



ROY CITY

Roy City Council Agenda
August 16, 2016 – 6:00p.m.
Roy City Council Chambers
5051 South 1900 West

Moment of Silence and Pledge of Allegiance: Councilmember Yeoman

1. Approval of the August 2, 2016 City Council Minutes and the July 26, 2016 Special City Council Meeting Minutes
2. **6:00 p.m.** Public Hearing to Consider Increasing Property Tax Revenue for the City of Roy
3. Consideration of Resolution No. 16-37 Increasing Property Tax Revenue and Setting a Certified Tax Rate
4. **6:00 p.m.** Public Hearing to Consider Adjustments to the Fiscal Year 2017 Budget
5. Consideration of Resolution No. 16-38 Approving Adjustments to the Fiscal Year 2017 Budget
6. Consideration of a Request for Approval of an Alcoholic Beverage License for 7-Eleven, Store #26352J Located at 5983 South 1900 West
7. Consideration of Resolution No. 16-39 Approving a Contract with Stark Brothers, Inc. for the 2016 Concrete Maintenance Project
8. City Managers Report
9. Public Comments
10. Mayor and Council Report
11. Adjourn

In compliance with the Americans with Disabilities Act, persons needing auxiliary communicative aids and services for these meetings should contact the Administration Department at (801) 774-1020 or by email: admin@royutah.org at least 48 hours in advance of the meeting.

Certificate of Posting

The undersigned, duly appointed City Recorder, does hereby certify that the above notice and agenda was posted in a public place within the Roy City limits on this 12th day of August, 2016. A copy was also provided to the Standard Examiner and posted on the Roy City Website on the 12th day of August, 2016.

Amy Mortenson
Roy City Recorder

Visit the Roy City Web Site @ www.royutah.org
Roy City Council Agenda Information – (801) 774-1020

MINUTES OF THE AUGUST 2, 2016, ROY CITY COUNCIL MEETING

1. Approval of July 19, 2016, minutes
2. Consideration of a request to amend the General Plan's Future Land Use Map from Medium Density Single Family Residential to Very High Density Multi-Family Residential for property located at approximately 5154 South 2700 West
3. Consideration of Ordinance No. 16-11 establishing a future land use designation of Very High Density Multi-Family Residential for property located at approximately 5154 South 2700 West
4. Consideration of Ordinance No. 16-12 establishing a zoning designation of R-3 or R-4 for property located at approximately 5154 South 2700 West
5. Consideration of Ordinance No. 16-6 amending the General Plan's Future Land Use Map from Commercial to Very High Density on property located at approximately 4500 South 1900 West
6. Consideration of Ordinance No. 16-7 amending the Zoning Map from R-1-8 and Community Commercial to R-4 for property located at approximately 4500 South 1900 West
7. Consideration of a request for a conditional use for a pet grooming business (Doggie Den) located at 4484 South 1900 West, Suite 1
8. Consideration of a request for a conditional use for a commercial warehouse and inventory business (Sugar Shack & Gifts) located at 1821 West 4000 South
9. Discussion regarding the establishment of a Mixed Use Zoning District Ordinance
10. Discussion regarding the Roy City Recreation Complex
11. City Manager's report
12. Public comments
13. Mayor and Council reports
14. Adjourn

Minutes of the Roy City Council Meeting held August 2, 2016, at 6:00 p.m. in the City Council Room of the Roy City Municipal Building.

The meeting was a regularly scheduled meeting designated by resolution. Notice of the meeting was provided to the *Standard Examiner* at least 24 hours in advance. A copy of the agenda was posted.

The following members were in attendance:

Mayor Willard Cragun
Councilwoman Marge Becraft
Councilman Bob Dandoy
Councilman Brad Hilton
Councilman Dave Tafoya
Councilwoman Karlene Yeoman

City Manager Andy Blackburn
Secretary Michelle Drago

Also present were: Cathy Spencer, Management Services Director; Travis Flint, Parks & Recreation Director; Trent Nelson, Assistant City Attorney; Steve Parkinson, Planner; Jared Roper; David Tracy; Kay Buckley; Rick Buckley; Doug Terry; Janae Terry; Brook P.; Clair Brown; Brenda Nelson; Bill Underwood; Sandy Underwood; Wendy Packer; Dennis Brown; Garrett Seely; Gennie Kirch; Tom Spencer; and Laura Lewis.

Moment of Silence: Councilman Tafoya

Pledge of Allegiance: Councilman Tafoya

1. APPROVAL OF JULY 19, MINUTES

Councilman Hilton moved to approve the July 19, 2016, minutes as written. Councilman Dandoy seconded the motion. Council members Becraft, Dandoy, Hilton, Tafoya and Yeoman voted “aye.” The motion carried.

2. CONSIDERATION OF A REQUEST TO AMEND THE GENERAL PLAN'S FUTURE LAND USE MAP FROM MEDIUM DENSITY SINGLE FAMILY RESIDENTIAL TO VERY HIGH DENSITY MULTI-FAMILY FOR PROPERTY LOCATED AT APPROXIMATELY 5154 SOUTH 2700 WEST

Steve Parkinson stated that the City had received a request from Doug Terry to amend the General Plan's Future Land Use Map for 2.16 acres, or 94,089 square feet, he owned at 5154 South 2700 West. Mr. Terry wanted to change the future land use designation from Medium Density Single Family Residential to Very High Density Multi-Family Residential. He also wanted to amend the Zoning Map by changing the zone of his property from R-1-8 to either R-3 or R-4. There wasn't much difference between the R-3 and R-4 Zones; they both had the same density. However, there was already an R-3 Zone in the area, so approving Mr. Terry's request would not be spot zoning.

Mr. Parkinson said that on July 5th, the City Council held a public hearing regarding the request and listened to public comments. At the applicant's request, the Council tabled action regarding his request's until tonight. The City Council also had comments from the Planning Commission's June 28th public hearing. With a 5-2 vote, the Planning Commission recommended that the City Council approve the requested amendments to the General Plan's Future Land Use Map and the Zoning Map.

Mayor Cragun asked that Doug Terry address the Council.

Doug Terry, 5200 South, stated that he owned the property at 5154 South 2700 West. He felt adjoining property owners misunderstood that if the property was rezoned it would have high density apartment buildings. Before the Planning Commission's hearing, Lance and Teresa Hislop, nearby property owners, told the entire neighborhood that he planned to build apartment buildings. They were wrong. He planned to build high-end townhomes. He asked for the Council's consideration of his rezoning request.

Councilman Dandoy stated that Mr. Terry's property was two acres in size. The R-3 Zone allowed a density of 12 units per acre, which meant Mr. Terry's property could have about 24 units.

Doug Terry planned to act as the general contractor. He did plan to build 24 townhomes. He also owned an acre immediately to the north, which was not included in the rezone. There were storage units located across the street.

Councilman Dandoy asked how many homes could be placed on the property if the zoning remained R-1-8. Mr. Terry said he could put eight lots on the property.

Councilman Dandoy asked if the Council could stipulate a maximum density if the property was rezoned. Mr. Parkinson said the City could enter into a development agreement with the developer limiting the density.

Councilman Dandoy asked if a traffic study had been conducted. Most of the public comments at the Planning Commission's hearing were about traffic and congestion issues. What kind of congestion 24 units would have on 4800 South and 5600 South if there were the typical two cars per unit?

Steve Parkinson stated there wasn't a traffic study. This property was not a cul-de-cac with only one way out. There were several streets to disperse the traffic, including 5200 South.

Councilman Tafoya felt a traffic study was unnecessary. If this property had more houses, there would be more cars.

Councilman Dandoy stated that the public was concerned about congestion that could be product of the Council's decision. Was their concern based on emotions or fact? Mr. Parkinson said he did not look at things emotionally. He considered whether it would comply with the ordinances and meet the goals of the General Plan. He felt the traffic impact on 4800 South and 5600 South would be equal. Most people were like water, they took the easiest way out.

Doug Terry stated that there were street lights at both 5600 South and 4800 South.

Councilman Tafoya moved to deny the request to amend the General Plan's Future Land Use Map from Medium Density Single Family Residential to Very High Density Multi-Family Residential based on the Council's desire for the property to remain single family and the opposition from the neighborhood. Councilman Hilton seconded the motion. Council members Becraft, Hilton, Tafoya, and Yeoman voted "aye." Councilman Dandoy voted "nay." The motion carried.

3. CONSIDERATION OF ORDINANCE NO. 16-11 ESTABLISHING A FUTURE LAND USE DESIGNATION OF VERY HIGH DENSITY MULTI-FAMILY RESIDENTIAL FOR PROPERTY LOCATED AT APPROXIMATELY 5154 SOUTH 2700 WEST

Councilman Tafoya moved to deny approval of Ordinance No. 16-11 establishing a future land use designation of Very High Density Multi-Family Residential for property located at approximately 5154 South 2700 West. Councilman Hilton seconded the motion. A roll call vote was taken: Council members Tafoya, Becraft, Hilton, and Yeoman voted "aye." Councilman Dandoy voted "nay." The motion carried.

4. CONSIDERATION OF ORDINANCE NO. 16-12 ESTABLISHING A ZONING DESIGNATION OF R-3 OR R-4 FOR PROPERTY LOCATED AT APPROXIMATELY 5154 SOUTH 2700 WEST

Approval of this item was mute as the previous item were denied.

5. CONSIDERATION OF ORDINANCE NO. 16-6 AMENDING THE GENERAL PLAN'S FUTURE LAND USE MAP FROM COMMERCIAL TO VERY HIGH DENSITY ON PROPERTY LOCATED AT APPROXIMATELY 4500 SOUTH 1900 WEST

Councilman Dandoy felt that when the Council was considering these types of requests it needed to focus on traffic congestion and safety. It needed to take into consideration the property owner and the adjacent property owners. Over and over again, the Council had found that development proposals involving R-3 or R-4 Zones created safety and congestion problems in areas that could not accommodate them. This particular

property was located toward the north end of 1900 West. There was solid evidence that this area did not have the same traffic congestion that the southern end of 1900 West had. There was not as much traffic going north. He did not feel that this development proposal would have a congestion problem or create a safety risk. Whatever foundation the Council elected to use when approving developments, it had to be based on what it did to the community. He felt the facts proved this development would not create a major impact. He felt it would be a wise decision to approve the requested rezone.

Councilman Hilton stated the majority of the property was already zoned R-4. The property owner was requesting that 1.4 acres be rezoned. There were places for high density. This was one of them. He did not have an issue with rezoning this area.

Councilman Dandoy moved to approve Ordinance No. 16-6 amending the General Plan's Future Land Use Map from Commercial to Very High Density Multi-Family for property located at approximately 4500 South 1900 West. Councilwoman Becraft seconded the motion. A roll call vote was taken: Council members Becraft, Hilton, Yeoman, and Dandoy voted "aye." Councilman Tafoya voted "nay." The motion carried. (Copy filed for record).

6. CONSIDERATION OF ORDINANCE NO. 16-7 AMENDING THE ZONING MAP FROM R-1-8 AND COMMUNITY COMMERCIAL TO R-4 FOR PROPERTY LOCATED AT APPROXIMATELY 4500 SOUTH 1900 WEST

Councilman Hilton moved to approve Ordinance No. 16-7 amending the Zoning Map from R-1-8 and Community Commercial to R-4 for property located at approximately 4500 South 1900 West. Councilman Dandoy seconded the motion. A roll call vote was taken: Council members Dandoy, Becraft, Hilton, and Yeoman voted "aye." Councilman Tafoya voted "nay." The motion carried. (Copy filed for record).

7. CONSIDERATION OF A REQUEST FOR A CONDITIONAL USE FOR A PET GROOMING BUSINESS (DOGGIE DEN) LOCATED AT 4484 SOUTH 1900 WEST, SUITE 1

Steve Parkinson stated that the Zoning Ordinance was recently amended to allow pet grooming businesses in Regional and Community Commercial Zones. The City had received a request for approval of a conditional use for a pet grooming business to be located at 4484 South 1900 West, Suite 1. The site was located in an existing building with adequate parking and landscaping. The staff and Planning Commission recommended that the conditional use be approved.

Councilwoman Yeoman moved to approve a conditional use for a pet grooming business located at 4484 South 1900 West, Suite 1 based on the staff's findings and the recommendations of the staff and Planning Commission. Councilwoman

Becraft seconded the motion. Council members Becraft, Dandoy, Hilton, Tafoya, and Yeoman voted “aye.” The motion carried.

8. CONSIDERATION OF A REQUEST FOR A CONDITIONAL USE FOR A COMMERCIAL WAREHOUSE AND INVENTORY BUSINESS (SUGAR SHACK & GIFTS) LOCATED AT 1821 WEST 4000 SOUTH

Steve Parkinson stated that the City had received a request for approval of a conditional use for a commercial warehouse and inventory business to be located in the business park at 1821 West 4000 South. The applicant planned to inventory other people’s products and fill online orders. There would be no retail sales. This type of business was a conditional use in the Business Park Zone. The business would be located in an existing building with adequate landscaping and parking. The staff and Planning Commission recommended approval of the conditional use.

Councilwoman Yeoman moved to approve a conditional use for a commercial warehouse and inventory business to be located at 1821 West 4000 South based on the staff’s findings and the recommendations of the staff and Planning Commission. Councilman Tafoya seconded the motion. Council members Becraft, Dandoy, Hilton, Tafoya, and Yeoman voted “aye.” The motion carried.

9. DISCUSSION REGARDING THE ESTABLISHMENT OF A MIXED USE ZONING DISTRICT ORDINANCE

Mayor Cragun stated that there was some feeling that the Council needed to provide direction for the staff to look at areas of the City where mixed use zoning could be applied.

Councilman Dandoy felt that going forward the City needed to find ways to strengthen the sales tax base. It needed to do be done in a homogeneous manner. Mixed use would not fit every area. He felt mixed use zoning could be applied to the rail station and others areas was well. He was asking that the Council direct the staff to start gathering information regarding mixed using zoning so that an ordinance could be formed into a tool, which could be added to the City’s pocket.

Councilman Dandoy felt the Council needed to have information about whether mixed use was a viable option before it began looking at a five-year strategic plan. It needed facts and feedback on how it might work or not work. He emphasized that this was not a decision point. It was just a request to begin gathering information.

Councilman Dandoy felt there was evidence in other communities that mixed use operations were successful. Typically, mixed use development did not follow the same ordinance other areas did. Building codes were also unique. When the Council understood the options, it could make more informed decisions. The Council needed to

know what would and would not work for the City. If the Council agreed, the staff could begin gathering facts.

Mayor Cragun stated that the City had been approached by developers who wanted to pursue mixed use developments in Roy. He felt the Council needed to know if it was a viable option.

Councilman Tafoya felt looking at mixed use would be wasting the staff's time. Those who wanted mixed use would ask for it regardless. It did not make sense to have the staff spend time on something that might or might not happen. Developers already had mixed use areas earmarked. Yes, other cities had successful mixed use areas. Those areas were destination places. Roy City was not a destination place. He wished it was. Ultimately, the Council needed to recognize what Roy was and what it could do to change. He felt the City had a strong tax base with the commercial it had. He did not feel a sandwich shop under some apartments would bring much sales tax into the City. He did not feel the City should spend time and money on mixed use.

Councilman Hilton stated that there were sporadic mixed use areas on Bountiful's main street. Councilman Dandoy was asking that the City be prepared so it wasn't scrambling to respond to a developer. Developers complained about how long it took to get anything done in Roy. If a zone was prepared, the City could respond. He agreed that a mixed use area would not generate a lot of sales tax. He would like to look at a mixed use zone so the City could determine what it wanted and what to expedite.

Councilwoman Yeoman felt the City did need to have a mixed use zone ready. She asked if the staff had done any research on mixed use zoning.

Andy Blackburn stated that the City had received a grant from the Wasatch Front Regional Council to begin looking at the Front Runner Station and 1900 West.

Steve Parkinson stated that the City applied for and received a grant from the Wasatch Front Regional Council. Weber County partnered with the City, which expanded the grant even further to include UTA. The study would look at the Front Runner Station and 1900 West. The study would almost be like a General Plan update, but only for a specific area. It would include citizens' comments and concerns about what they wanted. The staff had started research for the grant study. It had not written an ordinance. The staff hoped to have study results to present to the Council in about nine months.

Councilwoman Yeoman felt the staff was already heading in the direction suggested by Councilman Dandoy. She felt putting an ordinance together at the end of the study would be a simple matter. The grant study would focus on the east part of the City and would start updating the General Plan.

Councilman Tafoya agreed that mixed use made sense around the Front Runner Station and 1900 West. If a mixed use was approved, it could turn into a Gateway. Did the City want to congest the commercial area further? Was the City so desperate for something new, it would make things worse? Allowing mixed use would take away from the possibility of a big commercial space.

Mayor Cragun stated that Roy was once a destination place. Over the years, businesses had moved, and the business district had died. There had not been a lot of emphasis placed on building up the business district. There needed to be some way to entice businesses to come to Roy so residents would shop in Roy rather than Clinton, Riverdale, and Ogden. He did not feel the Council could sit back and do nothing.

Councilman Tafoya did not feel the business district had died. It was not brand spanking new and exciting, but there were few empty store fronts. There were two areas in the City that were controlled by developers. Until those developers wanted to do something there was nothing the City could do.

Councilman Dandoy felt mixed use zoning was complex. It was a change of philosophy. It was a village look where people worked and lived together. Mixed use had challenges to address such as traffic and noise. The Council needed to look at all of the facts rather than make an emotional decision. Right now the Council was not prepared to really understand mixed uses' real issues and their impact. The staff was unbiased. It could gather pros and cons and present them to the Council. If the Council understood the facts and decided mixed use did not fit in Roy City, he would be okay with it. If the Council did not know what the impact of mixed use would be, he felt it would end up having to make a decision it was not capable of.

Councilwoman Yeoman did not feel the staff needed to do anything further at this time. When the results of the grant study were presented, the Council could decide how to proceed.

The consensus of the Council was not to do anything at this time.

10. DISCUSSION REGARDING THE ROY CITY RECREATION COMPLEX

Councilman Dandoy stated that in two weeks the Council would consider whether to ask the residents to pay more property taxes. In light of that decision, he felt the Council needed to decide whether the Aquatic Center and Recreation Complex were services provided to the citizens or sources of revenue which were expected to bring in income or break even.

Councilwoman Yeoman asked what the survey results said about services. Councilman Dandoy said the actual survey results would be presented in two weeks. In response to a specific question about the Complex, the residents had indicated they wanted the

service but they were not willing to bond for improvements. The majority of residents felt roads were the biggest improvement needed by the City. The Complex was not high on the list. About 33% wanted to keep it. He wondered what percentage of Roy residents used the Complex. In one year 90,000 patrons walked through the door. He did not know how many were repeat customers. There was no question that the Complex provided some value to the community. Was the Council willing to consider raising property taxes to pay for it? The proposed tax increase would generate \$800,000 to \$1,000,000 in revenue. The Complex had a number of financial and infrastructure issues that had to be addressed to make it a viable facility. The City's financial reports indicated that the Complex had lost a significant amount of money over the last six years. It had been losing money for the last 16 years. The FY2017 budget projected a loss of \$596,869. Was the City willing to spend \$596,000 of the property tax increase on this particular facility?

Councilman Dandoy stated that he had spoken with Clearfield City about their recreation complex. Clearfield projected expenses of \$2.7 million in the coming year and only \$1.4 million in revenue. They expected a \$1.3 million loss in the coming year and that the facility would have a loss throughout the life of the bond. If a recreation facility was a service like water and sewer, then the City could expect to absorb the loss. The Council could save the taxpayers money by taking a different view on the Complex.

Councilwoman Yeoman asked what would happen if the City decided it no longer wanted to provide the service of a recreational facility. Mr. Blackburn said the City would close the building, and it would sit vacant.

Mayor Cragun stated that the Weber School District had indicated that it was not willing to subsidize the Complex.

Councilman Tafoya asked about the salary expense. Travis Flint, Parks and Recreation Director, stated that the some of the salary expense provided by Councilman Dandoy included salaries that were not solely assigned to the Complex, such as the positions that maintained and managed both the Complex and the Aquatic Center.

Cathy Spencer, Management Services Director, stated that \$200,000 of the Complex expenses for FY2017 were capital improvements. It would not be an ongoing expense.

Councilman Tafoya asked how the salaries would be covered if the Complex was closed. Travis Flint stated that if they could not be shifted and absorbed somewhere else in the budget, they would have to be downgraded to part time or eliminated.

Travis Flint stated that a lot of what Parks and Recreation did was not about making money. The things they did turned a city into a community. There were a lot of services provided at the Complex, such as swimming lessons and merit badge classes. There

were unmeasurable benefits in reduced medical expenses for seniors and lower crime rates. He saw so many good things that resulted from the Complex that he hated for its future to be a purely financial decision.

Mayor Cragun felt the City Council had to decide the fate of the Complex. The City maintained a lot of parks that didn't have revenue to offset the cost. The Recreation Complex had become a fixture in Roy City. The seniors used it every morning. If the City had maintained the weight lifting equipment at the Complex other businesses might not have been able to draw patrons away.

Travis Flint stated that in the past few years there had been infrastructure expenses, like replacement of the original boiler. This year the City was replacing the basketball court which was 44 years old. He did not anticipate the City would have to deal with those big ticket items again for many years.

Travis Flint stated that the Recreation Complex did not make money. It was not designed to make money. It was designed to provide a service. There was a value to the service it provided. The City Council had to decide whether it was a service the City could afford to provide. The Complex was not a fitness center. It was a community center.

Councilman Dandoy stated that the Complex was old. Because the facility lacked modern capabilities, Roy residents were using similar facilities in surrounding cities. The financial reports indicated that there had been a steady decline in admissions revenue since 2011. If the Complex was a service investment like the Aquatic Center, then the City was obligated to either replace it or enhance it so that people would come back. Otherwise the majority of residents would use other facilities, and the Complex would continue to deteriorate. The City Council had to be willing to create a facility to attract the public or close it. The Council had to step up the plate and decide if the Complex was in the City's future or not.

Councilwoman Yeoman felt the Complex had been in Roy City for a long time. Her son earned his merit badges there. It was where her children learned to swim. Her family felt comfortable there. The Recreation Complex was a staple in the community. She wanted to put money in the budget to improve it and keep it going.

Councilman Hilton did not feel the financial burden fell completely on the City. There were other revenue sources, such as a RAMP grant. The City could work with the Weber School District. If the City did not improve the Complex, patrons would continue to leave. He agreed that through the services provided by the Recreation Department a city became a community. Recreation services added to the City's lifestyle.

Councilwoman Yeoman felt an empty building would leave a negative message about the Council's efforts.

Councilman Dandoy felt the Council was saying the Recreation Complex provided a valuable service which it wanted to continue. He asked that the staff be directed to prepare the best plan to bring back patrons. Without a plan, the administration would continue down its current path. Ultimately the building would deteriorate and become unsafe and have to be taken down.

Councilwoman Yeoman felt Travis Flint had done a good job of maintaining the Recreation Complex and installing improvements to keep it safe.

Councilman Tafoya stated that the major expenses in the past few years had been upgrades to a 44-year-old building. The City either had to spend money to upgrade an older building or build a new one on its own property where the City had some control. The Recreation Complex was an investment in the community which would hopefully last another 40 to 50 years.

Councilman Dandoy asked that the staff look at some feasibilities.

Councilwoman Becraft felt there needed to be more discussions with the School District. Mr. Flint said it had been several years since he talked to the School District about the Complex. It was time to have another one.

Councilman Tafoya felt that if the School District was not willing to help with the expense of the Complex, it was time for the City to move on.

Trent Nelson, Assistant City Attorney, asked if the City wanted to keep capital improvements in the current budget if it was seriously considering a new facility. Councilman Dandoy felt the capital improvements should be made for safety reasons. If there was a new complex, it was probably at least five years down the road.

11. CITY MANAGER'S REPORT

Andy Blackburn, City Manager, reported that:

- The State had approved the permit for the Harmon's sign with some modifications. He hoped the permit would be sent back by the end of the week.
- The meetings with Wasatch Front Regional Council regarding the study grant would be held at the end of August. Mayor Cragun, Steve Parkinson, and he sat on the committee. He felt the grant would help the City receive input and ideas regarding mixed use. Councilman Dandoy asked if the meeting would include an opportunity to discuss transportation. Mr. Blackburn said it would. The meeting would be focused on the grant. Councilman Dandoy asked that the administration let the Council know when there would be an opportunity to discuss transportation and State roads with the Wasatch Front Regional Council.

- The Ogden/Weber Chamber of Commerce would be hosting a business-after-hours event at Ray Citte Center on August 10th from 5:00 to 7:00 p.m. The Mayor would be speaking. Refreshments would be provided. The Council members were invited.

12. PUBLIC COMMENTS

Laura Lewis, 3102 West 6000 South, thanked the Council for their service. She moved to Roy two years ago and loved living here. The 3100 West 6000 South intersection had a stop sign for the north and south traffic, but not the east and west. The speed limit was 35 MPH, but the east and west traffic traveled much faster than that. In the past few years, there had been four accidents which had taken out her fence. She wasn't concerned about her fence. She was concerned about the risk to herself and her family. She had spoken with the Police Department about extra patrols. She spoke with the Public Works Department about making the intersection a four way stop. Public Works referred her to the City Council. She asked that the Council make the intersection a four way stop or put in a roundabout.

Mayor Cragun asked that the City Engineer study the intersection to determine the best solution. He felt the Council should consider a four way stop. Councilman Dandoy asked what was blocking the view. Ms. Lewis said there was some large vegetation on the east side. Councilman Hilton felt the City should be able to do something about the vegetation.

Jared Roper, 4171 South 2175 West, stated that he was still concerned about the dry vegetation along the railroad right-of-way north of 4000 South. The Fire Department said they would talk to the property owners, but the vegetation was still there. He felt it was a potential fire hazard. Councilman Tafoya said the City would have the Code Enforcement Officer look into it.

13. MAYOR AND COUNCIL REPORTS

Councilman Tafoya asked if there was a way to include Roy's name on the 5600 South exit sign. Councilwoman Yeoman said UDOT had taken all city names off of exit signs. Only street names were shown on the exit signs. Mr. Blackburn said the City could ask that the 5600 South exit sign include the City's name.

Councilman Hilton stated that the Utah League had documentation on what was needed for Roy City be recognized by the State as *business friendly*. He had asked that the City receive a copy so it could be prepared to be recognized next year on August 1st.

Councilman Tafoya asked that the staff enforce the new Sign Ordinance. Cathy Spencer stated that businesses could be cited now that the grace period was over.

Mayor Cragun felt the City should look at requiring permits for signs on traffic control devices. The signs were a nuisance, and the City had to pay someone to take them down. Councilwoman Becraft asked that the City contract Cathy Darby about taking down her election signs.

Mayor Cragun stated that he had received requests for Public Comments to be moved to the beginning of the agenda. The Council agreed. Councilman Tafoya cautioned that the Council would have to be sure the public comments did not turn into public hearings.

Councilwoman Becraft thanked the Council for their help with the Roy Days Art Show.

Councilman Dandoy stated that Economic Development Committee had been pushing the Albertson's property. The City was seeing some movement. He felt it was important to know if the City considered the Albertson's building as abandoned. It had been vacant for 13 years. If the building had been abandoned, any new user would have to comply with the City's current landscaping requirements. The landscaping improvements would be costly and could be a deterrent for a potential user. Andy Blackburn did not feel the building had been abandoned because portions of it had been in use. Councilman Dandoy asked that the City provided him with a written legal opinion.

Councilman Dandoy asked about the status of the website development. Had a contract been issued? Mr. Blackburn thought there had been an initial meeting. Councilman Hilton asked that he be included in all meetings. Councilman Dandoy wanted to make sure all of the department heads were included in the meetings. He wanted to prevent the website from being functionally inept. It was critical that every department have input on how to enhance the website. Councilman Hilton said the department heads needed to be involved before the website was designed. Councilman Dandoy asked that the department heads be integrated into the design process. Councilman Hilton wanted to make sure the website had the capacity to be business friendly.

There was a discussion about which department head should oversee the IT Department. Mayor Cragun felt IT should be moved from Public Works to Management Services. Councilman Tafoya suggested that the Council let the new City Manager determine where to put the IT Department.

14. ADJOURN

Councilwoman Becraft moved to adjourn at 7:44 p.m. Councilman Dandoy seconded the motion. Council members Becraft, Dandoy, Hilton, Tafoya, and Yeoman voted “aye”.

Attest:

Willard Cragun
Mayor

Amy Mortenson
Recorder



ROY CITY

Special Roy City Council Meeting Minutes

July 26, 2016 – 6:00p.m.

Multi-Purpose Room Downstairs

5051 South 1900 West

1. Consideration of Resolution No. 16-31 Announcing Roy City's Intent to Annex Unincorporated Islands and Peninsulas
2. Discussion of an Interlocal Agreement with Sunset City Regarding Sewer Services
3. Consideration of Resolution No. 16-30 Approving an Interlocal Agreement between Roy City and Sunset City for the Provision of Management and Collection Procedures for Sewer Services
4. Discussion of Property Located at Approximately 4500 South 1900 West
5. Adjourn



ROY CITY

Special Roy City Council Meeting Minutes
July 26, 2016 – 6:00p.m.
Multi-Purpose Room Downstairs
5051 South 1900 West

Minutes of the Special Roy City Council Meeting held July 26, 2016, at 6:00 p.m. in the Multi-Purpose Room of the Roy City Municipal Building.

Notice of the meeting was provided to the *Standard Examiner* at least 24 hours in advance. A copy of the agenda was posted.

The following members were in attendance:

Mayor Willard Cragun
Councilmember Marge Becraft
Councilmember Bob Dandoy
Councilman Brad Hilton
Councilmember Dave Tafoya

City Manager Andy Blackburn
City Recorder Amy Mortenson

Excused: Councilmember Yeoman

Also present were: Public Works Director, Ross Oliver; Management Services Director, Cathy Spencer

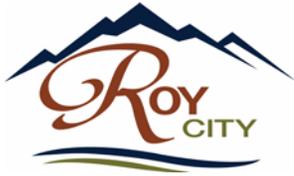
1. CONSIDERATION OF RESOLUTION NO. 16-31 ANNOUNCING ROY CITY'S INTENT TO ANNEX UNINCORPORATED ISLANDS AND PENINSULAS

City Manager Blackburn stated this was also a house keeping item. This Resolution is exactly the same as the previous Resolution that was passed two weeks ago. The Standard Examiner did not put the entire notice in the paper. Because of this we need to approve the Resolution Again.

Councilmember Tafoya moved to approve Resolution No. 16-31 Announcing Roy City's Intent to Annex Unincorporated Islands and Peninsulas and setting a public hearing date for September 6, 2016. Councilmember Hilton seconded the motion. A roll call vote was taken. All Councilmembers voted "aye." The motion carried.

2. DISCUSSION OF AN INTERLOCAL AGREEMENT WITH SUNSET CITY REGARDING SEWER SERVICES

City Manager Blackburn said some questions were brought to the Council in a previous City Council meeting. It was indicated that the Council needed more time to decide where they



ROY CITY

Special Roy City Council Meeting Minutes

July 26, 2016 – 6:00p.m.

Multi-Purpose Room Downstairs

5051 South 1900 West

wanted to go with this. The developer was also in the audience tonight and could answer any question.

Councilmember Tafoya said there is paper work that the city allowed this to move forward to a certain extent. Councilmember Tafoya stated he is fine with being neighborly. He felt that the Interlocal was well written and is ok with this moving forward with the original duplex plus the additional 60 units.

Councilmember Hilton also stated he is ok with this moving forward and being neighborly. He felt Trent did a great job with the contract and is ready to move forward.

Councilmember Becraft stated she is ok with it as long as it is no more than 60 units plus the 16 that are already there, for a total of 76 units.

Councilmember Dandoy agreed with the 76 units. Councilmember Dandoy asked if the original 16 units were paying the resident rate. It was indicated that they were. He asked that the additional 60 units be charged at the nonresident rate. Management Services Director, Cathy Spencer indicated that they would be contacting Mr. Holbrook to discuss the initial 16 units paying the nonresident rate. Councilmember Tafoya said he would like them all to pay the nonresident rate.

3. CONSIDERATION OF RESOLUTION NO. 16-30 APPROVING AN INTERLOCAL AGREEMENT BETWEEN ROY CITY AND SUNSET CITY FOR THE PROVISION OF MANAGEMENT AND COLLECTION PROCEDURES FOR SEWER SERVICES

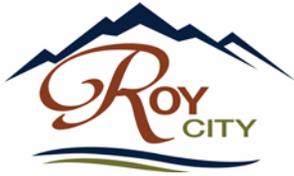
Councilmember Tafoya moved to approve Resolution No. 16-30 approving an Interlocal Agreement between Roy City and Sunset City for the Provision of Management and Collection Procedures for Sewer Services to include the second draft with the maximum total of 76 connections and all connections will pay the nonresidential fee. Councilmember Becraft seconded the motion. A roll call vote was taken. All Councilmembers voted “aye.” The motion carried.

4. DISCUSSION OF PROPERTY LOCATED AT APPROXIMATELY 4500 SOUTH 1900 WEST

City Manager Blackburn stated the Council had tabled the item for further discussion so it is back before the Council.

Councilmember Tafoya stated it comes down to does the Council want to change the back part from R-1-8 to multi-family.

Councilmember Becraft said she feels the back part can't be developed into anything. Councilmember Tafoya said the only possibility would be to put R-1-8 back in against the R-1-8 homes now and have a frontage row.



ROY CITY

Special Roy City Council Meeting Minutes

July 26, 2016 – 6:00p.m.

Multi-Purpose Room Downstairs

5051 South 1900 West

Mayor Cragun stated the developer is intending on building Town Homes on the property.

Mr. Brown stated in order to make the project work they need all the land. South and west of Farmington Station the Sales are booming and they can't build fast enough. The townhomes are going for \$180,000 to \$420,000. \$280,000 to \$360,000 is the norm for a sale. All of the townhomes in the Farmington are sold and were sold immediately.

Councilmember Hilton stated there is no doubt townhomes sell. He asked Mr. Brown if this was a make or break deal if the back piece wasn't zoned the same. Mr. Brown stated the developer needs all the land zoned the same to make the project work and felt any developer would feel the same.

Councilmember Dandoy said there is a common ground in-between high density apartments and single family homes with townhomes. To make it effective they need the final piece to make it work.

Councilmember Tafoya stated the City Council knows how he feels about high density and wanted to explain why. He said it's no secret that Roy City is one of the most densely populated cities and allowing high density housing only puts more traffic on our already overloaded streets. The more people you add into the city the worse the traffic gets. Councilmember Tafoya also stated the high density developments cost the city more. He also feels high density housing is astatically pleasing. Green space is a good thing and we don't have to fill every vacant piece of land. Councilmember Tafoya feels that throwing more people into a great city has never made sense to him.

5. ADJOURN

Councilmember Tafoya moved to adjourn at 6:41 p.m. Councilmember Hilton seconded the motion. All Council members voted "aye".

Attest:

Willard Cragun
Mayor

Amy Mortenson
Recorder

ROY CITY CORPORATION
Highlights of Request to Increase Property Tax Revenue

An increase in the certified tax rate for Roy City is being proposed. The rate would increase from .002051 as set by the County to .002828. The change in the certified tax rate is expected to generate \$969,727. For every \$100,000 of taxable value, the tax increase would be \$42.73 per year; \$3.56 per month. *(The percentage of increase in the certified tax rate is 37.92%.)*

- *It is important to remember that the taxable value of a primary residence is 55% of the market value. A businesses taxable value is 100% of the market value and does not receive the discount.*
- Roy City's last tax increase was in 2005 and was 18.64%. For every \$100,000 of taxable value, the tax increase was \$21.64 per year; \$1.80 per month.
- Each year the certified tax rate for the City is reduced due to new growth. Prior to and since 2005, the City has not gone through the truth in taxation process to recapture new growth. Tax rate for 2005 = .002514. 2016 w/o tax increase = .002051; with tax increase .002828.

A portion of the tax increase, .000004, or \$5,473 is the result of a Discharge of Judgement from an appeal of personal property value from Comcast for the years 2011, 2012, and 2013. The Utah State Tax Commission and Comcast stipulated to a reduced value on all three years resulting in a total cash refund of \$158,033 which was apportioned out among all affected entities in Weber County.

While sales tax revenue is expected to increase slightly, many of the other revenue sources for the City are flat. Franchise tax rates are at the maximum, and increase only slightly with new home construction. New home construction is down because few lots are available.

Wages and benefits of the City make up 69% of the budget. Each year additional revenue is needed to cover increases the City Council approves such as cost of living and merits. In addition, insurance premium increases must also be covered. In early 2016 the City Council approved pay adjustment for police officers based on years of service with the City. The total cost of the increase was \$79,000. In FY 2016, this increase was covered by police officer slots that were unable to be filled. In FY 2017, the property tax increase will cover the cost. *(This makes up 3.09% of the tax increase.)*

Other wage and benefit changes to be covered by the property tax increase include a part-time salary survey; a 2.0% cost of living adjustment; a 2.5% merit; and some reorganization of staffing in departments to allow for better overall operations. Total estimated cost \$341,000. *(This makes up 13.33% of the tax increase.)*

The City has made an effort to hold the operations costs close to FY 2016 levels. While that is done for operation, it cannot be done for capital improvements. The amount of funding provided for capital does not keep up with needs. In FY 2016, \$452,000 was budgeted for non-grant related capital improvements. The FY 2017 budget includes \$649,645, an increase of nearly \$198,000. The remainder of the property tax increase \$549,727, not utilized for wages and benefits will be directed to capital improvements. \$198,000 has been directly identified within the departments; the additional \$352,000 will be used to fund capital under a new capital improvement plan. *(The \$198,000 represents 7.74% of the tax increase, while the remainder is 13.76%.)*

While not fully formulated, the amount approved by the tax increase will set the direction. The areas to be addressed in the plan include:

- Various machinery and equipment
- Fire apparatus
- Phase II of the relocation of George Wahlen North Park
- Improvements to the Recreation Complex
- Beautification efforts
- Library property on 4800 South
- Further decisions need to be made regarding:
 - ✓ Acquisition of property for an additional City cemetery
 - ✓ Acquisition of property for future expansion of the Public Works facility

The City will be making a one-time contribution to the capital improvement fund of with fund balance reserves in an effort to reduce the reserves to approximately 18% of budgeted revenue. The exact amount of the contribution will be determined at the conclusion of the FY 2016 financial audit. The \$352,000 noted above would also be added to the capital improvement plan.

* * * * *

Resolution No. 16-37 has been prepared for your consideration on the increase to property tax revenue. If you should decide to change the amount of the increase, here is some information to consider. \$100,000 represents approximately 3.91% of the increase and changes the certified tax rate by approximately .000080. If necessary, we can calculate an approximate change to the numbers in the resolution and include that in the motion.

RESOLUTION NO. 16-37
A Resolution of the Roy City Council Increasing Property
Tax Revenue and Setting the 2016 Certified Tax Rate

Whereas, the City of Roy has declared its intent to increase the certified property tax rate; and

Whereas, the City has conformed to the truth in taxation requirements of the State of Utah through publication and posting of notices of the proposed property tax increase; and

Whereas, the State of Utah approved Appeal Numbers 12-1490, 12-2054, and 13-2176 for personal property from Comcast which resulted in reduced value and a \$158,033.65 refund which was apportioned out among all affected entities in Weber County; and

Whereas, the City intends to take a judgement levy for the Comcast appeal; and

Whereas, the Roy City Council on August 16, 2016, held a public hearing to consider increasing the certified tax rate, and

Whereas, the Roy City Council has determined that the increase is necessary to fund wages, benefits, and capital needs;

Now, therefore, be it resolved by the Roy City Council that the following certified tax rates and revenues be set for 2016:

<u>Fund/Budget Type</u>	<u>Revenue</u>	<u>Tax Rate</u>
10 General operations	\$3,521,686	0.002824
190 Discharge of judgement	5,473	0.000004
Total	<u>\$3,527,159</u>	<u>0.002828</u>

Be it further resolved that this resolution is adopted after proper notice and hearing in accordance with UCA 59-2-919 and shall be forwarded to the Weber County Auditor and the Utah State Tax Commission in accordance with UCA 59-2-913 and UCA 29-2-920.

Passed this 16th day of August, 2016.

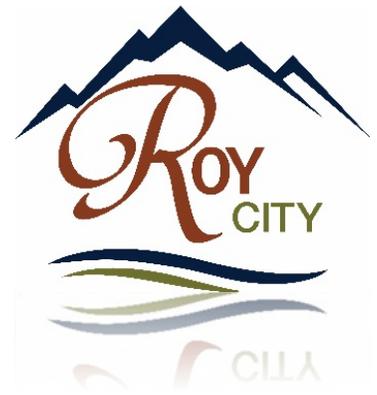
Willard S. Cragun, Mayor

Attested and Recorded:

Amy Mortenson, City Recorder

City Council Members Voting "Aye"

City Council Members Voting "Nay"



Memorandum

To: Mayor Cragun, and Members of the Roy City Council
From: Cathy Spencer
Date: 8/11/2016
Re: Budget Adjustments

At this time we are proposing adjustment to the FY 2017 budget as notated below:

General Fund

Tax Revenue - Decrease in property tax revenue of \$229,409. When the FY 2017 budget was approved on June 7th, it included funding for the implementation of a salary survey. At a subsequent meeting, the City Council decided that the salary survey and implantation should be included as part of the FY 2018 budget, and not FY 2017. At the time, the budget could not be adjusted, but we were able to reduce the amount requested for property tax revenue through the State Tax Commission. This adjustment brings the City's budget in line with the amount requested for property tax revenue of \$3,527,159.

License and Permit Revenue - Increase to business license revenue by \$30,000 and increase building permit revenue by \$25,000.

Charges for Services - Decrease in patient transports by \$10,000.

Fines and Forfeitures - Increase in public defender fees of \$3,500.

Grants - Increase in grants from the Administrative Office of the Courts for \$3,000 for technology.

Other - Increase in interest earnings of \$25,000.

The estimate of fund balance available for use is reduced to \$700,000. This relates to the Council's direction to have fund balance reserves at 18%. When the FY 2016 audit has been completed, we can better determine the amount that can be used.

Expenditures – Wages and Benefits – Several adjustments were made to wages and benefits. They include:

- In the budget approved for FY 2017, a lump sum was set aside for the merit implementation as of July 9th. The lump sum was allocated to the various departments.

- The Department's personnel budget were reviewed for employees enrolled in health insurance during the June open enrollment period. Adjustments were made for new employees coming on the plan, and employees opting out.
- Two employee retirements will occur in the Police Department by September 30, 2016. The accrued leave payouts for the individuals have been included.

Expenditures - Operations

Legislative

- \$5,000 moving allowance for the new City Manager.
- \$20,000 to purchase a vehicle for the City Manager (amount available after trade in of current vehicle).

Justice Court

- \$3,000 for equipment under the AOC Technology Grant.

Roy Days

- \$3,125 increase in overtime for the Police Department. This was inadvertently left off of the original budget.

Expenditures – Capital – Rebudget the 4800 South Round-A-Bout for \$453,416 in the Class C Road Fund.

Other adjustments were made to line items to better reflect the allocation of the property tax increase and the use of fund balance to get to the 18% threshold. The budget reflects the allocation of the tax increase as described in the memo for that public hearing. It also took into account the \$229,409 reduction in property tax revenue described at the beginning of this memo.

Water and Sewer Utility, Storm Water Utility

Expenditures – Wages and Benefits – Adjust the budget to reflect the merit implementation as of July 9th.

Solid Waste Utility

Expenditures – Wages and Benefits – Adjust the budget to reflect the merit implementation as of July 9th.

Expenditures – Operations – Adjust the budget by \$72,000 for the Weber County Landfill to better reflect the monthly cost.

Information Technology

Expenditures – Wages and Benefits – Adjust the budget to reflect the merit implementation as of July 9th.

Expenditures – Operations – Budget \$10,614 to set up the Hope Center on the electronic keying system. Depreciation on the system is \$2,125. The system will be paid for will fund balance reserves of the Information Technology Fund.

* * * * *

If you have any question with regard to the budget adjustments proposed, please give me a call. Resolution No. 16-38 has been prepared for your consideration in regards to the adjustments. In the event the City Council revises the amount of the property tax increase in Resolution No. 16-37, the related amounts within Resolution No. 16-38 will also need to be revised. This can be included in the motion.

ROY CITY CORPORATION
INTERIM BUDGET ADJUSTMENT REPORT
GOVERNMENTAL FUND TYPES
For the Period Ended August 31, 2016

GENERAL FUND INCLUDING CLASS C ROADS

	Beginning Fiscal Budget	Proposed Adjustments	Adjusted Fiscal Budget	YTD Actual	% of Budget
Revenue and other financing sources:					
Taxes	12,146,661.00	(229,409.00)	11,917,252.00	190,111.98	1.60
Licenses and Permits	306,200.00	55,000.00	361,200.00	46,376.74	12.84
Intergovernmental	2,007,413.00	3,000.00	2,010,413.00	6,501.91	.32
Charges for services	2,558,800.00	(10,000.00)	2,548,800.00	256,410.43	10.06
Fines and forfeitures	774,000.00	3,500.00	777,500.00	75,157.96	9.67
Miscellaneous revenue	146,500.00	25,003.00	171,503.00	2,957.54	1.72
Contributions	403,000.00	.00	403,000.00	9,468.00	2.35
Transfer in from other funds	162,300.00	.00	162,300.00	.00	.00
Budgeted use of fund balance	719,004.00	291,730.00	1,010,734.00	.00	.00
Total revenue and other financing sources	19,223,878.00	138,824.00	19,362,702.00	586,984.56	3.03
Expenditures and other financing uses:					
General government	2,776,565.00	6,144.00	2,782,709.00	226,589.08	8.14
Public safety	8,334,207.00	80,072.00	8,414,279.00	641,887.21	7.63
Highways and public improvements	2,088,361.00	4,948.00	2,093,309.00	63,956.98	3.06
Parks and recreation	2,415,924.00	5,916.00	2,421,840.00	243,318.91	10.05
Economic development	367,074.00	6,328.00	373,402.00	23,163.65	6.20
Principal and interest	118,439.00	.00	118,439.00	.00	.00
Capital outlay	2,129,963.00	28,416.00	2,158,379.00	65,701.05	3.04
Transfers out to other funds	991,845.00	7,000.00	998,845.00	.00	.00
Other	1,500.00	.00	1,500.00	.00	.00
Total expenditures and other financing uses	19,223,878.00	138,824.00	19,362,702.00	1,264,616.88	6.53
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	.00	.00	.00	(677,632.32)	

ROY CITY CORPORATION
INTERIM BUDGET ADJUSTMENT REPORT
GOVERNMENTAL FUND TYPES
For the Period Ended August 31, 2016

CAPITAL PROJECTS FUND

	<u>Beginning Fiscal Budget</u>	<u>Proposed Adjustments</u>	<u>Adjusted Fiscal Budget</u>	<u>YTD Actual</u>	<u>% of Budget</u>
Revenue and other financing sources:					
G/F transfer - Fire and rescue	185,500.00	.00	185,500.00	.00	.00
G/F transfer - Parks and recreation	.00	.00	.00	.00	.00
G/F transfer - Aquatic center	.00	.00	.00	.00	.00
G/F transfer - Administrative	.00	.00	.00	.00	.00
Transfer from other project fund	.00	.00	.00	.00	.00
G/F contribution - capital improvements plan	.00	.00	.00	.00	.00
Budgeted use of fund balance	656,500.00	.00	656,500.00	.00	.00
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue and other financing sources	842,000.00	.00	842,000.00	.00	.00
Expenditures and other financing uses:					
Capital facilities expansion	153,000.00	.00	153,000.00	(971.34)	(.63)
Administrative expenditures	3,500.00	.00	3,500.00	.00	.00
Fire & rescue equipment & facilities	.00	.00	.00	.00	.00
Parks & recreation equipment & facilities	500,000.00	.00	500,000.00	.00	.00
Aquatic center equipment replacement & exp	.00	.00	.00	.00	.00
Transfer to other project fund	.00	.00	.00	.00	.00
Residual equity transfer to general fund	.00	.00	.00	.00	.00
Budgeted increase in administrative capital b	.00	.00	.00	.00	.00
Budgeted increase in fire & rescue capital bal	185,500.00	.00	185,500.00	.00	.00
Budgeted increase in parks & recreation capit	.00	.00	.00	.00	.00
Budgeted increase in aquatic center capital b	.00	.00	.00	.00	.00
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures and other financing uses	842,000.00	.00	842,000.00	(971.34)	(.12)
Excess (deficiency) of revenue and other financing sources over expenditures and other financing uses					
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	.00	.00	.00	971.34	

ROY CITY CORPORATION
INTERIM BUDGET ADJUSTMENT REPORT
ENTERPRISE FUND
For the Period Ended August 31, 2016

WATER AND SEWER UTILITY

	<u>Beginning Fiscal Budget</u>	<u>Proposed Adjustments</u>	<u>Adjusted Fiscal Budget</u>	<u>YTD Actual</u>	<u>% of Budget</u>
Revenue:					
Operating revenue:					
Charges for services	6,446,205.00	.00	6,446,205.00	155,412.78	2.41
Connection, lift and improvement fees	875,000.00	.00	875,000.00	18,178.36	2.08
Impact fees	20,500.00	.00	20,500.00	27,425.00	133.78
Grant revenue	.00	.00	.00	.00	.00
Miscellaneous revenue	208,000.00	.00	208,000.00	2,535.00	1.22
Contributions and transfers	.00	.00	.00	.00	.00
Budgeted use of retained earnings	205,048.00	(8,787.00)	196,261.00	.00	.00
Non-operating revenue:					
Interest income	.00	.00	.00	.00	.00
Gain (loss) on sale of assets	5,000.00	.00	5,000.00	.00	.00
	<u>7,759,753.00</u>	<u>(8,787.00)</u>	<u>7,750,966.00</u>	<u>203,551.14</u>	<u>2.63</u>
Expenses:					
Operating expenses:					
Personnel	1,331,689.00	(8,787.00)	1,322,902.00	54,480.67	4.12
Materials and supplies	5,462,489.00	.00	5,462,489.00	8,560.52	.16
Depreciation	744,435.00	.00	744,435.00	.00	.00
Non-operating expenses:					
Interest and fees on bonds	221,140.00	.00	221,140.00	.00	.00
Budgeted increase in retained earnings	.00	.00	.00	.00	.00
	<u>7,759,753.00</u>	<u>(8,787.00)</u>	<u>7,750,966.00</u>	<u>63,041.19</u>	<u>.81</u>
Net Income	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>140,509.95</u>	

**ROY CITY CORPORATION
INTERIM BUDGET REPORT
ENTERPRISE FUND
For the Period Ended August 31, 2016**

STORM WATER UTILITY

	Beginning Fiscal Budget	Proposed Adjustments	Adjusted Fiscal Budget	YTD Actual	% of Budget
Revenue:					
Operating revenue:					
Charges for services	840,000.00	.00	840,000.00	23,051.00	2.74
Grants from local sources	.00	.00	.00	.00	.00
Contributions and transfers	.00	.00	.00	.00	.00
Total operating revenue	840,000.00	.00	840,000.00	23,051.00	2.74
Expenses:					
Operating expenses:					
Personnel	240,545.00	(773.00)	239,772.00	12,462.73	5.20
Materials and supplies	261,615.00	.00	261,615.00	2,173.28	.83
Depreciation	124,104.00	.00	124,104.00	.00	.00
Non-operating expenses:					
Budgeted increase in retained earnings	213,736.00	773.00	214,509.00	.00	.00
Total operating and non- operating expenses	840,000.00	.00	840,000.00	14,636.01	1.74
Net Income	.00	.00	.00	8,414.99	

**ROY CITY CORPORATION
 INTERIM BUDGET REPORT
 ENTERPRISE FUND
 For the Period Ended August 31, 2016**

SOLID WASTE UTILITY

	Beginning Fiscal Budget	Proposed Adjustments	Adjusted Fiscal Budget	YTD Actual	% of Budget
Revenue:					
Operating revenue:					
Charges for services	1,692,000.00	.00	1,692,000.00	647.41	.C
Recycling revenue	440,000.00	.00	440,000.00	142.42	.C
Other revenue	1,000.00	.00	1,000.00	447.30	44.7
Total operating revenue	2,133,000.00	.00	2,133,000.00	1,237.13	.C
Expenses:					
Operating expenses:					
Personnel	122,293.00	(1,224.00)	121,069.00	.00	.C
Materials and supplies	1,704,028.00	72,000.00	1,776,028.00	1,350.28	.C
Depreciation	82,950.00	.00	82,950.00	.00	.C
Non-operating expenses:					
Budgeted increase in retained earnings	223,729.00	(70,776.00)	152,953.00	.00	.C
Total operating and non-operating expenses	2,133,000.00	.00	2,133,000.00	1,350.28	.C
Net Income	.00	.00	.00	(113.15)	

ROY CITY CORPORATION
INTERIM BUDGET ADJUSTMENT REPORT
INTERNAL SERVICE FUNDS
For the Period Ended August 31, 2016

	Beginning Fiscal Budget	Proposed Adjustments	Adjusted Fiscal Budget	YTD Actual	% of Budget
INFORMATION TECHNOLOGY					
Operating revenue:					
Charges for services	383,869.00	.00	383,869.00	.00	.00
Miscellaneous revenue	.00	.00	.00	.00	.00
Budgeted use of retained earnings	16,717.00	6,599.00	23,316.00	.00	.00
Non-operating revenue:					
Gain (loss) on sale of assets	.00	.00	.00	.00	.00
Total revenue	400,586.00	6,599.00	407,185.00	.00	.00
Operating expenses:					
Personnel	174,357.00	4,474.00	178,831.00	13,591.96	7.60
Materials and supplies	152,512.00	.00	152,512.00	15,274.09	10.02
Depreciation	73,717.00	2,125.00	75,842.00	.00	.00
Non-operating expenses:					
Budgeted increase in retained earnings	.00	.00	.00	.00	.00
Total expenses	400,586.00	6,599.00	407,185.00	28,866.05	7.09
Net Income	.00	.00	.00	(28,866.05)	
RISK MANAGEMENT					
Operating revenue:					
Charges for services	290,300.00	.00	290,300.00	.00	.00
Miscellaneous revenue	.00	.00	.00	.00	.00
Budgeted use of retained earnings	.00	.00	.00	.00	.00
Total revenue	290,300.00	.00	290,300.00	.00	.00
Operating expenses:					
Materials and supplies	182,600.00	.00	182,600.00	151,105.40	82.75
Claims	107,700.00	.00	107,700.00	44,927.59	41.72
Non-operating expenses:					
Residual equity transfer to general fund	.00	.00	.00	.00	.00
Budgeted increase in retained earnings	.00	.00	.00	.00	.00
Total expenses	290,300.00	.00	290,300.00	196,032.99	67.53
Net Income	.00	.00	.00	(196,032.99)	

ROY CITY CORPORATION
INTERIM BUDGET ADJUSTMENT REPORT
GOVERNMENTAL FUND TYPES - SPECIAL REVENUE FUNDS
For the Period Ended August 31, 2016

	Beginning Fiscal Budget	Proposed Adjustments	Adjusted Fiscal Budget	YTD Actual	% of Budget
STORM SEWER FUND					
Revenue and other financing sources:					
Storm sewer impact fees	25,000.00	.00	25,000.00	3,750.00	15.00
Miscellaneous revenue	1,000.00	.00	1,000.00	.00	.00
Budgeted use of fund balance	143,000.00	.00	143,000.00	.00	.00
Total revenue	169,000.00	.00	169,000.00	3,750.00	2.22
Expenditures and other financing uses:					
Storm sewer expansion and maintenance	169,000.00	.00	169,000.00	.00	.00
Storm sewer equipment	.00	.00	.00	.00	.00
Budgeted increase in fund balance	.00	.00	.00	.00	.00
Total expenditures	169,000.00	.00	169,000.00	.00	.00
 Excess (deficiency) of revenue over expenditures	 .00	 .00	 .00	 3,750.00	
 PARK DEVELOPMENT FUND					
Revenue and other financing sources:					
Park development impact fees	25,000.00	.00	25,000.00	41,120.00	164.48
Land & water conservation grant	.00	.00	.00	.00	.00
RAMP tax	.00	.00	.00	.00	.00
Miscellaneous revenue	1,000.00	.00	1,000.00	.00	.00
Contribution from other gov't units	.00	.00	.00	.00	.00
Budgeted use of fund balance	.00	.00	.00	.00	.00
Transfers in from other funds	.00	.00	.00	.00	.00
Total revenue	26,000.00	.00	26,000.00	41,120.00	158.15
Expenditures and other financing uses:					
Park development, expansion, and maintenance	15,000.00	.00	15,000.00	.00	.00
Park equipment	.00	.00	.00	.00	.00
Transfers out to other funds	.00	.00	.00	.00	.00
Budgeted increase in fund balance	11,000.00	.00	11,000.00	.00	.00
Total expenditures	26,000.00	.00	26,000.00	.00	.00
 Excess (deficiency) of revenue over expenditures	 .00	 .00	 .00	 41,120.00	

ROY CITY CORPORATION
INTERIM BUDGET ADJUSTMENT REPORT
GOVERNMENTAL FUND TYPES - SPECIAL REVENUE FUNDS
For the Period Ended August 31, 2016

	BEGINNING Fiscal Budget	PROPOSED Adjustments	ADJUSTED Fiscal Budget	YTD Actual	% OF Budget
BEAUTIFICATION FUND					
Revenue and other financing sources:					
Budgeted use of fund balance	.00	.00	.00	.00	.00
Total revenue	.00	.00	.00	.00	.00
Expenditures and other financing uses:					
Beautification projects	.00	.00	.00	.00	.00
Total expenditures	.00	.00	.00	.00	.00
Excess (deficiency) of revenue over expenditures	.00	.00	.00	.00	
CLOCK MAINTENANCE FUND					
Revenue and other financing sources:					
Budgeted use of fund balance	.00	.00	.00	.00	.00
Total revenue	.00	.00	.00	.00	.00
Expenditures and other financing uses:					
Repairs and maintenance	.00	.00	.00	.00	.00
Total expenditures	.00	.00	.00	.00	.00
Excess (deficiency) of revenue over expenditures	.00	.00	.00	.00	
CEMETERY FUND					
Revenue and other financing sources:					
Sale of lots	.00	.00	.00	80.00	.00
Total revenue	.00	.00	.00	80.00	.00
Expenditures and other financing uses:					
Budgeted increase in fund balance	.00	.00	.00	.00	.00
Total expenditures	.00	.00	.00	.00	.00
Excess (deficiency) of revenue over expenditures	.00	.00	.00	80.00	

RESOLUTION NO. 16-38
A Resolution of the Roy City Council
Approving Adjustments to the Fiscal Year 2017 Budget

Whereas, a public hearing has been noticed and held on August 16, 2016 regarding adjustments to the fiscal year 2017 budget, and

Whereas, the City Council has received information regarding recommended modifications and adjustments to the budget, and

Whereas, the City Council finds it is in the best interest of the citizens of Roy to make the following adjustments,

Now, therefore, be it resolved by the Roy City Council that the following adjustments be made to the fiscal year 2017 budgets which includes operations, debt service and capital improvements;

Fund	Previously Approved Budget	Budget Adjustments	Adjusted Budget
General Fund	\$17,522,878	(\$171,910)	\$17,350,968
Class C Road Fund	1,308,000	310,734	1,618,734
Transportation Infrastructure Fund	393,000	0	393,000
Capital Projects Fund	842,000	0	842,000
Water & Sewer Utility	9,282,393	(8,787)	9,273,606
Storm Water Utility	885,600	0	885,600
Solid Waste Utility	2,133,000	0	2,133,000
Storm Water Development	169,000	0	169,000
Park Development Fund	26,000	0	26,000
Cemetery Perpetual Fund	0	0	0
Total	\$32,561,871	\$130,037	\$32,691,908
Internal Service Funds:			
Information Technology	\$457,586	\$17,213	\$474,799
Risk Management	290,300	0	290,300
Total	\$747,886	\$17,213	\$765,099

Passed this 16th day of August, 2016.

Willard S. Cragun, Mayor

Attested and Recorded:

Amy Mortenson, City Recorder

City Council Members Voting "Aye"

City Council Members Voting "Nay"

2015 ALCOHOLIC BEVERAGE LICENSE
 TO BE APPROVED BY THE
 CITY COUNCIL
 On August 16, 2016

<u>LICENSE #</u>	<u>BUSINESS NAME/ ADDRESS</u>	<u>OWNER</u>	<u>CLASSIFICATION</u>	<u>YEAR TO APPROVE</u>
7806	7-Eleven, Store # 26352J 5983 S 1900 W	7-Eleven Sales Corp.	Class A Beer	2016

RETAIL LICENSE CLASSIFICATIONS

<u>BEER CLASSIFICATION</u>		<u>LIQUOR CLASSIFICATION</u>	
Class A	Off premises consumption	Class A	Private Club
Class B	On premises consumption - restaurant	Class B	Restaurant
Class C	On premises consumption - tavern	Class C	Temporary
Class D	Temporary license		
Class E	Private club license		



To: Mayor Cragun and City Council Members
From: Ed Pehrson
Date: August 3, 2016
Subject: 7-Eleven, Store # 26352J - Alcoholic Beverage License

An inspection has been conducted at 7-Eleven, Store # 26352J, located at 5983 S 1900 W. I have found them to be compliant with the building and safety codes.

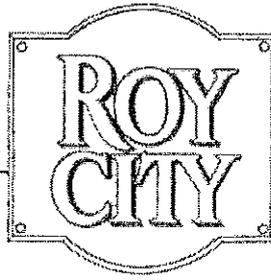
Respectfully,

A handwritten signature in black ink, appearing to read "Ed Pehrson", is written over the typed name.

Ed Pehrson
Roy City Building Official



FIRE & RESCUE DEPARTMENT
5051 South 1900 West
Roy, Utah 84067



Phone (801) 774-1080
Fax (801) 774-1059

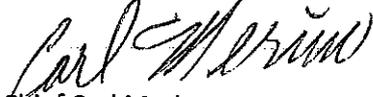
To: Tammy Nelson
From: Deputy Chief Jeff Comeau
Date: August 8, 2016
Subject: 7-Eleven #26352J 5983 South 1900 West

We have inspected the building and premise located above and found that the proposed premise does comply with all applicable laws, ordinances and regulations relating to safety in the event of fire or panic, and that this location is reasonably safe for use as a licensed premise for the license applied for.

To whom it may concern,

August 3, 2016

The application for a new business license for the 7-11 at 5983 S. 1900 W. has been reviewed for criminal involvement by the listed owners. Nothing was found and our review is complete with no problems discovered.

A handwritten signature in black ink, appearing to read "Carl Merino". The signature is written in a cursive style with a large, sweeping initial "C".

Chief Carl Merino

Roy City Police Department

Resolution No. 16-39

**A Resolution of the Roy City Council
Approving an Agreement between Roy City Corporation and Stark Brothers, Inc. for the
2016 Concrete Maintenance Project**

Whereas, a Request for Proposals for the 2016 Concrete Maintenance Project was advertised;
and

Whereas, Stark Brothers, Inc. was the lowest responsive, responsible bidder; and

Whereas, the Roy City Council desires to enter into an Agreement with Stark Brothers, Inc., and

Whereas, the Agreement sets forth the respective rights and responsibilities of the Parties
regarding the 2016 Concrete Maintenance Project.

Now, therefore, be it resolved by the Roy City Council that the Mayor is authorized to execute
the Agreement with Stark Brothers Inc.

Passed this 16th day of August, 2016.

Willard Cragun
Mayor

Attest:

Amy Mortenson
City Recorder

Voting:

	Aye	Nay	Absent	Excused
Councilmember Marge Becraft	_____	_____	_____	_____
Councilmember Robert Dandoy	_____	_____	_____	_____
Councilmember Brad Hilton	_____	_____	_____	_____
Councilmember Dave Tafoya	_____	_____	_____	_____
Councilmember Karlene Yeoman	_____	_____	_____	_____



Memorandum

To: Ross Oliver, Public Works Director
Roy City Corporation

From: Mark T. Miller, P.E.
Wasatch Civil Consulting Engineering

Date: August 11, 2016

Subject: **2016 Concrete Maintenance Project**

In response to our Advertisement for Bid for the subject project, bids were received at 2:00 p.m. on August 9, 2016, at the Roy City Public Works Office. Four contractors responded with bids ranging from \$90,550.00 to \$208,620.00. The Engineer's Estimate was \$100,000.00. We recommend awarding the contract to **Stark Brothers, Inc.** for the amount of **\$90,550.00**.

If you agree with this recommendation, please have the Mayor sign the attached Notice of Award and Contract Agreement. Once notified, the Contractor will have 14 days to respond with the following:

1. Signed Contract Agreement
2. Acknowledgment of Notice of Award
3. Certificate of Insurance
4. Performance and Payment Bonds

When all of the required documents have been submitted, we will schedule a pre-construction meeting for the project and the Notice to Proceed will be issued to the Contractor at the meeting. Construction can commence thereafter.



2016 Concrete Maintenance Project

Roy City Corporation

Bid Opening Date: August 9th, 2016 Time: 2:00 P.M. Place: Roy City Public Works Building

	Description	Quantity	Units	Engineer's Estimate		Stark Brothers, Inc.		Consolidated Paving and Concrete, Inc.		Leon Poulsen Construction		Stapp Construction, Inc.	
				Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount
1	Remove & Replace 4" Thick Concrete Sidewalk:	6,000	S.F.	\$6.00	\$36,000.00	\$6.00	\$36,000.00	\$4.32	\$25,920.00	\$8.30	\$49,800.00	\$12.00	\$72,000.00
2	Remove & Replace 6" Thick Concrete Sidewalk (Drive Approaches):	1,200	S.F.	\$8.00	\$9,600.00	\$7.00	\$8,400.00	\$6.23	\$7,476.00	\$8.45	\$10,140.00	\$14.00	\$16,800.00
3	Remove & Replace 30" Wide Concrete Curb & Gutter:	750	L.F.	\$26.00	\$19,500.00	\$27.00	\$20,250.00	\$25.19	\$18,892.50	\$39.80	\$29,850.00	\$45.00	\$33,750.00
4	Remove & Replace Concrete Pedestrian Ramps:	25	Each	\$900.00	\$22,500.00	\$500.00	\$12,500.00	\$719.68	\$17,992.00	\$940.00	\$23,500.00	\$2,200.00	\$55,000.00
5	Remove & Replace Concrete Waterways:	600	S.F.	\$10.00	\$6,000.00	\$10.00	\$6,000.00	\$33.05	\$19,830.00	\$18.70	\$11,220.00	\$30.00	\$18,000.00
6	30" Wide Standard Curb & Gutter:	250	L.F.	\$16.00	\$4,000.00	\$20.00	\$5,000.00	\$24.23	\$6,057.50	\$25.20	\$6,300.00	\$35.00	\$8,750.00
7	4" Thick Concrete Sidewalk:	480	S.F.	\$5.00	\$2,400.00	\$5.00	\$2,400.00	\$4.49	\$2,155.20	\$6.75	\$3,240.00	\$9.00	\$4,320.00
	TOTAL OF ALL BID ITEMS				\$100,000.00		\$90,550.00		\$98,323.20		\$134,050.00		\$208,620.00

Project Engineer
John Bjerregaard

CONTRACT AGREEMENT

THIS AGREEMENT is by and between **ROY CITY CORPORATION** (hereinafter called OWNER) and **Stark Brothers, Incorporated** (hereinafter called CONTRACTOR).

OWNER and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows:

ARTICLE 1- WORK

1.01 CONTRACTOR shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

The work consists of replacing miscellaneous concrete curb, gutter, sidewalk and pedestrian ramps. Construction of new concrete curb, gutter and sidewalk. The work performed shall consist of furnishing and constructing all related items and appurtenances as directed in the Contract Documents.

ARTICLE 2-THE PROJECT

2.01 The Project for which the Work under the Contract Documents may be the whole or only a part is generally described as follows:

2016 CONCRETE MAINTENANCE PROJECT

ARTICLE 3- ENGINEER

3.01 The Project has been designed by Wasatch Civil Consulting Engineering, who is hereinafter called ENGINEER and who is to act as OWNER's representative, assume all duties and responsibilities, and have the rights and authority assigned to ENGINEER in the Contract Documents in connection with the completion of the Work in accordance with the Contract Documents.

ARTICLE 4- CONTRACT TIMES

4.01 *Time of the Essence:* All time limits for completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

4.02 *Dates for Completion and Final Payment:* The Work will be completed by **June 30, 2017**, unless extended by OWNER. If both the OWNER and the CONTRACTOR agree, the Contract Time may be extended by up to two additional years.

4.03 *Liquidated Damages:* CONTRACTOR and OWNER recognize that time is of the essence of this Agreement and that OWNER will suffer financial loss if the Work is not completed within the times specified in paragraph 4.02 above, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by OWNER if the Work is not completed on time. Accordingly, instead of requiring any such proof, OWNER and CONTRACTOR agree that as liquidated damages for delay (but not as a penalty), CONTRACTOR shall pay OWNER \$200.00 for each day that expires after the time specified in paragraph 4.02 for Completion until the Work is accepted.

ARTICLE 5- CONTRACT PRICE

5.01 OWNER shall pay CONTRACTOR for completion of the Work in accordance with the Contract Documents an amount in current funds equal to the sum of the amounts determined pursuant to the paragraph below:

For all Unit Price Work, an amount equal to the sum of the established unit price for each separately identified item of Unit Price Work times the actual quantity of that item as measured in the field.

UNIT PRICE WORK

<u>No.</u>	<u>Item</u>	<u>Quantity</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Amount</u>
1	Remove & Replace 4" Thick Concrete Sidewalk:	6,000	S.F.	\$6.00	\$36,000.00
2	Remove & Replace 6" Thick Concrete Sidewalk (Drive Approaches):	1,200	S.F.	\$7.00	\$8,400.00
3	Remove & Replace 30" Wide Concrete Curb & Gutter:	750	L.F.	\$27.00	\$20,250.00
4	Remove & Replace Concrete Pedestrian Ramps:	25	Each	\$500.00	\$12,500.00
5	Remove & Replace Concrete Waterways:	600	S.Y.	\$10.00	\$6,000.00
6	30" Wide Standard Curb & Gutter:	250	L.F.	\$20.00	\$5,000.00
7	4" Thick Concrete Sidewalk:	480	S.F.	\$5.00	\$2,400.00

TOTAL OF ALL UNIT PRICES Ninety Thousand, five hundred fifty and no/100's (\$90,550.00).

As provided in paragraph 11.03 of the General Conditions, estimated quantities are not guaranteed, and determinations of actual quantities and classifications are to be made by ENGINEER as provided in paragraph 9.08 of the General Conditions. Unit prices have been computed as provided in paragraph 11.03 of the General Conditions. If both the OWNER and the CONTRACTOR agree, the CONTRACT QUANTITIES may be increased for work in the subsequent fiscal year.

ARTICLE 6- PAYMENT PROCEDURES

6.01 *Submittal and Processing of Payments:* CONTRACTOR shall submit Applications for Payment in accordance with Article 14 of the General Conditions. Applications for Payment will be processed by ENGINEER as provided in the General Conditions.

6.02 *Progress Payments; Retainage:* OWNER shall make progress payments on account of the Contract Price on the basis of CONTRACTOR's Applications for Payment on or about the **15th** day of each month during performance of the Work as provided in paragraphs 6.02.A. 1 and 6.02.A.2 below. All such payments will be measured by the schedule of values established in paragraph 2.07.A of the General Conditions (and in the case of Unit Price Work, based on the number of units completed) or, in the event there is no schedule of values, as provided in the General Requirements:

1. Prior to Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as ENGINEER may determine or OWNER may withhold, in accordance with paragraph 14.02 of the General Conditions:

A. 95% of Work completed (with the balance being retained). If the Work has been 50% completed as determined by ENGINEER, and if the character and progress of the Work have been satisfactory to OWNER and ENGINEER, OWNER, on recommendation of ENGINEER, may determine that as long as the character and progress of the Work remain satisfactory to them, there will be no retainage on account of Work subsequently completed, in which case the remaining progress payments prior to Substantial Completion will be in an amount equal to 100% of the Work completed less the aggregate of payments previously made; and

B. 25% of cost of materials and equipment not incorporated in the Work (with the balance being retained).

2. Upon Completion, OWNER shall pay an amount sufficient to increase total payments to CONTRACTOR to 100% of the Work completed, less such amounts as ENGINEER shall determine in accordance with paragraph 14.02.B.5 of the General Conditions.

6.03 *Final Payment*: Upon final completion and acceptance of the Work in accordance with paragraph 14.07 of the General Conditions, OWNER shall pay the remainder of the Contract Price as recommended by ENGINEER as provided in said paragraph 14.07.

ARTICLE 7- INTEREST

7.01 All moneys not paid when due as provided in Article 14 of the General Conditions shall bear interest at the rate of 1% per annum.

ARTICLE 8- CONTRACTOR'S REPRESENTATIONS

8.01 In order to induce OWNER to enter into this Agreement CONTRACTOR makes the following representations:

A. CONTRACTOR has examined and carefully studied the Contract Documents and the other related data identified in the Bidding Documents.

B. CONTRACTOR has visited the Site and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.

C. CONTRACTOR is familiar with and is satisfied as to all federal, state, and local Laws and Regulations that may affect cost, progress, and performance of the Work.

D. CONTRACTOR has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or contiguous to the Site and all drawings of physical conditions in or relating to existing surface or subsurface structures at or contiguous to the Site (except Underground Facilities) which have been identified in the Supplementary Conditions as provided in paragraph 4.02 of the General Conditions and (2) reports and drawings of a Hazardous Environmental Condition, if any, at the Site which has been identified in the Supplementary Conditions as provided in paragraph 4.06 of the General Conditions.

E. CONTRACTOR has obtained and carefully studied (or assumes responsibility for having done so) all additional or supplementary examinations, investigations, explorations, tests, studies, and data concerning conditions (surface, subsurface, and Underground Facilities) at or contiguous to the Site which may affect cost, progress, or performance of the Work or which relate to any aspect of the means, methods, techniques, sequences, and procedures of construction to be employed by CONTRACTOR, including applying the specific means, methods, techniques, sequences, and procedures of construction, if any, expressly required by the Contract Documents to be employed by CONTRACTOR, and safety precautions and programs incident thereto

F. CONTRACTOR does not consider that any further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract Documents.

G. CONTRACTOR is aware of the general nature of work to be performed by OWNER and others at the Site that relates to the Work as indicated in the Contract Documents.

H. CONTRACTOR has correlated the information known to CONTRACTOR, information and observations obtained from visits to the Site, reports and drawings identified in the Contract Documents, and all additional examinations, investigations, explorations, tests, studies, and data with the Contract Documents.

I. CONTRACTOR has given ENGINEER written notice of all conflicts, errors, ambiguities, or discrepancies that CONTRACTOR has discovered in the Contract Documents, and the written resolution thereof by ENGINEER is acceptable to CONTRACTOR.

J. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

ARTICLE 9- CONTRACT DOCUMENTS

9.01 Contents:

A. The Contract Documents consist of the following:

1. This Agreement;
2. Performance and Payment Bonds;
3. Engineering General Conditions noted as EJCDC No. 1910-8 (1996 Edition);
4. Supplementary Conditions;
5. Specifications as listed in the table of contents of the Project Manual;
6. Drawings as listed in the table of contents of the Project Manual;
7. Addenda Number __;
8. Exhibits this Agreements;
 1. Notice to Proceed;
 2. CONTRACTOR's Bid;
 3. Documentation submitted by the CONTRACTOR prior to the Notice of Award;
9. The following which may be delivered or issued on or after the Effective Date of the Agreement and are not attached hereto:
 - Written Amendments;
 - Work Change Directives;
 - Change Order(s).

B. The documents listed in paragraph 9.01A are attached to this Agreement (except as expressly noted otherwise above).

C. There are no Contract Documents other than those listed above in this Article 9.

- D. The Contract Documents may only be amended, modified, or supplemented as provided in paragraph 3.05 of the General Conditions.

ARTICLE 10- MISCELLANEOUS

10.01 *Terms*: Terms used in this Agreement will have the meanings defined by Engineers Joint Contract Documents Committee STANDARD GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT (EJCDC No. 1910-8 (1996 Edition)).

10.02 *Assignment of Contract*: No assignment by a party hereto of any rights under or interests in the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

10.03 *Successors and Assigns*: OWNER and CONTRACTOR each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

10.04 *Severability*: Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon OWNER and CONTRACTOR, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

IN WITNESS WHEREOF, OWNER and CONTRACTOR have signed this Agreement in duplicate. One counterpart each has been delivered to OWNER and CONTRACTOR. All portions of the Contract Documents have been signed or identified by OWNER and CONTRACTOR or on their behalf.

This Agreement will be effective on _____ (which is the Effective Date of the Agreement).

OWNER:

CONTRACTOR:

ROY CITY CORPORATION

STARK BROTHER, INC.

By: _____

By: _____

[CORPORATE SEAL]

[CORPORATE SEAL]

Attest _____

Attest _____

Address for giving notices:

Address for giving notices:

(If CONTRACTOR is a corporation or a partnership, attach evidence of authority to sign)

Designated Representative:

Name: _____

Name: _____

Title: _____

Title: _____

Address: _____

Address: _____

Phone: _____

Phone: _____

NOTICE OF AWARD

DATED: August 16, 2016

TO: Stark Brothers Construction, Inc.

ADDRESS: 125 South 2550 West, Marriott-Slaterville, UT 84404

PROJECT: 2016 Concrete Maintenance Project

You are notified that your Bid dated August 9, 2016, for the above Contract has been considered. You are the apparent Successful Bidder and have been awarded a Contract for the 2016 Concrete Maintenance Project. The Contract Price of your Contract is ninety thousand, five hundred fifty dollars (\$90,550.00).

Actual total price will be based on the sum of work items completed (as measured in the field) multiplied by the unit prices for each item.

One copy of each of the proposed Contract Documents (except Drawings) accompany this Notice of Award. Three sets of the Drawings will be delivered separately or otherwise made available to you immediately.

You must comply with the following conditions precedent within fifteen days of the date of this Notice of Award:

1. Submit a Signed Contract Agreement
2. Submit a Payment Bond
3. Submit a Performance Bond
4. Submit Certificates of Insurance as specified in General and Supplementary Conditions

Failure to comply with these conditions within the time specified will entitle OWNER to consider your Bid in default, to annul this Notice of Award and to declare your Bid security forfeited.

Within ten days after you comply with the above conditions, OWNER will return to you one fully executed counterpart of the Contract Documents.

Roy City Corporation
(OWNER)

(AUTHORIZED SIGNATURE)

(TITLE)