

CLEARFIELD CITY COUNCIL
AGENDA AND SUMMARY REPORT
October 27, 2015 – POLICY SESSION

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

Executive Conference Room
55 South State Street
Third Floor
Clearfield, Utah

6:30 P.M. WORK SESSION

Discussion on Amending 2015/2016 Fiscal Year Budget
Discussion on the Compensation Plan RFP

****ADJOURN AS THE CITY COUNCIL AND IMMEDIATELY RECONVENE
AS THE CDRA IN A WORK SESSION ****

CDRA WORK SESSION

Discussion on the Real Estate Purchase Agreement for Property located at 75 North Main

(Any items not fully addressed prior to the Policy Session will be addressed in a Work Session immediately following the Policy Session)

City Council Chambers
55 South State Street
Third Floor
Clearfield, Utah

7:00 P.M. POLICY SESSION

CALL TO ORDER: Mayor Shepherd
OPENING CEREMONY: Councilmember Bush
APPROVAL OF MINUTES: October 13, 2015 – Policy Session

PRESENTATION:

1. **PRESENTATION OF THE YARD OF THE YEAR AWARD**

BACKGROUND: Each year, Clearfield City sponsors a Yard of the Week contest throughout the City. The Parks and Recreation Commission members visit eleven different zones in the City during the summer and submit a weekly winner. At the end of the summer, the Commission members judge the weekly winners and select a winner for Yard of the Year. This year's Yard of the Year winner is Jacob and Cynthia Kurian. The runners-up are Duane Stoker and Diane Stapley.

PUBLIC HEARING:

2. PUBLIC HEARING TO RECEIVE COMMENT ON AMENDING THE 2015/2016 FISCAL YEAR BUDGET

BACKGROUND: State Law requires a public hearing before the City Council approves amendments to the City budget. Rich Knapp, Administrative Services Director, will be presenting amendments for the 2015/2016 fiscal year budget.

RECOMMENDATION: Receive public comment.

SCHEDULED ITEMS:

3. CITIZEN COMMENTS

4. CONSIDER APPROVAL OF THE CITY MANAGER'S APPOINTMENT OF STUART WILLIAMS AS THE CITY ATTORNEY

5. CONSIDER APPROVAL OF RESOLUTION 2015R-29 ADOPTING AMENDMENTS TO THE 2015/2016 FISCAL YEAR BUDGET

RECOMMENDATION: Approve Resolution 2015R-29 adopting amendments to the 2015/2016 fiscal year budget and authorize the Mayor's signature to any necessary documents.

6. CONSIDER APPROVAL OF THE AWARD OF BID TO LEON POULSEN CONSTRUCTION FOR THE 18 INCH TRANSMISSION WATERLINE PROJECT

BACKGROUND: Bids were received from nine construction companies to construct an 18 inch culinary water transmission pipeline through the west side of the proposed new parking lot area for the AAA Service Call Building located on 2000 East Street (University Parkway). The City wants to complete this section of waterline piping installation prior to the new parking lot being constructed. The lowest responsible bid was received from Leon Poulsen Construction with a bid amount of \$73,867.50

RECOMMENDATION: Approve the Award of Bid to Leon Poulsen Construction for the 18 inch Transmission Waterline Project for the bid amount of \$73,867.50; and approve funding of the project for the bid amount of \$73,867.50 with contingency and engineering costs of \$19,882.50 for a total project cost of \$93,750.00; and authorize the Mayor's signature to any necessary documents.

7. UPDATE ON THE FISCAL YEAR 2016 FINANCIAL STATUS

COMMUNICATION ITEMS:

Mayor's Report
City Councils' Reports
City Manager's Report
Staffs' Reports

****ADJOURN AS THE CITY COUNCIL AND RECONVENE AS THE CDRA****

1. APPROVAL OF THE CLEARFIELD COMMUNITY DEVELOPMENT AND RENEWAL AGENCY (CDRA) MINUTES FROM THE AUGUST 11, 2015 POLICY SESSION, THE AUGUST 18, 2015 WORK SESSION AND THE AUGUST 25, 2015 POLICY SESSION

PUBLIC HEARING:

2. CONSIDER AMENDMENTS TO THE CDRA 2015/2016 FISCAL YEAR BUDGET

BACKGROUND: State Law requires a public hearing before the Board approves amendments to the CDRA budget. Rich Knapp, Administrative Services Director, has prepared some proposed amendments for the 2015/2016 fiscal year budget.

RECOMMENDATION: Receive public comment.

SCHEDULED ITEM:

3. CONSIDER APPROVAL OF RESOLUTION 2015R-06 AMENDING THE CDRA 2015/2016 FISCAL YEAR BUDGET

RECOMMENDATION: Approve Resolution 2015R-06 adopting amendments to the CDRA 2015/2016 fiscal year budget and authorize the Chair's to any necessary documents.

4. CONSIDER APPROVAL OF THE REAL ESTATE PURCHASE AGREEMENT FOR PROPERTY LOCATED AT 75 NORTH MAIN

BACKGROUND: The vacant building located at approximately 75 North Main has been offered to the City for a purchase price of \$45,000. If acquired, the property would be held by the City for redevelopment at a future time. The CDRA budget has sufficient funds for the transaction.

RECOMMENDATION: Approve the Real Estate Purchase Agreement for property located at 75 North Main for a purchase price of \$45,000 and authorize the Chair's signature to any necessary documents.

****ADJOURN AS THE CDRA****

Dated this 23rd day of October, 2015.

/s/Kimberly S. Read, Deputy City Recorder

The City of Clearfield, in accordance with the 'Americans with Disabilities Act' provides accommodations and auxiliary communicative aids and services for all those citizens needing assistance. Persons requesting these accommodations for City sponsored public meetings, service programs or events should call Nancy Dean at 525-2714, giving her 48-hour notice.

CLEARFIELD CITY COUNCIL MEETING MINUTES
7:00 P.M. POLICY SESSION
October 13, 2015

PRESIDING:	Mike LeBaron	Mayor Pro Tem
EXCUSED:	Mark Shepherd	Mayor
PRESENT:	Keri Benson Kent Bush Ron Jones Bruce Young	Councilmember Councilmember Councilmember Councilmember
STAFF PRESENT:	Adam Lenhard JJ Allen Brian Brower Scott Hodge Greg Krusi Eric Howes Curtis Dickson Rich Knapp Nancy Dean Kim Read	City Manager Assistant City Manager City Attorney Public Works Director Police Chief Community Services Director Community Services Deputy Dir. Administrative Services Director City Recorder Deputy City Recorder

VISITORS: Michael Hansing, Will Stranberg, Janet Arashnia, Angel Chaganes, Ryland Haney, Tyson Cobia, Bryce Winter, Ronald Marble, Vern Phipps, Bob Bercher, Nike Peterson

Mayor Pro Tem LeBaron called the meeting to order at 7:00 p.m.

Mayor Pro Tem LeBaron informed the citizens present that if they would like to comment during Public Hearings or Citizen Comments there were forms to fill out by the door.

Ryland Haney conducted the Opening Ceremony.

APPROVAL OF THE MINUTES FROM THE AUGUST 18, 2015 AND SEPTEMBER 22, 2015 WORK SESSIONS, THE SEPTEMBER 22, 2015 POLICY SESSION AND THE OCTOBER 6, 2015 SPECIAL SESSION

Councilmember Jones moved to approve the minutes from the August 18, 2015 and September 22, 2015 work sessions, the September 22, 2015 policy session and the October 6, 2015 special session as written, seconded by Councilmember Young. The motion carried upon the following vote: Voting AYE – Councilmembers Benson, Bush, Jones, LeBaron and Young. Voting NO – None.

PRESENTATION ON HOPE CENTER

Dr. Ron Brown from Hope Church introduced himself to the Council and shared information regarding the Hope Center in Clearfield. He explained the mission of the Hope Center and stated it offered services to the poor and working poor residents within the community. He reported the Center had assisted hundreds of families thus far and emphasized the assistance was used to help those in need break free from government assistance. He stated the Center also provided mental health counseling to individuals needing those types of services. Mr. Brown stated in order for the operation to be successful it was imperative to recruit advocates for good legislation and funding.

Mr. Brown announced Councilmember Benson and Bush had participated in Hope Center's block party during which over 300 backpacks had been presented to community students and presented a certificate of appreciation to the Council for its efforts in supporting the block party.

CITIZEN COMMENTS

Michael Hansing, resident, stated he didn't know members of the Council but believed he shared common ground with several of them in that he also had a desire for Clearfield to move in a positive direction to be an attractive community. He reported he had been involved with discussions with the Development Services Manager regarding property for potential development.

Mr. Hansing reported he had also purchased homes located within the City as rental homes and expressed concern about the City's current ordinance which required a deposit for each utility account. He requested the Council consider amending the ordinance.

Mayor Pro Tem LeBaron responded staff could only enforce the current ordinances which have been approved and stated there was a procedure in order for an ordinance to be changed. He encouraged Mr. Hansing to address his concerns with the City Manager.

APPROVAL OF RESOLUTION 2015R-26 REQUESTING RECERTIFICATION OF THE CLEARFIELD JUSTICE COURT BY THE UTAH JUDICIAL COUNCIL AND THE JUSTICE COURT STANDARDS COMMITTEE

Utah law required the City to apply for recertification of its Justice Court every four years. Part of that process included a resolution from the sponsoring governmental entity requesting the recertification and committing to continue compliance with the applicable operational standards and requirements for the next four-year term.

JJ Allen, Assistant City manager, stated the Court's current certification would expire in February 2016 and reported part of the process required the City Council to approve a Resolution applying for the recertification. Mr. Allen reviewed the other documents which were required to be submitted for the recertification.

Brian Brower, City Attorney, stated the opinion letter would accompany the Resolution in addition to the affidavit from the Justice Court Judge.

Councilmember Young moved to approve Resolution 2015R-26 requesting recertification of the Clearfield Justice Court by the Utah Judicial Council and the Justice Court Standards Committee and authorize the Mayor's signature to any necessary documents, seconded by Councilmember Bush. The motion carried upon the following vote: Voting AYE – Councilmembers Benson, Bush, Jones, LeBaron and Young. Voting NO – None.

APPROVAL OF RESOLUTION 2015R-27 AUTHORIZING THE DISPOSAL OF PROPERTY HELD BY THE CLEARFIELD POLICE DEPARTMENT

The Clearfield Police Department had a need to dispose of unclaimed evidence and property that had exceeded the 90 day waiting period as required by law and for which the owners were unknown. Pursuant to Title 77, Chapter 24a of the Utah Code of Criminal Procedure, the police department is seeking permission from its legislative body to apply said property to a public interest or sell said property at public auction through Public Surplus and then apply the proceeds to a public interest use.

Greg Krusi, Police Chief, explained the City had several items which had been collected as evidence over several years and had unsuccessfully attempted to locate rightful owners. He stated the Public Works Department had expressed interest in some items which it could use in the course of its required work while the remaining items would be sold on the Public Auction website with the proceeds going toward the General Fund.

He mentioned any individuals who had located any of the listed items had been contacted and reported one individual was deceased and the other individual was no longer interested in the item which had been found.

Brian Brower, City Attorney, reported the process was similar to the unclaimed bicycle donation.

Councilmember Bush moved to approve Resolution 2015R-27 authorizing the disposal of unclaimed lost or mislaid property held by the Clearfield Police Department and authorize the Mayor's signature to any necessary documents, seconded by Councilmember Benson. The motion carried upon the following vote: Voting AYE – Councilmembers Benson, Bush, Jones, LeBaron and Young. Voting NO – None.

APPROVAL OF RESOLUTION 2015R-28 APPOINTING POLL WORKERS FOR THE MUNICIPAL ELECTION

State Law (U.C.A. § 20A-5-602 and § 20A-5-301) required the City Council to appoint poll workers prior to a municipal election. The Municipal General Election would be held on November 3, 2015.

Nancy Dean, City Recorder, stated the City was conducting a by mail election; however, City Hall had been designated as a Vote Center for the November 3, 2015 election requiring poll workers to conduct the election on Election Day.

Councilmember Bush inquired if there was any way to consolidate the approval in order for the Council to not have to address the issue every two years. Brian Brower, City Attorney, suggested the names had been identified by the County Recorder's Office which generally changed from year to year.

Councilmember Benson moved to approve Resolution 2015R-28 appointing poll workers for the Municipal General Election as recommended by the City Recorder and allow the City Recorder to make additions and corrections as needed and authorize the Mayor's signature to any necessary documents, seconded by Councilmember Jones. The motion carried upon the following vote: Voting AYE – Councilmembers Benson, Bush, Jones, LeBaron and Young. Voting NO – None.

COMMUNICATION ITEMS

Councilmember Benson – nothing to report.

Councilmember Bush

1. Informed the Council that he had attended the Grand Opening for the AAA facility last week.

Councilmember LeBaron – nothing to report.

Councilmember Young – nothing to report.

Adam Lenhard, City Manager

1. Stated his monthly report had been forwarded to the Council last evening.
2. Announced the meeting was Brian Brower's final meeting to attend in the capacity of the City Attorney. He stated Mr. Brower would be sworn in as the City's Justice Court Judge on Monday, October 19, 2015.

STAFFS' REPORTS

Nancy Dean, City Recorder – Reviewed the Council's calendar:

- No meeting on Tuesday, October 20, 2015
- Tuesday, October 27, 2015 work and policy session
- No meeting was scheduled for Tuesday, November 3, 2015, because it was Election Day. She encouraged everyone to vote.

Brian Brower, City Attorney – expressed his feelings about moving forward in his professional career as the Justice Court Judge. He stated he would miss working in his current capacity and mentioned Clearfield City was a great organization.

Councilmember Young moved to adjourn the regular session and reconvene in a work session at 7:45 p.m., seconded by Councilmember Benson. The motion carried upon the following vote: Voting AYE – Councilmembers Benson, Bush, Jones, LeBaron and Young. Voting NO – None.

Staff Report



To: Mayor Mark Shepherd and City Councilors
From: Rich Knapp, Administrative Services Director
Date: October 21, 2015
Re: Fiscal Year 2016 October Budget Amendments

A handwritten signature in blue ink, appearing to read 'Rich Knapp', is written over the printed name in the 'From:' field.

Recommended Action

Staff recommends the City Council approve the FY 2016 budget amendments.

Description / Background

The attached table below lists actual and proposed expenditures that do not have or exceed FY 2016 budget authority and require budget amendments as allowed by Utah Code Title 10 Chapter 6 Section 124 to 129.

The proposed General Fund amendments use unrestricted fund balance for a total of \$8,500.

The General Fund would see an increase of \$114,282, from transfers in from RDA 7, and the Water and Sewer Fund. This amendment will result in the General Fund paying no portion of the '03 and '06 Sales Tax Bond debt service, but the Water and Sewer funds will increase its portion from 7.6% to 17%. The CDRA will pay 83% and the Water and Sewer Funds will pay 17% of the bond payment. This allocation is in line with the original intent of debt service payments for the Sales Tax Bond.

<i>Funds</i>	<i>Historic/Budget</i>		<i>Proposed Amendment</i>	
<i>General</i>	\$114,030	11.2%	\$0	0.0%
<i>CDRA</i>	\$826,775	81.2%	\$846,114	83.1%
<i>Water</i>	\$40,494	3.9%	\$90,339	8.9%
<i>Sewer</i>	\$36,637	3.6%	\$81,735	8.0%
<i>Total Bond Pmt</i>	\$1,018,188		\$1,018,188	

List of Attachments

- FY2016 Budget Amendment Items October 27, 2016 Worksheet

FY2016 Budget Amendment Items October 27, 2016

Fund	Division	Account	Expense Account Title	Expense Adjust	Description	Source Account	Source Account Title	Source Adjustment
General Fund								
IT	104142	624202	Hardware	4,000	VPN Hardware - Two Factor Login		Fund Balance	4,000
IT	104142	624202	Hardware	4,500	Projector & monitors for Council Chambers		Fund Balance	4,500
Revenue-TRNF In		381002	TRNF CDRA Sales Tax Bond	(19,339)	Increase RDA7 portion of '03&'06 Sales Tax Bond Payment		TRNf from RDA 7	(19,339)
Revenue-TRNF In		381003	TRNF EF Sales Tax Bond	(94,943)	Increase Water Sewer portion of '03&'06 Sales Tax Bond		TRNF from Water & Sewer Fund	(94,943)
Total New Use of Fund Balance Items				8,500				
Total New Source Items				0				
Total Reallocation of Current Budget Items				0				
Total Revenue Amendments				(114,282)				
Total General Fund Amendments				(105,782)				
Community Development and Renewal Agency(CDRA)								
RDA 8	204618	673001	Capital Project	45,000	Tom Baker building acquisition \$45k & demolition \$15k		Fund Balance	45,000
RDA 7	204617	691004	Transfer to General Fund	19,339	Increase RDA7 portion of '03&'06 Sales Tax Bond Payment		Fund Balance	19,339
Water Fund								
Water Operating	515101	691005	TRNF EF Sales Tax Bond	49,845	Increase Water Sewer portion of '03&'06 Sales Tax Bond		Fund Balance	49,845
Water Capital	515110	673001	Capital Project	175,000	700 S Well - Replace broken motor & pump		Fund Balance	175,000
							<i>Submitted claim to insurance</i>	
Sewer Fund								
Sewer Operating	525201	691005	TRNF EF Sales Tax Bond	45,098	Increase Water Sewer portion of '03&'06 Sales Tax Bond		Fund Balance	45,098

CLEARFIELD CITY RESOLUTION 2015R-29

A RESOLUTION APPROVING AND ADOPTING
AMENDMENTS TO THE 2015/2016 BUDGET AND
APPROPRIATING FUNDS FOR THE PURPOSES SET FORTH
THEREIN

WHEREAS, Clearfield City has identified some expenditures that are necessary for City operations which were not included in its current budget; and

WHEREAS, the Utah State Code allows the City Council to make adjustments to the budget; and

WHEREAS, after providing proper notice, a public hearing concerning this matter was held and the public was given an opportunity to be heard; and

WHEREAS, the City Council has carefully evaluated and considered the proposed budget amendments and finds them to be prudent and necessary for the good of the City;

NOW THEREFORE BE IT RESOLVED by the Clearfield City Council that the amendments to the Clearfield City budget beginning July 1, 2015 and ending June 30, 2016 (FY 2016) as set forth in Exhibit "A", which is attached hereto and incorporated herein by this reference, are hereby authorized and approved.

The Mayor is further authorized to sign any documents reflecting those amendments.

Passed and adopted at the Clearfield City Council meeting held on Tuesday, October 27, 2015.

Dated this 27th day of October, 2015.

ATTEST

CLEARFIELD CITY CORPORATION

Nancy R. Dean, City Recorder

Mark R. Shepherd, Mayor

VOTE OF THE COUNCIL

AYE:

NAY:



CIVIL ENGINEERING CONSULTANTS, PLLC.

5141 South 1500 West
Riverdale City, Utah 84405
801-866-0550

19th October 2015

Clearfield City
55 South State Street
Clearfield, Utah 84015

Attn: Mayor Mark Shepherd and City Council
Proj: **18-Inch Transmission Waterline Improvement Project**
Subj: Bid Results, Bid Proposal Tabulation & Recommendation

Dear Mark Shepherd and Council Members,

The “Bid Opening” for the above referenced project was conducted this afternoon. The lowest responsible bidder is Leon Poulsen Construction of Ogden City, Utah.

Enclosed are the “Bid Results” and “Bid Proposal Tabulation”. Leon Poulsen Construction’s bid was reviewed and found to meet the bidding conditions required in the Contract Documents.

Since Leon Poulsen Construction’s bid is the low bid for the advertised project, and their bid meets the conditions of the Contract Documents, I herewith recommend award of the above referenced project in the amount of \$73,867.50 to Leon Poulsen Construction Company.

Should you have any questions or desire additional information concerning the contractor or his bid, please feel free to contact our office at your earliest convenience.

Sincerely,
CEC, Civil Engineering Consultants, PLLC.

N. Scott Nelson, P.E.
City Engineer

Cc: Scott Hodge – Clearfield City Public Works Director

ATTENDANCE ROSTER

18-Inch Transmission Waterline Improvement Project

OWNER: CLEARFIELD CITY
ENGINEER: CEC, CIVIL ENGINEERING CONSULTANTS, PLLC.

BID DATE: October 19th, 2015
TIME: 2:30 PM.

BID LOCATION: Clearfield City Offices
55 South State Street; 3rd Floor
Clearfield, Utah 84015

NAME	REPRESENTING	EMAIL
		PHONE
N. Scott Nelson	CEC, Civil Engineering Consultants	Scott.ceceng@comcast.net
		801-547-7723
Kurt Marchant	CEC, Civil Engineering Consultants	Kurt.ceceng@comcast.net
		435-421-1246
Donny Wilkinson	KAPP Construction	donny@kappcompanies.com
		435-393-7360
Adam Hammond	M.C. Green & Sons	adam@mcgreen.net
		801-298-2988
Scott Hodge	Clearfield City	Scott.hodge@clearfieldcity.org
		801-525-4430
Austin Stegen	Paragon Construction	Paragon.con.sys.@gmail
		801-791-4668

BID RESULTS

**18-Inch Transmission Waterline
Improvement Project**

OWNER: CLEARFIELD CITY
ENGINEER: CEC, CIVIL ENGINEERING CONSULTANTS, PLLC.

BID DATE: October 19th, 2015
TIME: 2:30 PM.
BID LOCATION: Clearfield City Offices
55 South State Street; 3rd Floor
Clearfield, Utah 84015

BIDDERS NAME	ADDENDUM	BID BOND	BID AMOUNT
Leon Poulsen Construction	N/A	5%	\$73,867.50
B. Jackson Construction	N/A	5%	\$77,655.00
Brinkerhoff Excavating	N/A	5%	\$78,875.00
Silver Spur Construction	N/A	5%	\$80,400.00
Kapp Construction	N/A	5%	\$83,309.25
Fusion Pipe Line	N/A	5%	\$95,285.00
M.C. Green & Sons	N/A	5%	\$116,765.00

BIDDERS NAME	ADDENDUM	BID BOND	BID AMOUNT
Counter Point Construction	N/A	5%	\$125,160.00
Paragon Construction	N/A	5%	\$129,982.30

BID PROPOSAL TABULATION

18-Inch Transmission Waterline Improvement Project

BID DATE: October 19th, 2015

OWNER: CLEARFIELD CITY

PUBLIC WORKS DIRECTOR: SCOTT HODGE

Bid Item	Description	Quantity	Unit	Leon Poulsen Construction Co. Inc 1675 South 1900 West Ogden, UT 84401		B. Jackson Construction & Engineering Inc. 4188 West Nike Drive West Jordan, UT 84088		Brinkerhoff Excavating 3738 North Higley Road Farr West, UT 84404	
					Total Amount	Unit Price	Total Amount	Unit Price	Total Amount
1.	Mobilization.	1	ls.	\$2,995.00	\$2,995.00	\$8,000.00	\$8,000.00	\$4,150.00	\$4,150.00
2.	Clear and grub.	1	ls.	\$7,100.00	\$7,100.00	\$4,700.00	\$4,700.00	\$3,750.00	\$3,750.00
3.	Furnish and install 18-inch diameter C-905 DR 18 pvc culinary waterline.	625	lf.	\$82.50	\$51,562.50	\$41.00	\$25,625.00	\$103.00	\$64,375.00
4.	Furnish 1" diameter clean gravel pipe bedding materials.	120	ton	\$20.00	\$2,400.00	\$34.00	\$4,080.00	\$20.50	\$2,460.00
5.	Furnish clean import material for trench backfill.	1,500	ton	\$5.00	\$7,500.00	\$21.00	\$31,500.00	\$1.00	\$1,500.00
6.	Furnish and install water dome utility marker.	3	ea.	\$485.00	\$1,455.00	\$600.00	\$1,800.00	\$440.00	\$1,320.00
7.	Furnish and install concrete collar around existing valve boxes and raise to finish grade.	3	ea.	\$285.00	\$855.00	\$650.00	\$1,950.00	\$440.00	\$1,320.00
TOTAL BID:				\$73,867.50		\$77,655.00		\$78,875.00	
Surety Company				North American Specialty Insurance Company		Employers Mutual Casualty Company		The Cincinnati Insurance Company	
City, State				Boise, ID		Des Moines, IA		Fairfield, OH	
Bid Security - Bid Bond Amount				5%		5%		5%	
Contractor's License Number				84-244670-5501		336790-5501		324707-559	

BID PROPOSAL TABULATION

18-Inch Transmission Waterline Improvement Project

BID DATE: October 19th, 2015

OWNER: CLEARFIELD CITY

PUBLIC WORKS DIRECTOR: SCOTT HODGE

Bid Item	Description	Quantity	Unit	Silver Spur Construction 12300 South 392 East Bldg 1 Suite E1 Draper, UT 84402		Kapp Construction 1595 West 3300 South Ogden, UT 84401		Fusion Pipeline Inc. P.O. Box 593 Garland, UT 84321	
				Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount
1.	Mobilization.	1	ls.	\$8,000.00	\$8,000.00	\$6,300.00	\$6,300.00	\$15,500.00	\$15,500.00
2.	Clear and grub.	1	ls.	\$6,600.00	\$6,600.00	\$3,600.00	\$3,600.00	\$500.00	\$500.00
3.	Furnish and install 18-inch diameter C-905 DR 18 pvc culinary waterline.	625	lf.	\$85.00	\$53,125.00	\$87.45	\$54,656.25	\$85.00	\$53,125.00
4.	Furnish 1" diameter clean gravel pipe bedding materials.	120	ton	\$15.00	\$1,800.00	\$15.65	\$1,878.00	\$18.00	\$2,160.00
5.	Furnish clean import material for trench backfill.	1,500	ton	\$6.50	\$9,750.00	\$9.80	\$14,700.00	\$14.50	\$21,750.00
6.	Furnish and install water dome utility marker.	3	ea.	\$150.00	\$450.00	\$400.00	\$1,200.00	\$350.00	\$1,050.00
7.	Furnish and install concrete collar around existing valve boxes and raise to finish grade.	3	ea.	\$225.00	\$675.00	\$325.00	\$975.00	\$400.00	\$1,200.00
TOTAL BID:				\$80,400.00		\$83,309.25		\$95,285.00	
Surety Company				The Guarantee Company of North America USA		The Guarantee Company of North America USA		Great American Insurance Company	
City, State				Southfield, Michigan		Southfield, Michigan		Cincinnati, OH	
Bid Security - Bid Bond Amount				5%		5%		5%	
Contractor's License Number				5841209-5501		247650-5501		9249629-5501	

BID PROPOSAL TABULATION

18-Inch Transmission Waterline Improvement Project

BID DATE: October 19th, 2015

OWNER: CLEARFIELD CITY

PUBLIC WORKS DIRECTOR: SCOTT HODGE

Bid Item	Description	Quantity	Unit	M.C. Green & Sons Inc 150 North 1050 West Centerville, UT 84014		Counterpoint Construction Company 1598 North Hill Field Road, #A Layton, UT 84041		Paragon Construction System Inc. 1279 North Quincy Ave Ogden, UT 84404	
				Unit Price	Total Amount	Unit Price	Total Amount	Unit Price	Total Amount
1.	Mobilization.	1	ls.	\$4,760.00	\$4,760.00	\$7,200.00	\$7,200.00	\$1,600.00	\$1,600.00
2.	Clear and grub.	1	ls.	\$3,700.00	\$3,700.00	\$4,500.00	\$4,500.00	\$1,500.00	\$1,500.00
3.	Furnish and install 18-inch diameter C-905 DR 18 pvc culinary waterline.	625	lf.	\$128.00	\$80,000.00	\$138.00	\$86,250.00	\$70.38	\$43,987.50
4.	Furnish 1" diameter clean gravel pipe bedding materials.	120	ton	\$37.00	\$4,440.00	\$18.00	\$2,160.00	\$54.60	\$6,552.00
5.	Furnish clean import material for trench backfill.	1,500	ton	\$13.00	\$19,500.00	\$15.00	\$22,500.00	\$45.87	\$68,805.00
6.	Furnish and install water dome utility marker.	3	ea.	\$585.00	\$1,755.00	\$425.00	\$1,275.00	\$285.30	\$855.90
7.	Furnish and install concrete collar around existing valve boxes and raise to finish grade.	3	ea.	\$870.00	\$2,610.00	\$425.00	\$1,275.00	\$2,227.30	\$6,681.90
TOTAL BID:				\$116,765.00		\$125,160.00		\$129,982.30	
Surety Company				Hartford Accident and Indemnity Company		Fidelity and Deposit Company of Maryland		Western National Mutual Insurance Company	
City, State				Hartford, CT		Baltimore, MD		Dakota, MN	
Bid Security - Bid Bond Amount				5%		5%		5%	
Contractor's License Number				232047-5501		249881-5501		8652137-5501	

CLEARFIELD CITY COMMUNITY DEVELOPMENT AND RENEWAL AGENCY
MEETING MINUTES
7:00 P.M. POLICY SESSION
August 11, 2015

(This meeting was held following the regularly scheduled City Council Meeting.)

PRESIDING:	Bruce Young	Chair
PRESENT:	Keri Benson	Director
	Kent Bush	Director
	Ron Jones	Director
	Mike LeBaron	Director
	Mark Shepherd	Director
STAFF PRESENT:	Adam Lenhard	City Manager
	JJ Allen	Assistant City Manager
	Brian Brower	City Attorney
	Greg Krusi	Police Chief
	Wendy Brimhall	Dispatch Supervisor
	Curtis Dickson	Community Services Deputy Dir.
	Rich Knapp	Administrative Services Director
	Lee Naylor	Accountant
	Nancy Dean	City Recorder
	Kim Read	Deputy City Recorder
EXCUSED:	Scott Hodge	Public Works Director
	Spencer Brimley	Development Services Manager
	Eric Howes	Community Services Director

VISITORS: Pagie Florez

Chair Young called the meeting to order at 7:42 p.m.

APPROVAL OF THE CLEARFIELD COMMUNITY DEVELOPMENT AND RENEWAL AGENCY (CDRA) MINUTES FROM THE JUNE 9, 2015 AND JUNE 23, 2015 POLICY SESSIONS

Director LeBaron moved to approve the Clearfield Community Development and Renewal Agency (CDRA) minutes from the June 9, 2015 and June 23, 2015 policy sessions as written, seconded by Director Benson. The motion carried upon the following vote: Voting AYE – Directors Benson, Bush, Jones, LeBaron and Shepherd. Voting NO – None.

APPROVAL OF RESOLUTION 2015R-04 ADOPTING THE CDRA 2015/2016 FISCAL YEAR BUDGET

The City Council and the Clearfield Community Development and Renewal Agency (CDRA) held a public hearing on the proposed budget on June 9, 2015. Utah Code required cities to hold

a public hearing relating to the approval of the upcoming fiscal year budget. City staff had prepared and submitted to the Board a balanced final budget for fiscal year 2015/2016 which began July 1, 2015 and ended June 30, 2016.

Director Shepherd moved to approve Resolution 2015R-04 adopting the CDRA 2015/2016 fiscal year budget and authorize the Chair's signature to any necessary documents, seconded by Director LeBaron. The motion carried upon the following vote: Voting AYE – Directors Benson, Bush, Jones, LeBaron and Shepherd. Voting NO – None.

There being no further business to come before the Community Development and Renewal Agency, **Director LeBaron moved to adjourn as the Community Development and Renewal Agency at 7:43 p.m., seconded by Director Jones. The motion carried upon the following vote: Voting AYE – Directors Benson, Bush, Jones, LeBaron and Shepherd. Voting NO – None.**

DRAFT

CLEARFIELD CITY COMMUNITY DEVELOPMENT AND RENEWAL AGENCY
MEETING MINUTES
6:00 P.M. WORK SESSION
August 18, 2015

(This meeting was held following a City Council work session.)

PRESIDING:	Bruce Young	Chair
PRESENT:	Kent Bush	Director
	Ron Jones	Director
	Mike LeBaron	Director
	Mark Shepherd	Director
EXCUSED:	Keri Benson	Director
STAFF PRESENT:	Adam Lenhard	City Manager
	JJ Allen	Assistant City Manager
	Brian Brower	City Attorney
	Greg Krusi	Police Chief
	Scott Hodge	Public Works Director
	Spencer Brimley	Development Services Manager
	Eric Howes	Community Services Director
	Nancy Dean	City Recorder
	Kim Read	Deputy City Recorder
EXCUSED:	Rich Knapp	Administrative Services Director

VISITORS: Randy Jefferies – UDOT, Michael Romero – UDOT, Ahmad Jaber – UDOT, Tyler Stowe – Winger’s Restaurant, Pat & John Bradley – Fundaze and Holidaze, Dax Prantil – Techna Glass, Saraj Haq, Paul Taylor

Chair Young called the meeting to order at 8:23 p.m.

DISCUSSION ON THE TAX INCREMENT FINANCING AGREEMENT FOR THE SANDRIDGE LUXURY APARTMENT DEVELOPMENT LOCATED IN THE VICINITY OF 50 SOUTH DEPOT, 70 SOUTH DEPOT AND 100 SOUTH DEPOT

JJ Allen, Assistant City Manager, reminded the Council of a previous work session regarding the developer’s request for the use of tax increment and the Board’s subsequent support of the request. He reported the estimated construction costs of the project were \$14 million and indicated since the tax code allowed residential property to receive a 45 percent discount that would mean 55 percent of \$14 million was equivalent to \$7.7 million if the assessment was the same as the construction costs. Director Bush clarified this wouldn’t include the commercial component.

Mr. Allen reported the project should be substantially completed by the end of June 2016, appear on the tax roles in 2017, taxes would be paid in November 2017, City would receive first

increment of tax disbursement in the spring of 2018, and within 30 days a check would be cut for the developer's incentive.

Mr. Allen informed the Board that the developer had requested 100 percent of the available tax increment, after the City had retained five percent for administrative costs, meaning 95 percent would go to the developer as an incentive. He explained if the first payment to the developer took place in fiscal year 2018 that would also be the first year in which Davis School District dropped off the project area. He estimated the annual incentive payment to the developer would be approximately \$52,000 per year, for a period of seven years, at which time the project area would expire completely. He clarified the total incentive would be approximately \$365,000.

Chair Young expressed concern the developer was requesting the full 100 percent of the increment. Adam Lenhard, City Manager, believed the project would be an asset to the City and would be a visible downtown improvement. He suggested the project had the potential to generate additional downtown development. Director Shepherd expressed his opinion the project would contribute positively to the City's image. Mr. Allen agreed with Director Shepherd's comments and stated if the facts were different and there wasn't just seven years left in the project area, it would be difficult to argue for 100 percent. He continued that given the fact that only seven years remain to receive tax increment from the project area and the development would be a great addition to the downtown area, he was comfortable with the request. Director Jones expressed agreement with Mr. Allen's comments and stated he was excited about the new project. A discussion took place regarding whether the City would need the funds now or later and if the Board should consider adjusting the selling price of the property as opposed to contributing the tax increment request. Mr. Allen pointed out the money generated by RDA#7 had to remain in that project area and shared different options. Mr. Lenhard expressed his opinion it would be better to proceed as originally planned. The Board agreed to consider the developer's request of 100 percent of the tax increment.

The meeting adjourned at 8:36 p.m.

CLEARFIELD CITY COMMUNITY DEVELOPMENT AND RENEWAL AGENCY
MEETING MINUTES
7:00 P.M. POLICY SESSION
August 25, 2015

(This meeting was held following the regularly scheduled City Council Meeting.)

PRESIDING:	Bruce Young	Chair
PRESENT:	Keri Benson	Director
	Kent Bush	Director
	Ron Jones	Director
	Mike LeBaron	Director
	Mark Shepherd	Director
STAFF PRESENT:	Adam Lenhard	City Manager
	JJ Allen	Assistant City Manager
	Brian Brower	City Attorney
	Greg Krusi	Police Chief
	Scott Hodge	Public Works Director
	Eric Howes	Community Services Director
	Curtis Dickson	Community Services Deputy Dir.
	Rich Knapp	Administrative Services Director
	Lee Naylor	Accountant
	Nancy Dean	City Recorder
	Kim Read	Deputy City Recorder

VISITORS: Randy B. Elliott, Joseph Barber – Wilcox Farms, Steve Terry – Sandridge LLC, Bob Bercher, Craig Winder – Ironwood Development, Con L. Wilcox – Wilcox Farms, Kristi Bush, Rick Scadden – Wilcox Farms

Chair Young called the meeting to order at 8:34 p.m.

APPROVAL OF RESOLUTION 2015R-05 AUTHORIZING THE TAX INCREMENT PARTICIPATION AGREEMENT WITH CLEARFIELD PROPERTIES, LLC, ASSOCIATED WITH THE SANDRIDGE LUXURY APARTMENTS DEVELOPMENT

The Sandridge Luxury Apartments were the culmination of the City's efforts over several years to accomplish redevelopment in the downtown area of the City. In order to make the project financially viable, the developer had requested a tax increment incentive. The incentive would be post-performance and contingent upon the developer's timely performance of the terms of the Development Agreement. The project would be substantially completed by the end of 2016. If so, the first distribution of the tax increment from the project would take place in the spring of 2018.

JJ Allen, Assistant City Manager, informed the Board during initial discussions with the developer regarding the project tax increment from the CDRA had been requested to assist in the project's success. He reported staff had suggested the developer be specific in the amount of tax

increment being requested. He reminded the Board the issue had been previously discussed during the August 18, 2015 work session. He announced the submitted request was for one hundred percent of the available tax increment and suggested the Board consider the following:

- The incentive would be post performance; nothing would be disbursed until the project was built and taxes were being collected
- Window for collection of tax increment was quite short, anticipating only seven years and by that time the participation of the Davis School District would be lost in RDA7. He continued the current estimates for tax increment were based on the construction costs of \$14 million dollars and the taxable valuation of approximately \$7.7 million equating to approximately \$50,000 of available tax increment every year which would be provided to the developer as an annual incentive. He emphasized the assumptions which were used to calculate the estimated figures were based on the project being completed by the end of 2016 and on the tax rolls by 2017 with the first incentive payment being made in the Spring of 2018. He pointed out staff wouldn't know the exact numbers until the above presented criteria was available .

Mr. Allen reviewed the following:

- The incentive was one hundred percent of the available tax increment and that language had been included in the agreement.
- The CDRA did retain five percent of the received increment for administrative purposes.
- The CDRA was selling the property for \$450,000 which could be used to assist with other things happening in the project area.

Mr. Allen referred to the redlined Tax Increment Participation Agreement which had been provided to the Board and didn't believe there was a need for any language corrections other than pointing out the change associated with modifying 3800 square feet to 4500 square feet of commercial space other than minor language associated with the exhibits. He emphasized the intent of the agreement would remain exactly as presented.

Director Bush inquired if the \$450,000 would be received in a lump sum payment. Mr. Allen responded in the affirmative and believed closing for the sale of property would take place on or before Friday, September 11, 2015.

Chair Young commented he was originally surprised at the original request for one hundred percent of the increment; however, after the explanation that it would be short term, it made sense to him. He expressed his optimism the project would be a significant improvement to the downtown area.

Director Shepherd moved to approve Resolution 2015R-05 authorizing the Tax Increment Participation Agreement with Clearfield Properties, LLC, associated with the Sandridge Luxury Apartments development and authorize the Chair's signature to any necessary documents, seconded by Director Bush. The motion carried upon the following vote: Voting AYE – Directors Benson, Bush, Jones, LeBaron and Shepherd. Voting NO – None.

There being no further business to come before the Community Development and Renewal Agency, **Director Bush moved to adjourn as the Community Development and Renewal Agency at 8:40 p.m., seconded by Director Shepherd. The motion carried upon the following vote: Voting AYE – Directors Benson, Bush, Jones, LeBaron and Shepherd. Voting NO – None.**

DRAFT

CLEARFIELD COMMUNITY DEVELOPMENT AND RENEWAL AGENCY 2015R-06

A RESOLUTION APPROVING AND ADOPTING
AMENDMENTS TO THE 2015/2016 BUDGET AND
APPROPRIATING FUNDS FOR THE PURPOSES SET FORTH
THEREIN

WHEREAS, Clearfield Community Development and Renewal Agency has identified some expenditures that are necessary for its operations which were not included in its current budget; and

WHEREAS, Utah State Code allows the Board to make adjustments to the budget; and

WHEREAS, after providing proper notice, a public hearing concerning this matter was held and the public was given an opportunity to be heard; and

WHEREAS, Clearfield Community Development and Renewal Agency has carefully evaluated and considered the proposed budget amendments and finds them to be prudent and necessary;

NOW, THEREFORE, be it resolved by the Clearfield Community Development and Renewal Agency that the amendments to the Clearfield Community Development and Renewal Agency budget beginning July 1, 2015 and ending June 30, 2016 as set forth in Exhibit "A" which is attached hereto and incorporated herein by this reference are authorized and approved.

The Chairman is authorized to sign any documents reflecting those amendments.

Passed and adopted at the Community Development and Renewal Agency Board meeting held on Tuesday, October 27, 2015.

Dated this 27th day of October, 2015.

ATTEST

CLEARFIELD COMMUNITY DEVELOPMENT
AND RENEWAL AGENCY

Nancy R. Dean, Secretary

Bruce Young, Chair

VOTE OF THE BOARD

AYE:

NAY:

EXCUSED:

Staff Report



To: Clearfield CDRA Board of Directors
From: JJ Allen, Assistant City Manager
Date: October 23, 2015
Re: Purchase of 75 North Main Street

I. RECOMMENDED ACTION

Approve the purchase of 75 North Main Street (Tax ID# 12-020-0018) for \$45,000.

II. DESCRIPTION / BACKGROUND

The vacant building located at 75 North Main Street has been offered to the City/CDRA for a purchase price of \$45,000. Acquiring this property is consistent with the following tactics from Vision 2020:

- Work with owners of key properties with strategic value and high visibility throughout the City to create plans for redevelopment or improvement of their property.
- Revitalize/facelift rundown downtown properties using redevelopment money, federal grants, etc.

Purchasing the property will also alleviate a difficult situation between this property and the business to the north (Albion Labs), dealing with parking. If acquired, the property would be held by the CDRA for redevelopment at a future time.

III. FISCAL IMPACT

The CDRA has sufficient funds available to make this purchase (and to demolish the building). Because this expenditure was not included in the FY16 budget, it is included in a budget amendment at this same (October 27) meeting.

IV. SCHEDULE / TIME CONSTRAINTS

The attached Real Estate Purchase Contract includes a 30-day due diligence period, with closing to occur within 15 days after due diligence.

V. LIST OF ATTACHMENTS

- Real Estate Purchase Contract

COMMERCIAL REAL ESTATE PURCHASE CONTRACT

This is a form modeled after the Utah Division of Real Estate Real Estate Purchase Contract that has been edited by legal counsel to address commercial real estate transactions. This form is not the Utah Division of Real Estate Real Estate Purchase Contract. This is a legally binding contract. Parties to this Commercial Real Estate Contract ("Contract") may agree, in writing, to alter or delete provisions of this Contract. Seek advice from your attorney or tax advisor before entering into a binding contract.

EARNEST MONEY RECEIPT

On this day of October, 2015 ("Offer Reference Date") Clearfield Community Development and Renewal Agency ("Buyer") offers to purchase from Thomas D. & Toni Baker and William C. & Brandi Fox ("Seller") the *Property* described below and hereby delivers to the Brokerage or Title/Escrow Company, as *Earnest Money*, the amount of \$2,000.00 in the form of check which, upon Acceptance of this offer by all parties (as defined in Section 23), shall be deposited in accordance with state law.

Brokerage or Title/Escrow Company: Founders Title Company Address: 748 West Heritage Park Blvd. #202

Received by: _____ on _____ (Date)
(signature above acknowledged receipt of Earnest Money)

OFFER TO PURCHASE

1. PROPERTY (General Description): An approximate 0.04 acre parcel and commercial building

Address: 75 North Main Street City: Clearfield

County: Davis State of Utah, ZIP 84015

County Tax I.D. # 12-020-0018 (the "*Property*") For a legal description (**Check Applicable Box**):

SEE ADDENDUM # **COMMITMENT FOR TITLE INSURANCE** as provided in Section 7(b).

1.1 Included Items. Unless excluded herein, this sale includes all buildings, appurtenances, improvements, furniture, fixtures and equipment presently on the *Property*, whether attached or not. The following personal property shall also be included in this sale and conveyed under separate *Bill of Sale* with warranties as to title: None

Excluded Items. These items are excluded from this sale: None

2. PURCHASE PRICE The Purchase Price for the *Property* is \$45,000.00

The Purchase Price will be paid as follows:

\$ 2,000 (a) **Earnest Money Deposit.**

\$ - (b) **New Loan.** Buyer will apply for one or more of the following loans: **Conventional**
 SBA **Other** (Specify) _____ Buyer shall have the right to approve
the terms and conditions of the new loan as provided in *Section 8 (f)*.

\$ - (c) **Loan Assumption Addendum** (see attached *Assumption Addendum*) if applicable.

\$ - (d) **Seller Financing.** (see attached *Seller Financing Addendum* if applicable)

\$ - (e) **Other (specify)** _____

\$ 43,000 (f) **Balance of Purchase Price in Cash at Settlement**

\$ 45,000 **PURCHASE PRICE. Total of lines (a) through (f)**

Page 1 of 8 pages Seller's Initials _____ Date _____ Buyer's Initials AML Date 10-20-15

3. SETTLEMENT AND CLOSING. Settlement shall take place on the Settlement Deadline referenced in *Section 24(c)*, or on a date upon which Buyer and Seller agree in writing. "Settlement" shall occur only when **all** of the following have been completed: (a) Buyer and Seller have signed and delivered to each other or to the escrow/closing office all documents required by this Contract, by the lender, by written escrow instructions or by applicable law; (b) any monies required to be paid by Buyer under these documents (except for the proceeds of any new loan) have been delivered to Buyer to Seller or to the escrow/closing office in the form of collected or cleared funds; (c) any monies required to be paid by Seller under these documents have been delivered by Seller to Buyer or to the escrow/closing office in the form of collected or cleared funds. Seller and Buyer shall each pay one-half (1/2) of the fee charged by the escrow/closing office for its services in the settlement/closing process. Taxes and assessments for the current year, rents, and interest on assumed obligations shall be prorated at Settlement as set forth in this Section. Tenant deposits (including, but not limited to, security deposits and prepaid rents) shall be paid or credited by Seller to Buyer at Settlement. Prorations set forth in this Section shall be made as of the Settlement Deadline date referenced in *Section 24(c)*, unless otherwise agreed to in writing by the parties. Such writing could include the settlement statement. For purposes of this Contract, "Closing" means that: (i) Settlement has been completed; (ii) the proceeds of any new loan have been delivered by the lender to Seller or to the escrow/closing office; and (iii) the applicable Closing documents have been recorded in the office of the county recorder.

4. POSSESSION. Seller shall deliver physical possession to Buyer within [] HOURS AFTER CLOSING; [] DAYS AFTER CLOSING; [X] OTHER (SPECIFY) Upon funding and recording. Any rental of the *Property* prior to or after Closing, between Buyer and Seller, shall be by separate written agreement.

5. CONFIRMATION OF BROKERAGE FEES & AGENCY DISCLOSURE. Buyer and Seller acknowledge prior receipt of written agency disclosure provided by their respective Buyer's Agent or Seller's Agent that has disclosed the agency relationships that are confirmed below. Buyer and Seller further acknowledge that Brokerage Fees due as a result of this transaction are being paid based upon the terms of a separate written agreement. At the signing of this Contract:

Seller's Agent,	_____	represents	[] Seller [] Buyer [] both Buyer and Seller as a Limited Agent;
Seller's Brokerage,	_____	represents	[] Seller [] Buyer [] both Buyer and Seller as a Limited Agent;
Buyer's Agent,	<u>N/A</u>	represents	[] Seller [] Buyer [] both Buyer and Seller as a Limited Agent;
Buyer's Brokerage,	<u>N/A</u>	represents	[] Seller [] Buyer [] both Buyer and Seller as a Limited Agent;

6. TITLE TO PROPERTY & TITLE INSURANCE.

- a. Seller represents that Seller has fee simple title to the Property and will convey good and marketable title to Buyer at closing by: [X] **GENERAL WARRANTY DEED** [] **SPECIAL WARRANTY DEED**, free of financial encumbrances except as provided under *Section 10.1*.
- b. At Settlement, Seller agrees to pay for a standard-coverage owner's policy of title insurance insuring Buyer in the amount of the Purchase Price. The title policy shall conform with Seller's obligations under *Section 10.1* and with the *Commitment for Title Insurance* as agreed to by Buyer under *Section 8*.
- c. [X] **BUYER ELECTS TO OBTAIN A FULL-COVERAGE EXTENDED ALTA POLICY OF TITLE INSURANCE.** The cost of this coverage (including the ALTA survey), above that of the standard-coverage Owner's policy, shall be paid for at Settlement by: [X] **BUYER** [] **SELLER** [OTHER] _____

7. **SELLER DISCLOSURES.** No later than the Seller Disclosure Deadline referenced in *Section 24(a)*, Seller shall provide to Buyer the following documents which are collectively referred to as the "Seller Disclosures":

- a. a Seller property condition disclosure for the *Property*, signed and dated by Seller;
- b. a *Commitment for Title Insurance* on the *Property*;
- c. a copy of all leases and rental agreements now in effect with regard to the *Property* together with a current rent roll;
- d. copies in Seller's possession, if any, of any studies and/or reports which have previously been done on the *Property*, including without limitation, environmental reports, soils studies, site plans and surveys;
- e. written notice of any claims and/or conditions known to Seller relating to environmental problems and building or zoning code violations; and
- f. Other (specify) n/a

8. **BUYER'S RIGHT TO CANCEL BASED ON BUYER'S DUE DILIGENCE.** Buyer's obligation to purchase under this Contract (**check applicable boxes**):

- a. IS IS NOT conditioned upon Buyer's approval of the content of all the *Seller Disclosures* referenced in *Section 7*;
- b. IS IS NOT conditioned upon Buyer's approval of a physical condition inspection of the *Property*;
- c. IS IS NOT conditioned upon Buyer's approval of a survey of the *Property* by a licensed surveyor ("Survey");
- d. IS IS NOT conditioned upon Buyer's approval of applicable federal, state and local governmental laws, ordinances and regulations affecting the *Property*; and any applicable deed restrictions and/or CC&R's (covenants, conditions and restrictions) affecting the *Property*;
- e. IS IS NOT conditioned upon the *Property* appraising for not less than the Purchase Price;
- f. IS IS NOT conditioned upon Buyer's approval of the terms and conditions of any mortgage financing referenced in *Section 2*;
- g. IS IS NOT conditioned upon final approval by the Clearfield CDRA Board, which approval may be withheld for any or no reason.

Upon written notice from the Buyer to the Seller on or prior to the expiration of the Due Diligence Period set forth in paragraph 24 that the Buyer elects to cancel this Agreement in accordance with this paragraph 8, the Earnest Money, together with any and all interest earned thereon, shall be disbursed immediately to the Buyer by the Escrow Agent.

9. **ADDITIONAL TERMS.** There ARE ARE NOT addenda to this Contract containing additional terms. If there are, the terms of the following addenda are incorporated into this Contract by this reference: Addendum No. _____ Seller Financing Addendum Assumption Addendum Lead-Based Disclosure & Acknowledgement Other (specify): n/a

10. **SELLER'S WARRANTIES & REPRESENTATIONS.**

10.1 Condition of Title. Buyer agrees to accept title to the *Property* subject to the contents of the *Commitment for Title Insurance* as agreed to by Buyer under *Section 6*. Buyer also agrees to take the *Property* subject to any existing leases affecting the *Property* which have been disclosed by the Seller and are not expiring prior to Closing. Buyer agrees to be responsible for taxes, assessments, association fees and dues, utilities, and other services provided to the *Property* after Closing. Seller will be responsible for paying and bringing current all property taxes through Closing. Except for

Page 3 of 8 pages Seller's Initials _____ Date _____ Buyer's Initials AML Date 10-26-15

any loans(s) specifically assumed by Buyer under *Section 2*, Seller will cause to be paid off by Closing all mortgages, trust deeds, judgments, mechanic's liens, tax liens and warrants. Seller will cause all assessments to be paid current by Closing.

10.2 Condition of Property. Seller warrants that **ON THE DATE SELLER DELIVERS PHYSICAL POSSESSION TO BUYER**, the *Property* and improvements will be broom-clean and free of debris and personal belongings, and in the same general condition as they were on the date of *Acceptance*.

10.3 Other Seller Warranties. Seller further warrants that, to the best of Seller's knowledge, each of the following statements is true: (a) the consummation of the transactions contemplated by this Contract will not constitute a default or result in the breach of any term or provision of any contract or agreement to which Seller is a party so as to adversely affect the consummation of such transactions; (b) there is no action, suit, legal proceeding or other proceeding pending or threatened against Seller and/or the *Property* which may adversely affect the transactions contemplated by this Contract, in any court or before any arbitrator of any kind or before or by any governmental body which may adversely affect the transactions contemplated by this Contract; (c) all work which will be performed in, on or about the *Property* or materials furnished thereto which might in any circumstances give rise to a mechanic's lien or materialman's lien, will be paid and all necessary waivers of rights to a mechanic's or materialman's lien for such work will be obtained; (d) Seller has not received any written notice indicating that the *Property* is in violation of any Federal, State or local Environmental Law; (e) there are no Hazardous Substances on, under, or about the *Property*, nor has Seller undertaken, permitted, authorized or suffered, and will not undertake, permit, authorize or suffer the presence, use, manufacture, handling, generation, storage, treatment, discharge, release, burial or disposal on, under or about the *Property*, of any Hazardous Substances, or the transportation to or from the *Property*, of any Hazardous Substances. As used herein, "Hazardous Substance" shall mean any substance, material or matter that may give rise to liability under any Federal, State, or local Environmental Laws; and (f) Seller is not a "foreign person" as that term is defined in Section 1445 of the U.S. Internal Revenue Code of 1986, as amended. (In that regard, Seller shall deposit into Escrow, at or prior to Closing, an affidavit in such form as may be required by the U.S. Internal Revenue Service, setting forth seller's full name, address and taxpayer identification number and stating under penalty of perjury that seller is not a "foreign person" as so defined).

11. FINAL PRE-CLOSING INSPECTION. Before Settlement, Buyer may, upon reasonable notice and at a reasonable time, conduct a final pre-closing inspection of the *Property* to determine **only** that the *Property* is "as represented," meaning that the items referenced in *Sections 1.1, 8 and 10.2 and 10.3* ("the items") are respectively present, repaired/changed as agreed, and in the warranted condition. If the items are not as represented, Seller will, prior to Settlement, replace, correct or repair the items or, with the consent of Buyer (and Lender if applicable), escrow an amount at settlement to provide for the same. The failure to conduct a final pre-closing inspection or to claim that an item is not as represented, shall not constitute a waiver by Buyer of the right to receive, on the date of possession, the items as represented.

12. CHANGES DURING TRANSACTION. Seller agrees that from the date of *Acceptance* until the date of Closing, Seller shall not, without the prior written consent of Buyer: (a) make any changes in any existing leases; (b) enter into any new leases; (c) make any substantial alterations or improvements to the *Property*; or (d) incur any further financial encumbrances against the *Property*.

13. AUTHORITY OF SIGNERS. If Buyer or Seller is a corporation, partnership, trust, estate, Limited Liability Company or other entity, the person executing this Contract on its behalf warrants his or her authority to do so and to bind Buyer and Seller. Seller further warrants that the execution and delivery of this Contract by Seller have been duly and validly authorized, and all requisite action has been taken to make this Contract binding upon Seller.

14. COMPLETE CONTRACT/ASSIGNMENT. This Contract together with its addenda, any attached exhibits, and Seller Disclosures, constitutes the entire Contract between the parties and supersedes and replaces any and all prior negotiations, representations, warranties, understandings or contracts between the parties. This Contract cannot be changed except by written agreement of the parties. This Contract **SHALL** **SHALL NOT** be assignable by Buyer. Except as so restricted, this Contract shall inure to the benefit of and be binding upon the heirs, personal representative, successors and assigns of the parties.

Page 4 of 8 pages Seller's Initials _____ Date _____ Buyer's Initials AML Date 10-20-15

15. MEDIATION. Any dispute relating to this Contract that arises prior to or after Closing: [] SHALL [X] MAY AT THE OPTION OF THE PARTIES first be submitted to mediation. Mediation is a process in which the parties meet with an impartial person who helps to resolve the dispute informally and confidentially. Mediators cannot impose binding decisions. The parties to the dispute must agree before any settlement is binding. The parties will jointly appoint an acceptable mediator and will share equally in the cost of such mediation. The mediation, unless otherwise agreed, shall terminate in the event the entire dispute is not resolved **THIRTY (30) CALENDAR DAYS** from the date written notice requesting mediation is sent by one party to the other(s). If mediation fails, the other procedures and remedies available under this Contract shall apply. Nothing in this *Section 15* shall prohibit any party from seeking emergency equitable relief pending mediation.

16. DEFAULT. If Buyer defaults, Seller may elect either to retain the Earnest Money Deposit as liquidated damages, or to return it and sue Buyer to specifically enforce this Contract or pursue other remedies available at law. If Seller defaults, in addition to return of the Earnest Money Deposit, Buyer may elect either to accept from Seller a sum equal to the Earnest Money Deposit as liquidated damages, or may sue Seller to specifically enforce this Contract or pursue other remedies available at law.

17. ATTORNEY FEES AND COSTS. In the event of litigation or binding arbitration to enforce this Contract, the prevailing party shall be entitled to costs and reasonable attorney fees. However, attorney fees shall not be awarded for participation in mediation under *Section 15*.

18. NOTICES. Except as provided in *Section 23*, all notices required under this Contract must be: (a) in writing; (b) signed by the party giving notice; and (c) received by the other party or the other party's agent no later than the applicable date referenced in this Contract.

19. ABROGATION. Except for the provisions of *Sections 10.1, 10.3, 15 and 17* and any other express warranties made in this Contract, the provisions of this Contract shall not apply after Closing.

20. RISK OF LOSS. All risk of loss to the *Property*, including physical damage or destruction to the *Property* or its improvements due to any cause except ordinary wear and tear and loss caused by a taking in eminent domain, shall be borne by seller until Closing.

21. TIME IS OF THE ESSENCE. Time is of the essence regarding the dates set forth in this Contract. Extensions must be agreed to in writing by all parties. Unless otherwise explicitly stated in this Contract: (a) performance under each Section of this Contract which references a date shall absolutely be required by 5:00 PM Mountain Time on the stated date; and (b) the term "days" shall mean calendar days and shall be counted beginning on the day following the event which triggers the timing requirement (i.e., Acceptance, etc.). If the performance date falls on a Saturday, Sunday, State or Federal legal holiday, performance shall be required on the next business day. Performance dates and times referenced herein shall not be binding upon title companies, lenders, appraisers and others not parties to this Contract, except as otherwise agreed to in writing by such non-party.

22. FAX TRANSMISSION AND COUNTERPARTS. Facsimile (fax) transmission of a signed copy of this Contract, any addenda and counteroffers, and the retransmission of any signed fax shall be the same as delivery of an original. This Contract and any addenda and counteroffers may be executed in counterparts.

23. ACCEPTANCE. "Acceptance" occurs when Seller or Buyer, responding to an offer or counteroffer of the other: (a) signs the offer or counteroffer where noted to indicate acceptance; and (b) communicates to the other party or to the other party's agent that the offer or counteroffer has been signed as required.

24. **CONTRACT DEADLINES.** Buyer and Seller agree that the following deadlines shall apply to this Contract:

- a. Seller Disclosure Deadline 10 days following mutual execution
- b. Due Diligence Deadline 30 days following mutual execution
- c. Settlement Deadline 15 days following the Due Diligence deadline

25. **OFFER AND TIME FOR ACCEPTANCE.** Buyer offers to purchase the *Property* on the above terms and conditions. If Seller does not accept this offer by 5:00 [] AM [X] PM Mountain Time on _____ (Date), this offer shall lapse; and the Brokerage or Title/Escrow Company shall return the *Earnest Money Deposit* to Buyer.

ASL City Manager 10-20-15 3 pm
(Buyer's Signature) (Title, if any) (Date) (Time)

(Buyer's Signature) (Title, if any) (Date) (Time)

Adam M. Lenhard 55 S. State, Clearfield UT 84041
(Buyers' Names) (PLEASE PRINT) Address Zip Phone Fax

(Buyers' Names) (PLEASE PRINT) Address Zip Phone Fax

ACCEPTANCE/COUNTEROFFER/REJECTION

CHECK ONE:

ACCEPTANCE OF OFFER TO PURCHASE: Seller Accepts the foregoing offer on the terms and conditions specified above.

COUNTEROFFER: Seller presents for Buyer's Acceptance the terms of Buyer's offer subject to the exceptions or modifications as specified in the attached ADDENDUM NO. _____

(Seller's Signature) (Date) (Time)

(Seller's Signature) (Date) (Time)

(Sellers' Names) (PLEASE PRINT) Address Zip Phone Fax

(Sellers' Names) (PLEASE PRINT) Address Zip Phone Fax

REJECTION: Seller rejects the foregoing offer.

(Seller's Signature) (Date) (Time)

DOCUMENT RECEIPT

State law requires Broker to furnish Buyer and seller with copies of this Contract bearing all signatures. (Fill in applicable section below.)

A. I acknowledge receipt of a final copy of the foregoing Contract bearing all signatures.

(Buyer's Signature) (Date) (Buyer's Signature) (Date)

(Seller's Signature) (Date) (Seller's Signature) (Date)

B. I personally caused a final copy of the foregoing Contract bearing all signatures to be faxed mailed hand delivered on _____ (Date), postage prepaid, to the Seller Buyer.

Sent/Delivered by (specify) _____