

5:30 P.M. - WORK MEETING - MULTI-PURPOSE ROOM

MAYOR AND COUNCIL DINNER - 5:00 P.M.

The Mayor and Council will meet in the Council Work Room for informal discussion and dinner. No action will be taken on any items.

No decisions will be made at this meeting. The public is invited to observe the work session. Public comment generally is not taken during work sessions.

CALL TO ORDER

COUNCIL BUSINESS

1. Calendar

- Dec 26 - City Offices Closed in Observance of the Christmas Holiday (Monday)
- Jan 02 - City Offices Closed in Observance of the New Year Holiday (Monday)
- Jan 03 - Work Study Meeting 5:30 p.m., Regular Meeting 7:00 p.m.

2. DISCUSSION ON THIS EVENING'S REGULAR MEETING AGENDA ITEMS

- a) Invocation - Councilmember Miller
- b) Pledge of Allegiance - Councilmember Crandall
- c) Consent Agenda
 - 2. Approval of the minutes for the November 28, 2022 strategy meeting and the December 06, 2022 work meeting and regular meeting.
 - 3. Approval of the Fiscal Year 2022 Springville City Audit - Bruce Riddle, Assistant City Administrator/Finance Director
 - 4. Approval of a Resolution and multi-year contract with Gold Cross Ambulance Billing - Hank Clinton, Fire Chief
 - 5. Approval of an Ordinance and adopting Section 8-2-108 of the Springville City Code to restrict aggressive solicitation within Springville City limits - Lance Haight, Public Safety Director

3. DISCUSSIONS/PRESENTATIONS

- a) Discussion on upcoming legislative session with Legislative Executive Consulting - Troy Fitzgerald, City Administrator
- b) Review of the Springville City Fiscal Year 2022 Audit - Bruce Riddle, Assistant City Administrator/Finance Director
- c) Discussion regarding Utah Water Conservancy Standards - Brad Stapley, Public Works Director

MAYOR, COUNCIL, AND ADMINISTRATIVE REPORTS

CLOSED SESSION, IF NEEDED - TO BE ANNOUNCED IN MOTION

The Springville City Council may temporarily recess the meeting and convene in a closed session as provided by UCA 52-4-205.

ADJOURNMENT

7:00 P.M. REGULAR MEETING - CITY COUNCIL ROOM

CALL TO ORDER

INVOCATION

PLEDGE

APPROVAL OF THE MEETING'S AGENDA

MAYOR'S COMMENTS

CEREMONIAL AGENDA

1. Swearing in of Eric Jewel as the new Springville Justice Court Judge

PUBLIC COMMENT - Audience members may bring any item, not on the agenda to the Mayor and Council's attention. Please complete and submit a "Request to Speak" form. Comments will be limited to two or three minutes, at the discretion of the Mayor. State Law prohibits the Council from acting on items that do not appear on the agenda.

CONSENT AGENDA - The Consent Agenda consists of items previously discussed or that are administrative actions where no additional discussion is needed. When approved, the recommendations in the staff reports become the action of the Council. The Agenda provides an opportunity for public comment. If after the public comment the Council removes an item from the consent agenda for discussion, the item will keep its agenda number and will be added to the regular agenda for discussion, unless placed otherwise by the Council.

2. Approval of the minutes for the November 28, 2022 strategy meeting and the December 06, 2022 work meeting and regular meeting.
3. Approval of the Fiscal Year 2022 Springville City Audit - Bruce Riddle, Assistant City Administrator/ Finance Director [Report](#)
4. Approval of a [Resolution](#) and multi-year contract with Gold Cross Ambulance Billing - Hank Clinton, Fire Chief [Report](#)
5. Approval of an [Ordinance](#) and adopting Section 8-2-108 of the Springville City Code to restrict aggressive solicitation within Springville City limits - Lance Haight, Public Safety Director [Report](#)

PUBLIC HEARING AGENDA

6. Public Hearing for consideration of a [Resolution](#) and approval of the Water Conservation Plan - Brad Stapley, Public Works Director [Report](#)
7. Public Hearing for consideration of the forfeiture of the warranty surety for Leorah Springs Subdivision Phase I, located at approximately 750 West 800 South, Springville - Chris Wilson, Chief Engineer [Report](#)

REGULAR AGENDA

8. Consideration of a [Resolution](#) and policy for a non-resident recreation card - Troy Fitzgerald, City Administrator [Report](#)
9. Consideration of an [Ordinance](#) and amendments to the Lakeside Landing Special District Overlay - Josh Yost, Community Development Director [Report](#)
10. Consideration of an [Ordinance](#) and amendment to the Purchasing Ordinance - Bruce Riddle, Assistant City Administrator/Finance Director [Report](#)

11. Consideration of a Resolution and PID (Public Infrastructure Development) Policy - Carla Wiese, Planner II/Economic Development Specialist [Report](#)
12. Consideration of a Resolution approving a change to the authorized position list to increase Fire and EMS coverage to six fire personnel on duty at all times - Chief Haight, Public Safety Director [Report](#)

MAYOR, COUNCIL, AND ADMINISTRATIVE REPORTS

CLOSED SESSION, IF NEEDED - TO BE ANNOUNCED IN MOTION

The Springville City Council may adjourn the regular meeting and convene into a closed session as provided by UCA 52-4-205.

ADJOURNMENT

CERTIFICATE OF POSTING - THIS AGENDA IS SUBJECT TO CHANGE WITH A MINIMUM OF 24-HOURS NOTICE - POSTED 12/15/2022

In compliance with the Americans with Disabilities Act, the City will make reasonable accommodations to ensure accessibility to this meeting. If you need special assistance to participate in this meeting, please contact the City Recorder at (801) 489-2700 at least three business days prior to the meeting.

Meetings of the Springville City Council may be conducted by electronic means pursuant to Utah Code Annotated Section 52-4-207. In such circumstances, contact will be established and maintained by telephone or other electronic means and the meeting will be conducted pursuant to Springville City Municipal Code 2-4-102(4) regarding electronic meetings.

s/s - Kim Crane, CMC, City Recorder



MINUTES OF THE PLANNING MEETING OF THE SPRINGVILLE CITY COUNCIL HELD ON MONDAY,
NOVEMBER 28, 2022 AT 4:00 P.M. AT THE SPRINGVILLE CITY MULTI-PURPOSE ROOM, 110
SOUTH MAIN STREET, SPRINGVILLE, UTAH.

Presiding and Conducting: Mayor Matt Packard

Elected Officials in Attendance: Liz Crandall
Craig Jensen
Mike Snelson
Jason Miller
Chris Sorensen

City Staff in Attendance: City Administrator Troy Fitzgerald, Assistant City Administrator/City Attorney John Penrod, Assistant City Administrator/Finance Director Bruce Riddle, City Recorder Kim Crane, Public Safety Director Lance Haight, Golf Pro Craig Norman, Parks and Recreation Director Stacy Child, Community Development Director Josh Yost, Public Works Director Brad Stapley, Library Director Dan Mickelson, and Museum of Art Director Rita Wright. Jeff Anderson, Jake Nostrom. Patrick Monney, Hank Clinton

CALL TO ORDER

Mayor Packard welcomed everyone and called the meeting to order at 4:05 p.m. He explained prior to this meeting the council participated in an online exercise for balancing the budget. Administrator Fitzgerald will cover the outcome of the exercise in today's meeting.

PUBLIC USES AND FORUMS - JOHN PENROD, ASSISTANT CITY ADMINISTRATOR/CITY ATTORNEY

Attorney Penrod presented on forums, government speech, and content-neutral laws. He explained content neutrality is time, place, and manner. The content base is what the content is. A review of Boston case law regarding ceremonies in front of city hall where different flags were raised, a forum was opened, when the government does not speak for itself it may not exclude private, religious viewpoints. Traditional public forums can have content-neutral requirements. Designated public forums, create a public forum by opening up nontraditional public forums. Community standards were discussed as was the current city code. Penrod requested the council to notify staff if there were any ordinances they would like staff to review.

Councilmember Sorensen stated he would like to make sure we keep with the constitution. Councilmember Jensen appreciated the discussions. Administrator Fitzgerald noted staff would watch for any changing legal status that comes to their attention and will bring it to the council. Mayor Packard suggested limiting areas where things can be held.

1600 SOUTH ZONING DISCUSSION - JOSH YOST, COMMUNITY DEVELOPMENT DIRECTOR

Director Yost asked the council for their input on what they would like to discuss. He explained there will be increasing development pressure for the 1600 South area. There are hundreds of acres and no applications at this time. It is a good time with room to work to bring about the best things in Springville. Some areas could be car optional, being able to move from place to place and do activities without needing a car.

Councilmember Snelson said residential and commercial have been discussed as well as living where you work. There has not been much discussion on recreation in the area or that transportation will need to move cautiously where there is recreation.

Yost reported the current plan was not complete and asked should there be more park areas or trails.

Councilmember Crandall asked if there was enough commercial to sustain, the live, work, play model. Yost replied they were rough numbers and that he would do an analysis.

Councilmember Miller asked how it would evolve and develop over time and the timeframe. Yost stated the first-generation buildout is a 20-30-year horizon plan.

Councilmember Jensen asked how we ever get the traffic over to Highway 89. There will be Mapleton and Spanish Fork traffic along 1600 South.

Councilmember Sorensen expressed this was not what Springville has been in the past with the mixed-use, and may be overestimating the transit coming to Springville. He would like to see more of a main corridor, businesses along 1600 south, single-family housing, and parks. Yost explained the different developments within the city with higher density. An area located south in the plan is similar to the Westfield's, and areas of lower density, nodes of commercial and multifamily products. Allocation of land use may have more of a commercial village mix.

Councilmember Jensen pointed out Springville will have a different look from what is on the east side. It wasn't until recently there has been development in the Westfield's.

Councilmember Crandall expressed 400 South was not her most favorite area, from point of the mountain south it's all cookie-cutter and the same. Possibly with design standards, it could be better.

Mayor Packard stated having different nodes will give it a look to Springville. There is no transportation or bus, so the city will need to help with the parking and paths. The Council will need to be very descriptive of how they want it to look.

Administrator Fitzgerald went on to explain the transfer of development rights as another option.

Councilmember Crandall said she would like to see more park space. What about the city providing a busing system? She would like to see design standards and create an experience.

Fitzgerald reported UTA (Utah Transit Authority) was working towards a transit on demand. If Springville wants something we have to act regionally and be involved.

Councilmember Snelson likes the tax base on 400 South and likes areas in the Westfield's. If there is a tax base in the area it will help maintain Springville for the long term. Councilmember Jensen agreed with Councilmember Snelson

Councilmember Miller expressed he agreed with how the plan was moving along.

BREAK TIME OUT: 6:04 p.m. TIME IN: 6:24 p.m.

SERVICE LEVEL DISCUSSION AND EXERCISE - TROY FITZGERALD, CITY ADMINISTRATOR

Administrator Fitzgerald reviewed the overall impact of inflation regarding the city along with sales tax versus property tax over time. Springville has not increased property tax for approximately 25 years. If property tax went up according to inflation there would be approximately \$3.4 million more in revenue per year.

A review of the online exercise the council participated in prior to the meeting showed expenses were not a problem, he asked if the council was agreeable there were no problems.

Councilmember Snelson didn't want to decrease the service level and didn't want to cut public safety.

Councilmember Jensen commented if public safety did not receive a SAFER grant, then step into it slowly.

Fitzgerald stated property taxes was a part of the question. Should property tax be increased due to inflation or not the Council answered in the middle some wanted increases and some did not.

Councilmember Crandall believes the increase should be on spending, and would not cut fire, maybe cut programming.

Councilmember Miller agreed to increase property tax based on inflation. Councilmember Sorensen agreed and said any tax is not ideal.

Fitzgerald asked if it was fair to say the council would at least consider an inflation increase on property tax. The transportation utility fees have to be used for specifics, property tax can be used as the city determines. He asked if the council wanted to discuss more on the transportation utility fee since legislation was being discussed.

Councilmember Jensen said he did not agree to increase property tax or a transportation fee and expressed the council needs to understand the use of PAR funds.

Fitzgerald reported the Council was in somewhat agreement to dedicate dollars to existing programs. Some were for increasing operating transfers and some wanted to leave as they are and the use of reserves should be limited. He went on to say the exercise showed an increase in fire service level. A SAFER grant has been applied for, and they are waiting to hear if it was granted.

Mayor Packard said the Active Transportation Survey was a disservice and many good things could be done over time by chipping away on a long-term basis. Other items up for discussion were flood control, funding of a plan for creek protection, and the 1600 South betterment, he asked the council what the bare minimum or some improvements look like.

Fitzgerald came away with the council having operational questions, no service level changes, analysis of finances, and no event coordinator. He asked for feedback regarding revenue as it will be needed to fund current service levels. He explained our service is very high and efficient but is the community and council willing to pay for it?

Fitzgerald said full fee recovery was defined as 85-100%, should it be defined with a smaller margin. Mayor Packard recommended reviewing fees every year and adjusting to recover 100% whether raising or lowering the fee.

GOLF/CRC BREAK-EVEN REQUIREMENT - TROY FITZGERALD, CITY ADMINISTRATOR

Fitzgerald reported the Clyde Recreation Center and Golf Department have been requested to break even operationally. He asked should more money be given. Mayor Packard commented they need to look at them as profit centers. Does it make business sense?

Councilmember Jensen said they should break even, or raise fees and lower services. There will be good years and bad years and they work hard.

Fitzgerald stated building revenues have slowed and they will need to look at the whole picture. Councilmember Sorensen expressed a need to look at the park per capita and how to continue with the current service level. Park service levels have continued to increase, better parks are being built now than they once were.

CANYON FIRE/EMS COVERAGE - TROY FITZGERALD, CITY ADMINISTRATOR



Fitzgerald explained a change in state law is having Utah County Fire reevaluate its contract with the city. We are finding a few reasons to work on and support this contract, should we be negotiating. Responding to an incident up the canyon leaves the city understaffed and requires mutual aid. He said more information will be brought back to the council for further discussion.

Fitzgerald also asked the council to be considering a budget meeting in January.

ADJOURNMENT

Motion: Councilmember Snelson moved to adjourn the work/study meeting at 8:19 p.m. **Councilmember Crandall seconded** the motion. **Vote: Voting Aye:** Councilmember Crandall, Councilmember Jensen, Councilmember Miller, Councilmember Snelson, and Councilmember Sorensen. The motion **Passed unanimously 5-0.**

This document constitutes the official minutes for the Springville City Council Budget Planning meeting held on Monday, November 28, 2022.

I, Kim Crane, do hereby certify that I am the duly appointed, qualified, and acting City Recorder for Springville City, of Utah County, State of Utah. I do hereby certify that the foregoing minutes represent a true, accurate, and complete record of this meeting held on Monday, November 28, 2022

DATE APPROVED: _____

Kim Crane, CMC
City Recorder



MINUTES
Springville City Council Work/Study Meeting - DECEMBER 06, 2022

MINUTES OF THE WORK/STUDY MEETING OF THE SPRINGVILLE CITY COUNCIL HELD ON
TUESDAY, DECEMBER 06, 2022 AT 5:30 P.M. AT THE CIVIC CENTER, 110 SOUTH MAIN STREET,
SPRINGVILLE, UTAH.

Presiding and Conducting: Mayor Matt Packard

Elected Officials in Attendance: Liz Crandall
Craig Jensen Excused
Jason Miller
Mike Snelson
Chris Sorensen

City Staff in Attendance: City Administrator Troy Fitzgerald-**Excused**, Assistant City Administrator/City Attorney John Penrod, Assistant City Administrator/Finance Director Bruce Riddle, City Recorder Kim Crane, Administrative Services Director Patrick Monney, Community Development Director Josh Yost, Planner II/Economic Development Specialist Carla Weise, Library Director Dan Mickelson, Museum of Art Director Rita Wright, Parks and Facilities Superintendent Dave Ashton, Public Safety Director Lance Haight, and Public Works Director Brad Stapley.

CALL TO ORDER - Mayor Packard welcomed everyone and called the Work/Study meeting to order at 5:33 p.m.

COUNCIL BUSINESS

1. Calendar

- Dec 13 - Work/Study Meeting 5:30 p.m.
- Dec 20 - Work Study Meeting 5:30 p.m., Regular Meeting 7:00 p.m.
- Dec 26 - City Offices Closed in Observance of the Christmas Holiday (Monday)

Mayor Packard asked if there were any questions or additions to the calendar. There was none.

2. **DISCUSSION ON THIS EVENING'S REGULAR MEETING AGENDA ITEMS**

- a) Invocation - Councilmember Sorensen
- b) Pledge of Allegiance - Councilmember Miller
- c) Consent Agenda
 2. Approval of the minutes for the October 11, 2022 Work Study meeting, the November 08, 2022, Work Study meeting, and November 15, 2022, Work Study and Regular meetings.
 3. Approval of the Mayor's appointment of Chelsey Rosander to the Community Board
 4. Approval of the 2023 Annual Meeting Schedule - Kim Crane, City Recorder
 5. Approval of surplus property of a 2000 John Deere backhoe - Shawn Black, Power Director

Mayor Packard asked if there was any discussion on tonight's consent agenda. There was none.

DISCUSSIONS/PRESENTATIONS

a) Discussion regarding South Springville Residential Development - Troy Fitzgerald, City Administrator

Penrod reported a property owner of land in south Springville would like to see a zoning change from A1 Agriculture, to residential R1-6. The sewer, water, and storm drain are not in the area and the closest water is approximately one mile away, and the sewer is near the Rodeo Grounds a little over a mile away. The property owner would like to use Spanish Fork infrastructure and develop the property.

Penrod provided the pros and cons given by Mr. Aki Myagi. Options could be a boundary line between the two cities, a disconnection from Utah County, or going to the district court. The annexation code does not allow peninsulas, and the criteria going from city to county to the city is unlikely. Unsettled items Springville does not have an R1-6 zone, and Spanish Fork cannot collect Springville impact fees. An emergency response could have some confusion. Penrod explained Springville has a few individual homes that are serviced by Springville but belong in Mapleton. Whereas this development would be hundreds of homes.

Mayor Packard asked if the property owner could bring infrastructure to their property on their own. Penrod explained they could and it involves a process, there could be upsizing costs, and some costs could be offset.

Mayor Packard asked what kind of precedent this would set for the city. Penrod, it does open the door. The roads are Springville's, the pipes underneath would be Spanish Fork. Each city has different rules and requirements.

Councilmember Sorensen if we do this and it takes five years for the city to get to the area, but next week other adjacent residents could come in, he was concerned about setting a precedent. Not practical to have a dual set of requirements.

Councilmember Crandall said a natural progression of development and infrastructure would be more cost-effective.

Mayor Packard asked about Springville Public Works having to go through a Spanish Fork neighborhood to pick up garbage. Director Yost stated the property owner would like to cash in on the value now. For the public interest, it is not for the benefit of the city it is literally the edge of the city, according to Community Development it was not in the public interest. Mayor Packard stated the city was not preventing them is that correct? Yost said it was correct, a development would need to be consistent with the zoning and planning.

Councilmember Miller asked if there was any further discussion with Spanish Fork about the west of the freeway. Attorney Penrod explained that the area is not in the city and is different from this area of discussion.

Councilmember Sorensen asked what would the council need to do with expressing yes or no. Penrod said they could voice if they want to wait for natural progression.

Councilmember Miller said he appreciated the effort on the property owners' part. It's clear the facts on what is required a natural progression is preferable and in the public interest.

Councilmember Sorensen didn't believe it was in the best interest of the city as a whole. Too many questions along the way. He sees it being less than twenty years for the area to be developed.

Councilmember Snelson didn't see it being beneficial to the city. He said it was fine if the owner wanted to bring infrastructure in along with development, he didn't see it going through Spanish Fork.

Councilmember Crandall said she appreciated Mr. Myagi for reaching out and enlightening the council. It is cost-prohibitive for the city to do this now; a natural progression is beneficial for all involved.

Mayor Packard said he believes this reflects the city, in the next meeting the property owner could come back with a public comment if they desired.

b) Discussion regarding amending the Purchasing Ordinance - Bruce Riddle, Assistant City Administrator/Finance Director

Director Riddle reported on the revision of the purchasing ordinance. He reviewed the Utah procurement code and explained the city could adopt its own procurement policy it just cannot be less restrictive than the state.

Mayor Packard asked if this was helpful to the directors in day-to-day operations. Director Stapley said pricing has changed quite a bit, it puts the responsibility on the supervisor and makes it easier for purchasing.

Councilmember Snelson asked if other cities have had problems with the higher thresholds. Director Riddle said not many. Some flexibility has been added regarding spot or market purchasing.

c) Discussion regarding the Lakeside Landing Special District Overlay code amendment - Josh Yost, Community Development Director

Director Yost reported on the proposed amendments to the Lakeside Landing Special District Overlay. He said it has been continually refined over the last year. The amendments included the correction of errors in the draft, improved development implementation, and filled in regulatory gaps. The process has been a collaborative effort between the City and the developers. He explained this only applies to the Lakeside Landing Special District Overlay.

Yost said he would send procedural standards to the council for review before the December 20, 2022 meeting.

d) Discussion regarding Public Improvement Districts (PID) - Carla Wiese, Planner II/Economic Development Specialist

Mayor Packard asked to move this item to the regular meeting for discussion.

MAYOR PACKARD, COUNCIL, AND ADMINISTRATIVE REPORTS

Mayor Packard asked for any comments. Attorney Penrod said the city received notice of an annexation petition regarding the 320 acres west of the transfer station. The Council was in consensus to let it move along.

CLOSED SESSION, IF NEEDED - TO BE ANNOUNCED IN MOTION

The Springville City Council may temporarily recess the meeting and convene in a closed session as provided by UCA 52-4-205.

There was none.

ADJOURN

Motion: Councilmember Miller moved to adjourn the work/study meeting at 6:59 p.m. **Councilmember Sorensen seconded** the motion. **Vote: Voting Aye:** Councilmember Crandall, Councilmember Miller, Councilmember Snelson, and Councilmember Sorensen. Councilmember Jensen was absent. The motion **Passed unanimously 5-0**

This document constitutes the official minutes for the Springville City Council Work/Study Meeting held on Tuesday, December 06, 2022.

I, Kim Crane, do hereby certify that I am the duly appointed, qualified, and acting City Recorder for Springville City, of Utah County, State of Utah. I do hereby certify that the foregoing minutes represent a true, accurate, and complete record of this meeting held on Tuesday, December 06, 2022.



136
138
140

DATE APPROVED: _____

Kim Crane
City Recorder





MINUTES
Springville City Council Regular Meeting - DECEMBER 06, 2022

MINUTES OF THE REGULAR MEETING OF THE SPRINGVILLE CITY COUNCIL HELD ON TUESDAY, DECEMBER 06, 2022, AT 7:00 P.M. AT THE CIVIC CENTER, 110 SOUTH MAIN STREET, SPRINGVILLE, UTAH.

Presiding and Conducting: Mayor Matt Packard

Elected Officials in Attendance: Liz Crandall
Craig Jensen Excused
Jason Miller
Mike Snelson
Chris Sorensen

City Staff in Attendance: City Administrator Troy Fitzgerald EXCUSED, Assistant City Administrator/City Attorney John Penrod, Assistant City Administrator/Finance Director Bruce Riddle, City Recorder Kim Crane, Administrative Services Director Patrick Monney, Community Development Director Josh Yost, Planner II/Economic Development Carla Wiese, Library Director Dan Mickelson, Museum of Art Director Rita Wright, Parks and Facilities Superintendent Dave Ashton, Public Safety Director Lance Haight, and Public Works Director Brad Stapley.

CALL TO ORDER

Mayor Packard called the meeting to order at 7:05 p.m.

INVOCATION AND PLEDGE

Councilmember Sorensen offered the invocation, and Councilmember Miller led the Pledge of Allegiance.

APPROVAL OF THE MEETING'S AGENDA

Motion: Councilmember Snelson moved to approve the agenda with the addition of a presentation by Planner II/Economic Development Carla Wiese. Councilmember Crandall seconded the motion. Voting Yes: Councilmember Crandall, Councilmember Jensen, Councilmember Miller, Councilmember Snelson, and Councilmember Sorensen. The motion **Passed unanimously 5-0**

MAYORS COMMENTS

Mayor Packard welcomed the Council, staff, and those in attendance.

CEREMONIAL AGENDA

1. Appointment of the new Springville Justice Court Judge

Mayor Packard expressed his compliments on the process and was pleased to offer Eric Jewell the appointment of Springville Justice Court Judge. He asked if Eric would say a few words. Eric stated he had been the justice court judge for Payson, Santaquin, Genola, and Goshen and was looking forward to moving over to the Springville and Mapleton Justice Court.

Motion: Councilmember Sorensen moved to approve Resolution #2022-48 appointing Eric Jewell as the Springville Justice Court Judge. **Councilmember Snelson seconded** the motion. **Roll Call Vote, Voting Yes:** Councilmember Crandall, Councilmember Miller, Councilmember Snelson, and Councilmember Sorensen. Councilmember Jensen was absent. The motion **Passed unanimously 4-0 with 1 absent. Resolution #2022-48 Approved**

PUBLIC COMMENT

Mayor Packard introduced the Public Comment section of the agenda. He asked if there were any written requests to speak submitted.

Thomas Mower submitted a public comment via email, Mayor Packard read his statement.

Aki Miyagi expressed in the previous meeting the zoning change did not work for the council. He said they are looking at bringing down the sewer. He would like to get the development done for his parents who are aging. Mayor Packard expressed they would need to come in and talk with the Public Works Department and Community Development.

Hayden Houston represents Aki Miyagi and works with him. They are 100% willing to work with Springville. They want to make it work for all involved.

Chris Wardle said all are waiting on community development or the 1600 south plan. They can put it in industrial as it is zoned. He would like to look at it in a way they can work. He is open to working with the city and understands the difficulty.

Chad Neth said he lives on 625 South Canyon Drive and for about six years has witnessed five horrible accidents, one a recent fatality. He understands there have been city staff and public safety in the areas monitoring and studying the area. The speed of the road is too fast, speeding is on a regular basis, possible traffic calming measures are needed. The lighted crossing has a light pole that blocks the light and causes people to immediately stop. He would suggest some "hawk lights" above the intersection.

CONSENT AGENDA

2. Approval of the minutes for the October 11, 2022 Work Study meeting, the November 08, 2022, Work Study meeting, and November 15, 2022, Work Study and Regular meetings.
3. Approval of the Mayor's appointment of Chelsey Rosander to the Community Board
4. Approval of the 2023 Annual Meeting Schedule - Kim Crane, City Recorder
5. Approval of surplus property of a 2000 John Deere backhoe - Shawn Black, Power Director

Motion: Councilmember Snelson moved to approve the consent agenda and cancel the meeting on July 04, 2023. **Councilmember Miller seconded** the motion. **Roll Call Vote, Voting Yes:** Councilmember Crandall, Councilmember Miller, Councilmember Snelson, and Councilmember Sorensen. Councilmember Jensen was absent. The motion **Passed unanimously 4-0 with 1 absent. Resolution #2022-49 Approved**

REGULAR AGENDA

6. **Consideration of an Ordinance amending Springville City Code regarding unlawful transfers on roadways - Lance Haight, Public Safety Director**

Chief Haight reported the proposed ordinance regarding Springville City Code 9-2-112 would prohibit the transfer of money or property between a pedestrian and the occupants of a vehicle in the roadway on a collector street in a non-residential zone, an arterial street, or a highway. The transfer would be a violation on the part of both the pedestrian and the person in the vehicle. The ordinance intends to enhance safety for motorists and pedestrians and to promote the orderly and undisrupted flow of traffic. The ordinance would not apply when such actions were necessary following a traffic accident and directed by a peace officer, or when the involved vehicle is legally parked.



Councilmember Snelson asked how a notice about this would be sent out. Chief Haight said through social media and the city newsletter.

Councilmember Sorensen said there would be a public relations problem at the beginning, but it needs to happen.

Chief Haight reported the ordinance regarding Springville City Code 8-7-108 will come back to the council for approval on December 20, 2022; the ordinance would prohibit persons from aggressively soliciting money or anything of value in a public place.

Mayor Packard asked if the requirement of feet away from a bank or financial institution could be a larger distance for people to feel safe when exiting an ATM or financial institution.

Councilmember Miller asked if these have been modeled after other cities and have been successful. Penrod expressed they have.

Motion: Councilmember Snelson moved to approve Ordinance #23-2022 adopting Section 9-2-105.5 of the Springville City Code to Restrict Unlawful Transfer on a Roadway Within Springville City Limits. **Councilmember Miller seconded** the motion. **Roll Call Vote, Voting Yes:** Councilmember Crandall, Councilmember Miller, Councilmember Snelson, and Councilmember Sorensen. Councilmember Jensen was absent. The motion **Passed unanimously 4-0 with 1 absent. Ordinance #23-2022 Approved**

Mayor Packard asked Planner Wiese to give her presentation on Public Infrastructure Development (PID).

Carla reported staff had developed a policy for the council to review. Items to consider would be a district advisory committee, financing options, development types, mill levy maximum, and application fee.

Councilmember Sorensen asked for a brief example. Carla explained the PID process.

Councilmember Snelson asked if they were used for commercial or residential. Carla said they could be used for both, she has seen them used for resorts or second homes. However, they tend to work better for commercial.

7. Consideration of a Resolution concerning a UDOT Agreement for the frontage road - Brad Stapley, Public Works Director

Director Stapley reported Springville City has been working with UDOT to widen the City's existing 1600 South roadway from Interstate 15 to State Route 51. A part of Phase 1 of the project requires the relocation of the existing frontage road from its existing alignment to a location north of 1600 South and east of I-15. This is due to the new on-ramps and off-ramps that will accompany the new I-15 interchange at the 1600 South location. This is one step for one property with more to come

Motion: Councilmember Crandall moved to approve Resolution #2022-50 accepting a Warranty Deed from Polaris Peak LLC., which describes a frontage road roadway right-of-way to be dedicated to Springville City as part of the Utah Department of Transportation (UDOT) 1600 South Widening Project. **Councilmember Miller seconded** the motion. **Roll Call Vote, Voting Yes:** Councilmember Crandall, Councilmember Miller, Councilmember Snelson, and Councilmember Sorensen. Councilmember Jensen was absent. The motion **Passed unanimously 4-0 with 1 absent. Resolution #2022-50 Approved**

MAYOR, COUNCIL, AND ADMINISTRATIVE REPORTS

Mayor Packard asked if there were any comments.

Director Stapley gave an update on the lower spring creek tank complex junction tank project, expected to be completed by end of January 2023.



Mayor Packard asked if an earthquake would affect it. Stapley said depending on the size of the earthquake it would be possible and could affect the other tanks.

CLOSED SESSION, AND ADJOURNMENT IF NEEDED - TO BE ANNOUNCED IN MOTION

The Springville City Council may adjourn the regular meeting and convene into a closed session as provided by UCA 52-4-205.

There was none.

ADJOURNMENT

Motion: Councilmember Miller moved to adjourn the regular meeting at 8:00 p.m. **Councilmember Snelson seconded** the motion. **Voting Yes:** Councilmember Crandall, Councilmember Jensen, Councilmember Miller, Councilmember Snelson, and Councilmember Sorensen. The motion **Passed unanimously 5-0.**

This document constitutes the official minutes for the Springville City Council Regular Meeting held on Tuesday, December 06, 2022. I, Kim Crane, do hereby certify that I am the duly appointed, qualified, and acting City Recorder for Springville City, of Utah County, State of Utah. I do hereby certify that the foregoing minutes represent a true, accurate, and complete record of this meeting held on Tuesday, December 06, 2022.

DATE APPROVED: _____

Kim Crane
City Recorder



STAFF REPORT

DATE: December 13, 2022
TO: Honorable Mayor and City Council
FROM: Bruce Riddle, Finance Director
SUBJECT: FY 2022 FINANCIAL STATEMENTS AND AUDIT REPORT

RECOMMENDED MOTION

The Finance Department recommends approving a motion to (1) accept the Springville City FY 2022 Independent Auditor's Report as presented; (2) authorize the City Recorder to advertise and make available for public inspection the Independent Auditor's Report; and (3) authorize the Finance Director to submit the Independent Auditor's Report to the State Auditor as required by law.

SUMMARY OF ISSUES/FOCUS OF ACTION

Utah State Code, Title 51, Chapter 2a requires an independent audit of all cities to be performed within 180 days after the close of each fiscal period. Additionally, the independent audit reports are required to be made available for public inspection and are to be filed with the State Auditor.

BACKGROUND

The documents included with this staff report represent two distinct publications. First are the City's comprehensive annual financial statements. These statements reflect the financial activity and accounting entries made by the City during the year including year-end closing entries. The City contracts with Hansen, Bradshaw, Malmrose and Ericson (HBME) to put the City's accounting entries into acceptable form based on Governmental Accounting Standards Board (GASB) guidelines, which requires expertise that City staff does not currently have. Second is the Independent Audit Report, which is HBME's opinion on the financial statements along a Management Letter, which includes comments and findings regarding state compliance and internal controls.

DISCUSSION

The Financial Statements, Independent Auditor's Report, and Management Letter have been provided as attachments to this report. The Management's Discussion and

Analysis section of the report provides a narrative overview of the financial activities of the City during FY 2022.

The audit resulted in no findings of internal control deficiencies or findings of non-compliance with State requirements.

ALTERNATIVES

The Council can make comments and suggestions to the report and may chose not to accept it; however, the City is required to prepare acceptable financial statements and submit an independent auditor's report to the State Auditor by December 31, 2022.

FISCAL IMPACT

None.



SPRINGVILLE CITY CORPORATION

**Financial Statements
and
Independent Auditor's Report**

For the Year Ended June 30, 2022

HBME

CERTIFIED PUBLIC ACCOUNTANTS

SPRINGVILLE CITY CORPORATION

**Financial Statements
and
Independent Auditor's Report**

For the Year Ended June 30, 2022

SPRINGVILLE CITY CORPORATION

Table on Contents

	Page
<u>FINANCIAL SECTION</u>	
Independent Auditor's Report.....	1-3
Management's Discussion and Analysis	5-15
Basic Financial Statements:	
Entity-wide Financial Statements:	
Statement of Net Position	17
Statement of Activities.....	18
Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	19
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	20
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	21
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities.....	22
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	23-24
Statement of Net Position - Proprietary Funds	25-26
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds.....	27-28
Statement of Cash Flows - Proprietary Funds	29-30
Notes to Financial Statements	31-67
<u>REQUIRED SUPPLEMENTARY INFORMATION</u>	
Schedule of the Proportionate Share of Net Pension Liability	69
Schedule of Pension Contributions.....	70
Notes to the Required Supplementary Information	71

SPRINGVILLE CITY CORPORATION

Table on Contents

	Page
<u>SUPPLEMENTARY INFORMATION</u>	
Combining Fund Statements:	
Combining Balance Sheet – Nonmajor Governmental Funds	73
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	74
Combining Statement of Net Position – Nonmajor Enterprise Funds	75-76
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Nonmajor Enterprise Funds	77
Combining Statement of Cash Flows – Nonmajor Enterprise Funds	78-79
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Capital Projects Fund	80
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Special Improvement District Fund	81
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Redevelopment Agency Fund	82
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Community Theater	83
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Special Services Fund	84
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Debt Service Fund	85
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Municipal Building Authority Fund	86
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Permanent Fund	87
<u>COMPLIANCE SECTION</u>	
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	89-90
Independent Auditor’s Report on Compliance and Report on Internal Control Over Compliance As Required by the State Compliance Audit Guide	91-93

Financial Section



COMMITTED. EXPERIENCED. TRUSTED

**CERTIFIED PUBLIC
ACCOUNTANTS**

E. LYNN HANSEN, CPA
CLARKE R. BRADSHAW, CPA
GARY E. MALMROSE, CPA
EDWIN L. ERICKSON, CPA
MICHAEL L. SMITH, CPA
JASON L. TANNER, CPA
ROBERT D. WOOD, CPA
AARON R. HIXSON, CPA
TED C. GARDINER, CPA
JEFFREY B. MILES, CPA
SHAWN F. MARTIN, CPA

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council
Springville City, Utah

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Springville City Corporation, Utah (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Springville City Corporation, Utah, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5-16 and the pension schedules on pages 69-71 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is

required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and budgetary comparison information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and budgetary comparison information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and budgetary comparison information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

HBME, LLC

December 12, 2022

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Basic Financial Statements

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Springville City, we offer readers of Springville City's financial statements this narrative overview and analysis of the financial activities of Springville City for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with the financial statements which follow this section.

FINANCIAL HIGHLIGHTS

- The total net position of Springville City increased \$27,158,041 to \$300,374,651. The governmental net position increased by \$10,948,451 and the business-type net position increased by \$16,209,590.
- The total net position of \$300,374,651 is made up of \$212,668,532 in capital assets net of depreciation and related outstanding debt and \$87,706,119 in other net position.
- Total long-term liabilities of the City increased by \$2,472,537 primarily due to the issuance of new debt in the Water Fund.
- The General Fund (the primary operating fund) had its fund balance increase by \$1,879,274 to \$12,832,614. The increase was primarily the result of higher-than-expected revenues coupled with lower-than-expected expenses. The timing of street-related capital expenditures relative to transportation-related restricted revenues resulted in increases in restricted reserves for both B & C road funds as well as transportation sales tax revenues .

REPORTING THE CITY AS A WHOLE

This discussion and analysis is intended to serve as an introduction to Springville City's basic financial statements. Springville City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes required supplementary information and other supplementary information in addition to the basic financial statements.

The government-wide financial statements are designed to provide readers with a broad overview of Springville City's finances, in a manner similar to a private-sector business.

- *The Statement of Net Position* presents information on all of Springville City's assets, liabilities, and deferred outflows/inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Springville City is improving or deteriorating. However, you will also need to consider other non-financial factors.
- *The Statement of Activities* presents information showing how the City's net position changed during the fiscal year reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, all of the current year's revenues and expenses are considered regardless of when cash is received or paid. Both of the government-wide financial statements distinguish functions of Springville City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The government-wide financial statements can be found on Pages 17-18 of this report.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Springville City also uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

- *Governmental funds* - These funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. These fund statements focus on how money flows into and out of these funds and the balances left at year-end that are available for spending. These funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting, which measures cash and other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps users determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation included with the fund financial statements.

The only major governmental funds (as determined by generally accepted accounting principles) are the General Fund and Capital Projects Fund. The remaining governmental funds are determined to be nonmajor and are included in the combining statements within this report.

- *Proprietary funds* - Springville City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Springville City uses enterprise funds to account for its Electric Utility, Water Utility, Sewer Utility, Storm Water Utility, Solid Waste Collection, and Golf Course. Internal service funds are an accounting device used to accumulate and allocate costs internally among Springville City's various functions. The City uses an internal service fund for procurement and maintenance of its vehicles and equipment as well as maintenance of the City's buildings and grounds. Because these services primarily benefit governmental activities, they have been included with governmental activities in the government-wide financial statements. As determined by generally accepted accounting principles, the Electric, Water, Sewer and Golf enterprise funds meet the criteria for major fund classification. The other enterprise funds are classified as nonmajor and are included in the combining statements within this report.

Notes to the Financial Statements are to provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the fund statements for major funds.

Other Information – In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information (RSI) on the City's pension program. It also contains the combining fund statements referred to earlier in connection with nonmajor governmental funds and enterprise funds. The RSI and combining and individual fund statements and schedules can be found after the notes to the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Springville City, assets exceed liabilities by \$300,374,651.

The largest portion of Springville City's net position (\$212,668,532) reflects its investment in capital assets (e.g., land, buildings, infrastructure assets, and machinery and equipment) net of accumulated depreciation and less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

STATEMENT OF NET POSITION

	Governmental		Business-type	
	Activities		Activities	
	2021-2022	2020-2021	2021-2022	2020-2021
Current and Other Assets	\$ 45,738,031	\$ 36,109,946	\$ 70,613,762	\$ 55,696,612
Capital Assets	124,550,871	120,181,638	111,600,885	102,511,895
Total Assets	170,288,902	156,291,584	182,214,647	158,208,507
Deferred Outflows of Resources	1,675,698	1,290,801	748,725	621,245
Long-term Debt Outstanding	18,230,804	20,205,254	12,184,420	7,737,433
Other Liabilities	5,645,366	3,279,216	6,326,037	3,916,338
Total Liabilities	23,876,170	23,484,470	18,510,457	11,653,771
Deferred Inflow of Resources	5,237,487	6,797,546	2,327,084	1,259,740
Net Position:				
Net Investment in Capital Assets	107,205,894	101,551,435	105,462,638	95,691,895
Restricted	13,256,761	8,839,243	8,464,754	6,389,642
Unrestricted	17,786,165	16,909,691	48,198,439	43,834,704
Total Net Position	\$ 138,248,820	\$ 127,300,369	\$ 162,125,831	\$ 145,916,241

At the end of the current fiscal year, Springville City is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

CHANGES IN NET POSITION

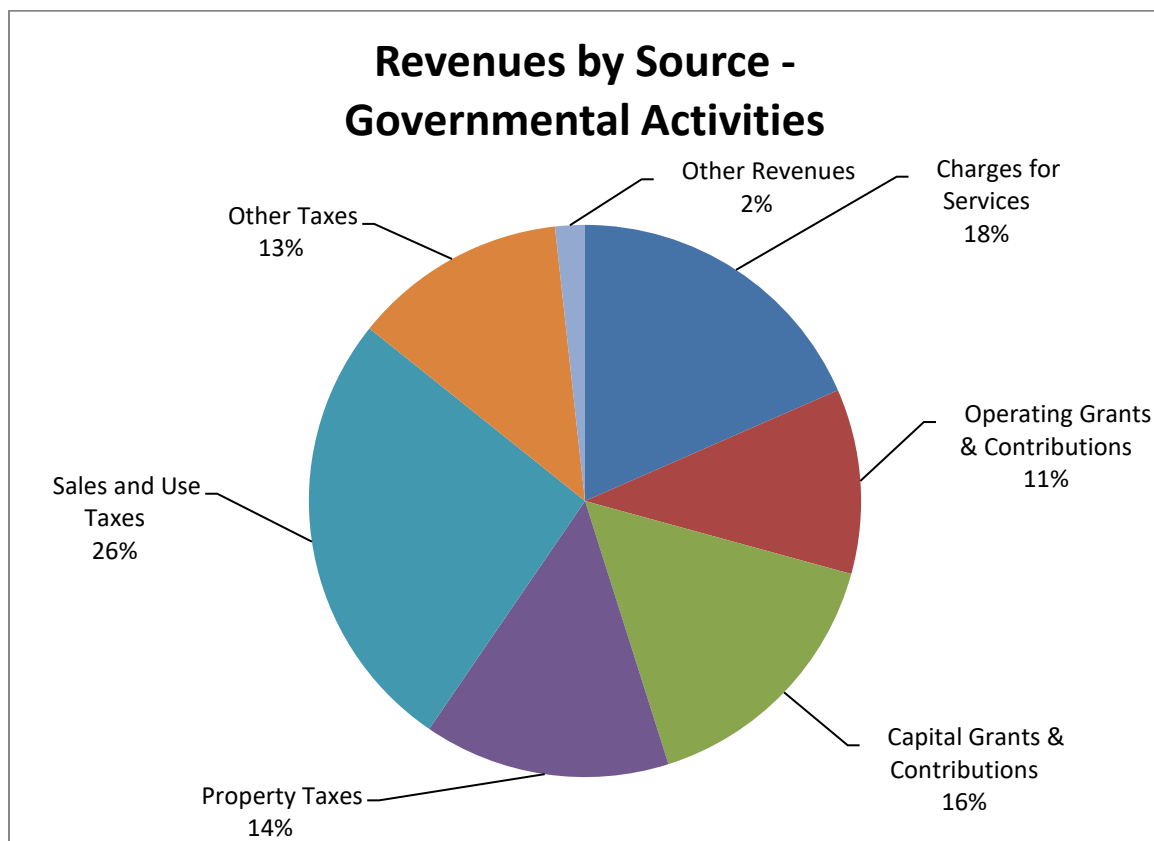
	Governmental Activities		Business-type Activities	
	<u>2021-2022</u>	<u>2020-2021</u>	<u>2021-2022</u>	<u>2020-2021</u>
Revenues				
Program Revenues:				
Charges for Services	\$ 6,227,020	\$ 6,464,592	\$ 50,198,002	\$ 45,519,222
Operating Grants and Contributions	3,658,298	3,453,654	-	-
Capital Grants and Contributions	5,355,960	7,750,537	5,278,538	6,713,473
General Revenues:				
Property Taxes	4,876,097	4,609,385	-	-
Sales and Use Taxes	8,851,734	7,592,706	-	-
Other Taxes	4,228,658	3,626,402	-	-
Other Revenues	587,667	810,483	263,446	173,724
Total Revenues	<u>33,785,434</u>	<u>34,307,759</u>	<u>55,739,986</u>	<u>52,406,419</u>
Expenses				
General Government	4,843,887	5,243,284	-	-
Public Safety	6,891,534	6,213,586	-	-
Highways and Public Improvements	2,492,929	2,673,449	-	-
Community Development	1,092,331	914,850	-	-
Parks and Recreation	7,996,799	7,275,745	-	-
Interest on Long-Term Debt	450,020	526,899	-	-
Electric	-	-	27,070,682	25,547,143
Water	-	-	4,353,095	3,919,455
Sewer	-	-	3,386,730	3,007,206
Storm Water	-	-	1,108,744	923,659
Solid Waste Collections	-	-	1,741,353	1,430,092
Golf Course	-	-	939,275	921,679
Total Expenses	<u>23,767,500</u>	<u>22,847,813</u>	<u>38,599,879</u>	<u>35,749,234</u>
Increase in Net Position Before Transfers	10,017,934	11,459,946	17,140,107	16,657,185
Transfers – net	930,517	2,594,804	(930,517)	(2,594,804)
Change in Net Position	<u>10,948,451</u>	<u>14,054,750</u>	<u>16,209,590</u>	<u>14,062,381</u>
Net Position Beginning	127,300,369	113,245,619	145,916,241	131,853,860
Net Position Ending	<u>\$ 138,248,820</u>	<u>\$ 127,300,369</u>	<u>\$ 162,125,831</u>	<u>\$ 145,916,241</u>

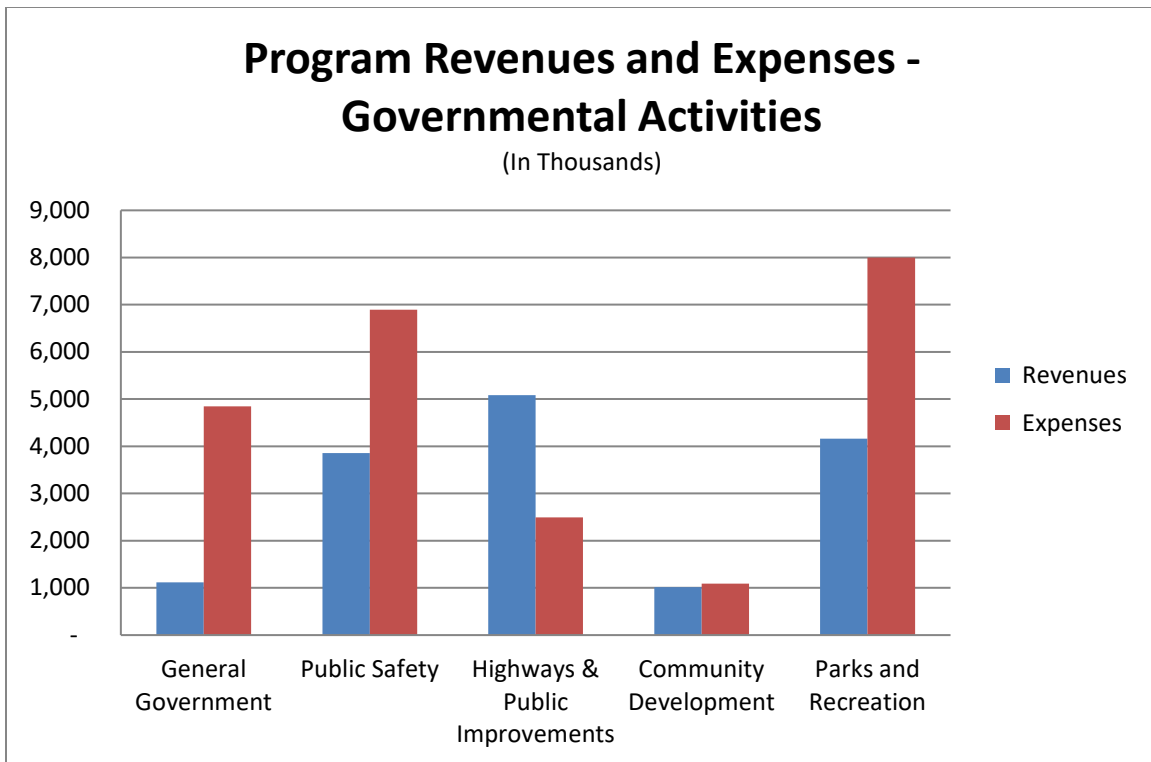
The post-pandemic Utah economy maintained momentum into FY 2022; although, by the end of the fiscal year, inflation was souring and recessionary pressures became apparent. In the governmental activities, tax revenues continued to grow while charges for services and operating grant revenue stayed level and capital grant revenue declined. Overall, revenues were down slightly compared to FY 2021 primarily as a result of slowing new development and reductions in grant revenue. Sales tax revenues increased approximately 17% or \$1,259,028 in FY 2022 as a reflection of an expanding economy state-wide and new retail development in the City. Combined, operating and capital grants and contributions decreased approximately 20% or \$2,190,000 compared to FY 2021. This reduced amount is primarily the result of the one-time federal CARES Act dollars that were received in FY 2021 as part of the federal government's pandemic response.

The general government expenditures increased approximately 4% or \$920,000 in FY 2022 compared to last year. Pressures from a continuing tight labor market along with significant inflation resulted in increased labor costs as well as increased costs for materials and supplies.

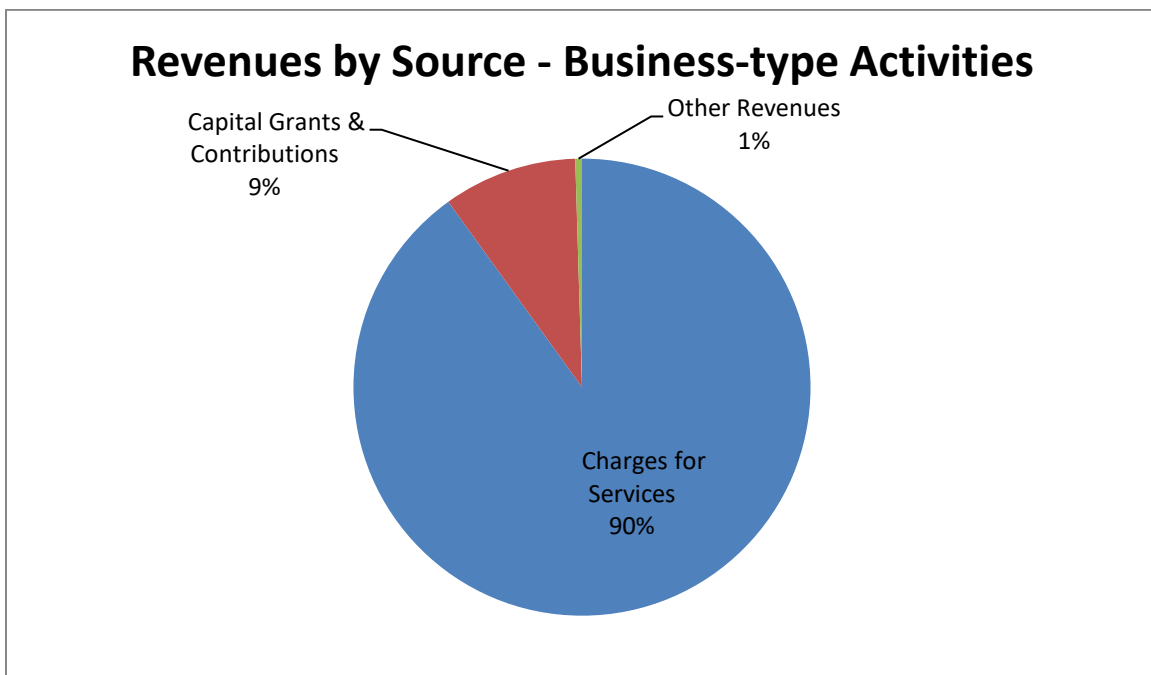
In the business-type funds, revenue increases reflect inflationary rate increased, system growth, infrastructure contributions from developers, and weather. Total revenues increased approximately 6% or \$3,333,000 in FY 2022. Expenses reflect inflationary costs for labor and materials as well as system growth from new development for a total increase of approximately 8% or \$2,850,000 in FY 2022.

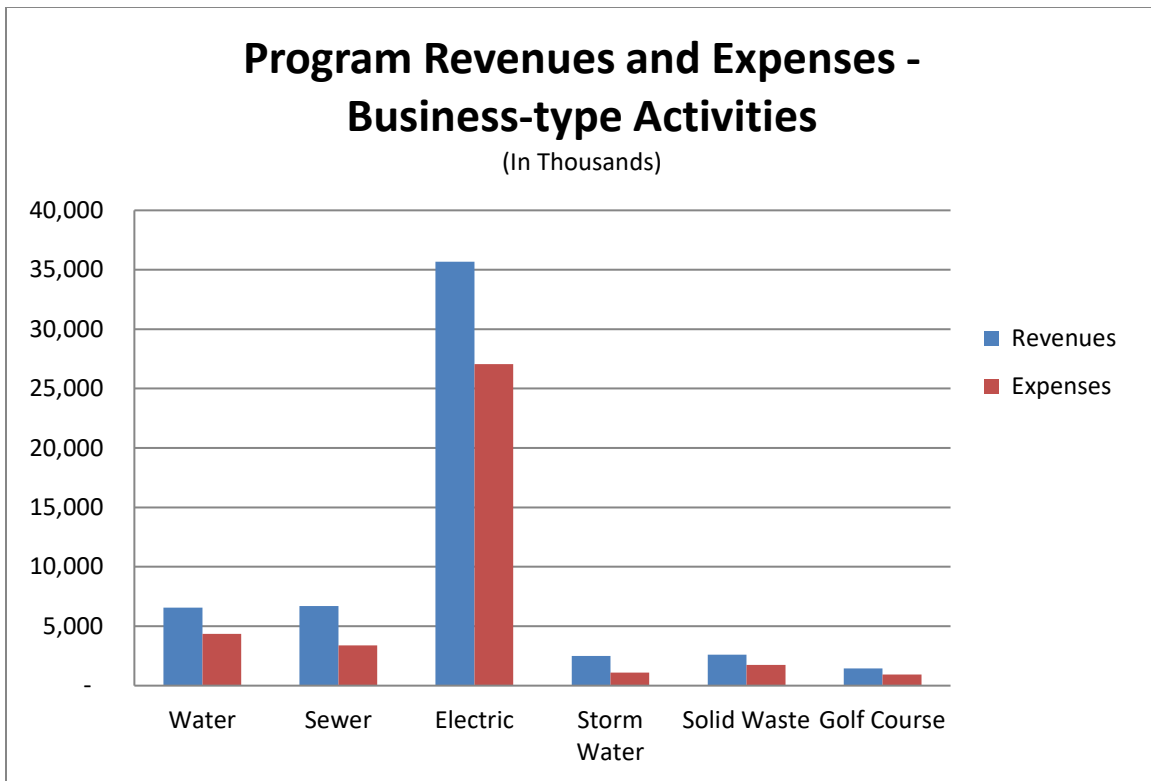
The graphs shown below display the government-wide activities reflected in the previous tables. Program revenues included in the second graph are fees charged for specific services performed by the various governmental functions (for purposes of this graph, general revenues such as property taxes, sales and uses taxes, etc. are not included).





As can be seen from the following charts, the majority of revenues in the business-type activities are from charges for services with 90% of the revenues coming from this source. The revenues from capital grants and contributions represent the value of grants or infrastructure systems donated to the City via subdivisions or other infrastructure being developed. Expenses for each fund only reflect direct operating costs. The expenses for capital projects, bond principal payments and inter-fund transfers are not included.



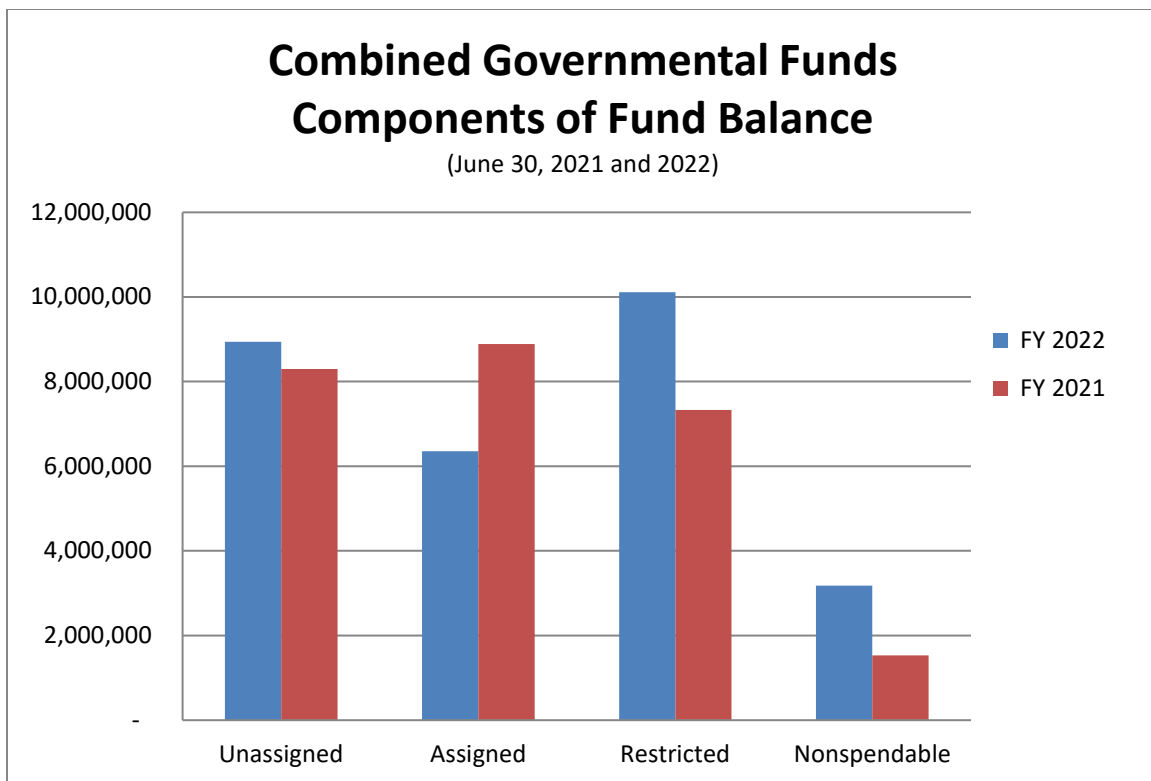


FINANCIAL ANALYSIS OF GOVERNMENT FUNDS

As noted earlier, Springville City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City's *governmental fund* statements is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the Springville City Council.

As of June 30, 2022, the City's governmental funds (General, Capital Projects, Debt Service, Special Revenue, and Permanent) reported combined fund balance of \$28,588,775. This represents an increase of \$2,550,452 from last year's ending balances (\$26,038,323). The *unassigned fund balance*, which is available for spending at the City's discretion, represents \$8,941,037 or 31.3% of the total fund balance. The remainder of the fund balance is either *nonspendable*, *restricted*, *committed*, or *assigned* to indicate that it is 1) not in spendable form (\$3,177,211), 2) legally restricted for particular purposes (\$10,114,704), 3) committed for particular purposes (\$0), or 4) assigned for particular purposes (\$6,355,823).



The General Fund is the chief operating fund of the City. All activities which are not required to be accounted for in separate funds, either by state or local ordinance or by a desire to maintain a matching of revenues and expenses, are accounted for in this fund. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. The unassigned fund balance increased \$646,261 to \$8,941,037, which is approximately 39% of total general fund expenditures, while total fund balance represents approximately 56% of that same amount. The increase in fund balance is attributable to higher-than-expected revenues, coupled with lower-than-budgeted expenses. An additional consideration is the fact that the State statute regarding General Fund reserve balance limits was recently increased to allow for unassigned fund balance of up to 35% of revenues. The current unassigned fund balance is 32% of revenues, which is higher than the previously allowed 25%, but well within the new fund balance limit.

The capital projects fund, a major fund, had a \$2,874,571 decrease in fund balance during the current fiscal year which put the overall fund balance at \$3,859,550. The decrease was primarily the result of property purchases that were made during the year.

Nonmajor governmental fund balances increased \$3,545,749 to \$11,896,611. These funds include the Springville Redevelopment Agency, Special Services Fund, Debt Service Fund, Municipal Building Authority, and Permanent Fund. The RDA has seen increased development activity in recent years resulting in tax increment revenues that can now be programmed for project expenses in the RDA boundaries. The RDA's fund balance increased \$170,757 to \$1,087,198. The Special Services Fund accounts for activities related to governmental services funded through impact fees. Considerable new development activity within the City has resulted in increased impact fee revenue, which can be programmed for growth-related projects contemplated in various impact fee facility plans. The Special Services fund balance increased by \$1,402,824 to \$6,438,229 as a result of impact fee revenues. The Permanent Fund includes the Cemetery Trust Fund, which retains a portion of plot sales revenue intended to support long-term maintenance of the City's cemeteries. The Permanent fund balance increased \$1,748,939 to \$3,980,633. The reason for the increase is

that the Permanent fund received a one-time matching program transfer from another fund for future incentives on grant funding and private donations that may require matching City funds. The Permanent Fund also holds a \$1,500,000 note receivable from the golf course that will be repaid over time with market-rate interest.

Proprietary Funds. As stated earlier, the City maintains several proprietary funds to account for the business-type activities of the City. The separate fund statements included in this report provide the same information for business-type activities as is provided in the government-wide financial statements; however, the difference is that the fund statements provide much more detail.

The City's major proprietary funds had unrestricted net position amounts as follows: Water Fund - \$3,694,886, a decrease \$2,666,452 from the previous year; Sewer Fund - \$8,214,471, an increase of \$1,334,580 over the previous year; Electric Fund - \$24,178,545, an increase of \$4,334,909; and Golf Fund - \$691,967, a decrease of \$30,440 from the previous year. The changes in net position are results of a number of factors. It is typically the policy of the City to implement small, inflationary adjustments to rates when warranted. Modest rate increases were implemented in FY 2022 partially because no rate increases were made during the pandemic. These new revenues benefitted most funds, but the timing of large capital projects also contributed to the utilization of fund balances that had been accumulating with the specific intent of funding these capital projects. This was particularly true in the Golf Fund and Water Fund. Significant new development resulted in greater-than-expected impact fee revenues, especially for the Electric Fund. Finally, an ongoing drought and a state-wide campaign encouraging water conservation resulted in lower-than-budgeted revenues in the Water Fund.

The nonmajor proprietary funds (Storm Water and Solid Waste) had a combined unrestricted net position of \$6,403,527, which is an increase of \$1,056,809 over the previous year. Factors contributing to the increase include the same economic conditions affecting the major proprietary funds explained above.

GENERAL FUND BUDGETARY HIGHLIGHTS

Original budget compared to final budget. During the fiscal year, the General Fund budget was amended from an original budget expenditure total (including transfers) of \$30,690,823 to a final budget of \$34,948,571. The budget increase represented adjustments of unanticipated expenditures related to grants received from various sources, mid-year wage adjustments to respond to market conditions and an increase in the budget to transfer general fund dollars to the capital improvement fund for previously unfunded projects.

Final budget compared to actual results. The most significant differences between estimated revenues and actual revenues were as follows:

Revenue Source	Estimated Revenues	Actual Revenues	Difference
Taxes	\$15,878,212	\$17,457,807	\$1,579,595
Licenses and permits	\$1,856,500	\$1,196,505	(\$659,995)

Tax revenues increases were mostly from sales tax, which increased significantly over the previous year. While significant commercial development occurred, anticipated residential development did not materialize, which resulted in lower-than-expected plan review and building permit fees. Charges for services were up modestly compared to the previous year.

As noted, expenditure budgets were amended during the year in order to provide for a number of unanticipated developments in economic conditions. The onset of significant inflation along with a continued tight labor market forced the city into making mid-year wage adjustments in response

to the market in order to keep skilled labor. Additionally, excess fund balances in the general fund were transferred to capital funds to pay for previously deferred capital improvements.

CAPITAL ASSET AND DEBT ADMINISTRATION

Springville City's investment in capital assets for its governmental and business-type activities as of June 30, 2022, amounts to \$236,151,756 (net of accumulated depreciation). This investment in capital assets includes land, water shares, buildings and systems, improvements, infrastructure (streets, sidewalks, curb and gutter, bridges, etc.), and machinery and equipment. The City's investment in capital assets for the current year increased by \$13,458,223. Governmental activities' capital assets increased by \$4,369,233 while the business-type activities' capital assets increased by \$9,088,990.

Major capital asset events during the current fiscal year included the following:

- Property purchases and developer land contributions- \$4,270,345
- Road improvements and reconstruction, including items from developers - \$1,839,388
- Fire station living quarter improvements – \$503,007
- Vehicle and equipment acquisition and replacement - \$1,032,385
- New water tank construction - \$2,686,508
- Waste water treatment plant improvements - \$1,521,750
- New development infrastructure (Power Dept.) - \$701,269
- Power substation improvements - \$636,059
- Golf course irrigation system improvements - \$2,547,811

SPRINGVILLE CITY'S CAPITAL ASSETS

	Governmental Activities		Business-type Activities	
	<u>2021-2022</u>	<u>2020-2021</u>	<u>2021-2022</u>	<u>2020-2021</u>
Land	\$ 35,305,363	\$ 31,036,618	\$ 1,719,507	\$ 1,717,907
Water Shares	-	-	1,374,919	1,374,919
Buildings	58,335,150	58,266,393	5,848,044	5,848,044
System Improvements	90,705,890	88,712,313	180,865,203	175,189,724
Machinery & Equipment	15,285,583	14,267,069	1,547,160	1,656,420
Construction in Progress	2,988,140	2,245,935	10,867,150	3,311,640
Right-to-use asset	-	-	168,082	-
Less Accumulated Depreciation	(78,069,255)	(74,346,690)	(90,789,180)	(86,586,759)
Total	<u>\$ 124,550,871</u>	<u>\$ 120,181,638</u>	<u>\$ 111,600,885</u>	<u>\$ 102,511,895</u>

Additional information on the City's capital assets can be found in the footnotes to this financial report and also the supplemental section.

Long-term debt - At June 30, 2022, the City had total long-term bonded debt balances of \$26,530,000. Of the total, \$9,945,000 is debt secured by specific revenue sources (i.e. revenue bonds within the Water and Sewer Utilities). The remainder is in a Municipal Building Authority Lease Revenue Bond of \$3,390,000, and general obligation bonds of \$13,195,000. The City also has unamortized premiums on bonds of \$2,222,956; accrued compensated absences of \$1,491,579; and leases payable of \$170,689.

SPRINGVILLE CITY'S OUTSTANDING DEBT

	Governmental Activities		Business-type Activities	
	<u>2020-2021</u>	<u>2020-2021</u>	<u>2020-2021</u>	<u>2020-2021</u>
General Obligation Bonds	\$ 13,195,000	\$ 14,110,000	\$ -	\$ -
Revenue Bonds	-	-	9,945,000	6,820,000
MBA Bonds	3,390,000	3,695,000	-	-
Unamortized Bond Premium	759,977	825,203	1,462,979	-
Net Pension Liability	-	676,823	-	341,584
Compensated Absences	885,827	898,228	605,752	575,849
Total	<u>\$ 18,230,804</u>	<u>\$ 20,205,254</u>	<u>\$ 12,184,120</u>	<u>\$ 7,737,433</u>

State statutes limit the amount of general obligation debt a governmental entity may issue to 4% of its total taxable value. The current limitation for the City is \$105,706,503. The City currently has \$13,195,000 outstanding in general obligation debt. State statute allows for an additional 8% to be used for water, sewer, storm water, or electrical projects. The current limitation for these water, sewer, storm water, and electrical projects is thus \$211,413,006. The City has issued significantly fewer bonds than this debt limit.

Additional information on the outstanding debt obligations of the City can be found in the footnotes to this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- Utah and Utah County, specifically, have largely been spared from severe economic impacts from the COVID-19 pandemic. The June 2022 unemployment rate for the Provo/Orem Metropolitan Area (of which Springville City is a part) was 2.3 percent compared to a state unemployment rate of 2.0 percent and a national rate of 3.6 percent. (Source: U.S. Bureau of Labor Statistics)
- Sales tax revenues increase approximately 17% over last year; however, a Consumer Price Index (for All Urban Consumers) increase of 9.1% negated much of the impact of the increased revenues. Inflationary pressures are anticipated to continue into the next budget year.
- Expenditures in the General Fund were approximately 14% higher than the previous year; operating expenses in the Enterprise Funds were approximately 7% higher than the previous year. These increases reflect continued growth, inflationary factors, and minor service level increases. Actual expenditures for FY 2021-2022 were approximately 17% less than budgeted General Fund expenditures because of voluntary budget reductions, personnel savings from unfilled positions and other line-item savings that contributed to actual expenditures being less than budget.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Springville City's finances for all those with an interest in the City's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to:

Finance Director, Springville City, 110 S Main St, Springville, UT 84663.

SPRINGVILLE CITY CORPORATION
Statement of Net Position
June 30, 2022

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 16,209,422	\$ 48,710,779	\$ 64,920,201
Investments	9,744,431	-	9,744,431
Receivables:			
Accounts, net	615,773	4,738,513	5,354,286
Property taxes	4,371,093	-	4,371,093
Other taxes	2,759,727	-	2,759,727
Prepays	25,930	-	25,930
Inventory	9,224	1,779,474	1,788,698
Internal balances	(5,015,043)	5,015,043	-
Interfund notes receivable (payable)	1,500,000	(1,500,000)	-
Lease receivables	286,813	-	286,813
Restricted cash and cash equivalents	11,884,031	6,762,206	18,646,237
Equity investment in joint venture	-	3,439,250	3,439,250
Net pension asset	3,346,630	1,668,497	5,015,127
Capital assets			
Non depreciable	38,293,503	13,961,576	52,255,079
Depreciable assets, net of depreciation	86,257,368	97,639,309	183,896,677
Total assets	170,288,902	182,214,647	352,503,549
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred outflows related to pensions	1,675,698	748,725	2,424,423
Total deferred outflows of resources	1,675,698	748,725	2,424,423
<u>LIABILITIES</u>			
Accounts payable	1,141,413	5,173,487	6,314,900
Accrued liabilities	663,364	198,363	861,727
Accrued interest payable	87,134	229,700	316,834
Developer and customer deposits	3,605,470	724,487	4,329,957
Unearned revenue	147,985	-	147,985
Noncurrent liabilities:			
Due within one year	1,712,914	1,257,628	2,970,542
Due in more than one year	16,517,890	10,926,792	27,444,682
Total liabilities	23,876,170	18,510,457	42,386,627
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred property taxes	4,331,079	-	4,331,079
Deferred lease revenue	271,044	-	271,044
Deferred inflows related to pensions	5,237,487	2,327,084	7,564,571
Total deferred inflows of resources	9,839,610	2,327,084	12,166,694
<u>NET POSITION</u>			
Net investment in capital assets	107,205,894	105,462,638	212,668,532
Restricted for:			
Debt service	366,918	597,298	964,216
Impact fees	5,705,927	7,867,456	13,573,383
Perpetual care	3,142,057	-	3,142,057
Capital projects	2,571,983	-	2,571,983
Grants and other projects	1,469,876	-	1,469,876
Unrestricted	17,786,165	48,198,439	65,984,604
Total net position	\$ 138,248,820	\$ 162,125,831	\$ 300,374,651

The accompanying notes are an integral part of this financial statement.

SPRINGVILLE CITY CORPORATION
Statement of Activities
For the Year Ended June 30, 2022

	Program Revenues				Net (Expense) Revenues and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities
Functions/Programs:						
Primary government:						
Governmental activities						
General government	\$ 4,843,887	\$ 1,031,384	\$ 89,684	\$ -	\$ (3,722,819)	\$ (3,722,819)
Public safety	6,891,534	1,348,476	2,139,064	369,323	(3,034,671)	(3,034,671)
Community development	1,092,331	1,016,253	-	-	(76,078)	(76,078)
Highways and public improvements	2,492,929	100,036	834,598	4,148,039	2,589,744	2,589,744
Parks and recreation	7,996,799	2,730,871	594,952	838,598	(3,832,378)	(3,832,378)
Interest on long-term debt	450,020	-	-	-	(450,020)	(450,020)
Total governmental activities	23,767,500	6,227,020	3,658,298	5,355,960	(8,526,222)	(8,526,222)
Business-type activities						
Water	4,353,095	5,430,979	-	1,138,886	\$ 2,216,770	2,216,770
Sewer	3,386,730	6,009,046	-	688,700	3,311,016	3,311,016
Electric	27,070,682	33,702,965	-	1,969,812	8,602,095	8,602,095
Storm Water	1,108,744	1,535,007	-	953,337	1,379,600	1,379,600
Solid Waste	1,741,353	2,173,896	-	427,803	860,346	860,346
Golf	939,275	1,346,109	-	100,000	506,834	506,834
Total business-type activities	38,599,879	50,198,002	-	5,278,538	16,876,661	16,876,661
Total primary government	\$ 62,367,379	\$ 56,425,022	\$ 3,658,298	\$ 10,634,498	(8,526,222)	16,876,661
General revenues and transfers:						
General Revenues:						
Taxes						
Property					4,876,097	-
Sales					8,851,734	-
Other taxes					4,228,658	-
Investment earnings					(131,376)	263,446
Miscellaneous					719,043	-
Transfers - net					930,517	(930,517)
Total general revenue and transfers					19,474,673	(667,071)
Change in net position					10,948,451	16,209,590
Net position - beginning					127,300,369	145,916,241
Net position - ending					\$ 138,248,820	\$ 162,125,831

The accompanying notes are an integral part of this financial statement.

SPRINGVILLE CITY CORPORATION
Balance Sheet – Governmental Funds
June 30, 2022

	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
<u>ASSETS</u>				
Cash and cash equivalents	\$ -	\$ 2,850,459	\$ 4,626,331	\$ 7,476,790
Investments	9,744,431	-	-	9,744,431
Receivables:				
Property taxes	4,021,093	-	350,000	4,371,093
Other taxes and grants	2,759,727	-	-	2,759,727
Special assessment	-	-	7,717	7,717
Other, net	605,340	-	2,716	608,056
Due from other funds	-	1,211,040	-	1,211,040
Interfund note receivable	-	-	1,500,000	1,500,000
Lease receivables	286,813	-	-	286,813
Inventory	9,224	-	-	9,224
Prepays	25,930	-	-	25,930
Restricted cash and cash equivalents	5,992,017	-	5,892,014	11,884,031
Total assets	\$ 23,444,575	\$ 4,061,499	\$ 12,378,778	\$ 39,884,852
<u>LIABILITIES</u>				
Accounts payable	\$ 894,032	\$ 53,964	\$ 132,167	\$ 1,080,163
Accrued liabilities	649,296	-	-	649,296
Due to other funds	1,211,040	-	-	1,211,040
Developer and customer deposits	3,605,470	-	-	3,605,470
Unearned revenue	-	147,985	-	147,985
Total liabilities	6,359,838	201,949	132,167	6,693,954
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred property taxes	3,981,079	-	350,000	4,331,079
Deferred lease revenue	271,044	-	-	271,044
Total deferred inflows of resources	4,252,123	-	350,000	4,602,123
<u>FUND BALANCES</u>				
Nonspendable	35,154	-	3,142,057	3,177,211
Restricted:				
Debt service	-	-	366,918	366,918
B & C roads	2,386,547	-	-	2,386,547
Transportation	1,469,876	-	-	1,469,876
Impact fees	-	-	5,705,927	5,705,927
Parks, art, and recreation projects	-	-	185,436	185,436
Assigned:				
Capital projects	-	3,859,550	-	3,859,550
Community improvements	-	-	2,496,273	2,496,273
Unassigned	8,941,037	-	-	8,941,037
Total fund balances	12,832,614	3,859,550	11,896,611	28,588,775
Total liabilities, deferred inflows of resources and fund balances	\$ 23,444,575	\$ 4,061,499	\$ 12,378,778	\$ 39,884,852

The accompanying notes are an integral part of this financial statement.

SPRINGVILLE CITY CORPORATION
Reconciliation of the Balance Sheet of Governmental Funds
To The Statement of Net Position
June 30, 2022

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total fund balances for governmental funds	\$ 28,588,775
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	124,550,871
Other long-term assets and deferred outflows of resources are not available for current period expenditures and, therefore, are not reported in the funds balance sheet.	5,022,328
The proprietary funds cumulative allocation of the internal service funds net income based on use of service are included in the entitywide statements.	(5,015,043)
Accrued interest on long-term debt is not due and payable in the current period and, therefore, is not recorded in the funds.	(87,134)
Long-term liabilities, including bonds, compensated absences, and notes are not due and payable in the current period and, therefore, are not reported in the funds.	(18,230,804)
Other long-term liabilities and deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds balance sheet.	(5,237,487)
The internal service fund is used by management to charge the cost of vehicles and related maintenance to other funds. The assets and liabilities of the internal services fund are included in the governmental activities in the Statement of Net Position.	<u>8,657,314</u>
Net position of governmental activities	<u><u>\$ 138,248,820</u></u>

The accompanying notes are an integral part of this financial statement.

SPRINGVILLE CITY CORPORATION
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
For the Year Ended June 30, 2022

	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
<u>REVENUES</u>				
Taxes	\$ 17,457,807	\$ -	\$ 498,682	\$ 17,956,489
Licenses and permits	1,196,505	-	-	1,196,505
Intergovernmental	4,295,372	1,002,047	-	5,297,419
Charges for services	4,504,208	-	122,657	4,626,865
Impact fees	-	-	1,615,693	1,615,693
Fines and forfeitures	403,650	-	-	403,650
Interest	(216,035)	14,879	22,937	(178,219)
Donations and reimbursements	106,223	-	135,650	241,873
Miscellaneous	209,362	-	509,681	719,043
Total revenues	27,957,092	1,016,926	2,905,300	31,879,318
<u>EXPENDITURES</u>				
Current:				
General government	5,770,971	-	-	5,770,971
Public safety	7,367,736	-	-	7,367,736
Community development	1,046,930	-	168,830	1,215,760
Highways and public improvements	1,534,694	-	-	1,534,694
Park, recreation, and public property	7,189,292	-	-	7,189,292
Capital outlay	-	5,335,901	205,333	5,541,234
Debt service:				
Principal	-	-	1,220,000	1,220,000
Interest and fiscal expenses	-	-	524,021	524,021
Total expenditures	22,909,623	5,335,901	2,118,184	30,363,708
Excess (deficiency) of revenues over (under) expenditures	5,047,469	(4,318,975)	787,116	1,515,610
<u>OTHER FINANCING SOURCES (USES)</u>				
Sale of capital assets	-	583,325	-	583,325
Transfers in	2,946,967	2,861,799	3,089,233	8,897,999
Transfers out	(6,115,162)	(2,000,720)	(330,600)	(8,446,482)
Total other financing sources (uses)	(3,168,195)	1,444,404	2,758,633	1,034,842
Net change in fund balances	1,879,274	(2,874,571)	3,545,749	2,550,452
Fund balances, beginning	10,953,340	6,734,121	8,350,862	26,038,323
Fund balances, ending	\$ 12,832,614	\$ 3,859,550	\$ 11,896,611	\$ 28,588,775

The accompanying notes are an integral part of this financial statement.

SPRINGVILLE CITY CORPORATION
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of
Governmental Funds To the Statement of Activities
For the Year Ended June 30, 2022

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances for governmental funds	\$ 2,550,452
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, assets with an initial cost of \$5,000 or more are capitalized and the cost is allocated over the assets estimated useful lives and reported as depreciation expense.	
Capital outlay	5,548,105
Depreciation expense	(3,333,215)
Contributed assets are not recorded in governmental funds because current resources are not expended for acquisition. The Statement of Activities records these contributed assets at their estimated fair value on the date of contribution.	
	1,859,273
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the payment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither type of transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued. These amounts are deferred and amortized in the Statement of Activities. These amounts are the net effect of these differences in the treatment of long-term debt and related items.	
Reduction of long-term liability	1,220,000
Amortization of bond premiums and deferred loss on refunding	65,226
Accrued pension costs are not reported as an expenditure in the current period for governmental funds but are recorded as an expense in the statement of activities.	
	1,543,247
Expenses are recognized in the governmental funds when paid or due; however, the Statement of Activities is presented on the accrual basis and expenses and liabilities are reported when incurred, regardless of when financial resources are available or expenses are paid or due.	
Accrued interest	8,775
Compensated absences	20,263
The proprietary funds allocation of the internal service fund net gain is based on use of service included in the entity-wide statements.	
	(334,329)
Internal service fund is used by management to charge the cost of centralized services to individual funds. The net income of the internal service fund is reported with governmental activities.	
	1,800,654
Change in net position of governmental activities	<u><u>\$ 10,948,451</u></u>

The accompanying notes are an integral part of this financial statement.

SPRINGVILLE CITY CORPORATION
Statement of Revenues, Expenditures, and Changes in Fund Balance –
Budget to Actual – General Fund
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<u>REVENUES</u>				
Taxes	\$ 15,878,212	\$ 15,878,212	\$ 17,457,807	\$ 1,579,595
Licenses and permits	1,856,500	1,856,500	1,196,505	(659,995)
Intergovernmental	1,937,112	3,992,819	4,295,372	302,553
Charges for services	4,166,685	4,175,685	4,504,208	328,523
Fines and forfeitures	453,000	453,000	403,650	(49,350)
Interest	170,000	175,000	(216,035)	(391,035)
Donations	119,000	146,500	106,223	(40,277)
Miscellaneous	100,000	100,000	209,362	109,362
Total revenues	24,680,509	26,777,716	27,957,092	1,179,376
<u>EXPENDITURES</u>				
Current:				
General government:				
City administrator	1,308,622	1,329,737	669,999	659,738
Information systems	524,402	533,820	420,338	113,482
Engineering	1,507,863	1,531,270	268,486	1,262,784
Cemetery	276,342	281,556	234,050	47,506
Mayor and city council	208,310	211,089	87,090	123,999
Finance and treasury	1,091,575	1,104,660	416,423	688,237
Nondepartmental	3,141,740	3,141,740	3,141,740	-
Legal services	785,247	811,751	532,845	278,906
Total general government	8,844,101	8,945,623	5,770,971	3,174,652
Public safety:				
Police	5,507,723	5,667,432	5,278,058	389,374
Fire	1,673,008	1,893,196	1,779,394	113,802
Court	333,773	340,915	310,284	30,631
Total public safety	7,514,504	7,901,543	7,367,736	533,807
Highways and public improvements:				
Public works	537,110	545,020	113,411	431,609
Streets	1,591,729	1,613,337	1,421,283	192,054
Total highways and public improvements	2,128,839	2,158,357	1,534,694	623,663

(Continued)

The accompanying notes are an integral part of this financial statement.

SPRINGVILLE CITY CORPORATION
Statement of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual – General Fund (Continued)
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Parks and recreation:				
Parks	1,728,904	1,751,642	1,647,339	104,303
Recreation	1,003,569	1,048,193	1,110,638	(62,445)
Art museum	1,147,105	1,230,610	1,138,022	92,588
Swimming pool	1,801,040	1,822,788	1,859,323	(36,535)
Library	1,181,532	1,233,082	1,254,125	(21,043)
Senior citizens	112,700	115,106	106,638	8,468
Arts commission	87,849	88,667	73,207	15,460
Total parks and recreation	<u>7,062,699</u>	<u>7,290,088</u>	<u>7,189,292</u>	<u>100,796</u>
Community development:				
Building inspection	594,327	606,912	568,567	38,345
Planning and zoning	702,666	730,886	478,363	252,523
Total community development	<u>1,296,993</u>	<u>1,337,798</u>	<u>1,046,930</u>	<u>290,868</u>
Total expenditures	<u>26,847,136</u>	<u>27,633,409</u>	<u>22,909,623</u>	<u>4,723,786</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,166,627)</u>	<u>(855,693)</u>	<u>5,047,469</u>	<u>5,903,162</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	5,943,606	5,957,206	2,946,967	(3,010,239)
Transfers out	<u>(3,843,687)</u>	<u>(7,315,162)</u>	<u>(6,115,162)</u>	<u>1,200,000</u>
Net other financing sources (uses)	<u>2,099,919</u>	<u>(1,357,956)</u>	<u>(3,168,195)</u>	<u>(1,810,239)</u>
Net change in fund balance	<u>\$ (66,708)</u>	<u>\$ (2,213,649)</u>	<u>1,879,274</u>	<u>\$ 4,092,923</u>
Fund balance, beginning of year			<u>10,953,340</u>	
Fund balance, end of year			<u><u>\$ 12,832,614</u></u>	

The accompanying notes are an integral part of this financial statement.

SPRINGVILLE CITY CORPORATION
Statement of Net Position – Proprietary Funds
June 30, 2022

	Business-type Activities - Enterprise Funds						Governmental Activities Internal Service Fund
	Water	Sewer	Electric	Golf Course	Nonmajor Enterprise Funds	Total	
<u>ASSETS</u>							
Current assets:							
Cash and cash equivalents	\$ 5,518,449	\$ 8,238,530	\$ 27,290,439	\$ 2,740,806	\$ 4,922,555	\$ 48,710,779	\$ 8,732,632
Accounts receivable, net	857,331	473,318	3,064,704	113	343,047	4,738,513	-
Inventory	386,386	-	1,393,088	-	-	1,779,474	-
Total current assets	6,762,166	8,711,848	31,748,231	2,740,919	5,265,602	55,228,766	8,732,632
Noncurrent assets:							
Restricted cash and cash equivalents	5,691,660	432,909	637,637	-	-	6,762,206	-
Capital assets:							
Land	201,267	40,860	273,498	341,520	862,362	1,719,507	-
Water shares	1,374,919	-	-	-	-	1,374,919	-
Construction in progress	4,512,464	179,693	3,106,122	2,547,812	521,059	10,867,150	-
Buildings	399,906	-	2,632,422	1,965,450	850,266	5,848,044	-
Improvements other than buildings	54,419,858	43,433,461	75,529,553	-	7,482,331	180,865,203	-
Machinery and equipment	234,085	362,570	372,094	146,908	431,503	1,547,160	10,328,418
Right to use leased asset	-	-	-	168,082	-	168,082	-
Accumulated depreciation	(18,364,925)	(19,210,723)	(49,560,653)	(1,743,502)	(1,909,377)	(90,789,180)	(6,343,923)
Net capital assets	42,777,574	24,805,861	32,353,036	3,426,270	8,238,144	111,600,885	3,984,495
Other assets:							
Equity investment in joint venture	-	-	-	-	3,439,250	3,439,250	-
Net pension asset	281,362	197,905	952,337	97,201	139,692	1,668,497	147,536
Total other assets	281,362	197,905	952,337	97,201	3,578,942	5,107,747	147,536
Total noncurrent assets	48,750,596	25,436,675	33,943,010	3,523,471	11,817,086	123,470,838	4,132,031
Total assets	55,512,762	34,148,523	65,691,241	6,264,390	17,082,688	178,699,604	12,864,663
<u>DEFERRED OUTFLOWS OF RESOURCES</u>							
Deferred outflows related to pensions	126,259	88,808	427,354	43,618	62,686	748,725	66,206
Total deferred outflows of resources	126,259	88,808	427,354	43,618	62,686	748,725	66,206

The accompanying notes are an integral part of this financial statement.

SPRINGVILLE CITY CORPORATION
Statement of Net Position – Proprietary Funds (Continued)
June 30, 2022

	Business-type Activities - Enterprise Funds						Governmental Activities Internal Service Fund
	Water	Sewer	Electric	Golf Course	Nonmajor Enterprise Funds	Total	
<u>LIABILITIES</u>							
Current liabilities:							
Accounts payable	\$ 2,033,817	\$ 373,268	\$ 2,179,393	\$ 482,964	\$ 104,045	\$ 5,173,487	\$ 61,250
Accrued liabilities	30,918	23,789	102,849	23,046	17,761	198,363	14,068
Deposits	86,850	-	637,637	-	-	724,487	-
Accrued interest payable	157,641	72,059	-	-	-	229,700	-
Compensated absences	47,992	19,477	196,648	24,096	14,663	302,876	24,109
Bonds payable	294,490	605,510	-	-	-	900,000	-
Leases payable	-	-	-	54,752	-	54,752	-
Total current liabilities	2,651,708	1,094,103	3,116,527	584,858	136,469	7,583,665	99,427
Noncurrent liabilities:							
Compensated absences	47,992	19,476	196,648	24,097	14,663	302,876	24,109
Bonds payable	6,239,175	4,268,804	-	-	-	10,507,979	-
Leases payable	-	-	-	115,937	-	115,937	-
Interfund note payable	-	-	-	1,500,000	-	1,500,000	-
Total noncurrent liabilities	6,287,167	4,288,280	196,648	1,640,034	14,663	12,426,792	24,109
Total liabilities	8,938,875	5,382,383	3,313,175	2,224,892	151,132	20,010,457	123,536
<u>DEFERRED INFLOWS OF RESOURCES</u>							
Deferred inflows related to pensions	392,421	276,021	1,328,243	135,568	194,831	2,327,084	205,771
Total deferred inflows of resources	392,421	276,021	1,328,243	135,568	194,831	2,327,084	205,771
<u>NET POSITION</u>							
Net investment in capital assets	41,684,330	19,931,547	32,353,036	3,255,581	8,238,144	105,462,638	4,050,701
Restricted for impact fees	764,120	-	4,945,596	-	2,157,740	7,867,456	-
Restricted for debt service	164,389	432,909	-	-	-	597,298	-
Unrestricted	3,694,886	8,214,471	24,178,545	691,967	6,403,527	43,183,396	8,550,861
Total net position	\$ 46,307,725	\$ 28,578,927	\$ 61,477,177	\$ 3,947,548	\$ 16,799,411	157,110,788	\$ 12,601,562

Amounts reported for business activities in the statement of net position are different because:

Internal service funds are used by management to charge the costs of vehicles and fleet services to other funds. The net adjustment to report the cumulative internal balance for the net effect of activity between the internal service funds and the enterprise funds over time.

	5,015,043
Net position (proprietary funds/entity-wide)	\$ 162,125,831

The accompanying notes are an integral part of this financial statement.

SPRINGVILLE CITY CORPORATION
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds
For the Year Ended June 30, 2022

	Business-type Activities - Enterprise Funds						Governmental Activities Internal Service Fund
	Water	Sewer	Electric	Golf Course	Nonmajor Enterprise Funds	Total	
<u>OPERATING REVENUES</u>							
Sales and charges for services	5,224,175	\$ 4,963,629	\$ 33,406,451	\$ 1,340,051	\$ 3,558,443	\$ 48,492,749	\$ 3,307,381
Connection fees	86,696	-	191,465	-	-	278,161	-
Miscellaneous income	120,108	1,163,015	105,049	6,058	150,460	1,544,690	4,238
Total operating revenues	5,430,979	6,126,644	33,702,965	1,346,109	3,708,903	50,315,600	3,311,619
<u>OPERATING EXPENSES</u>							
Salaries and benefits	922,526	682,551	3,014,151	467,706	473,119	5,560,053	508,935
Administrative	1,954,516	1,625,851	22,133,447	438,850	2,288,709	28,441,373	869,565
Depreciation	1,313,907	1,002,361	2,032,814	36,834	203,573	4,589,489	737,315
Total operating expenses	4,190,949	3,310,763	27,180,412	943,390	2,965,401	38,590,915	2,115,815
Operating income	1,240,030	2,815,881	6,522,553	402,719	743,502	11,724,685	1,195,804
<u>NONOPERATING REVENUES (EXPENSES)</u>							
Equity income of joint venture	-	-	-	-	427,803	427,803	-
Impact fees	571,506	379,528	1,969,812	-	579,951	3,500,797	-
Grants	-	-	-	100,000	-	100,000	-
Interest income	36,871	47,128	147,158	10,952	21,337	263,446	46,843
Interest and fiscal expenses	(196,681)	(139,742)	-	(6,870)	-	(343,293)	-
Gain (loss) on disposal of assets	-	(117,598)	-	-	-	(117,598)	79,007
Total nonoperating revenues (expenses)	411,696	169,316	2,116,970	104,082	1,029,091	3,831,155	125,850

The accompanying notes are an integral part of this financial statement.

SPRINGVILLE CITY CORPORATION
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds (Continued)
For the Year Ended June 30, 2022

Income before contributions and transfers	1,651,726	2,985,197	8,639,523	506,801	1,772,593	15,555,840	1,321,654
Capital contributions	567,380	309,172	-	-	373,386	1,249,938	-
Transfers in	-	60,000	-	1,971,130	-	2,031,130	479,000
Transfers out	(399,218)	(356,205)	(1,950,592)	-	(255,632)	(2,961,647)	-
Change in net position	1,819,888	2,998,164	6,688,931	2,477,931	1,890,347	15,875,261	1,800,654
Total net position, beginning	44,487,837	25,580,763	54,788,246	1,469,617	14,909,064	141,235,527	10,800,908
Total net position, ending	<u>\$ 46,307,725</u>	<u>\$ 28,578,927</u>	<u>\$ 61,477,177</u>	<u>\$ 3,947,548</u>	<u>\$ 16,799,411</u>	<u>\$ 157,110,788</u>	<u>\$ 12,601,562</u>

Change in net position (proprietary funds) \$ 15,875,261

Amounts reported for business activities in the statement of activities are different because:

Internal service funds are used by management to charge the costs of vehicles and fleet services to other funds. The net current year activity associated with the internal service fund was allocated based on use of service to the individual funds in the statement of activities.

334,329

Change in net position (proprietary funds/entity-wide) \$ 16,209,590

The accompanying notes are an integral part of this financial statement.

SPRINGVILLE CITY CORPORATION
Statement of Cash Flows – Proprietary Funds
For the Year Ended June 30, 2022

	Business-type Activities - Enterprise Funds					Governmental
	Water	Sewer	Electric	Golf Course	Nonmajor Enterprise Funds	Activities Internal Service Fund
Cash flows from operating activities						
Receipts from customers and users	\$ 5,165,481	\$ 6,125,116	\$ 32,979,873	\$ 1,369,952	\$ 3,682,384	\$ 49,322,806
Payments to suppliers	(219,706)	(1,790,867)	(22,324,382)	(448,253)	(2,255,921)	(27,039,129)
Payments to employees	(1,055,701)	(826,500)	(3,586,808)	(521,332)	(565,149)	(6,555,490)
Net cash provided by operating activities	3,890,074	3,507,749	7,068,683	400,367	861,314	15,728,187
Cash flows from noncapital financing activities						
Transfers from other funds	-	60,000	-	1,971,130	-	2,031,130
Transfers to other funds	(399,218)	(356,205)	(1,950,592)	-	(255,632)	(2,961,647)
Net cash provided (used) by noncapital financing activities	(399,218)	(296,205)	(1,950,592)	1,971,130	(255,632)	(930,517)
Cash flows from capital and related financing activities						
Aquisition of capital assets	(4,643,836)	(1,808,569)	(3,001,573)	(2,251,365)	(376,267)	(12,081,610)
Capital grants	-	-	-	100,000	-	100,000
Proceeds from sale of assets	-	-	-	-	-	-
Impact fees received	571,506	379,528	1,969,812	-	579,951	3,500,797
Advances from other funds	-	-	-	1,500,000	-	1,500,000
Proceeds from issuance of debt	6,564,531	4,926,290	-	224,110	-	11,714,931
Principal paid on capital debt	(1,350,360)	(5,469,640)	-	(53,421)	-	(6,873,421)
Interest paid on capital debt	(85,660)	(183,471)	-	(6,870)	-	(276,001)
Net cash used by capital and related financing activities	1,056,181	(2,155,862)	(1,031,761)	(487,546)	203,684	(2,415,304)
Cash flows from investing activities						
Interest received	36,871	47,128	147,158	10,952	21,337	263,446
Net cash provided by investing activities	36,871	47,128	147,158	10,952	21,337	263,446

(Continued)

SPRINGVILLE CITY CORPORATION
Statement of Cash Flows – Proprietary Fund (Continued)
For the Year Ended June 30, 2022

	Business-type Activities - Enterprise Funds					Governmental Activities	
	Water	Sewer	Electric	Golf Course	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
Net increase (decrease) in cash and cash equivalents	4,583,908	1,102,810	4,233,488	1,894,903	830,703	12,645,812	1,414,868
Cash and cash equivalents, beginning of year	6,626,201	7,568,629	23,694,588	845,903	4,091,852	42,827,173	7,317,764
Cash and cash equivalents, end of year	<u>\$ 11,210,109</u>	<u>\$ 8,671,439</u>	<u>\$ 27,928,076</u>	<u>\$ 2,740,806</u>	<u>\$ 4,922,555</u>	<u>\$ 55,472,985</u>	<u>\$ 8,732,632</u>
Unrestricted cash	\$ 5,518,449	\$ 8,238,530	\$ 27,290,439	\$ 2,740,806	\$ 4,922,555	\$ 48,710,779	\$ 8,732,632
Restricted cash	5,691,660	432,909	637,637	-	-	6,762,206	-
Total cash and cash equivalents	<u>\$ 11,210,109</u>	<u>\$ 8,671,439</u>	<u>\$ 27,928,076</u>	<u>\$ 2,740,806</u>	<u>\$ 4,922,555</u>	<u>\$ 55,472,985</u>	<u>\$ 8,732,632</u>
Reconciliation of operating income to net cash provided by operating activities							
Operating income	\$ 1,240,030	\$ 2,815,881	\$ 6,522,553	\$ 402,719	\$ 743,502	\$ 11,724,685	\$ 1,195,804
Adjustments to reconcile operating income to net cash provided by operating activities:							
Depreciation and amortization	1,313,907	1,002,361	2,032,814	36,834	203,573	4,589,489	737,315
Changes in assets and liabilities:							
Accounts receivable	(274,698)	(1,528)	(743,812)	23,843	(26,519)	(1,022,714)	18,025
Prepays	(18,700)	-	(299,295)	-	-	(317,995)	-
Accounts payable	1,753,510	(165,016)	108,360	(9,403)	32,788	1,720,239	(17,747)
Accrued liabilities	9,314	4,680	21,017	4,913	4,953	44,877	1,352
Deposits	9,200	-	20,720	-	-	29,920	-
Unearned revenue	-	-	-	-	-	-	-
Compensated absences	20,396	(12,871)	18,307	5,152	(1,081)	29,903	7,862
Net pension liability	(162,885)	(135,758)	(611,981)	(63,691)	(95,902)	(1,070,217)	(100,208)
Net cash provided by operating activities	<u>\$ 3,890,074</u>	<u>\$ 3,507,749</u>	<u>\$ 7,068,683</u>	<u>\$ 400,367</u>	<u>\$ 861,314</u>	<u>\$ 15,728,187</u>	<u>\$ 1,842,403</u>
Noncash investing, capital and financing activities							
Capital contributions - developers	\$ 567,380	\$ 309,172	\$ -	\$ -	\$ 373,386	\$ 1,249,938	\$ -
Equity investment adjustment for net income and ownership changes	\$ -	\$ -	\$ -	\$ -	\$ 427,803	\$ -	\$ -

The accompanying notes are an integral part of this financial statement.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Springville (the City) was incorporated in 1903 under the laws of the State of Utah. The City operates under a Mayor-Council form of government. The City is a municipal corporation governed by an elected five-member Council and Mayor. The City provides the following services as authorized by its charter: general administrative services, public safety (police and fire), highway and streets, electric, water, solid waste, water reclamation, storm water, recreation and parks, public improvements, and planning and zoning.

The City's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the City are discussed below.

Reporting Entity

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the primary government's operations. Thus, blended component units are appropriately presented as funds of the primary government.

The Redevelopment Agency of the City of Springville (RDA) was established to prepare and carry out plans to improve, rehabilitate and redevelop blighted areas within the City. The RDA is governed by a board of trustees composed of the City Mayor and members of the City Council. Although it is a legally separate entity from the City, the RDA is reported as if it were part of the primary government because of the City's ability to impose its will upon the operations of the RDA. The RDA is included in these financial statements as the Redevelopment Agency Special Revenue Fund. Separate financial statements are not issued for the RDA.

The Municipal Building Authority of the City of Springville (MBA) was established to finance and construct municipal buildings that are then leased to the City. The governing board of the MBA is comprised of the Mayor and members of City Council. Although it is a legally separate entity from the City, the MBA is reported as if it were part of the primary government because of the City's ability to impose its will upon the operations of the MBA. The MBA is included in these financial statements as the Municipal Building Authority Debt Service Fund. Separate financial statements are not issued for the MBA.

The joint venture with South Utah Valley Solid Waste District is included in the City's reporting entity because of the significance of its operational and financial relationships with the City. Complete financial statements of the joint venture, which issued separate financial statements, can be obtained from their administrative offices.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City's general administrative services, police and fire protection (public safety), parks and recreation, and highways and public improvements are classified as governmental activities. The City's water, sewer, electric, storm water, solid waste services, and golf course are classified as business-type activities.

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the City and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes, charges for services, and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those which are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items properly excluded from program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The use of financial resources to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as an other financing source. Amounts paid to reduce long-term debt of the City are reported as a reduction of the related liability, rather than an expenditure in the government-wide financial statements.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt-service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales tax, use taxes, franchise taxes, licenses, interest, and earned but unreimbursed state and federal grants associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Property taxes are measurable as of the date levied (assessed) and are recognized as revenues when they become available. Available means when due, or past due, and received within the current period or collected soon enough thereafter (within 60 days) to be used to pay liabilities of the current period. All other revenues are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

- The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except for those required to be accounted for in another fund.
- The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of the major capital facilities of the City (other than those financed by proprietary funds).

The City reports the following major proprietary funds:

- The Water Fund accounts for the activities of the City's water production, treatment and distribution operations.
- The Sewer Fund accounts for the activities of the City's sewer treatment operations.
- The Electric Fund accounts for the activities of the City's electric generation and distribution operations.
- The Golf Course Fund for the activities of the City's golf course operations at Hobble Creek.

Internal Service Fund – The internal service fund accounts for the costs of procurement and maintenance of vehicles and equipment owned by the City.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments to the General Fund by various enterprise funds for the providing of administrative and billing services for such funds. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. General revenues include all taxes imposed by the City.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of all enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds includes the cost of sales and services. Operating expenses for enterprise funds includes the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Assets, Liabilities, Deferred Outflows/Inflows, and Net Position

Cash, Cash Equivalents, and Investments The City considers all cash and investments with original maturities of three months or less to be cash and cash equivalents and includes deposits with financial institutions, money market accounts, bond reserve accounts, and accounts at the Utah Public Treasurer's Investment Trust (the State Treasurer's Pool). For the purpose of the statement of cash flows, cash and cash equivalents are defined as the cash and cash equivalent accounts and the restricted cash and cash equivalents accounts. Investments consist of debt securities and term deposits with financial institutions. Investments of the City are recorded at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

Receivables and Payables Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not available financial resources.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows, and Net Position (Continued)

Receivables and Payables (Continued)

Management has estimated the allowance for uncollectibles to be \$339,129 for governmental funds and \$83,500 for proprietary funds, which is estimated based on historical trends related to collections.

Other receivables at June 30, 2022, consist of property taxes, franchise taxes, sales tax, grants and accounts (billings for user charged services, including unbilled utility services) and are shown net of an allowance for uncollectibles. The utility billings for charged services are billed to customers monthly.

Lease Receivables The City is a lessor for noncancellable leases of land for cell phone towers. The City's lease receivables are measured at the present value of lease payments expected to be received during the lease term. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized over the term of the lease. These receivables and deferred inflows are recognized on the government-wide and governmental fund financial statements.

Key estimates and judgments include how the city determines 1) the discount rate it used to discount expected lease receipts to present value, 2) lease term, and 3) lease receipts. The City uses its estimated incremental borrowing rate, if the rate is not stated in the agreement, as the discount rate for leases. The lease term is based on initial noncancellable period and anticipated renewal options that are expected to be exercised. Lease receipts included in the measurement of lease receivable are generally composed of fixed payments from the lessee. The City monitors changes in circumstances that would require a remeasurement of its lease and will adjust the lease receivable and related deferred inflow of resource for significant changes.

Restricted Assets Assets whose use is restricted for construction, debt service or by other independent third parties, enabling legislation, or other laws and statutes. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Inventories and Prepaid Items Inventories of materials and supplies in the proprietary funds, consisting principally of materials used in the repair of the transmission, distribution, collection and treatment systems, are valued at cost and accounted for on a first-in, first-out basis (FIFO). Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows, and Net Position (Continued)

Capital Assets Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The City reports infrastructure assets on a network and subsystem basis. Accordingly, the amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported in the government-wide financial statements.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed.

Upon retirement or disposition of capital assets, the cost and related accumulated depreciation are removed from the respective accounts. Depreciation of capital assets is computed using the straight-line method over their estimated useful lives as follows:

<u>Assets</u>	<u>Years</u>
Buildings and structures	20 - 40
Improvements and infrastructure	7 - 40
Machinery, equipment, and vehicles	5 - 15

Unearned Revenue Unearned revenue arises when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the revenue is recognized.

Compensated Absences The City has two benefit programs for compensated absences. Under the first program, accumulated unpaid vacation is accrued as incurred based on years of service for each employee. Vacation is accumulated monthly and is fully vested when earned. At retirement, death, or termination, all unpaid accrued vacation is paid to the beneficiary at designated maximum amounts per City policy. Accumulated sick leave is earned at a rate of one day per month and employees have an option to sell back to the City 25% of current year accrual each November. Sick pay amounts are charged to expenditures when incurred. Employees may accumulate unlimited sick leave. Employees who retire are paid 25% of accumulated sick leave at retirement. Under the second program, employees accrue paid time off based on years of service. At retirement, death, or termination, all unpaid paid time off is paid to the beneficiary at designated maximum amounts per City policy. Proprietary funds expense all accrued vacation amounts when incurred. Governmental funds report an expenditure as the vacation is paid or at termination. The current portion is determined by the City to be the portion of vacation pay due employees who terminated prior to year-end.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows, and Net Position (Continued)

Compensated Absences (Continued)

The total compensated absences liability is reported on the government-wide financial statements. Proprietary funds report the total compensated absences liability in each individual fund at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only when it is due for payment in the current fiscal year. Historically, compensated absences are paid by the individual funds as they become due, for governmental funds, most of the costs are paid by the General Fund.

Deferred Inflows and Outflows of Resources In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenues from property taxes (property taxes which will be levied and collected more than 60 days after year end) in this category. These amounts are deferred and recognized as an inflow of resources in the period in which the amounts become available. The City also has deferred inflows relating to pensions and leases.

Deferred outflows of resources represent a consumption of net assets that applies to a future period and is therefore deferred until that time. A deferred loss on refunding results from the difference in the carrying value of the refunded debt and the reacquisition price. The City also has deferred outflows relating to pensions.

Pensions For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems Pension Plan (URS) and additions to/deductions from URS's fiduciary net position have been determined on the same basis as they are reported by URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Historically, pension costs are paid by the individual funds as they become due, for governmental funds, most of the costs are paid by the General Fund.

Long-Term Obligations and Leases In the government-wide financial statements and proprietary funds, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary funds' Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the applicable debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period as other financing sources or uses. The face amount of debt issued is also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures in the current period.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows, and Net Position (Continued)

Long-Term Obligations and Leases (Continued)

The City recognizes a lease payable and an intangible right-to-use leased asset in the government-wide and proprietary fund financial statements for individual values over \$5,000. At the commencement of a lease, the City measures the lease payable at the present value of payments expected to be made during the lease term. Subsequently, the lease payable is reduced by the principal amount of the lease payments. The leased asset is measured at the initial amount of the lease payable, adjusted for lease payments made at or before the lease commencement date, plus initial direct costs. The leased asset is amortized over its useful life. The key estimates and assumption used in lease receivables, as described above, are also similarly applied here for the lease payable.

Fund Balance and Net Position Net position is classified in the government-wide financial statements in three components:

- (1) *Net investment in capital assets* - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- (2) *Restricted net position* - consists of net position with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation.
- (3) *Unrestricted net position* - All other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

GASB Statement No. 54 provided new reporting categories for fund balance in governmental funds. The categories and descriptions are as follows:

- (1) *Nonspendable fund balance* classification includes amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact.
- (2) *Restricted fund balance* classifications are restricted by enabling legislation. Also reported if, (a) externally imposed by creditor, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- (3) *Committed fund balance* classification includes amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows, and Net Position (Continued)

Fund Balance and Net Position (Continued)

- (4) *Assigned fund balance* classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The governing council (council) has by resolution authorized the finance director to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.
- (5) *Unassigned fund balance* classification is the residual classification for the General Fund or funds with deficit fund balances. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

Proprietary funds report net position in the same manner as the government-wide statements.

When restricted, committed, assigned, or unassigned resources are available for use, it is the City's policy to use restricted resources first, followed by committed resources, then assigned, and then unassigned as they are needed.

Estimates The preparation of the financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of certain financial statement balances. Actual results could vary from those estimates.

Reclassifications

Certain amounts have been reclassified in the 2021 financial statements to conform with the 2022 presentation.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Data

Annual budgets are prepared and adopted, in accordance with State law, by the City Council on or before June 22 for the following fiscal year. Estimated revenues and appropriations may be increased or decreased by resolution of the City Council at any time during the year. A public hearing must be held prior to any proposed increase in a fund's appropriations. Budgets include activities in several different funds, including the General Fund, Special Revenue Funds and Enterprise Funds. The Cemetery Fund (Permanent Fund) does not adopt an annual budget. Annual budgets are also adopted for capital projects which may include activities which overlap several fiscal years. The level of the City's budgetary control (that is, the level at which the City's expenditures cannot legally exceed the appropriated amounts) is established at the department level. Each department head is responsible to the City Administrator and City Council for operating within the budget for their departments. All annual budgets lapse at fiscal year-end.

Utah State law prohibits the appropriation of the sum of unassigned, assigned, and committed General Fund balance until it exceeds 5% of the General Fund revenues. Until the sum of the stated fund balance categories is greater than the above amount, it cannot be budgeted, but is used to provide working capital until tax revenue is received, to meet emergency expenditures, and to cover unanticipated deficits. Utah State law also prohibits the accumulation of the stated fund balance categories in the General Fund in any amounts greater than 35% of the current year's total actual revenues.

The Mayor, in conjunction with the appropriate department head, has the authority to transfer budget appropriations within and between any divisions of any budgetary fund. The City Council has the authority to transfer budget appropriations between individual budgetary funds by resolution. A public hearing must be held to increase the total appropriations of any one governmental fund type; however, after the original public hearing, operating and capital budgets or proprietary fund types may be increased by resolution without an additional hearing.

Annual budgets for the general fund, special revenue funds, debt service fund, and capital projects funds were legally adopted by the City and are prepared on the modified-accrual method of accounting. Annual budgets for the proprietary funds are legally adopted by the City and prepared on the accrual method of accounting.

Although Utah State law requires the initial preparation of budgets for all City funds (both governmental and proprietary), it only requires the reporting of comparisons of actual results to budgets for the general fund and any major special revenue funds.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Tax Revenues

Property taxes are collected by the County Treasurer and remitted to the City in two to three installments in November, December and a final settlement by March 31st. Taxes are levied and are due and payable on November 1st and delinquent after November 30th of each year at which time they become liens if not paid. An accrual of uncollected current and prior year's property taxes beyond that which was received within 60 days after the fiscal year end has not been made, as the amounts are not deemed to be material.

Sales taxes are collected by the Utah State Tax Commission and remitted to the City monthly. An accrual has been made for all taxes received by the State for the period ended June 30th and thus due and payable to the City.

Franchise taxes are charged to various utility companies doing business with the City including telephone, cable television, gas utility, and electric utility companies. The fees are remitted on a monthly, quarterly, semi-annual, or annual basis. An accrual has made for fees due and payable to the City at June 30th.

3. DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. Cash includes amounts in demand deposits as well as term deposits. Each fund's portion of this pool is displayed on the combined balance sheet as "cash and cash equivalents" and "restricted cash and cash equivalents," which includes cash accounts that are separately held by several of the City's funds. The State of Utah Money Management Council has the responsibility to advise the State Treasurer about investment policies, promote measures and rules that will assist in strengthening the banking and credit structure of the state, and review the rules adopted under the authority of the State of Utah Money Management Act (UMMA) that relate to the deposit and investment of public funds.

The City's follows the requirements of UMMA (*Utah Code*, Title 51, Chapter 7) in handling its depository and investment transactions. The Act requires the depositing of City funds in a qualified depository, which is defined as a financial institution whose deposits are insured by an agency of the Federal Government and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council. UMMA defines types of securities authorized as appropriate investments for the City's funds and the conditions for making investment transactions. Investment transactions may be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

3. DEPOSITS AND INVESTMENTS (CONTINUED)

Statutes authorize the City to invest in negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as “first tier” by two nationally recognized statistical rating organizations; bankers’ acceptances; obligations of the United States Treasury including bills, notes, and bonds; obligations, other than mortgage derivative products, issued by U.S. government sponsored enterprises (U.S. Agencies) such as the Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae); bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed rate corporate obligations and variable rate securities rated “A” or higher, or the equivalent of “A” or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in UMMA; and the Utah State Public Treasurers’ Investment Fund.

The Utah State Treasurer’s Office operates the Public Treasurers’ Investment Fund (PTIF). The PTIF is available for investment of funds administered by any Utah public treasurer and is not registered with the SEC as an investment company. The PTIF is authorized and regulated by UMMA. The Act established the Money Management Council which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses of the PTIF, net of administration fees, are allocated based upon the participant’s average daily balance. The fair value of the PTIF investment pool is approximately equal to the value of the pool shares.

Fair Value of Investments

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Financial instruments with unadjusted, quoted prices listed on active market exchanges.
- Level 2: Financial instruments lacking unadjusted, quoted prices from active market exchanges, including over-the-counter traded financial instruments. The prices for the financial instruments are determined using prices for recently traded financial instruments with similar underlying terms as well as directly or indirectly observable inputs, such as interest rates and yield curves that are observable at commonly quoted intervals.
- Level 3: Financial instruments that are not actively traded on a market exchange. This category includes situations where there is little, if any, market activity for the financial instruments. The prices are determined using significant unobservable inputs or valuation techniques. Quoted prices for identical investments in active markets.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

3. DEPOSITS AND INVESTMENTS (CONTINUED)

At June 30, 2022, the City had the following recurring fair value measurements.

Investment Type	06/30/22	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
PTIF	\$ 75,093,210	\$ -	\$ 75,093,210	\$ -
U.S. Govt Treasuries	3,373,052	3,373,052	-	-
U.S. Agencies	4,319,020	4,319,020	-	-
Commercial paper	1,985,730	1,985,730	-	-
Money market	66,629	66,629	-	-
Total investments	<u>\$ 84,837,641</u>	<u>\$ 9,744,431</u>	<u>\$ 75,093,210</u>	<u>\$ -</u>

The City's cash and cash equivalents and investments are exposed to certain risks as outlined below:

Custodial credit risk – deposits is the risk that in the event of a bank failure, the City's deposits may not be returned. As of June 30, 2022, \$9,116,089 of the City's \$9,366,089 bank balance was exposed to custodial credit risk because it was uninsured and uncollateralized. UMMA does not require deposits to be insured or collateralized and the City has no formal policy regarding deposit credit risk. UMMA requires that the City keep deposits in a qualified depository, which the City has done.

Custodial credit risk – investments is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party. The City's policy for limiting credit risk of investments is to comply with the requirements of UMMA as described above. Of the City's investment in the Utah Public Treasurer's Investment Fund (PTIF) of \$75,093,210, the City has no custodial credit risk exposure as the PTIF is an external investment pool managed by the Utah State Treasurer and is not categorized as to custodial credit risk.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's policy for limiting the credit risks of investments is to comply with UMMA.

At June 30, 2022, the City had the following investments and quality ratings:

	06/30/22	Quality Ratings		
		AAA	A	Unrated
PTIF	\$ 75,093,210	\$ -	\$ -	\$ 75,093,210
U.S. Govt Treasuries	3,373,052	1,399,362	1,973,690	-
U.S. Agencies	4,319,020	4,319,020	-	-
Commercial paper	1,985,730	-	1,985,730	-
Money market	66,629	66,629	-	-
Total investments	<u>\$ 84,837,641</u>	<u>\$ 5,785,011</u>	<u>\$ 3,959,420</u>	<u>\$ 75,093,210</u>

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

3. DEPOSITS AND INVESTMENTS (CONTINUED)

Interest rate risk is the risk that changes in the interest rates will adversely affect the fair value of an investment. The City has no formal policy relating to specific investment-related interest rate risk. The City manages its exposure by investing mainly in the PTIF and by adhering to the Money Management Act. The Act requires that the remaining term to maturity may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on all investments in commercial paper, bankers' acceptances, fixed rate negotiable deposits, and fixed rate corporate obligations to 270 days - 15 months or less. The Act further limits the remaining term to maturity on all investments in obligations of the United States Treasury; obligations issued by U.S. government sponsored enterprises; and bonds, notes, and other evidence of indebtedness of political subdivisions of the State to 5 years. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding 3 years.

As of June 30, 2022, the City's investments had the following maturities and ratings:

Investment Type	Fair Value	Investment Maturities (in Years)	
		Less Than 1	1-5
PTIF	\$ 75,093,210	\$ 75,093,210	\$ -
U.S. Govt Treasuries	3,373,052	1,973,690	1,399,362
U.S. Agencies	4,319,020	-	4,319,020
Commercial paper	1,985,730	1,985,730	-
Money market	66,629	66,629	-
Total investments	<u>\$ 84,837,641</u>	<u>\$ 79,119,259</u>	<u>\$ 5,718,382</u>

Concentration of credit risk is the risk of loss attributed to the magnitude of a City's investment in a single issuer. The City's policy for reducing this risk of loss is to comply with the rules of the Money Management Council. Rule 17 of the Money Management Council limits investments in a single issuer of commercial paper and corporate obligations to 5-10% depending upon the total dollar amount held in the portfolio. The City's investment in the PTIF has no concentration of credit risk as the PTIF is an external investment pool managed by the Utah State Treasurer.

The PTIF invests in high-grade securities which are delivered to the custody of the Utah State Treasurer, assuring a perfected interest in the securities, and, therefore, there is very little credit risk except in the most unusual and unforeseen circumstances. The maximum weighted average life of the portfolio does not exceed 90 days. Twice a year, at June 30 and December 31, which are the accounting periods for public entities, the investments are valued at fair value and participants are informed of the fair value valuation factor. Additional information is available at the Utah State Treasures' Office.

For the year ended June 30, 2022, the City had investments of \$75,093,210 with the PTIF. The fair value of these investments was \$74,782,968 using a fair value factor of 0.99586858.

The City also invests with an outside financial advisor, who invests in mainly fixed income securities. These investments meet the requirements of UMMA.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

3. DEPOSITS AND INVESTMENTS (CONTINUED)

Following are the City's cash and cash equivalents at June 30, 2022:

	Carrying Value
Cash on hand and on deposit:	
Cash on hand	\$ 4,250
Cash on deposit	8,468,978
PTIF accounts	<u>75,093,210</u>
Total cash on hand and deposit	<u><u>\$ 83,566,438</u></u>

4. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The purpose of the transfers was to provide cash flows, pay operating expenses, and to fund capital projects. Transfers among the funds during the current year were:

	Transfers In	Transfers Out
General Fund	\$ 2,946,967	\$ 6,115,162
Capital Projects Fund	2,861,799	2,000,720
Nonmajor Governmental Funds	3,089,233	330,600
Water Fund	-	399,218
Sewer Fund	60,000	356,205
Electric Fund	-	1,950,592
Golf Fund	1,971,130	-
Nonmajor Proprietary Funds	-	255,632
Internal Service Fund	479,000	-
	<u><u>\$ 11,408,129</u></u>	<u><u>\$ 11,408,129</u></u>

The City also has an interfund receivable/payable between the Cemetery Fund and Golf Course Fund of an estimated \$1,500,000 as of June 30, 2022, which will be updated with terms and final amount once the final capital improvement costs have been determined. The note between the funds was used to provide capital expenditures support for the Golf Course and repayment will begin in FY2023. Interest will be payable at a rate equal to what the City earns on its investments held with the Utah Public Treasurer's Investment Fund.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

5. **CAPITAL ASSETS**

Capital asset activity of the governmental activities, including the internal service fund, for the year ended June 30, 2022 was as follows:

	6/30/2021	Increases	Decreases	06/30/22
<u>Governmental activities</u>				
Capital assets, not being depreciated:				
Land	\$ 31,036,618	\$ 4,268,745	\$ -	\$ 35,305,363
Construction in progress	2,245,935	764,733	(22,528)	2,988,140
Total capital assets, not being depreciated	33,282,553	5,033,478	(22,528)	38,293,503
Capital assets, being depreciated:				
Buildings and structures	58,266,393	68,757	-	58,335,150
Improvements	88,712,313	1,993,577	-	90,705,890
Machinery, equipment, and vehicles	14,267,069	1,343,951	(325,437)	15,285,583
Total capital assets, being depreciated	161,245,775	3,406,285	(325,437)	164,326,623
Less accumulated depreciation	(74,346,690)	(4,070,530)	347,965	(78,069,255)
Total capital assets being depreciated, net	86,899,085	(664,245)	22,528	86,257,368
Governmental capital assets, net	<u>\$ 120,181,638</u>	<u>\$ 4,369,233</u>	<u>\$ -</u>	<u>\$ 124,550,871</u>

Capital asset activity of the business-type activities for the year ended June 30, 2022 was as follows:

	6/30/2021	Increases	Decreases	06/30/22
<u>Business-type activities</u>				
Capital assets, not being depreciated:				
Land	\$ 1,717,907	\$ 1,600	\$ -	\$ 1,719,507
Construction in progress	3,311,640	9,501,477	(1,945,967)	10,867,150
Water shares	1,374,919	-	-	1,374,919
Total capital assets, not being depreciated	6,404,466	9,503,077	(1,945,967)	13,961,576
Capital assets, being depreciated:				
Buildings and structures	5,848,044	-	-	5,848,044
System improvements	175,189,724	5,675,479	-	180,865,203
Machinery, equipment, and vehicles	1,656,420	111,791	(221,051)	1,547,160
Right to use leased asset	-	168,082	-	168,082
Total capital assets, depreciated	182,694,188	5,955,352	(221,051)	188,428,489
Less accumulated depreciation	(86,586,759)	(4,589,489)	387,068	(90,789,180)
Total capital assets being depreciated, net	96,107,429	1,365,863	166,017	97,639,309
Business-type capital assets, net	<u>\$ 102,511,895</u>	<u>\$ 10,868,940</u>	<u>\$ (1,779,950)</u>	<u>\$ 111,600,885</u>

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

5. CAPITAL ASSETS (CONTINUED)

In the government-wide financial statements, depreciation was charged as follows by program or activity:

Governmental activities:

General government	\$ 374,807
Public safety	217,927
Community development	9,235
Highways and public improvements	1,365,722
Parks and recreation	1,365,524
Internal service funds	737,315
Total depreciation expense - governmental activities	<u>\$ 4,070,530</u>

Business-type activities:

Water Fund	\$ 1,313,907
Sewer Fund	1,002,361
Electric Fund	2,032,814
Storm Water Fund	174,621
Solid Waste Fund	28,952
Golf Course Fund	36,834
Total depreciation expense - business-type activities	<u>\$ 4,589,489</u>

6. INVESTMENT IN JOINT VENTURES

South Utah Valley Solid Waste District

The City is party to a joint venture with five other municipalities in the South Utah Valley Solid Waste District (the District). The District was created for the purpose of building a landfill and transfer station and operating the same for the benefit of member municipalities. The majority of the District's solid waste revenue comes from these governmental entities. The District is owned by Springville City (15.00%), Provo City (69.75%), Spanish Fork City (11.75%), Mapleton City (2.00%) and Salem City (1.50%).

The District is governed by a board of directors, which is comprised of six members. The mayor and city council of each member city appoints one director. All decisions by the board are by majority vote, except in the case of a tie. In a tie, the votes would be taken by tonnage. For Provo City to prevail in a tie vote, they would need one additional city to vote with them. The District's board of directors governs the operations of the District through management employed by the board. The District is subject to the same laws as the creating entities, therefore, it must follow Utah State laws for cities in the areas of fiscal management, budgeting, and financing.

Annually, the City recognizes its pro-rata share of the District's operating income or loss. For fiscal year , the District reported an increase in net position of \$2,852,016. The City recognized its 15% of the District's income as equity income of a joint venture of \$427,803 in the Solid Waste Fund. The complete financial statements for Utah Valley Solid Waste District are available at the District's offices, 2450 West 400 South, Springville, Utah.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

7. LONG-TERM DEBT

The following is a summary of changes in long-term debt for governmental activities of the City at June 30, 2022:

	6/30/2021	Increases	Decreases	06/30/22	Due in One Year
<u>Governmental activities</u>					
Bonds payable:					
General obligation bonds	\$ 14,110,000	\$ -	\$ (915,000)	\$ 13,195,000	\$ 950,000
Municipal Building Authority lease revenue bonds	3,695,000	-	(305,000)	3,390,000	320,000
Plus: unamortized premiums	825,203	-	(65,226)	759,977	-
Total bonds payable	18,630,203	-	(1,285,226)	17,344,977	1,270,000
Compensated absences	898,228	358,128	(370,529)	885,827	442,914
Governmental activities, long-term liabilities	<u>\$ 19,528,431</u>	<u>\$ 358,128</u>	<u>\$ (1,655,755)</u>	<u>\$ 18,230,804</u>	<u>\$ 1,712,914</u>

Long-term debt and obligations for governmental activities payable at June 30, 2022 were as follows:

<u>Governmental Activities</u>	<u>Interest Rate</u>	<u>Maturity Dates</u>	<u>Current Portion</u>	<u>Long-Term Balance</u>
Municipal Building Authority Lease Revenue Bonds, Series 2008 (original amount - \$6,435,000)	2.55%	2031	\$ 320,000	\$ 3,070,000
General Obligation Bonds, Series 2016 (original amount - \$10,785,000)	2.00% to 5.00%	2036	475,000	7,940,000
General Obligation Bonds, Series 2020 (original amount - \$5,695,000)	2.00% to 3.00%	2031	475,000	4,305,000
Unamortized Premium on Bond			-	759,977
Total Governmental Activities Long-term Debt			<u>\$ 1,270,000</u>	<u>\$ 16,074,977</u>

The 2008 Municipal Building Authority lease revenue bonds were issued for the construction of the new civic center. A property note was used to purchase land at 1300 east to be used for the east fire substation. The City pledges general revenues of the City to repay this note through the maturity date listed above. On December 11, 2014, the City transacted a current refund on their 2008 lease revenue bonds with interest rates ranging between 4.10% and 5.25%. The new interest rate resulting from the current refunding is 2.55%.

The 2016 general obligation bonds were used for the construction of an aquatics center. Debt service requirements will be met principally by the general fund through amounts levied in property taxes as their dedicated revenue stream.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

7. LONG-TERM DEBT (CONTINUED)

The City issued \$5,695,000 in General Obligation Refunding Bonds, Series 2020. These refunding bonds also had a premium with their issuance of \$337,019. The proceeds were used to immediately refund \$5,910,000 of the fully callable outstanding Series 2010 General Obligation Building America Bonds and pay the associated costs of issuance.

The following is a summary of changes in long-term debt for business-type activities of the City at June 30, 2022:

	6/30/2021	Increases	Decreases	06/30/22	Due in One Year
<u>Business-type activities</u>					
Water and sewer					
revenue bonds	\$ 6,820,000	\$ 9,945,000	\$ (6,820,000)	\$ 9,945,000	\$ 900,000
Plus: unamortized premiums	-	1,545,821	(82,842)	1,462,979	-
Leases payable	-	224,110	(53,421)	170,689	54,752
Compensated absences	575,849	362,461	(332,558)	605,752	302,876
Business-type activities, long-term liabilities	<u>\$ 7,395,849</u>	<u>\$ 12,077,392</u>	<u>\$ (7,288,821)</u>	<u>\$ 12,184,420</u>	<u>\$ 1,257,628</u>

Long-term debt and obligations for business-type activities payable at June 30, 2022 were as follows:

<u>Business-type Activities</u>	<u>Interest Rate</u>	<u>Maturity Dates</u>	<u>Current Portion</u>	<u>Long-Term Balance</u>
Water and Sewer Revenue and Refunding Bonds, Dated December 21, 2021 (original amount - \$9,945,000)	3.00% to 5.00%	2041	\$ 900,000	9,045,000
Unamortized Premium on Bond			-	1,462,979
Golf cart equipment lease	3.80%	2025	54,752	115,937
Total Business-type Activities Long-term Debt			<u>\$ 954,752</u>	<u>\$ 10,623,916</u>

Bond Refunding

In December 2021, the City defeased the Series 2008 Water and Sewer Revenue Refunding Bonds for \$6,820,000 by depositing \$6,894,262 in cash with an escrow agent for the immediate call and payoff of these bonds (current refunding). As a result, these bonds are considered defeased and the liability for those bonds has been removed from the Statement of Net Position. The City was able to reduce its total debt service payments by \$1,201,330 and obtain an economic gain of \$394,448. The escrow deposit did not exceed the net carrying amount of the old debt, so no deferred loss was recognized.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

7. LONG-TERM DEBT (CONTINUED)

The proceeds of the 2008 water and sewer revenue bonds were used to upgrade the sewer treatment plant, install the water main along 400 South and sewer lines along 1500 West. The City pledges the revenues of the water and sewer funds to repay these bonds (Series 2021 refunding) through 2028.

In December 2021, the City issued \$4,645,000 of Series 2021 Water Revenue Bonds for the construction of a new water tank. These bonds had a premium with their issuance of \$703,315.

Principal and interest requirements to retire the City's long-term obligations are as follows:

Year Ending June 30,	Governmental Activities		Business-type Activities		Government-Wide	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 1,270,000	\$ 475,503	\$ 954,752	\$ 489,150	\$ 2,224,752	\$ 964,653
2024	1,315,000	429,215	1,046,869	393,672	2,361,869	822,887
2025	1,370,000	381,059	1,104,068	341,973	2,474,068	723,032
2026	1,425,000	330,820	1,095,000	288,500	2,520,000	619,320
2027	1,470,000	294,999	1,155,000	233,750	2,625,000	528,749
2028-2032	6,970,000	895,765	2,150,000	574,800	9,120,000	1,470,565
2033-2037	2,765,000	312,750	1,365,000	312,150	4,130,000	624,900
2038-2041	-	-	1,245,000	94,650	1,245,000	94,650
	<u>\$ 16,585,000</u>	<u>\$ 3,120,110</u>	<u>\$ 10,115,689</u>	<u>\$ 2,728,645</u>	<u>\$ 26,700,689</u>	<u>\$ 5,848,755</u>

Principal and interest requirements to retire the City's business-type activities obligations are as follows:

Year Ending June 30,	Business-type Activities				
	Water & Sewer Revenue Bonds		Lease Payable		Totals
	Principal	Interest	Principal	Interest	
2023	\$ 900,000	\$ 483,611	\$ 54,752	\$ 5,539	\$ 1,443,902
2024	990,000	390,250	56,869	3,422	1,440,541
2025	1,045,000	340,750	59,068	1,223	1,446,041
2026	1,095,000	288,500	-	-	1,383,500
2027	1,155,000	233,750	-	-	1,388,750
2028-2032	2,150,000	574,800	-	-	2,724,800
2033-2037	1,365,000	312,150	-	-	1,677,150
2038-2041	1,245,000	94,650	-	-	1,339,650
	<u>\$ 9,945,000</u>	<u>\$ 2,718,461</u>	<u>\$ 170,689</u>	<u>\$ 10,184</u>	<u>\$ 12,844,334</u>

All outstanding revenue bonds are secured by a first lien on net revenues earned by the City. Net revenues are defined in the revenue bond agreements. The City is required to establish rates (including connection fees) sufficient to pay the operation and maintenance expenses and to provide net revenues in an amount not less than 130% of the aggregated annual debt service requirement for the forthcoming fiscal year.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

7. LONG-TERM DEBT (CONTINUED)

The following summarizes the debt service coverage calculations for the various revenue bonds:

	Water Revenue Bonds	Sewer Revenue Bonds
Net revenues		
Operating revenues	\$ 5,430,979	\$ 6,126,644
Operating expenses (excluding depreciation and amortization)	(2,877,042)	(2,308,402)
Impact fees	571,506	379,528
Interest income	36,871	47,128
Net revenues	<u>\$ 3,162,314</u>	<u>\$ 4,244,898</u>
Maximum Aggregate Debt Service	<u>\$ 523,000</u>	<u>\$ 802,000</u>
Ratio of Net Revenues to Aggregate Debt Service	<u>605%</u>	<u>529%</u>
Minimum Ratio	<u>130%</u>	<u>130%</u>

8. LEASES

A. Lease Receivables

The City has entered into three new lease agreements, as lessor, for the use of portions of its land by cell phone providers for cell tower placements. The lease receivables are measured as the present value of the future minimum rent payments to be received during the lease term at a discount rate of 1.12%, which is the City's estimated incremental borrowing rate. These leases are for five to six years and the City will receive monthly payments ranging from \$3,433 to \$3,744 or annual payments ranging of \$8,267 to \$16,207. For the year ended June 30, 2022, the City recognized \$42,034 of lease revenue and \$1,191 of interest income under the leases. As of June 30, 2022, the City's receivable for lease payments was \$286,813 and the deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term was \$271,044. These leases are recognized as a lease receivables and a deferred inflow of resources in the government-wide and governmental fund financial statements.

B. Lease Payable

The City has entered into a lease agreement, as a lessee, for the use of golf carts over a four-year period. The lease payable is measured as the present value of the future minimum rent payments to be made during the lease term at a discount rate of 3.80% as stated in the agreement. An initial lease payable was recorded in the amount of \$224,110 during the current year. As of June 30, 2022, the value of the lease payable was \$170,689. The City is required to make monthly principal and interest payments of \$5,024, the equipment has a 48 month useful life. The value of the right-to-use leased asset as of June 30, 2022 was \$224,110, at cost, with accumulated amortization of \$56,028. The future minimum lease obligations as of June 30, 2022 are shown in the table above in note 7.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

9. RETIREMENT PLANS

General Information about the Pension Plan

Plan description Eligible plan participants are provided with pensions through the Utah Retirement Systems. The Utah Retirement Systems are comprised of the following pension trust funds:

- Public Employees Noncontributory Retirement System (Noncontributory System)
- Firefighters Retirement System (Firefighters System); are multiple employer, cost sharing, retirement systems.
- The Public Safety Retirement System (Public Safety System) is a mixed agent, cost sharing, multiple employer public employee retirement system.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System) is a multiple employer cost sharing public employee retirement system;
- Tier 2 Public Safety and Firefighter Contributory Retirement System (Tier 2 Public Safety and Firefighters System) is a multiple employer, cost sharing, public employee retirement system.

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning work on or after July 1, 2011, who has no previous service credit with any of the Utah Retirement Systems, are members of the Tier 2 Retirement System.

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms.

URS issues a publicly available financial report that can be obtained by writing Utah Retirement System, 560 E 200 S, Salt Lake City, Utah 84102 or visiting the website: www.urs.org.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

9. RETIREMENT PLANS (CONTINUED)

Benefits Provided URS provides retirement, disability, and death benefits. Retirement benefits are as follows:

System	Final Average Salary	Years of Service Required and/or Age Eligible for Benefit	Benefit Percent Per Year of Service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% or 4%
Firefighters System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 4%
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years any age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.50%
Tier 2 Public Safety and Firefighter System	Highest 5 years	25 years any age 20 years any age 60* 10 years age 62* 4 years age 65	1.5% per year to June 30, 2020; 2.0% per year July 1, 2020 to present	Up to 2.50%

*with actuarial reductions

**All post-retirement cost-of-living adjustments are non-compounding and are based on the original benefit except for Judges, which is a compounding benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year, although unused CPI increases not met may be carried forward to subsequent years.

Contributions As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the Utah State Retirement Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable), is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of June 30, 2022 are as follows:

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

9. RETIREMENT PLANS (CONTINUED)

Contributions (Continued)

Utah Retirement Systems

	Employee Paid	Employer Contribution Rates	Employer Rate for 401(k) Plan
Contributory System			
11 - Local Government Division Tier 1	6.00%	14.46%	N/A
111 - Local Governmental Division Tier 2	N/A	16.07%	0.62%
Noncontributory System			
15 - Local Governmental Division Tier 1	N/A	18.47%	N/A
Public Safety Retirement System			
Contributory			
122 - Tier 2 DB Hybrid Public Safety Contributory	2.27%	25.83%	N/A
Noncontributory			
43 - Other Division A Noncontributory with 2.5% COLA	N/A	34.04%	N/A
Firefighters Retirement System			
31 Other Division A	15.05%	4.61%	N/A
132 Tier 2 DB Hybrid Firefighters	2.27%	14.08%	N/A
Tier 2 DC Only			
211- Local Government	N/A	6.69%	10.00%
222-Public Safety	N/A	11.83%	14.00%
232-Firefighters	N/A	0.08%	14.00%

Tier 2 rates include a statutory required contribution to finance the unfunded actuarial accrued liability of the Tier 1 plans.

For fiscal year ended June 30, 2022, the employer and employee contributions to the Systems were as follows:

System	Contributions	Contributions
Noncontributory System	\$ 1,131,988	N/A
Public Safety System	247,218	-
Firefighters System	10,562	17,569
Tier 2 Public Employees System	601,625	-
Tier 2 Public Safety and Firefighter System	276,967	-
Tier 2 DC Only System	33,147	N/A
Tier 2 DC Public Safety and Firefighter System	21,901	N/A
Total Contributions	<u>\$ 2,323,408</u>	<u>\$ 17,569</u>

Contributions reported are the URS Board approved required contributions by System. Contributions in the Tier 2 Systems are used to finance the unfunded liabilities in the Tier 1 Systems.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

9. RETIREMENT PLANS (CONTINUED)

Combined Pension Assets, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2022, the City reported a net pension asset of \$5,015,127 and a net pension liability of \$0.

	Measurement Date: December 31, 2021				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2020	Change (Decrease)
Noncontributory System	\$ 4,075,888	\$ -	0.7116836%	0.7141967%	-0.0025131%
Public Safety System	538,406	-	0.6294510%	0.7077670%	-0.0783160%
Firefighters System	302,460	-	0.5186064%	0.5180401%	0.0005663%
Tier 2 Public Employees System	78,480	-	0.1854284%	0.1815803%	0.0038481%
Tier 2 Public Safety and Firefighter	19,893	-	0.3935830%	0.4273484%	-0.0337654%
Total Net Pension Asset / Liability	<u>\$ 5,015,127</u>	<u>\$ -</u>			

The net pension asset and liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2021 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2022, the City recognized pension expense of (\$394,298).

At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 549,150	\$ 16,086
Changes in assumptions	602,164	36,187
Net difference between projected and actual earnings on pension plan investments	-	7,384,367
Changes in proportion and differences between contributions and proportionate share of contributions	83,422	127,931
Contributions subsequent to the measurement date	<u>1,189,687</u>	<u>-</u>
Total	<u>\$ 2,424,423</u>	<u>\$ 7,564,571</u>

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

9. RETIREMENT PLANS (CONTINUED)

Combined Pension Assets, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

\$1,189,687 was reported as deferred outflows of resources related to pensions results from contributions made by the City prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources	
2022	\$	(1,296,351)
2023		(2,172,308)
2024		(1,771,753)
2025		(1,205,551)
2026		19,207
Thereafter		96,921

Noncontributory System Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2022, the City recognized pension expense of (\$695,543).

At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 426,905	\$ -
Changes in assumptions	382,537	26,309
Net difference between projected and actual earnings on pension plan investments	-	5,487,636
Changes in proportion and differences between contributions and proportionate share of contributions	-	75,463
Contributions subsequent to the measurement date	580,077	-
Total	<u>\$ 1,389,519</u>	<u>\$ 5,589,408</u>

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

9. RETIREMENT PLANS (CONTINUED)

Noncontributory System Pension Expense and Deferred Outflows and Inflows of Resources (Continued)

\$580,077 reported as deferred outflows of resources related to pension results from contributions made by the City prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows or resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2022	\$ (962,723)
2023	(1,576,980)
2024	(1,328,473)
2025	(911,790)

Public Safety System Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2022, the City recognized pension expense of (\$13,609).

At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 45,824	\$ -
Changes in assumptions	94,394	5,600
Net difference between projected and actual earnings on pension plan investments	-	1,455,291
Changes in proportion and differences between contributions and proportionate share of contributions	28,365	45,242
Contributions subsequent to the measurement date	121,641	-
Total	\$ 290,224	\$ 1,506,133

\$121,641 reported as deferred outflows of resources related to pension results from contributions made by the City prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

9. RETIREMENT PLANS (CONTINUED)

Public Safety System Pension Expense and Deferred Outflows and Inflows of Resources (Continued)

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows or resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2022	\$ (254,841)
2023	(482,267)
2024	(359,168)
2025	(241,274)

Firefighters System Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2022, the City recognized pension expense of (\$63,025).

At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 21,248	\$ 2,706
Changes in assumptions	29,733	-
Net difference between projected and actual earnings on pension plan investments	-	186,723
Changes in proportion and differences between contributions and proportionate share of contributions	599	4,520
Contributions subsequent to the measurement date	6,497	-
Total	<u>\$ 58,077</u>	<u>\$ 193,949</u>

\$6,497 reported as deferred outflows of resources related to pension results from contributions made by the City prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows or resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

9. RETIREMENT PLANS (CONTINUED)

Firefighters System Pension Expense and Deferred Outflows and Inflows of Resources (Continued)

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2022	\$ (29,463)
2023	(50,731)
2024	(38,191)
2025	(24,908)
2026	924

Tier 2 Public Employees System Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2022, the City recognized pension expense of \$272,576.

At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 38,127	\$ 10,112
Changes in assumptions	73,177	742
Net difference between projected and actual earnings on pension plan investments	-	193,914
Changes in proportion and differences between contributions and proportionate share of contributions	43,255	-
Contributions subsequent to the measurement date	320,163	-
Total	<u>\$ 474,722</u>	<u>\$ 204,768</u>

\$320,163 reported as deferred outflows of resources related to pension results from contributions made by the City prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows or resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

9. RETIREMENT PLANS (CONTINUED)

Tier 2 Public Employees System Pension Expense and Deferred Outflows and Inflows of Resources (Continued)

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2022	\$ (36,374)
2023	(46,649)
2024	(33,823)
2025	(19,448)
2026	15,296
Thereafter	70,789

Tier 2 Public Safety and Firefighter Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2022, the City recognized pension expense of \$105,303.

At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 17,046	\$ 3,268
Changes in assumptions	22,323	3,536
Net difference between projected and actual earnings on pension plan investments	-	60,803
Changes in proportion and differences between contributions and proportionate share of contributions	11,203	2,706
Contributions subsequent to the measurement date	161,309	-
Total	<u>\$ 211,881</u>	<u>\$ 70,313</u>

\$161,309 reported as deferred outflows of resources related to pension results from contributions made by the City prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows or resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

9. RETIREMENT PLANS (CONTINUED)

Tier 2 Public Safety and Firefighter Pension Expense and Deferred Outflows and Inflows of Resources (Continued)

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2022	\$ (12,950)
2023	(15,681)
2024	(12,098)
2025	(8,131)
2026	2,987
Thereafter	26,132

Actuarial assumptions

The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.25 - 9.25 percent, average, including inflation
Investment rate of return	6.85 percent, net of pension plan investment expense, including inflation

Mortality rates were adopted from an actuarial experience study dated January 1, 2020. The retired mortality tables are developed using URS retiree experience and are based upon gender, occupation, and age as appropriate with projected improvement using 80% of the ultimate rates from the MP-2019 improvement assumption using a base year of 2020. The mortality assumption for active members is the PUB-2010 Employees Mortality Table for public employees, teachers, and public safety members, respectively.

The actuarial assumptions used in the January 1, 2021 valuation were based on the results of an actuarial experience study for the five-year period ending December 31, 2019.

The long-term expected rate of return of pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class and is applied consistently to each defined benefit pension plan. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

9. RETIREMENT PLANS (CONTINUED)

Actuarial assumptions (Continued)

Asset Class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
Equity securities	37%	6.58%	2.43%
Debt securities	20%	-0.28%	-0.06%
Real assets	15%	5.77%	0.87%
Private equity	12%	9.85%	1.18%
Absolute return	16%	2.91%	0.47%
Cash and cash equivalents	0%	-1.01%	0.00%
Totals	100%		4.89%
	Inflation		2.50%
	Expected arithmetic nominal return		7.39%

The 6.85% assumed investment rate of return is comprised of an inflation rate of 2.50%, a real return of 4.35% that is net of investment expense.

Discount Rate

The discount rate used to measure the total pension liability was 6.95 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced from 6.95% to 6.85% from the prior measurement date.

Sensitivity to the Proportionate Share of the Net Pension Asset and Liability to Changes in the Discount Rate

The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.85 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.85 percent) or 1-percentage-point higher (7.85 percent) than the current rate:

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

9. RETIREMENT PLANS (CONTINUED)

Sensitivity to the Proportionate Share of the Net Pension Asset and Liability to Changes in the Discount Rate (Continued)

System	1% Decrease (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
Noncontributory System	\$ 2,191,728	\$ (4,075,888)	\$ (9,304,992)
Public Safety System	1,327,886	(538,406)	(2,053,964)
Firefighters System	(74,066)	(302,460)	(487,581)
Tier 2 Public Employees System	467,602	(78,480)	(497,758)
Tier 2 Public Safety and Firefighter System	159,589	(19,893)	(162,376)
Total	<u>\$ 4,072,739</u>	<u>\$ (5,015,127)</u>	<u>\$ (12,506,671)</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued URS financial report.

10. DEFINED CONTRIBUTION SAVINGS PLAN

The City sponsors a defined contribution deferred compensation plan administered by The Benefit Source under the Internal Revenue Code Section 401(k) for City employees covered by the State's contributory and noncontributory retirement plans. The plan, available to all permanent full-time City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The 401(k) deferred compensation monies are not available to the City or its general creditors. The City's contributions for each employee (and interest allocated to the employee's account) are fully vested in the employee's account from the date of employment. The City participates at rates between 0% and 2%, depending on the employees' contributions. The rate of City participation can be changed by the City Council.

Employee and employer contributions to the Benefit Source Defined Contribution Savings Plan for the fiscal year June 30, were as follows:

401(k) Plan	2022	2021	2020
Employer contributions	\$ 210,920	\$ 210,164	\$ 193,433
Employee contributions	268,462	262,185	272,725

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

10. DEFINED CONTRIBUTION SAVINGS PLAN (CONTINUED)

The City sponsors a defined contribution deferred compensation plan administered by The Benefit Source under the Internal Revenue Code Section 457 for City employees covered by the State's contributory and noncontributory retirement plans. The plan, available to certain permanent full-time City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The 457 deferred compensation monies are not available to the City or its general creditors.

457 Plan	<u>2022</u>	<u>2021</u>	<u>2020</u>
Employee contributions	\$ 14,349	\$ 16,996	\$ 29,370

The City participates in a Defined Contribution Saving Plan, which is administered by the Utah Retirement Systems Board and is a supplemental plan to the basic retirement benefits of the Retirement Systems but may also be used as a primary retirement plan. These plans are voluntary tax-advantaged retirement savings programs authorized under section 401(k) of the Internal Revenue code. Detailed information regarding plan provisions is available in the separately issued URS financial report.

Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans for fiscal year ended June 30, were as follows:

401(k) Plan	<u>2022</u>	<u>2021</u>	<u>2020</u>
Employer contributions	\$ 98,676	\$ 96,058	\$ 64,872
Employee contributions	19,132	11,502	4,733
Roth IRA Plan			
Employer contributions	N/A	N/A	N/A
Employee contributions	1,300	850	-
Traditional IRA			
Employer contributions	N/A	N/A	N/A
Employee contributions	-	-	375

* The employer paid 401(k) contributions include the totals paid for employees in the Tier 2 Defined Contribution 401(k) Plan.

11. REDEVELOPMENT AGENCY OF SPRINGVILLE CITY

In accordance with Utah State law, the City makes the following disclosures relative to the Redevelopment Agency of Springville City (RDA): The RDA collected \$313,469 of tax increment monies for its project areas of which \$168,830 was paid for development incentives. During 2022, the RDA expended \$0 for administrative costs.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

12. TAX ABATEMENTS

As of June 30, 2022, the City provides tax abatements under one program: the Redevelopment Agency of Springville City (the Agency). Pursuant to the provisions of the Utah Community Development and Renewal Agencies Act, Utah State Code Title 17C, the City established the Redevelopment Agency. The City authorizes the rebate of sales and property tax increment through the budget process. The annual budget is adopted by City ordinance. The amount of the tax rebate (abatement) is based on the provisions as stated in the written agreement between the Agency and the outside entity. The abatement recipient remits their full property or sales tax obligation to the taxing authority. Once the taxes have been paid and it has been verified that the provisions of the agreement have been met, then the agreed amount is rebated to the recipient entity. The qualifying provisions of the agreements generally focus on affordable housing and transit-oriented housing or business relocation, business development, job creation, and sales and property tax generation.

The Agency has entered into tax abatement agreements with two entities. These entities are in the category of sales and property tax generation. The following table provides details:

Tax Abatement Program	Taxes Abated in 2021	Taxes Abated in Prior Years	Total Maximum Tax Abatement	Primary Purpose of Abatement	Abatement Expires
Redevelopment Agency of Springville City					
Frontage Road Neighborhood HWP Properties, LLC	\$ -	\$ 36,560	Property tax: 100% through 2020, then reducing 10% per year.	Sales and Property Tax generations	2025
HWP Properties, LLC	\$ -	\$ 74,967	Sales tax: \$200,000	Sales and Property Tax generations	2022
Olds Family Trust	\$ 159,196	\$ 467,465	Property tax: 70% per year; \$657,230 maximum	Sales and Property Tax generations	2025

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

13. COMMITMENTS AND CONTINGENCIES

Utah Associates Municipal Power System (UAMPS)

The City is a member of Utah Associated Municipal Power System (UAMPS), a political subdivision of the State of Utah created to secure electric power for the members of UAMPS. As a member, the City has entered into power supply agreements and contracts with respect to various projects in which UAMPS participates. The total cost of the power the City will be required to purchase in future years is not determinable. During the year ended June 30, 2022, the City purchased power totaling approximately \$19.16 million.

The City is obligated through power sales contracts with UAMPS for the consequences of “take or pay” contracts with UAMPS projects. The City is also obligated through power sales contracts to pay its proportionate share of bonded indebtedness. UAMPS monthly service charges to the City include the City’s proportionate obligation for the following items:

UAMPS Payson Nebo Generation Plant

In June 2002, the City entered into a power service contract with UAMPS which expires on the later of (1) the date the principal, premium, if any, and interest on all of the UAMPS Payson Nebo Generation Plant revenue bonds have been paid or (2) the final shutdown date of the Payson Nebo Generation Plant. The contract entitles the City to approximately 19.12 percent of the output of the Payson Nebo Generation Plant. The City is obligated for 19.12 percent of the total project debt service of approximately \$19,605,000 (City portion - \$3,747,476) in revenue bonds outstanding at June 30, 2022, issued to finance construction of the plant.

UAMPS - Horse Butte Wind Project

In August of 2010 the City entered into Power Sales Contract with UAMPS to take delivery of energy from a 57.6 MW nameplate capacity wind farm located 16 miles east of the City of Idaho Falls in Bonneville County, Idaho. The PSC entitles the City to approximately 5.21% of the daily output associated with the 32 Vestas V-100 1.8 MW wind turbines installed on the project site. Construction of the Facility was completed in August of 2012 and commenced commercial operation. The City is obligated for 5.18% and 5.21% of the total project debt service of approximately \$75,730,000 (City portion - \$3,944,216) outstanding at June 30, 2022, issued to finance a prepayment for a specified supply of electricity to be delivered over a 20-year term.

SPRINGVILLE CITY CORPORATION
Notes to the Financial Statements (Continued)
June 30, 2022

13. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Future Commitments and Contingencies

San Juan – An equity purchase of 4 megawatts of energy from the San Juan coal-fired plant started in July 2005. The four megawatts represents approximately 11.43% of the UAMPS entitlement to the plant's capacity and Springville City is obligated for 14.87% of the 2011 (1998 refunding) bonded debt and 16.39% of the 2008 bonded debt. These bonds were fully retired with final payments during fiscal year June 30, 2022, respectively. This power is a base load project, meaning that power is delivered 24 hours per day whenever the plant is operating. Springville City expects to receive approximately 25-30.0 million kilowatt hours of energy over the course of an average year.

14. RELATED PARTY TRANSACTIONS

In all cases where a conflict-of-interest could result from a related party transaction the person involved recuses themselves from votes awarding bids. Businesses owned by members of the City Council are disclosed formally in writing.

15. RISK MANAGEMENT

The City has joined the Utah Local Governments Trust (Trust). Founded in 1974, the Utah Local Governments Trust is licensed in Utah as a public agency insurance mutual. Trust policies are designed specifically for government agencies, including cities, towns, counties, special service districts, and school districts. The Trust provides low-cost liability and property coverage for local governments, claims adjustment services, loss prevention and safety training to its members. Utah Local Governments Trust is reinsured through Munich America RE & Clarendon, two national insurance companies with members from municipal leagues across the US.

16. SUBSEQUENT EVENTS

The City received its second of two \$1,971,130 installments from the ARPA State and Local Fiscal Recovery Fund (SLFRF) in July 2022. The City must encumber all SLFRF funds by December 31, 2024 and spend the funds by December 31, 2026 on qualifying costs and projects. The City plans to elect the optional government services revenue loss standard, which allows the City to recognize and report the entire amount as revenue in support of its governmental programs and services as the qualifying costs.

SPRINGVILLE CITY CORPORATION

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Required Supplementary Information

SPRINGVILLE CITY CORPORATION
Schedule of the Proportionate Share of the Net Pension Liability
Last Ten Fiscal Years

	As of December 31,	Proportion of Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
Noncontributory System	2014	0.8173763%	\$ 3,549,240	\$ 7,022,000	50.50%	90.20%
	2015	0.8157080%	4,615,673	6,986,652	66.06%	87.80%
	2016	0.7984120%	5,126,782	6,917,208	74.12%	87.30%
	2017	0.7552263%	3,308,873	6,311,269	52.43%	91.90%
	2018	0.7615219%	5,607,637	6,391,261	87.74%	87.00%
	2019	0.7414277%	2,794,344	6,286,171	44.45%	93.70%
	2020	0.7141967%	366,342	5,962,447	6.14%	99.20%
	2021	0.7116836%	(4,075,888)	5,880,373	-69.31%	108.70%
Contributory System	2014	0.2162152%	\$ 62,366	\$ 115,606	53.90%	94.00%
	2015	0.1624709%	114,193	69,227	164.96%	85.70%
	2016	0.2191155%	71,894	52,575	136.75%	92.90%
Public Safety System	2014	0.8436610%	\$ 1,060,974	\$ 1,277,517	83.00%	90.50%
	2015	0.7830661%	1,402,668	1,190,697	117.80%	87.10%
	2016	0.7358229%	1,493,188	1,122,930	132.97%	86.50%
	2017	0.6793483%	1,065,665	1,009,058	105.61%	90.20%
	2018	0.6680134%	1,718,521	960,909	178.84%	84.70%
	2019	0.6461895%	1,037,533	850,836	121.94%	90.90%
	2020	0.7077670%	587,617	893,393	65.77%	95.50%
	2021	0.6294510%	(538,408)	780,925	-68.94%	104.20%
Firefighters System	2014	0.0048448%	\$ (27,646)	\$ 127,036	-21.80%	103.50%
	2015	0.5238695%	(9,488)	140,853	-6.74%	101.00%
	2016	0.4948301%	(3,901)	139,102	-2.80%	100.40%
	2017	0.5260681%	(32,856)	153,906	-21.35%	103.00%
	2018	0.4924004%	63,937	152,669	41.88%	94.30%
	2019	0.4527187%	(56,146)	144,949	-38.74%	105.00%
	2020	0.5180401%	(144,854)	169,004	-85.71%	110.50%
	2021	0.5186064%	(302,460)	172,903	-174.93%	120.10%
Tier 2 Public Employees System	2014	0.1155009%	\$ (3,500)	\$ 566,929	-0.60%	103.50%
	2015	0.1220505%	(266)	788,707	-0.03%	100.20%
	2016	0.1565131%	17,459	1,283,531	1.36%	95.10%
	2017	0.2009037%	17,713	1,966,429	0.90%	97.40%
	2018	0.1933419%	82,804	2,259,183	3.67%	90.80%
	2019	0.1813525%	40,788	2,520,371	1.62%	96.50%
	2020	0.1858030%	26,116	2,903,091	0.90%	98.30%
	2021	0.1854284%	(78,480)	3,440,406	-2.28%	103.80%
Tier 2 Public Safety and Firefighter System	2014	0.7602135%	\$ (11,246)	\$ 314,072	-3.60%	120.50%
	2015	0.6507001%	(9,507)	387,183	-2.46%	110.70%
	2016	0.5275480%	(4,579)	435,875	-1.05%	103.60%
	2017	0.5000307%	(5,786)	527,821	-1.10%	103.00%
	2018	0.4670312%	11,702	625,103	1.87%	95.60%
	2019	0.4662243%	43,855	768,520	5.71%	89.60%
	2020	0.4273484%	38,331	852,902	4.49%	93.10%
	2021	0.3935830%	(19,893)	941,206	-2.11%	102.80%

Note:

* This schedule usually covers the 10 most recent fiscal years; however, this is the information available as of the implementation year of GASB 68.

SPRINGVILLE CITY CORPORATION
Schedule of Pension Contributions
Last Ten Fiscal Years

	As of fiscal year ended June 30,	Actuarial Determined Contributions	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
Noncontributory System	2014	\$ 1,239,038	\$ 1,239,038	\$ -	\$ 7,232,984	17.13%
	2015	1,275,631	1,275,631	-	6,925,081	18.42%
	2016	1,290,326	1,290,326	-	700,657	18.43%
	2017	1,215,101	1,215,101	-	6,606,911	18.39%
	2018	1,169,372	1,169,372	-	6,368,944	18.36%
	2019	1,169,703	1,169,703	-	6,365,799	18.37%
	2020	1,127,301	1,127,301	-	6,123,310	18.41%
	2021	1,083,686	1,083,686	-	5,872,054	18.45%
	2022	1,131,988	1,131,988	-	6,144,866	18.42%
Contributory System	2014	\$ 15,157	\$ 15,157	\$ -	\$ 114,135	13.28%
	2015	14,530	14,530	-	100,484	14.46%
	2016	7,822	7,822	-	54,094	14.46%
	2017	3,728	3,728	-	25,785	14.46%
Public Safety System	2014	\$ 375,860	\$ 375,860	\$ -	\$ 1,279,356	29.38%
	2015	390,158	390,158	-	1,260,158	30.96%
	2016	345,081	345,081	-	1,122,174	30.75%
	2017	327,949	327,949	-	1,079,312	30.38%
	2018	294,671	294,671	-	985,351	29.91%
	2019	264,272	264,272	-	896,951	29.46%
	2020	295,502	295,502	-	841,707	35.11%
	2021	293,824	293,824	-	848,042	34.65%
	2022	247,218	247,218	-	726,027	34.05%
Firefighters System	2014	\$ 3,675	\$ 3,675	\$ -	\$ 124,142	2.96%
	2015	5,119	5,119	-	133,992	3.82%
	2016	5,439	5,439	-	132,324	4.11%
	2017	5,864	5,864	-	150,738	3.89%
	2018	6,018	6,018	-	153,129	3.93%
	2019	7,138	7,138	-	154,832	4.61%
	2020	9,801	9,801	-	150,167	6.53%
	2021	9,114	9,114	-	169,477	5.38%
	2022	10,562	10,562	-	245,764	4.30%
Tier 2 Public Employees System*	2014	\$ 59,033	\$ 59,033	\$ -	\$ 421,962	13.99%
	2015	94,905	94,905	-	635,651	14.93%
	2016	157,435	157,435	-	1,055,839	14.91%
	2017	243,094	243,094	-	1,626,048	14.95%
	2018	324,744	324,744	-	2,151,431	15.09%
	2019	366,027	366,027	-	2,357,624	15.53%
	2020	428,169	428,169	-	2,734,868	15.66%
	2021	487,002	487,002	-	3,087,748	15.77%
	2022	601,625	601,625	-	3,743,779	16.07%
Tier 2 Public Safety and Firefighter System*	2014	\$ 57,093	\$ 57,093	\$ -	\$ 291,898	19.56%
	2015	70,386	70,386	-	345,953	20.35%
	2016	79,980	79,980	-	396,966	20.15%
	2017	100,909	100,909	-	495,223	20.38%
	2018	125,570	125,570	-	579,013	21.69%
	2019	154,074	154,074	-	710,560	21.68%
	2020	172,121	172,121	-	811,379	21.21%
	2021	200,071	200,071	-	830,171	24.10%
	2022	276,967	276,967	-	1,157,194	23.93%
Tier 2 Public Employees DC Only System*	2014	\$ -	\$ -	\$ -	\$ -	0.00%
	2015	2,041	2,041	-	30,377	6.72%
	2016	2,142	2,142	-	32,016	6.69%
	2017	4,289	4,289	-	64,118	6.69%
	2018	2,708	2,708	-	40,476	6.69%
	2019	8,320	8,320	-	124,369	6.69%
	2020	16,173	16,173	-	241,746	6.69%
	2021	22,054	22,054	-	329,658	6.69%
	2022	33,147	33,147	-	495,470	6.69%
Tier 2 DC Public Safety and Firefighter DC Only System*	2014	\$ -	\$ -	\$ -	\$ -	0.00%
	2015	-	-	-	-	0.00%
	2016	-	-	-	-	0.00%
	2017	741	741	-	6,262	11.83%
	2018	5,020	5,020	-	75,634	6.64%
	2019	5,161	5,161	-	43,628	11.83%
	2020	6,669	6,669	-	56,391	11.83%
	2021	16,256	16,256	-	138,287	11.76%
	2022	21,901	21,901	-	186,736	11.73%

Note:

This schedule usually covers the 10 most recent fiscal years; however, this is the information available as of the implementation year of GASB 68.

Contributions as a percentage of covered-employee payroll may be different than the Board certified rate due to rounding or other administrative issues.

* Contributions in Tier 2 include an amortization rate to help fund the unfunded liabilities in the Tier 1 systems. Tier 2 systems were created effective July 1, 2011.

SPRINGVILLE CITY CORPORATION
Notes to the Required Supplementary Information
June 30, 2022

1. CHANGES IN ASSUMPTIONS

The investment return assumption was decreased by 0.10% to 6.85% for use in the January 1, 2021 actuarial valuation. This assumption change was based on analysis performed by the actuary and adopted by the Utah State Retirement Board. In aggregate, this assumption change resulted in a \$509 million increase in the Total Pension Liability, which is about 1.3% of the Total Pension Liability of as December 31, 2020 for all systems combined. The demographic assumptions were reviewed and updated in the January 1, 2020 actuarial valuation and are currently scheduled to be reviewed in the year 2023.

SPRINGVILLE CITY CORPORATION

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Supplementary Information

SPRINGVILLE CITY CORPORATION
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	Special Revenue		Capital Projects		Debt Service			Total Nonmajor Governmental Funds
	Special Improvement District	Redevelopment Agency	Community Theater	Special Services	Debt Service	Municipal Building Authority	Permanent Fund	
ASSETS								
Cash and cash equivalents	\$ -	\$ 1,087,198	\$ 15,916	\$ 679,033	\$ 360,958	\$ 3,559	\$ 2,479,667	\$ 4,626,331
Receivables:								
Accounts	-	-	-	-	1,750	-	966	2,716
Special assessment	7,717	-	-	-	-	-	-	7,717
Property taxes	-	350,000	-	-	-	-	-	350,000
Interfund note receivable	-	-	-	-	-	-	1,500,000	1,500,000
Restricted cash and cash equivalents	-	-	-	5,891,363	625	26	-	5,892,014
Total assets	\$ 7,717	\$ 1,437,198	\$ 15,916	\$ 6,570,396	\$ 363,333	\$ 3,585	\$ 3,980,633	\$ 12,378,778
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ -	\$ 132,167	\$ -	\$ -	\$ -	\$ 132,167
Total liabilities	-	-	-	132,167	-	-	-	132,167
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue-property taxes	-	350,000	-	-	-	-	-	350,000
Total deferred inflows of resources	-	350,000	-	-	-	-	-	350,000
FUND BALANCES								
Nonspendable	-	-	-	-	-	-	3,142,057	3,142,057
Restricted:								
Impact fees	-	-	-	5,705,927	-	-	-	5,705,927
Parks, art, and recreation projects	-	-	-	185,436	-	-	-	185,436
Debt Service	-	-	-	-	363,333	3,585	-	366,918
Assigned	7,717	1,087,198	15,916	546,866	-	-	838,576	2,496,273
Total fund balances	7,717	1,087,198	15,916	6,438,229	363,333	3,585	3,980,633	11,896,611
Total liabilities and fund balances	\$ 7,717	\$ 1,437,198	\$ 15,916	\$ 6,570,396	\$ 363,333	\$ 3,585	\$ 3,980,633	\$ 12,378,778

SPRINGVILLE CITY CORPORATION
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue		Capital Projects		Debt Service			Total Nonmajor Governmental Funds
	Special Improvement District	Redevelopment Agency	Community Theater	Special Services	Debt Service	Municipal Building Authority	Permanent Fund	
REVENUES								
Taxes	\$ -	\$ 313,469	\$ -	\$ 185,213	\$ -	\$ -	\$ -	\$ 498,682
Charges for services	-	-	-	-	-	-	122,657	122,657
Impact fees	-	-	-	1,615,693	-	-	-	1,615,693
Interest	-	6,118	-	1,801	682	104	14,232	22,937
Donations	-	-	-	-	-	-	135,650	135,650
Miscellaneous	-	-	97	112,450	-	397,134	-	509,681
Total revenues	-	319,587	97	1,915,157	682	397,238	272,539	2,905,300
EXPENDITURES								
Current:								
Community development	-	168,830	-	-	-	-	-	168,830
Debt service:								
Principal	-	-	-	-	915,000	305,000	-	1,220,000
Interest and fiscal expenses	-	-	-	-	431,887	92,134	-	524,021
Capital outlay	-	-	-	205,333	-	-	-	205,333
Total expenditures	-	168,830	-	205,333	1,346,887	397,134	-	2,118,184
Excess of revenues over (under) expenditures	-	150,757	97	1,709,824	(1,346,205)	104	272,539	787,116
OTHER FINANCING SOURCES (USES)								
Transfers in	345	20,000	-	-	1,568,888	-	1,500,000	3,089,233
Transfers out	-	-	-	(307,000)	-	-	(23,600)	(330,600)
Total other financing sources (uses)	345	20,000	-	(307,000)	1,568,888	-	1,476,400	2,758,633
Net change in fund balance	345	170,757	97	1,402,824	222,683	104	1,748,939	3,545,749
Fund balance, beginning of year	7,372	916,441	15,819	5,035,405	140,650	3,481	2,231,694	8,350,862
Fund balance, end of year	\$ 7,717	\$ 1,087,198	\$ 15,916	\$ 6,438,229	\$ 363,333	\$ 3,585	\$ 3,980,633	\$ 11,896,611

SPRINGVILLE CITY CORPORATION
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2022

	Business-type Activities - Enterprise Funds		
	Storm Water	Solid Waste	Total Nonmajor Enterprise Funds
<u>ASSETS</u>			
Current assets:			
Cash and cash equivalents	\$ 3,806,573	\$ 1,115,982	\$ 4,922,555
Accounts receivable, net	140,997	202,050	343,047
Total current assets	3,947,570	1,318,032	5,265,602
Noncurrent assets:			
Capital assets:			
Land	374,929	487,433	862,362
Construction in progress	521,059	-	521,059
Buildings	-	850,266	850,266
Improvements other than buildings	7,482,331	-	7,482,331
Machinery and equipment	205,596	225,907	431,503
Accumulated depreciation	(1,424,698)	(484,679)	(1,909,377)
Net capital assets	7,159,217	1,078,927	8,238,144
Other assets:			
Equity investment in joint venture	-	3,439,250	3,439,250
Net pension asset	40,280	99,412	139,692
Total other assets	40,280	3,538,662	3,578,942
Total noncurrent assets	7,199,497	4,617,589	11,817,086
Total assets	11,147,067	5,935,621	17,082,688
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred outflows related to pensions	18,075	44,611	62,686
Total deferred outflows of resources	18,075	44,611	62,686

SPRINGVILLE CITY CORPORATION
Combining Statement of Net Position (Continued)
Nonmajor Enterprise Funds
June 30, 2022

	Business-type Activities - Enterprise Funds		
	Storm Water	Solid Waste	Total Nonmajor Enterprise Funds
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	\$ 35,893	\$ 68,152	\$ 104,045
Accrued liabilities	4,860	12,901	17,761
Compensated absences	2,614	12,049	14,663
Total current liabilities	43,367	93,102	136,469
Noncurrent liabilities:			
Compensated absences	2,614	12,049	14,663
Total noncurrent liabilities	2,614	12,049	14,663
Total liabilities	45,981	105,151	151,132
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred inflows related to pensions	56,179	138,652	194,831
Total deferred inflows of resources	56,179	138,652	194,831
<u>NET POSITION</u>			
Net investment in capital assets	7,159,217	1,078,927	8,238,144
Restricted for impact fees	2,157,740	-	2,157,740
Unrestricted	1,746,025	4,657,502	6,403,527
Total net position	\$ 11,062,982	\$ 5,736,429	\$ 16,799,411

SPRINGVILLE CITY CORPORATION
Combining Statement of Revenues, Expenses, and
Changes in Fund Net Position
Nonmajor Enterprise Funds
For the Year Ended June 30, 2022

	Business-type Activities - Enterprise Funds		
	Storm Water	Solid Waste	Total Nonmajor Enterprise Funds
<u>OPERATING REVENUES</u>			
Sales and charges for services	\$ 1,457,390	\$ 2,101,053	\$ 3,558,443
Miscellaneous income	77,617	72,843	150,460
Total operating revenues	1,535,007	2,173,896	3,708,903
<u>OPERATING EXPENSES</u>			
Salaries and benefits	139,506	333,613	473,119
Administrative	834,233	1,454,476	2,288,709
Depreciation	174,621	28,952	203,573
Total operating expenses	1,148,360	1,817,041	2,965,401
Operating income	386,647	356,855	743,502
<u>NONOPERATING REVENUES (EXPENSES)</u>			
Equity income of joint venture	-	427,803	427,803
Impact fees	579,951	-	579,951
Interest income	16,162	5,175	21,337
Total nonoperating revenues (expenses)	596,113	432,978	1,029,091
Income before contributions and transfers	982,760	789,833	1,772,593
Capital contributions	373,386	-	373,386
Transfers out	(107,051)	(148,581)	(255,632)
Change in net position	1,249,095	641,252	1,890,347
Total net position, beginning	9,813,887	5,095,177	14,909,064
Total net position, ending	\$ 11,062,982	\$ 5,736,429	\$ 16,799,411

SPRINGVILLE CITY CORPORATION
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended June 30, 2022

	Storm Water	Solid Waste	Total Nonmajor Enterprise Funds
Cash flows from operating activities			
Receipts from customers and users	\$ 1,518,668	\$ 2,163,716	\$ 3,682,384
Payments to suppliers	(807,760)	(1,448,161)	(2,255,921)
Payments to employees	(176,821)	(388,328)	(565,149)
Net cash provided by operating activities	<u>534,087</u>	<u>327,227</u>	<u>861,314</u>
Cash flows from noncapital financing activities			
Transfers to other funds	(107,051)	(148,581)	(255,632)
Net cash used by noncapital financing activities	<u>(107,051)</u>	<u>(148,581)</u>	<u>(255,632)</u>
Cash flows from capital and related financing activities			
Aquisition of capital assets	(304,987)	(71,280)	(376,267)
Impact fees received	579,951	-	579,951
Net cash used by capital and related financing activities	<u>274,964</u>	<u>(71,280)</u>	<u>203,684</u>
Cash flows from investing activities			
Interest received	16,162	5,175	21,337
Net cash provided by investing activities	<u>16,162</u>	<u>5,175</u>	<u>21,337</u>
Net increase (decrease) in cash and cash equivalents	718,162	112,541	830,703
Cash and cash equivalents, beginning of year	<u>3,088,411</u>	<u>1,003,441</u>	<u>4,091,852</u>
Cash and cash equivalents, end of year	<u>\$ 3,806,573</u>	<u>\$ 1,115,982</u>	<u>\$ 4,922,555</u>
Total cash and cash equivalents	<u><u>\$ 3,806,573</u></u>	<u><u>\$ 1,115,982</u></u>	<u><u>\$ 4,922,555</u></u>

SPRINGVILLE CITY CORPORATION
Combining Statement of Cash Flows (Continued)
Nonmajor Enterprise Funds
For the Year Ended June 30, 2022

	Storm Water	Solid Waste	Total Nonmajor Enterprise Funds
Reconciliation of operating income to net cash provided by operating activities			
Operating income	\$ 386,647	\$ 356,855	\$ 743,502
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	174,621	28,952	203,573
Changes in assets and liabilities:			
Accounts receivable	(16,339)	(10,180)	(26,519)
Accounts payable	26,473	6,315	32,788
Accrued liabilities	(83)	5,036	4,953
Compensated absences	(1,423)	342	(1,081)
Net pension liability	(35,809)	(60,093)	(95,902)
Net cash provided by operating activities	\$ 534,087	\$ 327,227	\$ 861,314
Noncash investing, capital and financing activities			
Capital contributions - developers	\$ 373,386	\$ -	\$ 373,386
Equity investment adjustment for net income and ownership changes	\$ -	\$ 427,803	\$ 427,803

SPRINGVILLE CITY CORPORATION
Schedule of the Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual – Capital Projects Fund
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<u>REVENUES</u>				
Intergovernmental	\$ 2,453,326	\$ 2,503,326	\$ 1,002,047	\$ (1,501,279)
Interest	-	-	14,879	14,879
Total revenues	<u>2,453,326</u>	<u>2,503,326</u>	<u>1,016,926</u>	<u>(1,486,400)</u>
<u>EXPENDITURES</u>				
Current:				
Capital outlay	<u>7,005,404</u>	<u>18,370,818</u>	<u>5,335,901</u>	<u>13,034,917</u>
Total expenditures	<u>7,005,404</u>	<u>18,370,818</u>	<u>5,335,901</u>	<u>13,034,917</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,552,078)</u>	<u>(15,867,492)</u>	<u>(4,318,975)</u>	<u>11,548,517</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Sale of capital assets	-	6,583,325	583,325	(6,000,000)
Transfers in	2,561,799	4,061,799	2,861,799	(1,200,000)
Transfers out	<u>(1,521,721)</u>	<u>(2,000,721)</u>	<u>(2,000,720)</u>	<u>1</u>
Net other financing sources (uses)	<u>1,040,078</u>	<u>8,644,403</u>	<u>1,444,404</u>	<u>(7,199,999)</u>
Net change in fund balance	<u>\$ (3,512,000)</u>	<u>\$ (7,223,089)</u>	<u>(2,874,571)</u>	<u>\$ 4,348,518</u>
Fund balance, beginning of year			<u>6,734,121</u>	
Fund balance, end of year			<u>\$ 3,859,550</u>	

SPRINGVILLE CITY CORPORATION
Schedule of the Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual – Special Improvement District Fund
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<u>REVENUES</u>				
Charges for services	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>EXPENDITURES</u>				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	<u>-</u>	<u>345</u>	<u>345</u>	<u>-</u>
Net other financing sources (uses)	<u>-</u>	<u>345</u>	<u>345</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 345</u>	<u>345</u>	<u>\$ -</u>
Fund balance, beginning of year			<u>7,372</u>	
Fund balance, end of year			<u>\$ 7,717</u>	

SPRINGVILLE CITY CORPORATION
Schedule of the Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual – Redevelopment Agency Fund
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<u>REVENUES</u>				
Property tax	\$ 500,000	\$ 500,000	\$ 313,469	\$ (186,531)
Interest	-	-	6,118	6,118
Total revenues	<u>500,000</u>	<u>500,000</u>	<u>319,587</u>	<u>(180,413)</u>
<u>EXPENDITURES</u>				
Current:				
RDA expenditures	<u>520,000</u>	<u>520,000</u>	<u>168,830</u>	<u>351,170</u>
Total expenditures	<u>520,000</u>	<u>520,000</u>	<u>168,830</u>	<u>351,170</u>
Excess of revenues under expenditures	<u>(20,000)</u>	<u>(20,000)</u>	<u>150,757</u>	<u>170,757</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Net other financing sources (uses)	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>170,757</u>	<u>\$ 170,757</u>
Fund balance, beginning of year			<u>916,441</u>	
Fund balance, end of year			<u>\$ 1,087,198</u>	

SPRINGVILLE CITY CORPORATION
Schedule of the Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual – Community Theater Fund
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<u>REVENUES</u>				
Miscellaneous	\$ -	\$ -	\$ 97	\$ 97
Total revenues	-	-	97	97
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	97	<u>\$ 97</u>
Fund balance, beginning of year			<u>15,819</u>	
Fund balance, end of year			<u>\$ 15,916</u>	

SPRINGVILLE CITY CORPORATION
Schedule of the Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual – Special Services Fund
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<u>REVENUES</u>				
Taxes	\$ -	\$ -	\$ 185,213	\$ 185,213
Impact fees	2,083,375	2,083,375	1,615,693	(467,682)
Intergovernmental	800,000	800,000	-	(800,000)
Interest	84,000	84,000	1,801	(82,199)
Miscellaneous	-	-	112,450	112,450
Total revenues	<u>2,967,375</u>	<u>2,967,375</u>	<u>1,915,157</u>	<u>(1,052,218)</u>
<u>EXPENDITURES</u>				
Capital outlay	<u>3,250,000</u>	<u>3,310,000</u>	<u>205,333</u>	<u>3,104,667</u>
Total expenditures	<u>3,250,000</u>	<u>3,310,000</u>	<u>205,333</u>	<u>3,104,667</u>
Excess of revenues over expenditures	<u>(282,625)</u>	<u>(342,625)</u>	<u>1,709,824</u>	<u>2,052,449</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	<u>(307,000)</u>	<u>(307,000)</u>	<u>(307,000)</u>	<u>-</u>
Net other financing sources (uses)	<u>(307,000)</u>	<u>(307,000)</u>	<u>(307,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ (589,625)</u>	<u>\$ (649,625)</u>	<u>1,402,824</u>	<u>\$ 2,052,449</u>
Fund balance, beginning of year			<u>5,035,405</u>	
Fund balance, end of year			<u>\$ 6,438,229</u>	

SPRINGVILLE CITY CORPORATION
Schedule of the Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual – Debt Service Fund
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<u>REVENUES</u>				
Interest	\$ -	\$ -	\$ 682	\$ 682
Total revenues	<u>-</u>	<u>-</u>	<u>682</u>	<u>682</u>
<u>EXPENDITURES</u>				
Debt service:				
Principal	1,115,000	1,115,000	915,000	200,000
Interest and fiscal expenses	503,888	404,993	431,887	(26,894)
Bond issuance costs	-	98,895	-	98,895
Total debt service	<u>1,618,888</u>	<u>1,618,888</u>	<u>1,346,887</u>	<u>272,001</u>
Total expenditures	<u>1,618,888</u>	<u>1,618,888</u>	<u>1,346,887</u>	<u>272,001</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,618,888)</u>	<u>(1,618,888)</u>	<u>(1,346,205)</u>	<u>272,683</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	1,618,888	1,618,888	1,568,888	(50,000)
Net other financing sources (uses)	<u>1,618,888</u>	<u>1,618,888</u>	<u>1,568,888</u>	<u>(50,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>222,683</u>	<u>\$ 222,683</u>
Fund balance, beginning of year			<u>140,650</u>	
Fund balance, end of year			<u>\$ 363,333</u>	

SPRINGVILLE CITY CORPORATION
Schedule of the Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual – Municipal Building Authority Fund
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<u>REVENUES</u>				
Miscellaneous	\$ 397,134	\$ 397,134	\$ 397,134	\$ -
Interest	-	-	104	104
Total revenues	\$ 397,134	\$ 397,134	\$ 397,238	\$ 104
<u>EXPENDITURES</u>				
Debt service:				
Principal	305,000	305,000	305,000	-
Interest and fiscal expenses	92,134	92,134	92,134	-
Total expenditures	397,134	397,134	397,134	-
Net change in fund balance	\$ -	\$ -	104	\$ 104
Fund balance, beginning of year			3,481	
Fund balance, end of year			\$ 3,585	

SPRINGVILLE CITY CORPORATION
Schedule of the Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual – Permanent Fund
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<u>REVENUES</u>				
Charges for services	\$ 106,000	\$ 106,000	\$ 122,657	\$ 16,657
Interest	500	500	14,232	13,732
Donations	-	6,800	135,650	128,850
Total revenues	<u>106,500</u>	<u>113,300</u>	<u>272,539</u>	<u>159,239</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	1,500,000	1,500,000	1,500,000	-
Transfers out	<u>(25,000)</u>	<u>(38,600)</u>	<u>(23,600)</u>	<u>15,000</u>
Net other financing sources (uses)	<u>1,475,000</u>	<u>1,461,400</u>	<u>1,476,400</u>	<u>15,000</u>
Net change in fund balance	<u>\$ 1,581,500</u>	<u>\$ 1,574,700</u>	<u>1,748,939</u>	<u>\$ 174,239</u>
Fund balance, beginning of year			<u>2,231,694</u>	
Fund balance, end of year			<u>\$ 3,980,633</u>	

SPRINGVILLE CITY CORPORATION

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Compliance Section



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**CERTIFIED PUBLIC
ACCOUNTANTS**

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Honorable Mayor and Members of the City Council
Springville City, Utah

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Springville City Corporation, Utah (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 12, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

HBME, LLC

December 12, 2022



COMMITTED. EXPERIENCED. TRUSTED

**CERTIFIED PUBLIC
ACCOUNTANTS**

E. LYNN HANSEN, CPA
CLARKE R. BRADSHAW, CPA
GARY E. MALMROSE, CPA
EDWIN L. ERICKSON, CPA
MICHAEL L. SMITH, CPA
JASON L. TANNER, CPA
ROBERT D. WOOD, CPA
AARON R. HIXSON, CPA
TED C. GARDINER, CPA
JEFFREY B. MILES, CPA
SHAWN F. MARTIN, CPA

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND
REPORT ON INTERNAL CONTROL OVER COMPLIANCE
AS REQUIRED BY THE *STATE COMPLIANCE AUDIT GUIDE***

Honorable Major and Members of the City Council
Springville City, Utah

Report On Compliance

We have audited Springville City Corporation, Utah's (the City) compliance with state compliance requirements described in the *State Compliance Audit Guide* issued by the Office of the Utah State Auditor, that could have a direct and material effect on the City for the year ended June 30, 2022.

State compliance requirements were tested for the year ended June 30, 2022 in the following areas:

Budgetary Compliance
Fund Balance
Justice Courts
Fraud Risk Assessment
Utah Retirement Systems

Restricted Taxes and Related Revenues
Governmental Fees
Cash Management
Impact Fees
Public Treasurer's Bond

Management's Responsibility

Management is responsible for compliance with the state requirements referred to above.

Auditor's Responsibility

Our responsibility is to express an opinion on the City's compliance based on our audit of the state compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *State Compliance Audit Guide*. Those standards and the *State Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the state compliance requirements referred to above that could have a direct and material effect on a state compliance requirement occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each state compliance requirements referred to above. However, our audit does not provide a legal determination of the City's compliance with those requirements.

Opinion on Compliance

In our opinion, Springville City Corporation complied, in all material respects, with the state compliance requirements referred to above for the year ended June 30, 2022.

Other Matters

The results of our auditing procedures disclosed no instance of noncompliance or other matters, which are required to be reported in accordance with the *State Compliance Audit Guide*.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the state compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the state compliance requirements referred to above to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with those state compliance requirements and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a state compliance requirement on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a state compliance requirement will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a state compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

Purpose of Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control and compliance and the results of that testing based on the requirements of the *State Compliance Audit Guide*. Accordingly, this report is not suitable for any other purpose.

HBME, LLC

December 12, 2022



STAFF REPORT

DATE: December 15, 2022
TO: Honorable Mayor and City Council
FROM: Henry Clinton, Fire Chief
SUBJECT: Medical Billing Contract

Recommended Motion: Staff recommends approval of the medical billing agreement with Gold Cross Services.

Executive Summary: This is a multi-year agreement. The initial contract term shall be for a period of five (5) years; and, the contract period shall commence upon final execution of the contract. Springville City reserves the right to renew the contract for up to one (1) additional five (5) year period under the terms and conditions of the contract(s) issued subsequent to the request for bids.

Focus of Action: Review and approve the contract by resolution.

Background: Iris Medical billing company had served as the medical billing agency for over 12 years. Staff decided to conduct a request for bids within the current market. We received five proposals for medical billing service, Gold Cross had the most competitive rates and efficient service, and they were able to improve our current rate of service by 1 % (from 6.5% to 5.5%). Iris Medical declined to submit a bid.

Discussion: Staff recommendation is to approve the contract with Gold Cross for medical billing.

Alternatives: Extend the contract with IRIS Medical.

Fiscal Impact: 1% reduction in fees for medical billing.

Henry Clinton
Assistant Director of Public Safety
Fire Chief

City Council Report

RESOLUTION #2022-XX

A RESOLUTION AUTHORIZING THE EXECUTION OF AN AGREEMENT BETWEEN GOLD CROSS SERVICES AND THE CITY OF SPRINGVILLE, UTAH REGARDING THE COLLECTION OF AMBULANCE BILLING, DELINQUENT ACCOUNTS, AND OTHER RELATED SERVICES AS IMPOSED BY SPRINGVILLE.

WHEREAS, The city is in need of professional billing and collection services relating to emergency medical services provided by Springville Fire and Rescue; and

WHEREAS, Gold Cross Services is qualified and provides these services; and

WHEREAS, the city posted a Request for Bids (RFB) to solicit a qualified business to provide billing and collection services for Springville Fire and Rescue; and

WHEREAS, Gold Cross Services was selected through the RFB process to be the winning business and the attached agreement - Springville Fire and Rescue Purchasing Contract and Business Associate Agreement.

WHEREAS, an Agreement, in the form attached hereto known as Exhibit A, has been prepared and outline the provisions and responsibilities of both parties.

WHEREAS, the Springville City Council finds that the proposed Agreement is in harmony and complies with the law.

NOW, THEREFORE, BE IT RESOLVED BY THE SPRINGVILLE CITY COUNCIL:

1. The agreement attached hereto as Exhibit A is hereby approved.
2. The Mayor is hereby authorized to execute the Agreement in substantially the form attached hereto as Exhibit A, with such minor changes and modifications as may be recommended by the City's legal counsel.

This resolution shall take effect immediately, as allowed by law.

PASSED AND APPROVED this 20th day of December, 2022.

Matt Packard, Mayor

Attest:

Kim Crane, City Recorder

EXHIBIT A

Gold Cross Ambulance Billing Agreement

SPRINGVILLE FIRE AND RESCUE PURCHASING CONTRACT AND BUSINESS ASSOCIATE AGREEMENT

1. CONTRACTING PARTIES: This Contract is between Springville Fire and Rescue, (hereinafter "Springville") and the following Contractor (hereinafter "Contractor"):

Gold Cross Services, Inc.

Name

1717 S. Redwood Road

Address

Salt Lake City

City

Utah

State

84104

Zip

CONTRACTOR STATUS

- ☐ Sole Proprietor
☐ Non-Profit Corporation
☒ For-Profit Corporation
☐ Partnership

Contractor Signee: Michael Moffitt, President Phone: (801) 972-3600

Email: mimoffitt@goldercrossservices.com

Contractor Contact: Tyler Peterson

Phone: (801) 925-4319

Email: tylerp@goldercrossservices.com

Springville Contact: Henry Clinton, Fire Chief Phone: (801) 491-5600

Email: hclinton@springville.org

2. PURPOSE OF CONTRACT: The general purpose of this Contract is to authorize the Contractor to engage in the collection of ambulance billing, delinquent accounts, and other related services for ground ambulance and other EMS or fire department related charges, as imposed by Springville.
3. PROCUREMENT: This Contract is entered into as a result of the procurement process for Springville RFP #2022-003, FY2022.
4. INITIAL TERM AND EXTENSIONS: The Contractor agrees to provide the Services, as described herein, for a period of five (5) years commencing as of December 3, 2022. This Contract shall automatically renew for successive renewal terms of one year each, unless: (a) written notice is provided by either party that the Contract will not renew, and with the notice provided at least thirty (30) days prior to the end of the then-current term; or, (b) this Contract is otherwise terminated under the terms hereof.
5. TERMINATION: In the event that either party is in material breach of any provision of this Contract, and the breaching party has not cured the breach within five (5) business days of receipt of notice from the non-breaching party, the non-breaching party shall have the right to terminate this Contract upon written notice of such termination to the breaching party. Additionally, prior to the expiration date, either party may terminate this Contract for any reason by delivering written notice thereof to the other party at least ninety (90) days in advance. If this Contract is terminated as provided herein, the parties agree as follows:

- a. The Contractor shall calculate and invoice Springville on the basis of actual

Services performed, as described herein and, upon receipt of a valid invoice Springville shall promptly pay such invoice.

- b. Contractor shall continue to perform Services, and be entitled to the fees set forth herein, for a period of one hundred twenty (120) days after the effective date of termination (hereafter "Wind Down Period") for all of Springville's charges for services rendered prior to the termination date (hereafter "Wind Down Fees").
- c. Springville expressly agrees to cooperate and assist Contractor with its performance during the Wind Down Period and will timely report, or cause to be reported, all payments received during the Wind Down Period.
- d. Contractor shall discontinue performing Services for Springville at the end of the Wind Down Period.
- e. Contractor shall deliver to Springville, conditioned upon full payment to Contractor of all undisputed charges, a complete list of the existing accounts receivable (all debit and credit balances) in an industry standard electronic format, including data layout and/or translation tables.
- f. Except for the foregoing, Contractor shall have no further obligation to provide any Services after the effective date of termination, except for any additional services specifically agreed to be provided by Contractor.

6. **CONTRACT COST:** In consideration of the Services provided to Springville by the Contractor, and in exchange for exclusivity between Springville and the Contractor with regard to the accounts referenced in Paragraph 2 above, the parties agree to the following:

- a. All Billing Collected without Legal Action ("Regular Collections"): For all regular collections, Springville agrees to pay the Contractor 5.5% (five and one-half percent) of any net amounts collected that constitute the principal balance of the account, less refunds of overpayments by payers, for Springville and by the Contractor pursuant to this Contract. All contingency fees are inclusive in the above referenced fee. Contractor will not send any accounts, delinquent or otherwise, for outside collection.
- b. The Contractor will pay the sum of \$3,000.00 annually associated with Image Trend Elite EMS SaaS and CAD Distribution, otherwise referred to as Springville's current electronic patient care reporting system.

7. **DOCUMENTS INCORPORATED INTO THIS CONTRACT BY REFERENCE AND ATTACHED:**

- a. ATTACHMENT A: Description of Services
- b. ATTACHMENT B: Springville RFP 2022-03
- c. ATTACHMENT C: Proposal Submitted by the Contractor in Response to RFP 2022-003.

Any conflicts between any attachment and the main body of the contract shall be resolved in favor of the main body of this contract. Any conflicts between attachments shall be resolved in favor of Attachment A, followed by Attachment C, and then finally Attachment B.

8. **DOCUMENTS INCORPORATED INTO THIS CONTRACT BY REFERENCE AND NOT ATTACHED:**

- a. All other governmental laws, regulations, or actions applicable to the services authorized by this Contract.
 - b. As needed to satisfy the reporting requirements of Springville to the Utah Office of Emergency Medical Services ("UOEMS"), and at least monthly, the Contractor shall extract and transmit required data collected from District Patient Care information to UOEMS.
 - c. The Contractor shall assist Springville with the annual preparation of the State of Utah's Fiscal Reporting Guide and other reporting requirements as established by UOEMS.
9. EXCEPTIONS: The following exceptions apply to the terms and conditions as outlined in RFP 2022-003:
 - a. The Contractor took "No Exceptions".
 - b. The contract renewal option as outlined in the RFP, shall be amended to read as defined in Section 4 of this Contract.
10. ALTERED GOVERNMENTAL IMMUNITY LIMITS. In the event that governmental immunity limits are subsequently altered by legislation or judicial opinion, the Contractor shall be required to provide new certificates of insurance within thirty (30) days of being notified thereof in writing by Springville, certifying coverage in compliance with the modified limits or, if no new limits are specified, in such an amount as may be reasonably acceptable to Springville.
11. COVERED ENTITY: Springville is a "covered entity," as that term is defined in the HIPAA Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 160 and Part 164, Subparts A and E (the "Privacy Rules"), and, as such, must comply with the Privacy Rules. The Privacy Rules require Springville to enter into an agreement containing minimum safeguards with each of its "business associates" as that term is defined in 45 C.F.R. § 160.103 (the "Business Associate Agreement"). The Contractor is a business associate of Springville pursuant to the Privacy Rules, and, consequently, the parties must enter into the Business Associate Agreement.
12. ENTIRE AGREEMENT: This Contract, including all Attachments and documents incorporated herein, and the related Springville solicitation, constitutes the entire agreement between the parties with respect to the subject matter, and supersedes any and all other prior and contemporaneous agreements and understandings between the parties, whether oral or written. The terms of this Contract shall supersede any additional or conflicting terms or provisions that may be set forth or printed on the Contractor's work plans, cost estimate forms, receiving tickets, invoices, or any other related standard forms or documents of the Contractor that may subsequently be used to implement, record, or invoice services hereunder from time to time, even if such standard forms or documents have been signed or initialed by a representative of Springville. The parties agree that the terms of this Contract shall prevail in any dispute between the terms of this Contract and the terms printed on any such standard forms or documents, and such standard forms or documents shall not be considered written amendments of this Contract.
13. AUTHORITY: Each signatory below represents that he or she has the requisite authority to enter into this Contract.

As of the date appearing opposite their signature below, the parties have caused this Contract to be executed on their behalf by the following duly authorized representatives.

Agreed this ____ day of _____, 20____ for Springville Fire and Rescue.

By: ~~Henry Clinton~~ Bruce Riddle
Its: ~~Fire Chief~~ Finance Director

Attest:

Agreed this 23 day of November, 2022 for Gold Cross Services, Inc.


By: Michael Moffitt
Its: President

ATTACHMENT A

DESCRIPTION OF SERVICES

The Description of Services, as listed hereafter, is not intended to be all inclusive; and, unless otherwise noted in the Contract as an exception, all services, terms, and conditions, as outlined in RFP 2022-003, are applicable to the Contract.

1. The Contractor

- a. Placement of Accounts for Collection. The Contractor will notify Springville of delinquent accounts for debt collection. The Contractor shall communicate with Springville regarding said delinquent accounts prior to deeming the accounts as unrecoverable, with particular attention to achieving a maximum recovery of debts.
- b. Verify and Obtain Information. The Contractor will exercise reasonable and industry standard practices to verify, gather, and as appropriate correct missing or incorrect patient, insurance, or other information as required to complete the collection process. Springville shall cooperate with Contractor's reasonable requests for additional and/or clarifying information and documents.
- c. Red Flag Rule. If Springville is subject to the Red Flags Rule (found at 16 CFR §681.1 et seq.), Contractor agrees to assist Springville in complying with its Red Flags Rule obligations by: (a) implementing policies and procedures to detect relevant Red Flags (as defined under 16 C.F.R. §681.2); (b) taking all steps necessary to comply with the policies and procedures of Springville's Identity Theft Prevention Program; (c) ensuring that any agent or third party who performs services on its behalf in connection with covered accounts of Springville agrees to implement reasonable policies and procedures designed to detect, prevent, and mitigate the risk of identity theft; and (d) alerting Springville of any Red Flag incident (as defined by the Red Flag Rules) of which it becomes aware, the steps it has taken to mitigate any potential harm that may have occurred, and provide a report to Springville of any threat of identity theft as a result of the incident
- d. Pre-Collection Services. The Contractor will provide pre-collection services on all Accounts assigned by Springville.
- e. Collections. As described in Tab E of Attachment C, Contractor does all collections in-house. They do not outsource any collections. Procedures used by the Contractor to collect the delinquent debt will include, but are not limited to, a reasonable number of telephone calls and mailings, skip-tracing, bankruptcy scrubbing, estate claims, FCRA compliant credit reporting, and as approved by Springville, litigation.
- f. Accept Payments. The Contractor will accept and process payments, including credit card and web-based payments, and provide for automatic payment scheduling, directly from the patient or other responsible party and governmental, commercial, and private insurance carriers. With regard to payments toward any accounts assigned by Springville, the Contractor may endorse payments otherwise made payable to

Springville.

- g. Modified Payment Schedule. The Contractor will exercise commercially reasonable efforts in accordance with industry standards to negotiate and arrange for a modified payment schedule for individuals who are unable to pay the full amount due.
- h. Hold in Trust. The Contractor will hold in trust any amounts recovered on behalf of Springville. The accounting period will be per calendar month. Remittances to Springville will be sent within ten (10) days of the close of each month.
- i. Payment of Fees to Contractor. Contractor shall send an invoice to Springville for all fees, as provided for herein, on or about the 10th day of each month following the close of business for the prior month (hereafter "Invoice"). Payment is due, and Springville shall pay, the Invoice upon receipt. Any Invoice, or part of any Invoice, that is not paid by Springville within thirty (30) days, shall accrue and Springville shall pay interest, at the rate of 1.0% per month until paid.
- j. Recall of Account. Springville, as a result of an administrative action decision, legal decision, and/or administrative review by Springville, may recall any and all accounts from the Contractor. In any such event, the Contractor will suspend any and all collection action. The Contractor will confirm in writing within three (3) business days that the account has been recalled. With regard to Regular Collections, no collection fee will be charged on the uncollected portion of recalled accounts. With regard to any recalled Accounts that have progressed to Legal Collections, Springville agrees to reimburse Contractor any of its hard costs actually incurred.
- k. Records. The Contractor will maintain records on each individual account referred for collection by Springville. Such records will contain all of the collection activities made by the Contractor and other pertinent information.
- l. Electronic Back-Up. Contractor shall maintain complete electronic back-up of Client transactions under this Agreement and shall maintain in place such systems as are necessary to insure against loss or destruction of Client data.
- m. Reports. The Contractor will provide a monthly statement detailing the payments received, current balance, status of each account, and the account number. Additionally, Springville will be provided with access to the Contractor's secure web portal whereby Springville can obtain up-to-date reports as desired.

ATTACHMENT B

REQUEST FOR PROPOSAL
BILLING, COLLECTION, & ANCILLARY SERVICES
SPRINGVILLE CITY

PROPOSALS ARE DUE PRIOR TO:
MAY 27TH, 2022 @ 3:00 P.M.

RFB No. 2022-03

Springville City
110 S Main Street
Springville, UT 84663
Phone: (801) 489-2708

Contents

Section 1 – Background	5
1.01 Purpose.....	5
1.02 Service Area of the Department.....	5
1.03 Medical Services & Electronic Patient Care Reporting.....	5
1.04 Fees for Department Provided Services.....	5
1.05 Intent of Specifications	6
Section 2 – Submission Requirements.....	6
2.01 Eligibility	6
2.02 Submission of Proposals	6
2.03 Inquiries	7
2.04 Proposal Format.....	7
2.05 RFB Reference Number.....	8
2.06 Modification of the RFB.....	8
2.07 Modification or Withdrawal of Proposal	8
Section 3 – Scope of Service	9
3.01 Customer Service	9
3.02 Technology	9
3.03 Billing & Collection.....	9
3.04 Form Design.....	10
3.05 Recall of Account	10
3.06 Accounting & Reporting.....	10
3.07 Data Back-Up.....	11
3.08 Training.....	11
3.09 Additional Services.....	12
Section 4 – Agreements & Certifications	12
4.01 Right to Reject	12
4.02 Bid Preparation Costs	12
4.03 Exceptions.....	12
4.04 Assignment	12
4.05 Governing Law & Venue.....	12
4.06 Laws and Regulations.....	12
4.07 Waiver.....	13
4.08 Severability	13
4.09 Force Majeure	13
4.10 Dispute Resolution.....	13
4.11 Standard of Care	13
4.12 Conflict of Interest	13
4.13 Non-Collusion.....	14
4.14 Independent Contractor.....	14
4.15 Indemnity	14
4.16 Insurance.....	14
4.17 Employment Practices Clause.....	15
4.18 Debarment.....	15
4.19 Patents, Copyrights, Etc.	15
4.20 Public Information	15
4.21 Record Keeping and Audit Rights	16
4.22 Warranty	16

Section 1 – Background

1.01 Purpose

The Springville Fire & Rescue Department, hereinafter referred to as the “Department”, is soliciting proposals with the intent of establishing a contract with a professional, experienced, and specialized firm, hereinafter referred to as the “Contractor”, to provide billing, collection, and ancillary services for ground ambulance and other EMS or fire department related charges imposed by the Department; and, in accordance with the terms, conditions, and specifications contained in this RFB, and the contract awarded subsequent to this RFB.

For the purposes of this RFB, the term Department refers to the officers, employees, and other appointed agents of the Springville Fire & Rescue Dept., also known as Springville Fire Department.

1.02 Service Area of the Department

Operating from one (1) fire station, the Department provides Emergency Medical Quick Response, Paramedic, Ground Ambulance, Fire Suppression, Technical Rescue, and Hazardous Materials related emergency services, along with a variety of related prevention and education programs, to the residents and visitors of Springville City, and Hobbie Creek Canyon, and a portion of unincorporated Utah County. The total service area of the Department includes about 14 square miles and more than 38,000 residents.

1.03 Medical Services & Electronic Patient Care Reporting

The Department is licensed to provide all paramedic and ground ambulance transportation service within the Department’s defined boundaries.

The Department uses ImageTrend Elite ePCR software for all EMS reporting. Patient care reports will be uploaded electronically from the ImageTrend software to the Contractor. Additionally, ImageTrend is used by the Department for Fire Incident reporting as well as the maintenance of other department records.

The Department will not change to a different Records Management System as a result of the contract issued subsequent to this RFB and in fact, the license and maintenance cost associated with the Department’s use of ImageTrend ePCR and, the module required to provide responder access to CAD information and allow for a push of CAD data into the ePCR and fire reporting system, should be included in the Contractor’s Proposal.

1.04 Fees for Department Provided Services

Consistent with Utah Administrative Code, Rule R426-8, “Emergency Medical Services Ground Ambulance Rates and Charges”, the Department imposes fees for ground ambulance transport service. Additionally, the Department is considering implementation of a cost recovery

Proposals must be submitted by April 29, 2022 at 3:00 p.m. (local time); the Department will not consider a Proposal received after the deadline.

The Proposal shall be sealed and the information written on the exterior of the package must include "Attn: Bruce Riddle – Springville City RFB 2022-003.

Three (3) bound copies and one (1) electronic copy (thumb drive) of each Proposal must be received by the date and time indicated herein.

2.03 Inquiries

Questions arising subsequent to the issuance of this RFB shall be submitted in writing through the designated purchasing website at: SciQuest

All questions shall be submitted prior to April 21, 2022 at 3:00 p.m.

Chief Clinton, Springville Fire Department, is the sole authority for responding to questions and issuing addenda related to this RFB. All responses and addenda will be posted for all Contractors to view at the aforementioned website by April 25, 2022 at 3:00 p.m.

2.04 Proposal Format

Proposals must be concise and in outline format. Pertinent supplemental information should be referenced and included as attachments. For ease of review, all proposals must be organized and tabbed to comply with the following sections:

- a) Tab A: LETTER OF TRANSMITTAL
 - 1) An introduction of the Contractor's company;
 - 2) The name, title, address, telephone number, and email address of the person to be contacted regarding the Proposal;
 - 3) The name, title, address, telephone number, and email address of the person to be contacted regarding the contract, if different than the Proposal contact; and
 - 4) A description of the Contractor's approach and commitment to this project.
- b) Tab B: ADDENDUM - Statement acknowledging receipt of each addendum issued by the Department.
- c) Tab C: EXCEPTIONS - Exceptions shall be listed in order of this RFB and referenced by subsection number.
- d) Tab D: QUALIFICATIONS AND EXPERIENCE
 - 1) Details on the experience and capability of the Contractor to receive ePCRs from ImageTrend Elite ePCR Software, and provide automated claims submission to applicable insurance carriers;
 - 2) Summary of the qualifications of the individual(s) who will perform the services outlined in this RFB;
 - 3) At least three (3) current ground ambulance-based clients (name, address, and phone number) who submit their calls for service to the Contractor electronically by ImageTrend Elite; and

Section 3 – Scope of Service

3.01 Customer Service

The Contractor shall:

- a) except for designated holidays, ensure customer service is generally available from 8:00 a.m. to 5:00 p.m. (local time) Monday through Friday;
- b) maintain a local and toll-free phone number, with voice mail capability, and provide sufficient customer service representatives to promptly assist patients and other payees with billing inquiries;
- c) field all incoming calls from patients and other payees regarding the disposition and subsequent resolution of each billable event or activity;
- d) make a good faith effort to return all phone calls within one (1) business day of initial customer contact;
- e) maintain a full-time customer service representative in the State of Utah; and
- f) respond to all customers' requests and inquiries, either written or verbal, in a professional manner consistent with the values of the Department.

3.02 Technology

The Contractor shall purchase, provide to the Department, and provide for the maintenance of ImageTrend Elite Electronic Patient Care Reporting (ePCR) Software, ImageTrend CAD Integration module, and all other software as required to interface with the Department's software/hardware and efficiently complete the electronic patient care reporting, billing, and collection process.

3.03 Billing & Collection

The Contractor shall promptly undertake and manage the billing of Department imposed fees for emergency medical ground ambulance transport and related services, and as requested by the Department, other Department imposed fees. The responsibilities of the Contractor include, but shall not be limited to, the following:

- a) Receive ePCR data from the Department, daily, and via a secured site using an encryption system as approved by the Department;
- b) Verify, gather, and as appropriate correct missing or incorrect patient, insurance, or other information as required to complete the billing and collection process;
- c) Utilize all applicable HCPCS and ICD-9 codes to maximize payment from insurers;
- d) Prepare and transmit or mail accurate invoices to payees no sooner than five (5) days but no longer than fourteen (14) days following the date of service. Additionally, for unpaid accounts, the patient or other responsible party shall continue to receive

As needed to satisfy the reporting requirements of the Department to the Utah Bureau of Emergency Medical Services ("BEMS"), and at least monthly, the Contractor shall extract and transmit required data collected from Department patient care information to the BEMS.

The Contractor shall assist the Department with the annual preparation of the State of Utah's Fiscal Reporting Guide.

The Contractor shall provide assistance to the Department with any audit related to billing or collection activities provided by the Contractor on behalf of the Department.

Monthly financial reports shall be provided electronically, and within ten (10) business days following the end of the month, by the Contractor to the Department. At a minimum, the reports shall include the following:

- a) Distribution of Charges and Collections: Charges, payments, and insurance class mix of all patients.
- b) Aged Receivables: Outstanding invoices sorted by date for current, thirty, sixty, ninety, and greater than ninety days. A total for each category shall be included.
- c) Alpha Listing: Invoices listed alphabetically by patient name.
- d) Monthly Payment Listing: All payments, bad checks, required right off, and refunds posted.
- e) Any other report mutually agreed upon by both parties.

In addition to monthly or other periodic reports generated and provided by the Contractor to the Department, the Contractor shall provide the Department with access, via a secure connection, to a "Dashboard" whereby the Department can generate reports utilizing Department Data created or otherwise maintained by the Contractor.

3.07 Data Back-Up

The Contractor shall maintain a data back-up or redundancy system that insures data integrity, retention, and uninterrupted flow of service.

3.08 Training

The Contractor shall provide, at a minimum, an initial Compliance and Documentation training session for Department personnel. The session shall be conducted at least two (2) weeks prior to the Contractor commencing billing and collections on behalf of the Department. One (1) session shall be provided for each shift for a total of three (3) sessions.

Within 10 business days following completion of the first month of service, and at least every 12 months thereafter, the Contractor shall provide the Department with an in-depth analysis identifying deficiencies in documentation guidelines or CMS regulations.

4.07 Waiver

A waiver of any right, power, or privilege shall not be construed as a waiver of any subsequent right, power, or privilege.

4.08 Severability

If any provision of this RFB or associated agreements, contracts, and addendum is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected; and, the rights and obligations of the parties will be construed and enforced as if the Contract did not contain the particular provision held to be invalid.

4.09 Force Majeure

Neither party to the Contract will be held responsible for delay or default caused by fire, riot, acts of God and/or war which is beyond that party's reasonable control. The Department may terminate the Contract after determining such delay or default will reasonably prevent successful performance of the Contract.

4.10 Dispute Resolution

Prior to either party filing a judicial proceeding, the parties agree to participate in the mediation of any dispute. The Department, after consultation with the Contractor, may appoint an expert or panel of experts to assist in the resolution of a dispute. If the Department appoints such an expert or panel, the Department and Contractor agree to cooperate in good faith in providing information and documents to the expert or panel in an effort to resolve the dispute.

4.11 Standard of Care

The services of the Contractor shall be performed in accordance with the standard of care exercised by licensed members of their respective professions having substantial experience providing similar services which similarities include the type, magnitude, and complexity of the services that are the subject of the Contract. The Contractor shall be liable to the Department for claims, liabilities, additional burdens, penalties, damages, or third-party claims (i.e. another Contractor's claim against the Department), to the extent caused by wrongful acts, errors, or omissions that do not meet the standard of care.

4.12 Conflict of Interest

The Contractor represents that none of its officers or employees are officers or employees of the Department, unless disclosure has been made to the Department.

The Contractor certifies it has not offered or given any compensation, gratuity, contribution, loan or reward, or any promise thereof, to any officer, employee, or agent of the Department.

- c) Commercial Automobile Liability (CAL) insurance from an insurance company authorized to do business in the State of Utah. The CAL insurance must cover bodily injury and property damage liability and be applicable to all vehicles used in the performance of Services under the Contract whether owned, non-owned, leased, or hired. The minimum liability limit shall be \$1,000,000 per occurrence, combined single limit. CAL insurance is required if the Contractor uses a vehicle in performance of the Contract.

Insurance policies shall be endorsed to be primary and not contributing to any other insurance maintained by the Department.

A Certificate of Insurance, showing current coverage, shall be on file with the Department before commencement of the Contract.

4.17 Employment Practices Clause

The Contractor agrees to abide by federal and state employment laws, including: (a) the provisions of Title VI and VII of the Civil Rights Act of 1964 (42USC 2000e) which prohibits discrimination against any employee or applicant for employment or any applicant or recipient of services, on the basis of race, religion, color, or national origin; (b) Executive Order No. 11246, as amended, which prohibits discrimination on the basis of sex; 45 CFR 90 which prohibits discrimination on the basis of age; and, (c) Section 504 of the Rehabilitation Act of 1973, or the Americans with Disabilities Act of 1990 which prohibits discrimination on the basis of disabilities. Further, the Contractor agrees to abide by Utah's Executive Order, dated March 17, 1993, which prohibits sexual harassment in the work place.

4.18 Debarment

The Contractor certifies that neither it nor its principals are not presently nor have ever been debarred, suspended, proposed for debarment, or declared ineligible by any governmental department or agency, whether international, national, state, or local. The Contractor must notify the Department within 30 days if debarred, suspended, proposed for debarment, or declared ineligible from participation in any contract by any governmental entity during the Contract period.

4.19 Patents, Copyrights, Etc.

The Contractor will release, indemnify and hold the Department, its officers, employees and agents harmless from liability of any kind or nature, including the Contractor's use of any copyrighted or un-copyrighted composition, secret process, patented or un-patented invention, article or appliance furnished or used in the performance of the Contract.

4.20 Public Information

The Contractor agrees that the Proposal, Contract, related purchase orders, related pricing documents, and invoices will be public documents and may be available for public and private

Remedies available to the Department include the following: The Contractor will repair or replace (at no charge to the Department) the product whose nonconformance is discovered and made known to the Contractor in writing. If the repaired and/or replaced product proves to be inadequate, or fails of its essential purpose, the Contractor will refund the full amount of any payments that have been made. Nothing in this warranty will be construed to limit any rights or remedies the Department may otherwise have under this RFB or subsequent Contract.

4.23 Sales Tax Exemption

The tangible property purchased, or services performed under the Contract, will be paid for from Department funds and used in the exercise of essential functions of the Department. Upon request, the Department will provide the Contractor with its sales tax exemption number. It is the Contractor's sole responsibility to ascertain whether any tax deduction or benefits apply to any aspect of the Contract.

4.24 Contractor Fees and Payment by Department

The Contractor shall invoice the Department monthly for services rendered based on a percentage of monies collected. The proposed fee schedule for the entire Contract period shall be included under Tab E of the Proposal.

Payments from the Department are to be made within 30 days after a correct invoice is received by the Department; and, may be made to the Contractor via a "Purchasing Card" (major credit card) or will be remitted by mail. If payment has not been made after sixty (60) days from the date a correct invoice is received, interest may be added, effective on the 61st day, by the Contractor and at the same rate paid by the Internal Revenue Service on refund claims.

4.25 Time Is of the Essence

The Services shall be completed by any applicable deadlines stated in the Contract. The Contractor shall be liable for all reasonable damages to the Department, and anyone for whom the Department may be liable as a result of the Contractor's failure to timely perform the Services required under the Contract.

4.26 Changes in Scope

Any changes in the scope of the Services to be performed under the Contract shall be in the form of a written amendment to the Contract, mutually agreed to and signed by both parties, specifying any such changes, fee adjustments, and adjustment in time of performance, or any other significant factors arising from the changes in the scope of Services.

4.27 Award of Contract

The award of the Contract will be made to the responsible and qualified Contractor(s) whose Proposal, conforming to the request, is most advantageous to the Department. While cost is a

The Department's initial letter offering the Contractor an opportunity to renew the Contract does not constitute an award of the renewal option period. Acceptance of the renewal option must be confirmed by both parties, in writing, before it becomes valid.

4.31 Suspension of Work

Should a circumstance arise which would cause the Department to suspend the Contractor's responsibilities under the Contract, but not terminate the Contract, the Department shall provide written notice to the Contractor. The Contractor's responsibilities may be reinstated upon advance written notice from the Department.

4.32 Termination

The Contract may be terminated: (a) with cause by either party, prior to the specified expiration date, upon written notice given by the other party. The party in violation shall be given at least ten (10) days after written notification to correct and cease the violation(s), after which the Contract may be terminated for cause immediately and is subject to the remedies listed herein; or, (b) without cause, by the Department, upon ninety (90) days written termination notice being given to the Contractor; or, (c) at any time, by mutual agreement of both parties in writing. On termination of the Contract, all accounts and payments shall be processed according to the financial arrangements set forth herein for approved Services prior to date of termination.

Section 5 – Additional Certifications & Agreements for Technology or Data Items

5.01 Definitions

Capitalized terms used herein shall have the means set forth in this section.

- a) **"Access to Secure Department Facilities, Data, and Technology"** means Contractor will:
 - (a) enter upon secure premises controlled, held, leased, or occupied by the Department;
 - (b) maintain, develop, or have access to any deployed hardware, software, firmware, or any other technology that is in use by the Department; or (c) have access to or receive Department Data or Confidential Information during the course of performing services under the Contract.
- b) **"Authorized Persons"** means the Contractor's employees, officers, partners, Subcontractors or other agents of the Contractor who need to access Department Data to enable the Contractor to perform its responsibilities under the Contract.
- c) **"Custom Deliverable"** means the Work Product that the Contractor is required to deliver under the Contract.
- d) **"Data Breach"** means the unauthorized access by a non-authorized person(s) which results in unauthorized acquisition of Department Data and compromises the security, confidentiality, or integrity of Department Data.

property, Contractor's intellectual property (that it owned or licensed prior to the Contract issued subsequent to this RFB) or third-party intellectual property.

5.02 Updates and Upgrades

The Contractor shall grant to the Department a non-exclusive, non-transferable license to use upgrades and updates provided by the Contractor during the term of the Contract. Such upgrades and updates are subject to the terms of this RFB and the Contract. The Department shall be responsible to download, distribute, and install all updates as released by the Contractor during the Contract period.

5.03 Technical Support and Maintenance

If technical support and/or maintenance is a part of the Service the Contractor provides under the Contract, the Contractor will respond to the Department within a reasonable period of time.

5.04 Secure Protection and Handling of Department Data

The protection of Department Data shall be an integral part of the business activities of the Contractor to ensure there is no inappropriate or unauthorized use of Department Data. To the extent the Contractor is given or otherwise obtains or creates Department Data, the Contractor shall safeguard the confidentiality, integrity, and availability of the Department Data and comply with the conditions outlined below:

- a) **Network Security:** The Contractor shall maintain network security that at a minimum includes: network firewall provisioning, intrusion detection, and regular third-party penetration testing. Contractor also agrees to maintain network security that conforms to one of the following:
 - 1) Current standards set forth and maintained by the National Institute of Standards and Technology, including those at:
<http://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-53r4.pdf>;
 - 2) Those standards the State of Utah applies to its network; or,
 - 3) Any generally recognized comparable standard that the Contractor then applies to its own network and is approved by the Department in writing.
- b) **Department Data Transmission:** The Contractor warrants all transmission or exchange of PHI, Non-Public Data, and Personal Data with the Department shall take place via secure means (ex. HTTPS or FTPS).
- c) **Department Data Storage:** All Department Data shall be stored and maintained in data centers in the United States. The Contractor agrees that no Department Data, at any time, will be processed on or transferred to any portable or laptop computing device or any portable storage medium, except for devices that are used and kept only at the Contractor's United States data centers, unless such medium is part of the Contractor's designated backup and recovery process.

practices in relation to the Data Breach; and (d) in accordance with applicable laws indemnify, hold harmless, and defend the Department against any claims, damages, or other harm related to such Data Breach. If the Data Breach requires public notification, all communication shall be coordinated with the Department. The Contractor shall be responsible for all notification and remedial costs and damages.

5.07 Information Security

The Contractor warrants that its collection, access, use, storage, disposal and disclosure of Personal Data and Protected Health Information does and will comply with all applicable federal and state privacy and protection laws, as well as other applicable regulations and directives.

5.08 Use of Records

The Department shall own exclusive title to all information gathered, reports developed, and conclusions reached in performance of the Contract. The Contractor may not use, except in meeting its obligations under the Contract, information gathered, reports developed, or conclusions reached in performance of the Contract without the express written consent of the Department.

5.09 Return of Documents and Data

All documents and data pertaining to work required by the Contract are the property of the Department, and must be delivered to the Department, or its designee, within thirty (30) working days after termination or expiration of the Contract, regardless of the reason for Contract termination, and without restriction or limitation to their future use. Any documents and data that may be returned under provisions of this Section must either be in the format as originally provided, or in a format that is readily usable by the Department or that can be formatted in a way that it can be used. The costs for returning documents and data to the Department shall be included in the Proposal.

5.10 Security Questionnaire

Upon the Department's written request, to confirm compliance with this RFB and the Contract, as well as any applicable laws and industry standards, the Contractor shall promptly and accurately complete a written information security questionnaire provided by the Department or a third party on the Department's behalf regarding the Contractor's business practices and information technology environment in relation to all Personal Data and Protected Health Information being handled and/or services being provided by the Contractor to the Department pursuant to the Contract.

ATTACHMENT C



STAFF REPORT

DATE: December 12, 2022
TO: Honorable Mayor and City Council
FROM: Chief Lance Haight and John Penrod
SUBJECT: ORDINANCE PROPOSALS

Recommended Motion: Adoption of the following as Springville City ordinances:

- 8-7-108 Aggressive Solicitation

Executive Summary:

- Ordinance 8-7-108 would prohibit aggressive solicitation for the donation of money or something of value in public areas.

Focus of Action: Review and adopt the ordinance.

Background:

Proposed ordinance 8-7-108 would prohibit persons from aggressively soliciting money or another thing of value in a public place. The conditions of aggressive solicitation are outlined in the ordinance and include persistence after being declined, conduct that causes fear or intimidation, blocking free movement, physical contact without consent, and/or obscene or abusive language or gestures. The ordinance would also prohibit solicitation near a bank entrance, an ATM, or on private property when prohibited by the owner.

Discussion:

Staff recommendation is to adopt the ordinances.

Alternatives:

Not passing this ordinance may allow for disruption of safety in our community.

Fiscal Impact:

Passing of the ordinances will have no foreseen impact on the city budget. Advisories and/or enforcement actions taken would be during the normal course of duty for Springville Police Officers.

A handwritten signature in blue ink, appearing to read "Lance Haight", is written over a horizontal line.

Lance Haight, Director of Public Safety

LIST OF DISTANCES FOR BANKS AND ATMS BY VARIOUS CITIES AND STATES

UTAH

Ogden -	10 ft
Provo -	30 ft
St. George -	15 ft

OUT OF STATE

Arizona -	15 ft
Asbury Park -	10 ft
Asheville, NC -	20 ft
Austin -	25 ft
Baltimore -	20 ft
Boston -	10 ft
Cincinnati -	20 ft
Concord -	50 ft bank, 30 ft
Dallas -	25 ft
Dayton -	20 ft
Daytona Beach -	20 ft
Denver -	20 ft
Fortworth -	20 ft
Galveston, TX -	25 ft
Indianapolis -	20 ft
LA -	15 ft
Laredo, TX -	20 ft bank, 40 ft outside ATM
Missoula -	20 ft
New York -	10 ft
St. Augustine -	20 ft
Stockton, CA -	15 ft

ORDINANCE #22-2022

AN ORDINANCE ADOPTING SECTION 8-2-108 OF THE SPRINGVILLE CITY CODE TO RESTRICT AGGRESSIVE SOLICITATION WITHIN SPRINGVILLE CITY LIMITS.

WHEREAS, Springville City has a duty to preserve the health, safety and welfare of its inhabitants; and

WHEREAS, the Springville City Council finds that adopting this ordinance is necessarily to protect individuals from aggressively soliciting and helping them feel safe, while at the same time, allow for people to lawfully solicit and exercise their constitutional rights on public property; and

WHEREAS, in the interest of the health, safety and welfare of its citizens, Springville City deems it appropriate and necessary to prohibit the aggressive solicitations in any public place within Springville City limits.

NOW THEREFORE, the Springville City Council hereby ordains:

SECTION 1. SECTION ADOPTED: Section 8-2-108 of the Springville City Municipal Code is hereby adopted to read and provide as follows:

8-2-108 AGGRESSIVE SOLICITATION:

1) **Definitions:** For purposes of this Section:

(a) **AGGRESSIVE MANNER means intentionally:**

- (i) persisting in approaching or following an individual after the individual has negatively responded to the solicitation;
- (ii) engaging in conduct that would cause a reasonable individual to fear imminent bodily harm;
- (iii) engaging in conduct that would intimidate a reasonable individual into giving money or goods;
- (iv) blocking the path of an individual;
- (v) physically contacting an individual or the individual's personal property without that individual's consent; or
- (vi) using obscene or abusive language or gestures: a) intended to or likely to cause a reasonable person to fear imminent bodily harm or the commission of a criminal act upon property in the person's possession; or b) words intended to or reasonably likely to intimidate the person into responding affirmatively to the solicitation.

(b) **AUTOMATED TELLER MACHINE: A device, linked to a financial institution's account records, which is able to carry out transactions, including, but not**

limited to: account transfers, deposits, cash withdrawals, balance inquiries, and mortgage and loan payments.

- (c) AUTOMATED TELLER MACHINE FACILITY: The area comprised of one or more automatic teller machines, and any adjacent space which is made available to banking customers after regular banking hours.
- (d) BANK: a financial institution, including a commercial bank, savings bank, savings and loan association, credit union, and trust company, engaged in the business of banking, chartered under federal or state law, and regulated by a federal or state banking regulatory authority.
- (e) PUBLIC AREA: A publicly owned area to which the public or a substantial group of persons has access, and includes, but is not limited to, alleys, bridges, buildings, driveways, parking lots, parks, playgrounds, plazas, sidewalks, and streets open to the general public, and the doorways and entrances to buildings and dwellings, and the grounds enclosing them.
- (f) SOLICIT: To request anything, including, without limitation, an immediate donation of money or other thing of value, from another person, regardless of the solicitor's purpose or intended use of what is being requested. The solicitation may be, without limitation, by the spoken, written, or printed word, or by other means of communication.

2) Prohibited Acts: It shall be unlawful for any person to solicit:

- (a) In an aggressive manner in a public area;
- (b) Within thirty feet (30') of any entrance or exit of any bank or within thirty feet (30') of any automated teller machine during the hours of operation of such bank, automated teller machine or check cashing business without the consent of the owner or other person legally in possession of such facilities. Provided, however, that when an automated teller machine is located within an automated teller machine facility, such distance shall be measured from the entrance or exit of the automated teller machine facility; or
- (c) On private property if the owner, tenant, or lawful occupant has asked the person not to solicit on the property, or has posted a sign clearly indicating that solicitations are not welcome on the property.

3) Demand for Payment not Included: This section is not intended to prescribe any demand for payment for services rendered or goods delivered.

4) Constitutionally Protected Activity: This section is not intended to limit any persons from exercising their constitutional right to picket, protest or engage in other constitutionally protected activity. Rather, its goal is to protect citizens from fear and intimidation. This section should be held inapplicable in any such cases where its application would be unconstitutional under the constitution of the state of Utah or the constitution of the United States of America.

5) Violation: A violation of this section is a class B misdemeanor.

SECTION 2. EFFECTIVE DATE: This ordinance shall become effective immediately upon passage and posting.

PASSED, ADOPTED AND ORDERED POSTED by the Council of Springville City, Utah this 20th day of December, 2022.

MAYOR MATT PACKARD

ATTEST:

KIM CRANE, CITY RECORDER



Staff Report

DATE: December 2, 2022
TO: Honorable Mayor and City Council
FROM: Jake Nostrom, Assistant Public Works Director
SUBJECT: WATER CONSERVATION PLAN 2022

RECOMMENDED MOTION

Move to adopt the Springville City Water Conservation Plan 2022, prepared by Hansen Allen & Luce Engineering.

EXECUTIVE SUMMARY

The purpose of this plan is to assess the water conservation alternatives available to Springville, Utah (City), to set reasonable and achievable goals to conserve water, and to identify the methods and measures which the City will take to reach these goals. This plan will serve as a guide to maintaining the same high-quality level of service to Springville's residents into the future.

The Public Works Department has chosen to maintain the methods and measures of the 2016 water conservation plan and adopt a goal following an established trend line set by those practices. The 2022 Water Conservation Plan sets a goal of 214 gallons per capita day (gpcd) by the year 2030. This is a 13% reduction from the actual 2021 water use number of 243 gpcd.

SUMMARY OF ISSUES/FOCUS OF ACTION

Although Provo River Region has a goal of 179 gpcd, the City's Public Works Department suggests to follow the historical established downward trend line (shown as dotted blue line below), which indicates a 214 gpcd in the year 2030. The 214 gpcd would be a 13% reduction from actual 2021 water usage of 243 gpcd.

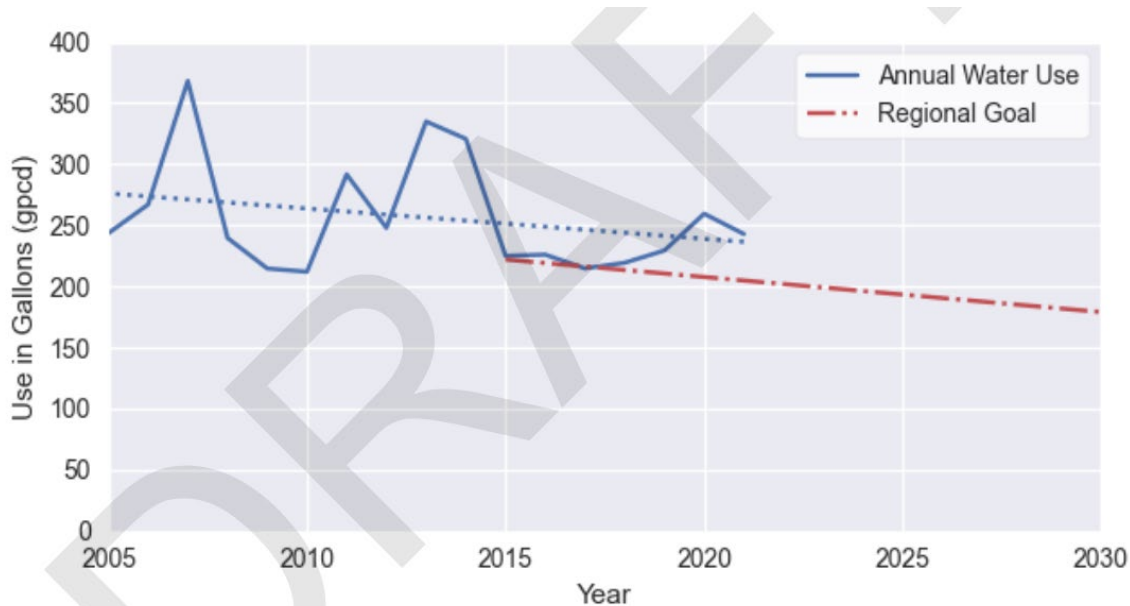


Figure 3-1: Historical Per-Capita Water Use

BACKGROUND

Historically, the City has consistently met its primary goal of meeting the demands for water of its residents. Engineering, master planning, and good civic leadership have been the keys for keeping the City on track. This plan will serve as a guide to maintaining the same high-quality level of service to Springville residents into the future.

The City recognizes the need for proactive planning to meet the water needs of its citizens. The Utah State Legislature has passed legislation requiring public water suppliers to prepare and periodically update a Water Conservation Plan. This plan is an update to the 2016 Water Conservation Plan for the City.

Included in this document are descriptions of the drinking water and pressurized irrigation (PI) systems for the City, summaries of water consumption rates, assessments of water conservation alternatives, goals for water conservation, and details for existing and proposed conservation measures for the City.



Utah's new Regional M&I 2030 Water Conservation Goal for the Provo River Region is 179 gallons per capita per day (gpcd), a 20% reduction from the 2015 baseline of 222 gpcd (HAL and BCA, 2019).

DISCUSSION:

If the City were to adopt a 179 gpcd goal for 2030, the City would need to set higher water rates to maintain current revenues while selling less water and to change our current landscape ordinance and change the way the City looks. Listed below are some Best Management Practices (BMP's) we should consider.

- Enact a time-of-day watering ordinance
- Enact a water-efficient landscape ordinance for new commercial development
- Adopt Central Utah Water Conservancy District (CUWCD) water conservation measures and resources. These CUWCD programs include the following items:

Residential CUWCD Programs:

- Landscape Classes: CUWCD offers landscaping classes that focus on water conservation principles for residential and commercial water users.
- Lawn Maintenance and Vegetable Gardening: CUWCD offers tips and conservation practices on lawn care, watering practices, sprinkler repairs, and vegetable gardening.
- Water Conservation Gardens: CUWCD is promoting waterwise landscaping techniques by establishing water conservation demonstration gardens. Educational resources are available to help residents implement more water efficient practices into their own landscapes.

Residential CUWCD Partner Programs:

- Toilet Replacement: Old toilets are a leading cause of wasted water in Utah homes. Rebates are given for replacing toilets that use more than 1.6 gallons per flush and were installed in homes built before 1994.
- Smart Controller Rebates: Smart controllers can help save water by automatically adjusting watering schedules based on local weather and landscape needs. Rebates for smart controllers are available throughout the state.
- Locascapes: An approach to landscaping designed specifically for Utah. Cash rewards and plan reviews will be given for landscaping projects that meet program requirements.



- Slow the Flow - Irrigation Evaluation: Customers can sign up for a free consultation to get expert advice about their watering practices, landscape, and sprinkler system.

ALTERNATIVES

- Not adopt 2022 water conservation plan and not be compliant with Utah State Code 73-10-32.
- Follow the Provo River Region goal of 179 gcpd by the year 2030, a 35% reduction from 2021 of 243 gcpd.
- Staff recommends setting a goal of 214 gcpd.

FISCAL IMPACT

The decreasing use of water (conservation) by the ratepayers will require reassessment of the City's rate structure to offset the loss of water revenues. The current trend line will allow for adjustments as needed over the coming years.

Public Works Department plans to handle the fiscal impact with data driven annual rate adjustment with the budget process.

JAKE NOSTROM
Assistant Public Works Director
jnostrom@springville.org
801.830.5027
springville.org



RESOLUTION #2022-____

**A RESOLUTION BY THE SPRINGVILLE CITY COUNCIL ADOPTING THE
SPRINGVILLE CITY WATER CONSERVATION PLAN 2022.**

WHEREAS, Springville City recognizes the need to conserve water within
Springville City, and

WHEREAS, Springville City has participated in the creation of a water
conservation plan, hereby known as the Springville City Water Conservation Plan 2022
in accordance with State Code 73-10-32; and

WHEREAS, the Springville City Water Conservation Plan 2022 identifies water
conservation goals and actions to reduce water on property in Springville City as
required by State law; and

WHEREAS, adoption by Springville City demonstrates their commitment to
conserve water and achieve the goals outlined in the Springville City Water
Conservation Plan 2022; and

WHEREAS, after providing the 14-day public notice as required by Utah State
law, the Springville City Council held a public hearing and found that the Springville City
Water Conservation Plan 2022 meets the requirements of Utah State law and is in the
best interests of Springville City's water conservation efforts moving forward.

NOW THEREFORE, BE IT RESOLVED BY THE SPRINGVILLE CITY COUNCIL:

SECTION 1. Springville City approves and adopts the Springville City Water
Conservation Plan 2022 and directs public works to submit to the Division of Drinking
Water, with Utah State.

SECTION 2. This resolution shall be effective on the date it is adopted.

Passed this 20th day of December, 2022

Matt Packard, Mayor
Springville City

Attest:

Kim Crane, City Recorder

EXHIBIT A

Springville City Water Conservation Plan 2022



SPRINGVILLE CITY

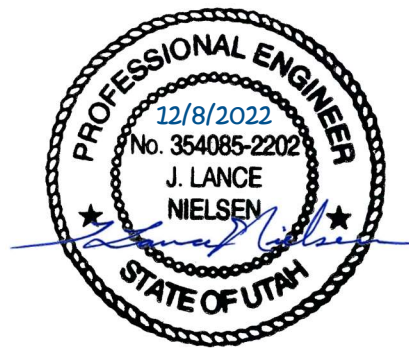
**2022 WATER CONSERVATION
PLAN UPDATE**

(HAL Project No.: 260.58.100)

SPRINGVILLE CITY

2022 WATER CONSERVATION PLAN UPDATE

(HAL Project No.: 260.58.100)



Lance Nielsen, P.E.
Principal, Project Engineer



December 2022

ACKNOWLEDGEMENTS

Successful completion of this water conservation plan update was made possible by the cooperation and assistance of many individuals, including the Mayor of Springville, City Council members, and City Staff as shown below. We sincerely appreciate the cooperation and assistance provided by these individuals.

Springville City

Mayor

Matt Packard

City Council

Liz Crandall

Craig Jensen

Jason Miller

Chris Sorensen

Michael Snelson

Public Works Department

Brad Stapley, Public Works Director

Water Department Staff

Shawn Barker, Water Supervisor

TABLE OF CONTENTS

ACKNOWLEDGEMENTS.....	i
TABLE OF CONTENTS	ii
LIST OF TABLES AND FIGURES.....	iii
CHAPTER 1 – INTRODUCTION	1-1
PURPOSE.....	1-1
BACKGROUND.....	1-1
CHAPTER 2 – EXISTING WATER SYSTEMS	2-1
SYSTEM PROFILES	2-1
M&I Water Connections	2-1
INVENTORY OF WATER RESOURCES.....	2-2
WATER RIGHTS.....	2-3
RELIABLE WATER SUPPLY.....	2-4
ULS Pipeline	2-4
HISTORICAL SUPPLY	2-5
CHAPTER 3 – WATER USE	3-1
PER CAPITA WATER USE	3-1
FUTURE WATER NEEDS.....	3-1
CHAPTER 4 – WATER & REVENUE LOSS CONTROL.....	4-1
WATER LOSS.....	4-1
BILLING RATES.....	4-2
CHAPTER 5 – CONSERVATION GOALS & PRACTICES.....	5-1
IDENTIFIED PROBLEMS.....	5-1
WATER CONSERVATION GOALS.....	5-1
Provo River Regional Goals	5-1
Springville City Water Conservation Goals.....	5-2
BEST MANAGEMENT PRACTICES	5-2
Existing Best Management Practices	5-2
Proposed Best Management Practice	5-3
CHAPTER 6 – IMPLEMENTATION PLAN	6-1
REFERENCES	R-1
APPENDIX A	
WATER USE PROJECTIONS	
APPENDIX B	
ADDITIONAL WATER CONSERVATION MEASURES	
APPENDIX C	
SPRINGVILLE CITY COUNCIL ADOPTION OF CONSERVATION PLAN	

LIST OF TABLES AND FIGURES

TABLE 2-1: DRINKING WATER CONNECTIONS	2-1
FIGURE 2-1: TOTAL SERVICE CONNECTIONS	2-2
TABLE 2-2: CULINARY WATER RIGHTS	2-3
TABLE 2-3: PI WATER RIGHTS.....	2-4
TABLE 2-4: RELIABLE WATER SUPPLY	2-4
TABLE 2-5: HISTORICAL DRINKING WATER SUPPLY	2-5
TABLE 2-6: HISTORICAL PI WATER SUPPLY	2-5
FIGURE 3-1: HISTORICAL PER-CAPITA WATER USE	3-1
FIGURE 3-2: WATER USE PROJECTIONS	3-2
TABLE 4-1: HISTORICAL DRINKING WATER LOSS.....	4-1
FIGURE 4-1: HISTORICAL DRINKING WATER PRODUCTION & USE.....	4-2
TABLE 4-2: DRINKING WATER RATES.....	4-2
TABLE 4-3: PRESSURIZED IRRIGATION RATES	4-3
TABLE 5-1: PROVO RIVER REGION CONSERVATION GOALS.....	5-1
TABLE 5-2: SPRINGVILLE CITY CONSERVATION GOALS.....	5-2
TABLE 5-2: BEST MANAGEMENT PRACTICES.....	5-3
TABLE 6-1: IMPLEMENTATION PLAN.....	6-1

CHAPTER 1 – INTRODUCTION

PURPOSE

The purpose of this plan is to assess the water conservation alternatives available to Springville, Utah (the City), to set reasonable and achievable goals to conserve water, and to identify the methods and measures which the City will take to reach these goals. This plan will serve as a guide to maintaining the same level of service to Springville's residents into the future.

This plan addresses future water needs and the City's ability to meet these needs. The City may choose the presented alternatives that best suit their interests, while attaining the selected goals. Once the conservation measures are implemented, the water system will be monitored to ensure that the methods are effective in improving water conservation.

BACKGROUND

Historically, the City has consistently met its primary goal of meeting the water demands for its residents. Engineering, master planning, and good civic leadership have been the keys for keeping the City on track. This plan will serve as a guide to maintaining the same level of service to Springville Residents into the future.

The City of Springville recognizes the need for proactive planning to meet the water needs of its residents. The Utah State Legislature has passed legislation requiring public water suppliers to prepare and periodically update a Water Conservation Plan. This report is an update to the 2016 Water Conservation Plan for the City. Included in this document are descriptions of the drinking water and pressurized irrigation (PI) systems, summaries of water consumption rates, assessments of water conservation alternatives, goals for water conservation, and details for existing and proposed conservation measures for the City.

CHAPTER 2 – EXISTING WATER SYSTEMS

SYSTEM PROFILES

The City is located in southern Utah County, on the eastern side of Utah Lake. The City boundaries include approximately 15 square miles, with an additional annexation area of approximately 17 square miles planned for future acquisition. The City also services some residents in Hobble Creek Canyon, which is outside the City limits.

M&I Water Connections

The City owns and operates both a public drinking water system and a public pressurized irrigation system servicing 9,666 and 1,591 connections respectively (Utah Division of Water Rights, 2022). The City began service for the pressurized irrigation system in 2019 and is actively pursuing growth of the system. A summary of the drinking water system connections for 2005 to 2021 is included in Table 2-1 below.

Table 2-1: Drinking Water Connections

Year	Connection Distribution					Total Connections
	Residential	Commercial	Industrial	Institutional	Other	
2005	93.59%	4.96%	0.48%	0.86%	0.11%	7,240
2006	93.43%	5.09%	0.46%	0.90%	0.12%	7,334
2007	93.53%	5.04%	0.40%	0.90%	0.13%	7,664
2008	93.31%	5.19%	0.39%	0.98%	0.14%	7,770
2009	92.48%	5.16%	0.38%	0.99%	0.99%	7,964
2010	92.48%	5.16%	0.37%	0.98%	1.01%	8,084
2011	92.39%	5.23%	0.33%	1.02%	1.03%	8,159
2012	92.22%	5.23%	0.33%	1.16%	1.05%	8,177
2013	91.82%	5.42%	0.01%	1.70%	1.05%	8,471
2014	92.12%	5.59%	0.09%	1.78%	0.41%	8,531
2015	90.76%	5.97%	0.09%	3.18%	-	8,765
2016	92.08%	5.84%	0.09%	1.99%	-	8,685
2017	93.83%	4.01%	0.09%	2.06%	-	8,673
2018	92.43%	5.48%	0.09%	2.00%	-	8,983
2019	92.75%	4.91%	0.56%	1.78%	-	9,099
2020	92.74%	4.93%	0.62%	1.70%	-	9,344
2021	92.76%	4.98%	0.60%	1.67%	-	9,666

Source: Utah Division of Water Rights

As shown in Table 2-1, most of the drinking water system connections are residential; while not shown in any table or figure, this is also the case for the pressurized irrigation system. The “other” category of service connections in Table 2-1 includes stock, wholesale, miscellaneous, and unmetered connections. The City has made efforts to install meters on unmetered connections,

and as of 2016, no unmetered connections have been reported to the Division of Water Rights. Water meters are read monthly, March through October, and are replaced on an as-needed basis.

In 2019, the City began reporting service for customers within the pressurized irrigation system to the Division of Water Rights. The pressurized irrigation system currently only serves the newer developments on the west side of the City. Since the PI service began, the City has expanded it rapidly, with the total number of connections growing from 894 in 2019 to 1,399 in 2021 (Utah Division of Water Rights, 2022). Figure 2-1 shows a chart of the total service connections for both the drinking water system and pressurized irrigation system from 2005 to 2021.

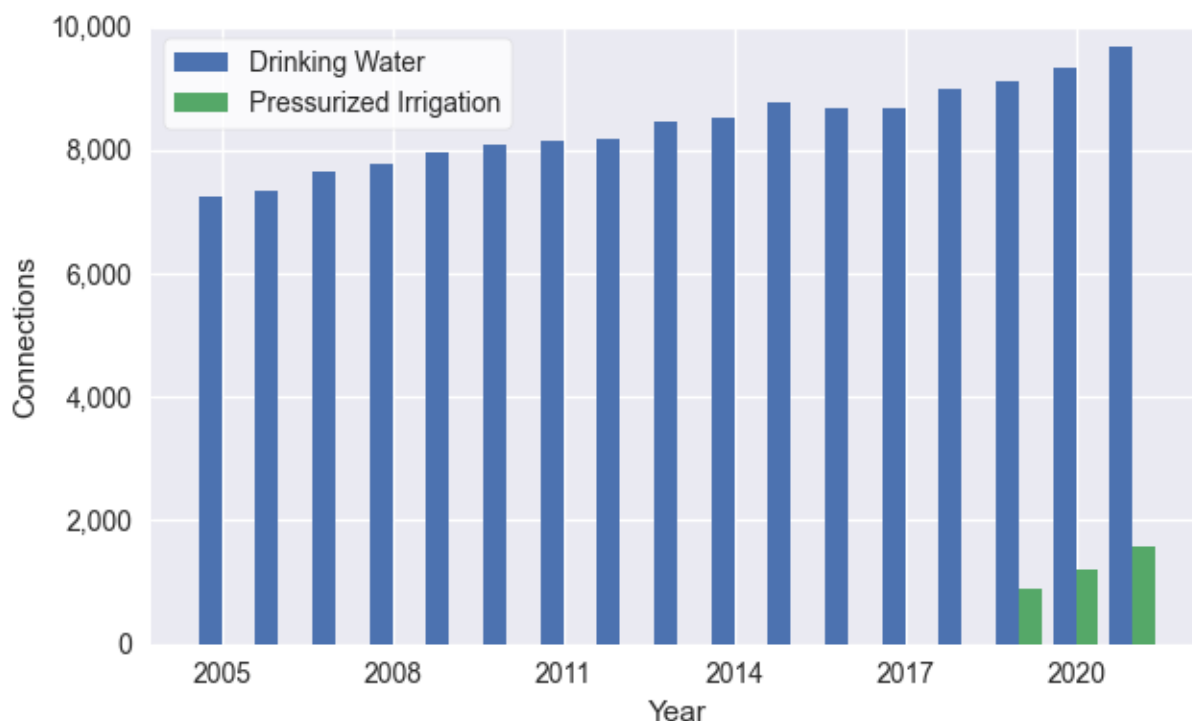


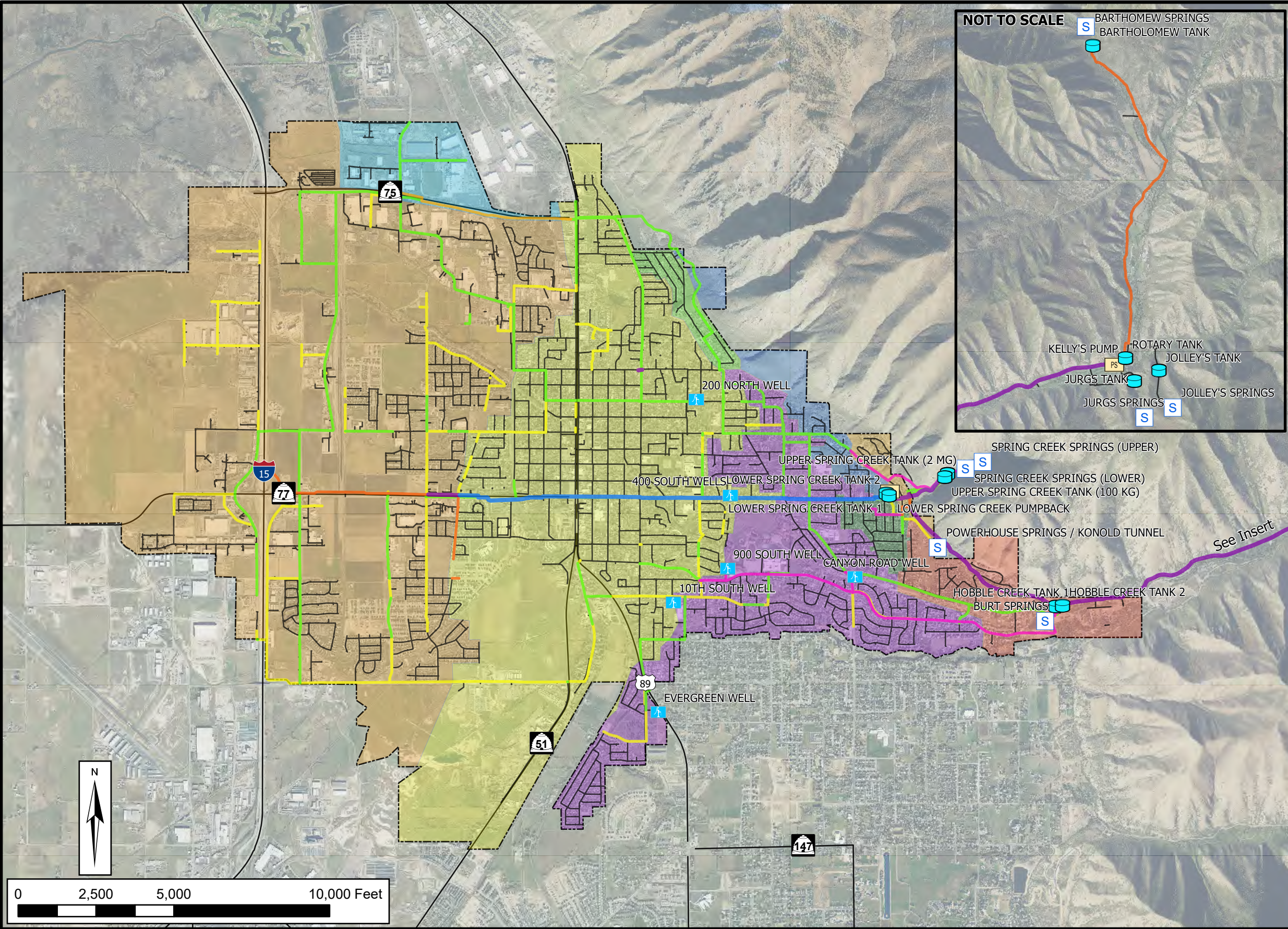
Figure 2-1: Total Service Connections

INVENTORY OF WATER RESOURCES

The drinking water system consists of nine main pressure zones and services the residents of Springville City and a small number of the residents in Hobble Creek Canyon. There is a total of seven wells and four springs which supply water for the drinking water system. The City uses eight storage tanks for drinking water storage. Figure 2-2 shows a map of the drinking water system.

The pressurized irrigation system primarily uses Hobble Creek, Burt Springs, and Strawberry Reservoir as water sources, with a small amount of water source coming from Jurd Spring (a.k.a. Jurg Spring), which flows into the middle reach of Hobble Creek. The Industrial Park Well (an artesian well) flows into Little Spring Creek. The water from the Industrial Park Well is subsequently drawn from Little Spring Creek to service an industrial customer's outdoor irrigation. Figure 2-3 shows a map of the pressurized irrigation system.

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Legend

- Tanks
- Pumps
- Springs
- Wells
- Highway
- Springville Municipal Boundary

Water Main Diameter

- 4 in.
- 6 in.
- 8 in.
- 10 in.
- 12 in.
- 14 in.
- 16 in.
- 18 in.
- 20 in.
- 24 in.
- 30 in.
- 36 in.

Pressure Zones

- Cherrington Pressure Zone
- Crandall Pressure Zone
- Hobbie Creek Pressure Zone
- Klauck Pressure Zone
- Lower Spring Creek Pressure Zone
- Nestles Pressure Zone
- Rotary Pressure Zone
- Upper Spring Creek Pressure Zone
- Westfields Pressure Zone

WATER RIGHTS

The 2020 Drinking Water Master Plan identifies the water rights currently held by the City and potential water rights the City could acquire in the future. The City currently has a total of 15,831 acre-feet of water rights available for use in the drinking water system. Table 2-2 below is from the 2020 Drinking Water Master Plan and summarizes the drinking water rights currently owned by the City (Hansen, Allen & Luce, Inc. 2020). It should be noted that some of these water rights are used in the pressurized irrigation system as it uses a small amount of water from Jurd Spring and the Industrial Park Well.

Table 2-2: Culinary Water Rights

Water Right(s)	Flow (gpm)	Volume (Acre-feet)	Source
51-111 (a26443) Includes 51-6666, 51-6990, 51-7242	198	103	City Wells
51-1455 (a28365) Includes 51-1486, 51-1493	4,937	7,964*	City Wells
51-2530 (a29656) Includes 51-3679	2,703	144	City Wells
51-2780 (a28366)	1,346	439	City Wells
51-5450 (a40919)	1,333	14	City Wells
51-6970 (a28367) Includes 51-1024, 51-1025, 51-1088	1,472	1,746	City Wells
51-8641	35	33	City Wells
51-8793 (a43986)	9	14	City Wells
51-5329	1,300	2,069**	Burt Springs
51-5330	180	290*	Konold Springs
51-5520	662	1,068 [#]	Bartholomew Springs
51-6027	1,200	1,947 ^{##}	Spring Creek Canyon Springs
Total	15,375	15,831	

Source: 2020 Drinking Water Master Plan

* Potential volume if sources are able to produce designated flow rate year-round. Actual volume may be limited by either source capacity (i.e., a spring may not be able to produce the designated flow rate year-round) or by demand.

** W.U.C. indicates that 8 cfs is diverted 24 hours for 5 days out of each 8-1/3 days from April 1 to October 31. This would equal 128.45 days with an estimated volume of 2,038.24 ac-ft.

[#] Springville Irrigation Company water right used by Springville City based on City ownership of 267 shares. Each share equals 4 ac-ft resulting in an annual volume of 1,068 ac-ft.

^{##} 10-year average yield of the spring from 1999 – 2009

Springville City, in conjunction with Springville Irrigation Company, own water rights for use in the pressurized irrigation system. There is a total of 3,097 acre-feet of water rights available for use in the pressurized irrigation system according to the 2020 Pressurized Irrigation Water Master Plan. Table 2-3 is taken from the 2020 Pressurized Irrigation Water Master Plan and shows a

summary of the water rights used in the pressurized irrigation system (Hansen, Allen & Luce Inc., 2020).

Table 2-3: PI Water Rights

Water Right	Flow (gpm)	Volume (Acre-feet)	Source
Strawberry Water Shares (Springville Irrigation Company)	3,000	1,970	Springville/Mapleton Strawberry Pipeline
Springville Irrigation Company Shares (Non-Strawberry Water)	645	513	Springville Irrigation Ditch #1
51-6025	627	499	Hobble Creek/ Highline Ditch
51-6219	145	115	Hobble Creek/ Highline Ditch
Total	4,417	3,097	

Source: 2020 Pressurized Irrigation Water Master Plan

* Flow and volume for each water right is estimated based on the Division of Water Rights database and City records.

RELIABLE WATER SUPPLY

The City's annual reliable water supply is comprised of the combined volume of the drinking water and pressurized irrigation system water rights. In addition to the current water supply, additional water will become available to the City when the Utah Lake Drainage Basin Water Delivery System of the Bonneville Unit of the Central Utah Project (ULS) is complete. This additional water will be used in the pressurized irrigation system.

ULS Pipeline

Through a petition agreement between the Central Utah Water Conservancy District (CUWCD) and the South Utah Valley Municipal Water Association (SUVMWA), the City is obligated to purchase 4,945 acre-feet of ULS water. The pipeline to Springville is complete, with pipelines to the remaining SUVMWA cities finishing as early as 2025. When the remaining SUVMWA pipelines are completed, the City will be obligated to start purchasing water from the ULS pipeline. The 2020 Pressurized Irrigation Master Plan has more details regarding use of the ULS pipeline water (Hansen, Allen & Luce, 2020). Table 2-4 shows the reliable water supply for the City with the additional ULS water.

Table 2-4: Reliable Water Supply

System	Annual Capacity (Acre-feet)
Drinking Water System	15,831
Pressurized Irrigation System	3,097
Total	18,928
ULS Water	4,945
Total with ULS Water	23,873

HISTORICAL SUPPLY

The City uses seven wells and four springs to supply drinking water to the drinking water system. Over time, the production of well water has increased while the production of spring water has decreased. Prior to 2015, a majority of the water supplied to drinking water system was through springs. Currently, the majority of the water supplied to the drinking water system is from wells. Table 2-5 summarizes the historical water supply for the drinking water system.

Table 2-5: Historical Drinking Water Supply

Year	Water Supplied (Acre-feet)		Total
	Springs	Wells	
2005	8,142.93	2,136.61	10,279.54
2006	14,714.38	1,500.62	16,215.00
2007	6,719.66	5,895.96	12,615.62
2008	5,054.43	4,696.21	9,750.64
2009	4,786.38	1,899.80	6,686.18
2010	3,448.20	3,193.15	6,641.35
2011	5,269.03	1,905.68	7,174.71
2012	4,823.95	5,080.97	9,904.92
2013	4,344.91	5,746.27	10,091.18
2014	5,251.69	3,755.31	9,007.00
2015	3,484.88	4,818.24	8,303.12
2016	3,219.00	5,207.47	8,426.47
2017	3,338.00	3,906.00	7,244.00
2018	2,801.00	4,818.63	7,619.63
2019	3,278.86	3,218.00	6,496.86
2020	2,868.64	6,195.78	9,064.42
2021	2,578.00	6,020.73	8,598.73

Source: Utah Division of Water Rights

The majority of the water supplied to the pressurized irrigation system comes from Hobbie Creek, Burt Springs, and Strawberry Reservoir, with some additional supply from Jurd Spring and the Industrial Park Well. Since the pressurized irrigation system is new, historical data for the system is limited to 2016. The water for the pressurized irrigation system is stored in the Bartholomew Pond which has a capacity of 32 acre-feet. Table 2-6 shows the historical water supply for the pressurized irrigation system.

Table 2-6: Historical PI Water Supply

Year	Water Supplied (Acre-feet)			Total
	Surface Water	Industrial Park Well*	Jurd Spring	
2016	1,120.94	0.00	0.00	1,120.94
2017	1,634.88	0.00	0.00	1,634.88
2018	1,902.87	0.00	0.00	1,902.87

Year	Water Supplied (Acre-feet)			Total
	Surface Water	Industrial Park Well*	Jurd Spring	
2019	1,647.38	0.00	0.00	1,647.38
2020	2,327.11	8.04	112.89	2,448.04
2021	2,328.31	8.04	82.75	2,419.10

Source: Utah Division of Water Rights

* The Utah Division of Water Rights refers to this well as the Treatment Plant Well

CHAPTER 3 – WATER USE

PER CAPITA WATER USE

A useful way of measuring water usage is in gallons per capita per day (gpcd). This expression is calculated by dividing annual water use by the service area population. Expressing water use in this manner gives an estimate for the average amount of water used by an individual on a daily basis. Since the City operates both a drinking water system and a pressurized irrigation system, the per-capita usage was calculated for both systems. The Division of Water Rights stores annual use data on their database. Per-capita usage rates were calculated for both systems from 2005 to 2021 (data for the pressurized irrigation system is only available from 2019 since service started that year). The combined per-capita usage rates from 2005 to 2021, along with the regional conservation goals are shown in Figure 3-1.

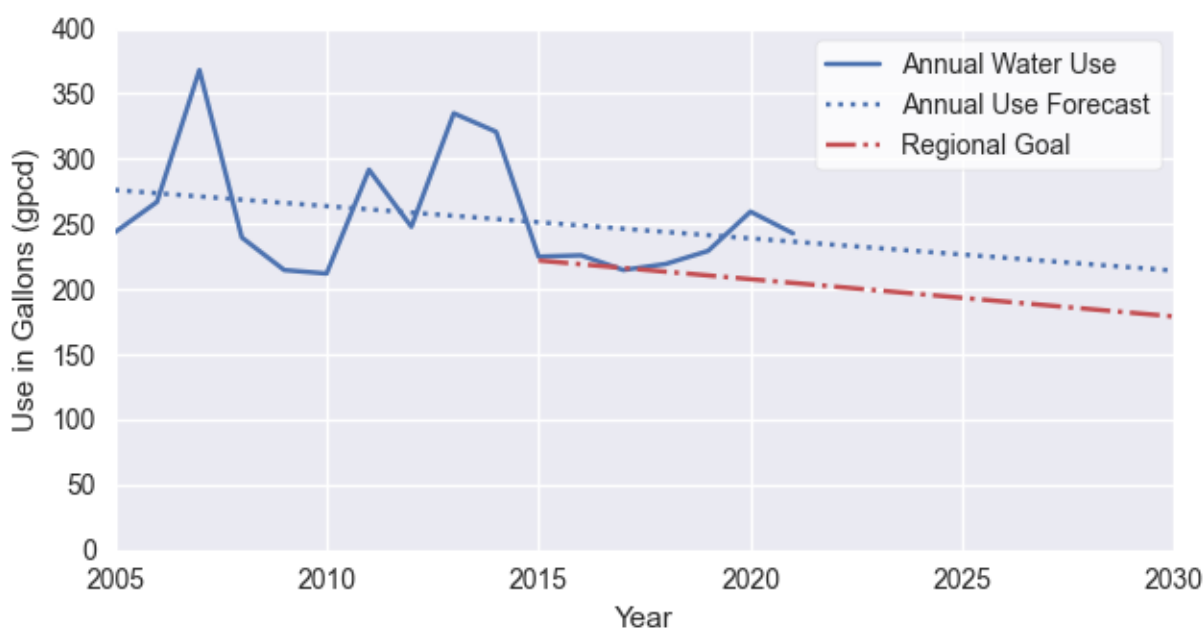


Figure 3-1: Historical Per-Capita Water Use

FUTURE WATER NEEDS

The City, much like the rest of Utah County, is expected to grow substantially over the next several years. The population in 2021 was 36,565 (Utah Division of Water Rights, 2022). The Drinking Water Master Plan projected that the population would reach approximately 45,000 by 2030 and 62,000 by 2060 (Hansen, Allen & Luce, 2020).

The 5-year average water use for 2016 to 2021 is 233.14 gallons per capita per day. This value was used to project the water demand for the City by multiplying it with the population projections from the Drinking Water Master Plan. Figure 3-2 compares the annual and projected water use from 2005 to 2060 with the reliable water supply (discussed in Chapter 2) and the efficient water use for the Provo River region. The efficient water use was calculated with the reduction goals included in Utah's Regional M&I Water Conservation Goals. This report establishes the Provo

River regional goals of 179 gpcd water use by 2030 and 162 gpcd by 2040 (HAL & BCA, 2019). These goals are discussed further in Chapter 5.

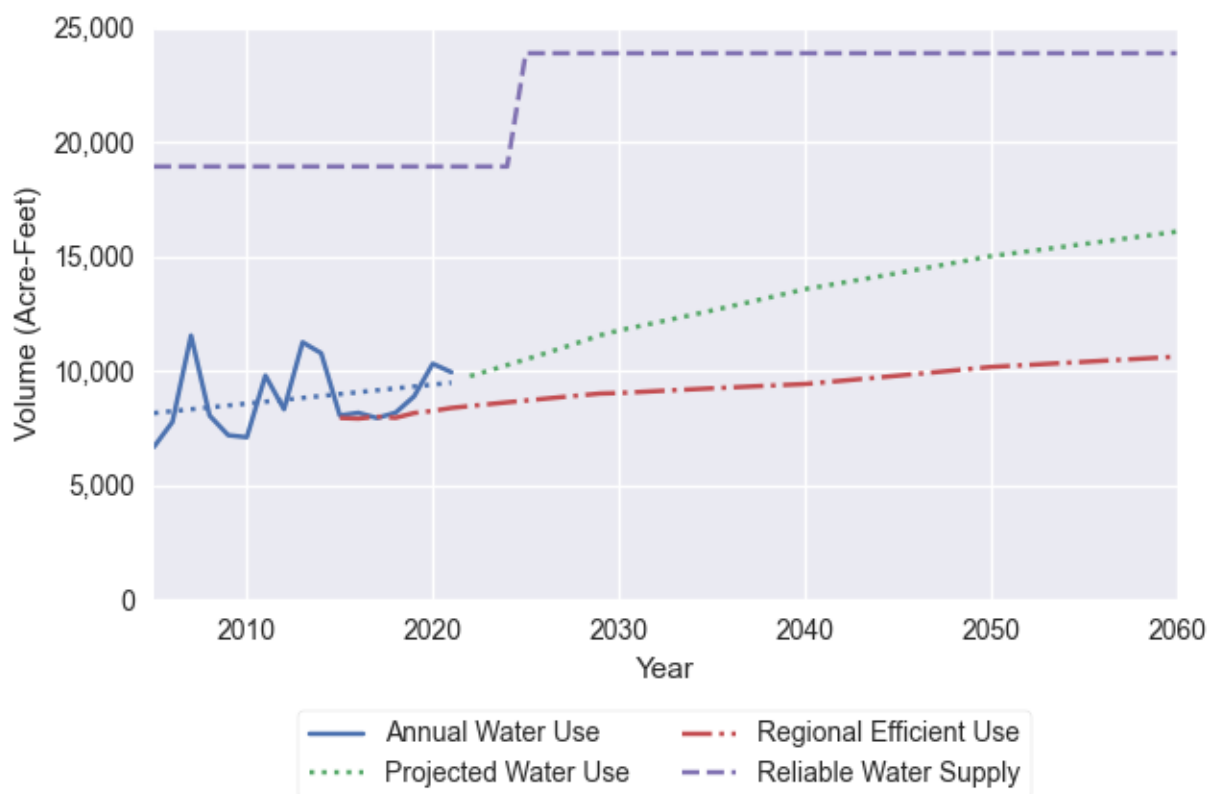


Figure 3-2: Water Use Projections

The regional efficient use as shown in Figure 3-2 was calculated by applying the Provo River regional conservation goals to the population projection for the City. The Provo River regional goals for 2015, 2030, and 2040 are 222, 179, and 162 gpcd, respectively. The raw data for the calculations shown in Figure 3-2 is included in Appendix A.

Although the per-capita water use rate for the City is trending downward, as shown in Figure 3-1, the annual water use volume has been steadily increasing since 2005. This is expected as the population of Springville has been growing rapidly. Figure 3-2 shows a diverging trend for the projected water use and regional efficient water use projection. The City should aim to have these curves converge so that future water use can meet the regional efficient water use goals.

Figure 3-2 also shows that the projected water use is not expected to exceed the City's reliable water supply. In the off-chance that demand does exceed water supply, the City has identified ways to acquire additional water rights in both the 2020 Drinking Water Master Plan and the Pressurized Irrigation Master Plan.

CHAPTER 4 – WATER & REVENUE LOSS CONTROL

WATER LOSS

Every water system experiences some type of water loss. Water is often lost through pipe leaks or breaks, hydrant flushing, construction water, waste pumping, and unmetered connections. According to a study done by the EPA, public water systems lose an average of 16%, and some Utah systems are known to lose 30% or more of their water (EPA, 2017). Water loss is not only a loss of a valuable resource, it also may lead to revenue and energy loss. Preventing and mitigating water loss should be a high priority for public water systems.

The Division of Water Rights reports estimated water loss on their database for public water suppliers. The reported data for the City's drinking water system shows that the estimated water loss has reduced since 2005. The City has made considerable efforts to reduce water loss by upgrading infrastructure and installing water meters on unmetered connections. Unfortunately, since the pressurized irrigation system is new, estimated water loss records are not available at this time. These records will become available as the City installs more water meters for the pressurized irrigation system. Table 4-1 and Figure 4-1 show the comparison of drinking water used with the amount produced from 2005 to 2021.

Table 4-1: Historical Drinking Water Loss

Year	Total Retail Use (Acre-feet)	Total From Sources (Acre-feet)	Estimated Water Loss
2005	6,682.35	12,274.54	45.56%
2006	7,774.74	18,162.25	57.19%
2007	11,545.60	14,455.42	20.13%
2008	8,052.75	11,317.17	28.84%
2009	7,196.46	8,802.04	18.24%
2010	7,107.06	8,403.86	15.43%
2011	9,800.03	9,829.24	0.3%
2012	8,330.18	11,896.04	29.98%
2013	11,253.91	11,285.67	0.28%
2014	10,776.99	10,563.13	-2.02%
2015	8,059.70	9,798.88	17.75%
2016	8,172.75	10,075.47	18.88%
2017	7,946.76	9,438.00	15.8%
2018	8,179.66	9,576.63	14.59%
2019	8,052.00	8,873.86	8.92%
2020	9,167.81	11,150.42	17.5%
2021	8,189.53	9,368.00	12.33%

Source: Utah Division of Water Rights

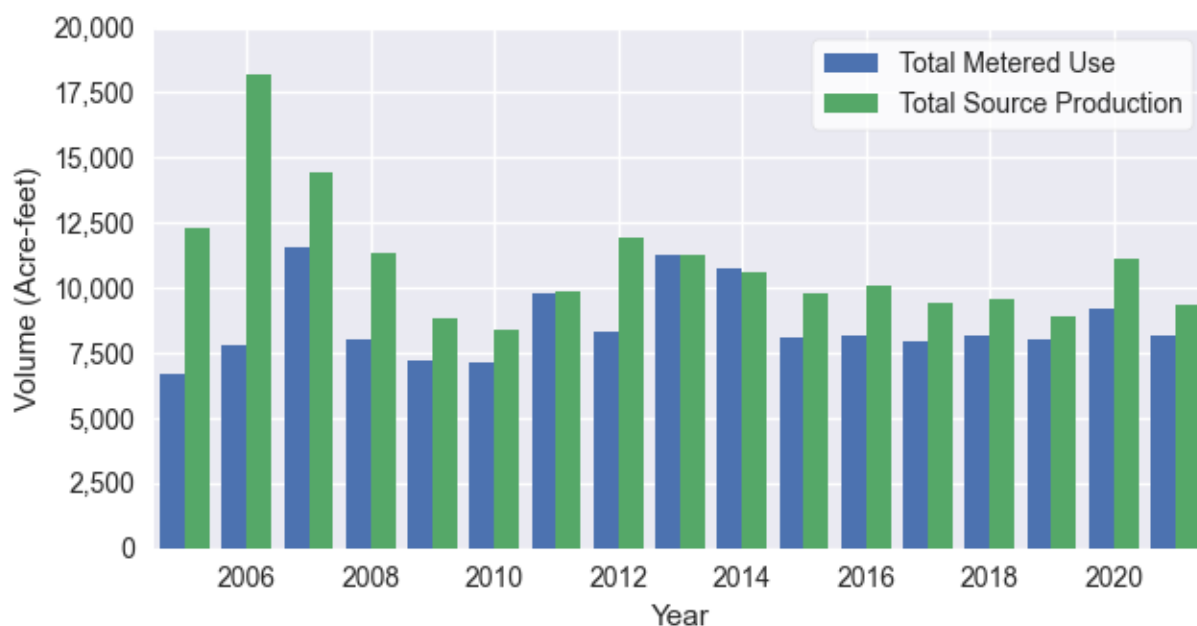


Figure 4-1: Historical Drinking Water Production & Use

BILLING RATES

To promote water conservation, the City has enforced tiered water rates for customers for both the drinking water system and the pressurized irrigation system. The City encourages customers to utilize the pressurized irrigation system, if they are able to, by slightly increasing drinking water rates and offering lower irrigation water rates for those customers. Tables 4-2 and 4-3 show the City's current water rates. Residential water meters are read in the months of March through October. All other months are billed at the minimum fee of \$16.32 per month, with an additional fee of \$1.21 for each 1,000 gallons used above 5,000 gallons.

Table 4-2: Drinking Water Rates

Fee		Description
If PI is Not Used	If PI is Used	
\$16.32	\$16.32	Minimum monthly fee.
\$1.00	\$1.13	For each 1,000 gallons or portion thereof between 5,001 and 12,000 gallons.
\$1.32	\$1.49	For each 1,000 gallons or portion thereof between 12,001 and 20,000 gallons.
\$1.64	\$1.85	For each 1,000 gallons or portion thereof between 20,001 and 40,000 gallons.
\$1.95	\$2.20	For each 1,000 gallons or portion thereof between 40,001 and 60,000 gallons.
\$2.22	\$2.50	For each 1,000 gallons or portion thereof between 60,001 and 100,000 gallons.
\$3.01	\$3.39	For each 1,000 gallons or portion thereof between 100,001 and 150,000 gallons

Fee		Description
If PI is Not Used	If PI is Used	
\$3.43	\$3.87	For each 1,000 gallons or portion thereof between 150,001 and 200,000 gallons
\$4.22	\$4.76	For each 1,000 gallons or portion above 200,000 gallons.

Source: Springville 2022-2023 Comprehensive Fee Schedule

Table 4-3: Pressurized Irrigation Rates

Fee	Description
No Charge	For the first 5,000 gallons
\$0.91	For each 1,000 gallons or portion thereof between 5,001 and 20,000 gallons.
\$1.43	For each 1,000 gallons or portion thereof between 20,001 and 60,000 gallons.
\$1.90	For each 1,000 gallons or portion thereof between 60,001 and 100,000 gallons.
\$2.38	For each 1,000 gallons or portion thereof between 100,001 and 150,000 gallons.
\$2.85	For each 1,000 gallons or portion thereof between 150,001 and 200,000 gallons.
\$3.80	For each 1,000 gallons or portion above 200,000 gallons.

Source: Springville 2022-2023 Comprehensive Fee Schedule

CHAPTER 5 – CONSERVATION GOALS & PRACTICES

The City is aware of the need for water conservation and is committed to improve water conservation efforts. City staff are aware of the water conservation goals and work together to achieve them. The Public Works Director is responsible for overseeing water conservation efforts.

Brad Stapley
Public Works Director
801-489-2711

IDENTIFIED PROBLEMS

The following issues were identified in the 2016 Water Conservation Plan. These issues are still priorities for the City.

- “The City is seeing a change in demographics as their agricultural areas turn into residential subdivisions. This change emphasizes the need to inform all residents, but especially new residents, about indoor conservation practices. Residents lack information and understanding of landscaping water requirements and efficient water-use habits and practices.
- Along with indoor use, residential outdoor use is also a large concern. It is well documented that water used to irrigate turf grass drives summer water use to its peak during the summer months. Much of the City’s clean culinary water is [not used efficiently] through over watering. Most residents’ irrigation practices are based on convenience rather than plant needs.
- Springville City has many aging water lines that are contributing to the water losses seen in the City” (Springville City, 2016).

WATER CONSERVATION GOALS

Provo River Regional Goals

Utah’s Regional M&I Water Conservation Goals establishes water conservation goals for the major river basins, referred to as regions, in the state. Since the Provo River Region is highly populated, it has some of the strongest conservation goals compared to the other regions. By 2030 the water conservation goal for the Provo River Region is 179 gpcd, which is a 20% reduction from the 2015 goal of 222 gpcd (HAL & BCA, 2019). Table 5-1 summarizes the regional conservation goals and the percentage reduction from the 2015 goal.

Table 5-1: Provo River Region Conservation Goals

Year	Conservation Goal (gpcd)	Reduction from 2015 Baseline
2015	222 (Baseline)	N/A
2030	179	20%
2040	162	27%
2065	152	32%

Source: *Utah’s Regional M&I Water Conservation Goals*

Springville City Water Conservation Goals

The City has set a goal to continue current water conservation trends until 2030. Following the Annual Use Forecast series in Figure 3-1, the forecasted water use rate in 2030 is 214 gpcd which is a 4.89% reduction from the 2015 rate of 225 gpcd. This forecast is based on data provided by the Division of Water Rights. The City should periodically monitor water use rates to ensure that this water conservation goal is met. The City plans to reevaluate the 2030 and future goals in subsequent updates to this water conservation plan.

Table 5-2: Springville City Conservation Goals

Year	Conservation Goal (gpcd)	Reduction from 2015 Baseline
2015	225 (Baseline)	N/A
2030	214	4.89%

In addition to the water conservation goals listed in Table 5-2, the City has continued the following conservation goals from the 2016 Water Conservation Plan:

- “Continue to support the current conservation measures that have brought the City success in reducing the water used...”
- Inform residents of water conservation practices for indoor and outdoor use.
- Conserve culinary water by using secondary water for irrigation per the City’s master plans.
- Continue the City’s existing aging water meter replacement program” (Springville City, 2016).

BEST MANAGEMENT PRACTICES

Best Management Practices (BMPs) are the practices adopted by public water suppliers and water conservation districts to conserve water use within their respective service areas.

Existing Best Management Practices

In previous water conservation plans, the City has implemented aggressive water conservation measures that have proven to be successful. The following BMPs have already been implemented by the City in previous water conservation plans:

- “Promoting the ‘Slow the Flow Program’ sponsored by the State, which includes educational brochures, free water audits and checks, and free water wise landscaping seminars...”
- Requiring low flow indoor fixtures as required in the plumbing code on all new construction.
- Using, evaluating, and periodically refining the water rates structure that charges users using a tiered rate structure which both promotes water conservation and continues to keep the water system viable.
- Replacing galvanized steel water service lines with copper and polyethylene pipe.
- Performing leak-detection testing for all water lines prior to new overlays of asphalt.

- Performing annual leakage surveys to identify unsurfacing leaks on main pipelines and services, especially in older areas of the water system.
- Replacing water meters with new, more efficient meters.
- Implementing a pressurized irrigation (secondary water) system with metered services in the developing western portion of the community” (Springville City, 2016).
- Meter replacement program for aging water meters.

Since the 2016 Water Conservation Plan, the City has also implemented the following BMPs:

- Continue and expand leak detection efforts by hiring a leak detection company.
- Offer opportunities for residents to submit complaints about water waste.
- Receive a weekly water waste report from the Utah Division of Water Resources.
- Continue installing water meters for the pressurized irrigation system

Proposed Best Management Practice

The BMPs implemented in previous water conservation plans have helped the City achieve previous water conservation goals. The City will need to implement additional BMPs to meet the water conservation goal discussed previously. The following BMPs are proposed for the City to adopt, any combination of these BMPs can be adopted as the City sees fit. Additional BMPs which the City may also consider are included in Appendix B.

- Enact a time-of-day watering ordinance
- Enact a water-efficient landscape ordinance for new commercial developments

The City encourages residents to limit outdoor watering between 10 am and 6 pm; however, city ordinances do not currently restrict water use. Enacting a city ordinance that prohibits outdoor irrigation times during summer months would further enable the City to enforce water conservation for residents and commercial developments.

In addition to a time-of-day watering ordinance, the City may enact an ordinance which requires water-efficient landscaping for new commercial developments. While it is true that most of the water use is residential, reducing water use in all categories is critical for meeting water conservation goals. By requiring commercial developments to use water-efficient landscaping, the City may be able to reduce water use for commercial connections.

Table 5-2 shows a summary of all BMPs that the City has and can implement to reach their water conservation goals.

Table 5-2: Best Management Practices

Best Management Practice	Description
Existing BMPs	
Promote the “Slow the Flow Program”	Promote the “Slow the Flow Program” sponsored by the state to residents. Encourage them to take advantage of the opportunities the program provides.
Require Low Flow Indoor Fixtures	Require low flow indoor fixtures on all new construction in city code.

Best Management Practice	Description
Tiered Water Rate Structure	Continue to use and periodically refine the tiered water rates for both water systems.
Replace Galvanized Steel Lines	Continue replacing galvanized steel water service lines with copper and polyethylene pipe, as necessary.
Leak Testing	Continue to test for leaks in all water lines before overlaying asphalt.
Annual Leak Surveys	Perform annual leak surveys to test for unsurfacing leaks, especially in older parts of the water system.
Meter & Pipe Replacement Program	Continue to replace aging meters and pipelines throughout the drinking water system. Install more efficient water meters when replacing old meters which do not meet American Water Works Association Standards.
Pressurized Irrigation System	Continue to expand the pressurized irrigation system according to city master plans.
Professional Leak Detection	Continue to hire a leak detection company to expand leak detection efforts.
Water Waste Complaints	Encourage residents to notify the City of water waste. Respond to the complaints when possible.
Weekly Water Waste Report	Receive the weekly water waste report from the Division of Water Resources. Act on any recommendations or issues raised in the reports.
Pressurized Irrigation Meters	Continue installing efficient water meters in the pressurized irrigation system as the system expands.
Proposed BMPs	
Enact a Time-of-Day Watering Ordinance	Enact a city ordinance which restricts outdoor irrigation from 10 am to 6 pm during summer months.
Enact a Water-Efficient Landscape Ordinance	Enact a city ordinance which requires new commercial developments to use water-efficient landscaping.
Additional Water Conservation Measures	Consider implementing other conservation measures included in Appendix B.

CHAPTER 6 – IMPLEMENTATION PLAN

This Water Conservation Plan renews the existing water conservation measures for at least the next five years. Existing and proposed water conservation measures will be implemented according to Table 6-1. Additional conservation measures the city may choose to adopt are included in Appendix B.

Table 6-1: Implementation Plan

Conservation Measure	Implementation Plan
Existing Conservation Measures	
Promote the “Slow the Flow Program”	Continue promoting the “Slow the Flow Program” to city residents. • Print and deliver fliers during periods of high use. • Advertise classes and events on social media, city websites, and by email.
Require Low Flow Indoor Fixtures	Require low flow indoor fixtures in the plumbing code on all new construction and developments. Require the following fixtures be fitted with low flow variants: • Shower heads • Sink faucets • Toilets
Tiered Water Rate Structure	Continue using and updating the tiered water rate structure for both the drinking water and pressurized irrigation systems. • Consider water conservation goals during annual review of water rates.
Leak Testing	Continue testing for leaks in all water lines before overlaying asphalt. • Perform annual leak surveys. • Continue hiring a professional leak detection company.
Meter & Pipe Replacement Program	Continue replacing galvanized steel lines with copper and polyethylene pipe. • Continue replacing aging meters and pipelines throughout the drinking water system. • Install efficient water meters when replacing old meters which do not meet City standards.
Pressurized Irrigation System	Expand the pressurized irrigation system by implementing master plan projects.
Water Waste Complaints	Continue providing means for residents to submit complaints about wasted water throughout the City. • Follow up with complaints to ensure that responsible parties are held accountable. • Consider imposing fines for repeated counts of wasted water.
Weekly Water Waste Report	Continue to review weekly water waste reports from the Division of Water Resources.

Conservation Measure	Implementation Plan
Pressurized Irrigation Meters	Continue to install efficient water meters throughout the pressurized irrigation system as it expands. • Replace existing meters on an as-needed basis.
Proposed Conservation Measures	
Time-of-Day Watering Ordinance	• Enact a city ordinance which restricts outdoor watering from 10 am to 6 pm during summer months. • Consider imposing fines for repeat violators.
Water-Efficient Landscape Ordinance	Enact a city ordinance which requires new commercial developments to use water-efficient landscaping. Examples include: • Providing a Pressurized Irrigation connection for eligible developments • Using native, low-water plants • Using drip irrigation • Xeriscaping when appropriate
Additional Water Conservation Measures	Consider implementing other conservation measures included in Appendix B.

REFERENCES

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APPENDIX A

WATER USE PROJECTIONS

		(Acre-feet)	(Acre-feet)	(Acre-feet)	(GPCD)	(GPCD)	(Acre-feet, using 2021 5- year average)	(GPCD)	(Acre-feet)	(Acre-feet)
Year	Population	DW Use	PI Use	Total Use	Per-Capita	5-Year Avg.	Projected Use	Regional Goal	Efficient Use	Water Supply
2005	24,500	6,682.35		6,682.35	243.49					18,928
2006	26,000	7,774.74		7,774.74	266.96					18,928
2007	28,000	11,545.60		11,545.60	368.12					18,928
2008	30,000	8,052.75		8,052.75	239.63					18,928
2009	29,930	7,196.46		7,196.46	214.65	266.57				18,928
2010	29,930	7,107.06		7,107.06	211.99	260.27				18,928
2011	30,000	9,800.03		9,800.03	291.63	265.20				18,928
2012	30,000	8,330.18		8,330.18	247.89	241.16				18,928
2013	30,000	11,253.91		11,253.91	334.89	260.21				18,928
2014	30,000	10,776.99		10,776.99	320.70	281.42				18,928
2015	31,982	8,059.70		8,059.70	224.98	284.02		222	7,952	18,928
2016	32,286	8,172.75		8,172.75	225.99	270.89		219	7,924	18,928
2017	33,044	7,946.76		7,946.76	214.70	264.25		216	8,004	18,928
2018	33,294	8,179.66		8,179.66	219.33	241.14		213	7,957	18,928
2019	34,632	8,052.00	845.54	8,897.54	229.36	222.87		211	8,166	18,928
2020	35,504	9,167.81	1,150.09	10,317.90	259.44	229.76		208	8,258	18,928
2021	36,565	8,189.53	1,757.85	9,947.38	242.87	233.14		205	8,387	18,928
2022	37,448						9,778.17	202	8,469	18,928
2023	38,353						10,014.43	199	8,551	18,928
2024	39,280						10,256.40	196	8,631	18,928
2025	40,229						10,504.22	193	8,711	23,873
2026	41,201						10,758.02	190	8,789	23,873
2027	42,197						11,017.96	188	8,866	23,873
2028	43,216						11,284.18	185	8,941	23,873
2029	44,260						11,556.83	182	9,015	23,873
2030	45,078						11,770.31	179	9,037	23,873
2031	45,724						11,938.99	177	9,079	23,873
2032	46,379						12,110.08	176	9,121	23,873
2033	47,044						12,283.63	174	9,162	23,873
2034	47,718						12,459.67	172	9,203	23,873
2035	48,402						12,638.23	171	9,243	23,873
2036	49,096						12,819.34	169	9,282	23,873
2037	49,799						13,003.05	167	9,320	23,873
2038	50,513						13,189.40	165	9,357	23,873
2039	51,237						13,378.41	164	9,394	23,873
2040	51,971						13,570.14	162	9,429	23,873
2041	52,499						13,708.03	162	9,502	23,873
2042	53,033						13,847.32	161	9,574	23,873
2043	53,571						13,988.02	161	9,648	23,873
2044	54,116						14,130.16	160	9,722	23,873
2045	54,666						14,273.74	160	9,796	23,873
2046	55,221						14,418.78	160	9,871	23,873
2047	55,782						14,565.29	159	9,946	23,873
2048	56,349						14,713.29	159	10,022	23,873
2049	56,922						14,862.79	158	10,098	23,873
2050	57,500						15,013.82	158	10,175	23,873
2051	57,897						15,117.58	158	10,219	23,873
2052	58,298						15,222.07	157	10,264	23,873
2053	58,700						15,327.27	157	10,309	23,873
2054	59,106						15,433.21	156	10,353	23,873
2055	59,515						15,539.87	156	10,398	23,873
2056	59,926						15,647.28	156	10,443	23,873
2057	60,340						15,755.42	155	10,488	23,873
2058	60,757						15,864.32	155	10,534	23,873
2059	61,177						15,973.96	154	10,579	23,873
2060	61,600						16,084.37	154	10,625	23,873

APPENDIX B

ADDITIONAL WATER CONSERVATION MEASURES



Conservation Best Management Practices (BMP's)

Water Conservation Coordinator, Committee or Team
Hire or designate a Water Conservation Coordinator.
Create a committee/team/board with a chair that includes a combination of the following participants; Water Conservation Coordinator, Public Works Director, City Council Member, and/or applicable local advocacy group member to help research, coordinate, create and implement public information campaign(s), water conservation programs and incentives.
Water Conservation Plan (WCP)
Develop a WCP. More information at www.conservewater.utah.gov/wcp.html .
Provide contact information, system profile, water use history and detail specific ongoing and new conservation programs.
Public Awareness & Public Outreach
Develop or utilize existing messaging from Slow The Flow, Water Resources, CWEL and WaterSense.
Display educational materials & resources on agency website(s), social media & bills.
Offer agency materials and resources to community partners for distribution.
Hold or collaborate events, programs and/or presentations.
Education & Training
Provide adult efficient water use education and training. Or, direct them to available local training(s) such as Localscapes .
Provide or support youth education programs for elementary school students.
Provide or recommend a waterwise demonstration garden.
Educate customers about new water-saving technology. Example: weather based smart controllers.
Provide new homeowner water-efficient landscape information.
Participate and promote large efficient landscape training and programs: https://www.qwelutah.com/training/
Create and/or distribute "how to videos". Example: switching to drip.
Rebates Incentives Rewards
Offer or collaborate on rebates for high efficiency appliances, fixtures, irrigation smart controllers, drip irrigation, nozzles, shut off hose valves, and landscape conversions.
Promote rebates offered in your service area



Conservation Best Management Practices (BMP's)

Public Involvement
Offer or collaborate on residential water audit programs.
Offer or collaborate on landscape consultation programs.
Offer residential water budgeting programs.
Offer indoor and outdoor retrofit kits.
Perform outdoor high water use inquiries and resolution techniques.
Address water waste complaints
Identify structures built before 1992 and organize low efficiency fixture replacements.
Ordinances & Standards
Adopt a time-of-day watering ordinance. Example: no watering between 10-6pm and alternating watering days
Adopt an ordinance requiring a water-efficient landscaping in all new residential developments.
Review existing plumbing codes and revise them as necessary to ensure water-conserving measures in all new construction.
Adopt an ordinance requiring water-efficient landscaping in all new commercial development.
Change business license requirements to require water reuse and recycling in new facilities.
Mandate retrofit upon resale.
Water Pricing
Utah SB28 requires water rates to rise for higher tiers of consumption
Charge for secondary water based on individual use.
High water use notification.
Physical System
Install & maintain efficient irrigation, utilize water-wise landscaping & smart controller technology at agency facilities.
Perform agency water system audit and implement a leak detection program
Meter all connections (UT SCR 1), repair and replacement program, read meters on a regular basis.
Consider water reuse.

APPENDIX C

SPRINGVILLE CITY COUNCIL ADOPTION OF CONSERVATION PLAN



Utah Department of Natural Resources
Division of Water Resources

Certification of Adoption

We hereby certify that the attached Water Conservation Plan has been established and adopted by the Springville City Council on _____, 2022

Matt Packard, Mayor

Attest:

Kim Crane, City Recorder



STAFF REPORT

DATE: December 13, 2022
TO: Honorable Mayor and City Council
FROM: Chris Wilson, Chief Engineer
SUBJECT: CALL OF BOND - LEORAH SPRINGS PROJECT

RECOMMENDATION

Engineering is recommending a call upon the development bond of the Leorah Springs Project, located at 750 W 800 S in Springville.

EXECUTIVE SUMMARY

Engineering would like to make a demand on the surety bond in place for the Leorah Springs Project, Phase 1. The public infrastructure improvements for the above noted subdivision were accepted and placed into warranty on June 1st, 2021.

Per Springville Municipal Code Title 14, Chapter 5, all improvements are to be warranted by the developer for a period of one year. During the warranty period, the City had inspected and documented the improvements, and all damages or failed workmanship were noted. The developer was notified of defective work, and failed to make the necessary repairs within the time frame that was acceptable to the City Engineer. A three-month extension was granted in May of this year, and the developer has failed to make the necessary repairs within the given period.

No evidence of any repair work being completed has occurred. Engineering recommends calling upon the warranty assurance bond in the amount of \$183,422.290

SUMMARY OF ISSUES/FOCUS OF ACTION

As previously noted, there are several areas of the Leorah Springs Project that have been inspected and found to be defective. A list of the noted deficiencies is enclosed as Exhibit A.

FISCAL IMPACT

The developer has forfeited the responsibility of completing the necessary corrections to public infrastructure. Calling upon the bond of \$183,422.290 would allow the City to complete the required improvement repairs to complete the Leorah Springs Project.

EXHIBIT A - Leohra Springs Warranty Inspection Summary

Date

Apr-22

Sewer and SD:

The Sewer/SD division was unable to complete their full inspection of the sewer and storm drain lines due to the lines being full of construction debris. The division has reached out to the developer and contractor to come clean the lines to allow for a full inspection (per warranty requirements), but were told that the developer would not do this.

The following is a list of pipes and manholes that debris was found in and needs to be cleaned and televised. If after the lines are cleaned and damage is found then those repairs will be required to be made as well.

Sanitary Sewer Punch List

City ID	Address	Line Problem	Manhole Problem	Repair Needed
SSP03254	633 W 800 S	NO	NO	Springville City cleaned line.
SSP03256	685 W 800 S	NO	NO	Springville City cleaned line.
SSP03257	735 W 800 S	NO	NO	Springville City cleaned line.
SSP03255	825 S 750 W	NO	NO	Springville City cleaned line.
SSP03241	721 W 850S	YES	NO	Has belly in line. Camera under water.
SSP03240	673 W 850 S	NO	NO	Springville City cleaned line.
SSP03226	890 S 750 W	NO	NO	Springville City cleaned line.
SSMH03127	704 W 800 S	NO	YES	Has a bunch of cement stuck inside the trough
SSMH03123	800 S 750 W	NO	YES	Needs the drop pipe added in
SSMH03110	750 W 850 S	NO	YES	Needs the drop pipe added in
SSMH03108	850 S 600 W	NO	YES	Has infiltration coming in on the south wall needs stopped

Storm Drain Punch List

City ID	Address	Line Problem	Manhole Problem	Repair Needed
SDIS12083	664 W 800 S	No	Yes	Needs to be cleaned. Construction garbage left behind from grouting.

Streets:

The following damage to curb, gutter or roadway have been identified and will need to be removed and replaced:

Address	Location	Repair Needed
738 W 800 S	northwest corner of lot on the corner of 800 S 750 W	Remove and replace damaged concrete (10' C&G and 10' sidewalk)
685 W 800 S	frontage of 800 S	Remove and replace damaged drive approach
636 W 850 S	northeast corner of lot on 600 W frontage	Remove and replace damaged C&G (10')
738 W 800 S	frontage of 850 S	Remove and replace damaged sidewalk at 2 locations (20' total)
635 W 850 S	northeast corner of lot on the corner of 850 S 600 W	Remove and replace damaged concrete (10' sidewalk and ADA ramp)
610 W 900 S	west lot line on frontage of 850 S	Remove and replace damaged C&G (10')
708 W 850 S	frontage of 850 S	Mill and overlay for street cut repair - 50' x 14.5' (725 sf)

Water/PI:

The following damage to curb, gutter or roadway have been identified and will need to be removed and replaced:

Address	Location	Repair Needed
732 W 800 S		Culinary meter bottom valve buried and needs to be exposed
735 W 800 S	frontage of 800 S	Fire hydrant needs to be repaired - it is broken and leaning over
685 W 800 S		Top valve on PI meter is too close to the edge of the box. Needs to be moved and replaced at proper spacing
707 W 800 S		Remove and replace broken PI meter box. Remove and replace broken culinary meter ring and lid
747 W 800 S		Remove and replace broken PI meter box
635 W 850 S		Top valve on PI meter is too close to the edge of the box. Needs to be moved and replaced at proper spacing. Remove and replace broken culinary meter barrel.
677 W 850 S		Remove and replace broken PI meter box. Remove and replace broken culinary meter barrel.



STAFF REPORT

DATE: December 15, 2022

TO: Honorable Mayor and City Council

FROM: Troy Fitzgerald, City Administrator

SUBJECT: CONSIDERATION OF A NON-RESIDENT RECREATION CARD POLICY

Recommended Motion:

A motion to APPROVE RESOLUTION _____ ADOPTING THE NON-RESIDENT RECREATION CARD POLICY.

Executive Summary:

Hobble Creek Canyon residents and local business owners that do not live in Springville contribute to the community, despite not physically living in the City. Springville City seeks to recognize those contributions through offering a Non-resident Recreation Card.

The Non-Resident Recreation Card would provide non-residents certain recreation services at the price paid by Springville Citizens. These benefits would include:

- A Springville City library card (current value of \$110)
- Resident pricing at the CRC (current savings of up to \$145 per family)
- A Bartholomew Park Parking Pass (current value of \$15 per visit)
- Resident pricing for recreation programs (a \$10 savings per purchase currently)
- Resident pricing for camping (at least a \$10 savings per night currently)

The Card would be good for one calendar year. The price to obtain the card would be \$175. Details for this pricing are in the Discussion below.



Discussion:

The City Council asked staff to look at non-resident benefits following email discussion between Council Members and a canyon resident. This resulted in several discussions at the staff level, written communication with canyon residents and an open meeting with canyon residents to hear their concerns and ideas concerning participation in city recreational activities.

As is common with new ideas, there are people on every conceivable side of the fence. Some are willing to pay for services. Some think services should be free. Some people already have property in the City and in the Canyon. Some wanted an opt-in program others would bill all canyon residents. The proposed policy will net make everyone happy, but a balanced approach was sought to recognize the contributions canyon residents make to the community through volunteerism and actual cash contributions to city coffers.

The proposed policy (attached hereto) would allow for residents living outside of City boundaries, but connected to City utilities to obtain a Non-Resident Recreation Card (Card.) The policy also allows business owners that own real property in the City, but where the owner lives outside the City, to receive a card. The card allows immediate family members living at home to receive the following benefits at the cost or fee of a Springville Resident:

- A Springville City library card (current value of \$110)
- Resident pricing at the CRC (current savings of up to \$145 per family)
- A Bartholomew Park Parking Pass (current value of \$15 per visit)
- Resident pricing for recreation programs (a \$10 savings per purchase currently)
- Resident pricing for camping (at least a \$10 savings per night currently)

The proposed, initial fee is \$175.

This is a matter of debate and Council input is sought on this topic. The total *tax* burden carried by a household in the City for the benefits set forth above is \$461 (basic calculations using budget figures is attached.) In other words, as a citizen, I pay an average of \$461 for my family to enjoy Bartholomew Park and the library *whether I go there or not*. This is cost to the City *after* fees for the service.



In previous presentations, it was represented that an estimate holds that canyon residents contribute to the City something approaching 50% of what a resident would contribute to the various taxes and fees the city charges. Thus, a fair fee for the Card could be seen as \$230.50. Business owners could be argued to contribute even more than some residents through higher property taxes and sales tax collection.

Canyon residents may not use all of the services offered. Still, residents don't have that choice. On the flip side, encouraging participation in these offerings could be good for the City overall in terms of other fees paid (e.g. more recreation participants.)

In a real sense, the actual answer to this question comes from the Council determining the proper fee recovery level for the Card. If the balancing test results in a High Recovery determination, \$175 is an appropriate fee. If the test results in mid-level or full recovery, the fee should be adjusted.

Once the card is obtained, the Card holder will be entitled to citizen rates on offered benefits. The value of the discounts could easily exceed \$300. However, if the non-resident plans to only use services to a limited degree, it may still be beneficial to pay the non-resident fee as opposed to obtaining a Card.

Fiscal Impact:

Staff does not see heavy use of this program. Moreover, the Card will displace some existing revenue. This means that people that are currently using the library and recreation programs will shift to a Card. It is certainly possible that the City could actually LOSE revenue with this program.

It is anticipated that a fairly small number of people will obtain a card. Revenues will likely be under \$5,000 and those will be offset by losses mentioned above.

Troy Fitzgerald
Troy Fitzgerald



Resident Households		10000
Library Budget		\$ 1,309,313
Library Bonding		\$ 601,150
Library Overhead		\$ 312,013
Total Library		\$ 2,222,476
Library Revenue		\$ 83,000
Library Tax Costs per Household		\$ 214
CRC Budget		\$ 1,908,754
CRC Bonding		\$ 741,988
CRC Overhead		\$ 563,537
Total CRC		\$ 3,214,279
CRC Revenue		\$ 1,750,300
CRC Tax Costs Per Household		\$ 146
Recreation Budget		\$ 1,223,426
Recreation Revenues		\$ 455,000
Recreation Tax Costs / Household		\$ 77
Camping Breakeven		
Bartholomew Park Estimated		\$ 16
Parks Budget		\$ 1,536,073
Acres Maintained		\$ 105
Bart Park Cost		\$ 233,623.27
Bart Park Tax Cost per Household		\$ 23
Total Tax Burden		\$ 461
Estimated Discount @ 50%		\$ 230.28

RESOLUTION #2022-____

A RESOLUTION ADOPTING A NON-RESIDENT RECREATION CARD POLICY

WHEREAS, certain non-residents contribute to Springville's sense of community.
; and

WHEREAS, the City has determined to offer certain benefits to people that are connected to City utilities or own a business within the City, but that live outside the City boundaries.

NOW THEREFORE, The City Council of Springville City hereby resolves to

- (1) Adopt the attached Non-Resident Recreation Card Policy (Exhibit A).
- (2) Direct the Parks & Recreation Department to oversee and manage the program set forth therein, including granting full authority to the Parks and Recreation Director to amend and update the policy as needed without additional Council action.

ADOPTED by the City Council of Springville, Utah, this 20th day of December, 2022.

Matt Packard, Mayor

ATTEST:

Kim Crane, City Recorder

Exhibit A

Non-Resident Recreation Card Policy

Non-Resident Recreation Card

Administration

Created: 12/10/2022

Policy: Citizens living outside of Springville City boundaries but receiving Springville City utilities may purchase a Non-Resident Recreation Card for the price set forth in the Comprehensive Fee Schedule. Upon creation, this charge shall be \$175.00.

The Non-Resident Recreation Card offers the following benefits:

- A Springville City library card (current value of \$110)
- Resident pricing at the CRC (current savings of up to \$145 per family)
- A Bartholomew Park Parking Pass (current value of \$15 per visit)
- Resident pricing for recreation programs (a \$10 savings per purchase currently)
- Resident pricing for camping (at least a \$10 savings per night currently)

The Non-Resident Recreation Card is non-transferrable and valid for immediate members of the family of the card holder that are living at home. Only one card will be issued per household per calendar year.

Procedure: Citizens receiving Springville City Utilities may purchase a Non-Resident Recreation Card at the Finance Office. The Finance Office will confirm that the Non-Resident is currently receiving utilities from the City, receive payment and issue a non-transferrable and unique card to the paying citizen. Citizens holding a non-resident recreation card, may present the card at the library or CRC to receive a library card or CRC pass at resident rates. The Card may be presented to the Finance Department for a Bartholomew Park Parking Pass. The Card may also be presented to Parks and Recreation staff for resident pricing on programs and camping.

Parks and Recreation staff will work towards solutions which may allow non-resident card holders to use their benefits electronically without appearing in person and presenting the card.

Non-Resident Recreation cards will be good for the *calendar year* in which the card is purchased.

Business owners holding property and using utilities in Springville but residing outside of city boundaries can purchase one Non-Resident Recreation Card per business. A Card issued to a business owner is non-transferrable and valid only for the owner and the owner's immediate family as set forth above.

Springville City can change the price of the Non-Resident Recreation Card at any time.

The Non-Resident Recreation Card program can be terminated at the end of any calendar year.



STAFF REPORT

DATE: December 14, 2022

TO: Honorable Mayor and City Council

FROM: Josh Yost, Community Development Director

SUBJECT: Unified Business Alliance requests amendments to the Lakeside Landing Special District Overlay.

Recommended Motion:

Adopt ordinance # _____ amending amendments to the Lakeside Landing Special District Overlay.

Executive Summary:

Springville City, Pel-Ona Architects and Urbanists, Unified Business Alliance, and Lakeside Landing Partners have been working together through the last year to advance the development of Lakeside Landing. As with any new plan or code, continual refinement is necessary throughout the development process. Three reasons for amendments have become apparent as this work has progressed. These three reasons are to correct errors in drafting the code, to improve or facilitate development implementation, and to fill in regulatory gaps in the code. While Unified Building Authority, the parent company of Davies Design Build, has submitted the application, the request is the result of collaboration between all parties described above. Community Development assisted with the drafting of some of the amendments, particularly those related to active transportation implementation and related street standards. Staff also drafted the procedural amendment regarding the allocation of residential units between application phases.

These proposed amendments are grouped into three topical categories for analysis in this report. These three categories are Lot Standards, Parking Lot Design and Thoroughfare Standards, and Procedural Standards. Staff has worked with internal stakeholders, including Public Works, and Administration to present this coordinated and unified recommendation. On November 29, the Planning Commission recommended all but one amendment for approval.



Focus of Action:

Do the proposed amendments conform with the intent of the Lakeside Landing Special District Overlay.

Discussion:

Each proposed amendment is listed below by topical category and including analysis from Korkut Onaran of Pel-Ona and from staff. Korkut's analysis is in blue italics, staff's analysis and recommendations are in green italics with the Planning Commission recommendation below. A summary table is attached listing the staff and Planning Commission recommendation for each amendment.

LOT TYPES

1. Page 38, 5. Cottage Lot Type:

Revise the rear zone side street setback as 6 feet minimum. (Currently this setback is listed as 12 feet minimum.)

There is no reason for the garage or ancillary building should have deeper setback than the front building. (This is just a mistake the applicant's consultant made.)

Staff concurs with consultant's analysis.

Recommend Approval

Planning Commission: Recommend Approval

2. Page 50, 17. Courtyard apartment Building Lot type:

Delete Note 1 that refers to a rear zone.

There is no rear zone on this lot type. (This is just a mistake the applicant's consultant made.)

Staff concurs with consultant's analysis.

Recommend Approval

Planning Commission: Recommend Approval

3. Page 53, 20. Main Street Slot Townhouse Lot Type

Delete Note 7

Asking for extra setback at the rear will make this lot type undesirable for many builders. This lot type may not be employed because of this restriction, even though the applicant



thinks that it is a good prototype that increases diversity and provides business opportunities, especially along Lakeside Avenue.

Staff agrees that making more lot types more useable in more areas is desirable.
Neutral

Planning Commission: Recommend Approval

4. Page 57, 24. Compact Urban Townhouse Lot Type
Reduce the minimum lot size to 1,000 s.f. and minimum frontage to 14 feet

Some builders (such as SEGO Homes) have an interesting townhouse they built at Daybreak. It is 14 feet wide. It provides an affordable way to achieve density within T5, T5i and T6 Transects. It employs either a tandem two-car garage or a single-car garage with the second car parked in tandem on surface. The applicant believes that suggested revision will add a relatively affordable townhouse option to the housing choices at Lakeside Landing.

Staff is concerned that without specific criteria for the implementation of this lot type, it may be overused, reducing the diversity of single family attached lot types.
Recommend Denial

Planning Commission: Recommend Denial

5. Page 59, 26. Liner Building Lot Type:
Revise the height requirement as 2 stories / 32 feet max. (Currently it is 1 ½ stories /32 feet max.)

Liner building type is being employed to screen the large surface parking lots at blocks where taller and larger apartment buildings are located. As such, the applicant sees no justification for limiting the height to 1 ½ stories, as the code currently states.

Staff concurs with consultant's analysis. The numerical height limit doesn't change.
Recommend Approval

Planning Commission: Recommend Approval

6. Page 60, 27. Neighborhood Store, Restaurant, or Civic Building Lot Type:
Eliminate the minimum lot size, minimum street frontage and depth requirements. Revise the building setback at street as 4 feet minimum.

The current restrictions prevent this lot type to be employed for small retail buildings along Lakeside Avenue. Businesses such as tiny coffee houses, diner size restaurants, small stores, and small professional offices with a few employees are essential in creating a thriving community. If the suggested revisions are made to this lot type, it can



easily be employed to accommodate such businesses (note that this lot type is not permitted within T4 and T3 Transects).

Staff concurs with consultant's analysis. Making this lot type easier to use is a substantial benefit for achieving a granular mix of uses within the permitted transects.

Recommend Approval

Planning Commission: Recommend Approval

7. Page 61a:

Add the attached new lot type: 29. Parking Structure Lot Type and permit it within T5, T5i and T6 Transects.

This will clarify to all parties the restrictions of any parking structure permitted within Lakeside Landing. It will encourage best practices.

Parking structures were not anticipated in the original drafting of the code. They may now be used and we want to make sure the code contains the necessary parameters to implement parking structures property.

Recommend Approval

Planning Commission: Recommend Approval

THOROUGHFARE STANDARDS

1. Page 93a - 93e:

Incorporate the attached "11-9-803 Parking Layouts" pages as part of the Article 8 - Thoroughfare Standards.

The suggested additional standards will enable and encourage best practices such as flat edge curbs and detached sidewalks along parking stalls. The additional standards accommodate the tandem parking layouts and dimensions as well, which are needed because Lakeside Landing Special District Overlay permits use of tandem parking at many of the lot types.

Staff has worked iteratively with the consultant to reach consensus on these changes. Staff agrees that the additional standards will permit implementation of best practices, create more efficient and more hospitable parking lots, and facilitate low impact storm water handling that will be crucial to flattening the rate of stormwater runoff in this area with significant engineering hurdles to traditionally engineered solutions.

Recommend Approval

Planning Commission: Recommend Approval



2. Page 93f-93o:
Incorporate the attached “11-9-804 Intersection Design” pages as part of the Article 8 - Thoroughfare Standards.

The suggested additional standards will encourage and ensure best practices in intersection design that balance well multiple modes of transportation; a design principle that Lakeside Landing follows.

Staff was the primary driver of these new standards. It is the city's desire to implement the best practices for intersection design at Lakeside Landing, where they can be employed and analyzed in a limited area without making wholesale changes to the city's general standards. This area will serve to inform changes to the City's overall standards and practices in the future.

Recommend Approval

Planning Commission: Recommend Approval

3. Page 93p:
Create a page called additional parking measures that includes the following:

a. MID-BLOCK SHARED PARKING

Instead of providing off-street parking on each lot, a shared mid-block parking lot is permitted to be employed on an outlot.

When such parking solution is employed, the minimum lot depth and minimum lot size requirements shall not be applied to the lots located on the block, as long as the total reduction on lot sizes shall be equal or less than the size of the parking outlot. Also, if multiple lot zones are stated for any of the lot types on the block, front zone requirements shall be applied to all zones (the lot shall be treated as one zone) and the rear setback shall be 5 feet minimum.

b. INTEGRATED ON LOT STRUCTURE PARKING

Within T5i and T6 Transects, solutions such as tuck-under parking and podium parking are not only permitted but highly recommended. However, no such parking, however how enclosed, shall be permitted within 25 feet of any street right-of-way.

These measures clarify that parking can be placed in a common parking lot, outside of the boundaries of individual lots and held in common to fulfill the minimum parking requirement for each unit. Placing parking in a single lot on the block interior has shown to be a much more elegant solution than contorting the lot boundaries of each surrounding lot to include a piece of the parking lot.

Recommend Approval

Planning Commission: Recommend Approval

4. Page 103 E. Pedestrian Green Street
Add the following rule as #4 to the list:



4. Along the Pedestrian Green Street, building setbacks to street shall be 12 feet minimum within T3 and T4, 10 feet minimum, within T5, and 8 feet minimum within T5i and T6 Transects; the porch setbacks to the street shall be 4 feet minimum within T3 and T4, 2 feet minimum, within T5, and 0 feet minimum within T5i and T6 Transects.

The current setbacks are tailored with a regular street on mind, accommodating vehicular traffic; they are deeper to provide more distance between the running traffic and the porches. When located along the pedestrian green street the applicant sees no need for deeper setbacks. Many pedestrian green streets shown on the current Regulating Plan are wider than the required minimum of 40 feet width.

Reduced front setbacks are appropriate where a lot fronts onto a common greenway, and could create a unique sense of place on these streets by creating a more intimate space and bringing the life and activity of each house close to the green street.

Neutral

Planning Commission: Recommend Approval

PROCESS

Page 18: Revise rule 2 to read:

2. Densities shall be calculated per application, per transect. In the Southern Part (shown on this page), up to 15% of the maximum permitted yield of units within any development phase may be carried forward (sent) to future (receiving) phases within the Southern Part subject to the following conditions.
 - a. The carried forward units must be identified and located on an overall unit plan included with the LLSDO Preliminary Plan application for the sending phase and then utilized on an application for the receiving phase within five years from approval of the Preliminary Plan for the sending phase.
 - b. No block into which units are carried forward may exceed its maximum permitted unit count by more than 15%.
 - c. The total unit count for the Southern Part shall not exceed that maximum unit count established in the regulating plan.
 - d. All other requirements of the LLSDO shall be met by the sending and receiving phases. No density transfers are permitted across transects, but allowed within an application between the blocks within the same transect.

Staff drafted this language to address a logistical concern in the simplest way possible. In short, if Unified Building Authority applied for site plan approval for their whole project at once, it complies with all the density requirements of the code. Instead UBA is phasing their development to spread out the costs of detailed engineering design and the installation of public improvements. Their phase one, taken alone, doesn't use all of the



possible residential density within the phase area, primarily because they are providing more commercial in phase one than originally anticipated. Under the current standards, they would not be able to capture or use these unutilized units in any other phase of the development. This amendment allows them to carry them forward while still meeting all other requirements, and mitigating the unnecessary loss of units caused by phase lines. Staff asserts that this does not represent a material change in the overall intent of the LLSDO, but simply provides for phasing of development, and allows UBA to provide more commercial, which is an important outcome for the city.
Recommend Approval

Planning Commission: Recommend Approval

Alternatives:

- Approve or deny the proposed zone text amendments in any combination.
- Continue the proposed zone text and zone map amendment for further discussion.



Attachments:

1. Amendment Summary Table
2. Planning Commission Staff Report

Attachment 1

Amendments Summary Table

Lakeside Landing Special District Overlay
Summary of Proposed Amendments

Amendment Number	Proposed Amendment	Recommendation Staff	PC
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Lot Types

1	Revise the rear zone side street setback as 6 feet minimum . (Currently this setback is listed as 12 feet minimum.)	Approve	Approve
2	Delete Note 1 that refers to a rear zone.	Approve	Approve
3	Delete Note 7	Neutral	Approve
4	Reduce the minimum lot size to 1,000 s.f. and minimum frontage to 14 feet	Deny	Deny
5	Revise the height requirement as 2 stories / 32 feet max. (Currently it is 1 ½ stories / 32 feet max.)	Approve	Approve
6	Eliminate the minimum lot size, minimum street frontage and depth requirements . Revise the building setback at street as 4 feet minimum .	Approve	Approve
7	Add the attached new lot type: 29. Parking Structure Lot Type and permit it within T5, T5i and T6 Transects .	Approve	Approve

Parking Lot Design and Thoroughfare Standards

1	Incorporate the attached “11-9-803 Parking Layouts” pages as part of the Article 8 – Thoroughfare Standards.	Approve	Approve
2	Incorporate the attached “11-9-804 Intersection Design” pages as part of the Article 8 – Thoroughfare Standards.	Approve	Approve
3	Create a page called additional parking measures that includes the following:	Approve	Approve
4	Add the following rule as #4 to the list: 4. Along the Pedestrian Green Street, building setbacks to street shall be 12 feet minimum within T3 and T4, 10 feet minimum, within T5, and 8 feet minimum within T5i and T6 Transects; the porch setbacks to the street shall be 4 feet minimum within T3 and T4, 2 feet minimum, within T5, and 0 feet minimum within T5i and T6 Transects.	Neutral	Approve

Process

1	2. Densities shall be calculated per application, per transect. In the Southern Part (shown on this page), up to 15% of the maximum permitted yield of units within any development phase may be carried forward (sent) to future (receiving) phases within the Southern Part subject to the following conditions a. The carried forward units must be utilized and identified on a complete LLSDO Preliminary Plan application within five years from approval of the Preliminary Plan from which the units are being carried forward. b. No block into which units are carried forward may exceed its maximum permitted unit count by more than 15%. c. The total unit count for the Southern Part shall not exceed that maximum unit count established in the regulating plan. d. All other requirements of the LLSDO shall be met by the sending and receiving phases. No density transfers are permitted across transects, but allowed within an application between the blocks within the same transect.	Approve	Approve
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Attachment 2

Planning Commission Staff Report



PLANNING COMMISSION STAFF REPORT

Agenda Item 2
November 29, 2022

November 23, 2022

TO: Planning Commission Members

FROM: Josh Yost

RE: *Unified Business Alliance requests amendments to the
Lakeside Landing Special District Overlay.*

Petitioner: Unified Business Alliance

Summary of Issues

Do the proposed amendments comply with the intent and advance the objectives of the Lakeside Landing Special District Overlay?

Background

Springville City, Pel-Ona Architects and Urbanists, Unified Business Alliance, and Lakeside Landing Partners have been working together through the last year to advance the development of Lakeside Landing. As with any new plan or code, continually refinement is necessary throughout the development process. Three categories of potential amendments have become apparent as this work has progressed. These three categories are amendments to correct errors in drafting the code, amendments to improve or facilitate development implementation, and amendments to fill in regulatory gaps in the code. While Unified Building Authority, the parent company of Davies Design Build, has submitted the application, the request is the result of collaboration between all parties described above. Community Development assisted with the drafting of some of the amendments, particularly those related to active transportation implementation and related street standards. Staff also drafted the procedural amendment regarding the allocation of residential units between application phases.

These proposed amendments can also be grouped into three topical categories for analysis. These three categories are Lot Standards, Parking Lot Design and Thoroughfare Standards, and Procedural Standards. These categories are used in the following analysis section. Staff has worked with internal stakeholders, including Public Works, and Administration to present this coordinated and unified recommendation.

Analysis

Each proposed amendment is listed below by topical category and including analysis from Korkut Onaran of Pel-Ona and from staff. Korkut's analysis is in blue italics and staff's analysis and recommendations are in green italics. Included as an attachment is a summary table which is color coded based on staff's recommendation, green for positive, red for negative and white for neutral.

LOT TYPES

1. Page 38, 5. Cottage Lot Type:
Revise the rear zone side street setback as 6 feet minimum. (Currently this setback is listed as 12 feet minimum.)

There is no reason for the garage or ancillary building should have deeper setback than the front building. (This is just a mistake the applicant's consultant made.)

Staff concurs with consultant's analysis.
Recommend Approval

2. Page 50, 17. Courtyard apartment Building Lot type:
Delete Note 1 that refers to a rear zone.

There is no rear zone on this lot type. (This is just a mistake the applicant's consultant made.)

Staff concurs with consultant's analysis.
Recommend Approval

3. Page 53, 20. Main Street Slot Townhouse Lot Type
Delete Note 7

Asking for extra setback at the rear will make this lot type undesirable for many builders. This lot type may not be employed because of this restriction, even though the applicant thinks that it is a good prototype that increases diversity and provides business opportunities, especially along Lakeside Avenue.

Staff agrees that making more lot types more useable in more areas is desirable.
Neutral

4. Page 57, 24. Compact Urban Townhouse Lot Type
Reduce the minimum lot size to 1,000 s.f. and minimum frontage to 14 feet

Some builders (such as SEGO Homes) have an interesting townhouse they built at Daybreak. It is 14 feet wide. It provides an affordable way to achieve density within T5, T5i and T6 Transects. It employs either a tandem two-car garage or a single-car garage with the second car parked in tandem on surface. The applicant believes that suggested revision will add a relatively affordable townhouse option to the housing choices at Lakeside Landing.

Staff is concerned that without specific criteria for the implementation of this lot type, it may be overused, reducing the diversity of single family attached lot types.
Recommend Denial

5. Page 59, 26. Liner Building Lot Type:
Revise the height requirement as 2 stories / 32 feet max. (Currently it is 1 ½ stories /32 feet max.)

Liner building type is being employed to screen the large surface parking lots at blocks where taller and larger apartment buildings are located. As such, the applicant sees no justification for limiting the height to 1 ½ stories, as the code currently states.

Staff concurs with consultant's analysis. The numerical height limit doesn't change.
Recommend Approval

6. Page 60, 27. Neighborhood Store, Restaurant, or Civic Building Lot Type:
Eliminate the minimum lot size, minimum street frontage and depth requirements. Revise the building setback at street as 4 feet minimum.

The current restrictions prevent this lot type to be employed for small retail buildings along Lakeside Avenue. Businesses such as tiny coffee houses, diner size restaurants, small stores, and small professional offices with a few employees are essential in creating a thriving community. If the suggested revisions are made to this lot type, it can easily be employed to accommodate such businesses (note that this lot type is not permitted within T4 and T3 Transects).

Staff concurs with consultant's analysis. Making this lot type easier to use is a substantial benefit for achieving a granular mix of uses within the permitted transects.
Recommend Approval

7. Page 61a:
Add the attached new lot type: 29. Parking Structure Lot Type and permit it within T5, T5i and T6 Transects.

This will clarify to all parties the restrictions of any parking structure permitted within Lakeside Landing. It will encourage best practices.

Parking structures were not anticipated in the original drafting of the code. They may now be used and we want to make sure the code contains the necessary parameters to implement parking structures property.
Recommend Approval

THOROUGHFARE STANDARDS

1. Page 93a - 93e:
Incorporate the attached "11-9-803 Parking Layouts" pages as part of the Article 8 - Thoroughfare Standards.

The suggested additional standards will enable and encourage best practices such as flat edge curbs and detached sidewalks along parking stalls. The additional standards accommodate the tandem parking layouts and dimensions as well, which are needed because Lakeside Landing Special District Overlay permits use of tandem parking at many of the lot types.

Staff has worked iteratively with the consultant to reach consensus on these changes. Staff agrees that the additional standards will permit implementation of best practices, create more efficient and more hospitable parking lots, and facilitate low impact storm water handling that will be crucial to flattening the rate of stormwater runoff in this area with significant engineering hurdles to traditionally engineered solutions.
Recommend Approval

2. Page 93f-93o:

Incorporate the attached “11-9-804 Intersection Design” pages as part of the Article 8 - Thoroughfare Standards.

The suggested additional standards will encourage and ensure best practices in intersection design that balance well multiple modes of transportation; a design principle that Lakeside Landing follows.

Staff was the primary driver of these new standards. It is the city’s desire to implement the best practices for intersection design at Lakeside Landing, where they can be employed and analyzed in a limited area without making wholesale changes to the city’s general standards. This area will serve to inform changes to the City’s overall standards and practices in the future.

Recommend Approval

3. Page 93p:

Create a page called additional parking measures that includes the following:

a. MID-BLOCK SHARED PARKING

Instead of providing off-street parking on each lot, a shared mid-block parking lot is permitted to be employed on an outlot.

When such parking solution is employed, the minimum lot depth and minimum lot size requirements shall not be applied to the lots located on the block, as long as the total reduction on lot sizes shall be equal or less than the size of the parking outlot. Also, if multiple lot zones are stated for any of the lot types on the block, front zone requirements shall be applied to all zones (the lot shall be treated as one zone) and the rear setback shall be 5 feet minimum.

b. INTEGRATED ON LOT STRUCTURE PARKING

Within T5i and T6 Transects, solutions such as tuck-under parking and podium parking are not only permitted but highly recommended. However, no such parking, however how enclosed, shall be permitted within 25 feet of any street right-of-way.

These measures clarify that parking can be placed in a common parking lot, outside of the boundaries of individual lots and held in common to fulfill the minimum parking requirement for each unit. Placing parking in a single lot on the block interior has shown to be a much more elegant solution than contorting the lot boundaries of each surrounding lot to include a piece of the parking lot.

Recommend Approval

4. Page 103 E. Pedestrian Green Street

Add the following rule as #4 to the list:

4. Along the Pedestrian Green Street, building setbacks to street shall be 12 feet minimum within T3 and T4, 10 feet minimum, within T5, and 8 feet minimum within T5i and T6 Transects; the porch setbacks to the street shall be 4 feet minimum within T3 and T4, 2 feet minimum, within T5, and 0 feet minimum within T5i and T6 Transects.

The current setbacks are tailored with a regular street on mind, accommodating vehicular traffic; they are deeper to provide more distance between the running traffic and the porches. When located along the pedestrian green street the applicant sees no need for deeper setbacks. Many pedestrian green streets shown on the current Regulating Plan are wider than the required minimum of 40 feet width.

Reduced front setbacks are appropriate where a lot fronts onto a common greenway, and could create a unique sense of place on these streets by creating a more intimate space and bringing the life and activity of each house close to the green street.

Neutral

PROCESS

Page 18: Revise rule 2 to read:

2. Densities shall be calculated per application, per transect. In the Southern Part (shown on this page), up to 15% of the maximum permitted yield of units within any development phase may be carried forward (sent) to future (receiving) phases within the Southern Part subject to the following conditions.
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 - b. No block into which units are carried forward may exceed its maximum permitted unit count by more than 15%.
 - c. The total unit count for the Southern Part shall not exceed that maximum unit count established in the regulating plan.
 - d. All other requirements of the LLSDO shall be met by the sending and receiving phases. No density transfers are permitted across transects, but allowed within an application between the blocks within the same transect.

Staff drafted this language to address a logistical concern in the simplest way possible. In short, if Unified Building Authority applied for site plan approval for their whole project at once, it complies with all the density requirements of the code. Instead UBA is phasing their development to spread out the costs of detailed engineering design and the installation of public improvements. Their phase one, taken alone, doesn't use all of the possible residential density within the phase area, primarily because they are providing more commercial in phase one than originally anticipated. Under the current standards, they would not be able to capture or use these unutilized units in any other phase of the development. This amendment allows them to carry them forward while still meeting all other requirements, and mitigating the unnecessary loss of units caused by phase lines. Staff asserts that this does not represent a material change in the overall intent of the LLSDO, but simply provides for phasing of development, and allows UBA to provide more commercial, which is an important outcome for the city.

Recommend Approval

Staff Recommendation

Staff finds that the amendments recommended for approval, as described above, comply with the intent and advance the objectives of the Lakeside Landing Special District Overlay.

This recommendation represents the involvement and consensus of staff from Community Development, Public Works, and Administration.

Recommended Motion

Move to recommend approval of Unified Business Alliance's requested amendments to the Lakeside Landing Special District Overlay as listed by the numbers listed in the analysis above.

Lot Type Amendments	Parking Lot Design and Thoroughfare Standards	Process
1		1
2	1	
5	2	
6	3	
7		

Attachments

1. Proposed Amendments to Parking Layouts and Thoroughfare Standards.
2. Amendment Summary Table

Attachment 1

Proposed Amendments to Parking Layouts and Thoroughfare Standards.

11-9-803 Parking Layouts

Article 8 - THOROUGHFARE DESIGN STANDARDS

The parking layouts included in this subsection aimed at reducing excessive pavement and preventing formation of heat islands. Even though providing adequate parking is essential in creating a well-served neighborhood, there are ways to maximize landscaped areas and decrease the paved areas that create heat islands easily in Springville's climate zone in summer months. Following are few design solutions that achieve this. The layouts corresponding these solutions and the dimensional standards provided here shall guide the parking lot design within Lakeside Landing Special District Overlay.

FLAT EDGE INSTEAD OF REGULAR CURB

Employing flat edges instead of regular curbs not only decreases the amount of pavement, but also, and more importantly, allows creating landscape islands easily (as illustrated on the pictures included on this page). It also simplifies drainage solutions by decreasing the amount of run off water by allowing landscape islands to absorb a larger portion of the run off water.

When employed, the planting islands between the sidewalk and the parking shall be a minimum of two (2) feet wide.

ALLOWING BUMPER ENCROACHMENTS

When flat edge is employed at head-in parking it is advised to provide a narrow (2 to 4 feet) planting strip in between sidewalk and parking pavement. This provides shoulder room at sidewalk and thus allows sidewalk to be sized narrower (4 feet is advised). It also breaks the pavement and allows simple drainage solutions as shown in the pictures below). This arrangement also allows cars' bumpers to encroach to the green and thus reduces the pavement size. All the layout solutions included here employ a twelve-inch bumper encroachment reduction in the parking space lengths. All the above mentioned solutions make a reduces the amount of pavement significantly especially where larger parking lots are employed at blocks with apartment buildings.



An alley with flat concrete edge with concrete head-in parking spaces that employs several landscape islands.



Flat concrete edge allows employment of landscape islands easily. The small ornamental trees that can grow in these islands reduces the formation of heat islands significantly.



A narrow landscape strip between parking spaces and sidewalk provides a break in pavement and allows employment of simple drainage solutions. On the figure right, notice the flagstone mini bridge break in the concrete pavement where a mini ditch allows the water in the narrow landscape island to drain into the larger landscape island's open drainage system created by attractive mini ditches.

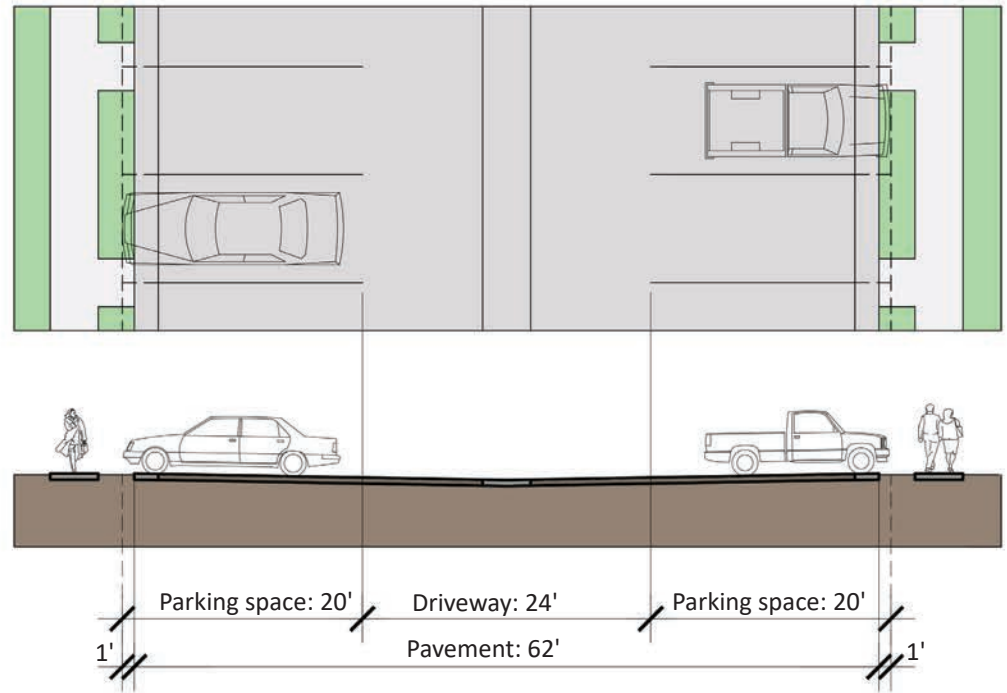


11-9-803 Parking Layouts

Article 8 - THOROUGHFARE DESIGN STANDARDS

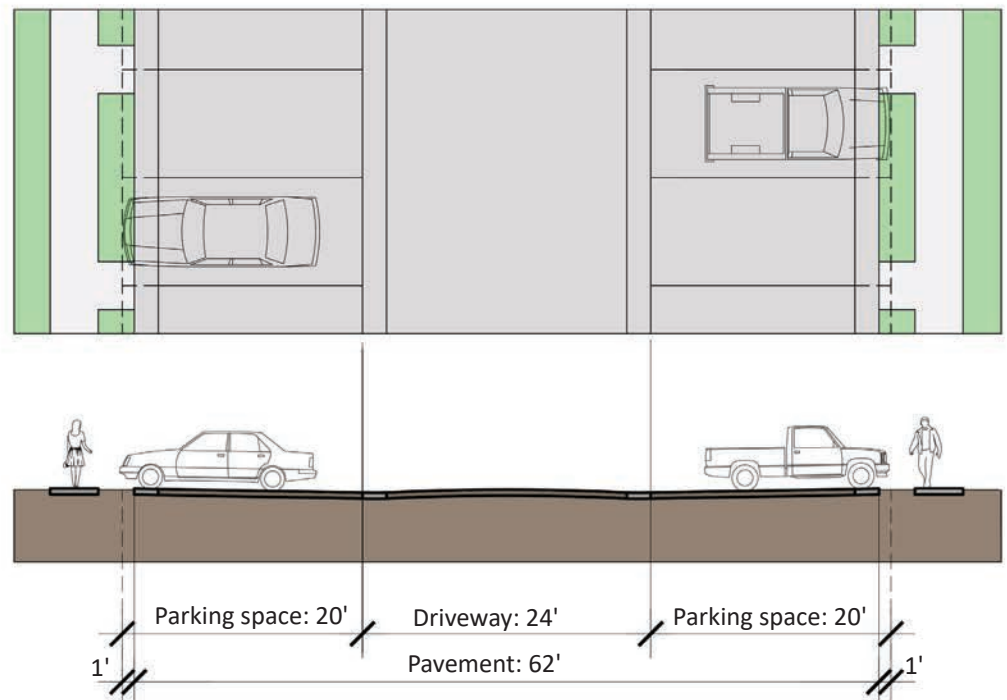
A. HEAD-IN PARKING WITH FLAT CONCRETE EDGE AND DETACHED SIDEWALKS - CENTRAL DRAINAGE

This solution works well at large parking lots. A single concrete drainage channel placed at the center provides drainage. In heavy downfall events water may reach the landscape islands, which is desired since it reduces the amount of run off. Considering that the high volume run-off from large parking lots not only contributes to the flash floods, but also contaminates the water sources, reducing it should be taken as a serious public benefit objective.



B. HEAD-IN PARKING WITH FLAT CONCRETE EDGE AND DETACHED SIDEWALKS - DRAINAGE ON TWO SIDES

This solution works well where an alley or a driveway needs to be constructed before the parking spaces. The alley or the driveway has its own flat concrete edges and parking spaces are added later, if desired. The slope of the pavement may be adjusted to the desired run-off capacity and the availability of the surrounding landscape areas that can absorb water. This layout reduces the perceived scale of the pavement, as shown on the pictures provided on the previous page.

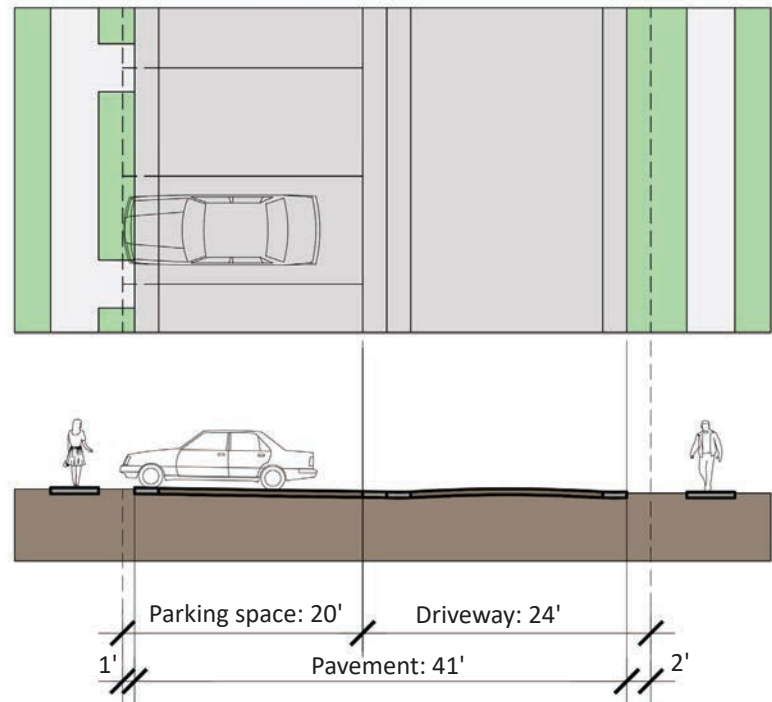


11-9-803 Parking Layouts

Article 8 - THOROUGHFARE DESIGN STANDARDS

C. HEAD-IN PARKING ON ONE SIDE WITH FLAT CONCRETE EDGE AND DETACHED SIDEWALKS

At some locations, due to the restrictions of the context, parking may be employed on only one side of the driveway. This layout addresses that particular condition.



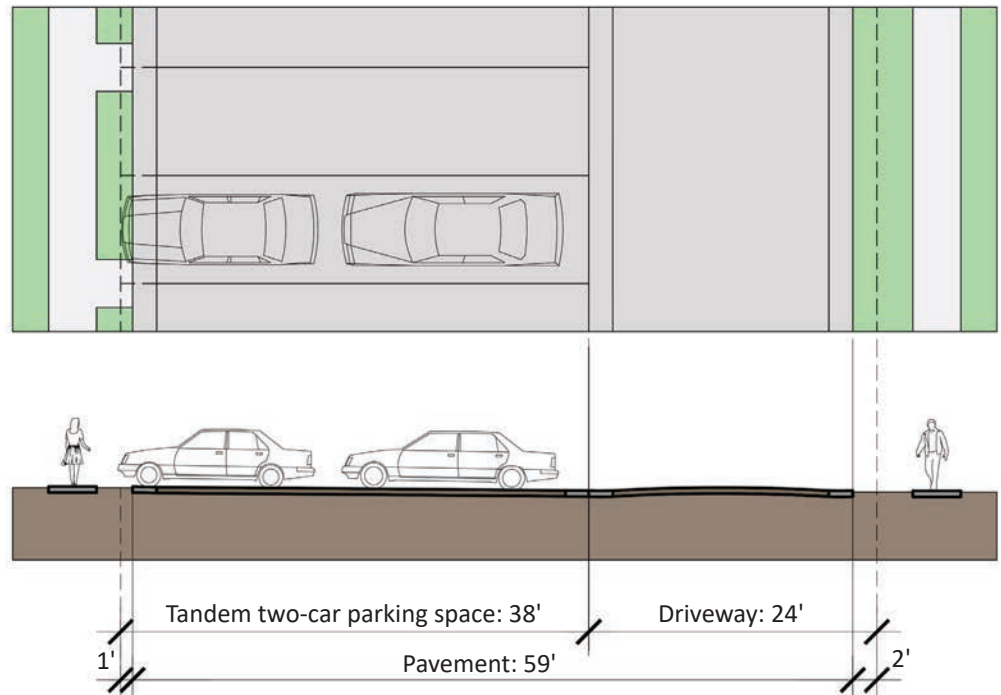
An alley with flat concrete edges and flat edge parking spaces. Flat edges make it easier to employ landscape islands in various sizes. The modest landscaping employed in these islands create a lush environment and prevents formation of heat islands.

11-9-803 Parking Layouts

Article 8 - THOROUGHFARE DESIGN STANDARDS

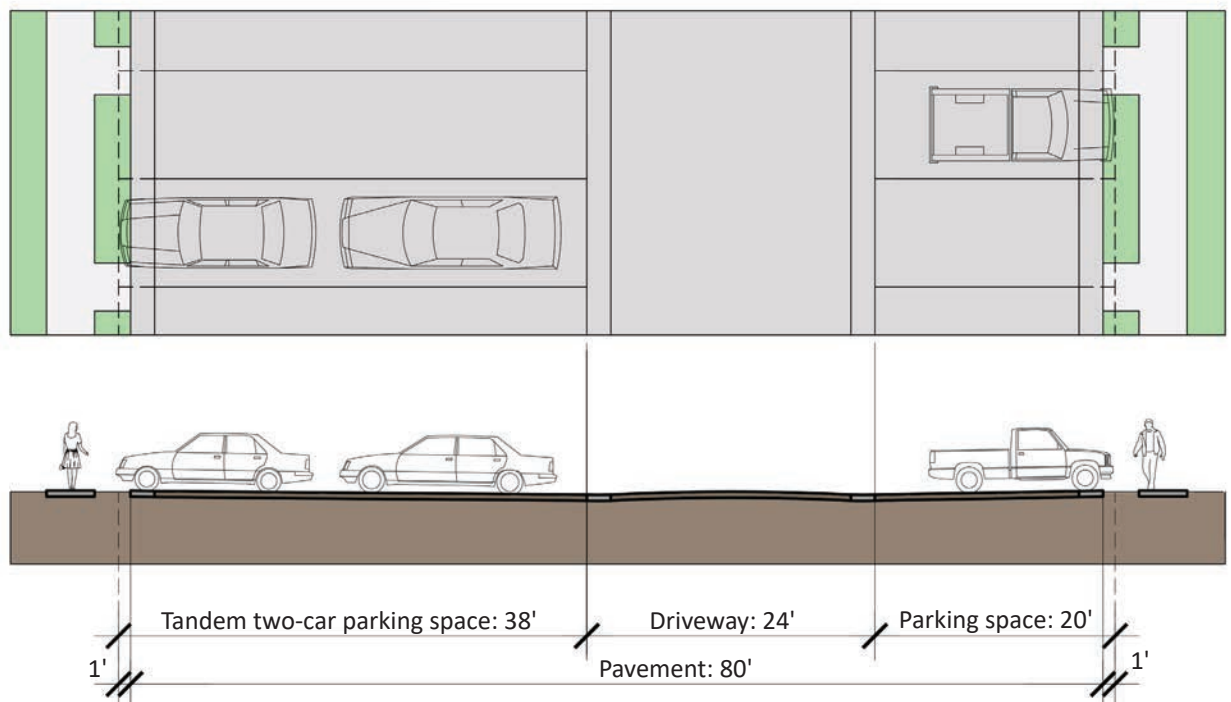
D. HEAD-IN TANDEM PARKING ON ONE SIDE ONLY WITH FLAT CONCRETE EDGE AND DETACHED SIDEWALKS

Tandem parking is a solution that is permitted and encouraged at Lakeside Landing Special District Overlay. This layout is a good solution for a several lot types where a large number of spaces are needed within limited area on the lot. Tandem parking works well when both spaces are assigned to the same residential unit or business suite.



E. HEAD-IN PARKING ON ONE SIDE REGULAR PARKING ON THE OTHER SIDE

This layout is included here to prevent confusion about parking space lengths when tandem parking is employed on one side regular head-in parking on the other.



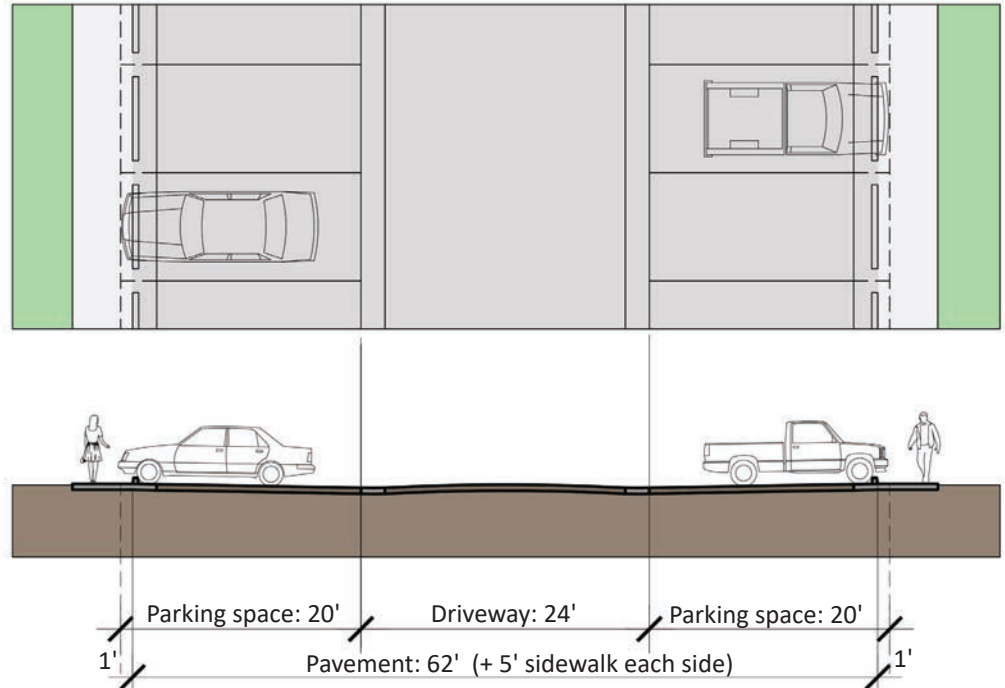
11-9-803 Parking Layouts

Article 8 - THOROUGHFARE DESIGN STANDARDS

F. HEAD-IN PARKING WITH ATTACHED SIDEWALKS AND NO CURBS

Head-in parking with attached sidewalks shall be used only when buildings are close to the driveway or the alley and shall not be used where the buildings are placed at thirty (30) feet or farther than the driveway or the alley.

When detached sidewalk is not desirable, nor feasible, it is advised to attach the sidewalk at same grade and use wheel stoppers to delineate the parking space. This layout allows to switch to the detached sidewalk easily, when there is space. The sidewalk needs to be at least five feet wide when attached, because the bumper of the parked car is permitted to encroach to the sidewalk up to twelve inches.



SCREENING SURFACE PARKING ALONG THE STREET

Surface parking visible from the sidewalk creates an unfriendly streetscape for pedestrians, therefore it should be avoided as much as possible. The following rules are intended (a) to avoid excessive parking along the street, and when parking is placed along the street, (b) to provide appropriate screening.

- Along 70 (seventy) feet of the street frontage at any block face, surface parking shall have a setback of a minimum of 12 (thirty) feet to the street right-of-way. Along the rest of the frontage of block face, surface parking shall have a setback of a minimum of 30 (thirty) feet to the street right-of-way.
- There shall be no surface parking within twelve (12) feet of the street right-of-way.
- When surface parking is located closer than twenty (20) feet to the sidewalk, an opaque fence of a minimum of sixty (60) inches and a maximum of sixty six (66) inches tall, shall be installed along the parking spaces. A landscaping island with a minimum depth of five (5) feet shall be provided on the street side with a minimum of 1 SP of plant material employed for every 4 feet of fence. The initial plant material shall be chosen from the species approved by the City of Springville.



Here, because of the limited space in front an entrance, detached sidewalk is not feasible. A wheel stopper is employed to delineate the parking space.

11-9-804 Intersection Design

Article 8 - THOROUGHFARE DESIGN STANDARDS

This section provides guidance for infrastructure design that can help bicyclists and pedestrians safely navigate intersections and street crossings. The considerations outlined in this section are to serve as a guide. Each intersection and crossing design will vary in geometry and dimensions based on the specific context of any given location. The drawings, diagrams, and photos in this section serve the purpose of illustrating general design principles to be considered in the design and engineering process, and should not be literally translated and applied to intersections and crossings within Lakeside Landing without engineering analysis and design.

No matter what bikeway or trail types are being considered, the primary principles at intersections are:

- *Slow turning speeds*
- *Maximize visibility*
- *Maintain pedestrian and bicycle priority*

Basis for Guidance

The guidance outlined in this section is based on the following sources, which are freely available online and should be consulted for more information and guidance:

- *NACTO's Urban Bikeway Design Guide*
- *NACTO's Don't Give Up at the Intersection: Designing All Ages and Abilities Bicycle Crossings*
- *FHWA's Separated Bike Lane Planning and Design Guide*

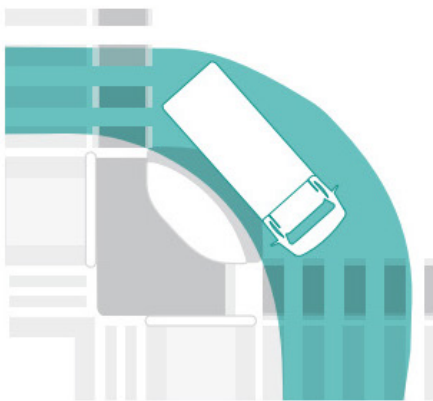
ENHANCED AND PROTECTED INTERSECTIONS

KEY CONSIDERATIONS

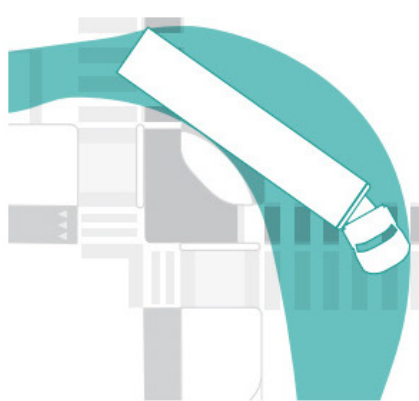
Corner Turn Radius: The corner radius is the primary method to reduce vehicle turning speed. Some considerations:

- *Radii should be small enough that passenger cars are discouraged from turning at speeds faster than 10 mph; this can be accomplished with an effective turn radius less than 18', usually resulting from a 10' to 15' curb radius*
- *May have a mountable override area (e.g., truck apron) to accommodate larger vehicles.*

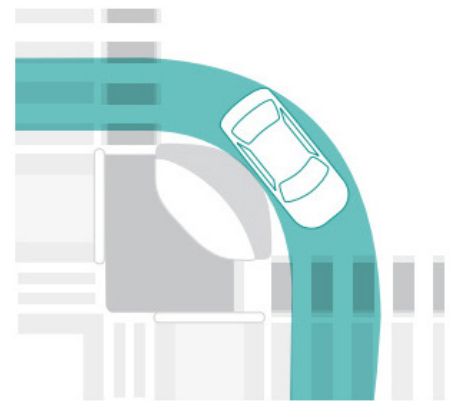
Design Vehicle



Control Vehicle



Managed Vehicle



Source: NACTO Don't Give Up at the Intersection: Designing All Ages and Abilities Bicycle Crossings

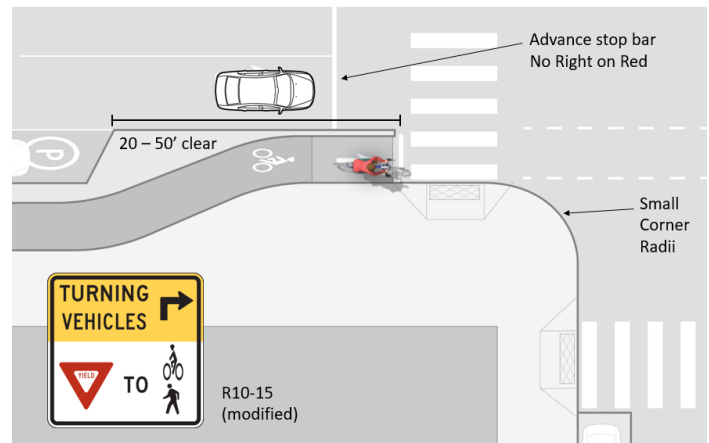
11-9-804 Intersection Design

Article 8 - THOROUGHFARE DESIGN STANDARDS

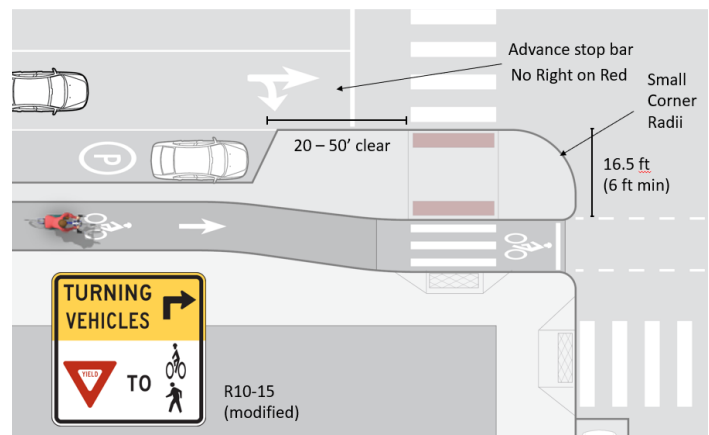
*Bikeway Approach: Bend-in or Bend out*

As a raised or separated bikeway approaches an intersection, it may be appropriate to taper it in towards the curb line or out away from the curb line; this is referred to as “bend-in” and “bend-out”

- *Tapering in puts vehicles and bicyclists in a similar field of vision for motorists on side streets and less space is required; a potential disadvantage is it puts bicyclists in close proximity to through and right turning vehicle traffic*



- *Tapering out allows right turning motorists to queue out of the way of rear through traffic while yielding to cyclists and positions right-turning motorists at an increased angle to more easily see cyclists; potential disadvantages are that this design is less familiar, requires more space, and increases chances of cyclist/pedestrian conflicts*



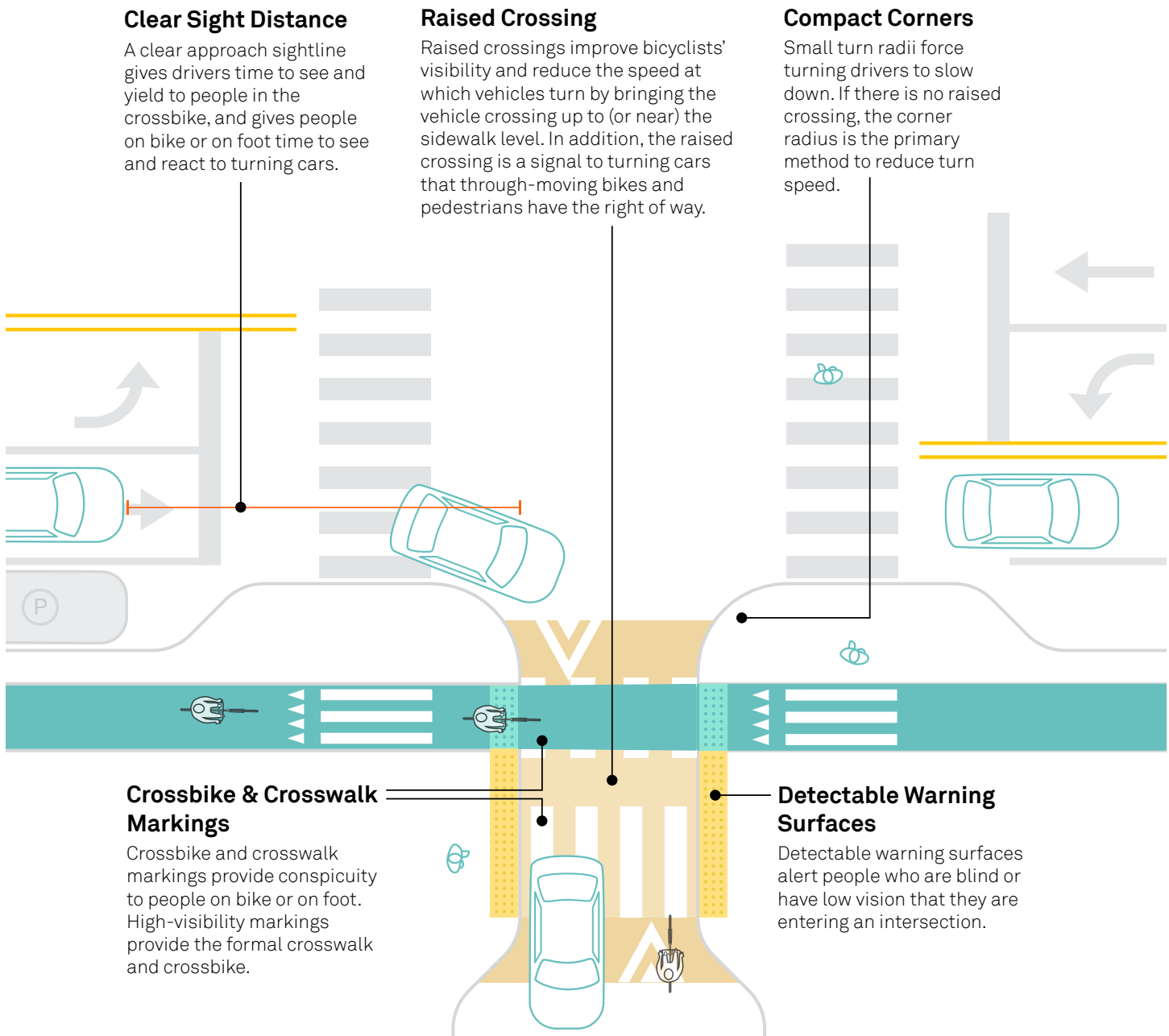
Source: FHWA Separated Bike Lane Planning & Design Guide

11-9-804 Intersection Design

Article 8 - THOROUGHFARE DESIGN STANDARDS

Raised Crossings

It may be appropriate to incorporate raised crossings for raise bike lanes or sidepaths at intersections with minor streets in order to prioritize pedestrians and bicyclists and manage through and turning vehicle speeds.



Source: NACTO *Don't Give Up at the Intersection: Designing All Ages and Abilities Bicycle Crossings*

11-9-804 Intersection Design

Article 8 - THOROUGHFARE DESIGN STANDARDS

Crossbike / Bike Lane Line Extensions

Broken or skipped white lines with green bars can increase visibility and motorist yielding at intersections, further prioritizing bicyclists at intersections and crossings.



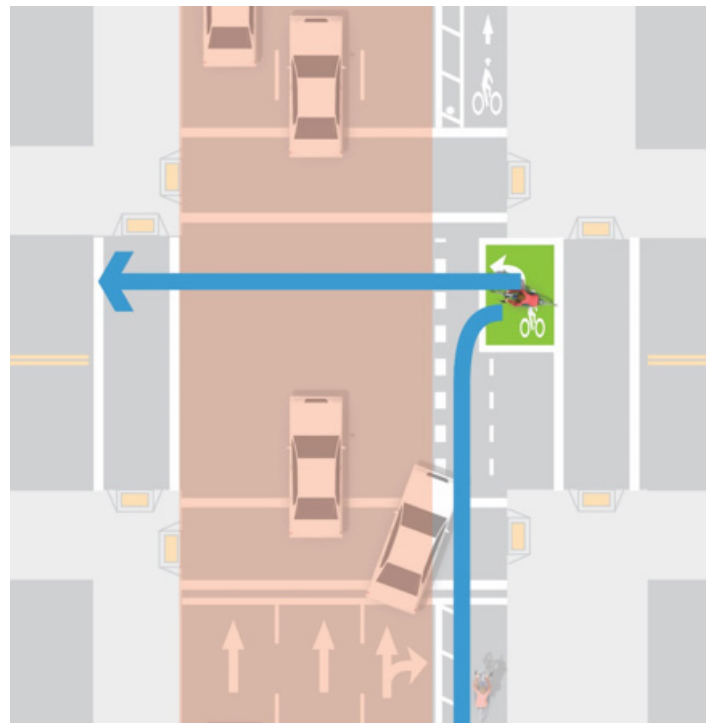
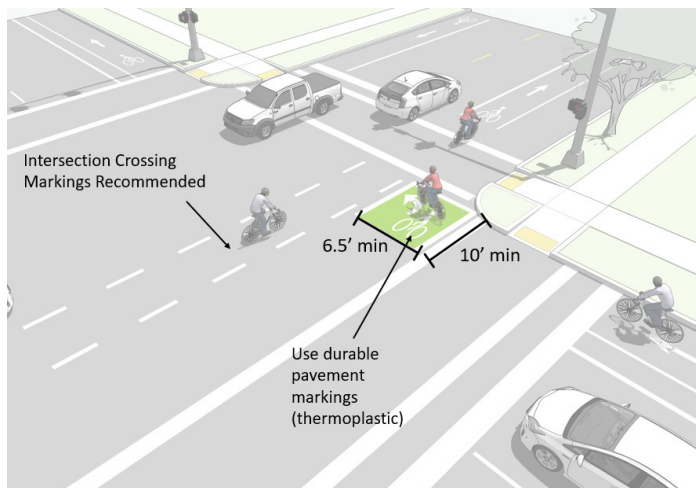
BICYCLE LEFT TURNS

Making left turns at intersections can present several conflicts for cyclists. This is especially true when multiple lanes are present and, under traditional circumstances where no special accommodations are made, cyclists are required to merge across one or more traffic lanes prior to the intersection.

Two-Stage Turn Queue Box

Two-stage turn queue boxes offer bicyclists a safe way to make left turns at single or multi-lane intersections from a right side separated bike lane or bike lane. The basic premise of the two-stage turn queue box is that bicyclists make left turns at intersections in two stages (see below illustrations). This lets bicyclists avoid conflicts with through vehicles by eliminating the need to merge across one or multiple lanes when approaching the intersection; however, this configuration typically results in increased delay for bicyclists, especially at signalized intersections, where bicyclists need to receive two separate green signal indications.

An added benefit of two-stage turn queue boxes is that bicyclists can be properly aligned with whatever facility exists on the crossing street. If intersecting a bicycle boulevard, the box can be placed in line with the crossing travel lane to ensure that cyclists are prioritized through the intersection. If intersecting a bike lane, the box can be placed to align cyclists with the crossing bike lane.



11-9-804 Intersection Design

Article 8 - THOROUGHFARE DESIGN STANDARDS

BICYCLE BOULEVARDS AT INTERSECTIONS

Bicycle boulevards in Lakeside Landing are recommended along thoroughfares that should be designed to maintain low vehicle volumes and speeds. However, special considerations should be made at intersections. These corridors intersect with major and minor streets, and depending on if the intersection is controlled or not will dictate the appropriate treatment for getting bicyclists safely through the intersection. Controlled intersections are those that have 4-way stops or full traffic signals that give equal opportunity for vehicular, bicycle, and pedestrian traffic to move through the intersection without needing to find gaps in crossing traffic. Uncontrolled intersections commonly occur when minor streets cross major streets with a two-way stop.

Bicycle Boulevards at Controlled Intersections

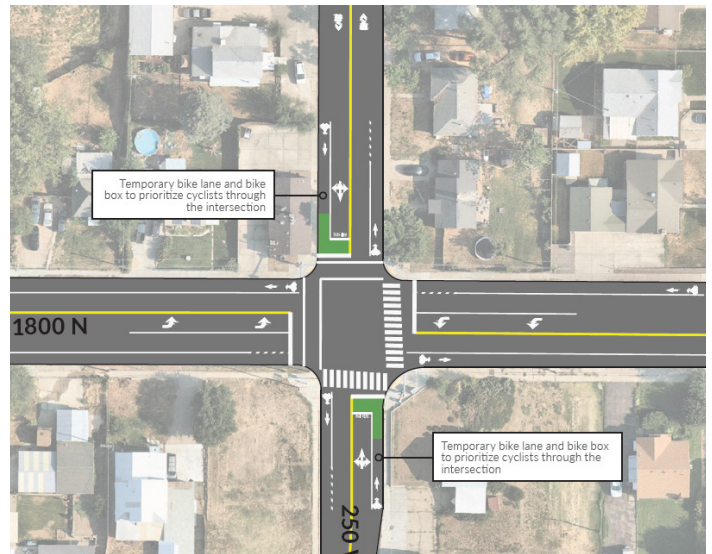
Bike Boxes

Bike boxes are typically indicated by a green painted area placed in front of the stop bar of through vehicular travel lanes, behind the crosswalk. Bike boxes prioritize bicyclists through the intersection by positioning them in front of motorists. This configuration is especially important when a bike lane terminates at an intersection, and a share street or bicycle boulevard continues on the other side of the intersection.



Bike Lane Approach

Alternative to - or in conjunction with - bike boxes, short bike lane (50-100 ft) segments can be incorporated at the approach and exit of the intersection if space allows. This can organize modes through the intersection. In the case of a bike lane terminating, short bike lanes can allow bicyclists to worry about merging into a shared street once they've cleared the intersection as opposed to doing it in the middle of the intersection.



Toucan Crossings

Toucan crossings can be implemented at both controlled and non-controlled intersections. The name is derived from the fact that “two can” (meaning bicyclists and pedestrians) cross at the same time with a dedicated signal. Toucan crossings are often implemented in conjunction with traffic diverters to allow bicyclists/pedestrians to travel through, while vehicles can only make right-in / right-out turns, thus reducing potential conflicts and lowering the overall through traffic volumes along the corridor. Toucans require passive or active forms of bicycle detection.



11-9-804 Intersection Design

Article 8 - THOROUGHFARE DESIGN STANDARDS

Bicycle Boulevards at Non-controlled Intersections

The appropriate treatment for getting bicyclists across streets at unsignalized intersections and mid-block crossings will vary depending on the characteristics of the cross street, including width (number of lanes) and traffic speeds and volumes. The decision matrix below outlines some basic guidance, but each crossing should be analyzed on a case by case basis.

BIKE BOULEVARD CROSSING CONTEXTUAL GUIDANCE at unsignalized locations	Local Streets 15-25 mph		Collector Streets 25-30 mph			Arterial Streets 30-45 mph							
	2 lane	3 lane	2 lane	2 lane with median refuge	3 lane	2 lane	2 lane with median refuge	3 lane	4 lane	4 lane with median refuge	5 lane	6 lane	6 lane with median refuge
FACILITY TYPE													
Warning Signage Only	EJ	EJ	✓	✓	✓	EJ	EJ	EJ	X	X	X	X	X
Active Warning Beacon (RRFB)	X	EJ	✓	✓	✓	✓	✓	✓	X	✓	X	X	X
Hybrid Beacon	X	X	EJ	EJ	EJ	EJ	✓	✓	✓	✓	✓	✓	✓

LEGEND

Most Desirable	✓
Engineering Judgement	EJ
Not Recommended	X

Warning Signage Only

If cross street traffic volumes and speeds are low enough or if enough gaps in traffic are present, then crossing with warning signage only can be simple. Enhancing the crossing with medians, refuge islands, and crossing markings can improve visibility and prioritize people on bikes.

*Rectangular Rapid Flashing Beacons (RRFBs)*

RRFBs are active flashing beacons that are typically push button activated, but can also be activated by a passive sensor. Typically used in conjunction with warning signage, a marked crosswalk, and sometimes median refuge islands, RRFBs result in a higher motorist yield rate than just a signage and crosswalk markings alone, especially in lower-light situations. RRFBs are appropriate for minor streets and some major streets if medians can be incorporated and vehicle speeds are low enough. Where possible, a raise or protected waiting area that is accessible to the push button should be provided.



11-9-804 Intersection Design

Article 8 - THOROUGHFARE DESIGN STANDARDS

Hybrid Beacon

If the number of travel lanes and vehicle speeds require additional crossing safety and comfort, hybrid beacons should be considered. Hybrid beacons may be mid-block or at unsignalized intersections and stop traffic along the major street when pedestrians or bicyclists are present. Many hybrid beacon crossings are consolidated to one side, requiring bicyclists to move to one side of the street to cross the cross street, as shown in the image at right.



Traffic Circles

Traffic circles are primarily traffic calming elements, but can be used at intersections of minor streets to enhance comfort and safety of people walking and biking.



11-9-804 Intersection Design

Article 8 - THOROUGHFARE DESIGN STANDARDS

BICYCLE BOULEVARDS AT INTERSECTIONS

Lakeside Landing proposes a robust pedestrian network, including a series of “pedestrian green streets”, which essentially function as linear parks that limit access by motor vehicles. These corridors often cross driveways, alleys, and minor and major streets at mid-block locations. The development plan includes the intent that raised crosswalks and pavement material changes should be used when pedestrian green streets cross driveways and alleys. This review recommends that similar attention be given to crossings of minor and major cross streets to extend the pedestrian green street network beyond single blocks. This also applies to paved trails that cross streets at mid-block locations.

The crossing treatments outlined for bicycle boulevard crossings also apply to pedestrian and trail mid-block crossings, and the principles for determining treatment type based on width and speed thresholds remain the same. In addition to the treatments previously covered, raised crossings, curb extensions, and pedestrian refuge islands may be incorporated.

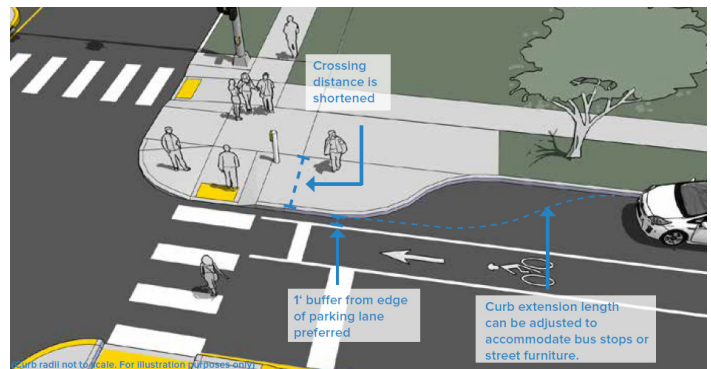
Raised Crossings

Raised crossings prioritize pedestrians and bicyclists by slowing cross street traffic and allowing people crossing to remain at sidewalk level through the intersection. Raised crossings can be incorporated in conjunction with warning signage, RRFBs, and hybrid beacons.

**Curb Extensions**

Curb extensions, or bulb-outs, can be installed at intersection corners or mid-block crossings. They narrow the road to encourage slower through and turning speeds and shorten the crossing distance for bicyclists and pedestrians.

This review recommends that curb extensions should be implemented at all intersections and mid-block crossings, where feasible.



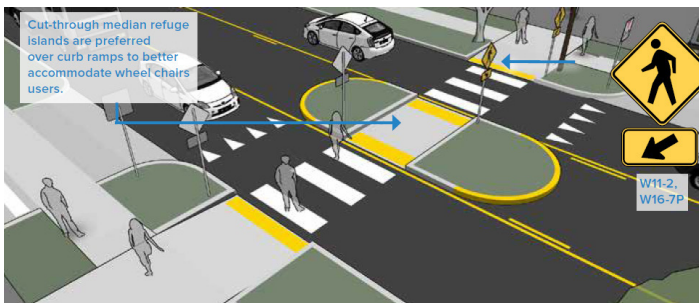
11-9-804 Intersection Design

Article 8 - THOROUGHFARE DESIGN STANDARDS

Refuge Island

Refuge islands are painted or physical medians that a) shorten crossing distances and b) allow pedestrians and bicyclists to focus on only one direction of cross traffic at a time.

- *Refuge islands must meet accessibility standards, preferably using at-grade passage as opposed to ramps and landings.*
- *Island should be at least 6 ft. wide (wider to accommodate larger pedal cycles) and 20 ft. long*
- *Median landscaping should not compromise the visibility of people crossing through the refuge island. Plantings no higher than 18" tall.*



Intersection and Crossing Treatments

Intersection and crossing treatments shall be constructed as designated on the opposite map. Intersection recommendations are based on planning-level understanding of the street network and anticipated volumes. Engineering judgement should be exercised when final intersection design is completed, accounting for specific traffic patterns, intersection geometry, and site constraints.

Legend

■ ■ ■ Raised or Separated Bike Lane

● ● ● Sidepath / Trail

— — — Bicycle Lane

■ ■ ■ Bicycle Boulevard

— — — Pedestrian Green Street

- (A) Raised Crosswalk
- (B) Enhanced/Protected Intersection
- (C) Toucan Crossing with Traffic Diverters
- (D) Traffic Signal
- (E) RRFB or Hybrid Beacon (TBD)

Article 8 - THOROUGHFARE DESIGN STANDARDS



Attachment 2

Amendment Summary Table

Lakeside Landing Special District Overlay
Summary of Proposed Amendments

Amendment Number Document Location

Proposed Amendment

Lot Types

1	Page 38, 5. Cottage Lot Type:	<i>Revise the rear zone side street setback as 6 feet minimum. (Currently this setback is listed as 12 feet minimum.)</i>
2	Page 50, 17. Courtyard apartment Building Lot type:	<i>Delete Note 1 that refers to a rear zone.</i>
3	Page 53, 20. Main Street Slot Townhouse Lot Type	<i>Delete Note 7</i>
4	Page 57, 24. Compact Urban Townhouse Lot Type	<i>Reduce the minimum lot size to 1,000 s.f. and minimum frontage to 14 feet</i>
5	Page 59, 26. Liner Building Lot Type:	<i>Revise the height requirement as 2 stories / 32 feet max. (Currently it is 1 ½ stories /32 feet max.)</i>
6	Page 60, 27. Neighborhood Store, Restaurant, or Civic Building Lot Type:	<i>Eliminate the minimum lot size, minimum street frontage and depth requirements. Revise the building setback at street as 4 feet minimum.</i>
7	Page 61a:	<i>Add the attached new lot type: 29. Parking Structure Lot Type and permit it within T5, T5i and T6 Transects.</i>

Parking Lot Design and Thoroughfare Standards

1	Page 93a – 93e:	<i>Incorporate the attached “11-9-803 Parking Layouts” pages as part of the Article 8 – Thoroughfare Standards.</i>
2	Page 93f-93o:	<i>Incorporate the attached “11-9-804 Intersection Design” pages as part of the Article 8 – Thoroughfare Standards.</i>
3	Page 93p:	<i>Create a page called additional parking measures that includes the following:</i>
4	Page 103 E. Pedestrian Green Street	<i>Add the following rule as #4 to the list: 4. Along the Pedestrian Green Street, building setbacks to street shall be 12 feet minimum within T3 and T4, 10 feet minimum, within T5, and 8 feet minimum within T5i and T6 Transects; the porch setbacks to the street shall be 4 feet minimum within T3 and T4, 2 feet minimum, within T5, and 0 feet minimum within T5i and T6 Transects.</i>

Process

1	Page 18: Revise rule 2 to read:	2. Densities shall be calculated per application, per transect. In the Southern Part (shown on this page), up to 15% of the maximum permitted yield of units within any development phase may be carried forward (sent) to future (receiving) phases within the Southern Part subject to the following conditions a. The carried forward units must be utilized and identified on a complete LLSDO Preliminary Plan application within five years from approval of the Preliminary Plan from which the units are being carried forward. b. No block into which units are carried forward may exceed its maximum permitted unit count by more than 15%. c. The total unit count for the Southern Part shall not exceed that maximum unit count established in the regulating plan. d. All other requirements of the LLSDO shall be met by the sending and receiving phases. No density transfers are permitted across transects, but allowed within an application between the blocks within the same transect.
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Recommend Approval

Recommend Denial

Neutral



PLANNING COMMISSION

DECEMBER 6, 2022



PROPOSED AMENDMENTS

- A year of work
- Continual refinement
- Three reasons for amendments
 - correct errors in drafting the code
 - improve or facilitate development implementation
 - fill in regulatory gaps
- The request is the result of collaboration



PROPOSED AMENDMENTS

- Three categories for analysis
 - Lot Type Standards
 - Parking Lot Design and Thoroughfare Standards
 - Procedural Standards

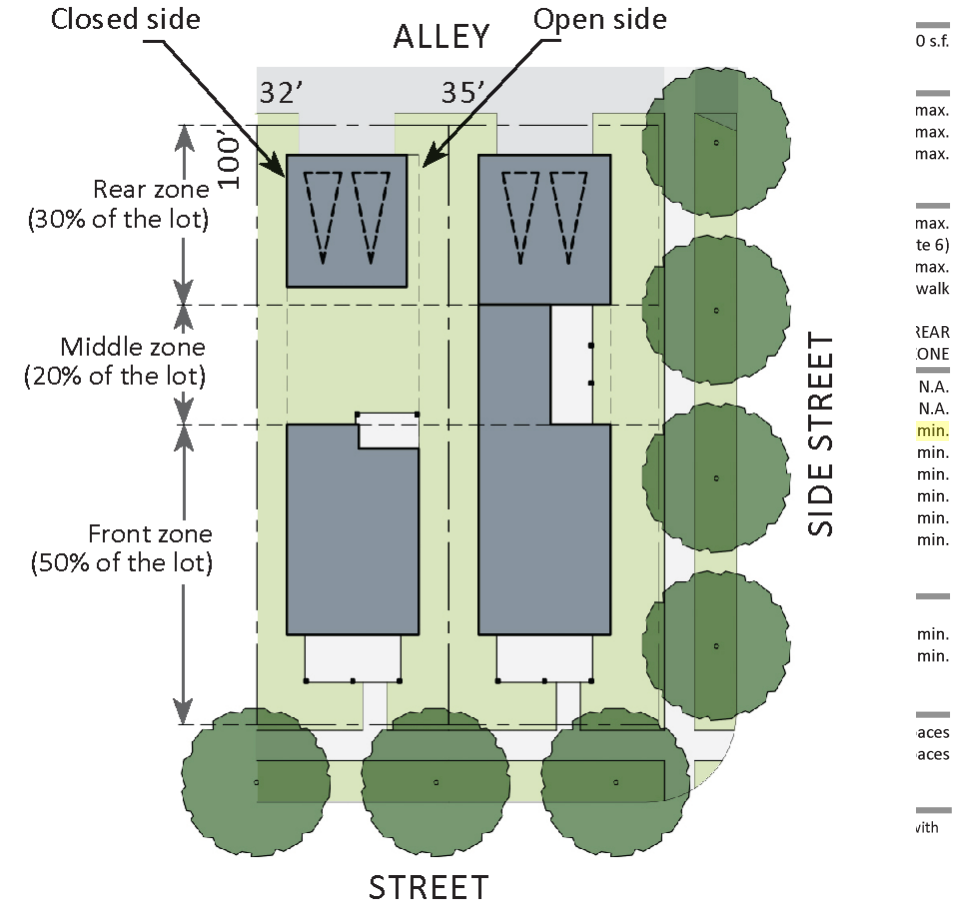


There is no reason for the garage or ancillary building should have deeper setback than the front building. (This is just a mistake the applicant's consultant made.)

Recommend Approval

LOT :

Minimum lot size:	3000 s.f.
Minimum street or common court frontage:	30 feet
	feet



5. An accessory dwelling unit is permitted within either the principal building or a detached building with a footprint that is more than 550 square feet. The floor area of the accessory dwelling shall be within the maximum floor area permitted per lot.
6. The height and setback requirements listed for the front zone shall be applied for the middle zone as well on lots that are 96 feet deep or shallower.



LOT TYPE STANDARDS

2. Page 50, 17. Courtyard apartment Building Lot type:
Delete Note 1 that refers to a rear zone.

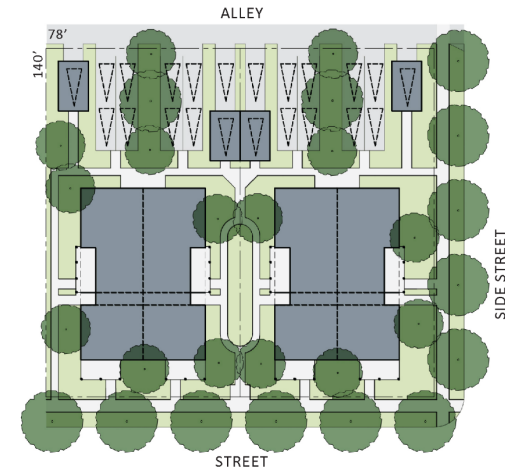
There is no rear zone on this lot type. (This is just a mistake the applicant's consultant made.)

Recommend Approval

17. Courtyard Apartment Building Lot Type

Article 5 - LOT TYPES

Courtyard Apartment Building Lot Type is intended to provide apartment living opportunities in the neighborhood. Although not required, the example shown below does not employ a hallway. Instead, all apartments are accessed directly from the courtyards or sidewalks, upstairs units being walk-up apartments. Some apartments are single story, others, such as the street facing ones, are two story apartment units. Different configurations may also be arranged. Even though the below example show a lot layout with surface parking, buildings may reach all the way back over the tuck under parking, if desired.



LOT :

Minimum lot size:	9000 s.f.
Minimum street frontage	75 feet
Minimum depth	118 feet

BUILDING SIZE:

Maximum total floor area per lot:	8000 s.f.
Maximum floor area on third floor per lot:	1200 s.f.

HEIGHT:

	3 stories / 45 feet max.
First floor elevation	18" above sidewalk

SETBACKS:

Building at street	15 feet min.
Porch at street	7 feet min.
Building at side street	13 feet min.
Porch at side street	5 feet min.
Building at side	13 feet min.
Porch at side	11 feet min.
Building at rear	5 feet min.

PORCH:

Porch or covered balcony size required per dwelling unit	80 s.f. min.
Porch or covered balcony depth	6 feet min.

OFF-STREET PARKING:

For each dwelling unit:	2 spaces
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NOTES:

1. No heated living floor area is permitted within the rear zone. The rear zone is reserved for parking, garages, and other storage structures.
2. Tandem parking counts for parking requirement.
3. A single story garage is permitted to have zero setback on the side property line if the adjacent lot is also a Courtyard Apartment Building Lot Type.



LOT TYPE STANDARDS

3. Page 53, 20. Main Street Slot Townhouse Lot Type *Delete Note 7*

Asking for extra setback at the rear will make this lot type undesirable for many builders. This lot type may not be employed because of this restriction, even though the applicant thinks that it is a good prototype that increases diversity and provides business opportunities, especially along Lakeside Avenue.

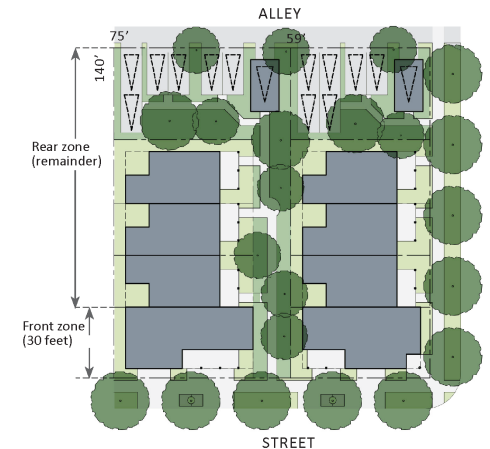
*Staff agrees that making more lot types more useable in more areas is desirable.
Recommend Approval*

20. Main Street Slot Townhouse Cluster Lot Type

Article 5 - LOT TYPES

Main Street Slot Townhouse Cluster Lot Type is intended to provide a unique ownership and lifestyle option; several fee simple lots with attached buildings face common courts (highlighted by darker green on the lot diagram and perspective) that provide access to shared parking and to the street. The side street or common court frontages become “the front” for the townhouses located within the rear zone.

Main Street Slot Townhouse Cluster Lot Type permits attaching buildings. It also allows several small, fee simple lots to share common courts and common parking areas that are located on outlots owned collectively via an HOA. This lot type establishes two different zones with different height and building size restrictions. These zones are the front zone, which is the first 30 feet of the lot from front, and the rear zone which is the remainder of the parcel before subdivision.



CLUSTER PARCEL:

Minimum size:	7,800 s.f.
Minimum street frontage	59 feet
Minimum depth	128 feet

LOTS WITHIN CLUSTER:

Minimum size:	1,100 s.f.
Minimum street or common court frontage	20 feet

BUILDING SIZE:

Maximum total floor area per lot:	1600 s.f.
Maximum floor area on third floor per lot:	500 s.f.

HEIGHT:

Front zone:	2 stories / 38 feet max.
Rear zone:	2 stories / 35 feet max.

SETBACKS:	LOTS WITHIN	LOTS WITHIN
	FRONT ZONE	REAR ZONE

(Street shall be considered as front for the lots within the front zone. Side street or common court shall be considered as front for the lots within the rear zone)

Building at front	4 feet min.	14 feet min.
Porch at front	4 feet min.	6 feet min.
Building at side	see note 6 below	0 or 5 feet min.
Building at rear	0 feet min.	see note 7 below

PORCH:

Minimum porch or colonnade size required per lot	80 s.f. min.
Porch or colonnade depth	6 feet min.

OFF-STREET PARKING:

For each dwelling unit	2 spaces
For each business suite with a total floor area of 1200 s.f. or less:	1 space
For each business suite with a total floor area greater than 1200 s.f.:	2 spaces
For each additional 400 s.f. of floor area after 1600 s.f. of business suite (retail, restaurant, or office)	1 additional space

NOTES:

1. Main Street Slot Townhouse Cluster Lot Type is permitted to be employed only at lots with alley access.
2. The side street or common court frontage becomes “the front” for the townhouses located within the rear zone
3. No curb cuts are allowed on street or side street.
4. Tandem parking counts for parking requirement.
5. No bedrooms are permitted within the first 12 feet from the street in the front zone.
6. The side setback at the lots within the front zone shall be 0 feet minimum on the green court side, 5 feet minimum at side street or at the side property line.
7. The rear setback for the townhouses located within the rear zone shall be 5 feet along 50% of the rear property line, 15 feet along the remainder of the rear property line.
8. Each building shall provide a total covered walkway area of one square foot for each linear foot of the street or side street frontage. The covered walkway area shall be located within the private property, except for the awnings that are permitted to encroach into the street right-of-way up to 5 feet.



LOT TYPE STANDARDS

4. Page 57, 24. Compact Urban Townhouse Lot Type
Reduce the minimum lot size to 1,000 s.f. and minimum frontage to 14 feet

Recommend Denial

24. Compact Urban Townhouse Lot Type

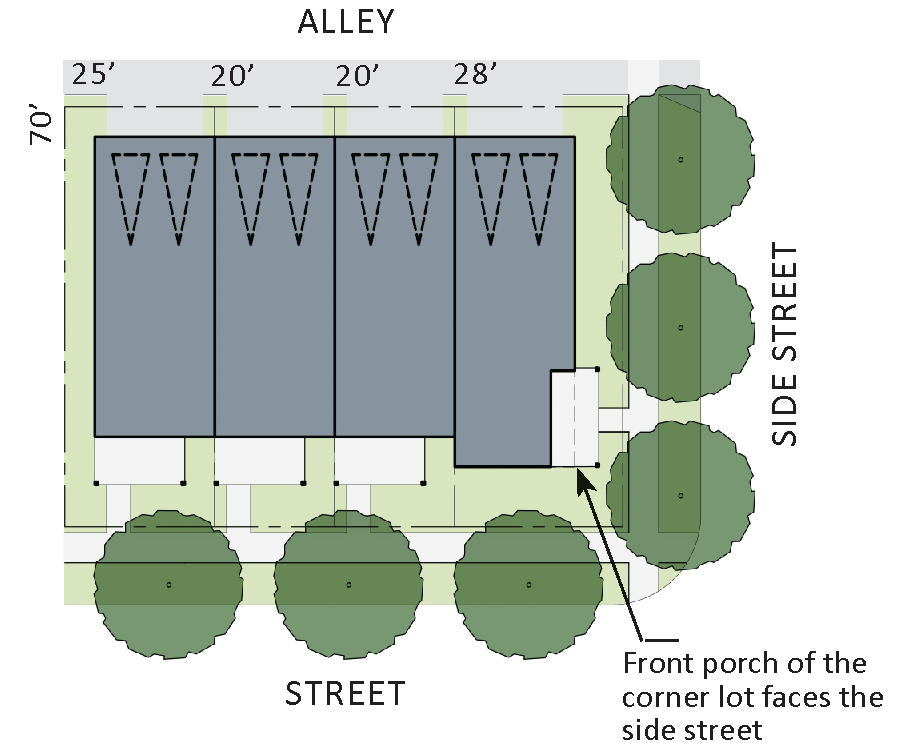
Article 5 - LOT TYPES

Compact Urban Townhouse Lot Type is crafted to provide an option to preserve land and create efficiencies via attaching three or more buildings and eliminating under-used side yards. Mixing compact townhouses with Main Street lot on a block face creates a well-balanced composition and contributes to the diversity of the neighborhood.

LOT :

Minimum lot size:	1400 s.f.
Minimum street or common court frontage:	20 feet

BUILDING SIZE:



3. Tandem parking counts for parking requirement.
4. The front porch and the front entrance of the building on a street corner lot shall face the side street.



LOT TYPE STANDARDS

5. Page 59, 26. Liner Building Lot Type:
Revise the height requirement as 2 stories / 32 feet max. (Currently it is 1 ½ stories / 32 feet max.)

Liner building type is being employed to screen the large surface parking lots at blocks where taller and larger apartment buildings are located. As such, the applicant sees no justification for limiting the height to 1 ½ stories, as the code currently states.

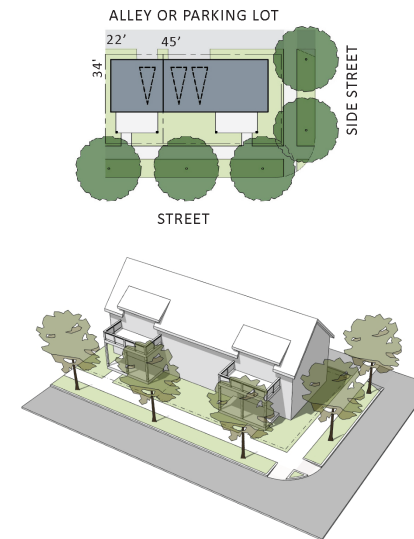
Staff concurs with consultant's analysis. The numerical height limit doesn't change.

Recommend Approval

26. Liner Building Lot Type

Article 5 - LOT TYPES

Liner building Lot Type is crafted to be placed at locations where large parking lots would otherwise be exposed to the street. Liner buildings block the view to the parking lot from the street and take advantage of the street frontage by providing additional residential or non-residential units, creating interest and neighborly character along the sidewalk. The shallow lot depth allows for the optimum utilization of the rest of the block. Liner buildings can be self-parked with convenient parking below or adjacent to residential units or offices.



LOT :

Minimum lot size:	600 s.f.
Minimum street or common court frontage:	20 feet
Minimum depth:	30 feet

HEIGHT:

1 1/2 stories / 32 feet max.

SETBACKS:

Building at all but pedestrian green street	12 feet min.
Building at pedestrian green street	8 feet min.
Building at side street	5 feet min.
Porch or colonnade at all but pedestrian green street	4 feet min.
Porch or colonnade at pedestrian green street	0 feet min.
Porch or colonnade at side street	4 feet min.
Building at side	0 or 2 feet min.
Building at rear	2 feet min.

PORCH:

Porch or open balcony size required per dwelling unit	80 s.f. min.
Porch depth	6 feet min.

OFF-STREET PARKING:

For each dwelling unit or business suite:	2 spaces
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NOTES:

1. Liner Building Lot Type is permitted to be employed only on lots with alley access or shared parking lot access.
2. No curb cuts are allowed on street or side street.
3. Garages shall not occupy more than 50% of the building footprint.
4. The second parking space may be provided in an adjacent shared parking lot.



LOT TYPE STANDARDS

6. Page 60, 27. Neighborhood Store, Restaurant, or Civic Building Lot Type:

Eliminate the minimum lot size, minimum street frontage and depth requirements.

Revise the building setback at street as 4 feet minimum.

The current restrictions prevent this lot type to be employed for small retail buildings along Lakeside Avenue. (note that this lot type is not permitted within T4 and T3 Transects).

Making this lot type easier to use is a substantial benefit for achieving a granular mix of uses within the permitted transects.

Recommend Approval

27. Neighborhood Store, Restaurant, or Civic Building Lot Type

Article 5 - LOT TYPES

Neighborhood Store, Restaurant, or Civic Building Lot Type is crafted to accommodate self-standing neighborhood support businesses such as small grocers, restaurants, and coffee houses. It can also accommodate modest civic uses if needed. Because of the permitted building size, it fits into the neighborhood scale and character. The parking setback restriction is intended to encourage building presence along the sidewalk. Even though a single story would be the most common solution this lot type, a second story is permitted as well.

LOT :

Minimum lot size:	7000 s.f.
Minimum street frontage:	70 feet
Minimum depth:	90 feet

BUILDING SIZE:

Maximum total per lot:	4000 s.f.
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HEIGHT:

2 stories / 35 feet max.

SETBACKS:

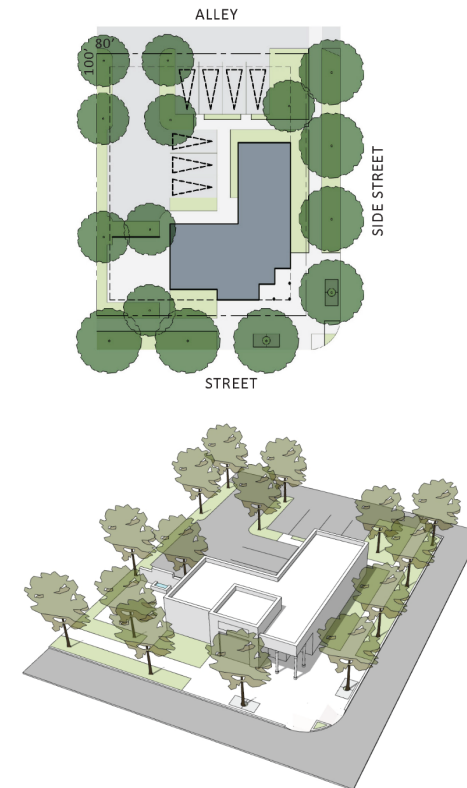
Building at street	6 feet min., 14 feet max.
Building at side street	6 feet min., 14 feet max.
Porch or colonnade at street	6 feet min.
Porch or colonnade at side street	6 feet min.
Building at side	5 feet min.
Building at rear	5 feet min.

OFF-STREET PARKING:

For office and retail	1 space per 500 s.f.
For restaurant	1 space per 350 s.f.

NOTES:

1. Neighborhood Store or Restaurant Lot Type is permitted to be employed only on lots with alley access or shared parking lot access.
2. No curb cuts are allowed on street or side street.
3. No surface parking is permitted within 25 feet from the street property line and 12 feet from the side street property line.
4. No surface parking is permitted between the buildings and the property lines along the street and the side street.
5. Each building shall provide a total covered walkway area of one square feet for each linear feet of the street or side street frontage. The covered walkway area shall be located within the private property, except for the awnings that are permitted to encroach into the street right-of-way up to 5 feet.





LOT TYPE STANDARDS

7. Page 61a:

Add the attached new lot type: 29. Parking Structure Lot Type and permit it within T5, T5i and T6 Transects.

This will clarify to all parties the restrictions of any parking structure permitted within Lakeside Landing. It will encourage best practices.

Parking structures were not anticipated in the original drafting of the code. We want to make sure the code contains the necessary parameters to implement parking structures properly.

Recommend Approval

29. Parking Structure Lot Type

Article 5 - LOT TYPES

Parking Structure Lot Type is crafted for mid-block locations when a shared parking solution is employed. It is a modest two level structure that can reduce the amount of the surface parking without creating an incompatible building massing. It can be directly attached to another building on another lot type, or may be employed as a self-standing building.

LOT :

Minimum lot size: No requirement
Minimum street frontage: No street frontage is permitted

HEIGHT:

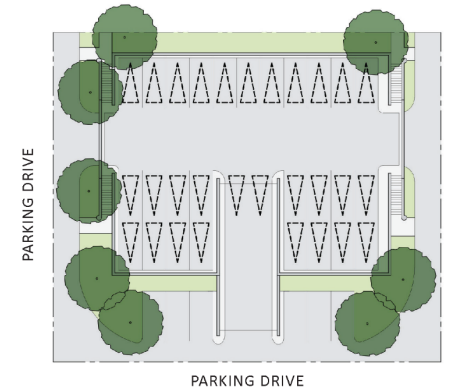
2 stories (2 parking levels) / 24 feet max.

SETBACKS:

All sides 5 or 0 feet min. (see note 3)

NOTES:

1. Parking Structure Lot Type shall be employed at mid-block locations as part of a shared parking solution.
2. Parking Structure Lot Type shall be screened from the street and shall not have a street frontage. IT shall not be located within 50 feet of any street right-of-way.





THOROUGHFARE STANDARDS

1. Page 93a - 93e:

Incorporate the attached “11-9-803 Parking Layouts” pages as part of the Article 8 - Thoroughfare Standards.

Recommend Approval



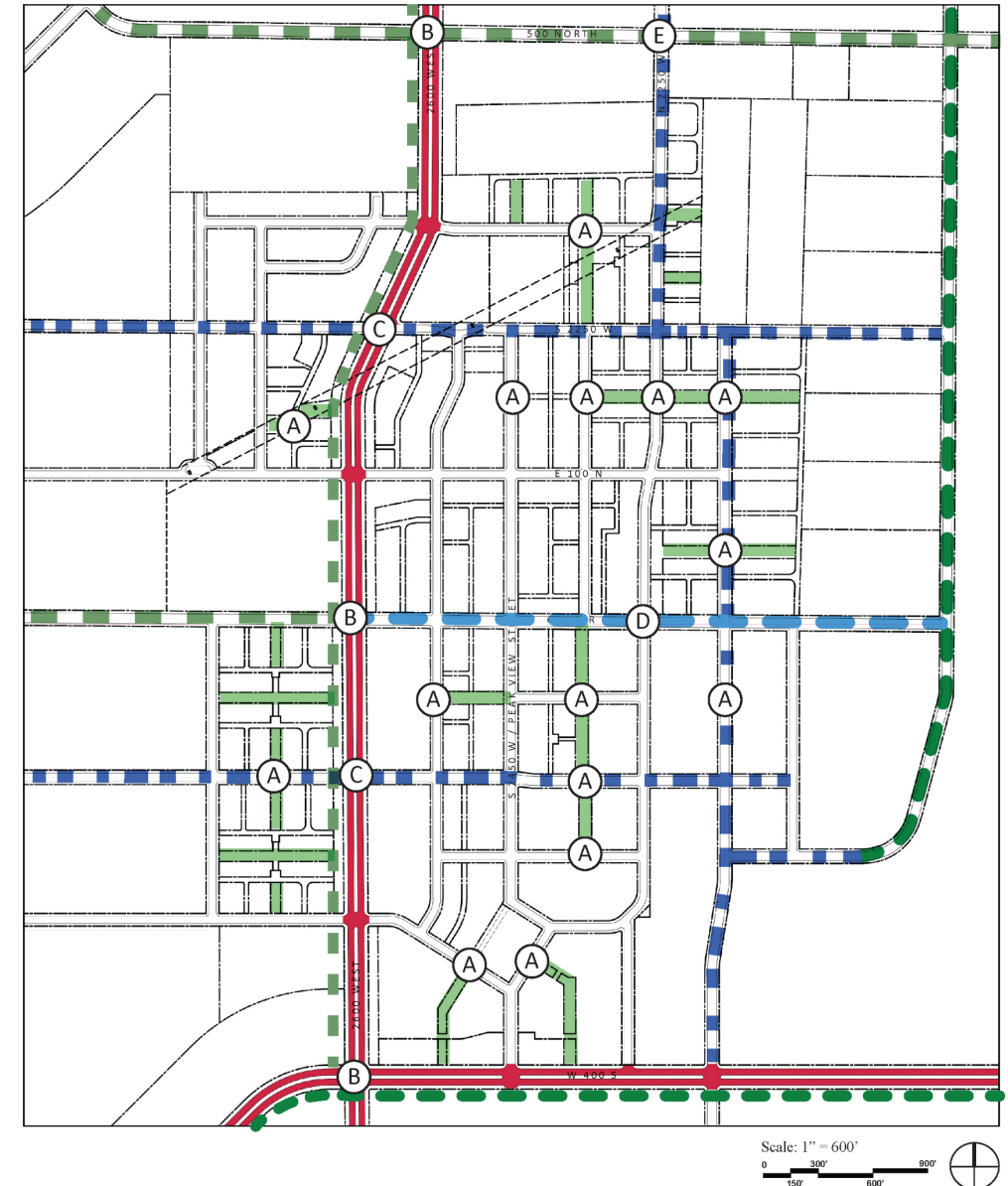
THOROUGHFARE STANDARDS

2. Page 93f-93o:
Incorporate the attached “11-9-804 Intersection Design” pages as part of the Article 8 - Thoroughfare Standards.

The suggested additional standards will encourage and ensure best practices in intersection design that balance well multiple modes of transportation; a design principle that Lakeside Landing follows.

Staff was the primary driver of these new standards.

Recommend Approval





THOROUGHFARE STANDARDS

3. Page 93p:

*Create a page called **additional parking measures** that includes the following:*

a. MID-BLOCK SHARED PARKING

Instead of providing off-street parking on each lot, a shared mid-block parking lot is permitted to be employed on an outlot.

When such parking solution is employed, the minimum lot depth and minimum lot size requirements shall not be applied to the lots located on the block, as long as the total reduction on lot sizes shall be equal or less than the size of the parking outlot. Also, if multiple lot zones are stated for any of the lot types on the block, front zone requirements shall be applied to all zones (the lot shall be treated as one zone) and the rear setback shall be 5 feet minimum.

b. INTEGRATED ON LOT STRUCTURE PARKING

Within T5i and T6 Transects, solutions such as tuck-under parking and podium parking are not only permitted but highly recommended. However, no such parking, however how enclosed, shall be permitted within 25 feet of any street right-of-way.

These measures clarify that parking can be placed in a common parking lot, and held in common to fulfill the minimum parking requirement for each unit. Placing parking in a single lot on the block interior is a simpler solution than contorting the lot boundaries of each surrounding lot to include a piece of the parking lot.

Recommend Approval



THOROUGHFARE STANDARDS

4. Page 103 E. Pedestrian Green Street

Add the following rule as #4 to the list:

- 4. Along the Pedestrian Green Street, building setbacks to street shall be
 - 12 feet minimum within T3 and T4
 - 10 feet minimum, within T5
 - 8 feet minimum within T5i and T6 Transects;

porch setbacks to the street shall be

- 4 feet minimum within T3 and T4
- 2 feet minimum, within T5
- 0 feet minimum within T5i and T6 Transects.

The current setbacks are tailored for a regular vehicular street; they are deeper to provide more distance between the running traffic and the porches. When located along the pedestrian green street the applicant sees no need for deeper setbacks. Many pedestrian green streets shown on the current Regulating Plan are wider than the required minimum of 40 feet width.

Reduced front setbacks are appropriate where a lot fronts onto a common greenway, and could create a unique sense of place on these streets by creating a more intimate space and bringing the life and activity of each house close to the green street.

Recommend Approval

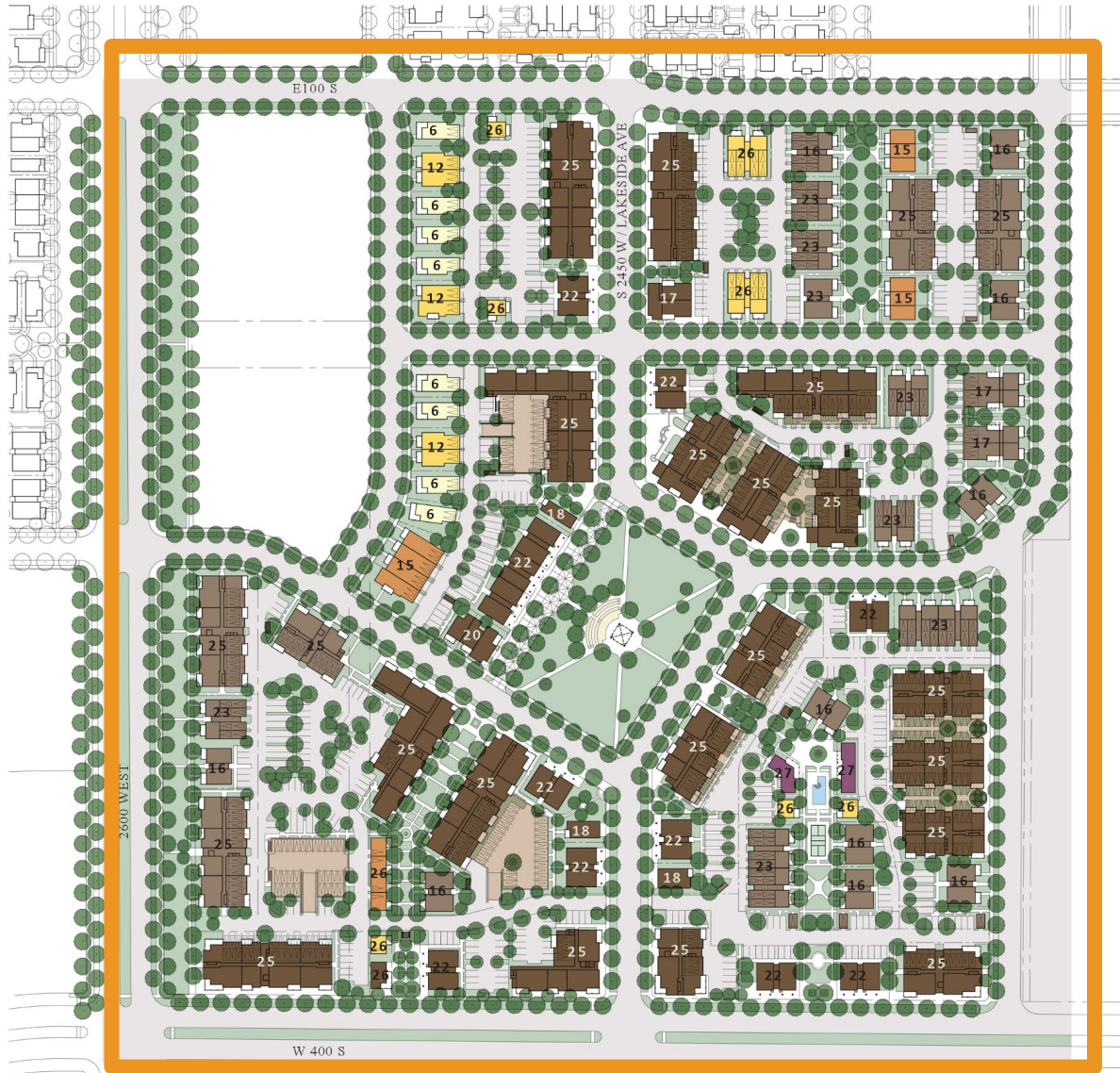


PROCEDURAL STANDARDS

Page 18: Revise rule 2 to read:

2. Densities shall be calculated per application, per transect. In the Southern Part (shown on this page), up to 15% of the maximum permitted yield of units within any development phase may be carried forward (sent) to future (receiving) phases within the Southern Part subject to the following conditions.
 - a. The carried forward units must be identified and located on an overall unit plan included with the LLSDO Preliminary Plan application for the sending phase and then utilized on an application for the receiving phase within five years from approval of the Preliminary Plan for the sending phase.
 - b. No block into which units are carried forward may exceed its maximum permitted unit count by more than 15%.
 - c. The total unit count for the Southern Part shall not exceed that maximum unit count established in the regulating plan.
 - d. All other requirements of the LLSDO shall be met by the sending and receiving phases. No density transfers are permitted across transects, but allowed within an application between the blocks within the same transect.

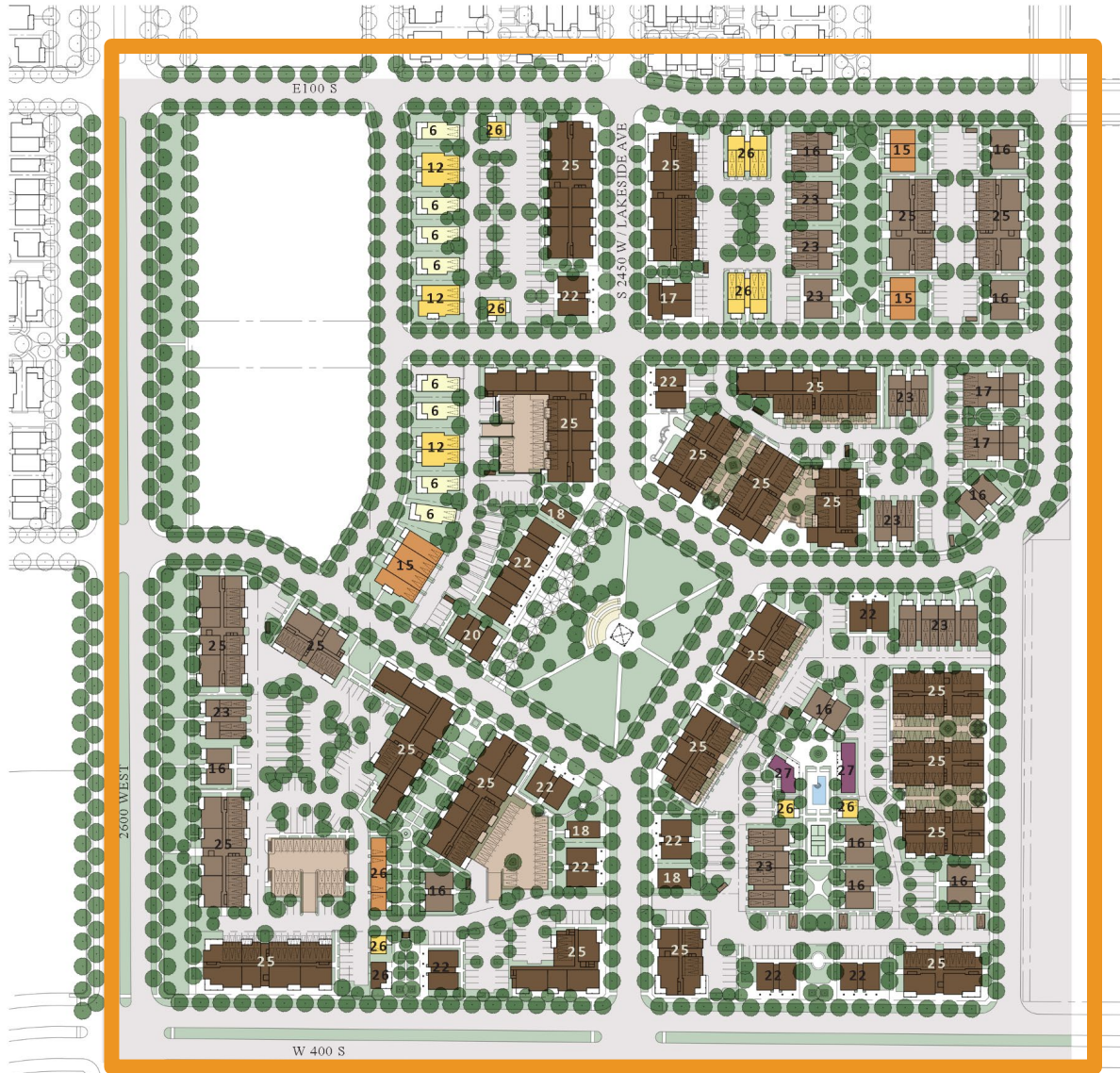
Recommend Approval



Compliant



Compliant: Fewer Units/More Commercial



Compliant



By Block



PROCEDURAL STANDARDS

		Area as s.f.	Max number of units permitted	RESIDENTIAL TOTAL	NET Units	% NET Units	Ground floor commercial	Second and third floor office	Required Commercial	COMMERCIAL TOTAL	Net Commercial
Block 1a	T4	22,369	7.7	8	0.3	3.9%	-	-	-	-	
Block 1b	T6	51,209	28.2	26	-2.2	-7.8%	12,150	-	3,997	12,150	
Block 2	T6	79,798	44.0	45	1.0	2.4%	6,441	-	6,228	6,441	
Block 3	T6	59,924	33.0	38	5.0	15.1%	-	-	4,677	-	
Block 4a	T4	28,539	9.8	10	0.2	1.8%	-	-	-	-	
Block 4b	T6	61,310	33.8	37	3.2	9.5%	15,625	-	4,785	15,625	
Block 5	T6	118,204	65.1	71	5.9	9.0%	6,756	13,630	9,226	20,386	
Block 6a	T6	146,650	80.8	83	2.2	2.7%	5,300	-	11,447	5,300	
Block 6b	T6	59,003	32.5	39	6.5	20.0%	10,440		4,605	10,440	
Block 6c	T5i	54,769	30.2	28	-2.2	-7.2%	13,547		3,772	13,547	
Block 7a	T6	62,850	34.6	26	-8.6	-24.9%	6,021		4,906	6,021	
Block 7b	T6	155,197	85.5	73	-12.5	-14.6%	13,525	19,114	12,114	32,639	
Block 7c	T5i	20,316	11.2	12	0.8	7.2%	5,357	-	1,399	5,357	
		920,138	496.4449	496	0		95,162	32,744	67,157	122,549	55,392



STAFF REPORT

DATE: December 13, 2022
TO: Honorable Mayor and City Council
FROM: Bruce Riddle, Finance Director
SUBJECT: PURCHASING ORDINANCE REVISION

RECOMMENDED MOTION

Staff recommends that the City Council adopt Ordinance No. _____ that amends all sections of Springville City Code Title 2, Chapter 10, Purchasing.

EXECUTIVE SUMMARY

The Springville City Purchasing Ordinance, which governs the procurement of goods and services by the City, has not been revised since November 2010. In addition to rules regarding procurement processes, the ordinance contains dollar thresholds regarding spending authority by certain City staff as well as dollar thresholds related to when certain procurement processes must be used. The proposed amendments to the ordinance are consistent with State law and are also similar to neighboring cities.

SUMMARY OF ISSUES/FOCUS OF ACTION

The Utah Procurement Code grants municipalities authority to adopt their own individual procurement code by ordinance. Municipalities may choose to adopt some or all of the Utah Procurement Code. As the Administrative Rulemaking Authority, the City Council must adopt rules consistent with the Utah Procurement Code. Rules may be more restrictive than Utah Code, but not less restrictive. The proposed amendments to the City Code will better reflect market conditions and will clarify a number of procedural issues.

BACKGROUND

Consistent with Utah Procurement Code, the proposed Springville City Purchasing Ordinance has the following purposes:

- To ensure transparency in the public procurement process

- To ensure the fair and equitable treatment of all persons who participate in the public procurement process
- To provide increased economy in state procurement activities
- To foster effective broad-based competition within the free enterprise system

Additionally, the Purchasing Ordinance includes rules regarding procurement processes; sets dollar thresholds regarding spending authority by certain City staff; and establishes dollar thresholds related to when certain procurement processes must be used.

DISCUSSION

While the wording and structure of the proposed ordinance is different than the current ordinance, the fundamental objectives are the same and both ordinances are consistent with applicable State Code. The primary changes to the ordinance are summarized in the table below.

Topic	Current Ordinance	Proposed Ordinance
Purchasing Agent	Assigned by City Administrator	Assigned by Mayor
Purchasing Authority / Thresholds (budgeted expenditures)	By policy, not in ordinance: • Directors - \$10,000 • Finance Director - \$25,000 • City Administrator - \$100,000 • Mayor - >\$100,000	• Directors - \$25,000 • Finance Director - \$100,000 • City Administrator - \$250,000 • Mayor - >\$250,000
Purchase Order Threshold	By policy, not in ordinance; \$1,000 or more	\$5,000 or more



Topic	Current Ordinance	Proposed Ordinance
Quote/Bid Thresholds	• Small purchase - (best practice, but no documentation required) - \$1,000 • 3 written quotes - \$1,000 - \$25,000 • Sealed RFB/RFP - >\$25,000	• Small purchase - (best practice, but no documentation required) - \$5,000 • 3 written quotes - \$5,000 - \$50,000 • Sealed RFB/RFP - >\$50,000
Contract Signing Authority	Purchasing Agent	• Directors - \$25,000 • Finance Director - \$100,000 • City Administrator - \$250,000 • Mayor - >\$250,000
Exceptions	• State Contract - piggy-back on any • Day-ahead or real-time market purchases (e.g. power) - silent • Library - exempt	• State Contract - piggy-back on single award contracts; quote multi award contracts • Day-ahead or real-time market purchases (e.g. power) - allowed • Library - subject to ordinance

ALTERNATIVES

The Council could choose to retain the current ordinance or make changes to the proposed ordinance.



FISCAL IMPACT

There is no anticipated direct fiscal impact to the Purchasing Ordinance; however, the intended result of the Purchasing Ordinance is to provide the best value to the City in all purchases made.



ORDINANCE #XX-2022

AN ORDINANCE REPEALING TITLE 2, CHAPTER 10, ARTICLE 1, “PURCHASING,” AND ESTABLISHING AND ADOPTING TITLE 2, CHAPTER 10, ARTICLE 2, “PURCHASING.”

WHEREAS, Springville City strives to operate in an economic and efficient way when it comes to procuring services and products; and

WHEREAS, in order to achieve economic, efficient, fair and competitive procurement practices, Springville City has been following Title 2, Chapter 10, Article 1 of its code, which codes has not been updated for several years; and

WHEREAS, the purpose of this ordinance is to update Springville City’s procurement processes to meet today’s procurement needs and still ensure that Springville City is being as economically responsible as possible; and

WHEREAS, after holding a properly noticed public meeting and hearing presentation on and studying this ordinance, the Springville City Council finds that this ordinance is in the best interests of the City and its residents and helps to promote the health, safety and welfare of its citizens.

NOW THEREFORE, BE IT ORDAINED by the City Council of Springville, Utah:

SECTION 1: Repealed. Title 2, Chapter 10, Article 1 is hereby repealed as follows:

CHAPTER 10
PURCHASING
Sections:

~~2-10-101 Short Title.~~

~~2-10-102 Purchasing Agent.~~

~~2-10-103 Authority.~~

~~2-10-104 Requisition and Estimates.~~

~~2-10-105 Prohibition of Interest.~~

~~2-10-106 Gifts and Rebates.~~

~~2-10-107 Bid Processes.~~

~~2-10-108 Choice of Bid Process.~~

~~2-10-109 Exceptions to Bidding Requirements Set Forth in Section 2-10-108.~~

~~2-10-110 Small Purchases.~~

~~2-10-111 Emergency Purchases.~~

~~2-10-112 Special Rules and Procedures Required by State Law.~~

~~2-10-101 Short Title.~~

~~This Chapter shall be known and may be cited as the "Purchasing Ordinance of the City of Springville, Utah."~~

~~(1979 Code 2-10-1; adopted by Ordinance No. 18-85; Ord. No. 16-2010, 11/02/2010)~~

~~2-10-102 Purchasing Agent.~~

~~There is hereby created the position of Purchasing Agent within the Finance Department. The duty of the Purchasing Agent shall be assigned by the City Administrator to a responsible employee of the City.~~

~~(1979 Code 2-10-2; adopted by Ordinance No. 18-85, amended by Ordinances No. 14-98 and 22-01; Ord. No. 16-2010, 11/02/2010)~~

~~2-10-103 Authority.~~

~~The Purchasing Agent shall have the power and it shall be his duty:~~

~~(1) To purchase or contract, including signing such agreements after consultation with the City Attorney, for all supplies and contractual services needed by any City department in accordance with purchasing procedures as prescribed by this Chapter, and such rules and regulations as the Agent shall adopt, and such other rules and regulations as shall be prescribed by the Mayor and the City Council.~~

~~(a) The authority of the Agent to negotiate all purchases for all City departments shall not be abridged by excepting any particular City department.~~

~~(b) Except as provided in this Chapter, it shall be unlawful for any City officer or officers to order the purchase of any supplies or make any contract within the purview of this Chapter other than through the Purchasing Agent, and any purchase ordered or contract made contrary to the provisions hereof shall not be approved by the City officials, and the City shall not be bound thereby.~~

~~(2) In addition to the purchasing authority conferred in subsection (1) of this section, and in addition to any other powers and duties conferred by this Chapter, the Agent shall:~~

~~(a) — Act to procure for the City the highest quality in supplies and contractual services at least expense to the City.~~

~~(b) — Discourage uniform bidding and endeavor to obtain as full and open competition as possible on all purchases and sales.~~

~~(c) — Prepare and maintain a Purchasing Policy Manual which shall include rules and regulations governing matters covered by this Chapter, including protests and appeals, and the preparation, maintenance, and content of specifications for supplies, services and construction required by the City.~~

~~(d) — Amend, when necessary, all rules and regulations authorized by this Chapter and any others necessary to its operation.~~

~~(e) — Keep informed of current developments in the field of purchasing, prices, market conditions and new products, and secure for the City the benefits of research done in the field of purchasing by other governmental jurisdictions, national technical societies, trade associations having national recognition, and by private businesses and organizations.~~

~~(f) — Prescribe and maintain such forms as he shall find reasonably necessary to the operation of this Chapter.~~

~~(g) — Prepare and adopt a standard purchasing nomenclature for City departments using agencies and suppliers.~~

~~(h) — Exploit the possibilities of “buying in bulk” so as to take full advantage of discounts.~~

~~(i) — Act so as to procure for the City all Federal and State tax exemptions to which it is entitled.~~

~~(j) — Cooperate with the Administrator so as to secure for the City the maximum efficiency in budgeting and accounting.~~

~~(k) — Have the authority to declare vendors who default on their quotations irresponsible bidders and to disqualify them from receiving any business from the municipality for a stated period of time.~~

~~(3) — It shall be the duty of the Purchasing Agent:~~

~~(a) — To classify all the supplies used by the various branches of the City government.~~

~~(b) — To adopt as standards the minimum number of qualities, sizes, and varieties of supplies consistent with the successful operation of the City government.~~

~~(c) — To prepare and adopt written specifications of all such standard supplies.~~

~~(d) — To exempt any City department of the City for use of the supply described in such standard specification.~~

~~(e) — To consult with the heads of City departments and other officials of using agencies to determine their precise requirements and shall endeavor to prescribe those standards which meet the needs of the majority of such agencies.~~

~~(f) — To ensure that all specifications are definite and certain and shall permit competition; provided, however, that the provisions of this subsection shall not apply to noncompetitive types and kinds of supplies.~~

~~(4) — Procurement Authority.~~

~~(a) — Springville City shall not enter into any contract or procure any material, supply or service that involves the commitment of Springville City funds unless the subject contract, material, supply or service:~~

~~(i) — Is funded in the current fiscal year budget; or~~

~~(ii) — Commits City funds in a total amount less than \$25,000.00; or~~

~~(iii) — Has been approved by the Springville City Code or other ordinance or resolution of the City Council.~~

~~(b) — The City Administrator may delegate to the Purchasing Agent, department directors, or any other City employee, authority to purchase supplies, services or construction for the City as deemed appropriate and within his scope of procurement authority. These delegations shall be in writing and may be limited in scope, as the City Administrator directs.~~

~~(c) — Change orders in the amount of ten percent (10%) of the bid award amount up to \$25,000.00 may be approved by the City Administrator or designee, as long as the overall project budget is not exceeded.~~

~~(1979 Code 2-10-3; adopted by Ordinances No. 18-85 and 22-01; Ord. No. 16-2010, 11/02/2010)~~

~~2-10-104 Requisition and Estimates.~~

~~All City departments and using agencies shall file with the Purchasing Agent detailed requisitions or estimates of their requirements in supplies and contractual services in such manner, at such times, and for such future periods as the Purchasing Agent shall prescribe. A City department or using agency shall not be prevented from filing, in the same manner, with the Purchasing Agent, at any time, a requisition or estimate for any supplies and contractual services, the need for which was not foreseen when the~~

~~detailed estimates were filed. The Purchasing Agent shall examine each requisition or estimate for correctness, policy conformance and adherence to established budgets and shall have the authority to revise it as to quantity, quality, or estimated cost; but revision as to quality shall be in accordance with the standards and specifications established pursuant to this Chapter.~~

~~(1979 Code 2-10-4; adopted by Ordinances No. 18-85 and 22-01; Ord. No. 16-2010, 11/02/2010)~~

~~2-10-105 Prohibition of Interest.~~

~~Any purchase order or contract within the purview of this Chapter in which the Purchasing Agent or any officer or employee of the City is financially interested, directly or indirectly, shall be void, except that before the execution of a purchase order or contract, the City Council shall have the authority to waive compliance with this Section when it finds such action to be in the best interests of the City.~~

~~(1979 Code 2-10-5; adopted by Ordinance No. 18-85; Ord. No. 16-2010, 11/02/2010)~~

~~2-10-106 Gifts and Rebates.~~

~~The Purchasing Agent and every officer and employee of the City is subject to the Municipal Officers' and Employees' Ethics Act (Section 10-3-1301 et seq., Utah Code Annotated 1953, as amended).~~

~~(1979 Code 2-10-6; adopted by Ordinance No. 18-85; Ord. No. 16-2010, 11/02/2010)~~

~~2-10-107 Bid Processes.~~

~~Purchases for the City shall be made by the Purchasing Agent pursuant to one (1) of the bid processes outlined in this Section. Section 2-10-108 establishes when each of the bid processes described in this Section may be used. The City shall substantially comply with the following guidelines for the specific bid process used:~~

~~(1) Competitive Sealed Bidding.~~

~~(a) Description. Competitive sealed bidding is a procedure in which vendors or contractors are invited to submit formal bids to provide a designated product or to complete a designated project in accordance with specifications provided by the City.~~

~~(b) Appropriateness. Competitive sealed bidding is generally appropriate for all types of procurements. When contractor quality is a prime concern in awarding a project bid, the City may pre-qualify bidders according to a policy established by the Purchasing Agent.~~

~~(c) Notice Inviting Bids Issued. The City shall provide notice of its invitation for bids.~~

~~(i) Notice includes a general description of the articles to be purchased or the work to be performed, the location where bid blanks and specifications may be secured, and the time and place for opening bids.~~

~~(ii) Except as otherwise permitted or provided by this Chapter, the Purchasing Policy Manual, or other applicable law, notice of a call for bids shall be made public in a manner permitted by the Purchasing Policy Manual at a reasonable time prior to the time set for bid opening. The bid package shall state requirements to which the bidder must respond.~~

~~(d) Bid Procedure.~~

~~(i) Sealed bids (or electronically submitted bids) shall be submitted as designated in the notice with the statement "Bid for (item or project)" on the envelope (or in the electronic transmission).~~

~~(ii) Bids shall be opened (or read, in the case of electronically submitted bids) in public at the time and place stated in the public notice.~~

~~(iii) Bids submitted to the City shall be evaluated on the basis of compliance with specifications and other relevant criteria.~~

~~(e) Bid Award.~~

~~(i) Springville City may reject any or all bids submitted.~~

~~(A) If Springville City rejects all bids submitted but still intends to undertake the purchase, Springville City shall again request bids by following the procedure provided in subsection (1)(d) of this section.~~

~~(B) If, after twice requesting bids by following the procedure provided in subsection (1)(d) of this section, Springville City determines that no satisfactory bid has been submitted, the City Council may undertake the purchase as it considers appropriate.~~

~~(ii) If the City elects to proceed with the purchase or project, bids shall be awarded to the lowest responsive responsible bidder. "Lowest responsive responsible bidder" means a vendor or contractor who:~~

~~(A) Has submitted a bid in compliance with the invitation to bid and within the requirements of the plans and specifications;~~

~~(B) Is the lowest bidder that satisfies Springville City's criteria relating to financial strength, past performance, integrity, reliability, and other factors that Springville City uses to assess the ability of a bidder to perform fully and in good faith the contract requirements;~~

~~(C) Has furnished a bid bond or equivalent in money as a condition to the award of a prime contract; and~~

~~(D) Furnishes a payment and performance bond as required by law.~~

~~(2) Requests for Proposals.~~

~~(a) Description. Requests for proposals (RFPs) are invitations for suppliers or contractors to submit a proposal on a specific product or service. The City awards the contract for the product or service based on criteria set forth in the request for proposals.~~

~~(b) Appropriateness. RFPs may be used when required by law, or when the Purchasing Agent determines that the use of formal competitive bidding is either impractical or not advantageous to the City. In making this determination, the Purchasing Agent shall consider factors such as:~~

~~(i) Whether there may be a need for price and service negotiation;~~

~~(ii) Whether there may be a need for negotiation during performance of the contract;~~

~~(iii) Whether the relative skills or expertise of the offerors will have to be evaluated;~~

~~(iv) Whether cost is secondary to the characteristics of the product or service sought, as in a work of art;~~

~~(v) Whether the conditions of the service, product or delivery are unable to be sufficiently described in the invitation for bids;~~

~~(vi) Whether the City is requesting the offeror to propose a method or strategy for completing the project; and~~

~~(vii) Whether there may be a need to negotiate completion times related to the project.~~

~~If the City is requesting a price to complete an already designed project or to purchase a specific product(s), it will generally be more appropriate to use the competitive sealed bids procedure rather than the request for proposals procedure.~~

~~Professional services will generally be procured through the request for proposals procedure. Professional services include the following: accounting, auditing, architecture, banking, insurance, engineering, appraisal, legal, court reporter, medical, education, research, consulting, and other services where the professional qualifications of the contractor are of prime importance. Professional service contracts shall be awarded based on professional qualifications, experience, willingness and ability to meet the City's specific service requirements, cost of service, and other criteria deemed important by the Purchasing Agent.~~

~~(c) — Notice.~~

~~(i) — Proposals shall be solicited through a request for proposals.~~

~~(ii) — Public notice of the request for proposals shall be given.~~

~~(d) — Request for Proposals. The request for proposals shall state the relative importance of price and other evaluating factors.~~

~~(e) — Opening of Proposals. Proposals shall be opened so as to avoid disclosure of contents to competing offerors during the process of negotiation. Nothing herein shall be interpreted to prohibit the City from allowing or accepting electronically submitted proposals.~~

~~(f) — Revision of Proposals.~~

~~(i) — As provided in the request for proposals, discussions may be conducted with responsible offerors who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of assuring full understanding of, and responsiveness to, solicitation requirements.~~

~~(ii) — Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, and revision may be permitted after submissions and prior to award for the purpose of obtaining best and final offers.~~

~~(iii) — In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing offerors.~~

~~(g) — Award.~~

~~(i) — Award shall be made to the responsible offeror whose proposal is determined to be the most advantageous to the City, taking into consideration price, the evaluation factors set forth in the request for proposals, and other criteria set forth herein.~~

~~(ii) — Springville City may reject any or all proposals submitted.~~

~~(A) — If Springville City rejects all proposals submitted but still intends to undertake the purchase, Springville City shall again request proposals by following the procedure provided in subsection (2)(c) of this section.~~

~~(B) — If, after twice requesting proposals by following the procedure provided in subsection (2)(c) of this section, Springville City determines that no satisfactory proposal has been submitted, the City Council may undertake the purchase or contract as it considers appropriate.~~

~~(C) — Open Market Procedure.~~

~~(1) Price Quotations. Purchases shall, whenever possible, be based on at least three (3) bids (price quotations) and shall be awarded to the lowest responsible bidder.~~

~~(2) Request for Quotations. Bids (price quotations) shall be solicited from prospective vendors by written or oral request.~~

~~(3) Records. The person soliciting the price quotations shall keep a record of quotations solicited, including vendor names, date of solicitation and price quoted, and shall include this information with the purchase order.~~

~~(Ord. No. 16-2010, 11/02/2010)~~

~~2-10-108 Choice of Bid Process.~~

~~Except as otherwise provided in this Chapter or by provisions of State or Federal law, purchases of supplies or services shall follow one (1) of the bid processes outlined below for the appropriate dollar amount. The cost of the supply or service shall not be divided to avoid bid requirements. In cases where more than one (1) alternative is listed as acceptable for a given dollar amount, any of the listed alternatives shall be acceptable, and the City shall not incur any liability for choosing one (1) alternative over another.~~

~~(1) Supplies and Contractual Services Having an Estimated Value in Excess of \$25,000.00. Purchases of supplies or contractual services having an estimated value in excess of \$25,000.00 shall be pursuant to one (1) of the following procedures:~~

~~(a) Competitive sealed bidding.~~

~~(b) Request for proposals. (If approved by the Purchasing Agent pursuant to Section 2-10-107(2)).~~

~~(2) Supplies and Contractual Services Having an Estimated Value between \$1,000.00 and \$25,000.00. Purchases of supplies or contractual services having an estimated value of greater than \$1,000.00 but less than or equal to \$25,000.00 shall be pursuant to one (1) of the following procedures:~~

~~(a) Formal competitive bidding.~~

~~(b) Request for proposals.~~

~~(c) Open market procedure.~~

~~(3) Supplies and Contractual Services Having an Estimated Value of \$1,000.00 or Less. Whenever the supplies or contractual services have an estimated value of \$1,000.00 or less, the City need not follow any formal bid procedure, but shall seek to obtain the best price possible.~~

(Ord. No. 16-2010, 11/02/2010)

~~2-10-109 Exceptions to Bidding Requirements Set Forth in Section 2-10-108.~~

The bid process requirements set forth in ~~Section 2-10-108~~ do not apply in the following situations:

~~(1) — Sole Source Procurements. Sole source procurement may be used only if the Purchasing Agent determines that a service, product, or requirement is reasonably available only from a single supplier or contractor. Examples of circumstances which may necessitate sole source procurement are:~~

~~(a) — If there is only one (1) vendor or supplier who can provide the needed product or service;~~

~~(b) — If the compatibility of supplies, accessories, replacement parts, or service is the paramount consideration;~~

~~(c) — If a sole supplier's product is needed for trial use or testing;~~

~~(d) — If the City is procuring utility services;~~

~~(e) — If the City seeks to add to, repair or maintain supplies owned by the City which may be more efficiently added to, repaired or maintained by a particular person or firm; and~~

~~(f) — If the City seeks supplies which, by reason of the training of City personnel or the inventory of replacement parts maintained by the City, are more compatible with the existing supplies owned by the City and if the supplies can only be acquired from a sole source.~~

~~The justification for sole source procurement shall be included in the procurement documentation. The Purchasing Agent may establish policies governing the negotiation of sole source procurements.~~

~~(2) — Library Purchases. The purchase of library books, records, tapes, films, publications, periodicals, and subscriptions are specifically exempted from competitive bidding requirements, but the City shall make a good faith effort to obtain the best price possible for these purchases as determined by the Purchasing Agent.~~

~~(3) — Auction, Closeout, Bankruptcy Sales. If the Purchasing Agent determines that supplies can be purchased at any public auction, closeout sale, bankruptcy sale or other similar sale, and if the Purchasing Agent finds that a purchase at any such auction or sale will be made at a cost below the market cost in the community, a contract or contracts may be let, or the purchase made, without complying with the competitive bidding requirements of this Chapter.~~

~~(4) — Exchanges. Exchanges of supplies between the City and any other public agency which are not by sale or auction shall be by mutual agreement of the respective public agencies.~~

~~(5) — Projects Performed by City Employees. City employees may be used to complete City projects; provided, that the City complies with State statutory requirements governing contracts for municipal public improvements.~~

~~(6) — State Contract. The City may purchase supplies from the vendor who has submitted the lowest bid price for such items to the State of Utah Purchasing Office (or any agency of the Federal government) at the quoted price, without any solicitation or price quotation or invitation to bid. For such purposes, the quoted price shall be deemed to be the lowest price available for such items and the City need not follow any other bidding requirements.~~

~~(7) — Utah Correctional Industries Division. Goods and services produced by the Utah Correctional Industries Division may be purchased from the Utah Correctional Industries Division without following any of the bidding requirements set forth herein.~~

~~(8) — Unsuccessful Competitive Sealed Bidding. If the bids received in response to a competitive sealed bid process are unreasonable, noncompetitive, or in excess of available funds, and if the City Administrator determines that time or other circumstances will not permit the delay required to resolicit competitive sealed bids, the City may procure the needed goods or services using the emergency procurement procedure.~~

~~(9) — Internet Auction Sites. The City may acquire supplies from Internet auction sites without following formal purchasing procedures if the City Administrator determines that there is an established market price for the supplies and that the supplies can be acquired less expensively from an Internet auction site.~~

~~(10) — Used Supplies. The City may acquire used supplies without following formal purchasing procedures if the City Administrator determines that there is an established market price for the used supplies and that it is beneficial for the City to acquire the used supplies.~~

~~(11) — Ongoing Construction Work. If a contractor has been hired to work in a given area by a person or entity other than the City, and if the City has work that needs to be completed in the area, and if the City Administrator determines that there is an established price for the type of work that the City needs completed and that the City can save on mobilization costs by hiring the contractor that is already in the area, then the City may negotiate with and contract directly with the contractor without following formal purchasing processes.~~

~~(12) — Purchases by Other Governmental Entities. If another governmental entity has, after a competitive process, awarded a bid to purchase supplies from a particular vendor within the preceding one hundred eighty (180) days, the quoted price may be deemed to be the lowest price available for such items and the City need not follow formal purchasing procedures. Any such purchase must be approved by the City Administrator on a case-by-case basis.~~

~~(13) — Federal or State Money. In cases where Federal or State money is being used, or in cases where Federal or State procurement laws or procedures govern the types of goods or services being procured, the City shall follow the applicable Federal or State procurement laws or procedures in lieu of the procedures set forth in this Chapter.~~

~~(14) — Donated Funds. In cases where a donor or grantor has contributed funds to the City, the City may expend the funds in the manner designated by the donor or grantor in lieu of the procedures set forth in this Chapter.~~

~~(Ord. No. 16-2010, 11/02/2010)~~

~~2-10-110 Small Purchases.~~

~~The Purchasing Policy Manual shall establish rules for small purchases in various areas of purchasing procurement. The Purchasing Policy Manual shall prescribe minimal and expeditious rules and processes to control and account for such purchases~~

~~(Ord. No. 16-2010, 11/02/2010)~~

~~2-10-111 Emergency Purchases.~~

~~(1) — In case of an apparent emergency which requires immediate purchase of supplies or contractual services, the Mayor, or the City Administrator if the Mayor is unavailable, shall be empowered to authorize the Purchasing Agent to secure by open-market procedure as herein set forth, at the lowest obtainable price, any supplies or contractual services regardless of the amount of the expenditure. A full report of the circumstances of an emergency purchase shall be filed by the Purchasing Agent with the City Council, and shall be entered in the minutes of the Council and shall be open to public inspection.~~

~~(2) — In case of actual emergency, and with approval of the Mayor, or the City Administrator if the Mayor is unavailable, the head of any City department may purchase directly any supplies whose immediate procurement is essential to prevent delays in the work of the department which may vitally affect the life, health or convenience of citizens. The head of such department shall send to the Purchasing Agent a requisition and a copy of the delivery record together with a full written report of the circumstances~~

~~of the emergency. The report shall be filed with the Council as provided in subsection (1) of this section.~~

~~(1979 Code 2-10-10; adopted by Ordinance No. 18-85, renumbered by Ordinance No. 26-99; amended by Ordinance No. 22-01; Ord. No. 16-2010, 11/02/2010)~~

~~2-10-112 Special Rules and Procedures Required by State Law.~~

~~State law (Section 11-39-101 et seq., Utah Code Annotated 1953, as amended) requires the City to follow specific bid procedures for specified types of supplies and services. Except where Springville Municipal Code is more restrictive, the City shall comply with State law.~~

~~(Ord. No. 16-2010, 11/02/2010)~~

SECTION 2: Adoption. Title 2, Chapter 10, Article 2 is hereby adopted to read and provide as follows:

Chapter 10

PURCHASING

2-10-201: Purposes

2-10-202: Scope

2-10-203: Definitions

2-10-204: General Powers

2-10-205: Purchasing Agent

2-10-206: Purchase Approval; Procurement Procedures Generally

2-10-207: Evaluation and Procedure in Competitive Procurement Processes

2-10-208: Construction Projects

2-10-209: Exceptions to Procurement Process

2-10-210: Appeals

2-10-211: Relief Due to Computation Error

2-10-212: Contract Change Orders

2-10-213: Performance and Bid Bonds

2-10-214: Records Maintained

2-10-215: No Collusion

2-10-216: Ineligibility

2-10-217: Personal Purchases

2-10-218: Right to Inspect Place of Business

2-10-219: Cost Plus Percentage of Cost Contract Prohibited; Exception

2-10-220: Sales of Goods or Services to City by Officials or Employees

2-10-221: Participation by Bidder Who Supplies Specifications

2-10-222: Period of Time for Contract of Supplies or Services

2-10-223: Failure to Comply

2-10-224: E-Verify Program

2-10-201 Purposes.

(1) The purposes of this chapter are:

(a) To encourage an economic and efficient procurement process for the City;

(b) To encourage fair and competitive bidding in the City's procurement process;

(c) To facilitate the procurement of the highest quality services, products, and construction at the most reasonable and responsible cost to the City;

(d) To provide fair treatment of persons or entities who conduct business, or wish to conduct business, with the City; and

(e) To provide for more transparency in the expenditure of City funds.

(2) Nothing in this chapter shall create any right, interest, or cause of action against the City, its officers, agents, or employees. The City's failure to follow any provision of this chapter shall not invalidate any particular procurement, provided that the purposes of this chapter have been substantially achieved.

2-10-202 Scope.

This chapter governs expenditures of public monies by the City under any contract or similar business agreement, except as otherwise provided in this chapter.

2-10-203 Definitions.

As used in this chapter:

APPLICANT: Means any bidder, offeror, vendor, supplier, or proposer making a proposal.

COMPETITIVE PROCUREMENT PROCESS: Means the process of procuring any goods, services, or construction through competitive, sealed proposals to requests issued by the City through its open and public process.

PROPOSAL: Means any bid, proposal, purchase, or other offer or submission which is related to procurement by the City.

REQUEST: Means any invitation or request for bids, proposals, offers, submissions, quotes, or qualifications.

SMALL PURCHASE: Means any purchase less than five thousand dollars (\$5,000).

2-10-204 General Powers.

The City may take any action with respect to procurement which is in the best interest of the City, provided that any such action is consistent with the purposes contemplated by this chapter including:

(1) Rejecting any proposal from an individual or entity which is in any position adverse to the City in any past, present, pending, threatened, or likely litigation, administrative proceeding, dispute resolution process, or similar proceeding;

(2) Rejecting any proposal that is determined by the City to be non-responsive or that the applicant is non-responsible pursuant to criteria established by the City in the request, this chapter, or a relevant City policy or code;

(3) Rejecting all or a portion of any proposal when doing so would be in the City's best interests and provided that any such rejection does not violate applicable laws;

(4) Waiving or modifying requirements within a particular request when doing so would be in the City's best interests and provided that any such waiver or modification does not violate applicable laws; or

(5) Utilizing any lawful means of solicitation to effectively, economically, and efficiently procure services, products, and construction, including, without limitation:

(a) Requiring prequalification;

(b) Maintaining lists of prospective applicants;

____ (c) Procuring in phases, subject to the restrictions in subsection 2-10-206(2)(a) of this chapter;

____ (d) Awarding multiple contracts, subject to the restrictions in subsection 2-10-206(2)(a) of this chapter;

____ (e) Requiring multi-step, sealed bidding;

____ (f) Utilizing any means of notification;

____ (g) Requiring demonstrations of competence and responsibility; and

____ (h) Requiring special processes to meet the particular needs of the City.

2-10-205 Authority and Duties of Purchasing Agent.

(1) Authority: The Mayor shall appoint a Purchasing Agent to fulfill the duties of this chapter. Except as otherwise provided herein, the Purchasing Agent, or designee, shall be responsible for the procurement of supplies, services, and construction in accordance with this chapter, as well as the management and disposal of supplies and personal property of the City.

(2) Duties: In accordance with this chapter, and subject to the supervision of the Mayor, the Purchasing Agent, or designee, shall:

____ (a) Procure or supervise the procurement of all supplies, services, and construction needed by the City;

____ (b) Manage and supervise the procurement to ensure to the extent practicable that taxpayers receive the best supplies, services and construction for the best value;

____ (c) Prepare and issue standard specifications for procurement items;

____ (d) Sell, trade, or otherwise dispose of surplus supplies belonging to the City;

____ (e) Review agreements, coordinate agreement compliance, conduct agreement audits, and approve change orders, subject to approvals required by law;

____ (f) Correct, amend, or cancel a procurement at any stage of the procurement process if the procurement does not comply with this chapter;

____ (g) After consultation with the City Attorney's Office, correct, amend or cancel an agreement at any time during the term of the agreement if the agreement does not comply with this chapter and the Purchasing Agent determines that correcting, amending or cancelling the agreement is in the best interest of the City;

____ (h) Establish and maintain programs for specifications development, agreement administration, inspection and acceptance, in cooperation with the City department using the supplies, services, and construction.

(3) Operational Procedures: Consistent with this chapter, the Purchasing Agent may adopt operational procedures relating to the execution of its duties.

2-10-206 Purchase Approval; Procurement Procedures Generally.

(1) The Purchasing Agent, or designee, shall have the authority and responsibility for all procurements on behalf of the City and to enter into any contract or similar transaction necessary to carry out the procurement as follows:

(a) Purchases, contracts, and purchase orders less than twenty-five thousand dollars (\$25,000.00) may be approved and signed by the department head provided the funds for such procurement have previously been appropriated by the City Council in the acquiring department's total budget appropriation.

(b) Purchases, contracts, and purchase orders between twenty-five thousand dollars (\$25,000.00) and one hundred thousand dollars (\$100,000.00) shall be approved and signed by the Finance Director, provided the funds for such procurement have previously been appropriated by the City Council to the acquiring department's total budget appropriation.

(c) Purchases, contracts, and purchase orders between one hundred thousand dollars (\$100,000.00) and two hundred fifty thousand dollars (\$250,000) shall be approved and signed by the City Administrator, provided the funds for such procurement have previously been appropriated by the City Council to the acquiring department's total budget appropriation.

(d) Purchases, contracts and purchase orders exceeding two hundred fifty thousand dollars (\$250,000) shall be approved by the Mayor.

(e) Any procurement not covered by a previous appropriation shall require approval of the City Council and shall be signed by the Mayor.

(f) All contracts must be countersigned by the City Recorder who shall, as the custodian of the records, maintain a copy of the contract as required by State Records Law.

(2) City procurements of goods and services reasonably expected to cost less than five thousand dollars (\$5,000.00) do not require the solicitation of bids or proposals. Procurements of goods and services reasonably expected to be between five thousand dollars (\$5,000.00) and fifty thousand dollars (\$50,000.00) shall require three (3) written quotes for prices from proposed vendors. Where the amount of expenditure for any procurement is reasonably likely to exceed fifty thousand dollars (\$50,000.00), a competitive procurement process shall be utilized. The Purchasing Agent, or designee, shall issue a request for the procurement by any means which the Purchasing Agent

determines to be in the best interest of the City so long as the request is consistent with Utah Code Annotated sections 11-39-101 and 11-39-103, and any other applicable Utah Code section. The request and subsequent award of a contract, if applicable, shall conform to the requirements of this chapter.

(a) The City shall not avoid the competitive procurement process by dividing a project into smaller projects for the purpose of bringing each part of the project below the amount where the competitive procurement process would otherwise be required. Change orders which could not have reasonably been foreseen or contemplated shall not be deemed a division of a project into smaller projects for the purpose of bringing each part of the project below the amount where the competitive procurement process would otherwise be required.

(b) When the City has the option to extend the term of a contract for additional terms, the extension shall be approved by: 1) a department head if the annual amount of the original contract was less than twenty-five thousand dollars (\$25,000.00); 2) the Finance Director if the annual amount of the original contract was between twenty-five thousand dollars (\$25,000.00) and one hundred thousand dollars (\$100,000.00); and 3) the City Administrator if the annual amount of the original contract was greater than one hundred thousand dollars (\$100,000.00).

(c) If a multi-year or automatically renewing contract is for a term of five (5) or more years, or if the contract has been automatically renewed for a period of five (5) years, the contract shall generally be subject to the competitive procurement process at the end of the then-existing term thereof. If market conditions or unique circumstances exist that result in the extension of the contract being in the best interest of the City, the Purchasing Agent may authorize additional extensions of the contract.

(d) The competitive procurement processes shall include, at a minimum, the following requirements:

(i) Notice of the request shall be made public in a manner determined by the purchasing agent to be in the City's best interests so long as the request is consistent with Utah Code Annotated sections 11-39-101 and 11-39-103, or any other applicable Utah Code section. The request shall state the requirements to which a prospective applicant may respond.

(ii) Proposals which are received after the time established in the request or which are otherwise incomplete or nonresponsive shall not be considered unless, at the purchasing agent's discretion, consideration is otherwise allowed by the request, this chapter, or an applicable City policy.

(iii) Proposals which are received prior to or at the time established in the request shall be opened in a manner established by the request, this chapter, or an applicable

City policy. A record of each such proposal shall be retained by the City pursuant to the Utah Municipal general records retention schedule.

(iv) Each timely and responsive proposal shall be evaluated based upon the criteria established in the invitation, this chapter, and any applicable City policy.

(v) Prospective applicants may be pre-qualified by any process established by the Purchasing Agent. Failure to prequalify shall not disqualify a prospective applicant from consideration with respect to any request unless otherwise provided in the request, this chapter, or an applicable City policy.

(vi) Any contract awarded pursuant to the competitive procurement process shall be awarded to the lowest responsive and responsible applicant according to the criteria set forth in any request, this chapter, and an applicable City policy. However, no contract shall be awarded if the proposal submitted by the lowest responsive and responsible applicant exceeds the amount which has been previously appropriated to the applicable procurement.

(vii) The City shall provide written electronic or traditional notification to each applicant of the City's determination of the lowest responsive and responsible applicant. Upon providing such notification, the proposals received by the City shall be open for public inspection to the extent that inspection is allowed by Utah State law.

(e) A department shall fully complete and submit to the Finance Department a purchase order, on a form provided by the Finance Department, for any purchase of five thousand dollars (\$5,000) or more.

(3) The Purchasing Agent may waive minor defects in any proposal received provided that doing so is in the best interest of the City.

(4) An applicant may withdraw or modify its proposal at any time until the submission deadline set forth in the request has passed.

(5) When the City selects a lowest responsive and responsible applicant and awards a contract pursuant thereto, the applicant shall enter into a written contract with the City no later than forty-five (45) days after the award of contract. The form and contents of any such contract shall include any provisions set forth in the request and shall be acceptable to the City Attorney or his or her designee. In the event that the City and the successful applicant are unable to enter into a written contract within forty-five (45) days after the award of contract, the City may rescind the award and offer the same to the next lowest responsive and responsible applicant without having to start the competitive procurement process anew.

2-10-207 Evaluation and Procedure in Competitive Procurement Processes.

(1) In addition to any evaluation criteria established in a request, the City may evaluate the following criteria when selecting the lowest responsive and responsible applicant:

(a) The applicant's capacity to perform the applicable contractual requirements, including, but not limited to, whether the applicant has available and appropriate financial, material, equipment, facility, and personnel resources and expertise;

(b) The applicant's legal capacity and ability to enter into an agreement with the City;

(c) The applicant's qualifications, ability, skill, and quality of performance in light of the required goods, services, or construction;

(d) The applicant's ability to provide warranties, maintenance, and service with respect to the subject matter of the contract to be awarded;

(e) The applicant's character, integrity, reputation, judgment, experience, and efficiency;

(f) The applicant's ability to work cooperatively with the City, including, but not limited to, prior interactions with the City or other similar entities;

(g) Litigation or prosecution, or other similar claims, by or against the applicant;

(h) The cost of the applicant's proposal to the City; and

(i) Past negative City experience with the applicant.

(2) Criteria for evaluating proposals in competitive procurement processes may also be established by an applicable City policy.

(3) Unless altered by the request, the following general steps will be followed in each competitive procurement process:

(a) The City shall initially review all proposals received by the submission deadline set forth in the request to determine if any of the proposals are non-responsive or otherwise nonconforming to the requirements set forth in the request. Any such non-responsive or otherwise nonconforming proposal may be eliminated.

(b) The City shall next cursorily review the remaining proposals and eliminate those which, in the sole judgment of the City, fail to provide enough substantive information required to warrant further consideration.

(c) Any remaining proposals shall then be reviewed and evaluated in detail pursuant to the criteria established in the request, this chapter, and any applicable City policy.

(4) The City may, in its sole discretion, conduct interviews or discussions with applicants to ensure a full understanding of the proposals submitted.

(5) In the event two (2) or more applicants are equal in the City's determination of the lowest responsive and responsible applicant, the City may request each such applicant to submit an amended bid so that the City may select a single lowest responsive and responsible applicant.

(6) The City shall document the basis of selecting the lowest responsive and responsible applicant.

2-10-208 Construction Projects.

(1) Contracts for City construction projects shall comply with this chapter as well as any applicable Federal and State law, including, but not limited to, Utah Code Annotated sections 10-7-6 through 10-7-86, and 14-1-18.

(2) The City may utilize as many alternative methods of construction contracting and management as the City determines to be in its best interest, including, but not limited to, design-bid and design-build.

2-10-209 Contracting for Designated Professional Services.

(1) Authority: The City may procure the services of financial and legal advisors, accountants, physicians, dentists, veterinarians, information technology professionals, as defined by the laws of the State of Utah, and similar professional services, in accordance with the selection procedures specified in this section, subject to the requirements of section 2-10-206(2) of this article. The procurement of architectural and engineering services is exempt from this section and is governed by section 2-10-210 of this chapter.

(2) Selection Procedure:

(a) Conditions for Use: Except as provided under sections 2-10-206(2), 2-10-210, 2-10-211(1)(f) or 2-10-211(1)(g) of this chapter, the professional services designated in subsection (1) of this section shall be procured in accordance with this subsection.

(b) Statement of Qualifications: Persons engaged in providing professional services may submit statements of qualifications and expressions of interest in providing such professional services to the Purchasing Agent. The Purchasing Agent, may specify a uniform format for statements of qualifications. Persons may amend these statements at any time by filing a new statement with the Purchasing Agent.

(c) Public Announcement and Form of RFP or RFQ: Adequate notice of the need for professional services shall be given by the City through an RFP or RFQ. The RFP or RFQ shall describe the professional services required, list the types of information and dates required, and state the relative importance of particular qualifications.

(d) Discussions: The City may conduct discussions with any offeror who has submitted a proposal to determine such offeror's qualifications for further consideration. Discussions shall not disclose any information derived from proposals submitted by other offerors.

(e) Award: Award shall be made to the offeror determined in writing by the City to be best qualified based on the evaluation factors set forth in the RFP or RFQ, and negotiation of compensation determined to be fair and reasonable. If compensation cannot be agreed upon with the best qualified offeror, then negotiations will be formally terminated with the selected offeror. If proposals were submitted by one or more other offerors determined to be qualified, negotiations may be conducted with such other offeror or offerors, of their respective qualification ranking, and the agreement may be awarded to the offeror then ranked best qualified if the amount of compensation is determined to be fair and reasonable.

2-10-210 Public Announcement and Selection Process for Architectural and Engineering Services.

(1) Public Announcement: It is the policy of the City to announce publicly all requirements for construction contract management, architectural and engineering services that are not excluded from competitive procurement procedures through one or more of the exceptions in 2-10-211 or do not meet the Small Purchase threshold and to negotiate such agreements on the basis of demonstrated competence and qualifications at fair and reasonable prices. In the procurement of architectural and engineering services, the Purchasing Agent, shall request firms to submit a statement of qualifications and performance data.

(2) Selection Process: A Selection Committee composed of at least three (3) members, including the Purchasing Agent, or designee, the Director of Public Works, or designee, and the department director in need of the architectural and engineering services shall conduct discussions with no less than three (3) firms regarding the proposed agreement and the relative utility of alternative methods of approach for furnishing the required services and shall select from among them no less than three (3) of the firms deemed most qualified to provide the required services. The selection shall be made in order of preference, based on criteria established and published by the Selection Committee.

(3) Negotiation: The Purchasing Agent, or designee, or department director, or designee, shall negotiate an agreement with the firm considered to be the most qualified for architectural and engineering services at compensation which the Purchasing Agent, or designee, determines in writing to be fair and reasonable to the City. In making this decision, the Purchasing Agent, or designee, or department director, or designee, shall take into account the estimated value, the scope, the complexity, and the professional nature of the services to be rendered. Should the Purchasing Agent, or designee, or department director, or designee, be unable to negotiate a satisfactory agreement with the firm considered to be the most qualified at a price the Purchasing Agent determines to be fair and reasonable to the City, negotiations with that firm shall be formally terminated. The Purchasing Agent, or designee, or department director, or designee,

shall then undertake negotiations with the second most qualified firm. Should the Purchasing Agent, or designee, or department director, or designee, be unable to negotiate an agreement at a fair and reasonable price with any of the selected firms, the selection committee shall select additional firms in order of their competence and qualifications, and Purchasing Agent, or designee, or department director, or designee, shall continue negotiations in accordance with this section until an agreement is reached.

2-10-211: EXCEPTIONS TO PROCUREMENT PROCESS:

(1) The following procurements, transactions, scenarios, products, and services are not subject to the competitive procurement processes contemplated by this chapter as approved by the Purchasing Agent:

(a) Grants, gifts, and bequests, provided that any such transfer complies with applicable law and ethical practices and that prior to the City accepting any such transfer, the Purchasing Agent has approved the same;

(b) Superior or more suitable products, provided that the City documents in writing how any such product significantly surpasses similar competing products in terms of quality, serviceability, or longevity, or that such product is better suited to the needs of the City to lower costs of inventory or to maintain compatibility with existing City-owned equipment;

(c) Interlocal agreements or other similar cooperative arrangements with any Federal, State, County, or other local government entity, including special service districts, school districts, and other similar entities, for the purpose of procuring goods and services via any such agreement or arrangement administered by another governmental entity; however, prior to entering into any such interlocal agreement or other similar cooperative arrangement, the City shall document in writing that the benefits of this method of procurement outweigh utilizing the competitive procurement process;

(d) State Contracts. The City may purchase supplies from the vendor who has submitted the lowest bid price (single award contract) for such items to the State of Utah Purchasing Office at the quoted price, without any solicitation or price quotation or invitation to bid. For such purposes, the quoted price shall be deemed to be the lowest price available for such items and the City need not follow any other bidding requirements. For multiple award State contracts, the City shall seek quotations from all multiple award State contract holders and award the contract to the lowest responsible quote.

(e) When procurement involves the expenditure of Federal or State funds received by the City, provided that the City's qualifications for receiving the funds require the City to utilize procurement processes other than those contemplated by this chapter;

(f) Emergency situations where the competitive procurement processes could not reasonably be utilized, in which case the emergency procurement shall be made with as much competition as practicable in light of the circumstances and, following the emergency procurement, the individual who made the procurement shall provide a written declaration to the Purchasing Agent detailing the procurement, including the cost of the emergency procurement, the circumstances necessitating an emergency procurement, and the procedures utilized in the emergency procurement. An emergency situation is an imminent threat to the public's health, welfare, safety, or when there exists an imminent and substantial risk of injury or loss to property under conditions which reasonably do not permit fulfilling all the purchasing requirements in this chapter. Before proceeding with procurement under this section, a Purchasing Agent must notify and receive approval from the City Administrator;

(g) When products or services are reasonably available only from a single source, in which case prior to procurement the City shall document in writing the efforts that were taken to determine that the subject products or services were, in fact, reasonably available only from a single source. Examples of circumstances which may necessitate sole source procurement are:

(i) If there is only one (1) vendor or supplier who can provide the needed product or service;

(ii) If the compatibility of supplies, accessories, replacement parts, or service is the paramount consideration;

(iii) If a sole supplier's product is needed for trial use or testing;

(iv) If the City is procuring utility services;

(v) If the City seeks to add to, repair or maintain supplies owned by the City which may be more efficiently added to, repaired or maintained by a particular person or firm; and

(vi) If the City seeks supplies which, by reason of the training of City personnel or the inventory of replacement parts maintained by the City, are more compatible with the existing supplies owned by the City and if the supplies can only be acquired from a sole source.

(vii) If the purchase is executed through a day-ahead or real-time forward market where a competitive procurement process is impractical or would preclude participation in the market.

(viii) Transitional costs are a significant consideration in selecting a procurement item; and the results of a cost-benefit analysis demonstrate that transitional costs are unreasonable or cost-prohibitive, and that the award of a contract without engaging in a standard procurement process is in the best interest of the procurement unit;

(h) When a contractor is already on site and if the Purchasing Agent determines that there is an established price for the type of work that the City needs completed and that the City can save on mobilization costs by hiring the contractor that is already in the area, then the City may negotiate with and contract directly with the contractor without following formal purchasing processes;

(i) When due to an inventory of replacement or servicing parts which is compatible with existing specific equipment used by the City, the City has a contract or multiple contracts for the continual replenishment of the inventory;

(j) When fewer than three (3) timely and responsive proposals are received by the City, in which case the Purchasing Agent may procure the goods or services from any source and in any legal manner which the Purchasing Agent determines to be in the best interests of the City;

(k) Contracts for special investigatory or similar services or supplies for the Police Department where confidentiality is necessary;

(l) Internet Auction Sites. The City may acquire supplies from Internet auction sites without following formal purchasing procedures if the City Administrator determines that there is an established market price for the supplies and that the supplies can be acquired less expensively from an Internet auction site;

(2) At the discretion of the Purchasing Agent, the City may utilize the competitive procurement process for any of the exceptions listed in subsection (1) of this section.

(3) When granting a concession in which a person makes use of City property to provide goods or services to the public, or arrangements of similar nature, the City shall make use of this Chapter to the extent determined to be practicable by the City's Purchasing Agent in order to provide for the desired concession or arrangements on terms most beneficial to the City.

2-10-212 Appeals.

(1) An applicant may appeal an award of contract by filing a written notice of appeal with the City Recorder.

(a) The notice of appeal shall be filed by the applicant or its legal representative within ten (10) calendar days of the award of contract by the City and shall contain:

- _____ (i) The name, address, email, and telephone number of the applicant;
- _____ (ii) Identification of the contract or procurement number;
- _____ (iii) A detailed statement of all legal and factual grounds for the appeal, including true and accurate copies of all supporting documentation;
- _____ (iv) A detailed explanation of the relief requested; and
- _____ (v) The signature of the applicant or its legal representative.

_____ (b) The Purchasing Agent shall issue a written decision within fifteen (15) calendar days after receiving the notice of appeal. The Purchasing Agent shall send the written decision to the applicant, as well as any other party which the Purchasing Agent determines may have an interest in the appeal. The written decision shall state the basis for the decision and either grant or deny the relief requested by the applicant.

_____ (i) If no written decision is issued within fifteen (15) calendar days after receiving the notice of appeal, the applicant's appeal shall be considered denied by the Purchasing Agent.

_____ (ii) The Purchasing Agent, in the agent's sole discretion, may conduct a hearing before rendering a decision on the applicant's notice of appeal. Notice of the hearing shall be provided to the applicant, as well as any other party which the Purchasing Agent determines may have an interest in the appeal. At the hearing, interested parties shall have an opportunity to be heard and to present evidence within the discretion of the Purchasing Agent.

_____ (iii) The Purchasing Agent, in his or her sole discretion, may decide to postpone moving forward with the appealed procurement until the appeal has been resolved.

_____ (2) The Purchasing Agent's written decision may be appealed to the City Administrator by any aggrieved party, including the City, by filing a written notice of appeal of the decision with the City Recorder.

_____ (a) The notice of appeal shall be filed by the aggrieved party or its legal representative within ten (10) calendar days after the Purchasing Agent has issued the written decision and shall contain:

_____ (i) The name, address, email, and telephone number of the aggrieved party or its legal representative;

_____ (ii) Identification of the contract or procurement number;

(iii) A detailed statement of all legal and factual grounds of the appeal of the Purchasing Agent's written decision, including true and accurate copies of all supporting documentation;

(iv) A detailed explanation of the relief requested; and

(v) The signature of the aggrieved party or its legal representative.

(b) The City Administrator, or the City Administrator's designee, shall issue a written decision within fifteen (15) calendar days after receiving the notice of appeal. The City Administrator, or the City Administrator's designee, shall send the written decision to the aggrieved party, as well as any other party which the City Administrator, or the City Administrator's designee, determines may have an interest in the appeal. The written decision shall state the basis for the decision and shall either grant or deny the relief requested by the aggrieved party.

(i) If no written decision is issued within fifteen (15) calendar days after receiving the notice of appeal, the aggrieved party's appeal shall be considered denied by the City Administrator, or the City Administrator's designee.

(ii) The City Administrator, or the City Administrator's designee, in his or her sole discretion, may conduct a hearing before rendering a decision on the aggrieved party's notice of appeal. Notice of the hearing shall be provided to the aggrieved party, as well as any other party which the City Administrator, or the City Administrator's designee, determines may have an interest in the appeal. At the hearing, interested parties shall have an opportunity to be heard and to present evidence within the discretion of the City Administrator, or the City Administrator's designee.

(iii) The City Administrator or the City Administrator's designee, in his or her sole discretion, may decide to postpone moving forward with the appealed procurement until the appeal has been resolved.

(c) The administrative appeals procedure contemplated by this chapter shall be exhausted before other legal remedies may be pursued.

(d) At all times, the party filing the appeal or lawsuit shall bear the burden of proof. A procurement decision made pursuant to this chapter shall be presumed valid unless the party can prove by clear and convincing evidence that any such decision is arbitrary, capricious, or illegal.

2-10-213 Relief Due to Computation Error.

Any bidder who seeks to withdraw or modify a bid may do so prior to the date and time set for the bid closing.

2-10-214 Contract Change Orders.

A City department head is authorized to approve change orders to a contract when the total amount of all such change orders is less than twenty-five thousand dollars (\$25,000.00). The Finance Director is authorized to approve change orders to a contract when the total amount of all such change orders is between twenty-five thousand dollars (\$25,000.00) and one hundred thousand dollars (\$100,000.00). The City Administrator is authorized to approve change orders to a contract when the total amount of all such change orders is between one hundred thousand dollars (\$100,000) and two hundred fifty thousand dollars (\$250,000). The Mayor must approve change orders to a contract when the total amount of all such change orders exceeds two hundred fifty thousand dollars (\$250,000). At their discretion, the Mayor or City Administrator may require a change order of any amount to be approved by the City Council. In all cases, approval of a change order is subject to availability of funds appropriated by the City Council for that purpose.

2-10-215 Performance and Bid Bonds.

Performance and bid bonds may be required by the Purchasing Agent in such amounts as the Purchasing Agent determines are needed to protect the best interests of the City. The nature, form, and amount of such bonds shall be described in the notice inviting bids or in the request for competitive sealed proposals.

2-10-116 Records Maintained.

Except when a longer minimum time is required by State law or City ordinance, the Purchasing Agent or department head making a procurement of more than five thousand dollars (\$5,000.00) shall keep records relating to the procurement for not less than three (3) years from the time of the procurement.

2-10-117 No Collusion.

(1) Collusion Among Bidders: Any agreement or collusion among bidders or prospective bidders is a restraint of freedom of competition and any agreement to bid a fixed price, or otherwise, shall render the bids of such bidders void. In addition to any criminal penalties that may be applicable, the City may pursue all other legal and equitable remedies against any individual or entity involved in such an agreement or collusion. Any individual or entity which the City determines to have engaged in any such agreement or collusion shall be disqualified from consideration in future procurement opportunities with the City. Any such agreement or collusion shall constitute a material breach of any contract which was obtained as a result of the agreement or collusion.

(2) Gratuities: The acceptance of any gift, benefit, or gratuity in the form of cash, merchandise or any other thing of value greater than fifty dollars (\$50.00) by an official or employee of the City from a vendor or contractor, or prospective vendor or contractor, which would reasonably be expected to substantially influence the actions of the official or employee in favor of the giver in future procurements or negotiations may be deemed to be a violation of this chapter and may be cause for removal or other disciplinary action.

2-10-218 Ineligibility.

In addition to all other remedies permitted by law, the City Administrator may declare a bidder or contractor ineligible to bid on City procurement and public works contracts for a period not to exceed five (5) years for any of the following grounds: two (2) or more claims of computational error in bid submission within a two (2) year period; an unjustified refusal to provide or execute contract documents; unsatisfactory performance of contract; unjustified refusal to perform or complete contract work or warranty performance; unjustified failure to honor or observe contractual obligations or legal requirements pertaining to the contract; or conviction under State or Federal Statutes for fraud, bribery, theft, falsification or destruction of records, receiving stolen property or of any other similar crime or offense indicating a lack of business integrity and which would directly affect the reliability and credibility of performance of such a vendor or contractor with future contracts with the City.

2-10-219 Personal Purchases.

Procurements of goods and services ordered on City credit or paid for by the City which is for the personal use of an official or employee of the City shall not be delivered, or if delivered, shall be void or voidable at the City's option. Such personal procurements shall not be permitted and shall be considered cause for disciplinary action. City officers and employees may purchase goods or services for personal use from suppliers at discounted rates offered to the City where the supplier makes such goods or services available to all City officials and employees on the same terms, provided the official or employee pays for such items from the official's or employee's own money, and provided the purchase is not reasonably likely to improperly influence the official, employee or a City department in the discharge of their duties or in making purchases of supplies or services.

2-10-220 Cost Plus Percentage of Cost Contract Prohibited; Exception.

Subject to the limitations of this section or other applicable law, any type of contract which will promote the best interests of the City may be used, except a cost plus a percentage of cost contract is prohibited. A cost reimbursement contract may be used only when a determination is made in writing by the Mayor, City Administrator, or the

department head, that such contract is likely to be less costly to the City than any other type, or that it is impracticable to obtain the supplies, services or construction required except under such a contract.

2-10-221 Sales of Goods or Services to City by Officials or Employees.

City officials and employees may sell goods or services to the City under the following conditions:

(1) An employee or the employee's spouse, parent, children or siblings may not sell goods or services to the employee's department unless the sale is first approved in writing by the department head and either the Mayor or City Administrator.

(2) All such transactions are subject to applicable provisions contained in Utah Code Annotated regarding ethics of municipal officials and employees.

2-10-222 Participation by Bidder Who Supplies Specifications.

A person other than a City employee who has prepared specifications used substantially by the City in determining from which bidder or proponent it wishes to purchase goods or services may participate in a bid or proposal procurement where the Purchasing Agent determines, in his or her reasonable discretion, that such participation will be in the best interest of the City in light of the purposes stated in section 2-10-201 of this chapter.

2-10-223 Period of Time for Contract of Supplies or Services.

(1) Unless otherwise provided by law, a contract for supplies or services may be entered into for any period of time deemed to be in the best interests of the City; provided, that the term of the contract and conditions of renewal or expansion, if any, are included in the solicitation and funds are available for the first fiscal period at the time of contracting. Payment and performance obligations for succeeding fiscal periods shall be subject to the availability and appropriation of funds by the City Council.

(2) When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the contract shall be canceled. The contractor may apply for reimbursement for the reasonable value of any nonrecurring costs incurred, but not amortized in the price of the supplies or services delivered under the contract, which may be awarded in the reasonable discretion of the Purchasing Agent. The cost of cancellation may be paid from any appropriations available for that purpose.

2-10-224 Failure to Comply.

The failure to follow any provision of this chapter shall not render procurement invalid nor give a bidder or proponent a claim or right against the City or the employee responsible for such failure.

SECTION 3: This ordinance will become effective January 1, 2023, after publication or posting as required by law.

SECTION 4: The City Recorder shall cause this ordinance or a short summary hereof to be published or posted as required by law.

PASSED, ADOPTED AND ORDERED POSTED by the City Council of Springville, Utah, this 20th day of December, 2022.

Matt Packard, Mayor

ATTEST:

Kim Crane, City Recorder



STAFF REPORT

DATE: December 20, 2022
TO: Honorable Mayor and City Council
FROM: Carla Wiese, Planner II
SUBJECT: PUBLIC INFRASTRUCTURE DISTRICT POLICY ADOPTION

RECOMMENDED MOTION

Motion to adopt the resolution establishing a Public Infrastructure District Policy.

BACKGROUND

The state of Utah adopted the Public Infrastructure District Act in 2019. This legislation allows cities to finance new infrastructure by creating Public Infrastructure Districts. The Council was given a presentation on PIDs and directed staff to develop a policy that would govern the application and review process for proposed districts.

DISCUSSION

The council has discussed concerns regarding the use of a mill levy as a finance mechanism for Public Infrastructure Districts, particularly in residential developments. There has been a general consensus that a mill levy would not be considered favorably by the council and commercial developments proposing a mill levy as a finance mechanism would need to demonstrate a significant public benefit in order to utilize a mill levy.

The application fee outlined in the draft policy is substantial and the Council should consider if the fee is fair in light of other application fees the City requires.

The adoption of a PID Policy does not require the City to grant approval to any application that may be submitted and each application should be considered solely on its own merits.

PLANNING COMMISSION REVIEW

The proposed PID Policy has not been reviewed by the Planning Commission

ALTERNATIVES

1. Adopt the PID Policy as proposed.
2. Amend and adopt the proposed policy; or
3. Reject the proposed policy.

Carla Wiese
Planner II/Economic Development Specialist

Attachments:
Draft Public Infrastructure District Policy
Resolution



RESOLUTION NO. 2022-____

**RESOLUTION OF SPRINGVILLE CITY TO FORMALLY ADOPT A PUBLIC
INFRASTRUCTURE DISTRICT POLICY**

WHEREAS, it is the policy of the City to provide for infrastructure needs within the City of Springville; and

WHEREAS, the City Council has been reviewing and considering the Public Infrastructure District Policy (the "PID Policy") in order to establish a process that would be in the best interest of the City for considering applications for the creation of Public Infrastructure Districts; and

WHEREAS, Title 17D Chapter 4 of the Utah Code, Annotated grants cities the power to create Public Infrastructure Districts to finance public infrastructure for development and redevelopment; and

WHEREAS, the PID Policy outlines the application process and required fees, the review process, the decision-making criteria established by the Creating Entity, and the Governing Document Requirements for the creation of a Public Infrastructure District; and

WHEREAS, the PID Policy designates a District Advisory Committee (the "DAC") to include City Administrator, Community Development, Finance, City Attorney, Public Works, and others as to be determined as needed to advise the Mayor, City Council, and other pertinent departments/staff on issues related to the proposed District; and

WHEREAS, the City Council finds that the PID Policy is in the best interest of the City to establish a process for considering applications for the creation of Public Infrastructure Districts.

NOW, THEREFORE, BE IT RESOLVED BY THE SPRINGVILLE CITY COUNCIL:

SECTION 1. Policy Approval. The attached Public Infrastructure District Policy document is hereby adopted.

SECTION 2. Committee Authority. The District Advisory Committee (the "DAC") that is established and described in the PID Policy is granted the necessary authority to review Letters of Intent for compliance with criteria and requirements set forth in the PID Policy and determine if the applicant should move forward with drafting Governing Documents to be submitted for review by the DAC before being forwarded to the City Council to be acted upon in accordance with standard procedures.

SECTION 3. Effective Date. This resolution shall become effective immediately upon passage.

END OF RESOLUTION

PASSED AND APPROVED this 20th day of December 2022.

Matt Packard, Mayor
Springville City

Attest:

Kim Crane, City Recorder

EXHIBIT A

Public Infrastructure District Policy

Springville City Policy Outline-DRAFT Public Infrastructure Districts

In an effort to provide for infrastructure needs within the City of Springville and provide the option for funding that minimizes the impact to residents of the community, the Springville City Council adopts the following policy statement regarding Public Infrastructure Districts (PID).

The Public Infrastructure District Act Title 17D Chapter 4, UCA grants cities the power to create Public Infrastructure Districts to finance public infrastructure for development and redevelopment. Under the provisions of the Public Infrastructure Act, Springville City has complete discretion in the creation of Public Infrastructure Districts and the adoption of a policy statement in no way requires the City to approve an application.

PIDs may utilize various methods of funding to finance the infrastructure improvements including mill levies, assessments, and impact fees. It is the policy of Springville City that mill levies and assessments will not be considered as a financing mechanism for residential developments. Mill levies and assessments will only be considered as a funding mechanism for commercial developments.

Adoption of this policy allowing for mill levies or assessments to be utilized for commercial development does not require the city to allow a mill levy or assessment as a financing mechanism; all financing plans will be reviewed and considered in accordance with the final adopted review process which will be conducted for each separate application submitted.

Any proposed Public Infrastructure District will be considered in relation to the best interests of the City, determined in the sole legislative discretion of the City Council. Such interests include using the most appropriate financing mechanism for the type and magnitude of the public improvements to be financed and the appropriate governance structure of the District. If through the review process, a Public Infrastructure District is determined to be the most appropriate mechanism for financing public infrastructure required to serve the District, the process, and the requirements provided herein apply. ***Absent unusual circumstances, the Council is unlikely to consider a PID for purely residential developments***

Proposals for PID's to support residential development will be considered only if developers comply with the provisions of the City's Moderate-Income Housing Plan which require the dedication of moderate-income units.

Definitions:

Board: Board of Trustees of the Public Infrastructure District-appointed by the **Creating Entity**

Creating Entity: Municipality that approves the creation of a Public Infrastructure District and establishes criteria through the adoption of **Public Infrastructure District Policy**.

District Applicant: Person proposing the creation of a PID (typically the property owner/developer)

Governing document: the governing document establishes a purpose for the PID, typically limited in scope, and establishes financial constraints under which the PID can finance the established purposes e.g., infrastructure.

Public Infrastructure District Policy Statement

- Process for applying and fees to be paid
- Decision making criteria established by the Creating Entity (Municipality)
- Governing Document Requirements

I. Process and Fees

A. Petition and Letter of Intent to form a Public Infrastructure District-Submitted by the applicant

An applicant with a vested development application within the proposed District shall submit it to the Community Development Department

- (a) a petition meeting the requirements outlined in Utah Code Title 17B, Chapter 4¹;
- (b) a letter of intent containing the following information in summary form; and
- (c) an initial deposit of **\$10,000**, and a commitment to renew the exhausted deposit, to assure the City is reimbursed for its internal and out-of-pocket expenses related to the petition. The petition and letter will be used by staff and any consultant the City determines is required to make a preliminary determination about the propriety of forming a District in the particular location, as proposed. A positive staff response to the Letter of Intent is an invitation to negotiate Governing Documents and an Operating Contract with staff/consultants, ultimately for Council review and consideration. The petition shall also be submitted concurrently with the City Attorney and City Recorder for certification required under Chapter 17B-4.

- 1) Description of the proposed District including size, location, area context, development history, and proposed development.
- 2) Description and proposed schedule for completion, of all proposed private investment and improvements within the proposed description of the District.
- 3) Summary of needed infrastructure, services, and facilities along with proposed infrastructure to be provided by the PID, estimated cost for improvements,

¹ This policy statement will be suspended for further evaluation and possible revision upon each revision to the laws applicable to Public Infrastructure Districts.

description of construction phasing, a sample financing plan that outlines possible financing source and use of funds.

- 4) Proposed timeline for District creation
- 5) Acknowledgment that the consent of property owners/registered voters must be obtained in accordance with provisions of **Utah Code Title 17D Chapter 4 Public Infrastructure District Act**
- 6) Conflict of Interest Disclosure
- 7) Signed Letters of Engagement

B. Review Process

- 1) Creating Entity (Municipality) establishes a **District Advisory Committee (DAC)** to advise Mayor, City Council, and other pertinent departments/staff on issues related to the proposed District. DAC includes City Administrator, Community Development, Finance, City Attorney, Public Works, and others as TBD as needed.
- 2) **DAC** will review the Letter of Intent and determine if the applicant should move forward with drafting Governing Documents to be submitted. Direction to move forward with the drafting of Governing Documents **DOES NOT ASSURE APPROVAL OF GOVERNING DOCUMENTS OR ESTABLISHMENT OF PID**

C. Governing Document

- 1) Applicant submits a draft Governing Document to the City
- 2) DAC reviews for compliance with criteria and requirements
- 3) The Final Governing Document will be forwarded to the City Council and acted upon in accordance with standard procedures

D. Fees

- 1) All required fees must be paid in full before any action will be taken by the City
- 2) Fees should be established beforehand and made known to the applicant
- 3) The applicant is responsible to pay reasonable costs related to the review that exceed the application fee. These fees may include consultant and/or legal fees incurred in the process of reviewing the Draft Governing Document, fees related to bond issues, and other services.

II. Criteria for Evaluation

A. Public Benefit-In exchange for the benefits provided to the applicant if the PID is approved, the applicant is expected to provide a benefit to the City that is consistent with the City's policy and goals. Items to be considered when determining public benefit may include:

- 1) Conformity with the City's master planning efforts including the General Plan, Transportation Plan, Master Road Plan, Parks and Trails Master Plan, and/or small area or community plans that may be impacted by the PID.
- 2) Residential Developments must demonstrate compliance with the City's Moderate-Income Housing Plan (amended 9/20/2022). The Moderate-Income Housing Plan requires the developer to dedicate an agreed-upon number of units for moderate-income housing within the boundaries of the proposed district.

- 3) Provisions of and contributions to regional infrastructure
- 4) Contributions to or promotion of sustainable design including multimodal transportation, water-conserving landscape design, development phasing, etc.
- 5) A mixed-use development that includes a differing housing type, employment opportunities, retail services, and civic amenities.
- 6) Revenue generation through various sales and use taxes.

B. Evaluation Criteria

- 1) PID boundaries should not overlap with other existing or proposed PID's
- 2) Financing plan-Financing plans that propose the use of a mill levy will be evaluated with higher scrutiny to avoid passing higher property tax assessments to secondary owners. The financing plan may include revenue from the following:
 - a. Impact fees
 - b. Mill Levy
 - c. Assessments
 - d. Pioneering Agreements
 - e. TIF
- 3) Demonstrated public benefit resulting from the creation of the District that would be greater than what would be required as part of the standard development process.

C. Evaluation of Applicant- the City should set criteria relating to the applicant and the development, such as:

- 1) Historical performance
- 2) Proposed finance plan
- 3) Conformity to General Plan
- 4) The overall benefit of the proposed finance plan

III. Governing Documents

A. District Description

- 1) Size, location, etc.
- 2) Description of public benefit
- 3) Proposed development including distribution of land uses, densities and phasing
- 4) Itemization and description of needed infrastructure
- 5) Estimated construction costs of infrastructure
- 6) General description of construction phasing
- 7) Financial Plan to include:
 - a. Pro forma financial overview (total cost/revenue)
 - b. Proposed finance plan
 - c. Anticipated max mill levy, assessments, or impact fees required to meet debt service
 - d. Analysis and comparison of proposed mill levies in relation to assessment from other taxing entities in the boundaries of the proposed PID and other PIDs in the area.
 - e. Proposed operating budget for a specified amount of time
 - f. Other forms of public financing being sought

- 8) Description of ownership (Creating Entity) and provision for ongoing O/M
- 9) Proposed process for dividing, including or excluding properties of the PID
- 10) Proposed governance plan

B. Requirements and Expectations

- 1) Planned ownership of improvements, including any relationship with an existing district
- 2) Debt issued for which a tax is pledged will meet the statutory requirements
- 3) Land, easements, or improvements will be conveyed to the Creating Entity (Municipality) at no cost to the Creating Entity (Municipality).
- 4) Design and Inspections standards of any public infrastructure in the PID shall be subject to standards and inspection requirements of the Creating Entity (Municipality)
- 5) Any asset (land, funds, infrastructure. Etc.) shall not be pledged as security by the PID
- 6) The District will be subject to all zoning, subdivision, building codes, and other applicable ordinances and resolutions of the Creating Entity (Municipality).
- 7) The District shall pay all fees and expenses
- 8) Governing Documents shall require that any assessments imposed by a District shall be managed, billed, and collected by a third party, competent in such management to ensure proper management and timely collection.
- 9) The District may not double tax (mill levy, assessment, impact fee, or any combination) the end user for the cost of the improvements.

C. Disclosure and Reporting Requirements

- 1) Notice with the County Recorder within 30 days of formation
 - a. Description of the boundaries, governing documents on file with the City, a statement disclosing that an additional property tax may be levied to finance infrastructure, and maximum mill levy.
- 2) Disclosure is required to initial residential homeowners, renters, and commercial property owners/tenants.
- 3) The City may require a specific statement or disclosure language to be used along with proof of end-user acknowledgment.
- 4) Property owners within the District are notified of the existence of the district and the scheduled meeting of the Board of the District. These meetings must be held along with the proper noticing requirements.
- 5) Annual reporting to the Creating Entity (municipality) by the District
 - a. Budget
 - b. Audited financial statements, statements of current outstanding debt, total debt authorized, and planned debt issuance
 - c. Names and terms of the Board members and progress of the transition to an elected board, contact information
 - d. Rules and Regulations of the District
 - e. List of any interlocal agreements and contracts for services or construction to be provided on request
- 6) Significant Changes to Governing Document require approval by the Creating Entity (Municipality) before taking effect.

- a. Exclusion/inclusion of property done outside of the process of the Governing Document.
- b. Change in the max mill levy
- c. Consolidation with another district
- d. Change in dissolution date

DRAFT



STAFF REPORT

DATE: December 15, 2022
TO: Honorable Mayor and City Council
FROM: Henry Clinton, Fire Chief
SUBJECT: PROPOSED INCREASE TO FIRE DEPARTMENT STAFFING LEVELS

Recommended Motion: Staff's recommendation is to increase fire department staffing levels in response to the increase in calls for fire and emergency medical services in Springville.

Executive Summary: Calls for fire and emergency medical services have doubled in the past decade. During this same time period, our number of reserve (volunteer) firefighters has significantly been reduced. The increase in calls have made it less practical to be a reserve, particularly for people who have a full-time job elsewhere. In addition, the labor shortage has affected our ability staff shifts with part-time firefighters. As a result, many of our shifts are short staffed.

When we are short staffed, we rely on mutual aid from surrounding fire departments to take calls when Springville Fire and Rescue are on another call and unavailable. The use of mutual aid most often results in an extended response time to the emergency.

In order to provide prompt, consistent, and reliable fire and emergency medical services to Springville residents, staff recommends adding additional full-time personnel to our staff.

In an effort to fund additional full-time firefighter positions, we applied for the FEMA Staffing for Adequate Fire and Emergency Response (SAFER) grant. Despite our qualifications, we were recently notified that we did not receive the grant.



In the absence of funding from the SAFER grant, staff recommends adding the new full-time firefighter positions using the money from the general fund.

Focus of Action: Review the need for increased staffing and amend the Approved Position List in the current year's budget.

Background: The following chart shows the increase in calls for service in Springville:

Year	Total Annual Calls for Service	Daily Average
2012	1040	2.85
2014	1531	4.19
2016	1597	4.38
2018	1870	5.12
2020	2043	5.60
2021	1987	5.44
2022 through November	1816	5.45

The following occurred in the past 12 months:

- Springville Fire Department responded to 2017 calls in Springville
- We requested mutual aid from Provo to cover a call in Springville 15 times
- Springville Fire provided mutual aid to Provo 9 times
- We requested mutual aid from Mapleton to cover a call in Springville 100 times
- Springville provided mutual aid to Mapleton 9 times.

In the past 90 days, Springville Fire has requested mutual aid from Mapleton to cover a call in Springville 45 times, which is an average of once, every other day.

We essentially have two active reserve firefighters. After we completed the dorms in our fire station, the part-time firefighters are no longer required to live in Springville and so they have moved elsewhere.



The following is our current staffing model:

7:00 am to 7:00 pm	7:00 pm to 7:00 am
• 1 full time Captain • 1 full time Fire Fighter/EMT	
• 3 part time Fire Fighter/EMTs	• 1 part time Fire Fighter/EMT • Back up ambulance calls via reserve Fire Fighter/EMTs.

We are routinely unable to staff the part-time positions, due to shortages in the labor pool. Our part-time firefighters work full-time at other departments, and they do not always want to take a part-time shift with us. When we are understaffed on a shift, it diminishes our availability and capability to respond to simultaneous calls in Springville.

We need to increase our full-time staff in order to have consistent, reliable staffing day to day. We recommend staffing each shift with one (1) fire captain, four (4) full-time firefighters and one (1) part-time firefighter, twenty-four hours a day and seven days a week.

The following is our proposed staffing model:

7:00 am to 7:00 pm	7:00 pm to 7:00 am
• 1 full-time Captain • 4 full-time Fire Fighter/EMT • 1 part-time Fire Fighter/EMT	

Hiring full-time staff will give us more consistent and reliable staffing, which will increase our ability to respond to calls in Springville.



Staff recommends amending the Approved Position List in our current budget as follows:

Fiscal 2022-2023 Authorized Position List						
Position	Status	Grade	Department	Orig FTE	Amended	Change
Fire Chief	FT	25	Public Safety	1	1	0
Fire Captain	FT	20	Public Safety	4	4	0
Firefighter & EMT/B,A,P	FT*	13/15/17	Public Safety	2	8	6
Firefighter/Paramedic	FT*	16	Public Safety	1	4	3
Officer Assistant	PT	7/9	Public Safety	0.5	0.5	0
Fire Inspector	PT	13	Public Safety	0.5	0.5	0
FF & EMT/B,A,P	PT	12/14/16	Public Safety	6.09	4.21	-1.88
FF & EMT/B,A,P	Reserve	12/14/16	Public Safety	6.03	3	-3.03
*FF FT Positions are calculated at 2,912 hours per year						

If this matter is approved, then the future budget changes would look like this:

Budget Line	Change	New Total
10-4220-110	258,547.25	882,556.92
10-4220-120	25,456.95	179,419.12
10-4220-121	(67,238.05)	186,622.34
10-4220-130	133,060.22	470,989.04
10-4220-140/143	18,000.00	24,000.00
10-4220-550	50,000.00	113,674.00
Total Change	417,826.37	

Alternatives: Take no action and continue with our current service levels, relying on mutual aid from surrounding agencies to the same degree. The result will be longer response times and lower level of service.

Fiscal Impact: This amendment to the approved positions list will result in a \$417,826.37 increase to current budget, for the period of January 1, 2023 through June 30, 2023.



Dollars to pay for this budget increase will come from Capital Improvement Project reserves, which has been supplemented and increased over the past year by Federal ARPA funds.

Springville City transferred Federal ARPA funds to our Capital Improvement Project reserve after representing that the funds are for public safety services or by using the general revenue exception provided by Federal guidance. These are one-time revenues that will fund the staffing increase, but only through the end of the current fiscal year.

We will need to identify and/or create a new revenue source(s) to fund the repeating cost for future fiscal years, beginning July 1, 2023.

Henry Clinton
Assistant Director of Public Safety
Fire Chief

RESOLUTION #2022-XX

A RESOLUTION AUTHORIZING AN AMENDMENT TO THE APPROVED POSITION LIST IN FISCAL 2022-2023 BUDGET.

WHEREAS, there has been an increase in calls for fire and emergency medical services in Springville City, steadily increasing over recent years; and

WHEREAS, our current staffing structure is insufficient to respond to circumstances where there are multiple, simultaneous calls for service; and

WHEREAS, when we are short-staffed we rely on mutual aid from neighboring fire departments, which results in a delayed response time to emergencies in Springville; and

WHEREAS, under our current staffing model we are requesting mutual aid from neighboring fire departments far more often than we give mutual aid in return, at a ratio of ten to one.

WHEREAS, the fire department needs the following amendment to the approved positions list in order to increase full-time staffing:

Fiscal 2022-2023 Authorized Position List						
Position	Status	Grade	Department	Orig FTE	Amended	Change
Fire Chief	FT	25	Public Safety	1	1	0
Fire Captain	FT	20	Public Safety	4	4	0
Firefighter & EMT/B,A,P	FT*	13/15/17	Public Safety	2	8	6
Firefighter/Paramedic	FT*	16	Public Safety	1	4	3
Officer Assistant	PT	7/9	Public Safety	0.5	0.5	0
Fire Inspector	PT	13	Public Safety	0.5	0.5	0
FF & EMT/B,A,P	PT	12/14/16	Public Safety	6.09	4.21	-1.88
FF & EMT/B,A,P	Reserve	12/14/16	Public Safety	6.03	3	-3.03
*FF FT Positions are calculated at 2,912 hours per year						

NOW, THEREFORE, BE IT RESOLVED BY THE SPRINGVILLE CITY COUNCIL: To amend the Approved Position List as outlined above.

This resolution shall take effect January 1, 2023.

PASSED AND APPROVED this 20th day of December, 2022.

Matt Packard, Mayor

Attest:

Kim Crane, City Recorder