



## Tuesday, October 26, 2021, 7:00pm

Notice is hereby given that the City Council of Blanding, Utah will hold a Regular Council Meeting on October 26, 2021 at the City Office, 50 West 100 South Street, which meeting will begin promptly at 7:00 pm.

*Due to the COVID-19 outbreak and the emergency declaration by the State of Utah, members of the public may be limited to maintain social distancing. Go to <https://bit.ly/2UUIBh2> to view the meeting live on YouTube. If the public wishes to comment, they may email a short and concise comment to [cityoffice@blanding-ut.gov](mailto:cityoffice@blanding-ut.gov). Comments shorter than three minutes in length that are received before the start of the meeting may be read during the open forum portion of the meeting.*

*In compliance with the ADA, individuals needing special accommodations during this meeting may call the City Offices at (435) 678-2791 at least twenty-four hours in advance. Every effort will be made to provide the appropriate services. One or more members may participate in the meeting electronically, according to Blanding City Ordinance 1-5-5-F regarding electronic meeting participation. All agenda times are approximate.*

### POLICY MEETING

- I. Call to Order
- II. Roll Call
- III. Prayer or Thought  
Anyone in attendance is invited to notify the Mayor prior to the meeting if they would like to offer a prayer or thought.
- IV. Pledge of Allegiance
- V. Approval: Consent Agenda and Minutes from October 12, 2021
- VI. Declaration of Conflicts of Interest

### Public Input

Anyone wishing to address the Council on any item is invited to do so. Public Input is an opportunity for the public to bring information to the Council. Clarifying questions may be asked by the Council, but it is not an appropriate time for substantive discussion.

### Reports

1. Mayor
2. City Council
3. City Manager
  - a. Council Project Status Report, David Johnson Pg. 7
4. Staff
  - a. Financial/Accounts Payable Report, Kim Palmer Pg. 8

### Presentations

1. Get Healthy Utah, Morgan Hadden, MPH, CHES Pg. 13

### Discussion Items

1. Redistricting, Council Member Monson

### Business Items

1. Surplus List, David Johnson Pg. 14
2. Resolution 10-26-2021-1, Division of Drinking Water Grant Pg. 21



### **Closed Session**

Motion to enter into closed session for any of the following: purchase, exchange, or lease of real property; discussion regarding deployment of security personnel, devices, or systems; pending or reasonably imminent litigation; the character, professional competence, or the physical or mental health of an individual.

### **Adjournment**



### CITY COUNCIL MEETING

Blanding City Office, 50 W 100 S, Blanding Utah 84511

Tuesday, October 12, 2021

Present:

City Mayor:

City Councilmembers:

Joe B. Lyman

Kd Perkins

Robert Turk

Logan Monson

City Manager:

David S. Johnson

City Finance Director:

Kim Palmer

City Engineer:

Terry Ekker

City Community Development Director:

Bret Hosler

City Recreation Director:

David Palmer

City Police Chief:

JJ Bradford

Absent: Kellen Nielson, Cheryl Bowers

Others: Paul Murdock

Prayer/Thought - The prayer/thought was offered by Robert Turk

Declaration of Conflict: None

1. The Pledge of Allegiance was recited.
2. **Councilmember Perkins moved to approve the minutes of the September 28, 2021 meeting and consent agenda. Councilmember Monson seconded the motion. Mayor Lyman repeated the motion and asked for discussion. Hearing none, he called for a vote. Voting was as follows:**

**Those voting AYE**

**Councilmember Perkins**

**Councilmember Turk**

**Councilmember Monson**

**Those voting NAY**

**NONE**

**Constituting all members thereof, Mayor Lyman declared the motion carried.**

## PUBLIC INPUT

No comments

## REPORTS

### 1. Mayor - None

### 2. City Council

Councilmember Monson stated that a Meet the Candidates Night has been scheduled for Wednesday, October 20th at 6:00 p.m. The San Juan High School Leadership Club has organized the event. He also shared that beginning in January he will be serving on the ULCT board.

### 3. Administration

City Manager, David Johnson reported that there are no substantial changes to status of City projects. He also told the Council that he has requested to serve on the Utah Watershed board to represent Southeastern Utah.

### 4. Staff

#### a. Accounts Payable/Finance Report - Kim Palmer

No Questions.

#### b. Water Report - Terry Ekker

No Questions

#### c. Recreation Report - David Palmer

Mr. Palmer told Council that the draft for girls' basketball has been completed. The new equipment has been installed at the Wellness Center.

#### d. Rural Economic Development Conference - Pratt Redd

Mr. Redd Reported that he attended the Rural Economic Development Conference recently. The conference provided a lot of good information that will be beneficial to the area.

## PUBLIC HEARING

### 1. Ordinance 2021-6 Bandis Annexation

Councilmember Perkins moved to enter a public hearing for Ordinance 2021- 6 Bandis Annexation. Councilmember Monson seconded the motion. Mayor Lyman repeated the motion and asked for discussion. Hearing none, he called for a vote. Voting was as follows:

Those voting AYE

Councilmember Perkins  
Councilmember Monson  
Councilmember Turk

**Those voting NAY                      NONE**

**Constituting all members thereof, Mayor Lyman declared the motion carried.**

Council entered the public hearing at 7:22 p.m.

There were no public comments.

**Councilmember Turk moved to leave the public hearing. Councilmember Perkins seconded the motion. Mayor Lyman repeated the motion and asked for discussion. Hearing none, he called for a vote. Voting was as follows:**

|                         |                                                                              |
|-------------------------|------------------------------------------------------------------------------|
| <b>Those voting AYE</b> | <b>Councilmember Perkins<br/>Councilmember Monson<br/>Councilmember Turk</b> |
|-------------------------|------------------------------------------------------------------------------|

**Those voting NAY                      NONE**

**Constituting all members thereof, Mayor Lyman declared the motion carried.**

Council returned to the open meeting at 7:25 p.m.

## **BUSINESS ITEMS**

### **1. Ordinance 2021-6 Bandis Annexation**

**Councilmember Turk moved to approve Ordinance 2021-6 Bandis Annexation. Councilmember Monson seconded the motion. Mayor Lyman repeated the motion and asked for discussion. Hearing none, he called for a vote. Voting was as follows:**

|                         |                                                                              |
|-------------------------|------------------------------------------------------------------------------|
| <b>Those voting AYE</b> | <b>Councilmember Perkins<br/>Councilmember Monson<br/>Councilmember Turk</b> |
|-------------------------|------------------------------------------------------------------------------|

**Those voting NAY                      NONE**

**Constituting all members thereof, Mayor Lyman declared the motion carried.**

### **2. Temporary Conditional Use Renewal - Bret Hosler**

Mr. Hosler told Council that the daughter of Jason Watkins has requested the temporary conditional use for the trailer located behind the home at 77 Continental Street be renewed for another 2 years.

**Councilmember Monson moved to approve the Temporary Conditional Use Renewal at 77 Continental Street. Councilmember Perkins seconded the motion. Mayor Lyman repeated the motion and asked for discussion. Hearing none, he called for a vote. Voting was as follows:**

|                         |                              |
|-------------------------|------------------------------|
| <b>Those voting AYE</b> | <b>Councilmember Perkins</b> |
|                         | <b>Councilmember Monson</b>  |
|                         | <b>Councilmember Turk</b>    |

|                         |             |
|-------------------------|-------------|
| <b>Those voting NAY</b> | <b>NONE</b> |
|-------------------------|-------------|

**Constituting all members thereof, Mayor Lyman declared the motion carried.**

#### **ADJOURNMENT**

**Councilmember Monson moved to adjourn the meeting. Councilmember Turk seconded the motion. Mayor Lyman repeated the motion and asked for discussion. Hearing none, he called for a vote. Voting was as follows:**

|                         |                              |
|-------------------------|------------------------------|
| <b>Those voting AYE</b> | <b>Councilmember Perkins</b> |
|                         | <b>Councilmember Monson</b>  |
|                         | <b>Councilmember Turk</b>    |

|                         |             |
|-------------------------|-------------|
| <b>Those voting NAY</b> | <b>NONE</b> |
|-------------------------|-------------|

**Constituting all members thereof, Mayor Lyman declared the motion carried.**

Council adjourned the meeting at 7:27 p.m.

By: \_\_\_\_\_  
Kim Palmer, Deputy Recorder

Audio: <https://www.youtube.com/watch?v=pglEMjeKy4c&t=409s>

# City Council Project Status Report

| Project                                           | Status   | Notes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|---------------------------------------------------|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Deep Well                                         | Ongoing  | Working with the Lt. Gov's office to secure funding. Recieved letter for \$40k to do preliminary engineering. Dig Deep and the Chuch committed to more funding. The State has secured additional funding and will request more during the legislative session. Also applied for the State Matching Funding. Reached out to Utah contact about the Emergency Community Water Assistance Grants in Utah.                                                                                                                                                                                                                                                                                           |
| Parks, Recreation, Trials & Open Space Masterplan | Starting | Going out to bid Nov 1st.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Wellness Center Sprinkler System                  | Ongoing  | Received a few bids in the \$100k range, but does not include costs of new alarm, underground connects or patchwork. Most likely still looking at \$200K minimum. Council decided to move forward with the pavillion and shade structure and then come back to this item.                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Shade Structure                                   | Ongoing  | Received new bids if we install ourselves. It's around \$55k for the structure, not including costs for us to install ourselves. However, the concrete work to do ourselves involves more work than anticipated, due to the need to cut into the current concrete to lay proper footings for the heavy steel beams. Staff is trying to determine if a local contractor can do it and how much it would cost. If not, then we need to re-evaluate. We are waiting to have a discussion on the savings until we know what the true savings will be. The warranty would not be voided if we install ourselves. Estimates for them to install increased from \$117k to \$132k. Using state contract. |
| Park Pavillion and Pickleball                     | Ongoing  | It increased from \$55K to \$70k. Using state contract. The price if City does installation is significantly less. We are looking to see if it is something that our staff or a local contractor can do. Pickleball courts are not included in this at this time, because further dicussion about the area never received formal approval. However, we will see if we can get estimates on this as well for the future.                                                                                                                                                                                                                                                                          |
| Visitor Center Marketing                          | Ongoing  | Waiting on orders to come in for the indoor displays. We decided to turn the TV room into the area for historical items. Even though we figured out a plan to use the upstairs, we are still concerned about the public going up and down the stairs. Measuring the exact size of the billboard. City Welcome signs and Billboard design are going to printers shortly. Economic Development will provide an update in an upcoming meeting.                                                                                                                                                                                                                                                      |
| Visitor Center Gift Shop RFP                      | Ongoing  | Will create RFP after the Parks and Rec RFP goes out.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Baseball In-field Dirt                            | On hold  | City did not receive the grant. Waiting to evaluate funding on other projects.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Swallow's Nest                                    | Ongoing  | Staff looking at the situation and coming up with solutions.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |



## **CITY COUNCIL MEETING - STAFF REPORT**

**Author:** Kim Palmer, Finance Director  
**Department:** Finance  
**Subject:** Council Financial Report - September 2021  
**Date:** October 26, 2021  
**Type of Item:** Report

### **Department Review**

All accounts are within budgeted amounts for October.

If you have any questions regarding this report please contact me.

### **Attachments**

Council Financial Report - September 2021



## Financial Report - September 2021

### GENERAL FUND - REVENUE

|                                    | Prior Year Period Actual | Current Year Period Actual | Period Budget        | Notes                            |
|------------------------------------|--------------------------|----------------------------|----------------------|----------------------------------|
| Property Taxes                     | \$ -                     | \$ -                       | \$ -                 |                                  |
| Sales Tax                          | \$ 161,877.85            | \$ 250,171.53              | \$ 167,602.21        | This includes June               |
| Room Tax                           | \$ 5,366.99              | \$ 11,607.51               | \$ 5,366.99          |                                  |
| Franchise Fees                     | \$ 5,113.85              | \$ 5,166.56                | \$ 3,150.00          |                                  |
| Licenses and permits               | \$ 9,705.37              | \$ 10,804.40               | \$ 9,149.57          | Building permits are up          |
| Intergovernmental revenue          | \$ 168,518.90            | \$ 304,060.83              | \$ 275,861.04        | Includes ARPA funds              |
| Charges for services               | \$ 4,286.92              | \$ 6,835.73                | \$ 1,909.80          |                                  |
| Fines and forfeitures              | \$ 24,359.33             | \$ 61,748.80               | \$ 34,221.00         | Collecting more than anticipated |
| Interest                           | \$ 13,586.92             | \$ 8,546.58                | \$ 9,876.00          |                                  |
| Wellness Center Revenue            | \$ 48,513.90             | \$ 54,238.87               | \$ 58,245.73         |                                  |
| Sales/Property                     | \$ -                     | \$ -                       | \$ 3,951.00          |                                  |
| Visitor Center                     | \$ 3,484.13              | \$ 4,325.02                | \$ 5,064.50          |                                  |
| Baseball Revenue                   | \$ (870.00)              | \$ (644.00)                | \$ (1,761.79)        |                                  |
| Softball Revenue                   | \$ (2,055.00)            | \$ (640.00)                | \$ (3,120.73)        |                                  |
| Soccer Revenue                     | \$ 7,994.20              | \$ 3,500.00                | \$ 9,381.72          |                                  |
| Football Revenue                   | \$ 2,988.47              | \$ 2,895.00                | \$ 5,712.00          |                                  |
| Volleyball Revenue                 | \$ -                     | \$ -                       | \$ -                 |                                  |
| Basketball Revenue                 | \$ 135.00                | \$ 100.00                  | \$ 486.77            |                                  |
| Tournament Revenue                 | \$ -                     | \$ (125.00)                | \$ 2,000.00          |                                  |
| Sundry Revenues                    | \$ 161.76                | \$ 1,618.89                | \$ 6,625.00          |                                  |
| Contributions and transfers        | \$ 40,125.00             | \$ 40,125.00               | \$ 96,125.00         | transfers not yet made           |
| <b>TOTAL GENERAL FUND REVENUES</b> | <b>\$ 493,293.59</b>     | <b>\$ 764,335.72</b>       | <b>\$ 689,845.81</b> |                                  |

### GENERAL FUND - EXPENSES

|                                    | Prior Year Period Actual | Current Year Period Actual | Period Budget        | Notes                       |
|------------------------------------|--------------------------|----------------------------|----------------------|-----------------------------|
| Council                            | \$ 2,658.41              | \$ 3,237.50                | \$ 5,049.74          |                             |
| Court                              | \$ 27,033.08             | \$ 32,783.77               | \$ 29,652.00         | Public defender costs       |
| Administrative                     | \$ 53,573.70             | \$ 23,319.93               | \$ 120,016.00        |                             |
| Attorney                           | \$ 1,350.00              | \$ 1,350.00                | \$ 1,464.00          |                             |
| Planning and zoning                | \$ 15,015.38             | \$ 18,393.75               | \$ 15,800.00         |                             |
| Police                             | \$ 142,084.41            | \$ 163,542.71              | \$ 260,901.00        |                             |
| Fire                               | \$ 14,596.02             | \$ 12,017.35               | \$ 33,490.51         |                             |
| Class C roads                      | \$ -                     | \$ 1,001.80                | \$ -                 |                             |
| Streets and shop                   | \$ 24,474.19             | \$ 26,462.34               | \$ 34,917.00         |                             |
| Airport                            | \$ 3,180.64              | \$ 1,756.23                | \$ 6,129.00          |                             |
| City Engineer                      | \$ 33,859.19             | \$ 6,818.21                | \$ 8,119.00          |                             |
| Visitors Center                    | \$ 23,436.41             | \$ 42,509.31               | \$ 28,569.99         | 4th of July & Fall Festival |
| Parks and recreation               | \$ 78,602.25             | \$ 87,383.41               | \$ 75,159.70         | Water at the parks          |
| Wellness Center                    | \$ 167,493.63            | \$ 168,812.04              | \$ 180,000.00        |                             |
| <b>TOTAL GENERAL FUND EXPENSES</b> | <b>\$ 587,357.31</b>     | <b>\$ 586,150.85</b>       | <b>\$ 794,218.20</b> |                             |



## Financial Report -September 2021

|                                      | Prior Year Period Actual | Current Year Period Actual | Period Budget         | Notes                                   |
|--------------------------------------|--------------------------|----------------------------|-----------------------|-----------------------------------------|
| <b>51 Water Fund</b>                 |                          |                            |                       |                                         |
| Income or Expense                    |                          |                            |                       |                                         |
| Operating income                     | \$ 314,997.88            | \$ 245,743.84              | \$ 190,500.00         |                                         |
| Operating expense                    | \$ 253,223.39            | \$ 257,694.28              | \$ 262,875.06         |                                         |
| <b>Total Income From Operations:</b> | <b>\$ 61,774.49</b>      | <b>\$ (11,950.44)</b>      | <b>\$ (72,375.06)</b> |                                         |
| Depreciation added back in           | \$ 147,328.43            | \$ 147,137.77              | \$ 133,809.00         |                                         |
| <b>Net Income</b>                    | <b>\$ 209,102.92</b>     | <b>\$ 135,187.33</b>       | <b>\$ 61,433.94</b>   |                                         |
| <b>52 Sewer Fund</b>                 |                          |                            |                       |                                         |
| Income or Expense                    |                          |                            |                       |                                         |
| Operating income                     | \$ 138,030.44            | \$ 136,628.51              | \$ 133,926.00         |                                         |
| Operating expense                    | \$ 116,535.81            | \$ 126,765.01              | \$ 142,567.36         |                                         |
| <b>Total Income From Operations:</b> | <b>\$ 21,494.63</b>      | <b>\$ 9,863.50</b>         | <b>\$ (8,641.36)</b>  |                                         |
| Depreciation added back in           | \$ 31,930.23             | \$ 31,904.10               | \$ 29,259.00          |                                         |
| <b>Net Income</b>                    | <b>\$ 53,424.86</b>      | <b>\$ 41,767.60</b>        | <b>\$ 20,617.64</b>   |                                         |
| <b>53 Electric Fund</b>              |                          |                            |                       |                                         |
| Income or Expense                    |                          |                            |                       |                                         |
| Operating income                     | \$ 689,227.20            | \$ 756,353.92              | \$ 711,296.66         |                                         |
| Operating expense                    | \$ 671,960.53            | \$ 870,987.92              | \$ 747,824.22         | A warmer July & August than anticipated |
| <b>Total Income From Operations:</b> | <b>\$ 17,266.67</b>      | <b>\$ (114,634.00)</b>     | <b>\$ (36,527.56)</b> |                                         |
| Depreciation added back in           | \$ 46,447.53             | \$ 45,487.04               | \$ 41,952.00          |                                         |
| <b>Net Income</b>                    | <b>\$ 63,714.20</b>      | <b>\$ (69,146.96)</b>      | <b>\$ 5,424.44</b>    |                                         |
| <b>54 Natural Gas Fund</b>           |                          |                            |                       |                                         |
| Income or Expense                    |                          |                            |                       |                                         |
| Operating income                     | \$ 93,804.88             | \$ 93,043.03               | \$ 93,922.26          |                                         |
| Operating expense                    | \$ 127,176.69            | \$ 150,958.34              | \$ 152,978.74         |                                         |
| <b>Total Income From Operations:</b> | <b>\$ (33,371.81)</b>    | <b>\$ (57,915.31)</b>      | <b>\$ (59,056.48)</b> |                                         |
| Depreciation added back in           | \$ 33,404.60             | \$ 34,541.16               | \$ 29,625.00          |                                         |
| <b>Net Income</b>                    | <b>\$ 32.79</b>          | <b>\$ (23,374.15)</b>      | <b>\$ (29,431.48)</b> |                                         |
| <b>55 Storm Water Fund</b>           |                          |                            |                       |                                         |
| Income or Expense                    |                          |                            |                       |                                         |
| Operating income                     | \$ 36,951.11             | \$ 37,063.11               | \$ 36,948.00          |                                         |
| Operating expense                    | \$ 9,452.58              | \$ 21,781.48               | \$ 22,481.00          |                                         |
| <b>Total Income From Operations:</b> | <b>\$ 27,498.53</b>      | <b>\$ 15,281.63</b>        | <b>\$ 14,467.00</b>   |                                         |
| Depreciation added back in           | \$ 5,154.21              | \$ 19,056.23               | \$ 4,725.00           |                                         |
| <b>Net Income</b>                    | <b>\$ 32,652.74</b>      | <b>\$ 34,337.86</b>        | <b>\$ 19,192.00</b>   |                                         |
| <b>57 Solid Waste Fund</b>           |                          |                            |                       |                                         |
| Income or Expense                    |                          |                            |                       |                                         |
| Operating income                     | \$ 61,357.06             | \$ 65,541.88               | \$ 63,321.00          |                                         |
| Operating expense                    | \$ 52,891.88             | \$ 76,574.92               | \$ 61,077.00          |                                         |
| <b>Total Income From Operations:</b> | <b>\$ 8,465.18</b>       | <b>\$ (11,033.04)</b>      | <b>\$ 2,244.00</b>    |                                         |
| Depreciation added back in           | \$ 147.57                | \$ 147.57                  | \$ 135.00             |                                         |
| <b>Net Income</b>                    | <b>\$ 8,612.75</b>       | <b>\$ (10,885.47)</b>      | <b>\$ 2,379.00</b>    |                                         |

**City of Blanding**  
**Invoice Register - 10/12/2021 to 10/19/2021 - All Invoices**

10/19/2021

| <u>Invoice No.</u>   | <u>Vendor</u>                | <u>Check No.</u>    | <u>Ledger Date</u> | <u>Due Date</u> | <u>Amount</u>      | <u>Account No.</u> | <u>Account Name.</u>           | <u>Description</u>          |
|----------------------|------------------------------|---------------------|--------------------|-----------------|--------------------|--------------------|--------------------------------|-----------------------------|
| 397771               | Aflac                        | 0                   | 10/12/2021         | 10/12/2021      | \$1,795.26         |                    |                                |                             |
|                      |                              |                     |                    |                 | 1,795.26           | 102226             | HEALTH INSURANCE PAYABL        | HEALTH INSURANCE            |
| 10122021             | CARRSHOP                     | 50677               | 10/12/2021         | 10/12/2021      | \$3,763.55         |                    |                                |                             |
|                      |                              |                     |                    |                 | 763.55             | 1060250            | Streets EQUIPMENT - SUPPLI     | DUMP TRUCK REPAIR           |
|                      |                              |                     |                    |                 | 1,000.00           | 5140250            | EQUIPMENT - SUPPLIES & M       | DUMP TRUCK REPAIR           |
|                      |                              |                     |                    |                 | 500.00             | 5240250            | EQUIPMENT - SUPPLIES & M       | DUMP TRUCK REPAIR           |
|                      |                              |                     |                    |                 | 1,000.00           | 5340250            | EQUIPMENT - SUPPLIES & M       | DUMP TRUCK REPAIR           |
|                      |                              |                     |                    |                 | 500.00             | 5440250            | EQUIPMENT - SUPPLIES & M       | DUMP TRUCK REPAIR           |
| INV210845            | DAWSON INFRASTRUCTURE SOLUTI | 50678               | 10/13/2021         | 10/13/2021      | \$396.00           |                    |                                |                             |
|                      |                              |                     |                    |                 | 396.00             | 5240250            | EQUIPMENT - SUPPLIES & M       | CAMERA REPAIR               |
| Refund: 4591800      | LYMAN TRAILER COURT          |                     | 10/19/2021         | 10/19/2021      | \$67.98            |                    |                                |                             |
|                      |                              |                     |                    |                 | 67.98              | 531310             | ACCOUNTS RECEIVABLE            | Refund: 459180001 - LYMAN T |
| Refund: 5533432      | LYMAN TRAILER COURT          |                     | 10/19/2021         | 10/19/2021      | \$497.20           |                    |                                |                             |
|                      |                              |                     |                    |                 | 497.20             | 531310             | ACCOUNTS RECEIVABLE            | Refund: 553343286 - LYMAN T |
| 796555               | MOTOR PARTS                  | 50679               | 10/12/2021         | 10/12/2021      | \$75.99            |                    |                                |                             |
|                      |                              |                     |                    |                 | 75.99              | 1060250            | Streets EQUIPMENT - SUPPLI     | SUPPLIES & EQUIPMENT        |
| 796667               | MOTOR PARTS                  | 50679               | 10/13/2021         | 10/13/2021      | \$72.09            |                    |                                |                             |
|                      |                              |                     |                    |                 | 72.09              | 1065250            | ParksRec EQUIPMENT - SUPP      | SUPPLIES & EQUIPMENT        |
| <b>Vendor Total:</b> |                              |                     |                    |                 | <b>\$148.08</b>    |                    |                                |                             |
| INV173923            | PACKARD WHOLESALE CO         | ACH.167.1018211129  | 10/13/2021         | 10/13/2021      | \$109.56           |                    |                                |                             |
|                      |                              |                     |                    |                 | 109.56             | 1050260            | Econ Dev & Visitor Cntr BUILDI | CLEANING SUPPLIES           |
| INV175265            | PACKARD WHOLESALE CO         | ACH.167.1018211129  | 10/13/2021         | 10/13/2021      | \$181.07           |                    |                                |                             |
|                      |                              |                     |                    |                 | 47.78              | 1066250            | Wellness Center EQUIPMENT -    | SUPPLIES & EQUIPMENT        |
|                      |                              |                     |                    |                 | 133.29             | 1066260            | Wellness Center BUILDINGS -    | CLEANING                    |
| <b>Vendor Total:</b> |                              |                     |                    |                 | <b>\$290.63</b>    |                    |                                |                             |
| 845135               | REDD'S ACE HARDWARE          | ACH.6056.1012211315 | 10/12/2021         | 10/12/2021      | \$56.66            |                    |                                |                             |
|                      |                              |                     |                    |                 | 56.66              | 5440250            | EQUIPMENT - SUPPLIES & M       | SUPPLIES AND EQUIPMENT      |
| 845276               | REDD'S ACE HARDWARE          | ACH.6056.1018211129 | 10/15/2021         | 10/15/2021      | \$31.33            |                    |                                |                             |
|                      |                              |                     |                    |                 | 31.33              | 1060250            | Streets EQUIPMENT - SUPPLI     | SUPPLIES AND EQUIP          |
| 845285               | REDD'S ACE HARDWARE          | ACH.6056.1018211129 | 10/14/2021         | 10/14/2021      | \$15.57            |                    |                                |                             |
|                      |                              |                     |                    |                 | 15.57              | 5140250            | EQUIPMENT - SUPPLIES & M       | SUPPLIES AND EQUIP          |
| 845324               | REDD'S ACE HARDWARE          | ACH.6056.1018211129 | 10/15/2021         | 10/15/2021      | \$7.98             |                    |                                |                             |
|                      |                              |                     |                    |                 | 7.98               | 5340250            | EQUIPMENT - SUPPLIES & M       | FRONT OFFICE - LANDSCAPE    |
| 845391               | REDD'S ACE HARDWARE          | ACH.6056.1018211129 | 10/15/2021         | 10/15/2021      | \$12.99            |                    |                                |                             |
|                      |                              |                     |                    |                 | 12.99              | 1052250            | Police EQUIPMENT - SUPPLIE     | SUPPLIES AND EQUIP          |
| <b>Vendor Total:</b> |                              |                     |                    |                 | <b>\$124.53</b>    |                    |                                |                             |
| 2110-180392          | SAN JUAN BUILDING SUPPLY     | 50686               | 10/15/2021         | 10/15/2021      | \$1,080.00         |                    |                                |                             |
|                      |                              |                     |                    |                 | 1,080.00           | 5340250            | EQUIPMENT - SUPPLIES & M       | ADMIN FRONT                 |
| 2110-180592          | SAN JUAN BUILDING SUPPLY     | 50686               | 10/15/2021         | 10/15/2021      | \$104.66           |                    |                                |                             |
|                      |                              |                     |                    |                 | 104.66             | 5340250            | EQUIPMENT - SUPPLIES & M       | ADMIN FRONT                 |
| <b>Vendor Total:</b> |                              |                     |                    |                 | <b>\$1,184.66</b>  |                    |                                |                             |
| 2696                 | TRI-HURST CONSTRUCTION       | 50691               | 10/13/2021         | 10/13/2021      | \$44,151.18        |                    |                                |                             |
|                      |                              |                     |                    |                 | 44,151.18          | 4040747            | ROADS                          | MEADOWLARK - ROAD WORK      |
| 2697                 | TRI-HURST CONSTRUCTION       | 50691               | 10/13/2021         | 10/13/2021      | \$44,031.26        |                    |                                |                             |
|                      |                              |                     |                    |                 | 44,031.26          | 4040747            | ROADS                          | MEADOWLARK - ROAD WORK      |
| <b>Vendor Total:</b> |                              |                     |                    |                 | <b>\$88,182.44</b> |                    |                                |                             |
| 10182021             | UTAH STATE TAX COMMISSION    | 0                   | 10/18/2021         | 10/18/2021      | \$11,056.19        |                    |                                |                             |
|                      |                              |                     |                    |                 | 641.79             | 102300             | SALES TAX PAYABLE              | SALES TAX - VC & WC         |

**City of Blanding**  
**Invoice Register - 10/12/2021 to 10/19/2021 - All Invoices**

10/19/2021

| <u>Invoice No.</u> | <u>Vendor</u>   | <u>Check No.</u> | <u>Ledger Date</u> | <u>Due Date</u> | <u>Amount</u>       | <u>Account No.</u> | <u>Account Name</u>             | <u>Description</u>         |
|--------------------|-----------------|------------------|--------------------|-----------------|---------------------|--------------------|---------------------------------|----------------------------|
|                    |                 |                  |                    |                 | 9,363.12            | 532300             | SALES TAX PAYABLE               | SALES TAX                  |
|                    |                 |                  |                    |                 | 1,051.28            | 542300             | SALES TAX PAYABLE               | SALES TAX                  |
| 59829              | XPRESS BILL PAY | 0                | 10/13/2021         | 10/13/2021      | \$668.83            |                    |                                 |                            |
|                    |                 |                  |                    |                 | 668.83              | 5340310            | PROFESSIONAL/TECHNICAL          | ONLINE BILL PAY - SEPT USE |
|                    |                 | <b>Total:</b>    |                    |                 | <b>\$108,175.35</b> |                    |                                 |                            |
|                    |                 |                  |                    |                 | 1,795.26            | 102226             | <b>GL Account Summary</b>       |                            |
|                    |                 |                  |                    |                 | 641.79              | 102300             | HEALTH INSURANCE PAYABL         |                            |
|                    |                 |                  |                    |                 | 109.56              | 1050260            | SALES TAX PAYABLE               |                            |
|                    |                 |                  |                    |                 | 12.99               | 1052250            | Econ Dev & Visitor Cntr BUILDI  |                            |
|                    |                 |                  |                    |                 | 870.87              | 1060250            | Police EQUIPMENT - SUPPLIE      |                            |
|                    |                 |                  |                    |                 | 72.09               | 1065250            | Streets EQUIPMENT - SUPPLI      |                            |
|                    |                 |                  |                    |                 | 47.78               | 1066250            | ParksRec EQUIPMENT - SUPP       |                            |
|                    |                 |                  |                    |                 | 133.29              | 1066260            | Wellness Center EQUIPMENT -     |                            |
|                    |                 |                  |                    |                 | <b>3,683.63</b>     |                    | Wellness Center BUILDINGS -     |                            |
|                    |                 |                  |                    |                 |                     |                    | <b>Total</b>                    |                            |
|                    |                 |                  |                    |                 | 88,182.44           | 4040747            | ROADS                           |                            |
|                    |                 |                  |                    |                 | 1,015.57            | 5140250            | EQUIPMENT - SUPPLIES & M        |                            |
|                    |                 |                  |                    |                 | 896.00              | 5240250            | EQUIPMENT - SUPPLIES & M        |                            |
|                    |                 |                  |                    |                 | 565.18              | 531310             | ACCOUNTS RECEIVABLE             |                            |
|                    |                 |                  |                    |                 | 9,363.12            | 532300             | SALES TAX PAYABLE               |                            |
|                    |                 |                  |                    |                 | 2,192.64            | 5340250            | EQUIPMENT - SUPPLIES & M        |                            |
|                    |                 |                  |                    |                 | 668.83              | 5340310            | PROFESSIONAL/TECHNICAL          |                            |
|                    |                 |                  |                    |                 | <b>12,789.77</b>    |                    | <b>Total</b>                    |                            |
|                    |                 |                  |                    |                 | 1,051.28            | 542300             | SALES TAX PAYABLE               |                            |
|                    |                 |                  |                    |                 | 556.66              | 5440250            | EQUIPMENT - SUPPLIES & M        |                            |
|                    |                 |                  |                    |                 | <b>1,607.94</b>     |                    | <b>Total</b>                    |                            |
|                    |                 |                  |                    |                 | <b>\$108,175.35</b> |                    | <b>GL Account Summary Total</b> |                            |

## Healthy Utah Community Criteria

To qualify for the **Healthy Utah Community** designation program, all cities/towns must have a **community coalition** and at least **6 other strategies** (for a total of **7**). You must have at least one strategy from each of the 4 categories- Collaboration, Access to Healthy Food, Active Living, and Mental Health. Applicants must also complete the essay questions below.

### My community has:

#### COMMUNITY COALITION (required):

- ☐ A coalition made up of diverse stakeholders that actively work to improve the health of the community

#### COLLABORATION (must have at least one strategy):

- ☐ A relationship with the local health department
- ☐ A resource page on our website to assist in accessing healthy food, physical activity, and mental health resources
- ☐ Health-related objectives in our general plan
- ☐ Utilized and implemented strategies from an existing community health needs assessment
- ☐ A moderate income housing plan
- ☐ Coordinated with the UDOT Move Utah Program to move active transportation planning and implementation efforts forward
- ☐ Coordinated with Bike Utah on the 1,000 Miles Campaign

#### ACTIVE LIVING (must have at least one strategy):

- ☐ A written guideline that promotes active transportation/physical activity for city employees
- ☐ Free and/or low-cost community sports/fitness programs for adults and children
- ☐ Signage for "healthy" parking spots at city/town facilities
- ☐ Conducted a walkability audit
- ☐ Connected walking and biking trails
- ☐ Provided guidance on joint-use agreements for facilities in our community that can be used for physical activity
- ☐ An active transportation plan
- ☐ An ordinance that requires new subdivisions to provide sidewalks and lights
- ☐ Wayfinding signage that promotes active transportation

#### ACCESS TO HEALTHY FOOD (must have at least one strategy):

- ☐ A farmers market that accepts SNAP benefits
- ☐ Provided financial incentives for a grocery store to locate in an underserved area
- ☐ A community garden
- ☐ A written requirement addressing healthy food and beverage choices in city/town-owned/managed facilities
- ☐ A written requirement addressing healthy food and beverage choices at city/town-sponsored functions
- ☐ Encouraged store owners to limit marketing of unhealthy food in corner stores and grocery stores

#### MENTAL HEALTH (must have at least one strategy):

- ☐ Offered Question, Persuade, Refer (QPR) trainings
- ☐ At least one evidence-based program or initiative that provides education, awareness, and training to community members around mental health
- ☐ Promoted the use of the SafeUT app in schools and other community centers
- ☐ Medication disposal services, locations, or programs
- ☐ Gun locks available for free for community members

#### ESSAY QUESTIONS:

1. Explain how your community addresses health equity by ensuring that all members of the community have the opportunity to be healthy? (250 words or less)
2. Does your general plan address healthy eating, physical activity, and mental health? If so, how? (200 words or less)
3. What is the biggest success your healthy community coalition has had in the past year? (200 words or less)
4. How will your healthy community coalition grow in the next year? (200 words or less)

## Ready to Apply?

We are excited that your community is prioritizing health and interested in applying for the **Healthy Utah Community** designation program! Before completing an application, make sure your community meets the criteria below.

1. My community has a **community coalition**.
2. My community has done at least **1 collaboration strategy**.
3. My community has done at least **1 access to healthy food strategy**.
4. My community has done at least **1 active living strategy**.
5. My community has done at least **1 mental health strategy**.
6. My community has done at least **2 other strategies for a total of 7 strategies**.
7. The city/town **Mayor approves submitting the application**.

Not sure your city/town currently qualifies, but want to learn more? Contact us at [info@gethealthyutah.org](mailto:info@gethealthyutah.org)  
Designation valid for 3 years

**APPLY TODAY AT**

[www.GetHealthyUtah.org/HealthyUtahCommunity](http://www.GetHealthyUtah.org/HealthyUtahCommunity)



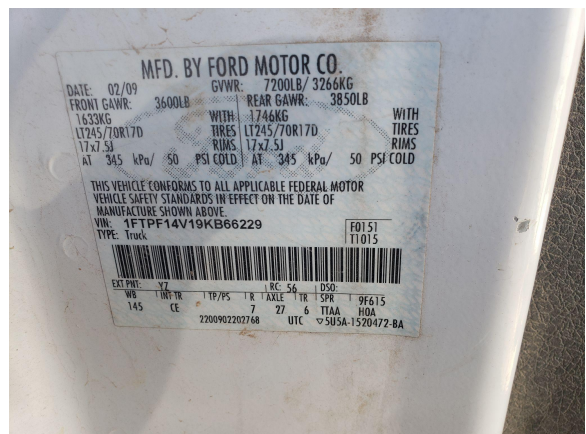
## Vehicles

2009 Ford 150, runs but needs work.

Milage 89,360

VIN# 1FTPF14V19KB66229

Minimum Bid \$6,000





2004 Ford F150 Truck  
Milage 90,865  
Vin# 1FTRF14524NB23597  
Minimum Bid \$4,000



1995 Chevy S10 Truck  
Milage 111,853  
Vin# 1GCDT19Z9S8254892  
Minimum Bid \$500



1997 Ford F150 Truck  
Milage 103,270  
Vin# 1FTDF18WXVKC57807  
Minimum Bid \$2,000





## Fitness Equipment

Exercise Bike  
SN UBSX1605-L01085  
Minimum Bid \$275



Recumbent bike  
SN Tore off  
Minimum Bid \$250



Treadmill  
Serial number - TR9191L16290103  
Serial number - TR9191L16290122  
Serial number - TR9191L16290124  
Serial number - TR9191L16350138  
Minimum Bid - \$325



Elliptical  
SN CTSX1606-L01081  
Minimum Bid \$265





Bike  
SN 160003DAY16250086  
Minimum Bid \$200



Quad machine  
SN None  
Minimum Bid \$150



Pull up bar  
No Serial number its broken  
Minimum bid \$50



Hamstring equip  
SN None  
Minimum Bid \$150





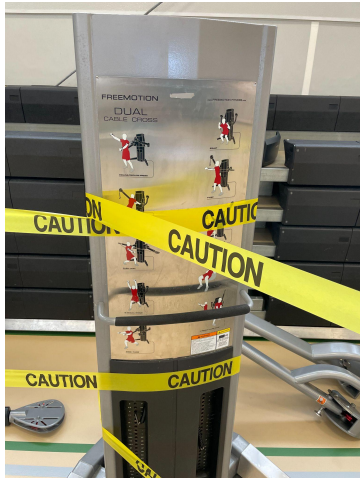
Lat machine  
SN None  
Minimum Bid \$300



Lift machine  
SN None  
Minimum Bid \$175



Dual cable cross  
SN None  
Minimum Bid \$400



Squat machine  
SN None  
Minimum Bid \$175





**Public Works Equipment**

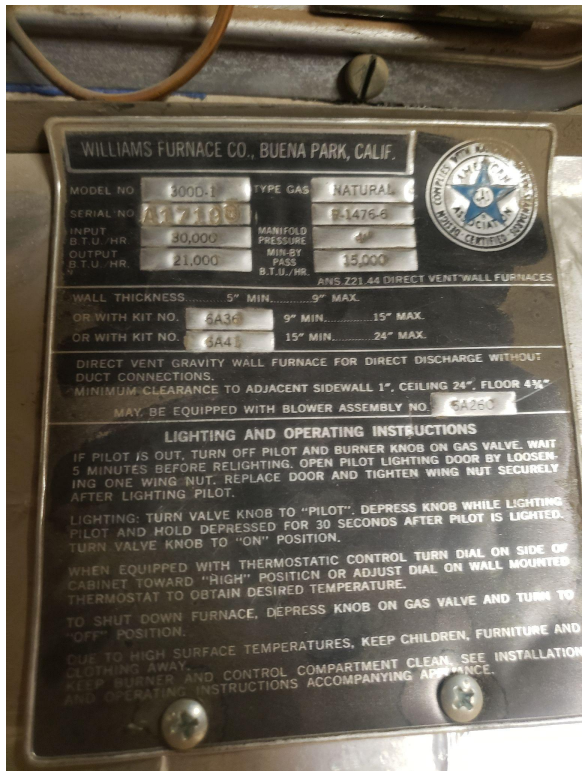
Bomag diesel powered trench compactor  
\$50



Four tires that have at least 80% Life left.  
\$200



Natural gas wall mount, vented heater.  
 Came out of shop office when we upgraded  
 \$25



39ft Electric Pole  
 \$100





## **CITY COUNCIL MEETING - STAFF REPORT**

**Author:** David S. Johnson, City Manager  
**Department:** Administration  
**Subject:** Division of Drinking Water Grant  
**Date:** October 26, 2021  
**Type of Item:** Resolution

### **Background**

Blanding City was awarded a planning grant in the amount of \$40K from the Division of Drinking Water (DDW), known as a Principal Forgiveness Agreement. The funding is intended for preliminary engineering in preparation for a new deep well in Blanding City and the future potential sale of water to the Navajo Tribal Utility Authority (NTUA). Preliminary Engineering essentially looks at the location, needed design, and preparatory work prior to the actual design and construction of a project.

Attached is the letter of award. You will notice that it was dated a few weeks ago. This is because we were working to receive clarity about the grant. In short, the City is not obligated to the state, federal government, or NTUA through this grant. The second attached document clarifies this. It also explains why it is called a "Principal Forgiveness Agreement" instead of a grant. Essentially, a "Principal Forgiveness Agreement" simplifies the process by avoiding typical requirements of federal grants and only requires the City to submit for 100% reimbursement through DDW once the preliminary engineering is complete.

### **Budget Impact**

\$40,000 grant revenue.

### **Recommendation**

Staff recommends approval of the grant for preliminary engineering of a new deep well.

### **Department Review**

Administration, Public Works, Finance

### **Attachments**

Award Letter, Agreement, Letter of Explanation



## **RESOLUTION 10-26-2021-1**

### **Division of Drinking Water Principal Forgiveness Agreement**

WHEREAS, the Utah Division of Drinking Water awarded Blanding City a \$40,000 grant, known as a Principal Forgiveness Agreement;

WHEREAS; the grant funding is intended for preliminary engineering in preparation for a new deep well and future potential sale of water to the Navajo Tribal Utility Authority;

WHEREAS; preliminary engineering evaluates the location, needed design, and preparatory work prior to the actual design and construction of a project;

WHEREAS; the funding will be 100 percent reimbursed by the Division of Drinking water, with no additional obligations for Blanding City;

NOW, THEREFORE, it is hereby resolved by the Blanding City Council to approve the attached agreement with DDW.

ADOPTED AND APPROVED this 26th day of October, 2021.

SIGNED:

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Joe B. Lyman, Chair

ATTEST:

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David S. Johnson, City Manager/Recorder



## State of Utah

SPENCER J. COX  
Governor

DEIDRE HENDERSON  
Lieutenant Governor

## Department of Environmental Quality

Kimberly D. Shelley  
Executive Director

DIVISION OF DRINKING WATER  
Tim Davis  
Director

**Drinking Water Board**  
(Vacant), Chair  
Kristi Bell, Vice-Chair  
Dawn Ramsey  
Scott Morrison  
Jeff Coombs  
David O. Pitcher  
Eric Franson, P.E.  
Barbara Gardner  
Blake Tullis, Ph.D.  
Kimberly D. Shelley  
Tim Davis  
Executive Secretary

September 28, 2021

David Johnson      djohnson@blanding-ut.gov  
Blanding City  
50 West 100 South  
Blanding, UT 84511

Subject: **Principal Forgiveness Agreement; Blanding City, System #19001, SRF #3F1816P**

Dear David Johnson:

On September 22, 2021, the Assistant Executive Secretary to the Drinking Water Board authorized a planning loan of \$40,000 with 100% principal forgiveness to Blanding City to partially fund planning and design of the Westwater Water Supply Project.

Please review the enclosed principal forgiveness agreement between the City and the Drinking Water Board.

If you have any changes that you would like to see in the document, you may mark-up the proposed agreement and return it to our office. If not, please sign in the spaces so indicated and return it to Elisa Brawley at ebrawley@utah.gov. Please include a project description and scope of work as part of the principal forgiveness agreement.

If you have any questions, please contact me or Skye Sieber at (801) 536-4200.

Sincerely,

Michael J. Grange, P.E.  
Assistant Executive Secretary

MJG/ss/eb

Enclosure

cc: Kim Palmer, Blanding City, kpalmer@blanding-ut.gov  
Skye Sieber, Division of Drinking Water, sasieber@utah.gov  
Russell Seeley, DEQ District Engineer  
DDW Finance

Contract #  
SRF Loan # 3F1816P  
Amount: \$40,000.00  
Applicant: Blanding City  
Tax ID # 87-6000875

## PRINCIPAL FORGIVENESS AGREEMENT

### DRINKING WATER BOARD STATE REVOLVING FUND

#### STATE OF UTAH

Department of Environmental Quality  
Division of Drinking Water

This principal forgiveness agreement is entered into by and between the State of Utah, Department of Environmental Quality, Division of Drinking Water, Drinking Water Board (hereinafter the "BOARD") and the

Blanding City

an applicant for principal forgiveness under the Drinking Water Board provisions contained in R309-705-4(2) of the Utah Administrative Code as authorized by Title 19, Chapter 1, Section 201(2)(k), Utah Code Annotated 1953 (hereinafter the "APPLICANT"). Pursuant to the provisions of the Statute, and the powers and functions of the Drinking Water Board, the BOARD hereby finds and determines, based upon the formal application of the APPLICANT, the evidence provided by the APPLICANT to the BOARD and its staff, and information developed by the BOARD in its own investigations and at the hearings on the application of the APPLICANT, the following, that:

1. The APPLICANT is eligible for financial assistance pursuant to the safe Drinking Water Act Section 1452 42 USCA 300j et seq.
2. The BOARD has determined that principal forgiveness is necessary to determine the economical feasibility of the proposed Project as described hereafter as Exhibit-1.
3. The APPLICANT has been authorized by the BOARD pursuant to Section R309-705-4(2) of the Utah Administrative Code and as authorized by Title 19-1-201 to receive principal forgiveness.

Based upon these findings, the BOARD is authorized and empowered to, and does hereby, enter into the following agreement with the APPLICANT.

## GENERAL PROVISIONS

1. The BOARD shall provide the APPLICANT the amount of 40,000.00 (PRINCIPAL FORGIVENESS AMOUNT) for the completion of the Project as described in Exhibit-1, Work Description and Cost Breakdown.
2. The APPLICANT shall complete the Project described in Exhibit-1, Work Description and Cost Breakdown. If work on the Project is not completed by \_\_\_\_\_ 20\_\_\_\_, this principal forgiveness may be canceled by written notice from the BOARD to the APPLICANT. No work completed after receipt of the notice shall be reimbursable.
3. The APPLICANT shall notify the BOARD in writing of any proposed modifications to the Project which alters Exhibit-1, Work Description and Cost Breakdown. If such notification is not received, the cost of the proposed modification will be disallowed.
4. The PRINCIPAL FORGIVENESS AMOUNT shall be deposited with other funds necessary to complete the Project into a supervised escrow account at the time this principal forgiveness agreement is executed. All disbursements from the escrow account must be reviewed and approved in advance by the APPLICANT and the BOARD. Upon completion of the Project unused principal forgiveness funds which remain in the escrow account must be returned to the BOARD. Funds returned as surplus to the BOARD shall be applied as a reduction of the PRINCIPAL FORGIVENESS AMOUNT.
5. The APPLICANT shall comply with all laws which normally govern its affairs in regard to contracts, fiscal procedures and procurement procedures.
6. The APPLICANT shall indemnify and hold harmless the State of Utah, the Department of Environmental Quality, the Division of Drinking Water, the BOARD and their officers, agents and employees from and against any and all loss, damage, injury, liability, and claims, including claims for personal injury or death, damages to personal property and liens of workmen and materialmen, howsoever caused, resulting directly or indirectly from the performance of this principal forgiveness agreement by the APPLICANT, or the operations of the Project and the culinary water system for which this Project is a part including attorneys fees and costs in the investigation or defense of any claim, whether or not the claim has merit.
7. The APPLICANT shall be an independent contractor, and, as such, shall have no authorization, express or implied, to bind the State of Utah, the Department of Environmental Quality, the Division of Drinking Water, or the Drinking Water Board to any agreement, settlement, liability, or understanding whatsoever, nor to perform any acts as agent for the State of Utah, except as herein expressly set forth.

8. APPLICANT expenditures under this principal forgiveness agreement determined by audit to be ineligible for reimbursement because they were not authorized by the terms and conditions of the agreement, or that are inadequately documented, and for which payment has been made to the APPLICANT will be immediately refunded to the BOARD by the APPLICANT upon written demand of the BOARD. The APPLICANT further agrees that the BOARD shall have the right to withhold any or all subsequent payments under this or other contracts to APPLICANT until recoupment of overpayment is made.
9. This principal forgiveness agreement may be altered, modified, or supplemented only by written amendment, executed by the parties hereto, and attached to the original signed copy of this agreement. No claim for services furnished by the APPLICANT, not specifically authorized by this agreement will be allowed by the BOARD.
10. If it is determined that in any manner the principal forgiveness agreement was improperly made or entered into, or if the monies are or were used improperly or contrary to the terms of this agreement, the APPLICANT shall pay to the BOARD the amount of all monies and benefits received by the APPLICANT from the BOARD.

## EXECUTION

NOW, THEREFORE, by virtue of the authority contained in Title 19-1-201, Utah Code Annotated, 1953, as amended, the parties hereto mutually agree to perform this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on this day of \_\_\_\_\_, 20\_\_\_\_. This contract will take effect upon approval as evidenced by the appropriate signatures.

### APPLICANT

Blanding City  
50 West 100 South  
Blanding, UT 84511

By:

David Jonson  
City Manager

By:

Kim Palmer  
Financial Director

### STATE

APPROVED - DRINKING WATER BOARD

By:

Michael J. Grange, P.E.  
Assistant Executive Secretary

APPROVED - DIVISION OF FINANCE

By:

Sheri Witucki

APPROVED - AVAILABILITY OF FUNDS

By:

Division of Finance

## CITIES

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, personally appeared before me David Johnson and Kim Palmer being by me duly sworn did say they are the duly elected Manager and Financial Director respectfully, of Blanding City, a political subdivision of the State of Utah, and that the foregoing instrument was signed in behalf of said political subdivision by authority of a motion of its governing body passed on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, and said persons acknowledged to me that said political subdivision executed the same.

My Commission Expires:

Exhibit No. 1

WORK DESCRIPTION & COST BREAKDOWN

Blanding City

**PRINCIPAL FORGIVENESS**

PROJECT DESCRIPTION

Blanding City has requested and been approved for principal forgiveness from the Drinking Water Board. This principal forgiveness is to partially fund planning and design of the Westwater Water Supply Project.

To fund this work, the Board authorized a planning loan of \$40,000.00 with 100% principal forgiveness to Blanding City.

SCOPE OF WORK

(Obtain and insert a copy of the Scope of Work to be approved prior to the release of funds)

October 20, 2021

David S. Johnson, City Manager  
Blanding City  
50 W 100 S  
Blanding, Utah

RE: Drinking Water State Revolving Fund Planning Advance Authorization Letter and  
Principal Forgiveness Agreement, dated September 28, 2021

Dear David:

Thank you for discussing the Drinking Water Board's planning advance authorization and principal forgiveness agreement to Blanding City. I understand there are some questions regarding the letter and the agreement. My responses in the paragraphs below will hopefully provide the necessary clarification and resolve the concerns you expressed to me in our recent phone call.

The financial assistance provided by the Drinking Water Board (DWB, Board) will be provided through the Federal Drinking Water State Revolving Fund financial assistance program. For federal program purposes the following points apply:

- Principal Forgiveness is equivalent to grant. However, it is referred to as principal forgiveness to differentiate it from a true federal grant. If the Board were to authorize a true federal grant from this program the recipient would be required to fulfill all federal grant requirements, an onerous and time-consuming process. This foregoes those requirements.
- There are no loan documents and no bonding required for principal forgiveness awarded in this fashion. The Principal Forgiveness Agreement attached to the September 28, 2021 Authorization Letter is the governing document for this financial assistance.

- It is the Division of Drinking Water's (DDW's) understanding that this \$40,000 is to assist Blanding City with preliminary engineering, which is only the initial part of the planning and design process.
- Planning projects typically associated with small planning advances such as this are short duration projects, usually completed within one year. While the complete planning and design for the Westwater Project will likely require more than one year to complete, the Division believes this part of the project will be completed in less than a year.

With respect to questions regarding the Principal Forgiveness Agreement please refer to the following:

#### Hearing

This was completed. The "hearing" mentioned refers to the discussion typically held before the Drinking Water Board at a Board Meeting to outline the project and give the Board sufficient information to make an informed decision whether or not to provide financial assistance. The Drinking Water Board authorized the Executive Secretary or the Assistant Executive Secretary to approve planning advances up to \$40,000 rather than bring those applications before the Board for approval. Since this application met that funding limit the "hearing" was not conducted and I, as the Assistant Executive Secretary, reviewed staff's project evaluation packet and approved the advance.

#### Scope of Work & Cost Breakdown

This was completed. The scope of work was included in the application. If you wish, DDW can take that scope of work out of the application and use it here. If Blanding City has a one-page scope of work document to include with the signed agreement that will be helpful. A cost breakdown is not required for this level of assistance on a planning advance. The cost breakdown is associated more with larger design and construction projects.

#### Escrow Account

An escrow account is not necessary for this part of the process. Only if Blanding City decides to seek additional assistance from the Board and is approved, then DDW will require a construction escrow account. Typically, municipalities do use a PTIF for the escrow account and are responsible to set up the account.

#### Funding Allocation

The Division will hold the \$40,000 in our fund account until Blanding City requests reimbursement for expenditures related to project design and planning. For planning advances, DDW typically allows no more than two such reimbursement requests. DDW will provide expense reimbursement request forms to the City. Once DDW receives and

approves a reimbursement request the money will be sent to Blanding City either via electronic transfer or check.

#### Eligible Expenses

Eligible expenses are defined in statute and DDW rules. We can provide copies of these documents if you wish. However, typical eligible expenditures include any planning or engineering work directly related to the defined project, e.g. well siting studies, preparing engineering plans and specifications, surveying, drafting, meetings, etc.

I hope these responses provide the information you need to move forward with the Principal Forgiveness Agreement. If you need additional information, please do not hesitate to contact me.

Regards,

A handwritten signature in blue ink that reads "Michael J. Grange". The signature is fluid and cursive, with the first name "Michael" and last name "Grange" clearly legible.

Michael J. Grange, P.E.  
Assistant Executive Secretary  
Drinking Water Board