SPECIAL HERRIMAN CITY
SAFETY ENFORCEMENT AREA
AGENDA

Wednesday, January 10, 2018

NOTICE IS HEREBY GIVEN that the Herriman City Safety Enforcement Area shall hold a meeting at the Herriman City Hall Council Chambers, located at 5355 West Herriman Main Street, Herriman, Utah.

8:00 PM: (Or as soon as Possible Thereafter)

1. Call to Order
   1.1. Oath of Office for the Board of Trustees for the Herriman City Safety Enforcement Area
   1.2. Election for the Chair and Vice Chair for the Herriman City Safety Enforcement Area

2. Discussion and Action Items
   2.1. Discussion and consideration of a resolution appointing a Chief Executive Officer/District Manager, Chief Financial Officer, Budget Officer, District Clerk, District Treasurer, and Legal Counsel – John Brems, City Attorney
   2.2. Discussion and consideration of a Resolution to establish the amount of Bond for the Faithful Performance of the Member’s Duties – John Brems, City Attorney
   2.3. Discussion and consideration of a Resolution to establish the Place of District Office – John Brems, City Attorney
   2.4. Discussion and Consideration of a resolution acknowledging receipt of a tentative budget and tentatively adopting the tentative budget pursuant to the requirements of Utah Code Ann. §17B-1-601 for the Fiscal Year Beginning January 1, 2018, and ending June 30, 2018 – Alan Rae, Finance Director

3. Adjournment

In accordance with the Americans with Disabilities Act, Herriman City will make reasonable accommodation for participation in the meeting. Request assistance by contacting Herriman City at (801) 446-5323 and provide at least 48 hours advance notice of the meeting.

ELECTRONIC PARTICIPATION: Members of the Community Development and Renewal Agency may participate electronically via telephone, Skype, or other electronic means during this meeting.

I, Jackie Nostrom, certify the foregoing agenda was emailed to at least one newspaper of general circulation within the geographic jurisdiction of the public body, at the principal office of the public body, on the Utah State Public Notice website www.utah.gov/pmn/index.html and on Herriman City’s website at www.herriman.org

Posted and Dated this 4th day of January 2018
Jackie Nostrom, MMC
City Recorder
Memorandum

TO: Mayor, City Council, and City Manager

FROM: John Brems

DATE: January 4, 2018

RE: Herriman City Safety Enforcement Area

Introduction:

This memo will provide background information and outline a strategy to accomplish the stated purpose of using a new service area to fund law enforcement services.

Background:

On September 8, 2011, the City annexed into the Salt Lake Valley Law Enforcement Service Area (“SLVLESA”) to provide a funding mechanism to fund law enforcement services within the City’s boundaries. In 2017, the City Council directed staff to pursue withdrawal from SLVLESA and form a new service area encompassing the City’s boundaries to provide a funding mechanism to fund law enforcement service for the City.

Withdrawal:

Withdrawal from SLVLESA is governed by Utah Code Ann. §§ 17B-1-501, et seq. In general, these provisions require (not necessarily in order): (i) a Council resolution initiating the withdrawal, (ii) written notice of the adoption of the resolution, (iii) feasibility study, and (iv) an election on the question of whether the municipality should withdraw from the municipal services district. The election and feasibility study requirements are waived if the municipality and first responder district agree (SLVLESA is a first responder district) in writing to the withdrawal. See Utah Code Ann. § 17B-1-505.5. On August 9, 2017, the City Council adopted a withdrawal resolution and subsequently gave the required written notice to SLVLESA. In July 2017, the City and SLVLESA agreed in writing to, among other things, the City’s withdrawal and the effective date of the withdrawal. The effective date of the withdrawal was a date after repayment of the SLVLESA Tax and Revenue Anticipation Notes, Series 2017 (these Notes were due and payable on or before December 21, 2017). The SLVLESA Tax and Revenue Anticipation Notes, Series 2017 were repaid on December 21, 2017. The City withdrawal from SLVLESA was effective on the date of issuance of a certificate of withdrawal by the Lieutenant Governor, which was December 21, 2017.
Creation of new service area:

The creation of a new service area is governed by Utah Code Ann. §§ 17B-1-201, et seq. In general, these provisions require (not necessarily in order): (i) adoption by the City Council of a resolution to initiate the creation of a new service area, (ii) issue a notice of a public hearing, (iii) hold the public hearing, (iv) expiration of the protest period, (v) adoption of a resolution creating the new service area; (vi) final local entity plat and a notice of impending boundary change, (vii) file a certified copy of the creation resolution, the original notice of impending boundary change, and the approved final local entity plat with the Lieutenant Governor, (viii) issuance of a certificate of incorporation by the Lieutenant Governor, and (ix) file the certificate of incorporation, the incorporation resolution, the notice of impending boundary change, and the approved final local entity plat in the office of the Salt Lake County Recorder. All of those steps have been accomplished, concluding with the issuance of a certificate of incorporation by the Lieutenant Governor on December 21, 2017, and, on December 27, 2017, the certificate of incorporation, the creation resolution, the notice of impending boundary change, and the approved final local entity plat were filed with the Salt Lake County Recorder’s office.

Operations:

The following summarizes selected provisions of the Utah Code that apply to service areas and outlines the issues that need to be addressed and identifies required actions for the new service area to begin operations.

Appointment of Board of Trustees:

Herriman City Resolution R47-2017, which approved the creation of the Herriman City Safety Enforcement Area (“HCSEA”), provides that the HCSEA will be governed by a Board of Trustees (“Board”) composed of five members appointed by the City Council in accordance with Utah Code Ann. §§ 17B-1-301, et seq. Utah Code Ann. § 17B-1-304 identifies the process to appoint members of the Board. If the City Council desires to appoint members of the Council to the Board, the appointment may be made by the Council adopting a resolution as an agenda item of a City Council meeting. If the City Council wants to consider non-Council members for appointment to the Board, the statute requires that a notice of vacancy be issued and, no sooner than two months after publication of the notice, the Council is to select individuals to fill the Board vacancies from the applicants who meet the qualifications established by law (be a registered voter residing within the boundaries of the service area).

- Issue: Who should serve on the Board (recommended that each member of the Council also serve as a member of the Board to avoid problems created by Utah Code Ann. § 17B-1-1001, which limits the ability of a local district to assess or increase property taxes unless, among other exceptions identified in such Section, the members of the Board are all elected officials, or a majority of the Trustees are elected officials).

- Required Action: Appoint the initial Board (we will have a draft resolution appointing each member of the Council as the Board for consideration during the January 10, 2018, Council meeting).
Utah Code Ann. § 17B-1-303 provides that the initial term of members of the Board of a newly created local district shall begin upon appointment, and shall be four years, except that approximately half the members of the initial Board, chosen by lot, shall serve a two-year term so that the term of approximately half the Board members expires every two years. Utah Code Ann. § 17B-1-303(6) contains a provision dealing with City Council members who also serve as members of the Board. It provides that the Board shall declare a midterm vacancy for the Board position held by a member of the City Council if, during his or her term on the Board, the member of the City Council ceases to be a member of the Council and the Council submits a written request to the Board to declare a midterm vacancy. Upon the Board declaring a midterm vacancy, the City Council will appoint another person (presumably a new member of the Council) to fill the remaining unexpired term on the Board. The foregoing applies if fewer than all of the members of the Board are also members of the City Council. However, if the composition of the City Council and of the Board is identical, “notwithstanding Subsections 17B-1-303(1) and (2), the term of office of each Board member coincides with the member’s term as a county or municipal legislative body member”. Utah Code Ann. § 17B-1-308(1)(c).

- Required Action: No action will be required if all of the City Council members are appointed to the Board, since their terms of office as Trustees will coincide with their City Council terms. However, if the membership of the City Council and that of the Board is not identical, the initial term for each member of the Board must be established by lot (this may create some mismatch of Council terms of office and Board terms, depending on the result of the lot procedure).

Utah Code Ann. § 17B-1-303(3) requires that, before entering upon the duties of office, each member of Board shall take the oath of office specified in Article IV, Section 10 of the Utah Constitution, and Section 17B-1-303(7) mandates that each board member give a bond for the faithful performance of the member’s duties, in the amount and with the sureties prescribed by the Board.

- Required Action: Each newly appointed Trustee must take the oath of office and, as one of the first official acts of the Board must establish the amount of the faithful performance bond. The required bond may be a “blanket bond”, if so approved by the Board. The cost of obtaining a bond covering each Trustee is to be paid by HCSEA, however, since HCSEA will have no funds of its own, it may be appropriate for the City and HCSEA to enter into an interlocal agreement pursuant to which the City will loan funds to the service area sufficient to enable it to operate until property taxes can be established, assessed, and collected in December 2108 and January 2019 (we will be prepared to administer the oath of office and have a draft resolution for a blanket bond with the Utah Local government Trust in the amount of $10,000 each for consideration during the January 10, 2018, Board meeting).

Utah Code Ann. § 17B-1-303 also requires that the District post on the Utah Public Notice Website the name, phone number, and e-mail address of each member of the Board, update the information when the membership of the Board changes or a member of the Board’s phone number or email address changes, and post any update within 30 days after the day on which the
change requiring the update occurs. This requirement applies regardless of whether the Board members also serve on the City Council.

- Required Action: Post the name, phone number, and e-mail address of each Trustee as described above (staff will make sure this requirement is satisfied).

Utah Code Ann § 17B-1-307 provides, subject to certain limitations, that members of a Board may receive compensation for service on the Board, as determined by the Board. However, if the Board is entirely compromised of City Council members, “board members may not receive compensation for their service as board members in addition to compensation they receive as members of a … municipal legislative body.” Utah Code Ann. § 17B-1-308(1)(e).

- Issue: Determine whether members of the Board will receive compensation for service on the Board and, if so, how much. If, as anticipated, all of the members of the City Council are appointed to serve on the Board, no separate or additional compensation may be paid to the Board.

Utah Code Ann. § 17B-1-309 provides that the Board shall elect from their number a chair and may elect other officers as the Board considers appropriate.

- Issue: Determine need for other officers (other recommend officers include a vice chair).
- Required Action: Elect a chair and other officers (election of a chair and vice chair is on the January 10, 2018 Board agenda).

Utah Code Ann. § 17B-1-310 provides that the Board shall adopt rules of order and procedure to govern a public meeting of the Board, conduct a public meeting in accordance with such rules of order and procedure, and make the rules of order and procedure available to the public at each meeting of the Board and on the local district's public website, if there is one.

- Required Action: Adopt rules of order and procedure to govern public Board meetings and make them available as described (we will have a resolution adopting a set of rules available for consideration during the January 10, 2018 meeting).

Utah Code Ann. § 17B-1-312 requires that each member of a Board shall, within one year after taking office, complete special training offered by the state auditor in conjunction with the Utah Association of Special Districts and, upon competition, the state auditor will issue a certificate of completion.

- Required Action: Within one year, each member of the Board is to complete special training and obtain a certificate of completion, which can be accomplished online by going to http://training.auditor.utah.gov/courses/board-member-training.

Utah Code Ann. § 17B-1-313 allows, but does not require, publication of resolutions and other actions taken by the Board. However, Utah Code Ann. §17B1-313(4) provides that no one may contest the regularity, formality, or legality of the resolution or Board action for any cause “after the expiration of 30 days from the date of publication of the notice of the resolution or other
• Issue: Determine if protection afforded by Utah Code Ann. § 17B-1-313(4) is desired.

• Required Action: None, unless the protection afforded by Utah Code Ann. § 17B-1-313(4) is desired. Note this protection is desired notice must be published in the newspaper and as required by Utah Code Ann. § 45-1-101 (suggestion that arrangements be made by interlocal agreement with the City to provide publication/notice services).

Budget:

Utah Code Ann. §§ 17B-1-601 et seq. establishes the fiscal procedures applicable to a local district such as HCSEA. Utah Code Ann. §§ 17B-1-605 through 614 require a budget officer to prepare a tentative budget which is to be “tentatively adopted” by the Board and the Board establishes the time and place for a public hearing to consider the tentatively adopted tentative budget and directs notice of the public hearing is to be published (the notice must be published at least seven days before the public hearing).

• Required Action: Appoint a budget officer budget (we will have a resolution appointing a budget officer on the January 10, 2018, Board agenda and suggestion that arrangements be made by interlocal agreement with the City to provide budget officer services-we should have a draft interlocal available for the February 28, 2018, meeting).

• Required Action: Board tentative adoption of the tentative budget (we will have a resolution tentatively adopting a tentative budget and establish and direct advertisement of the public hearing as described below on the January 10, 2018, Board agenda).

• Required Action: Establish and advertise the public hearing as required by law.

• Required Action: Since HCSEA will operate using a July 1 through June 30 fiscal year, the initial budget will cover the partial fiscal year ending June 30, 2018 and, in all probability, will include only funding borrowed from the City. HCSEA may not encumber or expend any money, whether borrowed or otherwise obtained, unless the expenditure is included in an approved budget. Presumably, money borrowed from the City will be repaid in December 2018 and January 2019 when HCSEA property taxes are collected. If that is the case, it may be necessary to include such repayments, in addition to other planned expenditures occurring between July 1, 2018 and June 30, 2019, in the full-year budget that will be adopted prior to the commencement of the 2018 - 2019 fiscal year. The 2018-2019 fiscal year budget will serve as the basis for property taxes to be established, assessed and collected by HCSEA. See Utah Code Ann. § 17B-1-616.

Utah Code Ann. § 17B-1-608 requires that the tentatively adopted tentative budget be available for public inspection for a period of at least seven days prior to the adoption of a final budget and be available at the public hearing. The Board may continue to review the tentative budget, insert new items, and increase or decrease items of income and expenditure that were the proper subject of consideration at the public hearing, and adopt the budget for the ensuing fiscal year.

Utah Code Ann. § 17B-1-615 provides that, upon final adoption, each budget shall be in effect for the budget year, subject to amendment, and a certified copy of the adopted budget shall be
filed in the district office and shall be available to the public during regular business hours. In addition, Utah Code Ann. § 17B-1-614 requires that the budget officer certify a copy of the final budget and file it with the Utah State Auditor within 30 days after adoption.

- Required Action: Establish a district office and arrange for a certified copy of the tentatively adopted budget to be available for public inspection (suggestion that an interlocal agreement be made with the City to utilize City offices as the district office, and that a copy of the budget be available for public inspection there-we should have a draft interlocal available for the February 28, 2018, meeting).
- Required Action: Adopt the final budget and file the final adopted budget with the Utah State Auditor within 30 days after adoption (suggestion that an interlocal agreement be made with the City to provide these services-we should have a draft interlocal available for the February 28, 2018, meeting).

Utah Code Ann. § 17B-1-642 provides that the Board is to approve all purchases and encumbrances, provided, however, that the Board may authorize the service area manager or other official approved by the Board to act as the financial officer for the purpose of approving routine expenditures.

- Required Action: Establish purchasing procedures and delegate authority to an individual to order Board approved purchases and approve routine expenditures (suggestion that a district manager be appointed -- similar to city manager -- and that he or she be authorized to approve routine expenditures such as the payment of UPD monthly fees, which should be identified as a routine expenditure – we should have a draft procurement policy available for the February 28, 2018, meeting or, in the alternative, state purchasing policies found in the Utah Administrative Code, Rule R33, will automatically apply as HCSEA’s procurement policy until the Board adopts its own purchasing policy).

Utah Code Ann. § 17B-1-631 requires the Board to appoint a clerk (the service area’s clerk’s functions are dissimilar to the city recorder functions – the service area clerk is a financial and an accounting position. The service area clerk, or another appointed person, may keep the Board meeting minutes. Utah Code Ann. § 17B-1-632 requires the district clerk or other designated person not performing treasurer duties to maintain the financial records for each fund of the local district. Also Utah Code Ann. §63G-2-101 et seq. (the Government Records Access and Management Act) requires the appointment of a Records Officer.

- Required Action: Appoint a service area clerk (suggestion that an interlocal agreement be entered into with the City for a City employee, possibly the City’s chief financial officer, to perform the statutory service area fiscal clerk duties and for another City employee, possibly the City recorder to be the Records Officer and to attend all HCSEA Board meetings to take minutes-we should have a draft interlocal available for the February 28, 2018, meeting to provide these services. Also we will have a resolution appointing these various officers for consideration during the January 10, 2018 Board meeting). Remember the Chair of the Board is precluded from serving as the service area clerk and the service area treasurer).
Utah Code Ann. § 17B-1-633 requires the Board to appoint a service area treasurer. The statutory treasurer duties primarily involve the collection and investment of service area funds, thereby maintaining a separation of duties and responsibilities, with the treasurer responsible for incoming funds and the clerk responsible for outgoing funds, including documenting and accounting for all service area expenditures.

- Required Action: Appoint a service area treasurer (suggestion that an interlocal agreement be entered into with the City for the City Treasurer to perform service area treasurer duties. It should be noted that an individual must be appointed to serve as clerk and a different individual must be appointed to serve as treasurer. Also we will have a resolution appointing these various officers for consideration during the January 10, 2018 Board meeting).

Utah Code Ann. § 17B-1-639 and 640 require that the Board appoint an independent auditor and, within 180 days after the close of each fiscal year, that the service area prepare an annual financial report in conformity with generally accepted accounting principles as prescribed in the Uniform Accounting Manual for Local Districts. A copy of the annual financial report or the audit report prepared by the independent auditor must be furnished to the State Auditor and be filed as a public document in the district office.

- Issue: Determine if single audit rules apply and, if so, combine the City and service area audit and, if not, appoint a separate independent auditor.

- Required Action: Appoint an independent auditor if necessary.

Utah Code Ann. § 17B-1-308(2) directs that, if the Board is comprised solely of City Council members, the City Council is to charge HCSEA a reasonable amount for “(a) the … municipal facilities that the district uses; and (b) except for services rendered by the … municipal legislative body members, the services that the … municipality renders to the local district.” Thus, even if an interlocal agreement is not in place, there is statutory authority that requires HCSEA to pay the City for the use of municipal facilities and services provided by City employees, excluding City Council members.

- Recommended Action: Even if an interlocal agreement is not in place between the City and the service area, HCSEA may be billed for facilities and services provided by the City to the service area. Long-term, however, it is recommended that the City and HCSEA enter into an interlocal agreement specifically covering such facilities and services, and that the agreement include a waiver of potential conflicts of interest for legal services and provide for independent review of the interlocal agreement by independent counsel for the service area.
HERRIMAN CITY SAFETY ENFORCEMENT AREA
RESOLUTION NO. 18—

A RESOLUTION OF THE HERRIMAN CITY SAFETY ENFORCEMENT AREA
APPOINTING VARIOUS OFFICERS

WHEREAS, the Herriman City Safety Enforcement Area (“HCSEA”) met in a special meeting on January 10, 2018, to consider, among other things, appointing various officers; and

WHEREAS, Utah Code Ann. §17B-1-101 et seq. requires appointment of various officer for the operations of the HCSEA; and

WHEREAS, the Board of Trustees of the HCSEA has determined it necessary to appoint various officers for the operations of the HCSEA.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees that Brett Wood be appointed Chief Executive Officer/District Manager, that Alan Rae be appointed Chief Financial Officer/District Clerk/Budget Officer, that Jackie Nostrom be appointed Records Officer and to attend all HCSEA meetings to take minutes, that Leslie Anglin be appointed District Treasurer, and that John Brems be appointed general counsel to the HCSEA and Mark H. Anderson be appointed independent counsel to provide independent review of Interlocal agreements.

This Resolution, assigned No. 18—__, shall take effect immediately on passage and acceptance as provided herein.

PASSED AND APPROVED by the Board of Trustees of the HCSEA this 10th day of January, 2018.

HERRIMAN CITY SAFETY ENFORCEMENT AREA

By _______________________________________
Chairman

_____________________________________
District Clerk
HERRIMAN CITY SAFETY ENFORCEMENT AREA
RESOLUTION NO. 18--

A RESOLUTION OF THE HERRIMAN CITY SAFETY ENFORCEMENT AREA
ESTABLISHING THE AMOUNT OF BOND FOR THE FAITHFUL
PERFORMANCE OF THE MEMBER'S DUTIES

WHEREAS, the Herriman City Safety Enforcement Area (“HCSEA”) met in a
special meeting on January 10, 2018, to consider, among other things, a resolution of the
Herriman City Safety Enforcement Area establishing the amount of bond for the faithful
performance of the member's duties; and

WHEREAS, Utah Code Ann. §17B-1-303(7) requires each member of a board of
trustees shall give a bond for the faithful performance of the member's duties, in the
amount and with the sureties prescribed by the Board of Trustees of the HCSEA (“Board
of Trustees”); and

WHEREAS, the Board of Trustees has determined that the amount of the bond
for faithful performance of the member duties shall be in the amount of ______; and

WHEREAS, the Board of Trustees has determined that the surety be _____;
and

WHEREAS, the Board of Trustees direct that the bonds issued by _____ be filed
with ________.

NOW, THEREFORE, BE IT RESOLVED that each member shall provide a
bond in the amount of ______ for the faithful performance of the member’s duties, that
the bond be issued by ______, that each member file the issued bond with _______.
And that the HCSEA pay the cost of each bond.

This Resolution, assigned No. 18-__, shall take effect immediately on passage
and acceptance as provided herein.

PASSED AND APPROVED by the governing body of the Agency this 10th day

HERRIMAN CITY SAFETY
ENFORCEMENT AREA

By _________________________________
Chairman
APPLICATION FOR BOND—ANY KIND

The submission of this application by the Applicant and its owners is authorization to the Company to obtain a credit report on the Applicant and its owners. The Company reserves all rights and legal duties associated with this application and any and all bonds issued as a result; including, but not limited to the right to handle or settle any claim or suit in good faith and the Company’s decision shall be binding on the Applicant and its owners. This Agreement shall be in addition to and not in lieu of or in replacement of all other indemnity agreements.

Applicant Name

Complete Name and Address of Obligee

OCCUPATION OR BUSINESS

Type of Bond

Amount of Bond

Effective Date

FINANCIAL STATEMENT

ASSETS

Cash (List Banks) Accounts Payable Taxes due & accrued

Stocks + Bonds — Describe Notes Payable to Bank Notes Payable to Others (Describe)

Notes Receivable — Describe Mortgage on Real Estate Other Liabilities — Describe

Merchandise or Material in Stock Mortgage on Real Estate

Accounts Receivable

Real Estate, Homestead A

Real Estate, Investment B

TOTAL LIABILITIES Capital Stock (Paid in)

Furniture and Fixtures

Other Assets - Describe

TOTAL ASSETS

Gross Sales - Two Years Ago

Last Year

Net Income - Two Years Ago

Last Year

INDEMNITY

The undersigned applicant and indemnitors hereby request Western Surety Company, Universal Surety of America, Surety Bonding Company of America and any affiliated company, their successors or assigns (with such company/companies referred to herein as the “Company”) to become their surety. The undersigned applicant and indemnitors hereby represent and warrant: (a) they have a substantial, material, and/or beneficial interest in obtaining bond; (b) all information provided to the Company is true, accurate and complete; and (c) they hold the title shown with their signature and that they are authorized by the business entity to execute this document.

The undersigned applicant and indemnitors authorize the Company to verify this information at the time of application and as needed, on an ongoing basis and to obtain additional information from any source, including obtaining credit reports at the time of application, in any review or renewal, at the time of any potential or actual claim, or for any other legitimate purposes as determined by the Company in its reasonable discretion, and jointly and severally agree:

1. To pay premiums, including renewal premiums and any other charges, to the Company or its agents, when due.

2. To completely INDEMNIFY the Company from and against any liability, loss, costs, attorneys' fees and expenses whatsoever which the Company shall at any time sustain as surety or by reason of having been surety on this bond or any other bond issued for any applicant and or indemnitor, or for the enforcement of this agreement, or in obtaining a release or evidence of termination under such bonds, regardless of whether such liability, loss, costs, damages, attorneys' fees and expenses are caused, or alleged to be caused, by the negligence of the Company.

3. To furnish the Company with satisfactory and conclusive termination evidence that there is no further liability on this bond or any other bond issued for applicant.

4. Upon demand by the Company for any reason whatsoever, to deposit current funds with the Company in an amount sufficient to satisfy any claim against the Company by reason of such suretyship.

5. That the Company shall have the right to handle or settle any claim or suit in good faith and the Company's decision shall be binding and conclusive on the undersigned. An itemized statement of loss and expenses incurred by the Company, shall be prima facie evidence of the fact and extent of the liability of the undersigned to the Company.

6. That the Company may decline to become surety on any bond and may cancel or amend any bond without cause and without any liability which might arise therefore.

7. That the Company shall, without notice, have the right to alter the penalty, terms and conditions of any bond issued for undersigned, and this agreement shall apply to any such altered bond. The liability for the undersigned shall not be affected by the failure of the undersigned to sign any bond, nor any claim that other indemnity or security was obtained, nor by the release of any indemnity, nor the return or exchange of any collateral obtained and if any party signing this agreement is not bound for any reason, this agreement will still be binding on each and every party.

8. That if a contract or performance bond is issued hereunder, the undersigned hereby assigns to the Company any monies now due or hereafter becoming due under the contract, including all deferred payments and retained percentage, supplies, tools, plants, equipment and materials due or used on the contract.

9. At the Company’s discretion, this indemnity agreement shall be governed in all respects by the laws of the State of South Dakota and the undersigned applicant and indemnitors consent to the jurisdiction of the courts of the State of South Dakota and the United States District Court for the District of South Dakota in all actions or proceedings arising from or relating to this indemnity agreement.

10. That this indemnity may be terminated by the undersigned, or any one or more parties so designated, upon written notice sent registered mail to the office of the Company at Sioux Falls, South Dakota 57103, of not less than twenty (20) days notice, shall any termination notice operate to modify, bar, discharge, limit, affect or impair the liability of any party hereto, for any bonds, undertakings and obligations executed prior to the date of the Company's receipt and notice of such termination.

11. In the event of any payment by the Company, to pay the Company interest on such amounts at the highest legal rate from the date such payments are made.

Agency: UTAH LOCAL GOVERNMENT TRUST

Address: 55 S HWY 89

NORTH SALT LAKE UT 84054

Agent's Code: ___________________________ ___________________________

Signature & Business/Corporate Title: __________________________

Note: Personal indemnitors should print and sign their names before the word "indemnitor" in their own handwriting, e.g., John Doe

AGENT'S RECOMMENDATION

Tell us what you know and think of the applicant.

AGENT: Check here if this correspondence was previously faxed or emailed to CNA Surety.
**IMPORTANT NOTICE**

Please discuss with the applicant the potential use of personal credit history to facilitate the underwriting review process.

<table>
<thead>
<tr>
<th>Will Applicant Sign Checks?</th>
<th>Yes</th>
<th>No</th>
<th>Is countersignature required?</th>
<th>Yes</th>
<th>No</th>
<th>Regular Audits?</th>
<th>Yes</th>
<th>No</th>
<th>By Whom?</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

| Are bank accounts reconciled by someone not authorized to deposit or withdraw from the accounts? | Yes | No | Applicant’s Net Worth $ | | | | Ever Discharged From any employment? | Yes | No |
|-----------------------------------------------|-----|----|-----------------------|------|----|-----------------|-----|----|-----------|-----|----|

<table>
<thead>
<tr>
<th>Net Worth: $</th>
<th>Elected</th>
<th>Date:</th>
<th>Term of Office:</th>
<th>Premium will be paid:</th>
<th>Yes</th>
<th>No</th>
<th>No</th>
<th>Annually</th>
<th>for term</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Title of Position</th>
<th>Main Sources of Organization’s Funding</th>
</tr>
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</table>

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<tr>
<th>Name of deceased (Ward)</th>
<th>Date of death</th>
<th>Date of appointment (If over 6 months, please explain delay.)</th>
<th>Is applicant indebted to the estate or trust?</th>
<th>Yes</th>
<th>No</th>
<th>No</th>
</tr>
</thead>
</table>

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<tr>
<th>Has applicant had prior possession of estate assets (i.e. Power of Attorney, bank accounts, etc.)?</th>
<th>Yes</th>
<th>No</th>
<th>If yes, please explain.</th>
</tr>
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</table>

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<tr>
<th>Name and address of attorney (If none, do not write the bond; submit it to our underwriters.)</th>
<th>Telephone #</th>
</tr>
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</table>

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<tr>
<th>Will the attorney remain involved throughout the duration of this estate?</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

| Assets of estate or trust (describe) | | |
|-------------------------------------|---|

<table>
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<tr>
<th>Name, age, and health status of minor(s)</th>
<th>Applicant’s relationship to deceased ward(s)</th>
<th>Applicant’s net worth: $</th>
</tr>
</thead>
</table>

| Accountship funds to be used for support of ward? | Yes | No | Approximately how much per month? | | |
|---------------------------------------------------|-----|----|---------------------------------|-------|

| What is the source of the guardianship funds? (If an insurance settlement, do not execute the bond; instead refer it to an underwriter.) | | |
|------------------------------------------------------------------------------------------------|---|

<table>
<thead>
<tr>
<th>Who are the heirs of this estate?</th>
<th>Has anyone objected to the applicant’s appointment as fiduciary?</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Will any going business of the estate be continued or operated by fiduciary? (If yes, send a copy of court order.)</th>
<th>Yes</th>
<th>No</th>
<th>Is this bond required on the demand of an interested person?</th>
<th>Yes</th>
<th>No</th>
<th>No</th>
<th>Who?</th>
</tr>
</thead>
</table>

| Name and address of court: | | |
|--------------------------|---|

| What is the applicant’s experience in handling fiduciary responsibilities? | | |
|-----------------------------|---|

<table>
<thead>
<tr>
<th>Plaintiff</th>
<th>Name and address of applicant’s attorney</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Defendant</th>
<th>Name and location of Court</th>
<th>Applicant’s net worth: $</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Name and location of Court</th>
<th>Name of Defendant</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Name and address of attorney</th>
<th>If an Injunction or Restraining Order bond, does applicant anticipate a foreclosure or collection action against him?</th>
<th>Yes</th>
<th>No</th>
<th>If so, submit for underwriting.</th>
</tr>
</thead>
</table>

| Explain purpose of bond (submit copy of relevant documents) | | |
|----------------------------------------------------------|---|

| Net worth: $ | General liability insurance carried? | Yes | No | (Give limits) | | |
|---------------|-----------------------------------|-----|----|----------------|---|

| State license number assigned to applicant, if applicable: | | |
|-----------------------------------------------------------|---|

| Serial Number and description (Please submit a copy or sample of the form it was on.) | Date of instrument | Payable to applicant only?: | Yes | No | If not, who is it payable to? | | |
|-----------------------------------------------------------------------------------------------|-----------------|-----------------|-----|----|---------------------|---|

| Are securities endorsed? | Yes | No | Describe manner of loss | | |
|-------------------------|-----|----|-------------------------|-------|

<table>
<thead>
<tr>
<th>Has notice of loss been given?</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

| When? | To Whom? | | | | |
|-------|---------|---|---|

<table>
<thead>
<tr>
<th>If registered, in whose name?</th>
<th>If a check, has payment been stopped?</th>
<th>Yes</th>
<th>No</th>
<th>If so, when?</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>If a deed of trust or note, has either been involved in a lawsuit?</th>
<th>Yes</th>
<th>No</th>
<th>Was a judgment obtained?</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Vehicle Make</th>
<th>Vehicle Model</th>
<th>Vehicle Year</th>
<th>Vehicle VIN</th>
</tr>
</thead>
</table>

| Is there a lien or lien holder? | Yes | No | If yes, list and explain. | | |
|-------------------------------|-----|----|-----------------|---|
HERRIMAN CITY SAFETY ENFORCEMENT AREA

RESOLUTION NO. 18—

A RESOLUTION OF THE HERRIMAN CITY SAFETY ENFORCEMENT AREA
ESTABLISHING DISTRICT OFFICES

WHEREAS, the Herriman City Safety Enforcement Area ("HCSEA") met in a special meeting on January 10, 2018, to consider, among other things, establishing district offices; and

WHEREAS, Utah Code Ann. §17B-1-101 et seq. requires various action including establishing a place for public inspection of the tentative budget and approved budget; and

WHEREAS, the Board of Trustees of the HCSEA has determined it necessary to establish a place for public inspection of the tentative budget and approved budget and establishing a district office.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees that the Herriman City Offices located at 5355 West Herriman Main Street Herriman Utah be the place designated for public inspection of the tentative budget and approved budget and district offices.

This Resolution, assigned No. 18—__, shall take effect immediately on passage and acceptance as provided herein.

PASSED AND APPROVED by the Board of Trustees of the HCSEA this 10th day of January, 2018.

HERRIMAN CITY SAFETY ENFORCEMENT AREA

By _________________________________
Chairman

_________________________________
District Clerk
HERRIMAN CITY SAFETY ENFORCEMENT AREA
RESOLUTION NO. 18-__

A RESOLUTION ACKNOWLEDGING RECEIPT OF A TENTATIVE BUDGET AND TENTATIVELY ADOPTING THE TENTATIVE BUDGET PURSUANT TO THE REQUIREMENTS OF UTAH CODE ANN. § 17B-1-601 ET SEQ. FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2018, AND ENDING JUNE 30, 2018

WHEREAS, the Herriman City Safety Enforcement Area (“HCSEA”) met in special session on January 10, 2018, to consider, among other things, acknowledging receipt of a tentative budget and tentatively adopting the tentative budget pursuant to the requirements of Utah Code Ann. § 17B-1-601 et seq. for the fiscal year beginning January 1, 2018, and ending June 30, 2018; and

WHEREAS, Utah Code Ann. § 17B-1-607 requires the Budget Officer to submit to the Board of Trustees a tentative budget; and

WHEREAS, the Budget Officer has submitted to the Board of Trustees a tentative budget that meets the requirement of state law; and

WHEREAS, Utah Code Ann. § 17B-1-607 requires, that the Board of Trustees “shall review, consider, and tentatively adopt the tentative budget in any regular meeting or special meeting called for that purpose and may amend or revise the tentative budget in any manner that the board considers advisable” ; and

WHEREAS, Utah Code Ann. §17B-1-608 provides that the tentative budget adopted by the board of trustees and all supporting schedules and data are public records, and are available for public inspection for a period of at least seven days prior to the adoption of a final budget; and

WHEREAS, pursuant to Utah Code Ann. §17B-1-609 the Board of Trustees hereby established January __, 2018, in the Herriman City Council Chambers located at 5355 West Herriman Main Street, Herriman Utah at ___ p.m.as the time and place of a public hearing to consider its adoption; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees acknowledges receipt of the tentative budget that meets the requirements of state law, that the tentative budget presented to the Board of Trustees is tentatively adopted to the extent required by Utah Code Ann. §17B-1-601 et seq., and orders that the District Clerk give notice of the public hearing at the time and place set forth above to consider its adoption.

THIS RESOLUTION, assigned No. __ shall take effect immediately upon passage.

PASSED AND APPROVED this 10th day of January, 2018.
HERRIMAN CITY SAFETY
ENFORCEMENT AREA

By: ________________________________
Chair

ATTEST:

_______________________________
District Clerk