

**MINUTES  
CITY OF FAIRVIEW  
CITY COUNCIL**

February 10, 2021 – Zoom Meeting

**Council Members**

Brian Cooper, Mayor  
Wendy Lawton  
Steve Marker  
Keith Kudrna  
Balwant Bhullar  
Steve Owen  
Darren Riordan

**Staff**

Nolan Young, City Administrator  
Allan Berry, Public Works Director  
Lesa Folger, Finance Director  
Heather Martin, City Attorney

**SPECIAL SESSION (6:00 PM)**

**1. CALL TO ORDER**

ROLL CALL

**2. AUTHORIZE A GUARANTEED MAXIMUM PRICE (GMP) FOR CONSTRUCTION OF A FOOD CART PLAZA: RESOLUTION 11-2021**

Mayor Cooper noted the email received from Bob Dolphin in support of the food cart plaza.

City Administrator Young summarized the city signed a property lease for the development of a food cart pod and entered into a contract with P & C construction for the Phase 1 services of a design build contract. This included the development of a Guaranteed Maximum Price (GMP) for the project. He reiterated it does not mean the project will cost that much; it is a maximum. The proposed GMP is \$2,799,456 and includes a \$159,105 contingency. He noted staff asked for this special meeting so that, if the GMP is approved, staff can proceed with ordering the prefabricated steel building that will be used for the pavilion and stay on scheduled for a Labor Day opening.

Councilor Bhullar inquired about repayment and the anticipated monthly income from the food cart plaza. CA Young explained the funding is through Urban Renewal (UR) which took a \$3.2 million loan in 2019 with annual payments of approximately \$230,000. This is paid by the tax increment from the property taxes within the Urban Renewal district. This year, the estimated increment \$370,000. Some of the investment will be recaptured. Anticipate \$140,000 to \$200,000 the first few years and 60% of the return on investment over ten years.

Councilor Lawton asked about the associated cost of the CM/GC and chain link fencing in the GMP estimate and the cost of the city's responsibilities i.e., permits, System Development Charges (SDC), etc. Director Berry replied the CM/GC is the contractor's profit and the fencing is just a placeholder to account for fencing costs; the type of fencing is yet to be determined. Mayor Cooper commented we don't know the city associated costs yet, still working on the individual project details. UR will cover the costs of the fees; will know costs within a few months.

Mayor Cooper noted this project is unique in that not only will there be revenue from the increase in property taxes, which increases the tax increment revenue, but also the income from the food cart plaza.

Councilor Owen asked when activity at the site is expected. Director Berry replied, April.

Councilor Marker inquired about advertising and cost. CA Young answered individual carts will market themselves and the operator will be in charge of marketing the plaza.

Councilor Riordan clarified the \$2.8 million is the max for the design build and does not include additional costs. He requested an estimate for the additional costs. CA Young replied, not including SDC's, he would estimate \$100,000 to \$150,000. He noted they anticipate not having to use the contingencies and using this savings to cover the additional

costs. Council President Kudrna commented this is what occurred with the Public Works Shop design build. This is the same contractor and they have a track record of staying on time and on budget.

Councilor Lawton remarked on public outreach and engagement. She proposed hosting a public meeting to share information about urban renewal, the project, and how the funding works - demystify for citizens. She would also like to include the public in some of the fun aspects i.e., naming the plaza, the types of carts, etc. Mayor Cooper supported holding a public meeting, it will be an important feature in our community, want to share and involve the public. Councilor Marker agreed, want the citizens to trust Council; need to be transparent. Council President Kudrna reiterated the only reason public involvement was limited in the beginning was due to the property lease and land purchase negotiations.

Councilor Bhullar asked if after ten years the development is sold back to the property owner and if there is an option to extend the lease. CA Young replied, the development will not be sold back. The lease is well below market value and UR will be reimbursed as much as possible within the 10-year lease. At the end of the lease, it will return to the property owner. The hope is that they will continue it. He noted there is no option to extend the lease, but the city does have first right to purchase should they sell.

Councilor Bhullar inquired about the potential impact to local restaurants. CA Young replied the city will not operate the plaza; an independent operator will run the plaza. He believes overall the development will help the area draw more customers; which benefits all.

Councilor Riordan moved to adopt Resolution 11-2021 and Council President Kudrna seconded. The motion passed unanimously.


AYES: 7  
NOES: 0  
ABSTAINED: 0

### 3. ADJOURNMENT

Council President Kudrna moved to adjourn the meeting and Councilor Marker seconded. The motion passed, and the meeting adjourned at 6:53 PM.

AYES: 7  
NOES: 0  
ABSTAINED: 0

  
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Devree Leymaster  
City Recorder

  
\_\_\_\_\_  
Brian Cooper  
Mayor  
  
3-18-2021  
\_\_\_\_\_  
Date of Signing

A complete recording and/or video of these proceedings is available. Contact the City of Fairview City Recorder Office, (503) 674-6224.