

SOUTH JORDAN CITY
COMBINED CITY COUNCIL/REDEVELOPMENT AGENCY/
MUNICIPAL BUILDING AUTHORITY MEETING

May 17, 2016

Present: Mayor David Alvord, Council Member Brad Marlor, Council Member Chris Rogers, Council Member Don Shelton, Council Member Tamara Zander, CM Gary Whatcott, Fire Chief Andrew Burton, Associate Director of Community Services Wendy Thomas, Police Chief Jeff Carr, Strategic Services Director Don Tingey, Development Services Director Brad Klavano, City Attorney Ryan Loose, COS Paul Cunningham, City Commerce Director Brian Preece, CFO Sunil Naidu, IT Director Jon Day, Public Works Director Jason Rasmussen, City Council Secretary MaryAnn Dean

Absent: Council Member Patrick Harris

Others: See Attachment A

REGULAR MEETING – 6:00 PM

A. Welcome and Roll Call – *Mayor David Alvord*

Mayor Alvord welcomed everyone present. Council Member Harris was excused. All other members of the Council were present, as listed.

B. Invocation – *By Council Member Tamara Zander*

Council Member Zander offered the invocation.

C. Pledge of Allegiance

Daniel Rios, Scout Troop 1040, led the audience in the Pledge of Allegiance.

Mayor Alvord recognized the scouts present.

Council Member Rogers made a motion to move item H.1. to be discussed right after the minute approval, and to pull item G.2. off the consent calendar to be discussed right after item G.1. The vote was unanimous in favor.

D. Minute Approval

1. May 2, 2016 City Council Work Meeting
2. May 3, 2016 City Council Meeting

Council Member Rogers noted a change to the City Council meeting minutes.

Council Member Rogers made a motion to approve the May 2, 2016 City Council work meeting minutes, as printed, and the May 3, 2016 City Council meeting minutes, as amended. Council Member Marlor seconded the motion. The vote was unanimous in favor.

H. Discussion Items:

1. State Auditor on Local Audit Committees. (CFO, Sunil Naidu)

State Auditor, John Dougall, referred to the fraud triangle, made up of opportunity, pressure, and rationalization. Too often, entities fail to address the risks of fraud. He said the government agency can do something about opportunity. They can also help with some aspects of pressure and rationalization.

Mr. Dougall said the purpose of the audit committee would be to provide oversight for the City Council to ensure that management is in compliance, the city is in compliance with laws, etc. He said they generally agree with the GFOA (Government Finance Officers Association) recommendations. The audit committee should be a subcommittee of the City Council. He recommended the Mayor and 2 Council Members be appointed for that committee, and that it be done by official action. The auditor should be reporting to both the audit committee and the City Council. He said they should work with the auditor to identify risk and follow up with the management on how the findings are being addressed. The committee should assist the City Council and management to make sure there are adequate internal controls. He said the committee needs to be able to have private discussions with the auditors, and private discussions with management.

Mr. Dougall said he was asked if a resident of the city should be a member of the committee. He said that is typically not recommended, but it is acceptable. He recommended the resident be a technical expert, and a nonvoting member of the audit committee. He recommended the committee meet as often as needed, at least quarterly. He said he does not know how many similar size cities have an audit committee. He recommended rebidding the audit contract at least after 5 years. If the same firm is awarded the bid, they should make sure there is a rotation of audit partners so there is an independent view on a regular basis.

Council Member Shelton asked what topics would be discussed at the quarterly meetings? He said the City Council has had concern that they have lacked expertise and that is why they felt they needed a professional resident to be part of the audit committee.

Mr. Dougall said at the quarterly meetings, they will need to discuss and review the RFP for services. Another agenda will be to have a report from the auditors. Then they will need to meet with management regarding implementation of the findings in the audit. They may also meet to discuss risk factors and prioritize the audit plan so they are focusing on the greatest risk. He said regarding having a private citizen member, it's good to have someone independent from management with that expertise. He said they need to be careful how it is structured to make sure the committee does not go in a direction that the City Council is not in favor of, since they are elected to represent the residents.

Council Member Marlor asked if the outside person would be remunerated? Mr. Dougall said they are often volunteer members, assuming there is not a lot of work involved.

Mr. Dougall recognized Van Christensen from the State Auditor's office.

CM Whatcott asked if there are cases where the entire Council is the audit committee? Mr. Dougall said if they want to have a confidential discussion, there are times that there are issues with OPMA (Open Public Meetings Act). He said they are also so busy with other matters, the audit issues can get put off. He said the audit committee is not a decision making body. He said the appointment of the auditor comes back to a vote of the City Council.

E. Public Comment:

Some scouts from Troop 1718 introduced themselves, and noted that they live on both sides of 11400 South, west of the Jordan River. **Kamden Cantrell**, 1049 W. Louise Meadow Dr., said at 4 am, he hears trucks using their jake breaks and it wakes him up. He asked if the City Council could put up signs on 11400 South not allowing the use of those brakes?

Council Member Rogers asked if staff could look into placing a sign on the road? Development Services Klavano said it is a UDOT road. He will contact them with the request.

F. Presentations:

1. Introduction of Trans Jordan New General Manager. *(By Dwayne Woolley)*

Dwayne Woolley, 10477 S. Culmination St., indicated that he is retired and introduced Mark Hooyer, the new Executive Director of Trans Jordan. He said he is leaving the facility in good hands.

Mr. Hooyer said Mr. Woolley has many connections, and he has cultivated a sense of community. He said Mr. Woolley did a fantastic job serving the 7 member cities in the Trans Jordan landfill. He kept the waste tipping fees down at a time when all of the fees were increasing nationwide. Mr. Hooyer said he has an engineering consultant background and has been active in the solid waste industry. He feels Trans Jordan is the best managed landfill in the state, possibly the intermountain west. He said the Trans Jordan landfill is older middle aged, and does not have a long life yet. That presents some interesting challenges.

Mayor Alvord said Mr. Woolley gave tours of the facility and hosted breakfasts. He said he hopes the reach out to the communities continues.

2. Announcement of 4th grade ULCT Essay Winner. *(Council Member Tamara Zander)*

Mayor Alvord recognized Kent Bullock with ULCT.

Council Member Zander introduced Karrie Wardell and Dodi Thacker from South Jordan Elementary. They encouraged their 4th grade students to write essays on "Why I like my Community". Madison Goens, in their class took 2nd place in the State.

Ms. Wardell said the students wrote fabulous essays. She introduced her students that were present and reviewed their topic. Madison read her essay.

Mr. Bullock, ULCT, said there is nothing more important to hear than what the constituents expect for the city to maintain and build. He also noted another program that the league started called Beyond the Badge. It recognizes police officers that make life better for their constituents. Nominations will come from the police chief.

3. National Public Works Week. *(By Public Works Director, Jason Rasmussen)*

Public Works Director Jason Rasmussen said national public works week is meant to recognize the staff and the value that the public works department brings to the community. He said they have 82 employees and provide quality work and solve complex problems. He said the community depends on public works

during and after hours. He invited the City Council to a lunch at the East River Front Park to celebrate public works week. Mayor Alvord read a proclamation recognizing national public works week. Public Works Director Rasmussen introduced his staff that was present.

4. Youth Council End of Year Report

Jacob Hawkins, 2268 Bonanza Cir., Youth Council Mayor, and Alexis Hansen, Youth Council liaison were introduced. Mr. Hawkins thanked the City for the opportunity to serve. They performed 839 ½ hours of service, most of which were serving the city. They meet twice a month.

Miss Hansen said she helped the County and State on things like the south summit, and she worked with the County Council on various service projects including the Hackathon. It was a great year for them.

Mayor Alvord noted the help of the Youth Council at many city events. He expressed appreciation for their work. He also recognized their adult liaison.

5. South Jordan University Graduation Certificates Presented. *(By Melinda Nagai Seager)*

Mrs. Seager reviewed the purpose of the program, and indicated that they have had over 300 graduates over the years. She presented the graduates with certificates.

The City Council took a brief recess.

G. Consent Items:

1. Resolution R2016-20, Adopting City-Wide Purchasing Policy 210-01 Purchasing. *(By COS, Paul Cunningham)*

Council Member Shelton made a motion to approve Resolution R2016-20. Council Member Zander seconded the motion. The vote was 4-0 in favor.

2. Resolution R2016-39, Authorizing Implementation of Infrastructure Improvement Projects Approved in the 2016-2017 Tentative Budget. *(By Development Services Director, Brad Klavano)*

Council Member Shelton made a motion to approve Resolution R2016-39. Council Member Marlor seconded the motion. The vote was 3-1 in favor, with Council Member Rogers opposed.

H. Discussion Items:

1. State Auditor on Local Audit Committees. *(CFO, Sunil Naidu)*

This item was discussed earlier in the meeting. They had further discussion on the issue after item H.2.

2. Municipal Court. *(By Council Member Rogers)*

City Attorney Loose said this issue was discussed yesterday. The judge has decided not to seek election. It falls on the city to nominate 2 members to the nomination commission. The goal is to get the judge elected by August.

Council Member Rogers said the 2 members of the nominating commission should be appointed by the City Council. He discussed the make-up of the rest of the nominating commission. The purpose of the nominating commission is to take the applicants and come up with a list of 3-5 proposed nominees. The names of those nominees will go to the Mayor. The Mayor can select only from those 3-5 nominees. The purpose of the nominations committee is to vet qualifications. They anticipate a large number of candidates.

Council Member Rogers said he is interested in being on the nominating commission. He recommended that he and City Attorney Loose serve on the nominating commission, since they are both legally trained, and they can have the perspective of both the City Council and staff. Mayor Alvord noted that it could be a time consuming process.

Mayor Alvord asked about having Council Member Rogers and CM Whatcott serve on the nominating commission. Council Member Rogers suggested they involve CM Whatcott after the nominees are narrowed down to 5. At that point, he and Mayor Alvord could meet and discuss those 5. He would hate to waste CM Whatcott's time narrowing down the options.

CM Whatcott said for him, it is more about the fit with the organization and staff. He said he is okay with Council Member Rogers proposal, if he can work with Mayor Alvord after it has been cut to 5 nominees.

It was noted that the judge's last day is January 2nd. If they wait until January to fill the position, they will have to fill in with a temporary judge. If they start the process now, they should be done by the August deadline.

Council Member Marlor made a motion to form a judicial nomination commission comprised of Council Member Rogers and City Attorney Loose, and to bring back the qualified individuals. At that point, Mayor Alvord and CM Whatcott will go through a process to bring the most qualified candidates to the City Council for a vote. Council Member Zander seconded the motion. The vote was 3-0 in favor, with Council Member Rogers abstaining.

1. State Auditor on Local Audit Committees. *(CFO, Sunil Naidu)*

It was determined that Council Member Shelton would work on drafting a Resolution to structure the audit committee. Mayor Alvord suggested Council Member Harris help.

Council Member Rogers said he agrees with the points made by the auditor. He would like the statute to mirror the suggestions made by the auditor.

CM Whatcott asked that staff be able to bring back a suggested auditor. He noted that it can't be the same person as last time. Finance Director Naidu said they submitted the RFP and received proposals from 8 firms. They are waiting to vet those firms. When they get the audit committee together, they can send the RFPs to them with a summary sheet. It was reiterated that they cannot select the same firm, per the current code.

City Attorney Loose said they could appoint the members of the audit committee tonight and move forward while working with Council Member Shelton and Council Member Harris on changing the audit committee structure.

Council Member Marlbor made a motion to appoint Council Member Shelton to the audit committee. Council Member Rogers seconded the motion. The vote was 3-0 in favor, with Council Member Shelton abstaining.

Mayor Alvord will serve on the committee or make an appointment to serve on the committee.

- I. Action Item:** “Previously Tabled at 5/3/16 CC Meeting”
Heagren Property Land Use Amendment and Property Rezone – 10604 South 2700 West; Resolution R2016-21, Amending the Future Land Use Plan Map From Rural Residential to Low Density Residential; and Rezone Ordinance 2016-07-Z, Changing the Zoning Map from the R-1.8 (Single-Family Residential) Zone to the R-2.5 (Single-Family Residential) Zone. Note: The Public Hearing was Held 05-03-2016. (By City Planner Greg Schindler)

Mayor Alvord said this item was discussed in a previous work session and in City Council meeting 2 weeks ago. It was noted that a memo from Development Services Director Klavano on this issue was discussed at the work session (Attachment B).

Mayor Alvord allowed comments on this issue.

Bart Forsyth, 2978 W. Bison Ridge Rd., addressed the 7 questions that were discussed at the work session. The questions were outlined in the aforementioned memo.

- Regarding bridge feasibility, the memo notes that the canal company has never denied a permit to a municipality to cross the canal. He said the canal company has not given permission for the city to cross the canal at this time. The canal company has noted their opposition to this crossing.
- He showed a picture of the fire truck turnaround (Attachment C). The radius is the exact same as every cul-de-sac in his neighborhood. He also noted that it is covering a public easement. He said the owner of the retention pond has not been paying their taxes. He feels it is an easy matter for the city to clean up.
- He feels the cost of the bridge is a poor use of city funds.
- The road grade is a 5.6 percent slope, which is below the allowed maximum. He said it is still very steep and lends itself to speeding. There are lots of kids in the neighborhood. If they open up the road to 2700 West, it would lend itself to more speeders.
- Why was the road extension not included in the bond? He is not sure if that was refunded by mistake, but it is possible that it was a conscious decision to not require the bond. If they extend the road, the city will have to pay half the cost.
- He said there is not a concern with adequate fire flow. The highest water pressure exists at the end of the cul de sac. If the water line is extended, it could actually reduce the water pressure.
- He said the residents are aware that the bus stop might be taken away because of the McKee Ridge bridge. That is an issue they will take up with the Jordan School District.

He said the memo was slighted toward putting the road through. There are many residents in attendance that don't want the road to go through.

Travis Sokol, 10684 S. Bison Trail Cove, said he specializes in risk insurance and analysis. He said in his profession, when there are death claims around canals, it always comes down to children being enticed by water. The proposed bridge would give access to the water, and would also be a primary gateway for kids to go to and from school. He reviewed statistics on unintentional drowning. Their major concern is for the safety of the kids. He said they currently have a functional barrier. When they put in the bridge, they will be removing that barrier.

Jeff McMullin, 2726 W. Cousins Lane, said his property is surrounded by the subdivision going in. He said he is the President of the canal company. He has sent an email to each City Council member. They have never denied a permit, but in all cases where the road crossed the canal, it was done to service a subdivision without another access. He does not see a need for the bridge. The canal company opposes the bridge.

It was noted that the radius of the temporary turnabout is the same as the other cul-de-sac. Development Services Director Klavano said an offset cul-de-sac has a different standard. Fire Chief Burton indicated that the fire truck is able to turn around in a standard cul-de-sac. This turnabout is offset. The fire truck had to do a 3-4 point turn to turn around.

Development Services Director Klavano said water pressure in the area is not an issue. The issue was extra emergency protection for the homes at the end of a longer than allowed cul-de-sac. He said the bond was released inadvertently. It was a mistake, human error, that the bond was not collected. At the time, the longer cul-de-sac length was allowed because the road would go through some day.

Planner Schindler said the Planning Commission minutes indicated that the road would go through. He said a sign indicating that the road would go through was installed originally and then again recently.

Mayor Alvord asked if they can expand the radius of the turn about using the property in the retention pond? Mr. Klavano said there is no easement for it. They would have condemnation rights.

Ronnie Cooper, 10641 S. Bison Creek Cove, asked why has this turnabout been adequate for 10 years, but now all of the sudden it is not? Mayor Alvord said because they knew the road would go through eventually.

Mr. Cooper said there was never a sign there saying the road would continue, until 4 months ago. Mr. Klavano said they felt the turnabout would be sufficient for a temporary situation.

Mr. Klavano said the houses at the end of the existing cul-de-sac didn't require sprinklers because it wasn't required in the code when the subdivision was approved. That is why the cul-de-sac was not supposed to be over 400 ft.

Council Member Shelton asked if there is adequate land in the retention basin to make it functional for safety vehicles? Mr. Klavano said staff would have to consider that in more detail. Public Works Director Rasmussen said there is an outfall in that location. The land is also sloped and that will have to be included in their calculations to see if there is sufficient land.

Mayor Alvord said from strictly a safety standpoint, it is safer to have more accesses, but then they are picking up another safety hazard with a canal. He said it is a wash from a safety standpoint.

Council Member Rogers asked if the City Council decides not to do the bridge, can the land use and rezone change be approved? City Attorney Loose said they cannot make conditions with a rezone. They could make some limitations with a development agreement. They need to table the issue to do a development agreement to not allow the bridge. The problem is that the language of the code says that they will connect the road. He recommends doing a text amendment. If they required a development agreement, it could be considered arbitrary and capricious. He said the text amendment would affect the whole city.

Council Member Rogers asked if they change the standard, would it be more difficult to use eminent domain? City Attorney Loose said not eminent domain, but it may make it harder to make it a development requirement. Council Member Rogers asked if they can require connection if there is no bridge within a certain number of feet? City Attorney Loose said they have legislative discretion. They could not require future connections. If they don't change the current language, they would violate their own Ordinance by not requiring the bridge.

Council Member Marlor said one reason to do transportation studies is to determine where they need to connect. This road was proposed to go through because of traffic flow and safety issues. Mr. Klavano said the transportation plan doesn't deal with residential streets. They always try to connect streets to spread out the traffic and lessen the impact on streets. In this case, they have always been concerned about connectivity between 2700 West and 3200 West. There is only 1 more potential crossing of the canal in the future. He said the concept was to not have a straight shot to alleviate some cut through traffic. The code says the road should be stubbed and they should have connectivity.

Mayor Alvord recommended that the bridge not be put in. It is a safety wash. There are several directions in which emergency vehicles can access the neighborhood.

Council Member Rogers made a motion to table Resolution R2016-21 and Rezone Ordinance 2016-07-Z, and to instruct City Attorney Loose that while this is tabled to propose a zone text amendment so that the bridge is not required and bring that back to the City Council. The motion died for lack of a second.

Council Member Shelton made a motion to approve Resolution R2016-21.

Council Member Shelton said there is validity to the safety wash argument, but there is great value in connecting communities.

Council Member Marlor seconded the motion.

Council Member Rogers said the bridge is not wanted by the residents, developer, or the canal company. He does not see the connectivity issue trumping those arguments. The bridge does not make great connectivity, and it is an added expense to the city.

Council Member Marlor noted the transportation plan that was done when he was on the City Council previously to make sure that subdivisions were connecting properly. He said they had to connect 9800 South. The residents didn't want that, and there was a bridge built. He said it was the right thing to do. He believes this is the right thing from a traffic and safety stand point, and he feels the road needs to be connected.

The vote was 2-3, with Council Member Zander, Council Member Rogers, and Mayor Alvord voting against.

City Attorney Loose said if there is no vote to move it along, the application is effectively denied and they cannot have another application on this property for a year, unless allowed by the City Council. Mayor Alvord said he believes the City Council is okay with the rezone, but unsure about the bridge connection.

Council Member Rogers made a motion to allow the applicant and this application the ability to reapply within a year, and they are not prohibited under the 1 year prohibition for the rezone. Council Member Shelton seconded the motion. The vote was 4-0 in favor.

Council Member Rogers made a motion to direct staff to prepare a zone text amendment to not require the bridge and to develop additional standards that would encourage bridges within so many feet, but not require them in every subdivision application. Council Member Shelton seconded the motion. The vote was 4-0 in favor.

City Attorney Loose said they could reconsider tabling the issue, so they do not have to start over and go through the city's noticing process and send it back to the Planning Commission.

Council Member Marlor said they could put it on the agenda in 2 weeks and let Council Member Harris vote on the issue.

Council Member Shelton made a motion to table Resolution R2016-21, and Rezone Ordinance 2016-07-Z. to the nearest opportunity when the zone text amendment language is ready for approval. Council Member Rogers seconded the motion. The vote was 4-0 in favor.

- J. Public Hearing:** South Jordan Beehive Home – Development Agreement, Land Use Amendment, and Property Rezone at 3420 and 3430 West 11400 South. Resolution R2016-36, Authorizing a Development Agreement, Resolution R2016-37, Land Use Amendment from Low Density to Medium Density, and Rezone Ordinance 2016-08-Z rezoning from R-1.8 & A-5 to R-M-6. Dan McCullough (Applicant). *(By City Planner Greg Schindler)*

Mayor Alvord opened the public hearing. There were no comments. He closed the public hearing.

Council Member Marlor made a motion to approve Resolution R2016-36. Council Member Zander seconded the motion. Roll call vote. The vote was 4-0 in favor.

Council Member Zander made a motion to approve Resolution R2016-37. Council Member Rogers seconded the motion. Roll call vote. The vote was 4-0 in favor.

Council Member Rogers made a motion to approve Rezone Ordinance 2016-08-Z. Council Member Zander seconded the motion. Roll call vote. The vote was 4-0 in favor.

- K. Public Hearing:** Resolution R2016-38, Adopting a Final Budget; Making appropriations for the support of the City of South Jordan for Fiscal Year commencing July 1, 2016 and ending June 30, 2017 and adopting a Tax Rate on all Real and Personal Property in South Jordan City, Utah. *(By CFO, Sunil Naidu)*

Mayor Alvord opened the public hearing. There were no comments. He closed the public hearing.

Mayor Alvord thanked staff for a good year and said he is confident in the city's financial future. He said a tax cut was not provided for, but there is much positive in the budget including \$300,000 in the reserve fund.

Council Member Marlor made a motion to approve Resolution R2016-38. Council Member Zander seconded the motion. Roll call vote. The vote was 4-0 in favor.

RECESS CITY COUNCIL AND MOVE TO REDEVELOPMENT AGENCY MEETING (RDA)

Council Member Shelton made a motion to recess the City Council meeting and move to a Redevelopment Agency Meeting (RDA). Council Member Rogers seconded the motion. The vote was 4-0 in favor.

- L. RDA Public Hearing:** Redevelopment Agency Resolution RDA 2016-03, Adopting a Final Budget for the South Jordan City Redevelopment Agency for Fiscal Year 2016-17. *(By CFO, Sunil Naidu)*

Chairman Alvord opened the public hearing. There were no comments. He closed the public hearing.

Board Member Rogers made a motion to approve Redevelopment Agency Resolution RDA 2016-03. Board Member Shelton seconded the motion. Roll call vote. The vote was 4-0 in favor.

ADJOURN RDA MEETING AND MOVE TO MUNICIPAL BUILDING AUTHORITY MEETING (MBA)

Board Member Rogers made a motion to adjourn the Redevelopment Agency Meeting and go into a Municipal Building Authority meeting. Board Member Shelton seconded the motion. The vote was 4-0 in favor.

- M. MBA Public Hearing:** Municipal Building Authority Resolution MBA 2016-02, Adopting a Final Budget for the Municipal Building Authority of South Jordan City for Fiscal Year 2016-17. *(By CFO, Sunil Naidu)*

Chairman Alvord opened the public hearing. There were no comments. He closed the public hearing.

Board Member Shelton made a motion to approve Resolution MBA 2016-02. Board Member Rogers seconded the motion. Roll call vote. The vote was 4-0 in favor.

ADJOURN MBA MEETING AND RETURN TO CITY COUNCIL MEETING

Board Member Marlor made a motion to adjourn the Municipal Building Authority meeting and go into a City Council meeting. Board Member Rogers seconded the motion. The vote was 4-0 in favor.

The City Council moved to item P. on the agenda.

P. Reports and Comments

Council Member Rogers indicated that he met with the Historical Committee. They are planning festivities at the cemetery for Memorial Day. He said the historical committee is grateful for the funding from the city for the flags at the cemetery at the Veterans Memorial. The flags are all of the branches of the military as well as the POW flag. He said the historical committee is also working on a proposal for the Fullmer family. They are also in the process of compiling a list of historical places in the city. They are making a chronological list that identifies the historical sites in the city.

Council Member Zander said she attended a fire fighter operations course and it was excellent. She said there is a man in West Jordan leading the charge on getting more people trained on the rescue task force (RTF). That is a process where the police clear a room so the rescue workers can respond and give first aid to victims.

Council Member Marlor said he attended a cub scout meeting last Thursday. He was also asked to speak at a Chamber of Commerce function on June 7th where they will be talking about changes in South Jordan. He said there is a need for a speaker at Daybreak on Memorial Day, and that needs to be filled. It was determined that Council Member Marlor will speak at that function as well.

Council Member Shelton said he met with the Senior Committee and the Mulligans Commission. The Mulligans Commission is close to making a presentation to the City Council and discuss alternatives for Mulligans. He noted the resident on display; that changes every monthly. He noted an upcoming activity, 'Fun at the Farm' that is planned for July 1st at the Holt family farm. He said he attended the Association of Municipal Council meeting and the police chief from West Valley spoke at length about the difficulty of recruiting and retaining officers.

Police Chief Carr said universally, the number of applicants has diminished. That happens when the economy is good. He said it is enhanced because of things like the additional scrutiny. He said sometimes, interest in the public sector is waning. He said South Jordan has been able to find capable people to do the job. He said they hire people and then put them through the academy and that delays the process by 4 months or longer, and it is an additional cost to the city. This challenge is universal, not unique to South Jordan.

CM Whatcott said overall, recruitment and retention of public employees is low. He noted some trained individuals that they just lost in the public works department. He said it takes a lot to train people on an asphalt machine, for example. He said all of the cities are experiencing this. If they are not competitive with their salaries and benefits, they lose employees. They do all they can to make the work environment sound. He said they will need to re-examine salaries. They use the mid-point for salary comparisons. They are out of touch with some job positions.

COS Cunningham said they have talked a lot about retirement. The tier 2 retirement issue needs to be fixed. He said they also need to push up the level of pay.

Mayor Alvord said he attended a sewer board meeting. The sewer district has the leading facility in the valley. They are making preparations for increased capacity.

Mayor Alvord said he has seen quite a few members of the public works department working and it impressed him. He said there is a lot happening behind the scenes that keep the city running. He thanked Public Works Director Rasmussen and his staff.

Strategic Services Director Tingey said UTA has scheduled a public outreach meeting June 15th, 4-7 pm, regarding the mid Jordan trax alignment at the Daybreak Community Center. He noted their preferred route that will be shown is the duck horn alignment.

- N. **Executive Meeting:** Executive closed meeting to discuss the purchase, exchange, or lease of real property and to discuss the character, professional competence, or physical or mental health of an individual.

Council Member Shelton made a motion to go into Executive Closed meeting to discuss the purchase, exchange, or lease of real property and to discuss the character, professional competence, or physical or mental health of an individual. Council Member Marlor seconded the motion. Roll call vote. The vote was 4-0 in favor.

ADJOURNMENT

Council Member Marlor made a motion to come out of executive closed meeting and back into an open City Council meeting. Council Member Rogers seconded the motion. The vote was unanimous in favor.

O. **Potential Action:** Potential Action from the Executive Closed Meeting

Council Member Marlor made a motion to accept the purchase contract by SJJ Development (Attachment D) at 11650 S. 4000 W., including addendum 1, signed May 9th, noting that they are accepting the offer on the basis that they were not required to pay a broker fee and that frayed some cost to the city, and second, they didn't have to meet the soil test obligations that they would normally have to, and that the spread sheet prepared by Mr. Preece that was previously presented to the City Council will be attached (Attachment E). Council Member Rogers seconded the motion. Roll call vote. The vote was 4-0 in favor.

EXECUTIVE CLOSED SESSION

Council Member Rogers made a motion to go into an executive session to discuss the character, professional competence, or physical or mental health of an individual. Council Member Shelton seconded the motion. Roll call vote. The vote was 4-0 in favor.

Council Member Shelton made a motion to come out of executive closed session. Council Member Rogers seconded the motion. The vote was 4-0 in favor.

ADJOURNMENT

Council Member Marlor made a motion to adjourn. Council Member Zander seconded the motion. The vote was 4-0 in favor.

This is a true and correct copy of the May 17, 2016 Council Meeting minutes, which were approved on June 7, 2016.

Anna M. West
South Jordan City Recorder

Attachment A
5-17-16 Mtg.

**SOUTH JORDAN CITY
CITY COUNCIL, RDA AND MBA MEETING**
May 17, 2016
6:00 P.M.

**ALL THOSE ATTENDING, PLEASE
PRINT NAME & ADDRESS**

PRINT NAME	PRINT ADDRESS
Troop 1040	S Jordan, UT
Carolyn Gunter	Self connection
Debra Buck	SJ UT
Saudi Kerkendoll	10950 S.
Anne Hansen	Public Works
Angie Kabat	4531 W. Vermillion Dr. Seto
Lisa Hurt	9711 S Zakro Lane SJUT 84095
Greg Cantrell	1049 W. Louise Meadow Dr. SJ
Kamden Cantrell	" "
Brandon Mills	
Paul Kolo	
Tony Rasmussen	3048 W Bison Ridge Rd
Van Christensen	
Jeff McMulla	2726 Cousins Ln
Kurt Barken	1048 W. Rambouillet Dr.
Chris Tammor	10263 Temple View Dr.
Matt Monye	1542 Woodglen Dr
Eiler Peterson	968 W. Rambouillet.
Devinis Toland	1725 E Blackhawk Dr Pleasant Grove
Melinda Nordahl	9689 Sweet Blossom Dr.
Bart Forsyth	2978 W Bison Ridge Rd.
Wendi Thacker	4076 W. 94 70 S.
Joel Marouet	10671 S. Bison View Cv.

Memo

In addition the plat was reviewed and this turnaround is not within public right of way and is on an easement on the lot that is a storm drainage basin and is still owned by the original developer. Another indication that this paved area was meant to be a temporary turnaround and not a permanent turnaround.

3. Cost of Bridge:

City Staff re-confirmed with the Developer of the McKee Farms subdivision that is constructing a crossing over the same canal just a half mile or so south of this proposed development. The developer said the cost was at \$165,000 which included everything but the asphalt and even included utility sleeves. So, with Asphalt the costs should at a maximum be \$180,000. Since the cost will be split in half, that puts the cost to the developer at \$90,000.

4. Bison Ridge Road Grade:

The highest grade on the Bison Ridge Road is 5.6%. This is well below the maximum allowed by the City, which is 8%.

5. Bonding for the Canal Crossing by the Bison Ridge Developer:

Planning Commission at the time of approval required the canal crossing (bridge) to be bonded for by the Developer. After further review of the file this never took place. The engineer that worked on this project left the City 8 years ago and Staff is not sure why this never took place. The Statement at the City Council meeting was that it was bonded for and released. The fact is that it was never bonded for.

6. Code on Cul-de-sac length and Home Sprinklers at the time of approval:

The Bison Ridge Development received Planning Commission approval on November 8, 2005. At that time the City code was no Cul-de-sac length over 400 feet was allowed. This development was approved with a length of 1500 feet because it was going to continue onto 2700 West at some point. The City code to allow the cul-de-sac length to be 750 feet and to required homes to be sprinkled beyond 600 feet was changed on July 10, 2007.



Memo

7. Bus Stop on 3200 West/Safe Walking Route for Elementary School:

Paul Bergera at the Jordan School District has stated that no matter what happens to the Bison Ridge Road extension to 2700 West after the 2016/2017 School year the Bus stop on 3200 West for the Bison Ridge Subdivision will be eliminated. This is elimination is cause by the connection of 3200 West to 2700 West through the McKee Farms subdivision that is currently under construction.

The City received an email from a resident on the Bison Ridge subdivision requesting the extension to 2700 West as once the bus stop goes away this would/will be the safest and shortest route for the Children to walk to Monte Vista Elementary School. The City spent a lot of money installing the sidewalk on the west side of 2700 West from 11400 South to 10400 South to accommodate these safe walking routes.

The position of the City Staff has not changed from the recommendation made in the Staff report for the Heagren Development that the development connects to the Bison Ridge Development. This recommendation is made for public safety, good traffic and pedestrian circulation, connectivity and to meet the intent of the Bison Ridge Development at the time of its approval.

Attachment C
5-17-14
C.C. WFB

Bison Creek Cv 2935 W

Bison Ridge Rd 10625 S

Utah Distribution Canal Rd 2900 W





REAL ESTATE PURCHASE CONTRACT FOR LAND

This is a legally binding Real Estate Purchase Contract ("REPC"). If you desire legal or tax advice, consult your attorney or tax advisor.

OFFER TO PURCHASE AND EARNEST MONEY DEPOSIT

On this 9th day May of, 2016, ("Offer Reference Date") SJL Development or assigns ("Buyer") offers to purchase from South Jordan City ("Seller") the Property described below and delivers to the Buyer's Brokerage with this offer, or agrees to deliver no later than four (4) calendar days after Acceptance (as defined in Section 23), Earnest Money in the amount of \$ 10,000 in the form of wire transfer. After Acceptance of the REPC by Buyer and Seller, and receipt of the Earnest Money by the Brokerage, the Brokerage shall have four (4) calendar days in which to deposit the Earnest Money into the Brokerage Real Estate Trust Account.

Buyer's Brokerage NA Phone: _____

Received by: _____ on _____
(Signature above acknowledges receipt of Earnest Money) (Date)

OTHER PROVISIONS

1. PROPERTY: 11650 South 4000 West South Jordan, UT 84095 Salt Lake County

also described as: Salt Lake County 27-20-352-001 Acres: 6.43

City of South Jordan, County of Salt Lake State of Utah, Zip 84095 (the "Property"). Any reference below to the term "Property" shall include the Property described above, together with the Included Items and water rights/water shares, if any, referenced in Sections 1.1, and 1.3.

1.1 Included Items. (specify) _____

1.2 Excluded Items. (specify) _____

1.3 Water Service. The Purchase Price for the Property shall include all water rights/water shares, if any, that are the legal source for Seller's current culinary water service and irrigation water service, if any, to the Property. The water rights/water shares will be conveyed or otherwise transferred to Buyer at Closing by applicable deed or legal instruments. The following water rights/water shares, if applicable, are specifically excluded from this sale: _____

2. PURCHASE PRICE. The Purchase Price for the Property is \$ 1,900,000. Except as provided in this Section, the Purchase Price shall be paid as provided in Sections 2(a) through 2(d) below. Any amounts shown in 2(b) and 2(d) may be adjusted as deemed necessary by Buyer and the Lender.

\$ 10,000 (a) Earnest Money Deposit. Under certain conditions described in the REPC, this deposit may become totally non-refundable.

\$ TBD (b) New Loan. Buyer may apply for mortgage loan financing (the "Loan") on terms acceptable to Buyer.

\$ 0 (c) Seller Financing. (see attached Seller Financing Addendum)

\$ TBD (d) Balance of Purchase Price in Cash at Settlement

\$1,900,000 PURCHASE PRICE. Total of lines (a) through (d)

3. SETTLEMENT AND CLOSING.

3.1 Settlement. Settlement shall take place no later than the Settlement Deadline referenced in Section 24(d), or as otherwise mutually agreed by Buyer and Seller in writing. "Settlement" shall occur only when all of the following have been completed: (a) Buyer and Seller have signed and delivered to each other or to the escrow/closing office all documents required by the REPC, by the Lender, by the title insurance and escrow/closing offices, by written escrow instructions (including any split closing instructions, if applicable), or by applicable law; (b) any monies required to be paid by Buyer or Seller under these documents

(except for the proceeds of any new loan) have been delivered by Buyer or Seller to the other party, or to the escrow/closing office, in the form of cash, wire transfer, cashier's check, or other form acceptable to the escrow/closing office.

3.2 Prorations. All prorations, including, but not limited to, homeowner's association dues, property taxes for the current year, rents, and interest on assumed obligations, if any, shall be made as of the Settlement Deadline referenced in Section 24(d), unless otherwise agreed to in writing by the parties. Such writing could include the settlement statement. The provisions of this Section 3.2 shall survive Closing.

3.3 Greenbelt. If any portion of the Property is presently assessed as "Greenbelt" the payment of any roll-back taxes assessed against the Property shall be paid for by: Seller Buyer Split Equally Between Buyer and Seller Other (explain) _____

3.4 Special Assessments. Any assessments for capital improvements as approved by the HOA (pursuant to HOA governing documents) or as assessed by a municipality or special improvement district, prior to the Settlement Deadline shall be paid for by: Seller Buyer Split Equally Between Buyer and Seller Other (explain) _____

The provisions of this Section 3.4 shall survive Closing.

3.5 Fees/Costs/Payment Obligations. Unless otherwise agreed to in writing, Seller and Buyer shall each pay one-half (1/2) of the fee charged by the escrow/closing office for its services in the settlement/closing process. Tenant deposits (including any prepaid rents) shall be paid or credited by Seller to Buyer at Settlement. Buyer agrees to be responsible for homeowners' association and private and public utility service transfer fees, if any, and all utilities and other services provided to the Property after the Settlement Deadline. The escrow/closing office is authorized and directed to withhold from Seller's proceeds at Closing, sufficient funds to pay off on Seller's behalf all mortgages, trust deeds, judgments, mechanic's liens, tax liens and warrants. The provisions of this Section 3.5 shall survive Closing.

3.6 Closing. For purposes of the REPC, "Closing" means that: (a) Settlement has been completed; (b) the proceeds of any new loan have been delivered by the Lender to Seller or to the escrow/closing office; and (c) the applicable Closing documents have been recorded in the office of the county recorder. The actions described in 3.6 (b) and (c) shall be completed within four calendar days after Settlement.

4. POSSESSION. Seller shall deliver physical possession of the Property to Buyer as follows: Upon Closing; ___ Hours after Closing; ___ Calendar Days after Closing; Other (explain) _____

Any contracted rental of the Property prior to or after Closing, between Buyer and Seller, shall be by separate written agreement. Seller and Buyer shall each be responsible for any insurance coverage each party deems necessary for the Property. Seller agrees to deliver the Property to Buyer free of debris and personal belongings. The provisions of this Section 4 shall survive Closing.

5. CONFIRMATION OF AGENCY DISCLOSURE. Buyer and Seller acknowledge prior written receipt of agency disclosure provided by their respective agent that has disclosed the agency relationships confirmed below. At the signing of the REPC:

Seller's Agent NA, represents Seller both Buyer and Seller as a Limited Agent;
Seller's Brokerage NA, represents Seller both Buyer and Seller as a Limited Agent;

Buyer's Agent NA, represents Buyer both Buyer and Seller as a Limited Agent;
Buyer's Brokerage NA, represents Buyer both Buyer and Seller as a Limited Agent.

6. TITLE & TITLE INSURANCE.

6.1 Title to Property. Seller represents that Seller has fee title to the Property and will convey marketable title to the Property to Buyer at Closing by general warranty deed. Buyer does agree to accept title to the Property subject to the contents of the Commitment for Title Insurance (the "Commitment") provided by Seller under Section 7, and as reviewed and approved by Buyer under Section 8. Buyer also agrees to accept title to the Property subject to any existing leases rental and property management agreements affecting the Property not expiring prior to Closing which were provided to Buyer pursuant to Section 7(e). The provisions of this Section 6.1 shall survive Closing.

6.2 Title Insurance. At Settlement, Seller agrees to pay for and cause to be issued in favor of Buyer, through the title insurance agency that issued the Commitment, the most current version of an ALTA standard coverage owner's policy of title insurance. Any additional title insurance coverage desired by Buyer shall be at Buyer's expense.

7. SELLER DISCLOSURES. No later than the Seller Disclosure Deadline referenced in Section 24(a), Seller shall provide to Buyer the following documents in hard copy or electronic format which are collectively referred to as the "Seller Disclosures":

- (a) a written Seller Property Condition Disclosure (Land) for the Property, completed, signed and dated by Seller as provided in Section 10.2;
- (b) a Commitment for Title Insurance as referenced in Section 6.1;
- (c) a copy of any restrictive covenants (CC&R's), rules and regulations affecting the Property;
- (d) a copy of the most recent minutes, budget and financial statement for the homeowners' association, if any;
- (e) a copy of any lease, rental, and property management agreements affecting the Property not expiring prior to Closing;
- (f) evidence of any water rights and/or water shares referenced in Section 1.3;
- (g) written notice of any claims and/or conditions known to Seller relating to environmental problems; and violation of any CC&R's, federal, state or local laws, and building or zoning code violations; and
- (h) Other (specify) _____

8. BUYER'S CONDITIONS OF PURCHASE.

8.1 DUE DILIGENCE CONDITION. Buyer's obligation to purchase the Property: IS IS NOT conditioned upon Buyer's Due Diligence as defined in this Section 8.1(a) below. This condition is referred to as the "Due Diligence Condition." If checked in the affirmative, Sections 8.1(a) through 8.1(c) apply; otherwise they do not.

(a) **Due Diligence Items.** Buyer's Due Diligence shall consist of Buyer's review and approval of the contents of the Seller Disclosures referenced in Section 7, and any other tests, evaluations and verifications of the Property deemed necessary or appropriate by Buyer, such as: the physical condition of the Property; the existence of any hazardous substances, environmental issues or geologic conditions; the square footage or acreage of the Property; the costs and availability of flood insurance, if applicable; water source, availability and quality; the location of property lines; regulatory use restrictions or violations; fees for services such as HOA dues, municipal services, and utility costs; convicted sex offenders residing in proximity to the Property; and any other matters deemed material to Buyer in making a decision to purchase the Property. Unless otherwise provided in the REPC, all of Buyer's Due Diligence shall be paid for by Buyer and shall be conducted by individuals or entities of Buyer's choice. Seller agrees to cooperate with Buyer's Due Diligence. Buyer agrees to pay for any damage to the Property resulting from any such inspections or tests during the Due Diligence.

(b) **Buyer's Right to Cancel or Resolve Objections.** If Buyer determines, in Buyer's sole discretion, that the results of the Due Diligence are unacceptable, Buyer may either: (i) no later than the Due Diligence Deadline referenced in Section 24(b), cancel the REPC by providing written notice to Seller, whereupon the Earnest Money Deposit shall be released to Buyer without the requirement of further written authorization from Seller; or (ii) no later than the Due Diligence Deadline referenced in Section 24(b), resolve in writing with Seller any objections Buyer has arising from Buyer's Due Diligence.

(c) **Failure to Cancel or Resolve Objections.** If Buyer fails to cancel the REPC or fails to resolve in writing any objections Buyer has arising from Buyer's Due Diligence, as provided in Section 8.1(b), Buyer shall be deemed to have waived the Due Diligence Condition.

8.2 APPRAISAL CONDITION. Buyer's obligation to purchase the Property: IS IS NOT conditioned upon the Property appraising for not less than the Purchase Price. This condition is referred to as the "Appraisal Condition." If checked in the affirmative, Sections 8.2(a) and 8.2(b) apply; otherwise they do not.

(a) **Buyer's Right to Cancel.** If after completion of an appraisal by a licensed appraiser, Buyer receives written notice from the Lender or the appraiser that the Property has appraised for less than the Purchase Price (a "Notice of Appraised Value"), Buyer may cancel the REPC by providing written notice to Seller (with a copy of the Notice of Appraised Value) no later than the Financing & Appraisal Deadline referenced in Section 24(c); whereupon the Earnest Money Deposit shall be released to Buyer without the requirement of further written authorization from Seller.

(b) **Failure to Cancel.** If the REPC is not cancelled as provided in this section 8.2(a), Buyer shall be deemed to have waived the Appraisal Condition.

8.3 FINANCING CONDITION. Buyer's obligation to purchase the property: IS IS NOT conditioned upon Buyer obtaining the Loan referenced in Section 2(b). This condition is referred to as the "Financing Condition." If checked in the affirmative, Sections 8.3(a) and 8.3(b) apply; otherwise they do not. If the Financing Condition applies, Buyer agrees to work diligently and in good faith to obtain the Loan.

(a) **Buyer's Right to Cancel Before the Financing & Appraisal Deadline.** If Buyer, in Buyer's sole discretion, is not satisfied with the terms and conditions of the Loan, Buyer may cancel the REPC by providing written notice to Seller no later than the Financing & Appraisal Deadline referenced in Section 24(c); whereupon the Earnest Money Deposit shall be released to Buyer without the requirement of further written authorization from Seller.

(b) **Buyer's Right to Cancel After the Financing & Appraisal Deadline.** If after expiration of the Financing & Appraisal Deadline referenced in Section 24(c), Buyer fails to obtain the Loan, meaning that the proceeds of the Loan have not been delivered by the Lender to Seller or to the escrow/closing office as required under Section 3.6 of the REPC, then Buyer or Seller may cancel the REPC by providing written notice to the other party; whereupon the Earnest Money Deposit, or Deposits, if applicable (see Section 8.4 below), shall be released to Seller without the requirement of further written authorization from Buyer.

In the event of such cancellation, Seller agrees to accept as Seller's exclusive remedy, the Earnest Money Deposit, or Deposits, if applicable, as liquidated damages. Buyer and Seller agree that liquidated damages would be difficult and impractical to calculate, and the Earnest Money Deposit, or Deposits, if applicable, is a fair and reasonable estimate of Seller's damages in the event Buyer fails to obtain the Loan.

8.4 ADDITIONAL EARNEST MONEY DEPOSIT. If the REPC has not been previously cancelled by Buyer as provided in Sections 8.1, 8.2 or 8.3(a), then no later than the Due Diligence Deadline referenced in Section 24(b), or the Financing & Appraisal Deadline referenced in Section 24(c), whichever is later, Buyer: WILL WILL NOT deliver to the Buyer's Brokerage, an Additional Earnest Money Deposit in the amount of \$_____. The Earnest Money Deposit and the Additional Earnest Money Deposit, if applicable, are sometimes referred to herein as the "Deposits". The Earnest Money Deposit, or Deposits, if applicable, shall be credited toward the Purchase Price at Closing.

9. ADDENDA. There ARE ARE NOT addenda to the REPC containing additional terms. If there are, the terms of the following addenda are incorporated into the REPC by this reference: Addendum No. 1 Seller Financing Addendum Other (specify) _____

10. AS-IS CONDITION OF PROPERTY.

10.1 Condition of Property/Buyer Acknowledgements. Buyer acknowledges and agrees that in reference to the physical condition of the Property: (a) Buyer is purchasing the Property in its "As-Is" condition without expressed or implied warranties of any kind; (b) Buyer shall have, during Buyer's Due Diligence as referenced in Section 8.1, an opportunity to completely inspect and evaluate the condition of the Property; and (c) if based on the Buyer's Due Diligence, Buyer elects to proceed with the purchase of the Property, Buyer is relying wholly on Buyer's own judgment and that of any contractors or inspectors engaged by Buyer to review, evaluate and inspect the Property.

10.2 Condition of Property/Seller Acknowledgements. Seller acknowledges and agrees that in reference to the physical condition of the Property, Seller agrees to: (a) disclose in writing to Buyer defects in the Property known to Seller that materially affect the value of the Property that cannot be discovered by a reasonable inspection by an ordinary prudent Buyer; (b) carefully review, complete, and provide to Buyer a written Seller Property Condition Disclosure (Land) as stated in Section 7(a); and (c) deliver the Property to Buyer in substantially the same general condition as it was on the date of Acceptance, as defined in Section 23. The provisions of Sections 10.1 and 10.2 shall survive Closing.

11. FINAL PRE-SETTLEMENT INSPECTION.

11.1 Pre-Settlement Inspection. At any time prior to Settlement, Buyer may conduct a final pre-Settlement inspection of the Property to determine only that the Property is "as represented", meaning that the items referenced in Sections 1.1, 1.3 and 8.1(b)(ii) ("the items") are respectively present, repaired or corrected as agreed. The failure to conduct a pre-Settlement inspection or to claim that an item is not as represented shall not constitute a waiver by Buyer of the right to receive, on the date of possession, the items as represented. If the items are not as represented, Seller agrees to cause all applicable items to be corrected, repaired or replaced (the "Work") prior to the Settlement Deadline referenced in Section 24(d).

11.2 Escrow to Complete the Work. If, as of Settlement, the Work has not been completed, then Buyer and Seller agree to withhold in escrow at Settlement a reasonable amount agreed to by Seller, Buyer (and Lender, if applicable), sufficient to pay for completion of the Work. If the Work is not completed within thirty (30) calendar days after the Settlement Deadline, the amount so escrowed may, subject to Lender's approval, be released to Buyer as liquidated damages for failure to complete the Work. The provisions of this Section 11.2 shall survive Closing.

12. CHANGES DURING TRANSACTION. Seller agrees that from the date of Acceptance until the date of Closing, none of the following shall occur without the prior written consent of Buyer: (a) no changes in any leases, rental or property management agreements shall be made; (b) no new lease, rental or property management agreements shall be entered into; (c) no substantial alterations or improvements to the Property shall be made or undertaken; (d) no further financial encumbrances to the Property shall be made, and (e) no changes in the legal title to the Property shall be made.

13. AUTHORITY OF SIGNERS. If Buyer or Seller is a corporation, partnership, trust, estate, limited liability company or other entity, the person signing the REPC on its behalf warrants his or her authority to do so and to bind Buyer and Seller.

14. COMPLETE CONTRACT. The REPC together with its addenda, any attached exhibits, and Seller Disclosures (collectively referred to as the "REPC"), constitutes the entire contract between the parties and supersedes and replaces any and all prior negotiations, representations, warranties, understandings or contracts between the parties whether verbal or otherwise. The REPC cannot be changed except by written agreement of the parties.

15. MEDIATION. Any dispute relating to the REPC arising prior to or after Closing: SHALL MAY AT THE OPTION OF THE PARTIES first be submitted to mediation. Mediation is a process in which the parties meet with an impartial person who helps to resolve the dispute informally and confidentially. Mediators cannot impose binding decisions. The parties to the dispute

must agree before any settlement is binding. The parties will jointly appoint an acceptable mediator and share equally in the cost of such mediation. If mediation fails, the other procedures and remedies available under the REPC shall apply. Nothing in this Section 15 prohibits any party from seeking emergency legal or equitable relief, pending mediation. The provisions of this Section 15 shall survive Closing.

16. DEFAULT.

16.1 Buyer Default. If Buyer defaults, Seller may elect one of the following remedies: (a) cancel the REPC and retain the Earnest Money Deposit, or Deposits, if applicable, as liquidated damages; (b) maintain the Earnest Money Deposit, or Deposits, if applicable, in trust and sue Buyer to specifically enforce the REPC; or (c) return the Earnest Money Deposit, or Deposits, if applicable, to Buyer and pursue any other remedies available at law.

16.2 Seller Default. If Seller defaults, Buyer may elect one of the following remedies: (a) cancel the REPC, and in addition to the return of the Earnest Money Deposit, or Deposits, if applicable, Buyer may elect to accept from Seller, as liquidated damages, a sum equal to the Earnest Money Deposit, or Deposits, if applicable; or (b) maintain the Earnest Money Deposit, or Deposits, if applicable, in trust and sue Seller to specifically enforce the REPC; or (c) accept a return of the Earnest Money Deposit, or Deposits, if applicable, and pursue any other remedies available at law. If Buyer elects to accept liquidated damages, Seller agrees to pay the liquidated damages to Buyer upon demand.

17. ATTORNEY FEES AND COSTS/GOVERNING LAW. In the event of litigation or binding arbitration to enforce the REPC, the prevailing party shall be entitled to costs and reasonable attorney fees. However, attorney fees shall not be awarded for participation in mediation under Section 15. This contract shall be governed by and construed in accordance with the laws of the State of Utah. The provisions of this Section 17 shall survive Closing.

18. NOTICES. Except as provided in Section 23, all notices required under the REPC must be: (a) in writing; (b) signed by the Buyer or Seller giving notice; and (c) received by the Buyer or the Seller, or their respective agent, or by the brokerage firm representing the Buyer or Seller, no later than the applicable date referenced in the REPC.

19. NO ASSIGNMENT. The REPC and the rights and obligations of Buyer hereunder, are personal to Buyer. The REPC may not be assigned by Buyer without the prior written consent of Seller. Provided, however, the transfer of Buyer's interest in the REPC to any business entity in which Buyer holds a legal interest, including, but not limited to, a family partnership, family trust, limited liability company, partnership, or corporation (collectively referred to as a "Permissible Transfer"), shall not be treated as an assignment by Buyer that requires Seller's prior written consent. Furthermore, the inclusion of "and/or assigns" or similar language on the line identifying Buyer on the first page of the REPC shall constitute Seller's written consent only to a Permissible Transfer.

20. INSURANCE & RISK OF LOSS.

20.1 Insurance Coverage. As of Closing, Buyer shall be responsible to obtain such casualty and liability insurance coverage on the Property in amounts acceptable to Buyer and Buyer's Lender, if applicable.

20.2 Risk of Loss. If prior to Closing, any part of the Property is damaged or destroyed by fire, vandalism, flood, earthquake, or act of God, the risk of such loss or damage shall be borne by Seller; provided however, that if the cost of repairing such loss or damage would exceed ten percent (10%) of the Purchase Price referenced in Section 2, Buyer may elect to either: (i) cancel the REPC by providing written notice to the other party, in which instance the Earnest Money, or Deposits, if applicable, shall be returned to Buyer; or (ii) proceed to Closing, and accept the Property in its "As-Is" condition.

21. TIME IS OF THE ESSENCE. Time is of the essence regarding the dates set forth in the REPC. Extensions must be agreed to in writing by all parties. Unless otherwise explicitly stated in the REPC: (a) performance under each Section of the REPC which references a date shall absolutely be required by 5:00 PM Mountain Time on the stated date; and (b) the term "days" and "calendar days" shall mean calendar days and shall be counted beginning on the day following the event which triggers the timing requirement (e.g. Acceptance). Performance dates and times referenced herein shall not be binding upon title companies, lenders, appraisers and others not parties to the REPC, except as otherwise agreed to in writing by such non-party.

22. ELECTRONIC TRANSMISSION AND COUNTERPARTS. Electronic transmission (including email and fax) of a signed copy of the REPC, any addenda and counteroffers, and the retransmission of any signed electronic transmission shall be the same as delivery of an original. The REPC and any addenda and counteroffers may be executed in counterparts.

23. ACCEPTANCE. "Acceptance" occurs **only** when all of the following have occurred: (a) Seller or Buyer has signed the offer or counteroffer where noted to indicate acceptance; and (b) Seller or Buyer or their agent has communicated to the other party or to the other party's agent that the offer or counteroffer has been signed as required.

SL

5/9/2016

glt

5/14/16

24. **CONTRACT DEADLINES.** Buyer and Seller agree that the following deadlines shall apply to the REPC:

- (a) **Seller Disclosure Deadline** 14 days from acceptance (Date)
- (b) **Due Diligence Deadline** 120 days (Date)
- (c) **Financing & Appraisal Deadline** _____ (Date)
- (d) **Settlement Deadline** 14 days after final plat approval (Date)
or expiration of Due Diligence period, whichever is later.

25. **OFFER AND TIME FOR ACCEPTANCE.** Buyer offers to purchase the Property on the above terms and conditions. If Seller does not accept this offer by: __ : __ [] AM [] PM Mountain Time on _____ (Date), this offer shall lapse; and the Brokerage shall return any Earnest Money Deposit to Buyer.

[Signature], manager 5/9/2016
 (Buyer's Signature) (Offer Date) (Buyer's Signature) (Offer Date)

SJL Development LLC or assigns 4307 S Olson St, Kennewick, WA 99336 (509) 539-0056
 (Buyer's Names) (PLEASE PRINT) (Notice Address) (Zip Code) (Phone)

 (Buyer's Names) (PLEASE PRINT) (Notice Address) (Zip Code) (Phone)

ACCEPTANCE/COUNTEROFFER/REJECTION

CHECK ONE:

ACCEPTANCE OF OFFER TO PURCHASE: Seller Accepts the foregoing offer on the terms and conditions specified above.

COUNTEROFFER: Seller presents for Buyer's Acceptance the terms of Buyer's offer subject to the exceptions or modifications as specified in the attached ADDENDUM NO. _____.

REJECTION: Seller rejects the foregoing offer.

[Signature] 5-16-16 9:45 AM [Signature] _____
 (Seller's Signature) (Date) (Time) (Seller's Signature) (Date) (Time)

South Jordan City 1600 W Towne Center Drive 84095
 (Seller's Names) (PLEASE PRINT) (Notice Address) (Zip Code) (Phone)

Gary L Whitcraft 1600 Towne Center Dr 84095 801-254-5742
 (Seller's Names) (PLEASE PRINT) (Notice Address) (Zip Code) (Phone)

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**ADDENDUM NO. 1
TO
REAL ESTATE PURCHASE CONTRACT**



THIS IS AN ADDENDUM COUNTEROFFER to that REAL ESTATE PURCHASE CONTRACT (the "REPC") with an Offer Reference Date of 9th day of May 2016 including all prior addenda and counteroffers, between SJL Development LLC or assigns as Buyer, and South Jordan City as Seller, regarding the Property located at 11650 South 400 West. The following terms are hereby incorporated as part of the REPC:

1. Access to all city reports regarding the property (soil test results, engineering, cost analysis, etc.)
2. Earnest Money to be held with United Title in accordance with state law.
3. Seller agrees to 1 option to extend due diligence deadline 90 days with forfeiture of earnest money.

BUYER AND SELLER AGREE THAT THE CONTRACT DEADLINES REFERENCED IN SECTION 24 OF THE REPC (CHECK APPLICABLE BOX): REMAIN UNCHANGED ARE CHANGED AS FOLLOWS: _____

To the extent the terms of this ADDENDUM modify or conflict with any provisions of the REPC, including all prior addenda and counteroffers, these terms shall control. All other terms of the REPC, including all prior addenda and counteroffers, not modified by this ADDENDUM shall remain the same. Seller Buyer shall have until : AM PM Mountain Time on _____ (Date), to accept the terms of this ADDENDUM in accordance with the provisions of Section 23 of the REPC. Unless so accepted, the offer as set forth in this ADDENDUM shall lapse.

[Signature], manager 5/9/2016
 Buyer Seller Signature (Date) (Time) Buyer Seller Signature (Date) (Time)

ACCEPTANCE/COUNTEROFFER/REJECTION

CHECK ONE:

- ACCEPTANCE:** Seller Buyer hereby accepts the terms of this ADDENDUM.
 COUNTEROFFER: Seller Buyer presents as a counteroffer the terms of attached ADDENDUM NO.

[Signature] 5/14/16 9:45 PM [Signature] _____
 (Signature) (Date) (Time) (Signature) (Date) (Time)

REJECTION: Seller Buyer rejects the foregoing ADDENDUM.
 (Signature) (Date) (Time) (Signature) (Date) (Time)

THIS FORM APPROVED BY THE UTAH REAL ESTATE COMMISSION AND THE OFFICE OF THE UTAH ATTORNEY GENERAL, EFFECTIVE AUGUST 5, 2003. IT REPLACES AND SUPERSEDES ALL PREVIOUSLY APPROVED VERSIONS OF THIS FORM.

Property Acquisition & Improvement Reconciliation
City Property located at 11650 S 4000 W.

Prepared by Brian A. Preece, MPA
 Director of City Commerce

\$ 1,978,593 Initial Property Acquisition Cost (9.28 acres)

Funding allocation

\$1,655,378 Park Impact Fees
 \$323,215 Storm Impact Fees
 \$1,978,593 Total Impact Fees
 \$213,210 Cost per acre (based on acquisition cost)

\$607,650 **Stormwater Basin Property Cost (2.85 acres)**

\$284,435 **Amount Stormwater fund Owes to Parks Impact Fee Fund for Basin Property**

\$1,370,943 **Cost of Remainder Property for Sale (6.43 Acres)**

\$357,128 Road Improvements (Transportation impact fees credited)

\$ 2,335,721 Total Acquisition & Improvement Costs

\$ 2,660,000 Appraised Value of Remainder Parcel (6.43 acres)

Property Ownership Reconciliation

9.28 Total Property (acres)
 6.43 City Property for Sale (acres)
 2.85 City owned Stormwater property (acres)

What City has in the Land For Sale

Acres	6.43
Purchase Cost	\$1,370,943
Road Construction from Impact Fee Fund	\$357,128
Total Invest	\$1,728,071
Soils Remediation Obligation Owed to Parks Impa. Fee Fund by Stormwater Imp. Fee Fund	\$284,435
Left Owed to Parks IF	\$1,332,163
Lybbert Original Offer	\$1,680,545
2014 appraised value	\$2,450,795
2015 appraised value	\$2,660,000
Offer Amount	\$1,900,000
Discounted for Soils Remediation Issue	\$500,000
Broker Fee @ 6% (not paid in transaction)	<u>\$114,000</u>
Subtotal	\$2,514,000
Less than Appraisal	-\$146,000
Remainder from Sale	
Purchase Price	\$1,900,000
To Parks Impact Fee Fund	\$1,332,163
to Roads Impact Fee Fund	<u>\$357,128</u>
Remainder to CIP Fund	\$210,709