANCE PROCEDURE:** Grantee agrees to establish a system whereby recipients of services provided under this Agreement may present grievances about the operation of the program as it pertains to and affects said recipient. Grantee will advise recipients of their right to present grievances concerning denial or exclusion from the program, or operation of the program, and of their right to a review of the grievance by Grantor. Grantee will advise applicants in writing of rights and procedures to present grievances. In the event of a grievance, Grantee will notify Grantor Contract Owner of the grievance and its disposition of the matter.

~~31.~~30. **PROTECTION AND USE OF RECORDS:** Grantee shall comply with the Government Data Privacy Act (GDPA), Title 63A, Chapter 19, under which a Grantee that enters into or renews an agreement with a governmental entity and processes or has access to personal data as part of the Grantee's duties under the agreement, is subject to the requirements of the GDPA with regard to the personal data processed or accessed by the Grantee to the same extent as required of the governmental entity.

Grantee shall ensure that its agents, officers, employees, partners, volunteers and Subgrantees keep all Confidential Information strictly confidential. Grantee shall immediately notify Grantor of any potential or actual misuse or misappropriation of Confidential Information. The use or disclosure by any party of any personally identifiable information concerning a recipient of services under this Agreement, for any purpose not directly connected with the administration of Grantor's or Grantee's responsibilities with respect to this Agreement is prohibited except as required or allowed by law.

Grantee shall be responsible for any breach of this duty of confidentiality, including any required remedies or notifications under applicable law. Grantee shall indemnify, hold harmless, and defend Grantor and the State of Utah, including anyone for whom Grantor or the State of Utah is liable, from claims related to a breach of this duty of confidentiality, including any notification requirements, by Grantee or anyone for whom the Grantee is liable.

This duty of confidentiality shall be ongoing and survive the termination or expiration of this Agreement.

Commented [NC3]: We don't believe that this applies in this instance.

32. **RECORDS ADMINISTRATION:** Grantee shall maintain or supervise the maintenance of all records necessary to properly account for Grantee's performance and the payments made by Grantor to Grantee under this Agreement. These records shall be retained by Grantee for at least six (6) years after final payment, or until all audits initiated within the six (6) years have been completed, whichever is later. Grantee agrees to allow, at no additional cost, the State of Utah, federal auditors, and Grantor staff, access to all such records and to allow interviews of any employees or others who might reasonably have information related to such records. Further, Grantee agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Grant. Such access will be during normal business hours, or by appointment.
33. **PUBLIC INFORMATION**: Grantee agrees that this Agreement, invoices and supporting documentation will be public documents and may be available for public and private distribution in accordance with the State of Utah's Government Records Access and Management Act (GRAMA). Grantee gives Grantor and the State of Utah express permission to make copies of this Agreement, invoices and supporting documentation in accordance with GRAMA. Except for sections identified in writing by Grantee and expressly approved by Grantor, Grantee also agrees that the grant application will be a public document, and copies may be given to the public as permitted under GRAMA. Grantor and the State of Utah are not obligated to inform Grantee of any GRAMA requests for disclosure of this Agreement, related invoices and supporting documentation.
34. **FINANCIAL REPORTING AND AUDIT REQUIREMENTS**: Grantee shall comply with all applicable federal and state laws and regulations regarding financial reporting and auditing, including but not limited to 2 CFR 200, Subpart F; Utah Code: 51-2a-201.5, Utah Code: 53A-1a-507. Utah Admin. Code Rule R123-5, the *State of Utah Compliance Audit Guide* (SCAG). Further information on financial reporting and audit requirements is available at auditor.utah.gov.

~~35.~~ **BILLINGS AND PAYMENTS:** Payments to Grantee will be made by Grantor ~~upon receipt of itemized billing for authorized service(s) supported by appropriate documentation and information contained in reimbursement forms supplied by Grantor. Billings and claims must be received within thirty (30) days after the last date of service for the period billed including the final billing, which must be submitted within thirty (30) days after Agreement termination or payments may be delayed or denied. Grantor must receive billing for services for the month of June no later than July 15th, due to Grantor's fiscal year end. Billings submitted after this date may be denied.~~

~~Grantor will not allow claims for services furnished by Grantee which are not specifically authorized by this~~ in accordance with the separate agreement between Grantee and UDOT. ~~Agreement. Grantor has the right to adjust or return any invoice reflecting incorrect pricing.~~

~~36. **PAYMENT WITHHOLDING:** Grantee agrees that the reporting and record keeping requirements specified in this Agreement are a material element of performance and that if, in the opinion of Grantor, Grantee's record keeping practices or reporting to Grantor are not conducted in a timely and satisfactory manner, Grantor may withhold part or all payments under this or any other Agreement until such deficiencies have been remedied. In the event of the payment(s) being withheld, Grantor agrees to notify Grantee of the deficiencies that must be corrected in order to bring about the release of withheld payment.~~

~~37.~~35. **OVERPAYMENT/AUDIT EXCEPTIONS/DISALLOWANCES:** Grantee agrees that if during or subsequent to Grantee's CPA audit or Grantor determines payments were incorrectly reported or paid, Grantor may amend the Agreement and adjust the payments. To be eligible for reimbursement Grantee expenditures must be adequately documented. Upon written request, Grantee will immediately refund to Grantor any overpayments as determined by audit or Grantor. Grantee agrees to participate in
follow-up audits as requested by Grantor. Grantee further agrees that Grantor shall have the right to withhold any or all subsequent payments under this or other Agreements with Grantee until recoupment of overpayment is made.

~~38.~~36. **UNUSED FUNDS:** Any funds paid by Grantor that are not appropriately used as authorized by this Agreement must immediately be returned to Grantor.

~~39.~~37. **REDUCTION OF FUNDS:** The maximum amount authorized by this Agreement shall be reduced or Agreement terminated if required by federal/state law, regulation, or action or if there is significant under-utilization of funds, provided Grantee shall be reimbursed for all services performed in accordance with this Agreement prior to date of reduction or termination. If funds are reduced, there will be a comparable reduction in the amount of services to be given by Grantee. Grantor will give Grantee thirty (30) days' notice of reduction.

~~40.~~38. **FINANCIAL/COST ACCOUNTING SYSTEM:** Grantee agrees to maintain a financial and cost accounting system in accordance with accounting principles generally accepted in the United States of America. An entity's accounting basis determines when transactions and economic events are reflected in its financial statements. An entity may record its accounting transactions and events on a cash basis, accrual basis, or modified accrual basis; however, the cash method of accounting is not appropriate for governmental entities. Grantee further agrees that all program expenditures and revenues shall be supported by reasonable documentation (e.g., vouchers, invoices, receipts), which shall be stored and filed in a systematic and consistent manner. Grantee further agrees to retain and make available to

independent auditors, State and Federal auditors, and program and grant reviewers all accounting records and supporting documentation for a minimum of six (6) years after the final payment, or until all audits initiated within the six (6) years have been completed, whichever is later. Grantee further agrees that, to the extent it is unable to reasonably document the disposition of monies paid under this Agreement, it is subject to an assessment for over-payment.

~~41. **COST PRINCIPLES FOR COST REIMBURSEMENT AGREEMENTS:**~~

a. ~~Federal cost principles determine allowable costs in Grantor grants. Grantee may locate the Federal Cost Principles applicable to its organization by searching the appropriate federal government websites.~~

b. ~~Compliance with Federal Cost Principles: For Grantee's convenience, Grantor provides Table 1 below, "Cost Principles," as a reference guide to the applicable cost principles. However, the information in this table is not exhaustive, and Grantee understands that it is obligated to seek independent legal or accounting advice. As shown in Table 1, "Cost Principles," the principles applicable to a particular Grantee depend upon Grantee's legal status.~~

~~**Table 1: Cost Principles**~~

~~**Grantee**~~	~~**Federal Cost Principles**~~
~~State/Local/Indian Tribal Governments~~	~~2 CFR 200 Subpart E~~
~~College or University~~	
~~Non-Profit Organization~~	
~~For-Profit Entity~~	~~48 CFR Part 31.2~~

c. ~~Compensation for Personal Services - Additional Cost Principles:~~

~~In addition to the cost principles in the Federal circulars concerning compensation for personal services, the following cost principles also apply:~~

i. ~~The portion of time a person devotes to a program should be disclosed in the budget as a percent of 40 hours per week.~~

ii. ~~Employees who are compensated from one or more grants, or from programmatic functions must maintain time reports, which reflect the distribution of their activities.~~

iii. ~~If total work time exceeds 40 hours in a week and Grantee wants reimbursement for the time devoted to Grantor programs over 40 hours, the following two conditions must be met: 1) a perpetual time record must be maintained and 2) prior written approval must be obtained from Grantor's Finance-Contracting Division~~

iv. ~~Compensation for Personal Expenses: Grantor will not reimburse Grantee for personal expenses. For example, spouse travel when the travel costs of the spouse is unrelated to the business activity, telecommunications and cell phones for personal uses, undocumented car allowances, payments for both actual costs of meals and payments for per diem on the same day, and business lunches (not connected with training).~~

d. ~~Third-Party Reimbursement and Program Income: Grantee is required to pursue reimbursement from all other sources of funding available for services performed under this Agreement. Other sources of funding include, but are not limited to, third-party reimbursements and program income. In no instance shall any combination of other sources of funding and billings to Grantor be greater than "necessary and reasonable costs to perform the services" as supported by audited financial records. Collections over and above audited costs shall be refunded to Grantor.~~

~~42.~~ **ADMINISTRATIVE EXPENDITURES:** Grantor will reimburse administrative expenses as allowed by the budget terms of this agreement. Grantees with a federally approved Negotiated Indirect Cost Rate Agreement (NICRA) must provide Grantor with a copy of their approval letter from the federal cognizant agency along with information on the base(s) used to distribute indirect costs.

~~43.~~41. **CHANGES IN BUDGET (Cost Reimbursement Grants Only):** The budget attached hereto shall be the basis for payment. Grantee may not make any adjustment in budgeted funds from Category III, "Program Expenses" to either Category I, "Indirect Expenses" or Category II, "Direct Administrative Expenses" or between Categories I and II, without prior written approval by Grantor. Expenditures in excess of those budgeted in either Category I or II may be considered questioned costs. Resolution of such questioned costs will normally result in a request that such excesses be refunded to Grantor. Grantee may, however, shift between either Category I or II to Category III with prior approval from Grantor. Expenditures in excess of those budgeted in Category III will not normally result in questioned costs unless restrictions have been placed on subcategories within this major category. When the grant restricts expenditures within defined subcategories, any unapproved excess will be considered a questioned cost.

~~44.~~42. **NON-FEDERAL MATCH:** For those grants requiring a non-federal match, said match shall be:

a. Expenses which are reasonable and necessary for proper and efficient accomplishment of the Agreement program objectives.

Commented [NC4]: We think this is all covered under the UDOT agreement

b. Allowable under applicable cost principles.

c. Not paid by the Federal Government under another award except where authorized by Federal statute.
d. In accordance with the appropriate Federal grant being matched.
e. Invoices submitted to Grantor should detail the total cost of program expenditures and should distinguish between which expenditures are match and which are requested for reimbursement.

45. **WAIVER:** A waiver of any right, power, or privilege shall not be construed as a waiver of any subsequent right, power, or privilege. The State does not waive its sovereign or governmental immunity.
46. **NOTIFICATION TO THE INTERNAL REVENUE SERVICE:** It is Grantor's policy to notify the Internal Revenue Service of any known violations of IRS regulations.
47. **ORDER OF PRECEDENCE:** In the event of any conflict in the terms and conditions in this Agreement, the order of precedence shall be: (i) this Attachment A; (ii) Agreement Signature Page(s); and (iii) any other attachment listed on the Agreement Signature Page(s). Any provision attempting to limit the liability of Grantee or limit the rights of Grantor or the State of Utah must be in writing and attached to this Agreement or it is rendered null and void.
48. **SURVIVAL OF TERMS:** Termination or expiration of this Agreement shall not extinguish or prejudice Grantor's right to enforce this Agreement with respect to any default of this Agreement or of any of the following clauses: Governing Law and Venue, Laws and Regulations, Records Administration, Remedies, Indemnity, Intellectual Property, Indemnification Relating to Intellectual Property, Insurance, Public Information; Conflict of Terms; Confidentiality; and Publicity.
49. **SEVERABILITY:** The invalidity or unenforceability of any provision, term, or condition of this Agreement shall not affect the validity or enforceability of any other provision, term, or condition of this Agreement, which shall remain in full force and effect.
50. **ENTIRE AGREEMENT:** This Agreement constitutes the entire agreement between the parties and supersedes any and all other prior and contemporaneous agreements and understandings between the parties, whether oral or written.
51. **PUBLIC CONTRACT BOYCOTT RESTRICTIONS**: In accordance with Utah Code 63G-27-102 and 63G-27-201, if applicable, Grantee certifies that it is not currently engaged in an "economic boycott" nor a "boycott of the State of Israel" as those terms are defined in that Code section. Grantee also agrees not to engage in either boycott for the duration of this Agreement. If Grantee does engage in such a boycott, it shall immediately provide written notification to Grantor.

ATTACHMENT B
Affordable Housing Infrastructure Grant Terms and Conditions

1. **PURPOSE.** The Grantor shall cause the Funds to the Grantee solely for the purpose of the proposed infrastructure Project. The Project must directly support the development of at least 2,500 new owner-occupied housing units. At least 1,250 of the housing units shall be single-family, detached homes constructed on lots that are no more than 5,000 square feet. In addition, a minimum of 50 single-family, detached homes shall have no more than 1,400 finished square feet and shall contain no accessory dwelling units; 450 single-family, detached homes shall have no more than 1,600 finished square feet (including the square footage of any accessory dwelling unit); and the remainder of the single-family, detached homes shall have no more than 1,900 finished square feet (including the square footage of any accessory dwelling unit).
2. **TERM.** This agreement is effective upon execution by both Parties and remains in effect until terminated in accordance with the terms of this Agreement.
3. **FUNDS.** Funds shall be applied strictly to the design/construction of the Project.
4. **PAYMENT AND REPAYMENT:**
   (a) The Grantor agrees to cause UDOT to pay Grantee fifty million dollars ($50,000,000.00) within thirty (30) days after execution of this Agreement by mail or electronic funds transfer.Alternatively, the Grantee can request 4 equal payments of $12,500.000 as needed based upon progress of the project.
   (b) The Grantor may require repayment of all or any portion of Funds used in violation of the terms of this Agreement or in violation of applicable law.
5. **Grantee RESPONSIBILITIES:**
   (a) Grantee shall serve as Manager for the Funds and shall ensure expenditures are made only for the purposes authorized by AHIG and the Grant Statute.
   (b) Grantee includes Grantee's agents, officers, employees, partners, consultants, contractors, managers, and persons or entities under the direct or indirect control or responsibility of Grantee.
   (c) Grantee shall ensure that the Funds are segregated in a dedicated account.
   (d) Grantee shall provide a written report to the Grantor prior to September 1 of each year during the construction of the approved infrastructure. The report must include 1) the amount of money provided through the grant; 2) an accounting of how the grant money has been utilized; 3) the progress of the Project; and 4) the number and type of housing units completed or under construction, and any other information requested by the Grantor.
   (e) Grantee shall submit a copy of each audit report relating to the Funds.
   (f) Grantee shall promptly respond to Board, DHCD, UDOT, legislative, or Governor inquiries.
   (g) Grantee shall ensure the master development agreement associated with the contemplated infrastructure improvements complies with project requirements provided by the Grantor.
   (h) Grantee shall ensure no more than forty percent (40%) of the single-family, detached homes have accessory dwelling units.
   (i) Grantee and the developer shall endeavor to maximize the dedication of public roads within the benefitted developments and minimize the number of private roads maintained by HOAs to minimize HOA fees and maintenance obligations.
6. **LAWS AND REGULATIONS:** Grantee shall comply with all applicable federal and State constitutions, laws, rules, codes, orders, and regulations, including but not limited to Utah Code 51-2a-101 et seq. and 63J-1-220.
7. **RECORDS ADMINISTRATION:**
   (a) Grantee shall maintain all records, receipts, and any other documentation necessary to properly account for the Funds and performance.
   (b) Records shall be retained for at least six (6) years after each annual report.
   (c) Grantee shall allow State auditors and staff access to all records at no cost.
8. **INDEPENDENT CAPACITY:** The Parties shall act in an independent capacity and not as officers, employees, or agents of each other.
9. **EMPLOYMENT PRACTICES:** Grantee shall abide by federal and State employment laws, including Title VI and VII of the Civil Rights Act of 1964, Executive Order No. 11246, 45 CFR 90, and Section 504 of the Rehabilitation Act of 1973.
10. **AMENDMENTS:** The Parties may amend this Agreement only by written agreement attached hereto.

11. **TERMINATION:** This Agreement may not be terminated by Grantee while it retains responsibility for any Funds. The Grantor may terminate for cause upon written notice.
12. **NOTICE OF CHANGE OR REORGANIZATION:** Grantee shall immediately notify other Parties of any change or reorganization affecting its ability to perform under this Agreement.
13. **REVIEWS:** The State may perform reviews and audits of Grantee's use of Funds.
14. **ASSIGNMENT:** Grantee may not assign or transfer rights or obligations without prior written approval from the Grantor.
15. **PUBLIC INFORMATION:** This Agreement and related records are public records as defined by the Utah Government Records Access and Management Act (GRAMA).
16. **INDEMNIFICATION:** Grantee is fully liable for the actions of its agents and employees and will indemnify and defend other Parties and the State of Utah from all claims arising out of its performance.
17. **PUBLICITY:** Grantee shall submit all advertising and publicity matters to other Parties for written approval and give recognition to the State of Utah and other Parties.
18. **WAIVER:** A waiver of any right, power, or privilege will not be construed as a waiver of any subsequent right.
19. **ATTORNEYS' FEES:** In any judicial action to enforce rights, the prevailing Party will be entitled to reasonable attorneys' fees and costs.
20. **GOVERNING LAW AND VENUE:** This Agreement is governed by the laws of the State of Utah, with venue in Salt Lake City.
21. **SURVIVAL OF TERMS:** Termination or expiration will not extinguish the State's right to enforce the Agreement regarding uncured defaults.
22. **SEVERABILITY:** If any term is found invalid, the remaining terms shall remain in full force and effect.
23. **ENTIRE AGREEMENT:** This Agreement constitutes the entire agreement between the Parties.

Commented [NC5]: Because UDOT is controlling the funds, should this agreement recognize the UDOT agreement we are also adopting?