

Minutes of the **Regular Meeting** of the **Board of Directors of the Redevelopment Agency** of Riverdale City held **Tuesday, June 21, 2005**, at 8:25 p.m. at the Riverdale Civic Center.

Members Present: Bruce Burrows, Chairman
 Nancy Brough
 Stan Hadden
 Stacey Haws
 David Gibby
 Shelly Jenkins

Others Present: Larry Hansen, Executive Director
 Randy Daily, Community Development Director
 Lynn Fortie, Business Administrator
 Stevin Brooks, City Attorney
 Cindi Mansell, City Recorder

Chairman Burrows called the meeting to order and welcomed all those present.

Consideration of Meeting Minutes

Chairman Burrows stated the Board has before them the regular meeting minutes of April 5, 2005.

Fund Balance Allocation & Loan Program Summary Report

Mr. Hansen referenced the Fund Balance Allocation & Loan Program Summary Report as of May 31, 2005. He explained there were not many changes other than the reflection of payments to developers in the Riverdale Road area. He stated the rehabilitation loan program has been manageable and there have not been a lot of new inquiries lately, even given the high level of activity within the market and mortgage industry. Mr. Hansen stated many residents have very little equity yet want to make improvements, and lending cannot be performed in that manner. He explained the rehabilitation loan program is targeted to low income people or those with good equity.

Mr. Hansen explained all funds have been drawn out of the Senior Facility tax increment bond; and they are available to complete the current payment request and part of the next. Inquiry was made as to payments for furnishings and equipment. Mr. Hansen referenced the Senior Facility column under revenues, and explained that expenditures are being closely tracked. He referenced the expenditures pending; stating for the record, Mr. Chong has submitted a pay request for the engineers that have done the work and he is hoping for resolution on the proposed change orders prior to authorizing payment.

Further discussion followed regarding the negative balance as reflected under Senior Facility furnishings and equipment. Mr. Hansen explained within the RDA account structure, the City Council did move \$100,000 into this fund. He stated in considering the (\$737.50); the fund would still contain \$99,262.50; and technically, that is where the money remains to fund furnishings and equipment.

Mr. Hansen further discussed one working angle to get bids and considerable donations to subsidize these expenses. Mr. Hadden inquired as to whether this amount includes the kitchen equipment, with Mr. Hansen stating funding is set aside specifically for tables, chairs, furnishings of common area rooms, lounge, etc.; and not the big kitchen equipment. He stated there is a cushion within the fund should problems be encountered.

Mr. Hansen stated he had asked Jonnalynne Walker to come in and go through the entire RDA account structure to ensure that the setup is appropriate to enable setting aside some of this money for reserves; such as for capital maintenance and improvements. He stated if there were excess, perhaps staff could prepay some of the bond.

Mrs. Jenkins discussed the previous purchase of the caretaker home with RDA funds. Mr. Hansen explained the expenses of that home will be paid out of RDA; however, there is the need for refinement in the current account structure. He stated the only operating expense for the caretaker home would reflect utility costs. Mrs. Jenkins asked for clarification that funds to run the caretaker home will not be taken out of City budget. Mr. Hansen stated the RDA owns the home outright and payments will only be made for utilities. He stated the Board will see more refinement of this particular report; to include more detail and a different format.

Mrs. Jenkins addressed the interior furnishings of apartments, and inquired as to window treatments. Mr. Hansen offered explanation that all apartments have blinds; either vertical or horizontal. Inquiry was raised as to curtains, with Mr. Hansen stating these have not been considered.

Mr. Hadden inquired as to how many people are authorized to write a check for purchases within the Senior Center. Mr. Hansen explained that all disbursements come through accounting; with the Office Manager and Business Administrator signing all checks. He stated the point of sale will typically originate with Mrs. Hall and then funnel through Administration. He stated if expenses are larger, they will come before the City Council. He stated although various staff can prepare a purchase order, such has to be signed by an authorized signer. He stated it is the responsibility of the Department Head to be aware of such expenditures. Mr. Hadden inquired as to who has the authority to include additions to the Senior Center through the contractor, with Mr. Hansen stating these would have to come through him.

Motion: Mr. Gibby moved to approve the consent items as presented. Mrs. Brough seconded the motion. The motion passed unanimously.

FY2004-2005 Budget Amendments

Mr. Fortie explained there are no amendments necessary to the current year operating budget.

Resolution #R12-2005 adopting FY2006 Amendments Log to tentative budget

Mr. Hansen explained adoption of this resolution is necessary, as there are several amendments to the FY2006 RDA tentative budget as proposed.

Motion Mr. Gibby moved to adopt Resolution No. R12-2005 adopting the FY 2006 Amendments Log to the tentative budget for the Redevelopment Agency of Riverdale City for Fiscal Year July 1, 2005 - June 30, 2006 as proposed. Seconded by Mrs. Brough.

Roll call vote. Mrs. Jenkins, Yes; Mr. Hadden, Yes; Mrs. Brough, Yes; Mr. Gibby, Yes; and Mr. Haws, Yes. The motion passed unanimously.

Resolution #R13-2005 adopting a budget for FY2006

Motion Mr. Gibby moved to adopt Resolution No. R13-2005 adopting the budget for FY 2006. Seconded by Mrs. Brough.

Roll call vote. Mr. Hadden, Yes; Mrs. Brough, Yes; Mr. Gibby, Yes; Mr. Haws, Yes; and Mrs. Jenkins, Yes. The motion passed unanimously.

Seniors Housing Facility

Construction Progress Payment Request

Mr. Hansen distributed an Executive Summary regarding a construction progress payment to Kier in the amount of \$320,082.79. He stated staff would have no reservations on recommending approval of this payment for construction to date.

Mr. Haws expressed concern as to the retainage not being 5%; (should be \$155,772.77 instead of \$155,743.70). He stated he feels this to be a point of consideration, as it involves more than rounding. Mr. Hansen stated he would agree the retainage is low; and would recommend the Board accept on the basis that staff would request this minor adjustment be made within the next pay request.

Motion: Mr. Gibby moved to approve the payment of \$320,082.79 to Kier for work performed on the senior facility; and to include the understanding that the retainage discrepancy amount will be corrected on the next payment request. Seconded by Mr. Hadden.

Roll Call Vote: Mrs. Brough, Yes; Mr. Gibby, Yes; Mr. Haws, Yes; Mrs. Jenkins, Yes; and Mr. Hadden, Yes. The motion passed unanimously.

Mr. Hansen explained that there is also a schedule of completion attached to the construction payment schedule. He stated the tenants are scheduled to move in beginning July 1, 2005. He stated this is firm and understood by Kier. He stated staff is currently trying to purchase hand trucks, dollies, etc. and having all utility services ready for when the residents call to arrange service. He stated all these type of loose ends are being compiled on an action listing to ensure tenants can move in on this date.

Mr. Hansen stated the delivery schedules on furnishings and décor has been bumped back; and it will be realistically mid-July before transplant of the various Senior programs can begin.

Annual City Employee Summer Party

Mr. Hansen stated July 20, 2005 will host a special evening summer party dinner at the new Senior Center for employees and families. He stated those that want to stay and play pool or have a tour are welcome; and there is then a ballgame at the Raptors for those who wish to attend. He explained that dinner will begin at 5:00 p.m., and the offices will shutdown at 4:00 p.m. to provide employees a chance to get their families, etc. Mr. Hansen stated this is intended to be the official "soft opening" for the employees to have an opportunity to see the new facility.

Proposed Change Orders

Mr. Hansen distributed an Executive Summary regarding the proposal to approve three change orders as proposed. He explained Change Order #6 has to do with credit back for selecting kitchen equipment and splitting between two contractors. He stated this is now official and results in a credit of (\$4,815.95).

Mr. Hansen stated Change Order #7 references a proposed change order relative to the lighting system and controls that include security lighting, perimeter, parking lot, timing and zoning. He stated staff met with the electrical contractor to make these decisions, resulting in a net zero effect.

Mr. Hansen referenced Change Order #8, stating Mr. Chong and Kier got together and ironed out these particular proposed change orders. He stated this deals with rain water collection, public restroom strobe light requirements, and several owner initiated change orders that will be discussed during the pending Closed Executive Session relative to issues that may come back up down the road. He stated there were additional changes required by the Fire Chief relative to fire extinguishers and cabinets, light switch changes, etc. Mr. Hansen stated there was also a lettering change in that this facility is an RDA housing facility and should reflect this on the exterior signage.

Mr. Hansen stated these are just some of the change orders that are moving forward, as there are still a pile that have not reached agreement between Kier and Chong. He stated they do agree on these change orders as presented; whether or not the RDA agrees. He stated the total net impact of these three change orders if \$8,093.20; resulting in an adjusted contract sum of \$2,265,231.25.

Mr. Hansen stated in a gesture of good faith, staff would recommend approval of payment of the proposed change orders as proposed.

Motion: Mr. Gibby moved to approve Change Orders #40006, #40007, and #40008 as proposed and resulting in a net difference of \$8,093.20. Seconded by Mrs. Brough.

Roll Call Vote: Mr. Gibby, Yes; Mr. Haws, Yes; Mrs. Jenkins, Yes; Mr. Hadden, Yes; and Mrs. Brough, Yes. The motion passed unanimously.

RC Willey Purchase Order

Mr. Hansen distributed a purchase order to RC Willey, stating this is comprised of 14 individual orders for furniture and décor. He stated rather than having this split up, staff would request ratification of payment. He stated delivery was originally scheduled on June 20, 2005; however, had to be set back because the flooring was not complete.

Mr. Hansen explained in this particular case, Mrs. Hall had shopped to get interested parties to bid; and received three bids from different facilities. He stated RC Willey came in with the lower bid and probably the best support with regard to the placement of two decorators on the job. They will deliver and install and if something is not liked; will take it back no questions asked. Mr. Hansen stated in the meantime, attempt is being made to line up substantial donors for the different rooms. He discussed the overriding concern of having \$100,000 to decorate and furnish an entire building.

Mr. Hansen stated there are eight different rooms that are general public use areas and the seniors have been placed in charge of fund raising for these areas. He stated America First has provided a donation as payment for the lobby and foyer décor; and the seniors are most grateful. He stated RC Willey then decided to kick in money by negotiating on furniture as well as arrangement and install.

Mr. Hansen stated the order was placed, not intending to exceed \$25,000; however, there were 14 orders. He stated the aggregate total is \$49,000; and all other purchase orders issued were within authority and within budget.

Inquiry was raised as to whether the payment is necessary for \$49,000 less the \$4,000 donation from America First. Mr. Hansen stated the entire \$4,000 will be placed into the donations line item fund, but staff would request ratification for the purchase order amount of \$49,790.96 to RC Willey as proposed.

Motion: Mrs. Brough moved to ratify payment of the purchase order to RC Willey in the amount of \$49,790.96 as proposed. Seconded by Mr. Gibby.

Roll Call Vote: Mr. Haws, Yes; Mrs. Jenkins, Yes; Mr. Hadden, Yes; Mrs. Brough, Yes; and Mr. Gibby, Yes. The motion passed unanimously.

Resolution #R14-2005 regarding approval of Comcast Service Agreement

Mr. Hansen provided background that during the design review process of the Senior Facility, it was decided that there was no desire to install satellite units on the facility. He stated early decisions were made to have the facility pre-wired for cable from Comcast service. He explained the City has Comcast at their other facilities; except for the Civic Center and Police Station.

Mr. Hansen stated the desire to provide basic bare bones cable with local channels for residents was to be provided; and Comcast was asked for favorable pricing. He stated perhaps there are not enough units, but it was determined that residents should sign up themselves similar to all other utilities.

Motion Mr. Gibby moved to adopt Resolution No. R14-2005 regarding approval of a service agreement/owner installed service agreement with Comcast of Utah II, Inc. for the Senior Housing Facility. Seconded by Mrs. Brough.

Mr. Haws inquired as to service for the Senior Center common areas. Mr. Hansen stated typically, the franchise agreement does require free service similar to the Fire Station and Community Center for the common rooms. He stated the RDA is an entity of the City and a publicly-owned facility.

Mr. Haws expressed concern as to a 7-year agreement, stating many technology changes can occur within 7 years. He stated he reads that there is not even access to wiring within the RDA's own facility; and he feels the agreement provides exclusive use of RDA facilities for a long time. He stated he will not vote for it without some type of concession relative to reduced price or facilities. Mr. Haws stated the contract states that interior wiring as installed by the RDA cannot be offered to any third party.

Mr. Hansen stated attempt to modify can be made. Mr. Haws stated he would prefer deletion of the owner wiring and just refer to company wiring. Further discussion took place regarding the 7-year contract, with the suggestion being made to change the 7-year to 2-year with two-year renewables and to delete owner wiring from the definition of the system.

Mr. Hansen stated staff can attempt to have Comcast modify the agreement, but it cannot be brought back until July 5, 2005. Inquiry was raised as to the alternative option of regular antennas, with Mr. Hansen stating these were not installed. Mrs. Jenkins stated she does not agree with the 7-years. Chair Burrows suggested one satellite for the entire facility; and discussion followed regarding the costs of cable versus satellite. The need to check out options available relative to satellite install for apartment complexes was suggested to staff.

Mr. Haws stated if these two items were changed, he would approve the contract. Mr. Hansen stated he will attempt to get these modifications made; and if they cannot be done, staff can pursue the satellite option.

Motion Mr. Gibby moved to modify his original motion to adopt Resolution No. R14-2005 regarding approval of a service agreement/owner installed service agreement with Comcast of Utah II, Inc. for the Senior Housing Facility; but to change the service agreement to reflect the concerns (1) Section 11 - two-year contract term versus 7-year; and (2) defining the system as company wiring only. Seconded by Mrs. Brough.

Roll call vote. Mrs. Jenkins, Yes; Mr. Hadden, Yes; Mrs. Brough, Yes; Mr. Gibby, Yes; and Mr. Haws, Yes. The motion passed unanimously.

Closed Executive Session

Chair Burrows asked for a motion to go into an executive session for the purposes of (1) discussing the purchase, exchange or lease of real property pursuant to Utah Code Annotated §52-4-5(1)(a)(iv); and (2) discussing pending or reasonably imminent litigation pursuant to Utah Code Annotated §52-4-5(1)(a)(iii). Mr. Burrows clarified that the Board has two separate items to discuss during the closed executive session.

Motion Mr. Gibby moved to enter into Closed Executive Session for the purposes of (1) discussing the purchase, exchange or lease of real property pursuant to Utah Code Annotated §52-4-5(1)(a)(iv); and (2) discussing pending or reasonably imminent litigation pursuant to Utah Code Annotated §52-4-5(1)(a)(iii). Mrs. Brough Seconded the motion.

Roll call vote. Mr. Hadden, Yes; Mrs. Brough, Yes; Mr. Gibby, Yes; Mr. Haws, Yes; and Mrs. Jenkins. The motion passed unanimously.

Minutes of the Executive Session of the Riverdale Redevelopment Agency Board held June 21, 2005 at 9:32 p.m. at the Riverdale Civic Center.

Present:	Chairman Bruce Burrows	Board member Brough
	Larry Hansen	Board member Gibby
	Randy Daily	Board member Hadden
	Stevin Brooks	Board member Haws
	Cindi Mansell	Board member Jenkins

Those present discussed the purchase, exchange, or lease of real property; and pending or reasonably imminent litigation.

Motion Mr. Gibby moved to close the executive session and to reconvene open session of the RDA meeting. Mrs. Brough seconded the motion. The motion passed unanimously.

The Executive Session closed at approximately 10:42 p.m.

With no other business to come before the Board at this time Mr. Gibby moved to adjourn the meeting. Seconded by Mrs. Jenkins. The motion passed unanimously. The meeting adjourned at approximately 10:42 p.m.

Attest:

Approved August 2, 2005

Larry Hansen
Executive Director

Bruce Burrows
Chairman