MINUTES OF THE VINEYARD
REDEVELOPMENT AGENCY BOARD MEETING
240 EAST GAMMON ROAD, VINEYARD, UTAH
MAY 10, 2017 – 7:11 PM

Present	**Absent**
Chair Randy Farnworth	Boardmember Nate Riley
Boardmember Tyce Flake	
Boardmember Julie Fullmer	
Boardmember Dale Goodman	

Staff Present: City Manager/Finance Director Jacob McHargue, Public Works Director/Engineer Don Overson Utah County Sheriff's Deputy Collin Gordon, Community Development Director Morgan Brim, Building Official George Reid, City Recorder Pamela Spencer

Others Present: Resident and Planning Commissioner Cristy Welsh; Resident Marcus Jessop

<u>7:11 PM RDA BOARD MEETING</u>

Chair Farnworth opened the meeting at 7:11 PM.

CONSENT AGENDA:

a) Approval of the March 8, 2017 RDA Meeting Minutes
b) Approval of the March 22, 2017 RDA Meeting Minutes

Chair Farnworth called for a motion.

Motion: BOARDMEMBER FLAKE MOVED TO APPROVE THE CONSENT ITEMS. BOARDMEMBER FULLMER SECONDED THE MOTION. ALL PRESENT WERE IN FAVOR. MOTION CARRIED WITH ONE ABSENT.

ITEMS REQUESTED FOR FUTURE AGENDAS

Item	***Requested by***
2016-2017 Budget Adjustment	*City Administrator/Finance Director Jacob McHargue*

BUSINESS ITEMS:

3.1 DISCUSSION AND ACTION – <u>Tentative 2017-2018 Fiscal Year Budget</u>

City Manager/Finance Director Jacob McHargue will present the tentative RDA 2017-2018 Fiscal Year Budget. The RDA Board will adopt the tentative budget and set a Public Hearing for May 24, 2017 and the final budget approval for June 14, 2017.

Chair Farnworth turned the time over to City Manager/Finance Director Jacob McHargue.

Mr. McHargue explained that the big item in the budget was the bond proceeds, assuming they were able to come to terms with Zions Bank. Boardmember Goodman asked what the bond would be paying for. Mr. McHargue explained that there had been discussions about using the money for infrastructure and remediation. He added that there had also been discussions about reimbursements for other obligations that the city had. Boardmember Goodman asked if they would be giving money to the Anderson Group. He asked what the Anderson Group would be giving the city in return. Mr. McHargue replied that he had sent an email to the Anderson Group for more information. There was a discussion about what the money would be used for. Boardmember Goodman said that as a citizen he did not like the idea of giving the Anderson Group money to improve their property and increase their profit. He suggested that the Anderson Group should be giving the city 60 to 70 acres in the Town Center Zone. He felt that would be a reasonable deal. Chair Farnworth replied that that was why the board was doing their due diligence. Boardmember Fullmer said that lowering the interest rate for the Flagship loan was another use for the money. Chair Farnworth said that they had been meeting with Zions Bank and that the bank was requiring more information from the Anderson Group. Boardmember Goodman stated that the Anderson Group had borrowed money to buy the land and that the Anderson Group and US Steel owned the problem of remediating the land. The Anderson Group paid off their loan with no debt and they could afford to borrow the money for themselves and clean up the land.

There was a discussion about the Anderson Group and bonding. Chair Farnworth said that without the Anderson Group's participation they were not going to bond. The other option was to use the money to pay off Flagship to save $1 million a year. The discussion continued.

Boardmember Goodman stated that he would not vote to participate in the cleanup if the Anderson Group did not participate and also give the city some land.

Boardmember Fullmer asked when the Anderson Group was expecting the formula. Mr. McHargue replied that the formula was to be done by the Anderson Group. He said the when the RDA was created it was to help, not take away the Anderson Group's obligation. He said that it would be a performance based loan. Boardmember Goodman felt that the city should be getting something to show the citizens. Mr. McHargue and Boardmember Fullmer agreed.

Boardmember Fullmer felt that the RDA should be requesting from the Anderson Group the city's compensation. She said that one of the reasons she was okay with the bond was that they would be saving money on the Flagship reimbursement. There was further discussion about the bond.

Mr. McHargue said that they were working out if the repayment obligations would subordinate to future bonds. He said that they were going to do a direct revenue pledge of the RDA excluding the Flagship reimbursement. The discussion continued.

Mr. McHargue mentioned that he anticipated having a parameters resolution for the bond on the May 24 RDA meeting agenda.

Chair Farnworth called for further discussion. Hearing none, he called for a motion.

Motion: BOARDMEMBER FLAKE MOVED TO APPROVE THE TENTATIVE 2017-2018 FISCAL YEAR BUDGET FOR THE RDA AND SET A PUBLIC HEARING FOR MAY 24, 2017. BOARDMEMBER FULLMER SECONDED THE MOTION. ROLL CALL WENT AS FOLLOWS: CHAIR FARNWORTH, BOARDMEMBERS FLAKE, FULLMER, AND GOODMAN VOTED AYE. BOARDMEMBER RILEY WAS ABSENT. MOTION CARRIED WITH ONE ABSENT.

3.2 DISCUSSION AND ACTION – Rocky Mountain Power Contract

Public Works Director/City Engineer Don Overson will present a contract with Rocky Mountain Power to provide power to the WatersEdge Development and the Town Center Area. The RDA Board will take appropriate action.

Chair Farnworth turned the time over to Public Works Director/City Engineer Don Overson.

Mr. Overson explained that the RDA Board approved the installation of power on Mill Road. He said that it was supposed to extend to the WatersEdge project but during the design Rocky Mountain Power (RMP) decided to utilize the three substations that already existed. He explained that in 2015 RMP installed the power into the WatersEdge area and set the upper level at 1,100 homes and they were mow reaching that maximum. They now needed to bring power from the Lakeside Power Plant. He added that bringing power to the Town Center area was included in the design. He explained what the contract would include. The cost to run the power would be almost $1.2 million. He said that RMP would be giving them refunds and explained how they would work. He recommended that they approve the contract.

Chair Farnworth asked about the easement through the power corridor. Mr. Overson replied that they had an agreement with Anderson Geneva to give the city the easement under the power corridor. He said that they would also be trading property with Lindon City for the portion of the easement the was located in Lindon.

Mr. Overson said that he was asking for permission to have the city manager sign the agreement and give Mr. Overson the authority to install the conduit and the boxes to have power by September. Mr. McHargue added that the RDA would be reimbursed for up to four connections.

There was a discussion about the total due to Rocky Mountain Power.

Chair Farnworth called for further discussion. Hearing none, he called for a motion.

Motion: BOARDMEMBER FLAKE MOVED TO APPROVE THE ROCKY MOUNTAIN POWER CONTRACT FOR THE TOTAL OF $1,165,270. BOARDMEMBER GOODMAN SECONDED THE MOTION. ALL PRESENT WERE IN FAVOR. MOTION CARRIED WITH ONE ABSENT.

ADJOURNMENT

Motion: BOARDMEMBER FULLMER MOVED TO ADJOURN THE MEETING AT 7:40 PM. BOARDMEMBER FLAKE SECONDED THE MOTION. ALL PRESENT WERE IN FAVOR. MOTION CARRIED WITH ONE ABSENT.

The next meeting is scheduled for May 24, 2017.

MINUTES APPROVED ON: May 24, 2017

CERTIFIED CORRECT BY: /s/ Pamela Spencer
PAMELA SPENCER, CITY RECORDER