

REDEVELOPMENT AGENCY WORK MINUTES
JUNE 1, 2016

The Redevelopment Agency held a meeting on Wednesday June 1, 2016, at 6:42 p.m. in the Council Chambers at the City Office at 10 North Main Street, Cedar City, UT.

MEMBERS PRESENT: Chair Ron Adams; Secretary Paul Cozzens; Members: Terri Hartley; Craig Isom; Fred Rowley; Maile Wilson.

STAFF PRESENT: City Manager Rick Holman; City Attorney Paul Bittmenn; City Engineer Kit Wareham; City Recorder, Renon Savage; Finance Director Jason Norris; Police Chief Robert D. Allinson; Fire Marshal Mike Shurtz; Economic Development Director Danny Stewart; Public Works Director Ryan Marshall; Leisure Services/Events Director Bryan Dangerfield; Building Inspector Jeremy Severe.

OTHERS PRESENT: Jeremiah Davis, Kevin Davis, Doug Hall, Brad Green, Corey Baumgartner, Tom Jett, Andrew Seegrist, Peter Seegrist.

PUBLIC HEARING TO CONSIDER THE ADOPTION OF THE 2016-17 FISCAL YEAR BUDGET. JASON NORRIS: Jason – there are not any changes to the RDA budget. The question about the sewer collection in the council meeting, \$2.2 million, \$712,000 is impact fee eligible. As far as financing with Lin's we went to a fixed payment of \$330,000, we hope to be in a \$230,000 to \$250,000 range so we have money for other projects such as street lights.

Adams opened the public hearing. No comments were made. The hearing closed.

CONSIDER A SUPER PARAMETERS RESOLUTION REGARDING THE LIN'S EXPANSION BOND: Paul – Jonathan was here during the City Council meeting and gave you an overview. 15 years, \$1.8 million. The bonds will be let and paid by the RDA. As we talked through bonding, Zions Public Finance said there could be a pledge from Cedar City for the RDA, we hope not, but we don't know yet. That is why it is on the Council Agenda. Hartley – who controls the contract for expansion? Paul – the contract with Lin's says the total expansion is projected to cost double what the RDA will spend. The contract says they will do plans and present them to the RDA for approval in order to communicate. Associated Foods will bid the plans through the City's process and when they hire the company to build, Associated Foods will contract with the contractor as the RDA has approved and they will submit payment requests to the RDA. Mayor – payment reimbursement and our local bidder preference is in there. Paul – the RDA will pay the bills to Associated Foods, I assume they will send the draws over to engineering. That has worked well with the RDA for the SUMA construction.

Doug Hall – with the bond that we are considering, what are we looking at for the mechanism to pay the bond back and the period? Paul – the mechanism is the revenue from Associated Foods. Their contract yearly lease payment is over \$1.3 times the bond payment. The maximum term we don't know yet, but it asks for up to 15 years, but we

hope to come lower. Doug – so the repayment is from the Lin's Lease. Yes. Paul – if the RDA has to go to Cedar City as a pledge it could give us better terms so that is why it is on the City Council agenda as well.

ADJOURN: Mayor Wilson moved to adjourn and move into the MBA meeting at 6:50 p.m.; second by Hartley; vote unanimous.



Renon Savage, MMC
City Recorder