

SMITHFIELD CITY REDEVELOPMENT AGENCY

AUGUST 24, 2016

The Smithfield City Redevelopment Agency Board met for their regular monthly board meeting at 96 South Main, Smithfield, Utah on Wednesday, August 24, 2016. Chairman Darrell G. Simmons was in the chair.

The following board members were in attendance: Deon Hunsaker, Barbara Kent, Kris Monson, Jeff Barnes and Curtis Wall.

Executive Director Craig Giles, City Engineer Clay Bodily and Secretary Justin Lewis were also in attendance.

The meeting opened at 8:10 P.M.

APPROVAL OF THE RDA MEETING MINUTES FROM JUNE 8, 2016

A motion to approve the June 8, 2016 RDA meeting minutes was made by Curtis, seconded by Barbara and the vote was unanimous.

Yes Vote: Hunsaker, Kent, Monson, Barnes, Wall

No Vote: None

PUBLIC HEARING ON THE REQUEST BY BRUCE LEISHMAN FOR FINANCIAL ASSISTANCE ON AN INFRASTRUCTURE PROJECT LOCATED AT APPROXIMATELY 84 SOUTH MAIN.

Justin informed the board Bruce Leishman had applied for a grant to have the water and sewer service connected to and moved in from the highway for his new building located on the north side of the city office building. Bruce had previously applied and been granted a grant in the amount of \$19,000. The project was not completed and the approval of the grant expired on June 30, 2016. Bruce was reapplying for the same project but this time he is applying for a grant in the amount of \$39,000 for the same project. Bruce had submitted three bids and they were \$39,000, \$41,000 and the third bid was over \$100,000.

Chairman Simmons asked why the project was not completed when the bid was for under \$20,000 for the same project now costing \$39,000? Bruce Leishman responded he had tried to get the work done for over a year but felt the contractor under bid the project and did not want to do it and lose money so it was never completed. Rupp Trucking was awarded the first bid and submitted a bid this time for \$41,000.

****The public hearing opened at 8:15 P.M.****

There were not any comments from the public.

****The public hearing closed at 8:16 P.M.****

DISCUSSION AND POSSIBLE VOTE ON THE FINANCIAL ASSISTANCE REQUEST BY BRUCE LEISHMAN.

Chairman Simmons mentioned the building lot was purchased for around \$37,000 and the cost of this project exceeded the amount paid to the city for the building lot.

Kris mentioned she was told cost overruns right now are around 20%.

Chairman Simmons asked Bruce if the project is ready to start? Bruce stated it is and the plans have been submitted so a building permit can be obtained. The intent is to get the water and sewer service in the highway tied into before UDOT stops all projects in the highway on October 15th.

Curtis mentioned there have not been requests before the RDA recently and the RDA could financially afford to help on this project.

Barbara mentioned the project had already been approved at a smaller amount but the request was the same in regards to the project to be completed.

Kris mentioned when the new building opens it will bring more business to the city and the city needs more businesses like what is being proposed as it would benefit the residents and those passing through would stop as well.

Chairman Simmons mentioned a loan would be a possibility as the RDA did not have the only option to be a grant.

Bruce mentioned the first time the project was approved at \$19,000 was because the project was under bid and the contractor did not want to lose money.

Jeff asked why the third bid was for over \$100,000 when the other two were around \$41,000? Bruce said he was not sure but he thought possibly Jay Pitcher had bid the project to come through the parking lot rather than the highway.

Chairman Simmons mentioned he wanted this project to happen but it kept dragging on and on and nothing is being done to start the project. Curtis concurred.

Chairman Simmons mentioned if the economy slows the cost of this project could substantially decrease as well.

Bruce mentioned the RDA has funding available for infrastructure, sidewalks and other things and right now his only request is to help with the water and sewer infrastructure getting into the building lot.

Chairman Simmons asked Bruce if he would be requesting more RDA funding in the future? Bruce stated that was correct. Chairman Simmons asked how much more as he would like a firm

number? Bruce said he did not have all the bids in yet but he would be requesting help for the sidewalk, driveway approach and possibly some landscaping.

Chairman Simmons asked Bruce what his plan is if the RDA does not have any funding available in the future or does not grant an additional amount? Bruce said that was a good question he did not have an answer too.

Chairman Simmons stated he wanted a commitment from Bruce the project would be completed once started and bids for the entire project can be easily gathered at this time.

Chairman Simmons asked Bruce how the RDA board could help him get some final cost estimates for the project? Bruce responded he was in the process of getting bids for other parts of the project but wanted to get this request approved so the project could be completed since UDOT won't allow construction in the highway after October 15th.

Chairman Simmons asked Bruce for a timeline on when the construction of the building would begin? Bruce said he did not have a deadline as right now contractors are busy and won't commit to deadlines. Curtis mentioned he wanted to see the project completed but wanted a better timeline estimate as well.

Jeff mentioned the RDA board can approve more than one request per project at different times and did not think it was an issue to consider this item now and something else in the future. Chairman Simmons agreed but also mentioned all of the financial aspects should have been figured out before the request was made so the builder would know if the project is even viable to start construction.

Jeff expressed concern if the current request is not approved now the project will not be completed before October 15th.

Chairman Simmons expressed concern the project could start and then stop before completion because all of the financial due diligence had not been done upfront. Bruce replied he was aware the RDA would not help to complete the construction of the building but was available for infrastructure and other similar projects.

Chairman Simmons suggested to Bruce the next time he comes before the RDA board he needs to be better prepared with all of the financial information for the entire project. Bruce mentioned he was trying to get bids for the building from Jeff Jackson of Ironwood Development as well as Lundahl Building Systems.

Curtis asked how much was available in the RDA for the funding of projects? Justin stated the last time he looked it was over \$900,000 plus the new increment for this year which was over \$200,000. Chairman Simmons mentioned there is funding available but there are some other big project requests that are going to be made relatively soon that could use all of the available RDA funding.

Jeff suggested to Bruce he obtain complete cost estimates for the project. Chairman Simmons mentioned he did not want to see any further requests until the building is being constructed and ready to be finished. Bruce mentioned, most likely, future requests will be for assistance with the drive up window approach onto the highway, the courtyard between the buildings and the sidewalk.

Chairman Simmons asked what the estimate was for the cost of the building? Bruce stated the initial cost estimate was \$400,000 to \$600,000 but probably more now since everyone is busy.

Chair Simmons stated he did not want to see this project delayed any further and wanted it to start as soon as possible.

Bruce mentioned the new building will be around 3,500 square feet.

Chairman Simmons asked Clay if he had any concerns about the current request from an engineering perspective? Clay stated some permits from UDOT will be required and the contractor will obtain those and he did not have any issues or concerns since the project won't cross the parking lot of the city office.

Bruce mentioned there was supposed to be an ingress/egress agreement completed when the land was purchased and it had not been but would need to be completed before the building is built. Craig mentioned the agreement was not complete but could be completed once the construction of the building begins.

A motion to approve a grant request to Bruce Leishman in the amount of \$39,000 for the sewer and culinary water connection to be made for the building lot located at 84 South Main was made by Kris, seconded by Deon and the vote was unanimous.

Yes Vote: Hunsaker, Kent, Monson, Barnes, Wall

No Vote: None

PUBLIC HEARING ON THE REQUEST BY JUSTIN ROBINSON, AGENT FOR SCBL, LLC FOR FINANCIAL ASSISTANCE ON AN INFRASTRUCTURE PROJECT LOCATED AT APPROXIMATELY 532 SOUTH MAIN.

Justin Robinson informed the board the assisted living center proposed for the Cantwell Lumber property is ready to get started but there are some issues with UDOT and utilizing the water and sewer service located in the highway. The intent would be to hook into the water and sewer service located on 600 South instead of in the highway.

Chairman Simmons asked when the project would start? Justin Robinson stated if the request is approved his company will immediately file for air quality permit which takes about two weeks to obtain. Once the permit is obtained demolition of the existing buildings would start immediately. The schedule would be for the entire parcel to be cleaned up by October 1st. Access to the property would come from 600 South so the excavation company would work

around the schedule of Sky View High School to make sure activities are not in conflict with construction.

Curtis asked what dirt was that is being piled up on the property? Justin Robinson stated this is excess fill dirt from other projects that is just being stock piled at this point until the project begins.

Justin Lewis thanked Justin Robinson for submitting such a detailed application with cost estimates, the property tax increment received by the city and a map of the project request.

****The public hearing opened at 8:40 P.M.****

Margaret Budge stated she was in support of the project, the new sidewalk that would be added and the new jobs that would be created in the city.

****The public hearing closed at 8:42 P.M.****

DICUSSION AND POSSIBLE VOTE ON THE FINANCIAL ASSISTANCE REQUEST FROM SCBL, LLC.

Deon stated he was surprised in the cost analysis between this project and the Bruce Leishman project both for infrastructure work. The community needs a business like is being proposed and Deon was in support of approving the request. Barbara agreed and thanked Justin Robinson for the detailed application.

Clay stated utility service is not allowed through two separate parcels by the city. Clay also expressed concern of why a new water line is needed when there is already a connection for the Cantwell Lumber building. Justin Robinson stated the water service line, fire line and sewer line would all run adjacent to each other and an easement would be created for the newly installed infrastructure.

Chairman Simmons asked if there were any issues with the proposed easement agreement? Craig stated the easement is fine as long as the contractor understands the lines would be private and the city would have no responsibility outside of the main line in the road on 600 South. Justin Robinson stated he understood they would be responsible for all maintenance and repair costs after the meter. Craig mentioned the easement would be between private parties so the city staff has no issue with the request.

Jeff asked Justin Robinson if he was aware of the current culinary water service line into the property from the highway? Justin Robinson stated he was aware of the existing water line.

Jeff asked if the desire of the builder was to abandon that connection? Justin Robinson stated that was correct.

A motion to approve the grant request by SCBL, LLC for infrastructure work in the amount of \$236,274 for a project located at approximately 50 East 600 South was made by Curtis, seconded by Jeff and the vote was unanimous.

Yes Vote: Hunsaker, Kent, Monson, Barnes, Wall

No Vote: None

Deon asked if UDOT had to grant access to the building off of the highway? Justin Robinson remarked there are two grandfathered accesses to the parcel and UDOT would like to see one of them removed.

Justin Robinson asked how the access would be to the proposed Old Grist Mill Building at 84 South Main? Craig stated through the parking lot of the city office building.

Jeff asked if all of the buildings would be removed on the Cantwell Lumber property? Justin Robinson stated that is correct.

Barbara asked if a new sidewalk would be installed? Justin Robison stated that is correct.

Justin Robinson also informed the board Edge Excavating and Lundahl Building Systems were now partners on the project and would be overseeing the construction of the project.

BOARD MEMBER REPORTS

There were not any additional items discussed by the board.

A motion to adjourn at 8:48 P.M. was made by Barbara.

SMITHFIELD CITY CENTRAL BUSINESS DISTRICT REDEVELOPMENT AGENCY

Darrell G. Simmons, Chairman

ATTEST:

Justin B. Lewis, Secretary

SMITHFIELD CITY REDEVELOPMENT AGENCY
96 South Main
Smithfield, Utah 84335

AGENDA

Public Notice is given that the Smithfield City Redevelopment Agency Board will meet in a regularly scheduled meeting at 96 South Main, Smithfield, Utah on Wednesday, **August 24, 2016**. The meeting will begin no sooner than 7:30 P.M.

1. Approval of the RDA meeting minutes from June 8, 2016.
2. Public Hearing on the request by Bruce Leishman for financial assistance on an infrastructure project at approximately 84 South Main.
3. Discussion and possible vote on the financial assistance request by Bruce Leishman.
4. Public Hearing on the request by Justin Robinson, agent for SCBL, LLC for financial assistance on an infrastructure project located at approximately 532 South Main.
5. Discussion and possible vote on the financial assistance request from SCBL, LLC
6. **CANCELLED**. Public Hearing on the request by Craig Giles, agent for Smithfield City Corporation, for financial assistance on a project located at approximately 75 West 100 North.
7. **CANCELLED**. Discussion and possible vote on the financial assistance request from Smithfield City Corporation.
8. Board Member reports.

Adjournment

Items on the agenda may be considered earlier than shown on the agenda.

In accordance with the Americans with Disabilities Act, individuals needed special accommodation for this meeting should contact the City Recorder at (435) 792-7990, at least (3) days before the date of this meeting.