

Cedar City

10 North Main Street • Cedar City, UT 84720
435-586-2950 • FAX 435-586-4362
www.cedarcity.org

Mayor
Maile L. Wilson

Council Members
Ronald R. Adams
John Black
Paul Cozzens
Don Marchant
Fred C Rowley

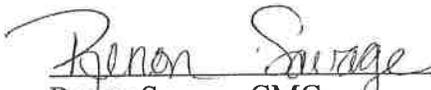
City Manager
Rick Holman

CITY COUNCIL WORK MEETING APRIL 2, 2014

The City Council will hold a work meeting on Wednesday, April 2, 2014, at 5:30 p.m., in the Council Chambers at the City Office, 10 North Main Street, Cedar City, Utah. The agenda will consist of the following items:

- I. Call to Order
- II. Agenda Order Approval
- III. Administration Agenda
 - Mayor and Council Business
 - Staff Comment
 - Employee of the month, Tina Garrison – EAC
- IV. Public Agenda
 - Public Comments
- V. Business Agenda
 - Public
 1. Request for a single event permit for a beer garden for the PRCA Rodeo on June 13 & 14 – Cedar City Lions Club
 2. Consider an ordinance amending the City's zoning ordinance provisions related to home occupation permits – Bruce Hughes/Paul Bittmenn
 3. Consider an ordinance amending the City's zoning ordinance provisions related to allowing structures in the front yard setback – Evan Ludwig/Paul Bittmenn
 - Staff
 4. Consider expending balance of capital budget (carpet) on computer server(s) in the amount of \$6,169.38 – Steve Decker
 5. Consider a resolution adopting a premium only plan for Cedar City Corporation – Natasha Hirschi
 6. Public Hearing for the revision of the 2013-14 fiscal year budget – Jason Norris
 7. Consider a road dedication of property located in the vicinity of the Northeast corner of the intersection of Industrial Road and Airport Road - Paul Bittmenn

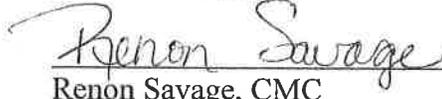
Dated this 31st day of March, 2014.



Renon Savage, CMC
City Recorder

CERTIFICATE OF DELIVERY:

The undersigned duly appointed and acting recorder for the municipality of Cedar City, Utah, hereby certifies that a copy of the foregoing Notice of Agenda was delivered to the Daily News, and each member of the governing body this 31st day of March, 2014.



Renon Savage, CMC
City Recorder

Cedar City Corporation does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in employment or the provision of services.

If you are planning to attend this public meeting and, due to a disability, need assistance in accessing, understanding or participating in the meeting, please notify the City not later than the day before the meeting and we will try to provide whatever assistance may be required.

1

CEDAR CITY CORPORATION
SINGLE EVENT PERMIT APPLICATION

APPLICANT: Please spell out the information requested below. A \$50.00 fee is due and payable at the time of submitting the application. (Said fee is refundable if a permit is not granted.)

SECTION I

NAME: Cedar City Lions Club / Concessions

ADDRESS: PO Box 3008 CC, UT 84721

PHONE NUMBER: 463-2424 NAME OF ENTITY: SA4

PURPOSE OF ENTITY: Service club

TYPE OF EVENT: Rodeo PRCA

CASH OR SURETY BOND FOR \$1,000 _____

TIME AND DATE OF EVENT: June 13 + 14 2014

NATURE AND PURPOSE OF EVENT: PRCA Rodeo Both nights

SECTION II

DESCRIBE THE FLOOR PLAN DESIGNATING:

(A) THE AREA IN WHICH THE APPLICANT PROPOSES THAT BEER BE STORED:

Concession Area inside the Diamond 2 Arena

(B) THE SITE FROM WHICH THE APPLICANT PROPOSES THAT BEER BE SOLD

OR SERVED: NE corner of the Iron Rangers Arena

(C) THE AREA IN WHICH THE APPLICANT PROPOSES THAT THE BEER BE

ALLOWED TO BE CONSUMED: Cordoned off Area NE Corner Iron Range Area

SECTION III

WE HEREBY CONSENT TO CITY OFFICIALS HAVING THE UNRESTRICTED RIGHT TO ENTER THE PREMISES TO ENTER THE EVENT FOR PURPOSES OF ENFORCEMENT.

DATE: March 25, 2014

SIGNATURE:

[Handwritten Signature]

APPLICANT

I HEREBY VERIFY THAT I AM AUTHORIZED TO ACT ON BEHALF OF SAID ASSOCIATION OR ORGANIZATION.

DATED this 25 day of March, 2014.

APPLICANT:

[Handwritten Signature]

Its: Secretary

THIS SECTION IS TO BE FILLED OUT BY CITY

APPLICATION HAS BEEN REVIEWED BY THE CEDAR CITY POLICE DEPARTMENT, AND ITS RECOMMENDATION IS AS FOLLOWS: _____

DATE: _____

SIGNATURE:

COUNCIL APPROVAL _____



Google earth



CEDAR CITY COUNCIL
AGENDA ITEMS V - 2
DECISION PAPER

TO: Mayor and City Council

FROM: Paul Bittmenn

DATE: March 31, 2014

SUBJECT: Consider amending the City's zoning ordinance provisions related to number of employees and size of signs allowed for home occupations.

DISCUSSION:

Attached is an ordinance that received a positive recommendation from the planning commission. Also attached are the minutes from the planning commission.

Generally, under current City ordinance an individual running a business out of their home needs to apply to the board of adjustments for a home occupation permit. Below is the section of the zoning ordinance related to granting a home occupation permit:

- (26-IX-4) (E) Grant Home Occupations. The Board of Adjustments may grant home occupations in the R1, R-2, R-3, and RA-1 zones provided:
- (1) The home occupation is conducted entirely within a dwelling and is carried on only by members of the family residing in the dwelling, with the exception of Nursery Schools which may employ one additional person in an R-1 and R- 2 Zone and two or more additional persons in an R-3 zone.
 - (2) The home occupation does not involve the use of any accessory buildings or yard space for storage or activities outside of the dwelling not normally associated with residential use, except for Nursery Schools, in which case it is presumed that rear yard space is utilized and the rear yard space must be completely fenced with at least a six-foot (6') high fence.
 - (3) No commercial vehicles are used except one delivery truck which does not exceed one (1) ton capacity.
 - (4) The home occupation is clearly incidental and secondary to the use of the dwelling for dwelling purposes and does not change the character of the building from that of a dwelling.
 - (5) Signs shall be limited to one non-flashing sign not larger in area than one and one half (1 ½) square feet. If lighted, the light shall be defused or

shielded. Said sign must be located at least two (2) feet back of the property line.

- (6) Not more than the equivalent of twenty-five percent (25%) of the ground floor area of the dwelling is devoted to the home occupation. Nursery schools and day care centers need not designate a particular twenty-five percent (25%) of the ground floor area; however, the actual 25% of the ground floor area shall be utilized to calculate the maximum number of children allowed in the dwelling pursuant to Section 26-IX(E)(10)(b). Ground floor area is defined as the square footage computed in the outside measurements of the dwelling portion of the home on the ground floor level. Basement or basement level floor space shall not be used in computing ground floor area.
- (7) The home occupation shall be registered with the City License Division or Department.
- (8) In the opinion of the Board of Adjustments, the activities in connection with the home occupation are not contrary to the objectives and characteristics of the zone in which the home occupation is located.
- (9) Off-street parking will be provided which will, in the opinion of the Board of Adjustments, be adequate to accommodate all vehicles which will be parked on or about the premises by customers, clients, or occupants of the home, and that said off-street parking will be provided so that it will not decrease residential amenities in the area surrounding the home occupation.
- (10) In addition to the above requirements, home occupations for Nursery Schools may be granted by the Board of Adjustments provided that the proposed Nursery School has:
 - a. A maximum of sixteen children at any one time, including the occupant's own children;
 - b. That the portion of the dwelling used for the Nursery School contains floor space of at least twenty five square foot per child and alternate door exits.
- (11) Before conducting a hearing on a home occupation request the Building Inspector shall have conducted an on-site inspection and shall make a report of his findings to the Board of Adjustments.

The proposed ordinance would change the following: (1) it would update the list in the opening paragraph related to what zones home occupations may be granted; (2) it allow up to 5 employees in the home (both those living in the home and not living in the home) as long as there is enough square footage in the home and the off street parking can be accommodated; (3) increased allowance for the size of signs at the home; (4) makes it clear that the home occupation needs to have a business license; (5) requires the applicant to submit s site plan showing the parking, and; (6) requires the applicant to provide notice to property owners within 300 feet of the property of the proposed home occupation and the board of adjustments meeting.

This ordinance would allow retroactive application of the amendment to home occupations that have previously been granted a permit if the City staff can verify they meet the provisions contained herein.

Please consider this ordinance.

minimum for the water pressure, and they have met that.

Fred asked what the difference was between pressures with an empty tank vs. a full tank. Kit thought that to be about 10-15 pounds of pressure.

Kent moved to give a positive recommendation for Ashdown Forest Phase 7 to City Council; seconded by Kristie and the vote was unanimous.

**5- Road Dedication
Street Widening
(Recommendation)**

**Staheli Property
Industrial Rd & Airport**

Staheli/City

Kit said this was City initiated. The property owner pulled a building permit and the City approached him to give the City the portion of the road to meet the standards for this area. They gave enough along their property line to get a 50' right-of-way which is what is further east by the development near the old coke plant. Normally, they would like a 66' road right-of-way here, but the City is planning to widen that when the railroad right-of-way is vacated someday. They will get the 16' on that side.

It was wondered about all the space between here and the coke plant area. Kit said they would just pick up each piece as it develops.

Rich moved to recommend to City Council this road dedication; seconded by Kristie and the vote was unanimous.

**6- Consider an amendment to Chapter 24,
section IX regulating home occupations.**

Bruce Hughes/Paul B.

Paul B. said that part of the planning commission's job was to make recommendations of any changes in zoning ordinances. He said that it is structured now to discourage commercial type businesses in the residential areas. There is a little wiggle room with that. Mostly in the R-3 zone there are certain limitations for commercial uses. Generally, for any exception you can go to the Board of Adjustments and get a home occupation permit. Paul sent all members a copy of the home occupation current rules with noted change (see attachment #1). There are things other than a daycare that don't allow outside employees to come to work in your home. Some things restrict the size of an ad or sign you can have at your home. The idea is to not have commercial things in neighborhoods. He stated the Mr. Hughes approached the Board of Adjustments and wanted a home occupation to do accounting. They have employees and that complicated the matter. He asked the City if there could be something done. To come up with the number of employees one could have, they look at the allowable space. They would get 1 employee for each 100 square feet of space that they use for this home business. For an example, Larry would go out and look at the home. Say it is 4000 square feet total with 2000 on the main floor and a basement. They are allowed 25% of the main level for that home occupation. They would use about 500 square feet of that home for that. Based on that, he could have up to 5 employees as long as he met all the parking. For residential, they have to start with 2 parking spaces, this never counts the street, this all has to be parking on their property. So you get 5 employees, you have to have 1 space for each employee things like a beauty salon; you are required 1 per employee and 1 per chair. Now you have 2 spaces for the home, and 3 employees, so there needs to be 6 more spaces. He has to figure out how to get that much

parking on his lot. This would give you limitations. Kit wondered if they allowed that to be tandem parking. Paul said it would all be according to the City parking ordinance.

Fred felt that was too many employees for the square footage. Some places would have plenty of parking. And it seems to go from nothing to many in one big jump. Paul said you have to look at the perspective with the maximum employees. Typically, most don't take up 100 square feet. The Planning Commission and the Council both can say they don't want that many employees, so you can set that square footage higher.

Vance said in the business where he works, they plan for 250 square feet per employee. Paul said another change is signage. For a home occupation it is currently 1.5 square feet and it was requested to increase that a little. The size of 6 square feet was discussed. Also Paul said when discussing this matter with staff and others, they thought any sign in the way of backing out or not being able to see what was around was a hazard, so they suggested any sign on a home occupation would need to be set back 10' off the sidewalk. Another suggestion was to require any home business notify the neighbors within 300' of said property.

Bruce Hughes had a couple of concerns with this. One, he feels that the ordinance presently written gives the board of Adjustments no leeway. He feels they just need parameters so they can decide. He has 600 square feet of office space and he also has about 10-12 parking spaces off the street. Yet, he can't have any employees. If he were a child care facility, he could have 16 kids with them being dropped off and picked up all during the day and employees. If he were another race or ethnic group, he could have 15 family members living in one house and they could all be employees. Other things and businesses can have employees but he can't have any. He felt that the Board of Adjustments should have more leeway and be able to listen to each case and decide.

Fred felt that this was a good idea, but thinks that it was too many for employees in a home business. Vance thought that at some point, if a business was growing that much, that they should move to an appropriate zone. Vance can understand the employee issue, but by the time you need 10 to 15 parking spaces, that is not a residential business any longer.

Bruce said the home based businesses are growing all over the county. Fred indicated that is how many of the businesses we see today got started. Also, you get more and more women working at the house to be home with the children.

Kristie said she had been on the Board of Adjustments at different times; Bruce was right, that things are just a little strict and the Board of Adjustments has to go by the ordinances that are in place. She felt they would like more flexibility. When you compare to daycares, maybe going by 100 square feet is not the answer, but they can do something. They need to be able to allow more things to be done out of the home.

Mike wondered if this was approved, does it give the Board of Adjustments more freedom to decline things they feel are not right or do not meet the area. Paul said it is not up to the Board of Adjustments to do whatever they feel is right. They start with the City ordinances and they

have to evenly apply them to all. Going through the board of Adjustments should be a hard and rare thing. You do not just apply and get whatever you want. He has tried here to loosen things up a little and be more flexible. You have to be subjective and use some sort of criteria. If they can't meet the criteria, the Board of Adjustments would say no. If they meet all the criteria, then the Board of Adjustments has to approve, it. They have Larry inspect to make sure they are meeting all the criteria set in place. Rich said that as long as they have the parking, etc. then it can work. Paul pointed out there were things not allowed, like using outdoor storage, not having large trucks deliver things to the home, etc. That does not limit UPS or Fed Ex. Delivery trucks.

Vance wondered if the commission felt generally comfortable with the concept and then they need to look at these parameters. If some feel that it is too liberal, what would be an appropriate amount of square footage for an employee? Fred felt that should be changed from 100 square feet to 250 square feet. Kristie said most would not have a home that large, so in limiting that you could have not more than 2 people that are not related? Larry said most home occupations run between 300 and 500 square feet of approved area. Fred said if they leave the square footage, could they put a limit on the number of employees say 5 or 6. Paul said he could leave the square footage and put a maximum on the number of employees if they want. Most felt a maximum of 5 would be plenty. They have to remember this would apply to all residential zones.

Vance wondered about 150 square feet with a maximum of 5. Paul said what he is hearing is 150 feet per employee with a maximum of 5 employees not already living in the home. Fred really felt they need to limit the number of employees they have working. Some felt 5 would be too many. Kristie feels that many more home based businesses will come up as this is the wave of the future. They need to think of other things like traffic, safety, etc.

Fred was concerned with going from nothing to 5 employees. He feels that there need to be limits. It was asked just what the definition of a family was; Paul said that was persons related by blood, marriage, guardianship, adoption, and things like that.

Bruce H. said he uses interns from the university a lot. They are all part-time, they each still count as an employee but not one is full-time. He likes the 100 square foot idea.

Vance thought it was not so much the amount of square footage for each employee as much as the number of people that would be coming and going in a neighborhood.

Paul said that things get limited when you have so many and then you are dealing with fire safety, the number of exits, smoke alarms, extinguishers, etc. They go by the national building code and when you have a building that is half residential and half commercial you even get into sprinklering the building. If a business gets large enough, you either do all these improvements, or you go to a more commercial area.

Jill wondered if the home occupation was a onetime thing or if they had to renew each year. Paul said the permit goes with the business. If they abandon that then the permit lapses.

Vance wondered if we need to do this a paragraph at a time and how did they all feel about #1 on page 3.

Fred would recommend that they go with 150 square feet per employee and a maximum of 5

employees in any one home business.

Jill made a motion to incorporate those changes in paragraph 1 on page 3, with the 150 square feet and the maximum employees you could have as 5. Seconded by Kent and the vote was unanimous.

The next thing to discuss would be signage.

Paul gave examples of different sizes. Kristie said that most do not have nor do they want any signage on their property.

Larry also said that 1.5 square feet has not been a problem in the past, as many do not want any signs. Fred talked about the campaign signs which are quite small and would be about 3 square feet.

Tom Jett said in reading through this, he said you can have a lit sign, but that light must be diffused. He is not opposed to anyone having a home business, but he would like to see them take out anything to do with lighting of a sign. They can compromise on the size a sign should be; he would not want to see any type of lit sign in any neighborhood.

Vance said that would be a challenge, as many people have all types of lighting around the outside of a home.

Fred said you have a problem with all laws. You know what you want and are trying to indicate when you make the law, but there are all those who interpret them differently.

Kristie pointed out that they are adding any sign has to be back 10' rather than 2' into the property.

Bruce H. said he was surprised they could be lit at all. He didn't think that lighting a sign would be any big deal. He also said he currently has a 6 square foot sign that is very tasteful. He has clients in 27 different states. They are very busy people and if any come looking for him, they should not have to go up and down his street several times to see a small 1.5 square foot sign. They can go up his street now, see his 6 square foot sign and find him easily. He feels that his sign decreases the traffic some on his street.

Vance said if they went to a 4 square foot sign that would increase the size by 250%.

Mike wondered about any restriction on the height of that sign. They should include some type of height limitation. Paul can put in a limitation to the top of the sign that is has to be no more than so many feet tall. Fred said in neighborhoods, most signs would not be seen. Still, they should be at a reasonable height.

Kent moved to change paragraph 5; go with 6 square feet in size maximum, no lighting, and no more than 4' high for a free standing type sign. Seconded by Kristie and the vote was unanimous.

Vance wondered if all felt Paragraph 7 and 9 were OK.

Fred said there are a couple of chapters in the zoning ordinance that deals with off-street parking. All this says is that they have to meet the parking like everyone else. They have to add to the two already required for the house in the first place. He was not sure that was adequate parking in this case. Larry would like to see them have to come up with a plot plan showing all the required parking on the lot and how they would make that work to meet the parking ordinance.

Vance felt they should allow the Board of Adjustments some flexibility to say if they meet the parking or not. This would be regarding the particular neighborhood. Paul said they have a minimum standard and they need to comply with that. If they don't feel that way, you can take it out. Kristie felt it was better to have it all in the ordinances. Vance wondered, however, if they were at the end of a cul-de-sac or something like that, it could be different. Kristie said even if they meet all the criteria, the Board of Adjustments can still say no. Say the business meets everything, but they do business during odd hours of the day, things that don't make it conducive to being in a residential area, so they can deny them if they want. Paul pointed out that even the Board of Adjustments need to be equal to all.

The only change to paragraph 9 that anyone could see was to have them prepare a plot plan or site plan as to how they will comply with the parking requirements.

Rich moved to make that change to paragraph 9, seconded by Kent and the vote was unanimous.

The last item to discuss would be paragraph 12 regarding giving notice to neighbors. Paul stated this was in order to get feedback from neighbors that would be dealing with any home business.

Bruce H. felt that 300' from his home would be the dyke area. He did not feel the need to go 300' in all directions from his home. He also feels that he would be grandfathered in and not have to inform his neighbors as his home businesses is already in place.

Vance said if a typical home had 100' frontage that is only 3 houses in all directions. He did not feel that was too much. Most had no problem with the 300' to notify those in your neighborhood.

Kristie moved to adopt the other changes discussed and to send this on to City Council as a recommendation. Seconded by Kent and the vote was unanimous.

Then meeting adjourned at 6:45 p.m.

Michal Adams, Administrative Assistant

CEDAR CITY ORDINANCE NO. _____
AN ORDINANCE AMENDING PROVISIONS OF CEDAR CITY'S ZONING ORDINANCE RELATED TO NUMBER
OF EMPLOYEES ALLOWED IN A HOME OCCUPATION, PARKING REQUIREMENTS, AND SQUARE FOOTAGE
FOR SIGNS.

WHEREAS, Cedar City has adopted a zoning ordinance in furtherance of the purposes set forth in the State of Utah Municipal Land Use Development Act; and

WHEREAS, the current Cedar City zoning ordinance allows the board of adjustments to permit home occupations under certain circumstances including limiting the size of a sign for the home business to one and one half (1 1/2) square feet, restrictions on employees, and parking restrictions; and

WHEREAS, It is the adopted public policy of Cedar City that amendments to the zoning ordinance shall not be made except to promote more fully the objectives and purposes of the City's zoning ordinance and to correct manifest errors (see Cedar City Ordinance 26-XII-1); and

WHEREAS, in accordance with the provisions of Cedar City ordinance 26-XII-1 prior to recommending amendments to the City's zoning ordinance the planning commission has to find that the proposed amendment is reasonably necessary, in the best interests of the public, and in harmony with the objectives and purposes of the City's zoning ordinance; and

WHEREAS, a concerned citizen has expressed concerns over the limitations on employees and signs contained Current zoning ordinances' board of adjustments provisions and petitioned the City to amend the provisions of the City's zoning ordinance board of adjustment provisions; and

WHEREAS, a proposed amendment to the City's ordinance was presented to the planning commission in an open and public meeting and pursuant to the City's ordinance the planning commission finds it is reasonably necessary, in the best interests of the public, and in harmony with the objectives and purposes of the City's zoning ordinance to send a positive recommendation to the City Council for the adoption of the proposed amendments; and

WHEREAS, the Cedar City Council, after publishing the appropriate notice, has conducted a public hearing related to the proposed amendments to the City's zoning ordinance, and after said public hearing the City Council finds that the proposed amendments are reasonably necessary, in the best interests of the public, and in harmony with the objectives and purposes of the City's zoning ordinance.

NOW THEREFORE be it ordained by the City Council of Cedar City, State of Utah that Cedar City's zoning ordinance is amended to remove the language below that is struck through and to include the language below that is underlined:

SECTION 26-IX-4 Special Exceptions.

To hear and decide requests for special exceptions or other special requests upon which such board is authorized to pass as herein set forth; provided, however, that the board shall not act upon matters which have not been specifically delegated to it by the terms of this chapter. Every decision of the Board of Adjustments shall be based upon findings of fact, and every fact and every finding of fact shall be supported in the record of the proceedings of the Board.

The special exceptions or other special requests on which the Board of Adjustments shall be authorized to pass are:

- (A) To permit the building of a dwelling upon a lot which does not have frontage on a street, if an adequate easement is provided,
- (B) To interpret the zone map,
- (C) To reduce the amount of off-street parking required where sufficient off-street parking is not readily available within the vicinity, and/or where acquisition of land for such use would cause exceptional hardships. Also to decide the number of off-street parking spaces which shall be required when the number is not specifically set forth in this ordinance.
- (D) The board of Adjustments may permit buildings to be constructed within seventy-five (75) feet from a natural flood channel, provided measures are taken which will adequately protect the buildings or structures from damage due to floods, will not increase the hazard of flood damage to surrounding lands and buildings, and will be located in accordance with the plan of flood drainage as approved by the City Council.
 - (1) Such use is similar in character and nature to the uses permitted in the zone.
 - (2) Such use conforms to the basic characteristics of the zone in which it is added and is in harmony with the objectives and purposes of the zone.
 - (3) Such use is not likely to create any more traffic, or be more offensive due to noise, heat, dust, smoke, odor, glare, vibration or other objectionable influence than the minimum amount normally resulting from the other uses listed in the zone in which it is added. When any use has been added to any zone in accordance with this procedure, such use shall thereafter be deemed to be a permitted use within that zone.
- (E) Grant Home Occupations. The Board of Adjustments may grant home occupations in the R1, R-2 (Dwelling, Single Unit), R-2 (Dwelling, Two Unit), R-3 (Dwelling, Single Unit), R-3 (Dwelling, Multiple Unit), and ~~RA-1~~ RE zones provided:

- (1) The home occupation is conducted entirely within a dwelling and is carried on ~~only~~ by members of the family residing in the dwelling. Employees other than family members residing in the dwelling are permitted as long as the following conditions are complied with: (a) the total number of full time and part time employees, including those residing in the home, shall not exceed 1 employee for every one hundred and fifty (150) square feet of area devoted to the home occupation, as per 26-IX-4(E)(6) and in no event exceed a maximum of five (5) outside employees; and (b) provide off street parking as required by 26-IX-4(E)(9). ~~, with the exception of Nursery Schools which may employ one additional person in an R-1 and R-2 Zone and two or more additional persons in an R-3 zone.~~
- (2) The home occupation does not involve the use of any accessory buildings or yard space for storage or activities outside of the dwelling not normally associated with residential use, except for Nursery Schools, in which case it is presumed that rear yard space is utilized and the rear yard space must be completely fenced with at least a six-foot (6') high fence.
- (3) No commercial vehicles are used except one delivery truck which does not exceed one (1) ton capacity.
- (4) The home occupation is clearly incidental and secondary to the use of the dwelling for dwelling purposes and does not change the character of the building from that of a dwelling.
- (5) Signs shall be limited to one non-flashing ~~sign~~ non-illuminated sign not larger in area than six (6) one and one half (1½) square feet. ~~If lighted, the light shall be defused or shielded.~~ Said sign must be located at least ten feet (10') behind the sidewalk, and comply with the provisions of 26-IV-3, clear view of intersecting streets two (2) feet back of the property line. The top of a freestanding sign not attached to the residence shall not be more than four (4) feet from ground level.
- (6) Not more than the equivalent of twenty-five percent (25%) of the ground floor area of the dwelling is devoted to the home occupation. Nursery schools and day care centers need not designate a particular twenty-five percent (25%) of the ground floor area; however, the actual 25% of the ground floor area shall be utilized to calculate the maximum number of children allowed in the dwelling pursuant to Section 26-IX(E)(10)(b). Ground floor area is defined as the square footage computed in the outside measurements of the dwelling portion of the home on the ground floor level. Basement or basement level floor space shall not be used in computing ground floor area.

- (7) ~~The home occupation shall be registered with the City License Division or Department.~~ The home occupation shall apply for and receive and maintain a Cedar City business license.
- (8) In the opinion of the Board of Adjustments, the activities in connection with the home occupation are not contrary to the objectives and characteristics of the zone in which the home occupation is located.
- (9) ~~Off-street parking will be provided. The amount of off street parking shall depend on the type of home occupation being requested and shall meet the requirements of Chapter 26, Section V, required parking. When applying the parking requirements from Chapter 26, Section V, the required parking for the home occupation shall be in addition to the required parking for the entire residential use of the property. The applicant shall submit to the City's building and zoning official a site plan showing how the parking will be accommodated on the lot at least five (5) days prior to the board of adjustment meeting. which will, in the opinion of the Board of Adjustments, be adequate to accommodate all vehicles which will be parked on or about the premises by customers, clients, or occupants of the home, and that said off-street parking will be provided so that it will not decrease residential amenities in the area surrounding the home occupation.~~
- (10) In addition to the above requirements, home occupations for Nursery Schools may be granted by the Board of Adjustments provided that the proposed Nursery School has:
- a. A maximum of sixteen children at any one time, including the occupant's own children;
 - b. That the portion of the dwelling used for the Nursery School contains floor space of at least twenty five square foot per child and alternate door exits.
- (11) Before conducting a hearing on a home occupation request the Building Inspector shall have conducted an on-site inspection and shall make a report of his findings to the Board of Adjustments.
- (12) Notice by the applicant shall be given to all property owners of record within a 300 foot radius from the boundary of the proposed home occupation. Said notice shall be sent certified mail or hand-delivered to the property owners in accordance with the most current Iron County Assessment Roll no later than five (5) days before the board of adjustments meeting. Proof of the certified mail and/or a certificate documenting hand delivery to property owners as required herein shall be

delivered to the City Building official prior to the board of adjustments meeting.

Amended by Cedar City Ordinance No. _____.

NOW THEREFORE BE IT FURTHER ORDAINED by the City Council of Cedar City, State of Utah that the provisions of this amendment shall apply retroactively to all home occupation permits previously granted by the board of adjustments as long as City staff can verify that the holder of the home occupation permit meets all of the provisions of 26-IX-4(E)(1) through (12).

NOW THEREFORE BE IT FURTHER ORDAINED by the City Council of Cedar City, State of Utah that city staff is authorized to make alterations to the format of the above Chapter 26, Section IX as may be required to facilitate the above amendments as long as the changes do not impact the substance of Chapter 26, Section IX.

This ordinance, Cedar City Ordinance No. _____, shall become effective upon passage by the City Council, the signatures of the Mayor and Recorder, and publication as required by State law.

Dated this ____ day of _____, 2014.

MAILE L. WILSON
MAYOR

[SEAL]
ATTEST:

RENON SAVAGE
RECORDER

CEDAR CITY COUNCIL
AGENDA ITEMS V - 3
DECISION PAPER

TO: Mayor and City Council

FROM: Paul Bittmenn

DATE: March 31, 2014

SUBJECT: Consider amending the City's zoning ordinance provisions related to structures in the front yard setback.

DISCUSSION:

Attached are the planning commission minutes related to the above item. Also attached is a proposed ordinance.

Under current City ordinance structures are not permitted in the front yard setback. Below is an example of current setback language for residential zones:

(F) Building Setback Requirements:

(1) Side Setback: A minimum side yard of any building shall be eight (8) feet and the total width of the two required side yards shall be not less than twenty (20). The minimum side yard for a private garage shall be eight (8) feet, except that private garages and other accessory buildings, located at least six (6) feet in the rear of the main building may have a minimum side yard of one (1) foot, provided that no private garage or other accessory building shall be located closer than sixteen (16) feet to a dwelling on an adjacent lot. On corner lots, the side yard which faces on a street, shall be not less than twenty (20) feet for main buildings and not less than twenty (20) feet for accessory buildings. A carport may be built within one (1) foot of the property line, except on the street side of corner lots. However, all walls must comply with side yard regulations for buildings.

(2) Front Setback: The minimum depth of the front yard for main buildings and for private garages which have a minimum side yard of ten (10) feet shall be twenty-five (25) feet. Other private garages and all accessory buildings other than private garages shall be located at least six (6) feet in the rear of the main building. No structure, fence, or barrier, shall be constructed in a front yard where said structure, fence or barrier would be perpendicular to the street which the front yard faces, so as to divide the front yard into two different yards.

(3) Rear Setback: The minimum rear yard for any main building shall be thirty (30) feet;

however, minimum rear yard for main buildings on corner lots may be reduced to eight (8) feet. For accessory buildings the minimum rear yard shall be one (1) foot, provided that on corner lots, accessory buildings shall be set back from the rear lot line a distance of at least eight (8) feet.

The proposed amendment to the City's zoning ordinance would allow a person with a documented disability that would inhibit their ability to remove snow to erect a carport that covers the entire length of the front setback.

Please consider the proposed amendment.

Fred felt that would work best. Have Ron talk to them, and he said he was not sure what they might do. This is all tied to the sale of the property, doing the road, etc. Fred said they just need to hear about the serious concerns in this neighborhood. Ron has no problem doing that. If they say no, they will just bring this back. If yes, you may see a different plan next time. Fred wants to just have them take a breather before they more this forward.

Fred moved to table this item for 2 weeks in order to have the engineer discuss these concerns with the property owners and then bring it back. Seconded by Vance and the vote was unanimous.

**3- Amend Setback ordinance to allow permanent structure Evan Ludwig
Covering driveway up to sidewalk for
Certain persons with limited capabilities**

Kristie said the presenter was unable to attend this meeting. Kent went by and looked at the structure. He could see many problems. It was obvious that it was just put there with no approval of any kind. Fred read his statement (see attachment #1)

Vance talked about denying this request.

Paul pointed out that they need to state the reason that they would deny this so that it will be documented.

Kristie was concerned that it may have dealings with ADA compliance. She put these concerns in an e-mail and Paul responded to that. (See attachment 2 & 3)

It was talked about that if the ordinance were to change, it would be for all residents of Cedar City, and not just this one case. Paul said that the ADA rules and laws can govern, but not in a setback case. He may get some relief with the American with Disabilities act. They can put in a ramp over that setback for example.

Jill wanted to point out that this structure is a danger and a safety hazard to anyone walking along the sidewalk. Jill would be against it due to safety issues and the backing out issues. There are also visibility issues.

Kent pointed out that he has other options, and has just chosen not to do them.

Fred moved to give a negative recommendation to Council on any amendment to the setback ordinance, seconded by Vance and the vote was unanimous.

The meeting adjourned at 6:50 p.m.

Michal Adams, Administrative Assistant

CEDAR CITY ORDINANCE NO. _____

AN ORDINANCE AMENDING THE CEDAR CITY ZONING ORDINANCE TO ALLOW ENCLOSED CARPORTS IN THE FRONT SETBACK.

WHEREAS, current Cedar City ordinance prohibits constructing structures in the front yard setback; and

WHEREAS, Cedar City receives snow in such amounts that it is necessary for citizens to clear their driveways in order to maintain safe vehicle and pedestrian access; and

WHEREAS, there are some residents of Cedar City that are physically unable to remove snow from their driveways; and

WHEREAS, a citizen request has been made to modify the City's zoning ordinance so that those that are not able to clean the snow off their driveways would be allowed to erect a carport within the front yard setback and that said carport would include side enclosures so that snow would not blow into the area; and

WHEREAS, in accordance with the provisions of Cedar City ordinance 26-XII-1 prior to recommending amendments to the City's zoning ordinance the planning commission has to find that the proposed amendment is reasonably necessary, in the best interests of the public, and in harmony with the objectives and purposes of the City's zoning ordinance; and

WHEREAS, a proposed amendment to the City's ordinance was presented to the planning commission in an open and public meeting and pursuant to the City's ordinance the planning commission finds it is reasonably necessary, in the best interests of the public, and in harmony with the objectives and purposes of the City's zoning ordinance to send a positive recommendation to the City Council for the adoption of the proposed amendments; and

WHEREAS, the Cedar City Council, after publishing the appropriate notice, has conducted a public hearing related to the proposed amendments to the City's zoning ordinance, and after said public hearing the City Council finds that the proposed amendments are reasonably necessary, in the best interests of the public, and in harmony with the objectives and purposes of the City's zoning ordinance.

NOW THEREFORE be it ordained by the City Council of Cedar City, State of Utah that Cedar City's zoning ordinance is amended to remove the language below that is struck through and to include the language below that is underlined:

SECTION 26-IV-1. General Regulations

(F) Yards to be Unobstructed; Exceptions: Every part of a required yard shall be open to the sky and unobstructed except for permitted accessory buildings and for projection of sills, eaves, belt courses, cornices, and other ornamental features and unenclosed steps and un-walled stoops, porches, and carports provided that all buildings or parts thereof shall be at least twenty (20) feet from the front property line.

(1) Provided the occupant of the property can provide documentation of a disability that may reasonably inhibit the occupant's ability to remove snow, the occupant is allowed to erect a carport, with sides in the driveway of the property. The carport may extend the length of the driveway and be located in whole or in part within the front setback.

SECTION 26-III-2. R-1 Residential Zone.

(F) Building Setback Requirements:

(1) Side Setback: A minimum side yard of any building shall be eight (8) feet and the total width of the two required side yards shall be not less than twenty (20). The minimum side yard for a private garage shall be eight (8) feet, except that private garages and other accessory buildings, located at least six (6) feet in the rear of the main building may have a minimum side yard of one (1) foot, provided that no private garage or other accessory building shall be located closer than sixteen (16) feet to a dwelling on an adjacent lot. On corner lots, the side yard which faces on a street, shall be not less than twenty (20) feet for main buildings and not less than twenty (20) feet for accessory buildings. A carport may be built within one (1) foot of the property line, except on the street side of corner lots. However, all walls must comply with side yard regulations for buildings.

(A) Provided the occupant of the property can provide documentation of a disability that may reasonably inhibit the occupant's ability to remove snow, the occupant is allowed to erect a carport, with sides in the driveway of the property. The carport may extend the length of the driveway and be located in whole or in part within the front setback.

(2) Front Setback: The minimum depth of the front yard for main buildings and for private garages which have a minimum side yard of ten (10) feet shall be twenty-five (25) feet. Other private garages and all accessory buildings other than private garages shall be located at least six (6) feet in the rear of the main building. No structure, fence, or barrier, shall be constructed in a front yard where said structure, fence or barrier would be perpendicular to the street which the front yard faces, so as to divide the front yard into two different yards.

(3) Rear Setback: The minimum rear yard for any main building shall be thirty (30) feet;

however, minimum rear yard for main buildings on corner lots may be reduced to eight (8) feet. For accessory buildings the minimum rear yard shall be one (1) foot, provided that on corner lots, accessory buildings shall be set back from the rear lot line a distance of at least eight (8) feet.

NOW THEREFORE BE IT FURTHER ORDAINED by the City Council of Cedar City, State of Utah that city staff is authorized to make alterations to the format of the above Chapter 26, may be required to facilitate the above amendments as long as the changes do not impact the substance of Chapter 26.

This ordinance, Cedar City Ordinance No. _____, shall become effective upon passage by the City Council, the signatures of the Mayor and Recorder, and publication as required by State law.

Dated this ____ day of _____, 2014.

MAILE L. WILSON
MAYOR

[SEAL]
ATTEST:

RENON SAVAGE
RECORDER

CEDAR CITY COUNCIL
AGENDA ITEM 4

DECISION SHEET

TO: Mayor and City Council

FROM: Steven D. Decker, Library Director

DATE: February 24, 2014

SUBJECT: Consider transfer of \$6,169.38 from Capital (Carpet) to Capital (Computers).

ISSUE: Update/Upgrade data and web servers.

DISCUSSION:

The library has budgeted \$50,000 for new carpet. The Carpet bid came in at \$43,830.62 leaving a balance of \$6,169.38. The data and web servers are antiquated and need upgrading. Their service contract ends June 30.

Servers come from TLC (The Library Corporation) – our ILS (integrated library system) vendor. Local price quotes were sought. Only one vendor returned a price quote. Said quote was \$11,408.00 (8.85% over TLC's quote) plus \$85 per hour for onsite labor (no limit specified). In addition to these costs, because of the proprietary nature of the software, TLC would charge \$750 for installing the software on the non-TLC-purchased server (bringing the locally purchased transaction to 16% over TLC's quote, plus installation time).

RECOMMENDATION:

Allow the balance of the capital funds, to be combined with a portion of this year's CLEF funding (approved recently) to purchase new servers in the amount of \$10,480.00.

CEDAR CITY COUNCIL
AGENDA ITEM 5

DECISION PAPER

TO: Mayor and City Council

FROM: Natasha Hirschi

DATE: March 31, 2014

SUBJECT: Consider a resolution adopting a premium only plan for Cedar City Corporation – Natasha Hirschi

DISCUSSION: The City offers its employee's health insurance. The Insurance plan the City offers is a High Deductible Health Plan. The City also offers employees the option of participating in a Health Savings Account (HSA) or a Health Reimbursement Account (HRA). The City allows employees to contribute to their HSA through payroll. The IRS requires employers who allow employees to contribute to their HSA through payroll to have a section 125 Premium Only Plan (POP). This is required because IRS section 125 allows employees to make HSA contributions using pretax or tax-free dollars. There is no additional cost to the City to offer this plan and it meets the requirements of the IRS.

CEDAR CITY RESOLUTION NO. _____

A RESOLUTION OF THE CEDAR CITY COUNCIL REVOKING PREVIOUSLY ADOPTED CAFETERIA PLANS AND ADOPTING THE CEDAR CITY PREMIUM ONLY PLAN (POP PLAN).

WHEREAS, Cedar City has offered various employee benefits that would require adoption of a cafeteria plan under section 125 of the internal revenue code; and

WHEREAS, currently Cedar City offers employee health insurance benefits including participation in a high deductible health plan with a health savings account; and

WHEREAS, according to section 125 of the internal revenue code in order to offer a health savings account the employer needs to adopt a high deductible health insurance plan and a qualifying cafeteria plan; and

WHEREAS, the City wishes to revoke previous cafeteria plans that are not structured toward the current method of providing health insurance benefits and adopt a new plan.

NOW THEREFORE be it resolved by the City Council of Cedar City, State of Utah, that all of City's cafeteria plans existing prior to the date of this resolution are hereby revoked.

NOW THEREFORE be it resolved by the City Council of Cedar City, State of Utah, that the attached premium only plan is hereby adopted by Cedar City Corporation. The effective date of the plan is as stated in the plan and City staff is directed to transmit a true and correct copy of the plan to the City's insurance company.

Dated this ____ day of April, 2014.

MAILE L. WILSON
MAYOR

[SEAL]
ATTEST:

RENON SAVAGE
RECORDER

CEDAR CITY CORPORATION PREMIUM ONLY PLAN

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CEDAR CITY CORPORATION PREMIUM ONLY PLAN

INTRODUCTION

The Employer has amended this Plan effective July 1, 2013, to recognize the contribution made to the Employer by its Employees. Its purpose is to reward them by providing benefits for those Employees who shall qualify hereunder and their Dependents and beneficiaries. The concept of this Plan is to allow Employees to choose among different types of benefits based on their own particular goals, desires and needs. This Plan is a restatement of a Plan which was originally effective on July 1, 2010. The Plan shall be known as Cedar City Corporation Premium Only Plan (the "Plan").

The intention of the Employer is that the Plan qualify as a "Cafeteria Plan" within the meaning of Section 125 of the Internal Revenue Code of 1986, as amended, and that the benefits which an Employee elects to receive under the Plan be excludable from the Employee's income under Section 125(a) and other applicable sections of the Internal Revenue Code of 1986, as amended.

The Employer also intends that, for purposes of the annual report requirement (Form 5500), this document is considered a "wrap" plan and the terms of the underlying plans for which Participants are making contributions through this Plan are hereby incorporated by reference.

ARTICLE I DEFINITIONS

1.1 **"Administrator"** means the Employer unless another person or entity has been designated by the Employer pursuant to Section 7.1 to administer the Plan on behalf of the Employer. If the Employer is the Administrator, the Employer may appoint any person, including, but not limited to, the Employees of the Employer, to perform the duties of the Administrator. Any person so appointed shall signify acceptance by filing written acceptance with the Employer. Upon the resignation or removal of any individual performing the duties of the Administrator, the Employer may designate a successor.

1.2 **"Affiliated Employer"** means the Employer and any corporation which is a member of a controlled group of corporations (as defined in Code Section 414(b)) which includes the Employer; any trade or business (whether or not incorporated) which is under common control (as defined in Code Section 414(c)) with the Employer; any organization (whether or not incorporated) which is a member of an affiliated service group (as defined in Code Section 414(m)) which includes the Employer; and any other entity required to be aggregated with the Employer pursuant to Treasury regulations under Code Section 414(o).

1.3 **"Benefit" or "Benefit Options"** means any of the optional benefit choices available to a Participant as outlined in Section 4.1.

1.4 **"Cafeteria Plan Benefit Dollars"** means the amount available to Participants to purchase Benefit Options as provided under Section 4.1. Each dollar contributed to this Plan shall be converted into one Cafeteria Plan Benefit Dollar.

1.5 **"Code"** means the Internal Revenue Code of 1986, as amended or replaced from time to time.

1.6 **"Compensation"** means the amounts received by the Participant from the Employer during a Plan Year.

1.7 **"Dependent"** means any individual who qualifies as a dependent under an Insurance Contract for purposes of coverage under that Contract only under Code Section 152 (as modified by Code Section 105(b)).

"**Dependent**" shall include any Child of a Participant who is covered under an Insurance Contract, as defined in the Contract, or as allowed by reason of the Affordable Care Act.

1.8 "**Effective Date**" means July 1, 2010.

1.9 "**Election Period**" means the period immediately preceding the beginning of each Plan Year established by the Administrator, such period to be applied on a uniform and nondiscriminatory basis for all Employees and Participants. However, an Employee's initial Election Period shall be determined pursuant to Section 5.1.

1.10 "**Eligible Employee**" means any Employee who has satisfied the provisions of Section 2.1.

An individual shall not be an "Eligible Employee" if such individual is not reported on the payroll records of the Employer as a common law employee. In particular, it is expressly intended that individuals not treated as common law employees by the Employer on its payroll records are not "Eligible Employees" and are excluded from Plan participation even if a court or administrative agency determines that such individuals are common law employees and not independent contractors.

However, any Employee who is a "part-time" Employee shall not be eligible to participate in this Plan. A "part-time" Employee is any Employee who works, or is expected to work on a regular basis, less than 30 hours a week and is designated as a part-time Employee on the Employer's personnel records.

1.11 "**Employee**" means any person who is employed by the Employer. The term Employee shall include leased employees within the meaning of Code Section 414(n)(2).

1.12 "**Employer**" means Cedar City Corporation and any successor which shall maintain this Plan; and any predecessor which has maintained this Plan. In addition, where appropriate, the term Employer shall include any Participating, Affiliated or Adopting Employer.

1.13 "**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

1.14 "**Insurance Contract**" means any contract issued by an Insurer underwriting a Benefit.

1.15 "**Insurer**" means any insurance company that underwrites a Benefit under this Plan.

1.16 "**Participant**" means any Eligible Employee who becomes a Participant pursuant to Section 2.2 and has not for any reason become ineligible to participate further in the Plan.

1.17 "**Plan**" means this instrument, including all amendments thereto.

1.18 "**Plan Year**" means the 12-month period beginning July 1st and ending June 30th. The Plan Year shall be the coverage period for the Benefits provided for under this Plan. In the event a Participant commences participation during a Plan Year, then the initial coverage period shall be that portion of the Plan Year commencing on such Participant's date of entry and ending on the last day of such Plan Year.

1.19 "**Premium Expenses**" or "**Premiums**" mean the Participant's cost for the Benefits described in Section 4.1.

1.20 "**Salary Redirection**" means the contributions made by the Employer on behalf of Participants pursuant to Section 3.1. These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the funds or accounts established under the Plan pursuant to the Participants' elections made under Article V.

1.21 "Salary Redirection Agreement" means an agreement which is deemed to be entered into between the Participant and the Employer under which the Participant agrees to reduce his Compensation or to forego all or part of the increases in such Compensation and to have such amounts contributed by the Employer to the Plan on the Participant's behalf. The Salary Redirection Agreement shall apply only to Compensation that has not been actually or constructively received by the Participant as of the date of the agreement (after taking this Plan and Code Section 125 into account) and, subsequently does not become currently available to the Participant.

1.22 "Spouse" means the "spouse," as defined under Federal law, of a Participant, unless legally separated by court decree.

ARTICLE II PARTICIPATION

2.1 ELIGIBILITY

Any Eligible Employee shall be eligible to participate hereunder as of his date of employment (or the Effective Date of the Plan, if later). However, any Eligible Employee who was a Participant in the Plan on the effective date of this amendment shall continue to be eligible to participate in the Plan.

2.2 EFFECTIVE DATE OF PARTICIPATION

An Eligible Employee shall become a Participant effective as of the first day of the month coinciding with or next following the date on which he met the eligibility requirements of Section 2.1, unless such Employee elects, during the Election Period, not to participate in the Plan.

2.3 TERMINATION OF PARTICIPATION

A Participant shall no longer participate in this Plan upon the occurrence of any of the following events:

- (a) **Termination of employment.** The Participant's termination of employment, subject to the provisions of Section 2.5;
- (b) **Change in employment status.** The end of the Plan Year during which the Participant became a limited Participant because of a change in employment status pursuant to Section 2.4;
- (c) **Death.** The Participant's death; or
- (d) **Termination of the plan.** The termination of this Plan, subject to the provisions of Section 8.2.

2.4 CHANGE OF EMPLOYMENT STATUS

If a Participant ceases to be eligible to participate because of a change in employment status or classification (other than through termination of employment), the Participant shall become a limited Participant in this Plan for the remainder of the Plan Year in which such change of employment status occurs. As a limited Participant, no further Salary Redirection may be made on behalf of the Participant, and, except as otherwise provided herein, all further Benefit elections shall cease, subject to the limited Participant's right to continue coverage under any Insurance Contracts. Subject to the provisions of Section 2.5, if the limited Participant later becomes an Eligible Employee, then the limited Participant may again become a full Participant in this Plan,

provided he otherwise satisfies the participation requirements set forth in this Article II as if he were a new Employee and made an election in accordance with Section 5.1.

2.5 TERMINATION OF EMPLOYMENT

If a Participant's employment with the Employer is terminated for any reason other than death, his participation in the Benefit Options provided under Section 4.1 shall cease, subject to the Participant's right to continue coverage under any Insurance Contract for which premiums have already been paid.

ARTICLE III CONTRIBUTIONS TO THE PLAN

3.1 SALARY REDIRECTION

Benefits under the Plan shall be financed by Salary Redirections sufficient to support Benefits that a Participant has elected hereunder and to pay the Participant's Premium Expenses. A Participant's salary shall be automatically reduced unless the Participant elects, during the Election Period, not to participate in the Plan. For new Participants, the Salary Redirection Agreement shall only be applicable from the first day of the pay period following the Employee's entry date up to and including the last day of the Plan Year.

Any Salary Redirection shall be determined prior to the beginning of a Plan Year (subject to initial elections pursuant to Section 5.1) and prior to the end of the Election Period and shall be irrevocable for such Plan Year. However, a Participant may revoke a Benefit election or a Salary Redirection Agreement after the Plan Year has commenced and make a new election with respect to the remainder of the Plan Year, if both the revocation and the new election are on account of and consistent with a change in status and such other permitted events as determined under Article V of the Plan and consistent with the rules and regulations of the Department of the Treasury. Salary Redirection amounts shall be contributed on a pro rata basis for each pay period during the Plan Year. All individual Salary Redirection Agreements are deemed to be part of this Plan and incorporated by reference hereunder.

3.2 APPLICATION OF CONTRIBUTIONS

As soon as reasonably practical after each payroll period, the Employer shall apply the Salary Redirection to provide the Benefits elected by the affected Participants.

3.3 PERIODIC CONTRIBUTIONS

Notwithstanding the requirement provided above and in other Articles of this Plan that Salary Redirections be contributed to the Plan by the Employer on behalf of an Employee on a level and pro rata basis for each payroll period, the Employer and Administrator may implement a procedure in which Salary Redirections are contributed throughout the Plan Year on a periodic basis that is not pro rata for each payroll period.

ARTICLE IV BENEFITS

4.1 BENEFIT OPTIONS

Each Participant may elect any one or more of the following optional Benefits:

- (1) Health Insurance Benefit
- (2) Dental Insurance Benefit
- (3) Vision Insurance Benefit
- (4) Other Insurance Benefit
- (5) Health Savings Account Benefit

4.2 HEALTH INSURANCE BENEFIT

(a) **Coverage for Participant and Dependents.** Each Participant may elect to be covered under a health Insurance Contract for the Participant, his or her Spouse, and his or her Dependents.

(b) **Employer selects contracts.** The Employer may select suitable health Insurance Contracts for use in providing this health insurance benefit, which policies will provide uniform benefits for all Participants electing this Benefit.

(c) **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from such health Insurance Contract shall be determined therefrom, and such Insurance Contract shall be incorporated herein by reference.

4.3 DENTAL INSURANCE BENEFIT

(a) **Coverage for Participant and/or Dependents.** Each Participant may elect to be covered under the Employer's dental Insurance Contract. In addition, the Participant may elect either individual or family coverage under such Insurance Contract.

(b) **Employer selects contracts.** The Employer may select suitable dental Insurance Contracts for use in providing this dental insurance benefit, which policies will provide uniform benefits for all Participants electing this Benefit.

(c) **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from such dental Insurance Contract shall be determined therefrom, and such dental Insurance Contract shall be incorporated herein by reference.

4.4 VISION INSURANCE BENEFIT

(a) **Coverage for Participant and/or Dependents.** Each Participant may elect to be covered under the Employer's vision Insurance Contract. In addition, the Participant may elect either individual or family coverage.

(b) **Employer selects contracts.** The Employer may select suitable vision Insurance Contracts for use in providing this vision insurance benefit, which policies will provide uniform benefits for all Participants electing this Benefit.

(c) **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from such vision Insurance Contract shall be determined therefrom, and such vision Insurance Contract shall be incorporated herein by reference.

4.5 OTHER INSURANCE BENEFIT

(a) **Employer selects contracts.** The Employer may select additional health or other policies allowed under Code Section 125 or allow the purchase of additional health or other policies by and for Participants, which policies will provide uniform benefits for all Participants electing this Benefit.

(b) **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from any additional Insurance Contract shall be determined therefrom, and such Insurance Contract shall be incorporated herein by reference.

4.6 HEALTH SAVINGS ACCOUNT BENEFIT

Each Participant may elect to have a portion of his Salary Redirections contributed to a Health Savings Account, as defined in Code Section 223. The amounts contributed shall be subject to the terms of the Health Savings Account as established.

4.7 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Plan to provide benefits to a classification of employees which the Secretary of the Treasury finds not to be discriminatory in favor of the group in whose favor discrimination may not occur under Code Section 125.

(b) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination or possible taxation to a group of employees in whose favor discrimination may not occur in violation of Code Section 125, it may, but shall not be required to, reduce contributions or non-taxable Benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. If the Administrator decides to reduce contributions or non-taxable Benefits, it shall be done in the following manner. First, the non-taxable Benefits of the affected Participant who has the highest amount of non-taxable Benefits for the Plan Year shall have his non-taxable Benefits reduced until the discrimination tests set forth in this Section are satisfied or until the amount of his non-taxable Benefits equals the non-taxable Benefits of the affected Participant who has the second highest amount of non-taxable Benefits. This process shall continue until the nondiscrimination tests set forth in this Section are satisfied. With respect to any affected Participant who has had Benefits reduced pursuant to this Section, the reduction shall be made proportionately among insured Benefits.

ARTICLE V PARTICIPANT ELECTIONS

5.1 INITIAL ELECTIONS

An Employee who meets the eligibility requirements of Section 2.1 on the first day of, or during, a Plan Year may elect not to participate in this Plan for all or the remainder of such Plan Year, provided he elects to do so on or before his effective date of participation pursuant to Section 2.2.

5.2 SUBSEQUENT ANNUAL ELECTIONS

During the Election Period prior to each subsequent Plan Year, each Participant shall be given the opportunity to elect not to participate in the Plan. With regard to subsequent annual elections, the following options shall apply:

(a) A Participant or Employee who elected not to participate may elect to participate for the next Plan Year.

(b) A Participant may terminate his participation in the Plan by notifying the Administrator in writing during the Election Period that he does not want to participate in the Plan for the next Plan Year;

(c) An Employee who elects not to participate for the Plan Year following the Election Period will have to wait until the next Election Period before again electing to participate in the Plan, except as provided for in Section 5.4.

5.3 FAILURE TO ELECT

With regard to Benefits available under the Plan for which Premium Expenses apply, any Participant who fails to complete a new benefit election form pursuant to Section 5.2 by the end of the applicable Election Period shall be deemed to have made the same Benefit elections as are then in effect for the current Plan Year. The Participant shall also be deemed to have elected Salary Redirection in an amount necessary to purchase such Benefit options.

5.4 CHANGE IN STATUS

(a) **Change in status defined.** Any Participant may change a Benefit election after the Plan Year (to which such election relates) has commenced and make new elections with respect to the remainder of such Plan Year if, under the facts and circumstances, the changes are necessitated by and are consistent with a change in status which is acceptable under rules and regulations adopted by the Department of the Treasury, the provisions of which are incorporated by reference. Notwithstanding anything herein to the contrary, if the rules and regulations conflict, then such rules and regulations shall control.

In general, a change in election is not consistent if the change in status is the Participant's divorce, annulment or legal separation from a Spouse, the death of a Spouse or Dependent, or a Dependent ceasing to satisfy the eligibility requirements for coverage, and the Participant's election under the Plan is to cancel accident or health insurance coverage for any individual other than the one involved in such event. In addition, if the Participant, Spouse or Dependent gains or loses eligibility for coverage, then a Participant's election under the Plan to cease or decrease coverage for that individual under the Plan corresponds with that change in status only if coverage for that individual becomes applicable or is increased under the family member plan.

Regardless of the consistency requirement, if the individual, the individual's Spouse, or Dependent becomes eligible for continuation coverage under the Employer's group health plan as provided in Code Section 4980B or any similar state law, then the individual may elect to increase payments under this Plan in order to pay for the continuation coverage. However, this does not apply for COBRA eligibility due to divorce, annulment or legal separation.

Any new election shall be effective at such time as the Administrator shall prescribe, but not earlier than the first pay period beginning after the election form is completed and returned to the Administrator.

For the purposes of this subsection, a change in status shall only include the following events or other events permitted by Treasury regulations:

- (1) **Legal Marital Status:** events that change a Participant's legal marital status, including marriage, divorce, death of a Spouse, legal separation or annulment;
- (2) **Number of Dependents:** Events that change a Participant's number of Dependents, including birth, adoption, placement for adoption, or death of a Dependent;
- (3) **Employment Status:** Any of the following events that change the employment status of the Participant, Spouse, or Dependent: termination or commencement of employment, a strike or lockout, commencement or return from an unpaid leave of absence, or a change in worksite. In addition, if the eligibility conditions of this Plan or other employee benefit plan of the Employer of the Participant, Spouse, or Dependent depend on the employment status of that individual and there is a change in that individual's employment status with the consequence that the individual becomes (or ceases to be) eligible under the plan, then that change constitutes a change in employment under this subsection;
- (4) **Dependent satisfies or ceases to satisfy the eligibility requirements:** An event that causes the Participant's Dependent to satisfy or cease to satisfy the requirements for coverage due to attainment of age, student status, or any similar circumstance; and
- (5) **Residency:** A change in the place of residence of the Participant, Spouse or Dependent, that would lead to a change in status (such as a loss of HMO coverage).

Notwithstanding anything in this Section to the contrary, the gain of eligibility or change in eligibility of a child, as allowed under Code Sections 105(b) and 106, and IRS Notice 2010-38, shall qualify as a change in status.

(b) **Special enrollment rights.** Notwithstanding subsection (a), the Participants may change an election for accident or health coverage during a Plan Year and make a new election that corresponds with the special enrollment rights provided in Code Section 9801(f), including those authorized under the provisions of the Children's Health Insurance Program Reauthorization Act of 2009 (SCHIP); provided that such Participant meets the sixty (60) day notice requirement imposed by Code Section 9801(f) (or such longer period as may be permitted by the Plan and communicated to Participants). Such change shall take place on a prospective basis, unless otherwise required by Code Section 9801(f) to be retroactive.

(c) **Qualified Medical Support Order.** Notwithstanding subsection (a), in the event of a judgment, decree, or order (including approval of a property settlement) ("order") resulting from a divorce, legal separation, annulment, or change in legal custody which requires accident or health coverage for a Participant's child (including a foster child who is a Dependent of the Participant):

- (1) The Plan may change an election to provide coverage for the child if the order requires coverage under the Participant's plan; or
- (2) The Participant shall be permitted to change an election to cancel coverage for the child if the order requires the former Spouse to provide coverage for such child, under that individual's plan and such coverage is actually provided.

(d) **Medicare or Medicaid.** Notwithstanding subsection (a), a Participant may change elections to cancel accident or health coverage for the Participant or the Participant's Spouse or Dependent if

the Participant or the Participant's Spouse or Dependent is enrolled in the accident or health coverage of the Employer and becomes entitled to coverage (i.e., enrolled) under Part A or Part B of the Title XVIII of the Social Security Act (Medicare) or Title XIX of the Social Security Act (Medicaid), other than coverage consisting solely of benefits under Section 1928 of the Social Security Act (the program for distribution of pediatric vaccines). If the Participant or the Participant's Spouse or Dependent who has been entitled to Medicaid or Medicare coverage loses eligibility, that individual may prospectively elect coverage under the Plan if a benefit package option under the Plan provides similar coverage.

(e) **Cost increase or decrease.** If the cost of a Benefit provided under the Plan increases or decreases during a Plan Year, then the Plan shall automatically increase or decrease, as the case may be, the Salary Redirections of all affected Participants for such Benefit. Alternatively, if the cost of a benefit package option increases significantly, the Administrator shall permit the affected Participants to either make corresponding changes in their payments or revoke their elections and, in lieu thereof, receive on a prospective basis coverage under another benefit package option with similar coverage, or drop coverage prospectively if there is no benefit package option with similar coverage.

A cost increase or decrease refers to an increase or decrease in the amount of elective contributions under the Plan, whether resulting from an action taken by the Participants or an action taken by the Employer.

(f) **Loss of coverage.** If the coverage under a Benefit is significantly curtailed or ceases during a Plan Year, affected Participants may revoke their elections of such Benefit and, in lieu thereof, elect to receive on a prospective basis coverage under another plan with similar coverage, or drop coverage prospectively if no similar coverage is offered.

(g) **Addition of a new benefit.** If, during the period of coverage, a new benefit package option or other coverage option is added, an existing benefit package option is significantly improved, or an existing benefit package option or other coverage option is eliminated, then the affected Participants may elect the newly-added option, or elect another option if an option has been eliminated prospectively and make corresponding election changes with respect to other benefit package options providing similar coverage. In addition, those Eligible Employees who are not participating in the Plan may opt to become Participants and elect the new or newly improved benefit package option.

(h) **Loss of coverage under certain other plans.** A Participant may make a prospective election change to add group health coverage for the Participant, the Participant's Spouse or Dependent if such individual loses group health coverage sponsored by a governmental or educational institution, including a state children's health insurance program under the Social Security Act, the Indian Health Service or a health program offered by an Indian tribal government, a state health benefits risk pool, or a foreign government group health plan.

(i) **Change of coverage due to change under certain other plans.** A Participant may make a prospective election change that is on account of and corresponds with a change made under the plan of a Spouse's, former Spouse's or Dependent's employer if (1) the cafeteria plan or other benefits plan of the Spouse's, former Spouse's or Dependent's employer permits its participants to make a change; or (2) the cafeteria plan permits participants to make an election for a period of coverage that is different from the period of coverage under the cafeteria plan of a Spouse's, former Spouse's or Dependent's employer.

(j) **Health Savings Account changes.** With regard to the Health Savings Account Benefit specified in Section 4.6, a Participant who has elected to make elective contributions under such arrangement may modify or revoke the election prospectively, provided such change is consistent with Code Section 223 and the Treasury regulations thereunder.

**ARTICLE VI
BENEFITS AND RIGHTS**

6.1 CLAIM FOR BENEFITS

(a) **Insurance claims.** Any claim for Benefits underwritten by Insurance Contract(s) shall be made to the Insurer. If the Insurer denies any claim, the Participant or beneficiary shall follow the Insurer's claims review procedure.

**ARTICLE VII
ADMINISTRATION**

7.1 PLAN ADMINISTRATION

The Employer shall be the Administrator, unless the Employer elects otherwise. The Employer may appoint any person, including, but not limited to, the Employees of the Employer, to perform the duties of the Administrator. Any person so appointed shall signify acceptance by filing written acceptance with the Employer. Upon the resignation or removal of any individual performing the duties of the Administrator, the Employer may designate a successor.

If the Employer elects, the Employer shall appoint one or more Administrators. Any person, including, but not limited to, the Employees of the Employer, shall be eligible to serve as an Administrator. Any person so appointed shall signify acceptance by filing written acceptance with the Employer. An Administrator may resign by delivering a written resignation to the Employer or be removed by the Employer by delivery of written notice of removal, to take effect at a date specified therein, or upon delivery to the Administrator if no date is specified. The Employer shall be empowered to appoint and remove the Administrator from time to time as it deems necessary for the proper administration of the Plan to ensure that the Plan is being operated for the exclusive benefit of the Employees entitled to participate in the Plan in accordance with the terms of the Plan and the Code.

The operation of the Plan shall be under the supervision of the Administrator. It shall be a principal duty of the Administrator to see that the Plan is carried out in accordance with its terms, and for the exclusive benefit of Employees entitled to participate in the Plan. The Administrator shall have full power and discretion to administer the Plan in all of its details and determine all questions arising in connection with the administration, interpretation, and application of the Plan. The Administrator may establish procedures, correct any defect, supply any information, or reconcile any inconsistency in such manner and to such extent as shall be deemed necessary or advisable to carry out the purpose of the Plan. The Administrator shall have all powers necessary or appropriate to accomplish the Administrator's duties under the Plan. The Administrator shall be charged with the duties of the general administration of the Plan as set forth under the Plan, including, but not limited to, in addition to all other powers provided by this Plan:

- (a) To make and enforce such procedures, rules and regulations as the Administrator deems necessary or proper for the efficient administration of the Plan;
- (b) To interpret the provisions of the Plan, the Administrator's interpretations thereof in good faith to be final and conclusive on all persons claiming benefits by operation of the Plan;
- (c) To decide all questions concerning the Plan and the eligibility of any person to participate in the Plan and to receive benefits provided by operation of the Plan;

(d) To reject elections or to limit contributions or Benefits for certain highly compensated participants if it deems such to be desirable in order to avoid discrimination under the Plan in violation of applicable provisions of the Code;

(e) To provide Employees with a reasonable notification of their benefits available by operation of the Plan and to assist any Participant regarding the Participant's rights, benefits or elections under the Plan;

(f) To keep and maintain the Plan documents and all other records pertaining to and necessary for the administration of the Plan;

(g) To appoint such agents, counsel, accountants, consultants, and other persons or entities as may be required to assist in administering the Plan.

Any procedure, discretionary act, interpretation or construction taken by the Administrator shall be done in a nondiscriminatory manner based upon uniform principles consistently applied and shall be consistent with the intent that the Plan shall continue to comply with the terms of Code Section 125 and the Treasury regulations thereunder.

7.2 EXAMINATION OF RECORDS

The Administrator shall make available to each Participant, Eligible Employee and any other Employee of the Employer such records as pertain to their interest under the Plan for examination at reasonable times during normal business hours.

7.3 PAYMENT OF EXPENSES

Any reasonable administrative expenses shall be paid by the Employer unless the Employer determines that administrative costs shall be borne by the Participants under the Plan or by any Trust Fund which may be established hereunder. The Administrator may impose reasonable conditions for payments, provided that such conditions shall not discriminate in favor of highly compensated employees.

7.4 INSURANCE CONTROL CLAUSE

In the event of a conflict between the terms of this Plan and the terms of an Insurance Contract of an independent third party Insurer whose product is then being used in conjunction with this Plan, the terms of the Insurance Contract shall control as to those Participants receiving coverage under such Insurance Contract. For this purpose, the Insurance Contract shall control in defining the persons eligible for insurance, the dates of their eligibility, the conditions which must be satisfied to become insured, if any, the benefits Participants are entitled to and the circumstances under which insurance terminates.

7.5 INDEMNIFICATION OF ADMINISTRATOR

The Employer agrees to indemnify and to defend to the fullest extent permitted by law any Employee serving as the Administrator or as a member of a committee designated as Administrator (including any Employee or former Employee who previously served as Administrator or as a member of such committee) against all liabilities, damages, costs and expenses (including attorney's fees and amounts paid in settlement of any claims approved by the Employer) occasioned by any act or omission to act in connection with the Plan, if such act or omission is in good faith.

**ARTICLE VIII
AMENDMENT OR TERMINATION OF PLAN**

8.1 AMENDMENT

The Employer, at any time or from time to time, may amend any or all of the provisions of the Plan without the consent of any Employee or Participant. No amendment shall have the effect of modifying any benefit election of any Participant in effect at the time of such amendment, unless such amendment is made to comply with Federal, state or local laws, statutes or regulations.

8.2 TERMINATION

The Employer reserves the right to terminate this Plan, in whole or in part, at any time. In the event the Plan is terminated, no further contributions shall be made. Benefits under any Insurance Contract shall be paid in accordance with the terms of the Insurance Contract.

**ARTICLE IX
MISCELLANEOUS**

9.1 PLAN INTERPRETATION

All provisions of this Plan shall be interpreted and applied in a uniform, nondiscriminatory manner. This Plan shall be read in its entirety and not severed except as provided in Section 9.12.

9.2 GENDER AND NUMBER

Wherever any words are used herein in the masculine, feminine or neuter gender, they shall be construed as though they were also used in another gender in all cases where they would so apply, and whenever any words are used herein in the singular or plural form, they shall be construed as though they were also used in the other form in all cases where they would so apply.

9.3 WRITTEN DOCUMENT

This Plan, in conjunction with any separate written document which may be required by law, is intended to satisfy the written Plan requirement of Code Section 125 and any Treasury regulations thereunder relating to cafeteria plans.

9.4 EXCLUSIVE BENEFIT

This Plan shall be maintained for the exclusive benefit of the Employees who participate in the Plan.

9.5 PARTICIPANT'S RIGHTS

This Plan shall not be deemed to constitute an employment contract between the Employer and any Participant or to be a consideration or an inducement for the employment of any Participant or Employee. Nothing contained in this Plan shall be deemed to give any Participant or Employee the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Participant or Employee at any time regardless of the effect which such discharge shall have upon him as a Participant of this Plan.

9.6 ACTION BY THE EMPLOYER

Whenever the Employer under the terms of the Plan is permitted or required to do or perform any act or matter or thing, it shall be done and performed by a person duly authorized by its legally constituted authority.

9.7 EMPLOYER'S PROTECTIVE CLAUSES

(a) **Insurance purchase.** Upon the failure of either the Participant or the Employer to obtain the insurance contemplated by this Plan (whether as a result of negligence, gross neglect or otherwise), the Participant's Benefits shall be limited to the insurance premium(s), if any, that remained unpaid for the period in question and the actual insurance proceeds, if any, received by the Employer or the Participant as a result of the Participant's claim.

(b) **Validity of insurance contract.** The Employer shall not be responsible for the validity of any Insurance Contract issued hereunder or for the failure on the part of the Insurer to make payments provided for under any Insurance Contract. Once insurance is applied for or obtained, the Employer shall not be liable for any loss which may result from the failure to pay Premiums to the extent Premium notices are not received by the Employer.

9.8 NO GUARANTEE OF TAX CONSEQUENCES

Neither the Administrator nor the Employer makes any commitment or guarantee that any amounts paid to or for the benefit of a Participant under the Plan will be excludable from the Participant's gross income for federal or state income tax purposes, or that any other federal or state tax treatment will apply to or be available to any Participant. It shall be the obligation of each Participant to determine whether each payment under the Plan is excludable from the Participant's gross income for federal and state income tax purposes, and to notify the Employer if the Participant has reason to believe that any such payment is not so excludable. Notwithstanding the foregoing, the rights of Participants under this Plan shall be legally enforceable.

9.9 INDEMNIFICATION OF EMPLOYER BY PARTICIPANTS

If any Participant receives one or more payments or reimbursements under the Plan that are not for a permitted Benefit, such Participant shall indemnify and reimburse the Employer for any liability it may incur for failure to withhold federal or state income tax or Social Security tax from such payments or reimbursements. However, such indemnification and reimbursement shall not exceed the amount of additional federal and state income tax (plus any penalties) that the Participant would have owed if the payments or reimbursements had been made to the Participant as regular cash compensation, plus the Participant's share of any Social Security tax that would have been paid on such compensation, less any such additional income and Social Security tax actually paid by the Participant.

9.10 FUNDING

Unless otherwise required by law, contributions to the Plan need not be placed in trust or dedicated to a specific Benefit, but may instead be considered general assets of the Employer until the Premium Expense required under the Plan has been paid. Furthermore, and unless otherwise required by law, nothing herein shall be construed to require the Employer or the Administrator to maintain any fund or segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in, any fund, account or asset of the Employer from which any payment under the Plan may be made.

9.11 GOVERNING LAW

This Plan is governed by the Code and the Treasury regulations issued thereunder (as they might be amended from time to time). In no event shall the Employer guarantee the favorable tax treatment sought by this Plan. To the extent not preempted by Federal law, the provisions of this Plan shall be construed, enforced and administered according to the laws of the State of Utah.

9.12 SEVERABILITY

If any provision of the Plan is held invalid or unenforceable, its invalidity or unenforceability shall not affect any other provisions of the Plan, and the Plan shall be construed and enforced as if such provision had not been included herein.

9.13 CAPTIONS

The captions contained herein are inserted only as a matter of convenience and for reference, and in no way define, limit, enlarge or describe the scope or intent of the Plan, nor in any way shall affect the Plan or the construction of any provision thereof.

9.14 CONTINUATION OF COVERAGE (COBRA)

Notwithstanding anything in the Plan to the contrary, in the event any benefit under this Plan subject to the continuation coverage requirement of Code Section 4980B becomes unavailable, each Participant will be entitled to continuation coverage as prescribed in Code Section 4980B, and related regulations. This Section shall only apply if the Employer employs at least twenty (20) employees on more than 50% of its typical business days in the previous calendar year.

9.15 FAMILY AND MEDICAL LEAVE ACT (FMLA)

Notwithstanding anything in the Plan to the contrary, in the event any benefit under this Plan becomes subject to the requirements of the Family and Medical Leave Act and regulations thereunder, this Plan shall be operated in accordance with Regulation 1.125-3.

9.16 UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT (USERRA)

Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service shall be provided in accordance with the Uniform Services Employment And Reemployment Rights Act (USERRA) and the regulations thereunder.

IN WITNESS WHEREOF, this Plan document is hereby executed this _____
day of _____.

Cedar City Corporation

By _____
EMPLOYER

ADOPTING RESOLUTION

The undersigned authorized representative of Cedar City Corporation (the Employer) hereby certifies that the following resolutions were duly adopted by the Employer on _____, and that such resolutions have not been modified or rescinded as of the date hereof:

RESOLVED, that the form of amended Cafeteria Plan effective July 1, 2013, presented to this meeting is hereby approved and adopted and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.

The undersigned further certifies that attached hereto as Exhibits A and B, respectively, are true copies of Cedar City Corporation Premium Only Plan as amended and restated, and the Summary Plan Description approved and adopted in the foregoing resolutions.

Date: _____

Signed: _____

6

Class "C" Road Fund Request Write-Up
City Council Agenda 3/19/2014

The Cedar City Street Maintenance Program for our roads is divided into 7 areas or sections. Each year, each of these sections is evaluated for crack seal, chip seal, fog seal and striping needs, and each year the Street Division assesses its road maintenance budget to perform these necessary maintenance procedures on the roads in these areas to make them in good drivable condition and prevent further costly repairs due to unmaintained road damage when it becomes severe.

With the warm weather that we have been experiencing this year, we have an opportune window to be able to get started on the repairs earlier in the season. The last 2 years in Areas 4 & 5 there were some roads that we were not able to get to due to budget and weather constraints, and we are also doing maintenance in Area 6 this year. We could start the crack sealing earlier this year due to the warmer weather. These road repairs traditionally have been funded through the Class "C" road funds. In speaking with our Financial Director, we have a surplus in those funds of approximately \$1.3 million which has been set aside for road repair, emergencies and the South Interchange Project. After meeting with the City Manager and Financial Director, we feel it would be prudent in this warm season to catch up on the street repairs in these areas and would respectfully request a transfer of \$269,396 from the Class "C" Road Fund balance to start working on road repairs as soon as possible.

REQUEST FOR ADDITIONAL FUNDING FROM CLASS "C" ROAD FUNDS

<u>LOCATION</u>	<u>DESCRIPTION</u>	<u>SQ. FT./ TON</u>	<u>COST/ SQ. FT.</u>	<u>TOTAL AMOUNT REQUESTED</u>
Area 4	Additional funds needed to complete this area	231,070 sq. ft.	\$ 0.26	\$60,078.00
Area 5	Additional funds needed to complete this area	375,730 sq. ft.	\$ 0.26	\$97,690.00
Area 6	Anticipated for FY 2015 budget \$1,040,000; square footage of entire area is 4,297,121; at \$.268/sq.ft. = \$1,151,628; Additional amount needed to complete this area			\$111,628.00
TOTAL FUNDS NEEDED FOR FY 2014				\$269,396.00

CEDAR CITY COUNCIL
AGENDA ITEMS V - 7
DECISION PAPER

TO: Mayor and City Council

FROM: Paul Bittmenn

DATE: March 31, 2014

SUBJECT: Consider accepting a road dedication of property located at the intersection of Industrial Road and Airport Road.

DISCUSSION:

Recently Staheli West purchased and renovated property located on the north east corner of Industrial Road and Airport Road. Staheli West has agreed to dedicate strip of property to the City for public right of way, please see the attached map. The planning commission has given this project a positive recommendation. Attached is a copy of the planning commission minutes.

Staff has worked with a title company to make remove any encumbrances from the property to be dedicated. Mr. Staheli has signed the appropriate deeds and will complete the curb, gutter, and sidewalk improvements. Once the council accepts the road dedication staff will record the appropriate deeds.

Please consider accepting the proposed road dedication.

solution. It was talked about how these lots are being developed and sold by realtors, and if anything, the owners would go back to them with any problems first. The City has set a minimum for the water pressure, and they have met that.

Fred asked what the difference was between pressures with an empty tank vs. a full tank. Kit thought that to be about 10-15 pounds of pressure.

Kent moved to give a positive recommendation for Ashdown Forest Phase 7 to City Council; seconded by Kristie and the vote was unanimous.

**5- Road Dedication
Street Widening
(Recommendation)**

**Staheli Property
Industrial Rd & Airport**

Staheli/City

Kit said this was City initiated. The property owner pulled a building permit and the City approached him to give the City the portion of the road to meet the standards for this area. They gave enough along their property line to get a 50' right-of-way which is what is further east by the development near the old coke plant. Normally, they would like a 66' road right-of-way here, but the City is planning to widen that when the railroad right-of-way is vacated someday. They will get the 16' on that side.

It was wondered about all the space between here and the coke plant area. Kit said they would just pick up each piece as it develops.

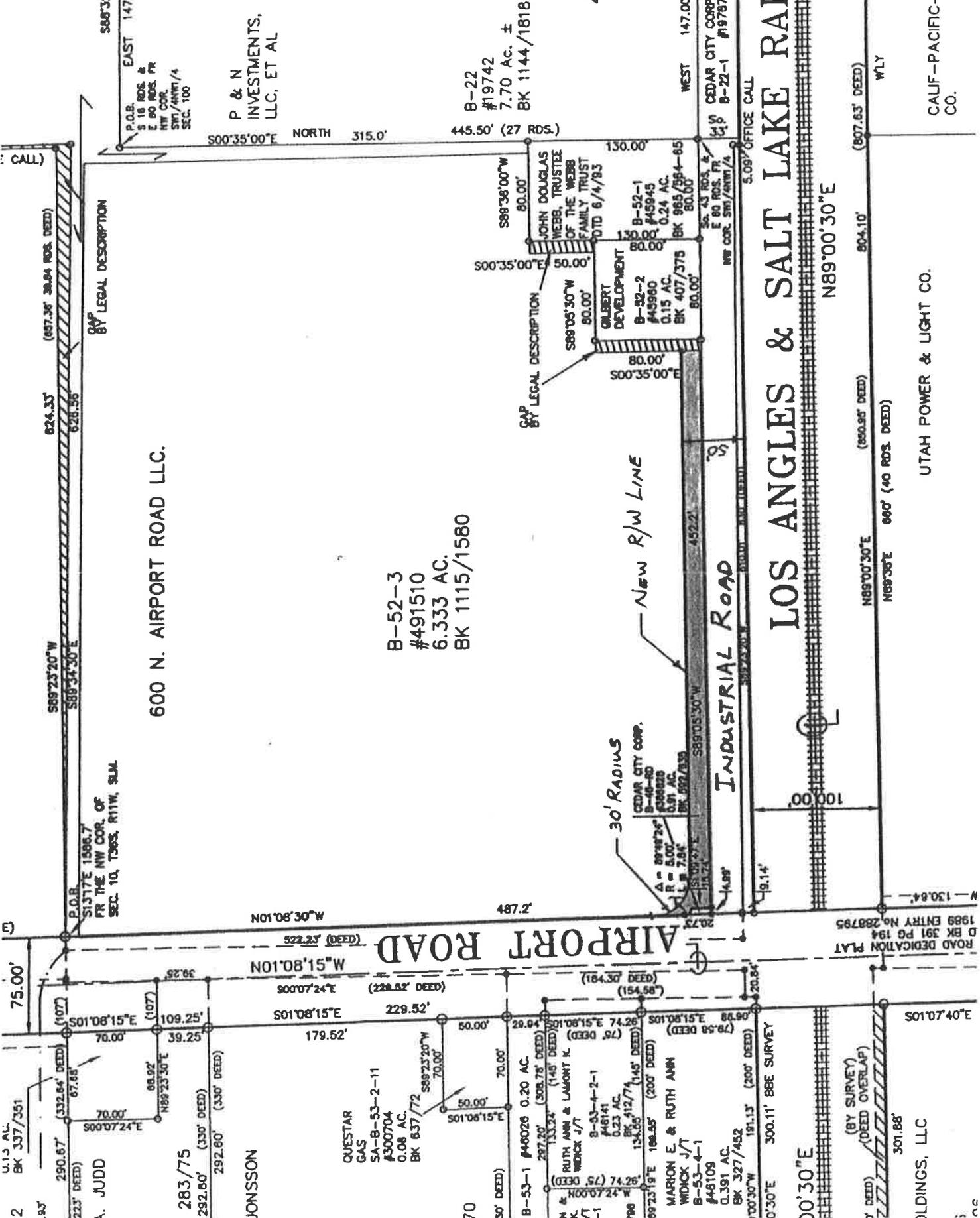
Rich moved to recommend to City Council this road dedication; seconded by Kristie and the vote was unanimous.

**6- Consider an amendment to Chapter 24,
section IX regulating home occupations.**

Bruce Hughes/Paul B.

Paul B. said that part of the planning commission's job was to make recommendations of any changes in zoning ordinances. He said that it is structured now to discourage commercial type businesses in the residential areas. There is a little wiggle room with that. Mostly in the R-3 zone there are certain limitations for commercial uses. Generally, for any exception you can go to the Board of Adjustments and get a home occupation. Paul send all members a copy of the home occupation current rules. (see attachment #1) There are things like daycare that don't allow outside employees to come to work ion your home. Some things restrict the size of an ad or sign you can have at your home. The idea is to not have commercial things in neighborhoods. He stated the Mr. Hughes approached the Board of Adjustments and wanted a home occupation to do accounting. They have employees and that complicated the matter. He asked the City if there could be something done. To come up with the number of employees one could have, they look at the allowable space. They would bet 1 employee for each 100 square feet of space that they use for this home business. For an example, Larry would go out and look at the home. Say it is 4000 square feet total with 2000 on the main floor and a basement. They are allowed 25% of the main level for that home occupation. They would use about 500 square feet of that home for that. Based on that, he could have up to 5 employees as long as he met all

T.U.U./
BK 40/
BK 111



600 N. AIRPORT ROAD LLC.

B-52-3
#491510
6.333 AC.
BK 1115/1580

LOS ANGELES & SALT LAKE RAILROAD

N89°00'30"E

(807.63' DEED) WLY 191.5'

UTAH POWER & LIGHT CO.

CALIF-PACIFIC-UTILITIES CO.

U.I.S AL.
BK 337/351

A. JUDD

283/75

JOHNSON

QUESTAR
GAS
SA-B-53-2-11
#300704
0.08 AC.
BK 637/72

70

B-53-1 #48028 0.20 AC.

RUTH ANN & LAMONT K. WIDICK J/T

MARRON E. & RUTH ANN WIDICK J/T

B-53-4-1 #48108

B-53-4-1 #48108

0'30"E 300.11' BBE SURVEY

0'30"E

0'30"E

(BY SURVEY) (DEED OVERLAP)

301.88'

LDINGS, LLC

30

AIRPORT ROAD

30' RADIUS

New R/W LINE

INDUSTRIAL ROAD

100'

ROAD DEDICATION PLAT
D BK 391 PG 194
1989 ENTRY No. 288795

(800.95' DEED)

660' (40 ROS. DEED)

N89°00'30"E

N69°36'E

604.10'

(807.63' DEED)

WLY 191.5'

UTAH POWER & LIGHT CO.

CALIF-PACIFIC-UTILITIES CO.

UTAH POWER & LIGHT CO.

CALIF-PACIFIC-UTILITIES CO.

30

