City of Naples

Naples City Council Meeting Agenda
August 8, 2024 - 7:30 p.m.
1420 East 2850 South
Naples, UT 84078

Opening Ceremonies

1. Approval of Agenda
2. Approval of Minutes - July 11, 2024 Regular Council Meeting
3. Any Follow Up Matters from July 11, 2024
4. Approval of Bills
5. Review and Approve Bid for Heated Sidewalk at City Office - Szeth Simmons
6. Review and Approve Bid for 1000 South Sidewalk - Szeth Simmons
7. Review and Approve Bid for Damaged Sidewalk Repair in Ironwood Subdivision - Szeth Simmons
8. PUBLIC HEARING - to receive input from the public with respect to the issuance of the Sales Tax Revenue Bonds and any potential economic impact to the private sector from the construction of the Project to be funded by the Bonds in an amount not to exceed $1,250,000 for financing the construction of improvements to an existing open flood channel to collect storm water runoff for flood control, including roadway crossings for flood control channel preservation, vegetation removal and reshaping of the channel, extending an existing storm culvert and enclosure of storm drain channel in certain areas to facilitate future roadway projects, together with all related work and improvements.
9. Discussion Regarding Via Ferrata and Ashley Springs
10. Other Matters/Future Council Matters
11. Motion to Adjourn

In compliance with the Americans with Disabilities Act, individuals needing special accommodations during this meeting should notify the Naples City offices at 789-9090, 1420 East 2850 South, Naples, UT 84078 at least 48 hours in advance of the meeting. Meetings are held at 1420 East 2850 South, Naples, UT.

The undersigned, duly appointed City Recorder, does hereby certify that the above agenda was posted at the Naples City Office, on the City's website https://naplescityut.gov/ and on the State Public Meeting Notice website https://utah.gov/pmn Nikki W. Kay

Naples City Council
July 11, 2024
Minutes

DATE, TIME & PLACE OF MEETING

The regularly scheduled meeting of the Naples City Council was held July 11, 2024, 7:30 p.m., at the Naples City Office, 1420 East 2850 South, Naples, Uintah County, Utah.

COUNCIL MEMBERS ATTENDING

Council members attending were Dean Baker, Robert Hall, Dan Olsen, Ross Morton, and Andrew Bentley. Kenneth Reynolds was absent.

OTHERS ATTENDING

Others attending were Ryan Wolfinjer Miranda Bentley, Brooks Jones, Willis LeFevre, Szeth Simmons, Ryan Cook, Micheal Davis and Nikki Kay.

OPENING CEREMONY

Mayor Baker welcomed everyone and called the meeting to order. He began the meeting with the pledge of allegiance and Ross Morton offered the invocation.

APPROVAL OF THE AGENDA

Mayor Baker presented the agenda for approval. Andrew Bentley wanted the Mayor to know he would be abstaining from the vote for item seven on the agenda because his wife is involved in the request for the rezone. Robert Hall asked about a short update on the water meeting held the day before. It was added under other matters. Dan Olsen **moved** to approve the agenda with the addition. Robert Hall **seconded** the motion. The motion passed with all in attendance voting aye.

MINUTES APPROVED

The minutes of the regular city council meeting of June 27, 2024 were presented for approval. Robert Hall **moved** to approve the minutes from June 27, 2024. Ross Morton **seconded** the motion. The motion passed with all voting aye.

FOLLOW UP ITEMS FROM PREVIOUS MEETING

Mayor Baker asked if anyone had anything they wanted to follow up on from the previous meeting. Nothing was brought forward.

APPROVAL OF THE BILLS

Nikki Kay presented the bills in the amount of $174,842.56. Mayor Baker asked if the payment to the Utah League of Cities and Towns (ULCT) was for the full amount or if it was reduced again this year. It was noted that it was the full

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amount. Mayor Baker said he thought they should reduce it again like last time because the City still misses out on sales tax revenue because of the formula used by the State. Councilman Hall stated he understood where the Mayor was coming from but felt like it was punishing the wrong people. Micheal said the League does try and fight for the cities. Mayor Baker stated, "not like the big cities." Micheal said they do have a small communities liaison with Nate Zeills. Councilman Hall asked if the City really gains anything by withholding the money and said there are other benefits that come to us from the League. Councilman Morton asked if there were other small cities willing to follow and pay less. Mayor Baker said there are others cities that feel the same way. Councilman Bentley asked if it would hurt anything to hold the bill until the next meeting and let the Mayor get in touch with the other cities. Mayor Baker said he could do that. Andrew Bentley **moved** to approve the bills, except for the bill to the ULCT and move it to the next meeting. There was not a second to the motion. Councilman Hall stated he understands the frustration but doesn't know how much they will get out of withholding payment. Andrew Bentley withdrew his first motion and **moved** to approve the bills as stated. Robert Hall **seconded** the motion. The motion passed with the following roll call vote:

Andrew Bentley	Aye
Kenneth Reynolds	Absent
Ross Morton	Aye
Dan Olsen	Aye
Robert Hall	Aye

BUSINESS LICENSE APPROVAL

A business license application was presented for **KD Power Washing** located at 2105 S 2000 E. Nikki explained the business is located at a residence but the only equipment that will be parked there is a trailer and the home will be used as the office. Dan Olsen **moved** to approve the business license for KD Power Washing. Ross Morton **seconded** the motion. The motion passed with all in attendance voting aye.

A business license application was presented for **O.G.M.N. Services** located at 2130 E 1900 S. Nikki Kay stated this was also a home occupation business and one trailer would be kept at the residence for the business but all work would be conducted off premise. Ross Morton **moved** to approve the business license for O.G.M.N. Services. Robert Hall

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seconded the motion. The motion passed with all in attendance voting in the affirmative.

APPROVAL TO APPOINT NEW MEMBER TO THE PLANNING COMMISSION

Mayor Baker stated that Scott Adams has resigned from the Planning Commission and Brock Arnold was moved to a full member. He said this left an opening for an alternate on the Board. Mayor Baker presented Ryan Wolfinjer as someone to fill that vacant position. He said Mr. Wolfinjer lives in Sunstone and works for AVW&S and felt like he would have a lot of knowledge to contribute to the Planning Commission and his recommendation was to appoint Ryan to the Planning Commission Board. Robert Hall **moved** to appoint Ryan Wolfinjer to the Planning Commission. Dan Olsen **seconded** the motion. The motion passed with all voting aye.

APPROVE REQUEST TO REZONE PROPERTY FROM COMMERCIAL C TO RA-1 AND TO AMEND LAND USE ZONING MAP RESOLUTION NO. 24-255

Micheal Davis explained the Planning Commission received and reviewed a request for a zone change at 1345 East 2500 South. In order to prevent spot zoning, it was also recommended that nearby properties be rezoned. The other property owners were all in support of the rezone petition. Micheal said all of the properties are houses and no one has moved to do anything commercial in that area, so it was recommended by the Planning Commission to approve the rezone request and to amend the Naples land use zoning map. Dan Olsen **moved** to adopt Ordinance 24-255. Ross Morton **seconded** the motion. The motion passed with the following roll call:

Robert Hall	Aye
Dan Olsen	Aye
Ross Morton	Aye
Kenneth Reynolds	Absent
Andrew Bentley	Abstain

CONSIDERATION FOR AND ADOPTION OF A PARAMETER RESOLUTION NO. 24-357 AUTHORIZING THE ISSUANCE OF SALES TAX REVENUE BONDS

Council members received a copy of Resolution 24-357 setting the parameters for the issuance of sales tax revenue bonds for the CIB loan of the 2500 South canal project. Micheal Davis explained this resolution sets the parameters for the canal project and said it states "not to exceed the listed amount," because we are not sure yet how much extra the project will be. He said the bids are supposed to be in this month and the hope is to start the project this fall. The resolution also calls for the council to set a public hearing for the issuance of bonds. Robert Hall **moved** to approve Resolution 24-357 and to set a public hearing for August 8, 2024. Andrew Bentley **seconded** the motion. The motion

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passed with the following vote:

Robert Hall	Aye
Dan Olsen	Aye
Ross Morton	Aye
Kenneth Reynolds	Absent
Andrew Bentley	Aye

1500 SOUTH TRAIL PROJECT BID RESULT DISCUSSION

Micheal explained to the Council the results for the recent bid that went out for the 1500 South trail project. He stated a bid was received after it was first advertised but that bid was denied because some stipulations given to the company were not met. Micheal said they then went out and contacted different companies asking for bids and only received one. He said, when they were requesting bids, they asked for an additional amount for chip seal work on other roads in the City to make it worth their time. Micheal reminded everyone the application for this project started back when Josh Bake was still here and never really went anywhere. He said the engineer's cost estimate was from about five years ago. Councilman Morton stated they picked this road because of the trail project and it needed some improvement but he asked Ryan Cook if it was a road they would have picked for improvement if it wasn't for the trail? Ryan said it would be at the top of his list. It was discussed what the cost would be between just improving the road and not doing the trail. Ryan said, if they decide to do it, the trail grant does open it up to receive those extra funds. Councilman Bentley asked if it could open up future possibilities of additional funds if they go with the grant and include the trail. Micheal said it could because they are always looking to connect the trails. Councilman Hall stated they would be using road funds, paying cash, and not going into debt and felt it was worth it. Ross Morton **moved** to approve the bid amount received, with the additional amount included. Dan Olsen **seconded** the motion. The motion passed with the following roll call vote:

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Andrew Bentley	Aye
Kenneth Reynolds	Absent
Ross Morton	Aye
Dan Olsen	Aye
Robert Hall	Aye

OTHER MATTERS OR FUTURE COUNCIL MATTERS

Councilman Hall wanted to talk about the meeting that was recently held with Vernal City, Uintah County, and AVW&S to discuss the end of water connections being given by AVW&S

and people asking to annex into Vernal City in order to have those connections. Different comments were shared about what took place at the meeting. Mr. LeFevre offered ideas about how water might be obtained from Jensen Water by trading shares of water. Councilman Hall said the City needs ideas because we currently have no help to offer new businesses wanting to build here.

MOTION TO ADJOURN

With no other business before the Council, Dan Olsen **moved** to adjourn the meeting at 8:25 p.m. Robert Hall **seconded** the motion. The meeting was adjourned by all voting in favor of the motion.

APPROVED BY COUNCIL ON THE 8th DAY OF AUGUST 2024

BY: ______________________________ ATTEST: __________________________

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Report Criteria:
Invoices with totals above $0.00 included.
Only unpaid invoices included.

GL Acct No	Vendor	Vendor Name	Description	Invoice Number	Invoice Date	Invoice Amount
10-22500 HEALTH INSURANCE	22	American Family Life Assurance	Insurance Premium/employee w/h	833604	07/25/2024	168.48
10-22505 EAP/ BLOMQUIST - P	135	Blomquist Hale Consulting Group,	Mothly EAP	AUG24-5996	08/01/2024	346.13
Total :						514.61
10-41-230 TRAVEL & PER DIEM	1106	Fleet Operations - Fuel Network	Fuel Purchase	F2412E00952	07/02/2024	46.97
Total LEGISLATIVE:						46.97
10-43-251 FUEL & OIL	1106	Fleet Operations - Fuel Network	Fuel Purchase	F2412E00952	07/02/2024	120.71
10-43-251 FUEL & OIL	1106	Fleet Operations - Fuel Network	Fuel Purchase	F2501E00941	08/02/2024	136.68
Total CITY ADMINISTRATOR:						257.39
10-45-210 BOOKS, SUBSCRIPTI	433	IIMC	Annual membership dues	433-2025NK	07/09/2024	185.00
Total RECORDER:						185.00
10-50-250 C. HALL BLDG EQUIP	902	Staples	Envelopes, Note Pads, Forks, Plat	7637779252	08/01/2024	184.62
10-50-271 UTILITIES - CITY HAL	46	Ashley Valley Water & Sewer	Water and sewer billing 15.1050.1	0501-0724OF	07/31/2024	292.90
10-50-271 UTILITIES - CITY HAL	775	RDT, Inc.	Garbage Service - 1118	1118-0824	08/01/2024	73.00
10-50-271 UTILITIES - CITY HAL	988	Strata Networks	Monthly Phone & Internet Service	005764276	07/31/2024	643.37
10-50-271 UTILITIES - CITY HAL	1107	Utah Department of Technology	Email accounts	2501R2180000	07/31/2024	158.86
10-50-274 UTILITIES - PLAZA P	46	Ashley Valley Water & Sewer	Water and sewer billing 15.1049.1	0491-0724PD	07/31/2024	1,267.40
10-50-274 UTILITIES - PLAZA P	46	Ashley Valley Water & Sewer	Water and sewer billing 16.0435.1	4351-0724RSP	07/31/2024	529.40
10-50-611 CLEANING SUPPLIE	92	Basin Cleaning Systems	Cleaning supplies	98881	07/31/2024	162.46
Total GENERAL GOVERNMENT BUILDINGS:						3,312.01
10-52-245 COMPUTER SUPPLI	1006	Uintah County Recorder	Internet charges	67040	08/01/2024	10.00
10-52-247 MAP REVIEW/ENGIN	215	Clark Design	Project Dino Preliminary & Final R	1099	07/22/2024	600.00
10-52-247 MAP REVIEW/ENGIN	215	Clark Design	Walker Hollow Final Plat Review	1100	07/31/2024	500.00
Total PLANNING AND ZONING:						1,110.00
10-54-251 FUEL & OIL	1106	Fleet Operations - Fuel Network	Fuel Purchase	F2412E00952	07/02/2024	1,474.88

GL Acct No	Vendor	Vendor Name	Description	Invoice Number	Invoice Date	Invoice Amount
10-54-251 FUEL & OIL	1106	Fleet Operations - Fuel Network	Fuel Purchase	F2501E00941	08/02/2024	1,955.97
10-54-271 UTILITIES-POLICE	46	Ashley Valley Water & Sewer	Water and sewer billing 16.1110.1	1101-0724PS	07/31/2024	66.00
10-54-271 UTILITIES-POLICE	775	RDT, Inc.	Barrel service	1118-0824	08/01/2024	25.00
10-54-332 MOBILE UNIT EXPEN	53	AT&T Mobility	Wireless Data Connections	287283594206	07/20/2024	280.28
10-54-760 GRANT PURCHASE I	1128	Vector Solutions	Set up & Annual cost	INV98346	07/01/2024	2,868.00
Total POLICE DEPARTMENT:						6,670.13
10-58-241 LICENSES & PERMIT	1014	Uintah Fire Suppression SSD	Commercial Fire Review- BHI	155	07/25/2024	50.00
10-58-251 FUEL & OIL	1106	Fleet Operations - Fuel Network	Fuel Purchase	F2412E00952	07/02/2024	139.36
10-58-251 FUEL & OIL	1106	Fleet Operations - Fuel Network	Fuel Purchase	F2501E00941	08/02/2024	57.31
Total BUILDING INSPECTOR:						246.67
10-60-245 BLDG SUPPLIES &	223	Codale Electric Supply	Motion sensor switch	S008602867	07/29/2024	77.75
10-60-250 EQUIPMENT, MAINT	415	Holland Equipment	Bushing for grease zuts	31995	07/16/2024	37.67
10-60-250 EQUIPMENT, MAINT	877	Smith Power Products, Inc.	Cab filter unit #9, Sweeper	4072121001	07/22/2024	16.50
10-60-251 FUEL & OIL	1106	Fleet Operations - Fuel Network	Fuel Purchase	F2412E00952	07/02/2024	859.08
10-60-251 FUEL & OIL	1106	Fleet Operations - Fuel Network	Fuel Purchase	F2501E00941	08/02/2024	737.23
10-60-262 "C" ROAD MAINTENA	341	Fastenal Company	AAA Batteries	UTVER108126	07/17/2024	7.06
10-60-266 ROAD SIGNS	838	Safety Supply & Sign Co, Inc.	street cones	190183	07/15/2024	494.00
10-60-268 SIDEWALKS	395	Hacking & Paving Excavation	Patching curb in Hunter Hollow	22993753	07/12/2024	2,100.00
10-60-271 UTILITIES - SHOP	46	Ashley Valley Water & Sewer	Water and sewer billing 17.0475.1	4751-0724SH	07/31/2024	66.00
10-60-271 UTILITIES - SHOP	46	Ashley Valley Water & Sewer	Water and sewer billing 17.0476.1	4761-0724SB	07/31/2024	94.90
10-60-271 UTILITIES - SHOP	760	Dominion Energy	Monthly Gas Service - 056686000	0566-0724	07/23/2024	17.80
10-60-271 UTILITIES - SHOP	988	Strata Networks	Internet at road dept	005764276	07/31/2024	104.98
10-60-274 TOOLS & SUPPLIES	1147	Vernal Winnelson Company	Adj length driver	536728-01	07/22/2024	22.18
10-60-275 STRIPING OF STREE	262	CRS Engineering	Striping Bid	35491	07/18/2024	1,999.75
10-60-590 TRAIL PROJECTS	1073	Utah Department of Transportatio	Trails Park	RE246-403	07/30/2024	2,039.75
Total STREETS:						8,674.65
10-70-266 CITY BEAUTIFICATIO	100	Basin Nursery	Bug sprayer	JD8FBBN1G4S	07/23/2024	41.59

GL Acct No	Vendor	Vendor Name	Description	Invoice Number	Invoice Date	Invoice Amount
10-70-266 CITY BEAUTIFICATIO	448	Intermountain Farmers Assoc.	Wisdom, Flower wands, fungicide	1021292028	07/29/2024	119.97
10-70-266 CITY BEAUTIFICATIO	448	Intermountain Farmers Assoc.	Wisdom, Flower wands, fungicide	1021301014.	07/30/2024	17.98
10-70-269 SUBDIVISION PARK	46	Ashley Valley Water & Sewer	Water and sewer billing 18.0551.1	5511-0724IRO	07/31/2024	549.40
10-70-269 SUBDIVISION PARK	46	Ashley Valley Water & Sewer	Water and sewer billing 1818264	8264-0724SUN	07/31/2024	436.90
10-70-271 UTILITIES OF EAST P	46	Ashley Valley Water & Sewer	Water and sewer billing 1611281	1281-0724PK	07/31/2024	66.00
Total BUILDING & GROUNDS:						1,231.84
Grand Totals:						22,249.27

Report Criteria:

Invoices with totals above $0.00 included.

Only unpaid invoices included.

Item No._____

MEMO TO: *City Council, City Manager* **FROM:** *Szeth Simmons B&G Superintendent*	**Subject:** Installation of proper and more heated sidewalk at the font of the city office on the East and West entrances.

Recommendation: D&K Plumbing and Heating	**Date:** 7/9/23
	Fiscal Impact: 33,000
	Funding Source: 10-50-720

Background:

The project is to Improve safety of people entering the City office and Save time on Snow removal.

There is only 30,000 in the budget so I would ask to transfer 4000 out of 10-60-268

Attachments:

-

BID OPENING:
City Office Heated Sidwalks

Date:	08/01/2024

Name:	Bid $
D&K Plumbing and Heating	$33,000.00
Stubbs and Stubbs	$51,393.25

Staff:
Szeth Simmons
Micheal Davis

Item No._____

MEMO TO: *City Council, City Manager* **FROM:** *Szeth Simmons, Building and Grounds Manager*	**Subject:** 1,000 South park strip converted over to sidewalk.

Recommendation: Maveric Contractors	**Date:** 7/8/2024
	Fiscal Impact: 10,715
	Funding Source: 10-60-268

Background:

Upgrading of the sidewalk for easier maintenance and upgraded look by O'Reilly Auto Parts

Attachments:

None

BID OPENING:

1000 South Sidewalk Installation

Date: 08/01/2024

Name:	Bid $
Maveric Contractors	$10,715.00
MF Landscaping	$10,925.00
Stubbs & Stubbs	$14,612.00
Joey Robberts	$31,731.00

Staff:
Szeth Simmons
Micheal Davis

NAPLES CITY
ENERGY · RECREATION · FAMILY

Item No._____

MEMO TO: *City Council, City Manager* **FROM:** *Szeth Simmons, Building and Grounds Manager*	**Subject:** **Damaged sidewalk replacement in IronWood Subdivision**	
Recommendation: Maverick Contractors	**Date:** 7-/8/2024	
	Fiscal Impact: 27,260	
	Funding Source: 10-60-268	

Background:

Ironwood is has the most broken sidewalks out of any other subdivision in the city. Fixing them is recommended.

Attachments:

None

BID OPENING:
Ironwood Sidewalk Replacement

Date: 08/01/2024

Name:	Bid $
Maveric Contractors	$27,260.00
MF Landscaping	$35,275.00
Stubbs &Stubs	$62,112.00

Staff:
Szeth Simmons
Micheal Davis

PERMANENT COMMUNITY IMPACT FUND BOARD

PROJECT SUMMARY SHEET

APPLICANT: NAPLES CITY
TITLE: Storm Water Preservation, Road Crossings & Road Safety Project
POPULATION: 2,800

DESCRIPTION: This project consists of maintaining an existing open flood channel in the boundaries of Naples City, Vernal City, and Uintah County for the length of the Central Canal to collect storm water runoff flood control as the Ashley Central Irrigation Company intends to pipe the complete length of the Central Canal in Ashley Valley. This will include open cut and slip line roadway crossings on a number of streets for storm water and flood control channel preservation, vegetation removal and reshaping of the channel, extending the existing storm drain culvert east of Hwy 40 approximately 3,500 feet toward the east with a 54" diameter HDPE pipe and to enclose the storm drain channel in other areas to facilitate future roadway projects. Naples City is the applicant as the largest portion of the project is at 2500 South in Naples

	RANGE	REQUESTED	MEDIAN OF RANGE	AS ADVANCED	VARIANCE FROM NEAREST LOAN WITHIN RANGE
CIB FUNDING REQUEST	$1,735,000	$1,735,000	$1,735,000	$1,735,000	
LOAN	MIN 44% // MAX 72%	$434,000 // 25.0%	$937,000 // 54.0%	$868,000 // 50.0%	0% ($00)
GRANT	MIN 28% // MAX 56%	$1,301,000 // 75.0%	$799,000 // 46.0%	$867,000 // 50.0%	
INTEREST RATE	MIN: 0.5% // MAX 1.0%	0.0%	1.0%	0.5%	
TERM	30 YEARS	20 YEARS	30 YEARS	20 YEARS	
RETURN TO CIB		$434,000	$1,069,440	$914,280	
ANNUAL PAYMENT REFERENCES		$71,700	$35,648	$45,714	
EXEMPTIONS					

COST SHARING	
NON-CIB FUNDS	$810,000
APPLICANT CASH	99,000
APPLICANT IN KIND	
OTHER LOCAL CASH	150,000
OTHER LOCAL IN KIND	
FEDERAL GRANT	561,000
FEDERAL LOAN	
STATE GRANT	
STATE LOAN	
PROJECT BUDGET TOTAL	**$2,545,000**
TOTAL CONSTRUCTION	2,208,000
CONTINGENCY	210,000
CONSTRUCTION SUBTOTAL	**2,418,000**
PRE CONSTRUCTION ENGINEERING (2.83%)	72,000
SPECIAL ENGINEERING SERVICES (0.00%)	
CONSTRUCTION ENGINEERING (1.57%)	40,000

CRITERIA FACTORS		
INTEREST RATE FACTORS	CIB BASE RATE: 2.5%	TOTAL— MAX: -1.5% // MIN: -1.0%
PRODUCTION CLASS (1-5)	5 - UINTAH COUNTY	MAX -1.5% // MIN -1.5%
PUBLIC LANDS CLASS (1-5)	4 - UINTAH COUNTY	MAX 0.0% // MIN 0.0%
COUNTY CLASS (POPULATION) (1-5)	3 - UINTAH COUNTY	MAX 0.0% // MIN 0.0%
MAGI // % OF STATE MAGI	$70,600 // 153.8%	MAX 0.0% // MIN 0.5%
BUDGET // ANNUAL BUDGET CLASS	$6,265,090 // Class 3	MAX 0.0% // MIN 0.0%
LOAN / GRANT MIX FACTORS	CIB LOAN FLOOR: 25.0%	TOTAL— MAX: 27.0% // MIN: 19.0%
PRODUCTION CLASS (1-5)	5 - UINTAH COUNTY	MAX 0.0% // MIN 0.0%
PUBLIC LANDS CLASS (1-5)	4 - UINTAH COUNTY	MAX 5.0% // MIN 5.0%
COUNTY CLASS (POPULATION) (1-5)	3 - UINTAH COUNTY	MAX 9.0% // MIN 9.0%
MAGI // % OF STATE MAGI	$70,600 // 153.8%	MAX 5.0% // MIN 5.0%
BUDGET // ANNUAL BUDGET CLASS	$6,265,090 // Class 3	MAX 8.0% // MIN 8.0%
PROJECT TYPE	Stormwater	MAX 0.0% // MIN 0.0%
OUTSIDE FUNDS	31	MIN -8.0%

FINANCIAL INDICATORS	BASELINE	REQUESTED	MEDIAN

GUIDE TO COMPLETION OF LOAN PROCESS

CONGRATULATIONS on obtaining a commitment from the Utah Permanent Community Impact Fund Board for financial assistance relating to your Project.

The CIB's commitment to provide that financial assistance requires the Borrower to complete a number of steps before funds will be made available. For Borrowers who have not been involved in this process before, the steps may seem confusing. The purpose of this Guide is to explain the process and to outline the actions that the Borrower will be required to take.

KEY REQUIREMENTS

Before the CIB can deliver funds, the following must occur:

1. The Borrower must adopt the necessary resolutions to authorize the issuance of its bond. The Borrower's bond attorney will assist the Borrower in this process.

2. The Borrower's engineer or architect must prepare plans and specifications for the Project and the Borrower must advertize for bids in a manner consistent with applicable procurement laws. (If a water or sewer project is involved, the Borrower must obtain the approval of the Division of Drinking Water or the Division of Water Quality before advertizing for bids.) The bond closing cannot occur until bids have been opened.

3. The Borrower must obtain title and/or easements and rights of way to the Project site.

4. If a revenue bond is involved, the Borrower must adopt rate ordinances that will generate sufficient funds to cover operation and maintenance expenses and the debt service on the bond and all other debts secured by those revenues.

5. If the project involves a water revenue bond, the Borrower's local attorney must render an opinion that the Borrower has valid legal title to the water rights used in connection with the operation of the Borrower's water system.

6. If other funds are necessary to cover the costs of the Project, the Borrower must demonstrate that those other funds will be available at the time the CIB delivers its funds.

All of these actions can proceed simultaneously, but the CIB cannot deliver funds until all of these actions have been completed.

THE LOAN AUTHORIZATION LETTER

After the CIB has approved the financial assistance for your Project, you will receive a letter from the CIB setting forth the terms of the loan and listing the conditions which must be satisfied before the CIB will deliver funds.

You should review that loan authorization letter carefully. If you have any questions about the letter, you should contact, Ms. Candace Powers, Fund Manager, at (801) 468-0131, or Mr. Keith Heaton, Director of Community Development, at (801) 469-0133.

THE BONDING PROCESS

A bond is similar to a promissory note. It is an instrument by which the Borrower agrees to repay the loan under the terms approved by the CIB.

Unlike an individual or a private company, a governmental entity must comply with certain constitutional and statutory requirements in order to incur debt. In order to ensure compliance with those requirements, the Borrower must retain a nationally-recognized bond attorney or firm to assist the Borrower in preparing the appropriate resolutions and documents. (The Borrower's local attorney cannot act as bond counsel unless the local attorney is a nationally-recognized bond attorney.) Attached is a list of nationally-recognized bond attorneys or firms who practice in the State of Utah.

A typical bond transaction involves the following steps:

1. The Borrower adopts a "Parameters Resolution" setting forth the maximum parameters for the bond to be issued. At the meeting at which that Resolution is adopted, the governing board of the Borrower also calls for a public hearing relating to the issuance of the bond.

2. After the Parameters Resolution is adopted, the Borrower publishes a notice of the public hearing in a newspaper once a week for two succession weeks and posts notice of the public hearing on the Utah Public Notice Website (www.pmn.utah.gov). The first of those two publications must be no less than 14 days prior to the date of the public hearing. (If a water or sewer project is involved, written notice must also be sent with utility bills advising customers of the date of the public hearing and giving them information about the bond and its impact on water and sewer rates.) The bond closing cannot occur until 30 days have expired after the second publication of the notice.

3. The public hearing is conducted. Minutes of that meeting and copies of any written comments received are sent to Ms. Candace Powers.

4. After the public hearing, the Borrower adopts a Final Bond Resolution or Master Resolution setting forth the actual terms of the bond.

5. The Borrower's bond attorney prepares the bond closing documents.

Once all of these steps have been completed, a bond closing will be scheduled, assuming that the other requirements (e.g., bidding, acquisition of rights-of-way, securing other funds) have been satisfied.

Because the Local Government Bonding Act imposes certain notice and hearing requirements, the bonding process typically takes at least 6 to 8 weeks to complete. Therefore, it is recommended that the Borrower retain a bond attorney as soon as possible after the Borrower receives the loan authorization letter. The bond attorney will assist the Borrower in completing the actions needed in order to issue the bond.